

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS**

DYNEGY MIDWEST GENERATION, INC.)	
Fabric Filter Dust Collector System for)	
Wood River Station, Rail Car Coal Unloading)	PCB 14-
)	(Tax Certification - Air)
)	
PROPERTY IDENTIFICATION NUMBER)	
19-1-08-19-00-000-006 or portion thereof)	

NOTICE

<p>TO: [<i>Electronic filing</i>] John Therriault, Clerk Illinois Pollution Control Board State of Illinois Center 100 W. Randolph Street, Suite 11-500 Chicago, Illinois 60601</p>	<p>[<i>Service by mail</i>] Rick Diericx Dynegy Midwest Generation, Inc. 604 Pierce Boulevard O'Fallon, Illinois 62269</p>
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[*Service by mail*]
 Steve Santarelli
 Illinois Department of Revenue
 101 West Jefferson
 P.O. Box 19033
 Springfield, Illinois 62794

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

Respectfully submitted by,

/s/ Robb H. Layman
 Robb H. Layman
 Assistant Counsel

Date: December 2, 2013

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 1021 North Grand Avenue East
 P.O. Box 19276
 Springfield, IL 62794-9276
 Telephone: (217) 524-9137

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OF THE STATE OF ILLINOIS**

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Fabric Filter Dust Collector System for)	
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19-1-08-19-00-000-006 or portion thereof)	

APPEARANCE

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

Respectfully submitted by,

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

Date: December 2, 2013

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19-1-08-19-00-000-006 or portion thereof)	

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. The Illinois EPA recommends **issuance** of a tax certification covering the subject matter of the request. In support thereof, the Illinois EPA states as follows:

1. On or about August 28, 2012, the Illinois EPA received an application and supporting information from DYNEGY MIDWEST GENERATION, LLC, (“Dynergy Midwest Gen”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its Wood River generating station in Madison County, Illinois. A copy of the application is attached hereto. **[Exhibit A]**.

2. The applicant’s business address is as follows:

Dynergy Midwest Generation, Inc.
604 Pierce Boulevard
O’Fallon, Illinois 62269

3. The facility address is as follows:

Dynergy Midwest Generation
Wood River Power Station
No. 1 Chessen Lane
Alton, Illinois 62002

4. The subject matter of this request consists of a Fabric Filter Dust Collector System, which was constructed and installed inside a main containment building for the rail car loading facility of the Wood River Station. As described in the application, the system is a conventional type of emissions control equipment that was constructed in the “A” conveyor unloading duct to the facility. *See*, Exhibit A, page 1 at Section D. The system collects particulate matter from the ductwork during unloading operations and drops it “back onto the conveyor belt.” *Id.* The cover letter to the application states that the system is employed “to minimize particulate matter emissions,” and thus acts to prevent or reduce contaminants that would otherwise be emitted to the atmosphere.

5. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2002), defines “pollution control facilities” as:

“any system, method, construction, device or appliance appurtenant thereto, or any portion of any building or equipment, that is designed, constructed, installed or operated for the primary purpose of: (a) eliminating, preventing, or reducing air or water pollution... or (b) treating, pretreating, modifying or disposing of any potential solid, liquid, gaseous pollutant which if released without treatment, pretreatment, modification or disposal might be harmful, detrimental or offensive to human, plant or animal life, or to property.”

6. Pollution control facilities are entitled to preferential tax treatment, as provided by 35 ILCS 200/11-5 (2002).

7. Based on information in the application and the primary purpose of the Fabric Filter Dust Collector System to prevent or reduce air pollution, it is the Illinois EPA’s engineering judgment that the system and related appurtenances may be considered as “pollution control facilities” in accordance with the statutory definition and consistent with the Board’s regulations at 35 Ill. Adm. Code 125.200. **[Exhibit B]**.

8. Because the information in the application demonstrates that the Fabric Filter Dust Collector System satisfies the aforementioned statutory and regulatory criteria, the Illinois EPA recommends that the Board **issue** the applicant's requested tax certification.

