

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

**DYNEGY MIDWEST GENERATION, INC. )  
(HAVANA POWER STATION), )**

**Petitioner, )**

**v. )**

**PCB 07-  
(Permit Appeal – Air)**

**ILLINOIS ENVIRONMENTAL )  
PROTECTION AGENCY, )**

**Respondent. )**

**NOTICE OF FILING**

To:

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

Sally Carter  
Division of Legal Counsel  
Illinois Environmental Protection Agency  
1021 North Grand Avenue, East  
P.O. Box 19276  
Springfield, Illinois 62794-9276

PLEASE TAKE NOTICE that we have today filed with the Office of the Clerk of the Pollution Control Board **APPEARANCES OF KATHLEEN C. BASSI, STEPHEN J. BONEBRAKE, ANDREW N. SAWULA, and SHELDON A. ZABEL ON BEHALF OF DYNEGY MIDWEST GENERATION, INC. (HAVANA POWER STATION) and SALLY CARTER ON BEHALF OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY AND JOINT REQUEST FOR NINETY DAY EXTENSION OF APPEAL PERIOD**, copies of which are herewith served upon you.

/s/ Kathleen C. Bassi

Kathleen C. Bassi

Dated: May 16, 2007

SCHIFF HARDIN LLP  
Attorneys for Dynegy Midwest Generation, Inc.  
Sheldon A. Zabel  
Kathleen C. Bassi  
Stephen J. Bonebrake  
Andrew N. Sawula  
6600 Sears Tower  
233 South Wacker Drive  
Chicago, Illinois 60606  
312-258-5567  
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**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

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	)	
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<b>v.</b>	)	<b>PCB 07-</b>
	)	<b>(Permit Appeal – Air)</b>
	)	
<b>ILLINOIS ENVIRONMENTAL</b>	)	
<b>PROTECTION AGENCY,</b>	)	
	)	
<b>Respondent.</b>	)	

**APPEARANCE**

I hereby file my appearance in this proceeding, on behalf of Dynegy Midwest Generation, Inc., (Havana Power Station).

*/s/ Kathleen C. Bassi*

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Kathleen C. Bassi  
Schiff Hardin LLP  
6600 Sears Tower  
233 South Wacker Drive  
Chicago, Illinois 60606  
(312) 258-5500

Dated: May 16, 2007

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

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<b>ILLINOIS ENVIRONMENTAL</b>	)	
<b>PROTECTION AGENCY,</b>	)	
	)	
<b>Respondent.</b>	)	

**APPEARANCE**

I hereby file my appearance in this proceeding, on behalf of Dynegy Midwest Generation, Inc., (Havana Power Station).

*/s/ Stephen J. Bonebrake*

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Stephen J. Bonebrake  
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6600 Sears Tower  
233 South Wacker Drive  
Chicago, Illinois 60606  
(312) 258-5500

Dated: May 16, 2007

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**Respondent. )**

**APPEARANCE**

I hereby file my appearance in this proceeding, on behalf of Dynegy Midwest Generation, Inc., (Havana Power Station).

*/s/ Andrew N. Sawala*

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Andrew N. Sawala  
Schiff Hardin LLP  
6600 Sears Tower  
233 South Wacker Drive  
Chicago, Illinois 60606  
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Dated: May 16, 2007

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**Respondent. )**

**APPEARANCE**

I hereby file my appearance in this proceeding, on behalf of Dynegy Midwest Generation, Inc., (Havana Power Station).

*/s/ Sheldon A. Zabel*

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Sheldon A. Zabel  
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(312) 258-5500

Dated: May 16, 2007

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

DYNEGY MIDWEST GENERATION, INC. )  
 (HAVANA POWER STATION), )  
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 Petitioner, )  
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 ILLINOIS ENVIRONMENTAL )  
 PROTECTION AGENCY, )  
 )  
 Respondent. )

PCB 07-  
(Permit Appeal – Air)

APPEARANCE

The undersigned, as one of its attorneys, hereby enters her APPEARANCE on behalf of Respondent, Illinois Environmental Protection Agency.

