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STATE OF ILLINOIS
POllution Control Board

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July 23, 2013

Members of the Illinois Pollution Control Board c/o John Therriault, Assistant Clerk Illinois Pollution Control Board 100 W. Randolph St., Suite 11-500 Chicago, IL 60601-3218

Re:

Public Comment in **Support** of Illinois Power Holdings' Petition, Docket No.

PCB 14-10

Dear Honorable Members of the Illinois Pollution Control Board:

On behalf of the Illinois Chamber of Commerce, I would like to be on record with the Illinois Pollution Control Board (IPCB) as supporting Illinois Power Holdings (IPH), a Dynegy subsidiary, in its variance request as it pertains to the pending acquisition of Ameren Energy Resources (AER). If granted, the variance will ensure reduced emissions and high environmental standards while protecting the economic livelihoods of Illinois families and local communities.

We believe the company's request is reasonable given the Board's previous decisions and current market realities.

As you are well aware, the AER power plants are operating in Illinois under an MPS variance that was approved by the Board in September of 2012. In March of 2013, IPH agreed to acquire five AER energy centers. We believe that the Board's refusal to allow IPH, as the new owner, to assume the variance upon the sale of the facilities, is both short-sighted and wrong. It is important that Illinois businesses know and understand the regulatory implications of any asset-purchase agreement. A variance is a temporary reprieve from Board regulations with the commitment that compliance will be achieved at the end of the variance period. That variance ought to be transferable upon sale, as are permits, adjusted standards, and other regulatory commitments and certain consent order obligations.

In reviewing this new IPH petition for variance, we urge you to interpret the Environmental Protection Act in a manner consistent with prior Board decisions: so long as the claimed hardship outweighs any adverse environmental impact, the variance ought to be granted. The Board should also solidly reject any argument that the variance should be denied because, in purchasing the plants, any claimed hardship was "self- imposed." Such ruling would also be inconsistent with prior



decisions and would have a devastating and chilling impact on business transactions in Illinois.

Dynegy is a responsible employer in our state and is committed to the responsible operation of the AER energy centers and their communities – consistent with the Board-ordered compliance commitments set forth in the existing variance.

You should approve the request because the reasons you approved the original variance for AER haven't changed. The challenging market conditions, including a sluggish economic recovery and depressed power prices, are as relevant as they were back in September. And, with the commitments made as part of the variance, the Board determined that variance will result in a "net environmental benefit".

This IPH variance request is a closing condition for the transaction. Granting the variance and allowing the proposed sale to move forward means the prospects for the facilities greatly improves – including the economic prospects for the employees at the plants as well as the local communities. These plants are important to the economic well-being of the Illinois economy and many areas through more than 700 good-paying jobs, tax revenue and local expenditures.

Therefore, since the overall convincing facts that led you to giving AER the variance it needed a few short months ago have not changed, we ask you to support the Illinois Power Holdings request for the variance.

Thank you for considering and registering my comment.

Sincerely,

Douglas Y. Whitle: President & CEO