

ILLINOIS POLLUTION CONTROL BOARD  
September 12, 2013

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STATE OF ILLINOIS  
Pollution Control Board

ILLINOIS POWER HOLDINGS, LLC AND )  
AMERENENERGY MEDINA VALLEY )  
COGEN, LLC, )  
 )  
Petitioners, )  
 )  
AMEREN ENERGY RESOURCES, LLC, )  
 )  
Co-Petitioner, )  
 )  
v. )  
 )  
ILLINOIS ENVIRONMENTAL PROTECION )  
AGENCY, )  
 )  
Respondent. )  
 )  
 )  
 )



ORIGINAL

PCB 14-10  
(Variance – Air)

**HEARING OFFICER ORDER**

On September 5, 2013, the Illinois Environmental Protection Agency (IEPA) filed its recommendation (Agency Rec.) and both Petitioners and IEPA filed responses to questions posed by the Board on August 14, 2013 through the Hearing Officer (Pet. Resp. to Aug. 8, 2013 Hearing Officer Order; Agency Resp. to Aug. 14, 2013 Hearing Officer Order). In their response, Petitioners suggested the Board provide any additional or follow-up questions related to the response in advance of the hearing so that Petitioners might be better equipped to provide an informed and thorough response. Pet. Resp. to Aug. 14, 2013 Hearing Officer Order at 9. The hearing is scheduled for September 17, 2013 in Springfield.

As such, follow-up questions to the responses from the Board's staff are provided in Attachment A. Petitioners and IEPA are directed to respond to the attached questions no later than 10:00 a.m. on September 16, 2013. The responses may be filed through the Clerk's Office On-Line (COOL) on the Board's website at [www.ipcb.state.il.us](http://www.ipcb.state.il.us). The "mailbox rule" (35 Ill. Adm. Code 101.300(b)(2)) does not apply to the filing of these responses. Therefore, the Clerk must receive responses to the attached questions by 10:00 am on Monday, September 16, 2013. The responses must also be served on those persons on the PCB 14-10 service list, which is available on COOL.

IT IS SO ORDERED.

CERTIFICATE OF SERVICE

It is hereby certified that true copies of the foregoing order were mailed, first class, on September 12, 2013, to each of the persons on the attached service list.

It is hereby certified that a true copy of the foregoing order was hand delivered to the following on September 12, 2013:

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**PCB 14-10**  
**ILLINOIS POWER HOLDINGS, LLC and**  
**AMERENENERGY MEDINA VALLEY COGEN, LLC**

**Attachment A**

**QUESTIONS FOR PETITIONERS**

**Annual Emissions**

1. Petitioners present Tables 1 and 2 in Exhibit 10 of the petition to demonstrate a “net benefit to the environment” of 74,303 tons in reduced SO<sub>2</sub> emissions from 2010 through 2020, and 7,778 tons in reduced SO<sub>2</sub> emissions from 2013 through 2020. Pet. Exh. 10.
  - (a) Petitioners state that IPH and Ameren anticipate closing on the transaction in the fourth quarter of 2013. Pet. at 31. Please present a revised version of Table 2 in the petition that takes into account only the emissions attributable to the fourth quarter of 2013 through the end of 2020 and the emission reductions attributable to retirement of E.D. Edwards Unit 1 as early as 2017.
  - (b) In PCB 12-126, Ameren Energy Resources (AER) provided a table showing the projected emissions during the years 2013 through 2019 using a revised heat input and emission reductions to reflect the closures of the Meredosia and Hutsonville plants. *See* PCB 12-126 AER’s Resp. to [IPCB] Technical Unit’s Questions filed July 30, 2012 at 8-9, Table 2. Please provide a similar table for projected emissions from the fourth quarter of 2013 through the end of 2020 that also includes the projected retirement of E.D. Edwards Unit 1 as early as 2017.
2. In response to question #1 in the August 14, 2013 Hearing Officer Order, petitioners state, “While Petitioners fully expect that emissions will be consistent with the numbers provided in Table 2, Petitioners at this time do not support annual emission caps relative to the MPS Group . . . .” Pet. Resp. to Aug. 14, 2013 Hearing Officer Order. Please comment on whether the current air permits for the five operating stations in the MPS Group include a limitation on heat input, operating hours, or mass emissions.

**Proposed Variance Conditions**

3. IEPA’s Recommendation suggested three additional conditions for the variance. *See* Agency Rec. at 30. Please comment on including these conditions in the requested variance.

**IPH-Ameren Transaction**

4. Assume for purposes of this question that the Board grants the variance requested in this matter and petitioners timely accept it. Please address the legal effect on such a variance if after its acceptance the transaction through which IPH would acquire AER’s active coal-fired power plants never closes.
5. The first condition in petitioners’ proposed variance order begins as follows: “If at any time [IPH] acquires ownership or control of the five operating power stations in the

Ameren MPS group, IPH must assure compliance . . . .” Pet. at 69. Please address whether this contingency or threshold includes approval by the Federal Energy Regulatory Commission of the transaction by which IPH would acquire AER’s active coal-fired power plants.

**QUESTION FOR THE AGENCY**

**SIP Revisions**

6. Please comment on whether SIP revisions that would include the requested variance would require assessing annual mass emissions under the variance. If so, please comment on the merits of including an annual mass emissions cap consistent with petitioners’ projections in Table 2 of the petition along with the proposed mitigation SO<sub>2</sub> emission rate in the variance conditions (as mentioned in the August 14, 2013 Hearing Officer Order question #1).