BEFORE THE ILLINOIS POLLUTION CONTROL BOARD RECEIVED

PEOPLE OF THE STATE OF ILLINOIS,) JUL 7 2003
Complainant,) STATE OF ILLINOIS) Pollution Control Board
v.	PCB NO. 99-134 (Enforcement)
PEABODY COAL COMPANY, a Delaware corporation,))
Respondent.))

NOTICE OF FILING

David R. Joest To:

Peabody Coal Company 1951 Barrett Court P.O. Box 1990

Henderson, KY 42420-1990

Stephen F. Hedinger Attorney at Law 2601 South Fifth Street Springfield, IL 62703

W. C. Blanton Blackwell Sanders Peper Martin LLP 2300 Main Street, Suite 1000 Kansas City, MO 64108

PLEASE TAKE NOTICE that on this date I mailed for filing with the Clerk of the Pollution Control Board of the State of Illinois, ANSWER TO RESPONDENT'S THREE REMAINING AFFIRMATIVE DEFENSES.

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS LISA MADIGAN Attorney General of the State of Illinois

MATTHEW J. DUNN, Chief **Environmental Enforcement/Asbestos** Litigation Division

JANE E. McBRIDE **Assistant Attorney General** Environmental Bureau

500 South Second Street Springfield, Illinois 62706 217/782-9031

Dated: July 1, 2003

RECEIVED CLERK'S OFFICE

CERTIFICATE OF SERVICE

I hereby certify that I did on July 1, 2003, send by First Class Mail, with postage thereof 2003 prepaid, by depositing in a United States Post Office Box a true and correct copy pathe of puring instruments entitled NOTICE OF FILING and ANSWER TO RESPONDENT'S THREE MANNING Board AFFIRMATIVE DEFENSES

To:

David R. Joest

Peabody Coal Company

1951 Barrett Court

P.O. Box 1990

Henderson, KY 42420-1990

Stephen F. Hedinger

Hedinger Law Office

2601 South Fifth Street

Springfield, IL 62703

W. C. Blanton

Blackwell Sanders Peper Martin LLP

2300 Main Street, Suite 1000

Kansas City, MO 64108

and the original and ten copies by First Class Mail with postage thereon fully prepaid of the same foregoing instrument(s):

To:

Dorothy Gunn, Clerk

Illinois Pollution Control Board

James R. Thompson Center, Ste. 11-500

100 West Randolph

Chicago, Illinois 60601

A copy was also sent by First Class Mail with postage thereon fully prepaid

To:

Brad Halloran

Hearing Officer

Pollution Control Board

James R. Thompson Center, Ste. 11-500

100 West Randolph

Chicago, IL 60601

Jane E. McBride

Assistant Attorney General

This filing is submitted on recycled paper.

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD CLERK'S OFFICE

PEOPLE OF THE STATE OF ILLINOIS,) JUL 7 2003
Complainant,	STATE OF ILLINOIS Pollution Control Board
v.	PCB NO. 99-134) (Enforcement)
PEABODY COAL COMPANY, a Delaware corporation,))
Respondent.))

ANSWER TO RESPONDENT'S THREE REMAINING AFFIRMATIVE DEFENSES

NOW COMES, Complainant, PEOPLE OF THE STATE OF ILLINOIS, and as its answer to the Respondent's three remaining affirmative defenses, number 4, 5 and 6, states as follows:

Fourth Affirmative Defense

1. Respondent sets forth its fourth affirmative defense as follows:

For its fourth affirmative defense to Counts I, II, and III, and each of them, PCC states that the State's claims against it are barred wholly or in part by the doctrine of laches, in that the State has for many years possessed full knowledge of all material aspects of both PCC's conduct at Eagle No. 2 and the consequences thereof complained of but has failed to address those matters in a timely fashion and PCC has been prejudiced thereby.

2. Complainant denies the allegations contained in Respondent's fourth affirmative defense.

Fifth Affirmative Defense

3. Respondent sets forth its fifth affirmative defense as follows:

For its fifth affirmative defense to Counts I, II, and III, and each of them, PCC states that the State's claims against it are barred wholly or in part by the doctrine of waiver, in that PCC's conduct at Eagle No. 2 complained of in the Complaint was carried out in accordance with the terms and conditions of permits issued by agencies of the State that possessed full knowledge of all material aspects of both PCC's conduct that would be carried out pursuant to those permits and the consequences of that conduct complained of.

4. Complainant denies the allegations contained in Respondent's fifth affirmative

defense.

Sixth Affirmative Defense

5. Respondent sets forth its sixth affirmative defense as follows:

For its sixth affirmative defense to Counts I, II, and III, and each of them, PCC states that the State's claims against it are barred wholly or in part by the doctrine of estoppel, in that PCC's conduct at Eagle No. 2 complained of in the Complaint was carried out in accordance with the terms and conditions of permits issued by agencies of the State that at the time of issuing such permits possessed full knowledge of all material aspects of both PCC's conduct that would be carried out pursuant to those permits and the consequences of that conduct complained of, PCC carried out the conduct complained of in reliance upon the State's issuance of those permits to PCC to its detriment, and the State knew at the time it issued those permits to PCC that PCC would rely upon the State issuing those permits in carrying out the conduct complained of.

6. Complainant denies the allegations contained in Respondent's sixth affirmative defense.

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS,

LISA MADIGAN Attorney General ,State of Illinois

MATTHEW J. DUNN, Chief Environmental Enforcement Division

LANE E MCDD

Environmental Bureau Assistant Attorney General

500 South Second Street Springfield, Illinois 62706 Dated: July 1, 2003