Respectfully submitted by,

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

DATED: December 2, 2013

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276
Telephone: (217) 524-9137

CERTIFICATE OF SERVICE

I hereby certify that on the 2nd day of December, 2013, I electronically filed the following instruments entitled **NOTICE, APPEARANCE** and **RECOMMENDATION** with:

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

and, further, that I did send a true and correct paper 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

Dynegy Midwest Generation, Inc.
Rick Diericx
604 Pierce Boulevard
O'Fallon, Illinois 62269

/s/ Robb H. Layman
Robb H. Layman
Assistant Counsel

Dynergy Midwest Generation, LLC
604 Pierce Boulevard
O'Fallon, IL 62269

August 23, 2012

Mr. Edwin C. Bakowski, P.E.
Acting Manager, Permit Section
Illinois Environmental Protection Agency
Bureau of Air
1021 N. Grand Ave. East
P.O. Box 19276
Springfield, IL 62794-9276



DYNEGY

Mr. Bakowski:

**Applications for Pollution Control Facility Tax Certifications
Wood River Power Station
Site ID No. 119020AAE**

Dynergy is submitting herein one application (Form APC-151) for a pollution control facility tax certification for a pollution control dust collector system installed on the coal rail car coal unloading facility at its Wood River Power Station. The dust collector system has been installed to minimize particulate emissions from the coal unloading facility during coal unloading operations.

Feel free to contact me (tel. no. 618-206-5912) or Rick Kelley (tel. no. 618-206-5929) if you have questions regarding the enclosed application forms.

Sincerely,

Rick Diericx, Sr. Director
Operations Environmental Compliance



Exhibit A

APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
 POLLUTION CONTROL FACILITY
 AIR WATER

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 P. O. Box 19276, Springfield, IL 62794-9276

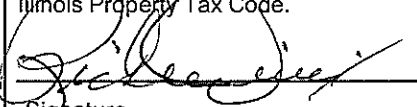
This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

FOR AGENCY USE

File No.	Date Received	Certification No.	Date	
Sec. A APPLICANT	Company Name Dynergy Midwest Generation, LLC -- Wood River Power Station			
	Person Authorized to Receive Certification Rick Diericx		Person to Contact for Additional Details Timothy "Rick" Kelley	
	Street Address 604 Pierce Blvd		Street Address 604 Pierce Blvd	
	Municipality, State & Zip Code O'Fallon, IL 62269		Municipality, State & Zip Code O'Fallon, IL 62269	
	Telephone Number (618) 206-5912		Telephone Number (618) 206-5929	
	Location of Facility Quarter Section	Township 48N	Range 9W	Municipality Alton
	Street Address #1 Chessen Ln, Alton, IL 62002		County Madison	Township 48N
	Property Identification Number 19-1-08-19-00-000-006		Parcel Number	
	Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location The facility is Dynergy Midwest Generation's Wood River Power Station. The station is located on the east bank of the Mississippi River at river mile 199.6. The station is engaged in the generation of electricity from the combustion of coal (SIC Code 4911) in Unit 4 and Unit 5		
Water Pollution Control Construction Permit No.		Date Issued		
NPDES PERMIT No.		Date Issued	Expiration Date	
Air Pollution Control Construction Permit No. Not Required		Date Issued		
Air Pollution Control Operating Permit No.		Date Issued		
Sec. C MANUFACTURING PROCESS	Describe Unit Process The station is engaged in the generation of electricity from the combustion of coal. Powder River Basin Wyoming coal is combusted in Boilers #4 and #5. These boilers generate steam which is utilized to turn independent steam turbine/generator sets. The net rated capacity of the station is 566 MW.			
	Materials Used in Process Sub-bituminous coal, natural gas, water, and air.			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility The project installed a fabric filter type dust collector inside the "A" conveyor unloading duct, which is located within the main containment structure for the rail car unloading facility. The dust collector does not exhaust to ambient air and the particulate matter collected by the system is dropped back onto the conveyor belt. The coal handling operations at the facility are covered by Construction Permit 01060001, which was issued 4/29/2002. The installation of this device did not require a separate construction permit.			

