BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)	
)	
WATER QUALITY STANDARDS AND)	
EFFLUENT LIMITATIONS FOR THE)	R08-09 Subdocket D
CHICAGO AREA WATERWAY SYSTEM)	(Rulemaking - Water)
AND THE LOWER DES PLAINES RIVER:)	
PROPOSED AMENDMENTS TO 35 III.)	
Adm. Code Parts 301, 302, 303 and 304	

NOTICE OFFILING

TO: John Therriault, Assistant Clerk
Illinois Pollution Control Board
James R. Thompson Center
100 West Randolph Street, Suite 11-500
Chicago, IL 60601

PLEASE TAKE NOTICE that I have today filed with the Illinois Pollution Control Board, Midwest Generation L.L.C.'s Comments to Illinois Pollution Control Board's Second Notice Opinion and Order R08-09 (Subdocket D) Proposed Thermal Water Quality Standards, a copy of which is herewith served upon you.

Dated: June 1, 2015

MIDWEST GENERATION, L.L.C.

By: <u>/s/ Susan M. Franzetti</u> One of Its Attorneys

Susan M. Franzetti Kristen Laughridge Gale NIJMAN FRANZETTI LLP 10 South LaSalle Street, Suite 3600 Chicago, IL 60603 (312) 251-5590

SERVICE LIST RO8-09

Marie Tipsord, Hearing Officer Illinois Pollution Control Board 100 West Randolph St. Suite 11-500 Chicago, IL 60601

Frederick Feldman Ronald Hill Margaret Conway Metropolitan Water Reclamation District I 00 East Erie St. Chicago, IL 60611

Katherine Hodge Matthew C. Read Hodge Dwyer & Driver 3150 Roland Avenue P.O. Box 5776 Springfield, IL 62705-5776

Fredric Andes Erika Powers Barnes & Thornburg 1 North Wacker Dr., Suite 4400 Chicago, IL 60606

Lisa Frede Chemical Industry Council of Illinois 1400 E. Touhy Avenue, Suite 110 Des Plaines, IL 60019-3338

Jeffrey C. Fort Irina Dashevsky Dentons US LLP 233 S. Wacker Drive, Suite 7800 Chicago, IL 60606-6404 Deborah J. Williams Stefanie N. Diers Illinois EPA 1021 North Grand Avenue P.O. Box 19276 Springfield, IL 62794-9276

Keith Harley Elizabeth Schenkier Chicago Legal Clinic, Inc. 211 West Wacker Drive Suite 750 Chicago, IL 60606

Ann Alexander Natural Resources Defense Council 20 North Wacker Drive Suite 1600 Chicago, IL 60606

Matthew J. Dunn
Thomas H. Shepherd
Environmental Enforcement Division
Office of the Attorney General
State of Illinois
69 W. Washington St., 18th Floor
Chicago, IL 60602

Jack Darin Cindy Skrukrud Sierra Club, Illinois Chapter 70 E. Lake St., Suite 1500 Chicago, IL 60601-7447

Jessica Dexter Environmental Law & Policy Center 35 E. Wacker Drive, Suite 1600 Chicago, IL 60601

Stacy Meyers-Glen Openlands 25 E. Washington, Suite 1650 Chicago, IL 60602

Lyman C. Welch Alliance for the Great Lakes 150 N. Michigan Ave., Suite 700 Chicago, IL 60601

Mitchell Cohen Illinois DNR, Legal Illinois Department of Natural Resources One Natural Resources Way Springfield, IL 62705-5776

Roy M. Harsch Drinker Biddle & Reath 191 North Wacker Drive, Suite 3700 Chicago, IL 60606-1698

Robert VanGyseghem City of Geneva 1800 South Street Geneva, IL 60134-2203

James L. Daugherty Thom Creek Basin Sanitary District 700 West End Avenue Chicago Heights, IL 60411

Frederick D. Keady, P.E. Vermilion Coal Company 1979 Johns Drive Glenview, IL 60025

Chicago Department of Law 30 N. LaSalle St., Suite 1400 Chicago, IL 60602

Thomas W. Dimond Susan Charles Ice Miller LLP 200 West Madison Street, Suite 3500 Chicago, IL 60606-3417

Cathy Hudzik City of Chicago Mayor's Office ofintergovernmental Affairs 121 North LaSalle Street, Room 406 Chicago, IL 60602