*/s/* **Sally Carter**

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Sally Carter  
 Assistant Counsel  
 Division of Legal Counsel

Dated: May 16, 2007

Illinois Environmental Protection Agency  
 1021 North Grand Avenue, East  
 P.O. Box 19276  
 Springfield, Illinois 62794-9276  
 217/782-5544

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

<b>DYNEGY MIDWEST GENERATION, INC.</b>	)	
<b>(HAVANA POWER STATION),</b>	)	
	)	
<b>Petitioner,</b>	)	
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	)	<b>(Permit Appeal – Air)</b>
	)	
<b>ILLINOIS ENVIRONMENTAL</b>	)	
<b>PROTECTION AGENCY,</b>	)	
	)	
<b>Respondent.</b>	)	

**JOINT REQUEST FOR NINETY DAY EXTENSION OF APPEAL PERIOD**

Petitioner, DYNEGY MIDWEST GENERATION, INC., HAVANA POWER STATION (“DMG”), by and through its attorneys, Schiff Hardin LLP, and the Respondent, Illinois Environmental Protection Agency (“Agency”), pursuant to Section 40(a)(1) of the Illinois Environmental Protection Act (415 ILCS 5/40(a)(1)) and 35 Ill. Adm. Code 105.208(a), respectfully and jointly request that the Illinois Pollution Control Board (“Board”) grant an extension of the 35-day period for filing petitions to appeal the Agency’s issuance of a construction permit for 90 days, until August 27, 2007. In support of this Petition, the parties state as follows:

1. On April 16, 2007, the Agency issued a construction permit (received by DMG via mail on April 24, 2007) to DMG to permit the construction and operation of baghouse, scrubber, and sorbent injection systems for the Unit 6 boiler owned and operated by DMG at the Havana Power Station. A copy of the permit is attached hereto



and incorporated herein as Exhibit A. The deadline for filing an appeal of this permit is May 29, 2007.

2. The parties agree that additional time would be useful to continue negotiations and may eliminate the need to submit a permit appeal.

WHEREFORE, the parties respectfully and jointly request that the Board grant an extension of the period for filing an appeal of this permit until July 23, 2007.

Respectfully submitted,

DYNEGY MIDWEST GENERATION,  
INC. (HAVANA POWER STATION)

ILLINOIS ENVIRONMENTAL  
PROTECTION AGENCY

by:

by:

*/s/ Kathleen C. Bassi*

*/s/ Sally Carter*

\_\_\_\_\_  
One of Its Attorneys

\_\_\_\_\_  
Sally Carter  
Assistant Counsel

Dated: May 16, 2007

SCHIFF HARDIN, LLP  
Sheldon A. Zabel  
Kathleen C. Bassi  
Stephen J. Bonebrake  
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ILLINOIS ENVIRONMENTAL  
PROTECTION AGENCY  
Sally Carter, Assistant Counsel  
1021 North Grand Avenue, East  
P.O. Box 19276  
Springfield, Illinois 62794-9276  
217-782-5544

## **Exhibit A**

# **Construction Permit Issued to Dynergy Midwest Generation, Inc. (Havana Power Station)**

**April 16, 2007  
(received April 24, 2007)**



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19506, SPRINGFIELD, ILLINOIS 62794-9506 - (217) 782-2113

ROD R. BLAGOJEVICH, GOVERNOR

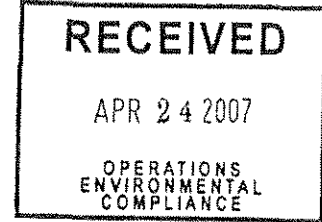
DOUGLAS P. SCOTT, DIRECTOR

217/782-2113

CONSTRUCTION PERMIT

PERMITTEE

Dynegy Midwest Generation, Inc.  
Attn: Rick Dierick  
2828 North Monroe Street  
Decatur, Illinois 62526



Application No.: 07010031

I.D. No.: 125804AAB

Applicant's Designation:

Date Received: January 17, 2007

Subject: Baghouse, Scrubber and Sorbent Injection Systems for Unit 6

Date Issued: April 16, 2007

Location: Havana Power Plant, 15260 N. State Route 78, Havana, Mason County

Permit is hereby granted to the above-designated Permittee to CONSTRUCT equipment consisting of a baghouse, scrubber, and sorbent injection system for the Unit 6 Boiler and associated installation of booster fans, as described in the above referenced application. This Permit is subject to standard conditions attached hereto and the following special condition(s):

1.1 Introduction

- a. This Permit authorizes construction of a baghouse system (Baghouses A and B), scrubber system (Scrubbers A and B), and sorbent injection system to supplement the existing emission control systems on the existing Unit 6 boiler (also known as Boiler 9). The new baghouse system, scrubber system, and sorbent injection system would further process the flue gas from this existing coal-fired boiler, which is equipped with a particulate agglomerator, electrostatic precipitator (ESP), and selective catalytic reduction (SCR) system. This permit also authorizes installation of booster fans on the boiler to compensate for the additional pressure drop from these new control systems.
- b. i. This permit is issued based on this project being an emissions control project, whose purpose and effect will be to reduce emissions of sulfur dioxide (SO<sub>2</sub>), particulate matter (PM), and mercury from the existing boiler and which will not increase emissions of other PSD pollutants. As such, the terms and conditions of the existing permits will continue to govern emissions and operation of the boiler except as specifically indicated.
- ii. This permit is issued based on the receiving, storage and handling of limestone and halogenated activated carbon for the new control systems qualifying as insignificant activities, with annual emissions of PM in the absence of control equipment that would be no more than 0.44 tons, so that this activity need not be addressed by this permit. This does affect the Permittee's obligation to comply with

Page 2

all applicable requirements that apply to the receiving, storage and handling of these materials.

