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STATE OF ILLINOIS
Pollution Control Board

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)

PROPOSED NEW 35 ILL. ADM. CODE 225)
CONTROL OF EMISSIONS FROM)
LARGE COMBUSTION SOURCES (MERCURY))

R06-25
(Rulemaking - Air)

PC #6296

NOTICE OF FILING

TO:

→ Dorothy Gunn
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Illinois Pollution Control Board
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SEE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that on September 20, 2006, I the undersigned caused to be filed with the Clerk of the Illinois Pollution Control Board the attached POST-HEARING COMMENTS, copies of which are herewith served upon you.

By: *William A Murray*
William A. Murray

DATED: September 20, 2006

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CITY OF SPRINGFIELD, CITY WATER LIGHT & POWER'S POST-HEARING COMMENTS

NOW COMES Participant CITY OF SPRINGFIELD, CITY WATER LIGHT & POWER, pursuant to 35 Ill. Adm. Code § 102108, and offers the following POST-HEARING COMMENTS in the above-captioned proposed rule:

- I. **THE PROPOSED MULTI-POLUTANT STANDARD OF 35 ILL. ADM. CODE 225.233 IS UNCLEAR AS TO WHETHER ELECTRIC GENERATING UNITS SCHEDULED FOR PERMANENT SHUTDOWN ARE TO BE CONSIDERED IN THE CALCULATION OF THE BASE EMISSION RATE; THEREBY ADVERSLY AFFECTING THE ABILITY OF AN "MPS GROUP" WITH EXISTING POLLUTION CONTROLS DURING THE BASE PERIOD TO MEET THE MPS EMISSIONS REDUCTIONS.**

Section 225.233(a)(3)(A) of the proposed Multi-Pollutant Standard (MPS) defines the "MPS Group" as Electric Generating Units (EGU) that elect to comply with this Subpart, with the exception of those units scheduled for permanent shutdown via Section 225.233(a)(3)(B). Such shutdown units will be excluded from the "MPS Group."

The Base Emission Rate (BER), from which the MPS SO2 and NOx emissions reductions will occur, is defined "...for a group of EGUs subject to emission standards for NOx and SO2 pursuant to Section 225.233..." and further by "...as determined from the data collected and quality assured... for emissions and heat input of the group of

EGUs.” A plain reading suggests that any EGU that requests the shutdown exclusion of Sections 225.233(a)(3)(B) and 255.235 shall not be included in the calculated BER.

From the BER, MPS Section 225.233(e) requires deep reductions in both SO₂ and NO_x. However, if all units included in an MPS Group operated emissions controls at high efficiency during the entire time period used to calculate the BER (2003 through 2005) the further reductions of NO_x and most especially SO₂ would be impossible.

This would affect City of Springfield, City Water Light & Power (CWLP) in the possible shutdown of its Lakeside facility. During the BER calculation period, CWLP's remaining EGUs (at the Dallman facility) have all operated Selective Catalytic Reduction units during the Ozone Season for the control of NO_x and Flue Gas Desulfurization Systems year-round for the control of SO₂. If the Lakeside emissions could not be included in the BER, the additional emissions reductions of the MPS would not be achievable.

It seems unlikely that the IEPA, when considering proactive utilities that installed pollution control equipment for reducing SO₂ and NO_x before the BER calculation period, would penalize those utilities by effectively excluding them from the MPS option. Rather, it seems probable that this is an oversight in the MPS language. CWLP would offer this language as a clarification within Section 225.233(a)(3)(B):

Notwithstanding the foregoing, the owner may exclude from the MPS Group any EGU scheduled for permanent shutdown that the owner so designates in its CAAPP application required to be submitted pursuant to subsection (a)(3), with compliance for such unit(s) to be achieved by means of Section 225.235 of this Subpart. This exclusion with not impact the inclusion of the EGU's emissions data in the Base Emission Rate determination.

II. THE PROPOSED MULTI-POLLUTANT STANDARD COULD NEGATIVELY IMPACT NEW ELECTRIC GENERATING UNITS

CWLP is concerned under the MPS proposal concerning the availability of SO₂ and NO_x allowances for new EGUs (those that commenced operation on or after January 1, 2001) at an existing source. Under the current MPS proposal, existing EGUs must relinquish their allocated unused allowances to the IEPA, who would in turn retire them. IEPA should allow the transfer of unused SO₂ and NO_x allowances from existing EGUs in the MPS group to new EGUs at the same existing source that are prevented by definition from joining the MPS group. This could be done only to the extent of that required to meet the new EGU's allowance requirements. As proposed, CWLP would have to surrender unused allocated allowances to the IEPA for existing EGUs, while then having to purchase allowances for new EGUs for the same control period.

CERTIFICATE OF SERVICE

I, William A. Murray, certify that I served the attached POST-HEARING COMMENTS upon the following this 20th day of September, 2006.:

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and electronically to the persons listed on the **ATTACHED SERVICE LIST**.



DATED: September 20, 2006

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