

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS

MIDWEST GENERATION, LLC)
Electrostatic Precipitator for Waukegan Station)
Station, Unit No. 7)
))
)) PCB 14-
)) (Tax Certification - Air)
))
PROPERTY IDENTIFICATION NUMBER)
08-15-200-006 or portion thereof)

NOTICE

TO: [Electronic filing]
John Therriault, Clerk
Illinois Pollution Control Board
State of Illinois Center
100 W. Randolph Street, Suite 11-500
Chicago, Illinois 60601

[Service by mail]
Fred McCluskey
Midwest Generation, LLC
440 South LaSalle Street, Suite 3500
Chicago, Illinois 60605

[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 6, 2013

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

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

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Electrostatic Precipitator for Waukegan Station)	
Station, Unit No. 7)	
)	PCB 14-
)	(Tax Certification - Air)
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PROPERTY IDENTIFICATION NUMBER)	
08-15-200-006 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 6, 2013

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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. 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 April 25, 2008, the Illinois EPA received an application and supporting information from MIDWEST GENERATION, LLC, (“Midwest Gen”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its Waukegan generating station in Lake County, Illinois. A copy of the application is attached hereto. **[Exhibit A]**. Following a belated discovery that the application had been misplaced, the Illinois EPA’s undersigned attorney sought and obtained verbal confirmation from Midwest Gen concerning the continuing need for certification of the subject sources and/or equipment on December 6, 2013.

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

Midwest Generation
440 South LaSalle Street, Suite 3500
Chicago, Illinois 60605

3. The facility address is as follows:

Midwest Generation
Waukegan Station
401 East Greenwood Avenue
Waukegan, Illinois 60087

4. The subject matter of this request consists of an Electrostatic Precipitator (“ESP”), which was constructed and installed by Midwest Gen on Unit No. 7 of the Waukegan Station. The ESP is a conventional pollution control device that, as described in the application, generates “an electric charge on the particles (including ash) [from a steam electric boiler] to be collected and propels them by electronic forces to the collecting plates.” *See*, Exhibit A, page 1 at Section D. The ESP includes “an intense discharging field” that ionizes the carrier gases, charging the entrained particles and causing them to bind with the charged collecting plates. *Id.* Dust collected from the plates is directed to storage hoppers and sent, via pneumatic conveyor, to a storage silo. *Id.* The subject control device effectively removes particulates from the electrical generation process, thus reducing particulate matter emissions that would otherwise be emitted from the steam boiler. *Id.*

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 ESP to eliminate, prevent or reduce air pollution, it is the Illinois EPA's engineering judgment that the control device 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 ESP 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 6, 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 6th 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

Fred McCluskey
Midwest Generation
440 South LaSalle Street, Suite 3500
Chicago, Illinois 60605

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

APPLICATION 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 Midwest Generation, LLC – Waukegan Station (Unit 7 Electrostatic Precipitator)			
	Person Authorized to Receive Certification Fred McCluskey		Person to Contact for Additional Details Jeff Bard	
	Street Address 440 South LaSalle Street Suite 3500		Street Address same	RECEIVED STATE OF ILLINOIS APR 20 2008
	Municipality, State & Zip Code Chicago, IL 60605		Municipality, State & Zip Code same	
	Telephone Number 312-583-6000		Telephone Number same	
	Location of Facility			
	Quarter Section	Township Waukegan	Range	Municipality Township
	Street Address 401 East Greenwood Ave., Waukegan, IL 60087		County Lake	Book Number
Property Identification Number 08-15-200-006		Parcel Number		
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location Waukegan Station Unit 7 Generation of Electricity from a coal fired power plant			
	Water Pollution Control Construction Permit No.		Date Issued	
	NPDES Permit No.		Date Issued	Expiration Date
	Air Pollution Control Construction Permit No. 01090019		Date Issued December 6, 2001	
Air Pollution Control Operating Permit No. 95090047		Date Issued September 29, 2005		
Sec. C MANUFACTURING PROCESS	Describe Unit Process A steam electric boiler converts the chemical energy in the fuel coal into thermal energy that is used by a steam turbine. To achieve this two fundamental processes are necessary: combustion of the coal by mixing with oxygen, and the transfer of the thermal energy from the resulting combustion gases to the working fluids of water and steam. The device that converts mechanical energy into electrical energy is the generator. To handle the coal delivered to the plant a coal handling system that processes the coal is part of the operation for transfer and storage.			
	Materials Used in Process Coal			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility - Electrostatic Precipitator The pollution control device called the electrostatic precipitator (ESP) removes particulate emissions (PM) by producing an electric charge on particles (including ash) to be collected and propels them by electronic forces to the collecting plates. Precipitator operation includes an intense discharging field that is maintaining between the discharge electrode and the collecting plates. The carrier gases are ionized by the intense, discharging field. These gas ions, in turn, charge the entrained particles. The negatively charged particles, still in the presence of an electrostatic field, are attracted to the positively (grounded) charged collecting plates. The collected dust is discharged into storage hoppers. Collected ash is removed from storage hoppers by a pneumatic conveying system and discharged into a large storage silo.			

Exhibit A

Sec. E POLLUTION CONTROL FACILITY CONTAMINANTS ACCOUNTING DATA	(1) Nature of Contaminants or Pollutants		
			Material Retained, Captured or Recovered
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
	Ash, dust (PM)	Particulate Matter	Collected and deposited
	Particulate Matter (PM)		in ash hoppers or silos.
	(2) Points of Waste Water Discharge		
	Plans and Specifications Attached		Yes
(3)	Are contaminants (or residues) collected by the control facility?	Yes	No X
(4)	Date installation completed: April 1, 2002 Status of installation on date of application: Complete		
(5)	a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:		\$ 17,292,481
	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:		% 2.8%
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.		
	 _____ Signature	Fred McCluskey Vice President, Technical Services _____ Title	



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

Memorandum

Technical Recommendation for Tax Certification Partial

Date: December 29, 2008

To: Robb Layman

From: Ed Bakowski *EB*

Subject: TC-08-04-25E

This Agency received a request on April 25, 2008 from 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:

Unit 7 Electrostatic Precipitator [REDACTED] whose primary purpose is to reduce Particulate Matter emissions by producing an electric charge on particles to be collected and propels them by electronic forces to the collecting plates.

These facilities are further described in the enclosed applications and supporting documents.

This facility is located at 401 East Greenwood Avenue, Waukegan, Lake County
The property identification number is 08-15-200-006

Based on the information included in this submittal, and in submittals from the applicant on April 25, 2008, the Illinois EPA "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.