- c. This permit does not authorize any modifications to the existing boiler or generating unit, which would increase their capacity or potential emissions.
- d. This permit does not affect requirements for the affected boiler established by the Consent Decree in *United States of America and the State of Illinois, American Bottom Conservancy, Health and Environmental Justice-St. Louis, Inc., Illinois Stewardship Alliance, and Prairie Rivers Network, v. Illinois Power Company and Dynegy Midwest Generation Inc.*, Civil Action No. 99-833-MJR, U.S. District Court, Southern District of Illinois (Decree), certain provisions of which are referenced by this permit. In addition, as the provisions of the Decree are referenced in certain conditions of this permit, in the event of inconsistency between a permit condition and the provision of the Decree or if a provision of the Decree is revised, the actual provision of the Decree shall govern.

#### 1.2 Applicability Provisions

- a. The "affected boiler" for the purpose of these unit-specific conditions is the existing Unit 6 boiler after the initial startup of the new emissions control systems, as described in Condition 1.1.
- b. For purposes of certain conditions related to the Decree, the affected boiler is also part of a "Unit" as defined by Paragraph 50 of the Decree, which defines a "Unit" to mean collectively, the boiler that produce steam for the steam turbine (i.e., the affected boiler), the coal pulverizer, stationary equipment that feeds coal to the boiler, the steam turbine, the generator, the equipment necessary to operate the generator, steam turbine and boiler, and all ancillary equipment, including pollution control equipment.

#### 1.3 Applicable Emission Standards for the Affected Boiler

- a.
  - i. The affected boiler shall comply with applicable emission standards under the federal New Source Performance Standards (NSPS) for Fossil Fuel Fired Steam Generators, 40 CFR 60 Subpart D, as addressed in existing permits for the affected boiler.
  - ii. The affected boiler shall comply with applicable emission standards and requirements related to mercury emission pursuant to 35 IAC Part 225, by the applicable dates specified by these rules.
- b. The affected boiler shall comply with applicable emission standards under Title 35, Subtitle B, Chapter I, Subchapter c of the Illinois Administrative Code, as addressed in existing permits for the affected boiler.

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- c. The PM emission rate of the affected boiler shall not be greater than the limit specified in Paragraph 86 of the Decree, i.e., 0.030 lb/mmBtu. Emission testing conducted to determine compliance with this limit shall use methods and procedures as specified in Paragraph 90 of the Decree

Note: The PM emission rate for the affected boiler pursuant to the Decree is more stringent than the applicable NSPS and state standards for PM.

1.4 Future Applicable Emission Rate under the Consent Decree

- a. The SO<sub>2</sub> emission rate of affected boiler shall be no greater than the limit specified in Paragraph 66 of the Decree, i.e., 0.100 lb/mmBtu, by the date specified in Paragraph 66, i.e., no later than December 31, 2012. Emission testing conducted to determine compliance with this limit shall use methods and procedures as specified in Paragraph 82 of the Decree.

Note: The SO<sub>2</sub> emission rate for the affected boiler pursuant to the Decree, when it takes effect, will be more stringent than the current applicable federal NSPS standards of 1.2 lb/mmBtu.

- b. The PM emission rate of the affected boiler shall be no greater than the limit specified in Paragraph 85 of the Decree, i.e., 0.015 lb/mmBtu, by the date specified in Paragraph 66, i.e., no later than December 31, 2012. Emission testing conducted to determine compliance with this limit shall use methods and procedures as specified in Paragraph 90 of the Decree.

1.5 Compliance Assurance Monitoring (CAM)

As provided by 40 CFR 64.5(a)(2), if the Permittee applies for a significant modification of the CAAPP Permit for the source to include the new control system(s) for the affected boiler, the Permittee shall submit a compliance assurance monitoring (CAM) plan in accordance with 40 CFR Part 64, Compliance Assurance Monitoring for the boiler, to the extent that it would be a pollutant-specific emissions unit for which the proposed permit revision is applicable.

1.6 Work Practices and Operational Requirements for PM and SO<sub>2</sub> Control Devices

- a. i. The Permittee shall operate and maintain each PM control device on the affected boiler in accordance with Paragraphs 83 and 87 of the Decree:

Note: Paragraphs 83 and 87 of the Decree generally require that PM control devices be operated to maximize PM emission reductions at all times when Unit is in operation to the extent reasonably practicable and specify certain minimum operating and maintenance practices that the Permittee must implement for this purpose.