RECEIVED
 AUG 28 2012

Illinois Environmental Protection Agency
 BUREAU OF AIR QUALITY CONTROL
 STATE OF ILLINOIS

Sec. E POLLUTION CONTROL FACILITY - CONTAMINANTS ACCOUNTING DATA	(1) Nature of Contaminants or Pollutants Particulate Matter			
		Material Retained, Captured or Recovered		
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE	
	Particulate Matter	Material is collected by dust collector within the permitted enclosure.	Material collected is reapplied to the conveyor belt. No material is disposed of from this system	
	(2) Point(s) of Waste Water Discharge N/A			
		Plans and Specifications Attached	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	(3)	Are contaminants (or residues) collected by the control facility?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	(4)	Date installation completed <u>05/01/09</u> status of installation on date of application _____		
	(5)	a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 107,744.00	
		b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$	
	c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$		
	d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$		
	e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% 100%		
Sec. F SIGNATURE	The following information is submitted in accordance with the Illinois Property Tax Code, as amended, and to the best of my knowledge, is true and correct. The facilities claimed herein are "pollution control facilities" as defined in Section 11-10 of the Illinois Property Tax Code.			
		<u>8/22/2012</u>		
Sec. G INSTRUCTIONS	INSTRUCTIONS FOR COMPILING AND FILING APPLICATION			
	General: Separate applications must be completed for each control facility claimed. Do not mix types (water and air). Where both air and water operations are related, file two applications. If attachments are needed, record them consecutively on an index sheet.			
	Sec. A	Information refers to applicant as listed in the tax records and the person to be contacted for further details or for inspection of facilities. Define facility location by street address or legal description. A plat map location is required for facilities located outside of municipal boundaries. The property identification number is required.		
	Sec. B	Self-explanatory. Submit copies of all permits issued by local pollution control agencies. (e.g. MSD Construction Permit)		
	Sec. C	Refers to manufacturing processes or materials on which pollution control facility is used.		
	Sec. D	Narrative description of the pollution control facility, indicating that its primary purpose is to eliminate, prevent or reduce pollution. State the type of control facility. State permit number, date, and agency issuing permit. A narrative description and a process flow diagram describing the <u>pollution control facility</u> . Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an <u>average</u> analysis of the influent and effluent of the control facility stating the collection efficiency.		
	Sec. E	List air contaminants, or water pollution substances released as effluents to the manufacturing processes. List also the final disposal of any contaminants removed from the manufacturing processes. Item (1) - Refers to pollutants and contaminants removed from the process by the pollution control facility. Item (2) - Refers to water pollution but can apply to water-carried wastes from air pollution control facilities. Submit drawings, which clearly show (a) Point(s) of discharge to receiving stream, and (b) Sewers and process piping to and from the control facility. Item (3) - If the collected contaminants are disposed of other than as wastes, state the disposition of the materials, and the value in dollars reclaimed by sale or reuse of the collected substances. State the cost of reclamation and related expense. Item (4) - State the date which the pollution control facility was first placed in service and operated. If not, explain. Item (5) - This information is essential to the certification and assessment actions. This accounting data must be completed to activate project review prior to certification by this Agency.		
	Sec. F	Self-explanatory. Signature must be a corporate authorized signature.		
		Submit to: Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	Attention: Al Keller Permit Section Division of Water Pollution Control	Attention: Donald E. Sutton Permit Section Division of Air Pollution Control



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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

PAT QUINN, GOVERNOR

JOHN J. KIM, INTERIM DIRECTOR

MEMORANDUM

Technical Recommendation for Tax Certification Approval

Date: December 10, 2012
To: Robb Layman
From: Ed Bakowski *B. 12/11/12*
Subject: Dynegy Midwest Generation, LLC. TC-12-08-28C

This Agency received a request on August 28, 2012 from Dynegy Midwest Generation, LLC. for an Illinois EPA recommendation regarding tax certification of air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. I offer the following recommendation.

The air pollution control facilities in this request include the following:

Dust Collector System which reduces Particulate Matter emissions by during coal unloading operations from the coal unloading facility. Because the primary purpose of this system is to reduce or eliminate air pollution, it is certified as a pollution control facility.

This facility is located at #1 Chessen Lane, Alton, Madison County
The property identification number is 19-1-08-19-00-000-006

Based on the information included in this submittal, it is my engineering judgement that the proposed facility may be considered "Pollution Control Facilities" under 35 IAC 125.200(a), with the primary purpose of eliminating, preventing, or reducing air pollution, or as otherwise provided in this section, and therefore eligible for tax certification from the Illinois Pollution Control Board. Therefore, it is my recommendation that the Board issue the requested tax Certification for this facility.

FEM:psj

Exhibit B