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STATE OF ILLINOIS

Pollution Control Board

F.c. #112

BEFORE THE POLLUTION CONTROL BOARD OF THE STATE OF ILLINOIS

IN THE MATTER OF:

NATURAL, GAS-FIRED, PEAK LOAD ELECTRICAL POWER GENERATING FACILITIES (PEAKER PLANTS)

R01-10

I have reviewed a good number of the permits the IEPA has issued for peaker plants and I would like to share some of my observations.

The language of the permits issued has evolved over the last year. This is not necessarily a bad thing, as a matter of fact; it is some indication that the process works. Some of the recent additions in the permits, however, raise new questions.

In the Skygen (PSD) draft permit, the IEPA under 3 (b) (vi) makes the following definition:

"For the purpose of this permit, peaking operation means operation when base load generating capacity is insufficient to meet electrical demand and operating reserve requirements, due to high demand, outage of base load generating units, restrictions or interruptions in the power grid etc. It also includes operation of a unit for purposes of verifying unit availability for the above purpose. Compliance with this requirement shall be presumed for an individual turbine if it operates for no more then 2300 hours".

The permit also allows for operation of more then 2300 hours of operation with supporting documentation including

- 3(b) (iv) (A) (I): "The circumstances with respect to the public demand for power, e.g. unusually hot or cold weather; " and
- 3 (b) (iv) (A) (III) "the circumstances with respect to electric utility need for power e.g. unexpected outages of major generating units or damage to power transmission systems".

Under the Clean Air Act 160 (5), the IEPA has to consider all the consequences of a decision to increase air pollution. That includes the basic determination if a facility is needed or not needed. The IEPA has repeatedly refused to look at the need for the peaker proposals, however, the language in the permits tells otherwise. The IEPA has apparently concluded that they are all needed.

The IEPA is operating in a void, i.e. a missing energy policy, and is generating its own guidelines which go far beyond the scope of its responsibility and expertise.

In the newer minor construction permits, as is the case in the Carlton draft permit, the following language is used in a condition,

"The Permitee shall notify the Illinois EPA within 10 days if NOx emissions exceed 160 tons/year". I asked for an explanation of this condition at an air hearing. The part of the answer that troubled me most is the following (from the transcript of the Calton hearing page 132):

Mr. Romaine, "(.....) Or if, in fact, there has been a catastrophic change in Illinois' electric power supply system for the particular summer. The nuclear plants are off line. We have to contemplate potential

operation of this facility as a major source and need to start working on the appropriate enforcement action or corrective action to deal with that contingency."

The IEPA is contemplating the possibility that the minors become majors?

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Again, the permitting section of the IEPA would be making energy policy decisions for Illinois and perhaps beyond as many of the peakers are merchant plants.

I would like to see the Pollution Control Board recommend relieving the IEPA from the responsibility of making energy policy decisions and taking over the role the ICC used to have. I would like to see you ask the legislators to develop a comprehensive energy policy that benefits the citizens of Illinois and protects the environment.

Thank you for the opportunity to submit additional comments on the peaker plant issue.

Sincerely,