- ii. The Permittee shall operate and maintain the ESP on each affected boiler in accordance with Paragraph 84 of the Decree.

Note: Paragraph 84 of the Decree requires that the Permittee implement the practices recommended by the PM Emission Control Optimization Studies performed in accordance with Paragraph 84 of the Decree or other alternative actions approved by USEPA in accordance with Paragraph 84 of the Decree, unless the criterion in Paragraph 87 of the Decree that lift this requirement have been satisfied.

iii. The Permittee shall operate and maintain the affected boiler and Unit 6, and associated PM control equipment in accordance with the PM control plan maintained by the Permittee pursuant to Condition 1.9-2(b)(i)(A).

b. i. Effective no later than December 31, 2012, the Permittee shall not operate the affected boiler and Unit 6 unless the requirements of Paragraph 66 of the Decree with respect to addition of a flue gas desulfurization system or an equivalent SO<sub>2</sub> control technology to the affected boiler have been fulfilled.

ii. The Permittee shall operate and maintain the additional SO<sub>2</sub> control system on the affected boiler, as addressed above, in accordance with Paragraph 69 of the Decree.

Note: Paragraph 69 of the Decree generally requires that SO<sub>2</sub> control system be operated to maximize SO<sub>2</sub> emission reductions at all times when Unit is in operation to the extent reasonably practicable and specify certain minimum operating and maintenance practices that the Permittee must implement for this purpose.

iii. The Permittee shall operate and maintain the additional SO<sub>2</sub> control system on the affected boiler in accordance with the SO<sub>2</sub> control plan maintained by the Permittee pursuant to Condition 1.9-2(b)(iii)(A).

c. The ductwork for the affected boiler shall not include a "bypass duct" that would enable the flue gas from the affected boiler to bypass the baghouse system.

#### 1.7 Testing Requirements

a. i. The Permittee shall have testing conducted to measure the PM emissions from the affected boiler on a periodic basis consistent with the requirements of Paragraphs 89 and 119 of the Decree with respect to the timing of PM emission tests.

ii. The Permittee shall also have testing conducted to measure the PM emissions from the affected boiler within 90 days (or such later date set by the Illinois EPA) following a request by the Illinois EPA for such measurements.

Page 5

- b. i. These measurements shall be performed in the maximum operating range of the affected boiler and otherwise under representative operating conditions.
- ii. A. The methods and procedures used for measurements to determine compliance with the applicable PM emission standards and limitations shall be in accordance with Paragraph 90 of the Decree.  
B. In conjunction with such measurements, measurements of condensable PM shall also be conducted by USEPA Method 202 (40 CFR Part 51, Appendix M) or other established test method approved by the Illinois EPA.
- c. Except for minor deviations in test methods, as defined by 35 IAC 283.130, PM emission testing shall be conducted in accordance with a test plan prepared by the testing service or the Permittee and submitted to the Illinois EPA for review prior to testing, and the conditions, if any, imposed by the Illinois EPA as part of its review and approval of the test plan, pursuant to 35 IAC 283.220 and 283.230. The Permittee shall submit this test plan at least 60 days prior to the actual date of testing.
- d. The Permittee shall notify the Illinois EPA prior to conducting PM emission testing to enable the Illinois EPA to observe testing. Notification for the expected test date shall be submitted a minimum of 30 days prior to the expected date of testing. Notification of the actual date and expected time of testing shall be submitted a minimum of 5 working days prior to the actual test date. The Illinois EPA may on a case-by case basis accept shorter advance notice if it would not interfere with the Illinois EPA's ability to observe testing.
- e. The Permittee shall submit the Final Report(s) for this PM emission testing to the Illinois EPA within 45 days of completion of testing, which report(s) shall include the following information:
  - i. The name and identification of the affected unit(s) and the results of the tests.
  - ii. The name of the company that performed the tests.
  - iii. The name of any relevant observers present including the testing company's representatives, any Illinois EPA or USEPA representatives, and the representatives of the Permittee.
  - iv. Description of test method(s), including description of sampling points, sampling train, analysis equipment, and test Decree, including a description of any minor deviations from the test plan, as provided by 35 IAC 283.230(a).
  - v. Detailed description of operating conditions during testing, including:

Page 6

- A. Operating information for the affected boiler, i.e., firing rate of each boiler (million Btu/hr) and composition of fuel as burned (ash, sulfur and heat content).
  - B. Combustion system information, i.e., settings for distribution of primary and secondary combustion air, settings for O<sub>2</sub> concentration in the boiler, and levels of CO in the flue gas, if determined by any diagnostic measurements.
  - C. Control equipment information, i.e., equipment condition and operating parameters during testing, including any use of the flue gas conditioning system.
  - D. Load during testing (megawatt output).
- vii. Data and calculations, including copies of all raw data sheets and records of laboratory analyses, sample calculations, and data on equipment calibration.
  - viii. The SO<sub>2</sub>, NO<sub>x</sub>, O<sub>2</sub> or CO<sub>2</sub>, (hourly averages) and opacity data (6-minute averages) measured during testing.

