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DEC 30 2004

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD STATE OF ILLINOIS
OF THE STATE OF ILLINOIS Pollution Control Board

SOUTHERN ILLINOIS POWER COOPERATIVE)
Low Sulfur Dioxide Emission Coal Fueled Device)
)
)
)
PROPERTY IDENTIFICATION NUMBER)
10-26-200-002)

05-119 YES
PCB 04
(Tax Certification)

NOTICE

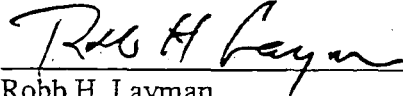
TO: Dorothy Gunn, Clerk
Illinois Pollution Control Board
State of Illinois Center
100 W. Randolph Street, Suite 11-500
Chicago, Illinois 60601

Richard C. Myott
Southern Illinois Power Coop
11543 Lake of Egypt Road
Marion, Illinois 62959-8500

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

PLEASE TAKE NOTICE that I have today filed with the Office of the Pollution Control Board the APPEARANCE and RECOMMENDATION of the Illinois Environmental Protection Agency, a copy of which is herewith served upon the applicant and a representative of the Illinois Department of Revenue.

Respectfully submitted by,



Robb H. Layman
Special Assistant Attorney General

Date: December 29, 2004

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276
Telephone: 217/782-5544
Facsimile: 217/782-9807

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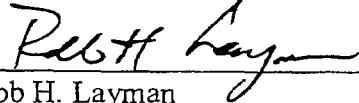
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Low Sulfur Dioxide Emission Coal Fueled Device)
)
)
PROPERTY IDENTIFICATION NUMBER)
10-26-200-002)

05-119
PCB 04
(Tax Certification)

APPEARANCE

I hereby file my Appearance in this proceeding on behalf of the Illinois
Environmental Protection Agency.

Respectfully submitted by,



Robb H. Layman
Special Assistant Attorney General

Date: December 29, 2004

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Low Sulfur Dioxide Emission Coal Fueled Device)
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RECOMMENDATION

NOW COMES the ILLINOIS ENVIRONMENTAL PROTECTION AGENCY ("Illinois EPA"), through its attorneys, and pursuant to 35 Ill. Adm. Code 125.204 of the ILLINOIS POLLUTION CONTROL BOARD'S ("Board") procedural regulations, files the Illinois EPA's Recommendation in the above-referenced request for tax certification of pollution control facilities. In support thereof, the Illinois EPA states as follows:

1. On September 30, 2004, the Illinois EPA received a request and supporting information from SOUTHERN ILLINOIS POWER COOPERATIVE ("SIPC") concerning the proposed tax certification of certain air emission sources and/or equipment located at its power plant in Williamson County, Illinois. A copy of the relevant portions of the application is attached hereto. [Exhibit A]. The Illinois EPA also received a letter on October 25, 2004, from SIPC containing supplemental information for the application. [Exhibit B].

2. The applicant's address is as follows:

Southern Illinois Power Cooperative
11543 Lake of Egypt Road
Marion, Illinois 62959-8500

3. The subject matter of this request consists of the recognition of a new circulating fluidized bed ("CFB") boiler as a "low sulfur dioxide emission coal fueled device" as defined by statute. The CFB boiler does not require downstream flue gas desulfurization because the sulfur dioxide is captured by limestone that is utilized as part of the fluidized bed. The equipment may therefore be considered a low sulfur dioxide emission device as the CFB boiler will be used to convert locally available coal in a manner that eliminates the need for any additional sulfur abatement measures otherwise required under state or federal laws and regulations.

4. Section 11-40 of the Property Tax Code, 35 ILCS 200/11-40 (2002), defines "low sulfur dioxide emission coal fueled devices" as:

"any device used or intended for the purpose of burning, combusting or converting locally available coal in a manner which eliminates or significantly reduces the need for additional sulfur abatement that would otherwise be required under State or Federal air emission standards."

The word "device" is also defined in the same provision to include:

"all machinery, equipment, structures and all related apparatus, including coal feeding equipment, of a coal gasification facility designed to convert locally available coal into a low sulfur gaseous fuel and to manage all waste and by-product streams. "

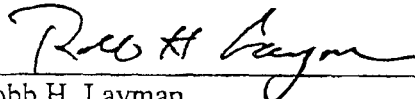
5. As with pollution control facilities, low sulfur dioxide emission coal fueled devices are entitled to preferential tax treatment, as provided by 35 ILCS 200/11-35 (2002).

6. Based on information in the application, it is the Illinois EPA's engineering judgment that the described project and/or equipment may be considered a "low sulfur dioxide emission coal fueled device" in accordance with the statutory definition and consistent with the Board's regulations at 35 Ill. Adm. Code 125.200.

7. Because the CFB boiler identified in SIPC's application satisfies the aforementioned criteria, the Illinois EPA recommends that the Board issue the applicant's requested tax certification.

Respectfully submitted by,

ILLINOIS ENVIRONMENTAL PROTECTION
AGENCY



Robb H. Layman
Special Assistant Attorney General

DATED: December 29, 2004

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276
Telephone: 217/782-5544
Facsimile: 217/782-9807

THIS FILING IS SUBMITTED ON RECYCLED PAPER

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DEC 30 2004

STATE OF ILLINOIS
Pollution Control Board
First ClassCERTIFICATE OF SERVICE

I hereby certify that on the 29th day of December, 2004, I did send, by

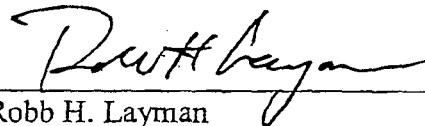
Mail, with postage thereon fully paid and deposited into the possession of the United States Postal Service, one (1) original and nine (9) copies of the following instruments entitled **NOTICE, APPEARANCE** and **RECOMMENDATION** to:

Dorothy Gunn, Clerk
Illinois Pollution Control Board
100 West Randolph Street
Suite 11-500
Chicago, Illinois 60601

and a true and correct copy of the same foregoing instruments, by First Class Mail with postage thereon fully paid and deposited into the possession of the United States Postal Service, to:

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

Richard C. Myott
Southern Illinois Power Coop
11543 Lake of Egypt Road
Marion, Illinois 62959-8500



By: Robb H. Layman
Special Assistant Attorney General

This filing is submitted on recycled paper.

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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
DIVISION OF LEGAL COUNSEL
1021 NORTH GRAND AVENUE EAST, POST OFFICE BOX 19276
SPRINGFIELD, ILLINOIS 62794-9276
TELEPHONE (217)782-5544 • FACSIMILE (217)782-9807

STATE OF ILLINOIS
Pollution Control Board

DATE: December 30, 2004

FACSIMILE TRANSMITTAL SHEET

PLEASE DELIVER THE FOLLOWING PAGE(S) TO:

PARTY'S NAME: Dorothy Gunn

FIRM/COMPANY'S NAME: Pollution Control Board

FACSIMILE NO.: _____

TELEPHONE NO.: _____

FROM: Robb Haynes

Re: Tax certification

TOTAL NUMBER OF PAGES (INCLUDING THIS PAGE): _____

HARD COPY WILL K WILL NOT _____ FOLLOW.

IF YOU DO NOT RECEIVE ALL OF THE PAGES, PLEASE CALL 217-782-5544.

COMMENTS: Filing by facsimile, as authorized by
Board Hearing Officer Bradley Halloran, of
a tax certification request by Southern Illinois
Power Cooperative

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