Albert Ettinger Counsel for Environmental Groups 53 W. Jackson Blvd., Suite 1664 Chicago, IL 60604

Claire A. Manning Brown, Hay & Stephens, LLP 205 South Fifth Street, Suite 700 P.O. Box 2459 Springfield, IL 62705-2459

Jerry Paulsen Cindy Skrukrud Environmental Defenders of McHenry County 110 S. Johnson Street, Suite 106 Woodstock, IL 60098

Bernard Sawyer Thomas Granato Metropolitan Water Reclamation District 6001 West Pershing Road Cicero, IL 60650-4112

Erin L. Brooks Bryan Cave LLP One Metropolitan Square 211 North Broadway, Suite 3600 St. Louis, MO 63102-2750

Mark Schultz Navy Facilities and Engineering Command 201 Decatur Avenue, Building IA Great Lakes, IL 60088-2801

W.C. Blanton Husch Blackwell LLP 4801 Main Street, Suite 1000 Kansas city, MO 64112

Kay Anderson American Bottoms RWTF One American Bottoms Road Sauget, IL 62201

Kenneth W. Liss Andrews Environmental Engineering 3300 Ginger Creek Drive Springfield, IL 62711

Vicki McKinley Evanston Environment Board 223 Grey Avenue Evanston, IL 60202

Dr. Thomas J. Murphy 2325 N. Clifton Street Chicago, IL 60614 James E. Eggen
City of Joliet
Department of Public Works and Utilities
150 W. Jefferson Street
Joliet, IL 60431

Bob Carter
Bloomington Normal Water Reclamation
District
P.O. Box 3307
Bloomington, IL 61702-3307

James Huff Huff & Huff, Inc. 915 Harger Road, Suite 330 Oak Brook, IL 60523

Irwin Polls
Ecological Monitoring and Assessment
3206 Maple Leaf Drive
Glenview, IL 60025

CERTIFICATE OF SERVICE

The undersigned, an attorney, certifies that a true copy of the foregoing Notice of Filing and Midwest Generation L.L.C.'s Comments to Illinois Pollution Control Board Second Notice Opinion and Order R08-09 (Subdocket D) Proposed Thermal Water Quality Standards were filed electronically on June 1, 2015 with the following:

John Therriault, Assistant Clerk Illinois Pollution Control Board James R. Thompson Center 100 West Randolph Street, Suite 11-500 Chicago, IL 60601

and that true copies were mailed by First Class Mail, postage prepaid, on June 1, 2015 to the parties listed on the foregoing Service List.

/s/ Susan M. Franzetti

MIDWEST GENERATION LLC COMMENTS TO ILLINOIS POLLUTION CONTROL BOARD SECOND NOTICE OPINION AND ORDER R08-09 (SUBDOCKET D) PROPOSED THERMAL WATER QUALITY STANDARDS

June 1, 2015

SUMMARY

If finalized in its current form, the Illinois Pollution Control Board's (the "Board") proposed thermal water quality standard for the Chicago Sanitary and Ship Canal and Lower Des Plaines River would, without special and uncertain thermal variance relief, result in the closure of certain industrial facilities along the Chicago Sanitary and Ship Canal and the Lower Des Plaines River. Midwest Generation LLC ("MWG") operates three electric generating stations with thermal discharges that would be affected by the proposed rule. The three electric generation stations would not be able to comply with the proposed General Use thermal water quality standards. The IPCB's proposed three-year extension of the effective date of these standards would not solve the problem because three years is not enough time to develop the appropriate thermal standards for these thermal discharges. MWG supports a six-year extension of the thermal water quality standards for existing sources to allow enough time to (1) design and obtain concurrence from regulators on which studies should be performed, (2) conduct the biological and thermal studies, (3) consult with regulators on the studies' results and proposed variance terms; (4) prepare a thermal variance petition for filing with the Board and (5) allow adequate time for both the Board variance proceeding and subsequent U.S. EPA review of any Board-approved thermal variance(as well as possible legal challenges).