Note: This permit does not affect the requirements for emission testing contained in the existing permits for the source.

#### 1.8 Monitoring Requirements

- a. The Permittee shall install, operate, and maintain continuous monitoring equipment for operation of the sorbent injection system, i.e., rate of injection of sorbent.
- b. The Permittee shall install, operate and maintain continuous monitoring equipment to measure the following operating parameters of the baghouse system:
  - i. The temperature of the flue gas at the inlet of the system (hourly average).
  - ii. The pressure drop across the system (hourly average).
- c. The Permittee shall comply with all applicable requirements of 35 IAC Part 225 related to monitoring of mercury emissions from the affected boiler.

Note: This permit does not affect the requirements for monitoring contained in the existing permits for the source.

#### 1.9-1 Recordkeeping Requirements for the Coal Supply for the Affected Boiler

- a. The Permittee shall comply with all applicable requirements of 35 IAC Part 225 related to sampling and analysis of the coal supply to the affected boiler for its mercury content.



Page 7

- b. The Permittee shall keep records of the mercury and heat content of the coal supply to the affected boiler, with supporting data for the associated sampling and analysis methodology, so as to have representative data for the mercury content of the coal supply to the boiler to accompany mercury emission data collected for the boiler. The analysis of the coal for mercury content shall be conducted using appropriate ASTM Methods as specified in 35 IAC Part 225.

Note: This permit does not affect the recordkeeping requirements contained in the existing permits for the source.

1.9-2 Records for Control Devices and Control Equipment

The Permittee shall maintain the following records for the new baghouse, scrubber, and sorbent injection systems on the affected boilers:

- a. i. Logs for the Baghouse System
  - A. An operating log or other records for the baghouse system that, at a minimum: (1) Identifies the trigger for bag cleaning, e.g., manual, timer, or pressure drop; (2) Identifies each period when a Unit was in operation and the baghouse was not being operated or was not operating effectively; (3) Identifies each period when any baghouse module(s) have been taken out of regular service, with identification of the module(s) and explanation; and (4) Specifically documents the implementation of the operating procedures related to the baghouse that are required to be or are otherwise implemented pursuant to Condition 1.6(a).
  - B. Maintenance and repair log or other records for the baghouse system that, at a minimum: (1) List the activities performed, with date and description, and (2) Specifically document the maintenance and repair activities related to the baghouse that are required to be or are otherwise performed pursuant to Condition 1.6(a).
- ii. Logs for the Scrubber System
  - A. An operating log or other records for the scrubber system that, at a minimum (1) identify each period of time when the affected Unit was in operation and associated scrubber was not being operated or was not operating effectively, and (2) specifically document the implementation of the operating procedures related to the scrubber that are required to be or are otherwise implemented pursuant to Condition 1.6(b).
  - B. Maintenance and repair log or other records for the system that, at a minimum: (1) list the activities performed, with date and description, and (2) specifically document the maintenance and repair

activities related to scrubber that are required to be or are otherwise performed pursuant to Condition 1.6(b).

iii. Logs for the Sorbent Injection System

- A. An operating log or other records for the system that, at a minimum: (1) identify the sorbent that is being used, the setting(s) for sorbent injection rate and each period of time when an affected boiler was in operation and the system was also being operated, and (2) specifically documents the implementation of the operating procedures related to the sorbent injection that are required to be or are otherwise implemented pursuant to Condition 1.6(c)..
- B. Maintenance and repair log or other records for the system that, at a minimum, list the activities performed, with date and description.

b. PM Emission Control Planning

- i. The following records related to the procedures and practices for control of PM emissions from the affected boilers:
  - A. A record, which shall be kept up to date, identifying the specific operating procedures and maintenance practices (including procedures and practices specifically related to startups and malfunction/breakdown incidents) currently being implemented by the Permittee for the affected boiler and Unit and associated PM control equipment to satisfy Conditions 1.6(a). These procedures and practices are referred to as the "PM Control Plan" in this permit.
  - B. Accompanying this record, the Permittee shall maintain a demonstration showing that the above PM Control Plan fulfills the requirements of Conditions 1.6(a).
- ii. Copies of the records required by Conditions 1.9-2(b)(i) shall be submitted to the Illinois EPA upon request.
- iii. Accompanying the records required by Conditions 1.9-2(b)(i), a file containing a copy of all correspondence and other written material exchanged with USEPA that addresses the procedures and practices that must be implemented pursuant to Paragraphs 83, 84 and 87 of the Decree. This file shall be retained for at least three years after the permanent shutdown of the affected Unit.

c. Specific Records for the Sorbent Injection System

During the period before recordkeeping is required for usage of sorbent pursuant to 35 IAC Part 225, the usage of sorbent (lbs)

Page 9

and average sorbent injection rate (lbs/operating hour), on a monthly basis.

