



**Southern Illinois
Power Cooperative**

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JUN 14 2012

**STATE OF ILLINOIS
Pollution Control Board**
June 6, 2012

Mr. John Terriault, Clerk
Illinois Pollution Control Board
James R. Thompson Center
Suite 11-500 100 West Randolph Street
Chicago, IL 60601

PCB 1

Re: Comments on PCB Docket Number 2012-126 (Air Variance)

**ORIGINAL
RETURN TO CLERK'S OFFICE**

Honorable Members of the Pollution Control Board:

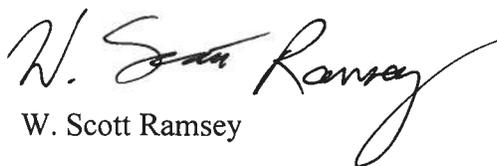
Southern Illinois Power is a Generation and Transmission Cooperative serving approximately two hundred fifty thousand (250,000) people and businesses located in the southernmost twenty-nine counties of Illinois. (We will add 6 more counties of service on January 1, 2013.) We are a not-for-profit corporation and are owned directly by our members, and SIPC is defined as a "Small Business" by the U.S. Small Business Administration, but we are the largest taxpayer in Williamson County. By regulation, cooperatives are not allowed to maintain large capital reserves. When the cost of running our business suddenly increases, like it does under new environmental rules, we must go directly to our lenders. There is no cash cushion to mitigate these increases, and the cost of the new loans is shared by each Coop member-owner in the form of higher electricity rates. Such was the case with the Illinois Clean Air Mercury Rule (ICAMR) and Multi-Pollutant Standard rules. In order to comply with the ICAMR rule, SIPC made the investment to install equipment and test our emissions and operational methods so compliance with that rule would be achieved. We are proud to report that SIPC's members made that commitment and such compliance was achieved.

However, SIPC agrees with Ameren Energy Resources that declining market prices and sales have placed a burden upon energy suppliers and our member/customers. Because of the severe recession experienced since passage of these Illinois-only rules, electricity sales have dropped,

the costs of supplying power have increased, and neighboring states have enjoyed a competitive advantage over Illinois EGUs; since the rules in question only applies to Illinois.

We urge the Illinois Pollution Control Board to level the playing field between Illinois and neighboring states during these trying times. It is SIPC's request of the Board that both the Illinois Clean Air Mercury Rule and the Multi-Pollutant Standard rules be stayed until such a time as new USEPA rules for mercury; SO₂, and NO_X require all neighboring states to comply with the same rules, or until the Board determines the economic conditions in Illinois have strengthened sufficiently to keep Electric Generating Units in Illinois viable while complying with such rules.

Respectfully Submitted,

A handwritten signature in black ink, reading "W. Scott Ramsey". The signature is written in a cursive style with a large, sweeping flourish at the end of the name.

W. Scott Ramsey

President & General Manager