TIME TO OBTAIN CONCURRENCE AND PROCESS SITE-SPECIFIC VARIANCES

The Board's Second Notice Opinion proposes revised thermal water quality standards for the Chicago Area Waterway System (CAWS) and the Lower Des Plaines River (LDPR) that are significantly more stringent than existing thermal water quality standards, particularly for thermal discharges to the Aquatic Life Use B (ALU B) and the Upper Dresden Island Pool (UDIP) water segments at issue in the UAA Subdocket D. ALU B waters include the Chicago Sanitary and Ship Canal (CSSC) and the Brandon Pool, which is located immediately downstream of the CSSC. The UDIP use designation includes solely the stretch of the LDPR located from the I-55 Bridge upstream to the Brandon Pool. The Board's Second Notice Opinion and Order proposes to adopt the existing General Use thermal water quality standards as the new thermal water quality standards for the ALU B and UDIP water segments, as well as for other waterbodies in the CAWS previously classified as Aquatic Life Use A (ALU A) waters in the prior UAA R08-09 (Subdocket C) rulemaking. The ALU A, ALU B and UDIP use designations apply to waters that do not fully attain the Clean Water Act's fishable goals for aquatic life. By regulatory definition, these three use designations are lower quality waters than those Illinois waters classified as General Use waters. Nevertheless, the Board's Second Notice Opinion and Order proposes to adopt the General Use thermal water quality standards for the ALU A, ALU B and UDIP use waters. The General Use thermal water quality standards are the strictest of the existing thermal water quality standards under Illinois law. As the Subdocket D First Notice Opinion and Order provides, the IPCB has selected the proposed General Use thermal water quality standards for these waters "by default" because the IPCB did not find acceptable any of the alternative standards proposed by the rulemaking participants. The IPCB expressly acknowledges that existing thermal dischargers who participated in the rulemaking may not be able to comply with the proposed General Use thermal standards and may need to seek alternative relief. The Board proposes to address the existing thermal dischargers' inability to comply by extending the effective date of the thermal standards by three years.



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MWG operates three electric generating stations with thermal discharges that would be affected by the proposed rule. The Will County Station discharges to the CSSC (a Use B water). The two Joliet Stations discharge to the UDIP Use waters, located downstream of the CSSC. The three electric generation stations would not be able to comply with the proposed General Use thermal water quality standards. The IPCB's proposed three-year extension of the effective date of these standards would not provide adequate regulatory relief to ensure that appropriate thermal standards for these thermal discharges will be applied before the expiration of the proposed extension.

The Proposed Three-Year Extension is Insufficient

In proposing a three-year extension of the General Use thermal standards, the IPCB expressed a preference that any revision of the existing thermal water quality standards for these waters should instead start with a rulemaking to update the General Use standards using current science and consistent methods which would then be followed by a second rulemaking to develop new thermal standards for lower use waters like the CAWS and UDIP. (Second Notice Order at pp. 71, 78-79) It is unreasonable to expect that these two sequential rulemakings could be initiated and completed within a three-year period. Moreover, it is unreasonable to enact "temporary" thermal standards for these waters which threaten to cause the shutdown of MWG's electric-generating stations and the concomitant loss of jobs. Further, given the multi-year effort behind the thermal standards proposal, it is highly improbable that the Illinois Environmental Protection Agency and the IPCB will complete the process of two thermal standards rulemakings within a three-year period.

The Board's proposed three-year extension of the proposed General Use thermal standards' effective date would not provide an adequate amount of time for individual thermal dischargers to seek and obtain alternative thermal standards relief. The IPCB's Second Notice Order (at p. 15) indicates that before seeking such relief, MWG needs to collect additional "more recent" biological data on these waterways, which necessitates the design and implementation of future in-stream biological studies to collect such additional data. Such in-stream studies usually require a minimum of two years to collect such data and the warmer summer months need to be included in the study period. Because there is not an adequate amount of time to design and begin implementing such studies during the summer of 2015, the earliest that such studies could begin collecting such warm weather data is in the summer of 2016. Upon completion of the studies, additional time is then needed to evaluate the new data, consult with regulators regarding the studies' findings and the proposed thermal variance terms, and to initiate the process for obtaining alternative thermal standards relief. All of this could not be accomplished in three years.

For these reasons, the adoption of section 302.408 of the proposed Second Notice Order rules should be amended to provide for a six-year extension for existing thermal dischargers in the effective date of the General Use Thermal Standards.

Sincerely,

Jonathan Baylor

Vice President, Asset Management