Note: This permit does not affect the recordkeeping requirements for the existing control system(s) that are contained in the existing permits for the source.

1.9-3 Other Recordkeeping Requirements

a. Summary Records Related to the PM Control Plan

The Permittee shall maintain the following records for each incident when applicable action(s) required pursuant to the PM Control Plan were not taken for affected boiler or Unit:

- i. The date of the incident.
- ii. A description of the incident, including the required action(s) that were not taken; other actions or mitigation measures that were taken, if any; and the likely consequences of the incidents as related to emissions.
- iii. The time at and means by which the incident was identified.
- iv. The length of time after the incident was identified before required action(s) were taken or were no longer required and an explanation why this time was not shorter, including a discussion of the timing of any mitigation measures that were taken for the incident.
- v. The estimated total duration of the incident, i.e., the total length of time that the affected boiler ran without the required action(s) being taken.
- vi. A discussion of the probable cause of the incident and any preventative measures taken.
- vii. A discussion whether any applicable PM emission standards or limits, as addressed by Condition 1.3, 1.4 or 1.6, may have been violated, either during or as a result of the incident, with supporting explanation.

b. Records Related to Mercury Emissions

- i. The Permittee shall comply with all applicable recordkeeping requirements of 35 IAC Part 225 related to control of mercury emissions from the affected boiler.
- ii. During the period before the Permittee is required to conduct monitoring for the mercury emissions of the affected boiler pursuant to 35 IAC Part 225, the Permittee shall maintain records of emission data for mercury collected for the affected boiler by the Permittee, including emissions (micrograms per cubic meter, pounds per hour, or pounds per million Btu) and control efficiency for different modes of operation of the boiler and sorbent

Page 10

injection system, with identification and description of the mode of operations.

1.10-1 Reporting Requirements - Reporting of Deviations

a. Prompt Reporting of Deviations

For the affected boiler, the Permittee shall promptly notify the Illinois EPA of deviations from permit requirements as follows. At a minimum, these notifications shall include a description of such deviations, including whether they occurred during startup or malfunction/breakdown, and a discussion of the possible cause of such deviations, any corrective actions and any preventative measures taken.

- i. Immediate notification for a deviation from requirements related to PM emissions if the deviation is accompanied by the failure of three or more compartments in the baghouse system.
- ii. Notification with the quarterly reports required by Condition 1.10-2(a) for deviations not addressed above, including deviations from other applicable requirements, e.g., work practice requirements, required operating procedures, required maintenance practices, and recordkeeping requirements.

b. Periodic Reporting of Deviations

The quarterly reports required by Condition 1.10-2(a) shall include the following information for the affected boiler related to deviations from permit requirements during the quarter.

- i. A listing of all instances of deviations that have been reported in writing to the Illinois EPA as provided by Condition 1.10-1(a)(i), including identification of each such written notification or report. For this purpose, the Permittee need not resubmit copies of these previous notifications or reports but may elect to supplement such material.
- ii. Detailed information, as required by Condition 1.10-1(a)(ii), for all other deviations.

Note: This permit does not affect the requirements for reporting of deviations contained in the existing permits for the source.

1.10-2 Reporting Requirements - Periodic Reporting

a. The Permittee shall submit quarterly reports to the Illinois EPA.

- i. These reports shall include a summary of information recorded during the quarter pursuant to Conditions 1.9-3(a) and (b).

Page 11

- ii. These reports shall include the information for the affected boiler related to deviations during the quarter specified by Condition 1.10-1(b).
  - iii. These reports shall be submitted within 45 days after the end of each calendar quarter. For example, the quarterly report for the first quarter, i.e., January, February and March, shall be submitted by May 15.
- b. The Permittee shall comply with all applicable reporting requirements of 35 IAC Part 225 related to control of mercury emissions from the affected boiler.

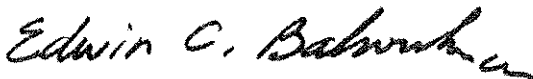
Note: This permit does not affect the requirements for quarterly reporting contained in the existing permits for the source.

#### 1.11 Authorization for Operation

The Permittee may operate the affected boiler with the new baghouse, scrubber, and sorbent injection systems under this construction permit until such time as final action is taken to address these systems in the CAAPP permit for the source provided that the Permittee submits an appropriate application for CAAPP permit, which incorporates new requirements established by this permit within one year (365 days) of beginning operations of the affected boiler with these systems.

Please note that this permit does not address requirements of the Consent Decree for emissions of nitrogen oxides (NO<sub>x</sub>). This is because this permit does not address any changes to control equipment for NO<sub>x</sub> emissions.

If you have any questions concerning this permit, please contact Kunj Patel or Christopher Romaine at 217/782-2113.



Edwin C. Bakowski, P.E.  
Acting Manager, Permit Section  
Division of Air Pollution Control

ECB:CPR:KMP:

cc: Region 2



STATE OF ILLINOIS  
ENVIRONMENTAL PROTECTION AGENCY  
DIVISION OF AIR POLLUTION CONTROL  
P. O. BOX 19506  
SPRINGFIELD, ILLINOIS 62794-9506

STANDARD CONDITIONS FOR CONSTRUCTION/DEVELOPMENT PERMITS  
ISSUED BY THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

July 1, 1985

The Illinois Environmental Protection Act (Illinois Revised Statutes, Chapter 111-1/2, Section 1039) authorizes the Environmental Protection Agency to impose conditions on permits which it issues.

The following conditions are applicable unless superseded by special condition(s).

1. Unless this permit has been extended or it has been voided by a newly issued permit, this permit will expire one year from the date of issuance, unless a continuous program of construction or development on this project has started by such time.
2. The construction or development covered by this permit shall be done in compliance with applicable provisions of the Illinois Environmental Protection Act and Regulations adopted by the Illinois Pollution Control Board.
3. There shall be no deviations from the approved plans and specifications unless a written request for modification, along with plans and specifications as required, shall have been submitted to the Agency and a supplemental written permit issued.
4. The permittee shall allow any duly authorized agent of the Agency upon the presentation of credentials, at reasonable times:
  - a. to enter the permittee's property where actual or potential effluent, emission or noise sources are located or where any activity is to be conducted pursuant to this permit,
  - b. to have access to and to copy any records required to be kept under the terms and conditions of this permit,
  - c. to inspect, including during any hours of operation of equipment constructed or operated under this permit, such equipment and any equipment required to be kept, used, operated, calibrated and maintained under this permit,
  - d. to obtain and remove samples of any discharge or emissions of pollutants, and
  - e. to enter and utilize any photographic, recording, testing, monitoring or other equipment for the purpose of preserving, testing, monitoring, or recording any activity, discharge, or emission authorized by this permit.
5. The issuance of this permit:
  - a. shall not be considered as in any manner affecting the title of the premises upon which the permitted facilities are to be located,
  - b. does not release the permittee from any liability for damage to person or property caused by or resulting from the construction, maintenance, or operation of the proposed facilities,
  - c. does not release the permittee from compliance with other applicable statutes and regulations of the United States, of the State of Illinois, or with applicable local laws, ordinances and regulations,
  - d. does not take into consideration or attest to the structural stability of any units or parts of the project, and

- e. in no manner implies or suggests that the Agency (or its officers, agents or employees) assumes any liability, directly or indirectly, for any loss due to damage, installation, maintenance, or operation of the proposed equipment or facility.
6.
    - a. Unless a joint construction/operation permit has been issued, a permit for operation shall be obtained from the Agency before the equipment covered by this permit is placed into operation.
    - b. For purposes of shakedown and testing, unless otherwise specified by a special permit condition, the equipment covered under this permit may be operated for a period not to exceed thirty (30) days.
  7. The Agency may file a complaint with the Board for modification, suspension or revocation of a permit:
    - a. upon discovery that the permit application contained misrepresentations, misinformation or false statements or that all relevant facts were not disclosed, or
    - b. upon finding that any standard or special conditions have been violated, or
    - c. upon any violations of the Environmental Protection Act or any regulation effective thereunder as a result of the construction or development authorized by this permit.

DIRECTORY  
ENVIRONMENTAL PROTECTION AGENCY  
BUREAU OF AIR

For assistance in preparing a permit application contact the Permit Section.

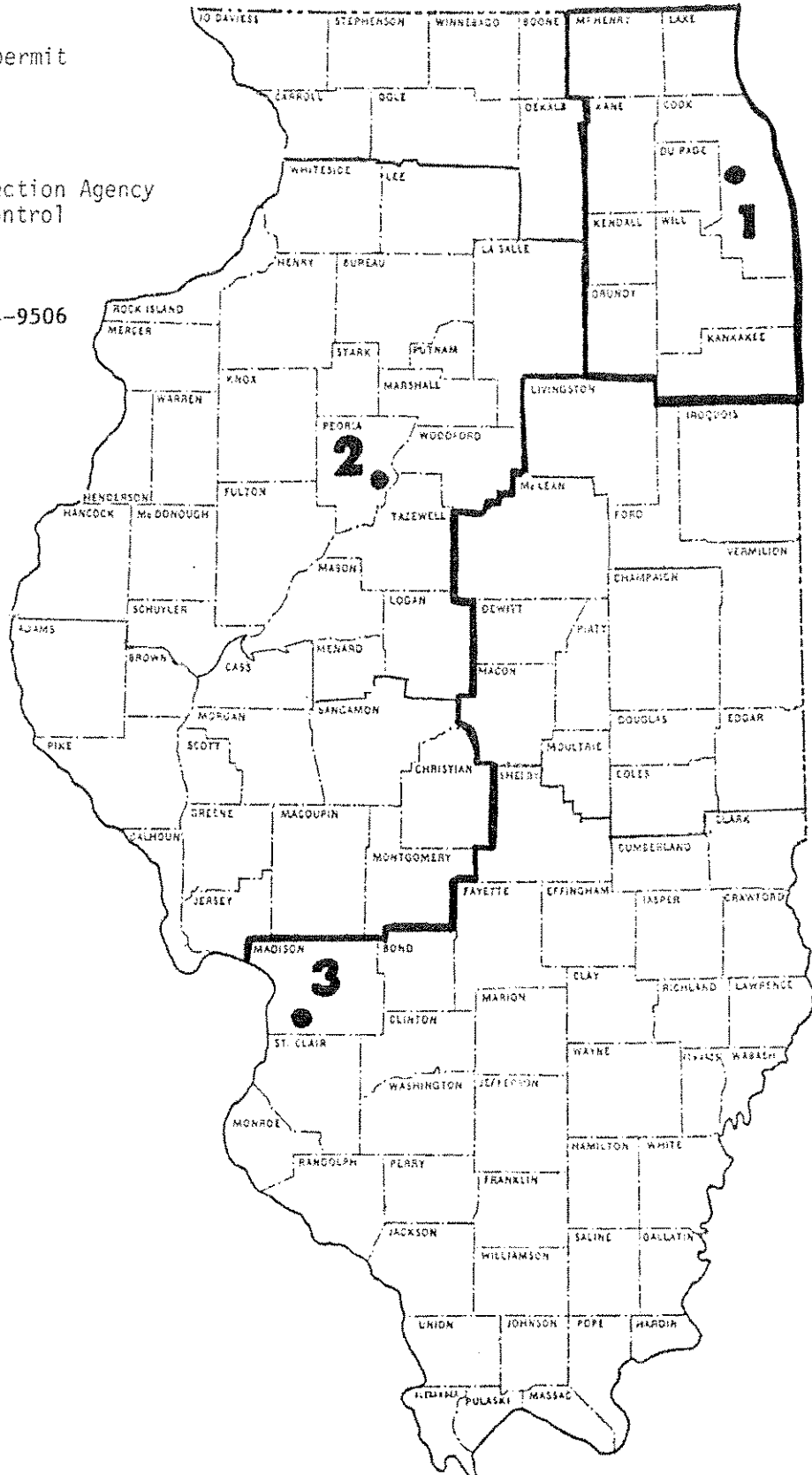
Illinois Environmental Protection Agency  
Division of Air Pollution Control  
Permit Section  
1021 N. Grand Ave E.  
P.O.Box 19506  
Springfield, Illinois 62794-9506

or a regional office of the Field Operations Section. The regional offices and their areas of responsibility are shown on the map. The addresses and telephone numbers of the regional offices are as follows:

Illinois EPA  
Region 1  
Bureau of air, FOS  
9511 West Harrison  
Des Plaines, Illinois 60016  
847/294-4000

Illinois EPA  
Region 2  
5415 North University  
Peoria, Illinois 61614  
309/693-5463

Illinois EPA  
Region 3  
2009 Mall Street  
Collinsville, Illinois 62234  
618/346-5120





**CERTIFICATE OF SERVICE**

I, the undersigned, certify that on this 16<sup>th</sup> day of May, 2007, I have served electronically the attached **APPEARANCES OF KATHLEEN C. BASSI, STEPHEN J. BONEBRAKE, ANDREW N. SAWULA, and SHELDON A. ZABEL ON BEHALF OF DYNEGY MIDWEST GENERATION, INC. (HAVANA POWER STATION) and SALLY CARTER ON BEHALF OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY AND JOINT REQUEST FOR NINETY DAY EXTENSION OF APPEAL PERIOD**, upon the following persons:

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

Sally Carter  
Division of Legal Counsel  
Illinois Environmental Protection Agency  
1021 North Grand Avenue, East  
P.O. Box 19276  
Springfield, Illinois 62794-9276

(PAPER SERVICE WAIVED)

/s/ Kathleen C. Bassi

Kathleen C. Bassi

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