

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

ILLINOIS POWER HOLDINGS, LLC and )  
AMERENENERGY MEDINA VALLEY )  
COGEN, LLC; )  
 )  
Petitioners, )  
 )  
AMEREN ENERGY )  
RESOURCES, LLC, )  
 )  
Co-Petitioner, )  
 ) PCB 14-10  
v. ) (Variance – Air)  
 )  
ILLINOIS ENVIRONMENTAL )  
PROTECTION AGENCY, )  
 )  
Respondent. )

**NOTICE OF FILING**

PLEASE TAKE NOTICE that today I have filed with the Office of the Clerk of the Pollution Control Board the Joint Motion to Terminate Variance. Copies of these documents are hereby served upon you, via electronic filing or service.

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

Gina Roccaforte  
Illinois Environmental Protection Agency  
1021 North Grand Avenue East  
P.O. Box 19276  
Springfield, Illinois 62794

Carol Webb, Hearing Officer  
Illinois Pollution Control Board  
1021 North Grand Avenue East  
P.O. Box 19274  
Springfield, Illinois 62794-9274  
[Carol.webb@illinois.gov](mailto:Carol.webb@illinois.gov)

Andrew Armstrong  
Faith Bugel  
Environmental Law and Policy Center  
35 E. Wacker Drive  
Suite 1600  
Chicago, Illinois 60601

Dated: September 2, 2016

**Respectfully Submitted,**

IPH, LLC

By:           /s/Claire A. Manning            
One of Its Attorneys

**BROWN, HAY & STEPHENS, LLP**

Claire A. Manning

William D. Ingersoll

205 S. Fifth Street, Suite 700

P.O. Box 2459

Springfield, IL 62705-2459

[cmanning@bhslaw.com](mailto:cmanning@bhslaw.com)

[wingersoll@bhslaw.com](mailto:wingersoll@bhslaw.com)

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

ILLINOIS POWER HOLDINGS, LLC and )	
AMERENENERGY MEDINA VALLEY )	
COGEN, LLC; )	
)	
Petitioners, )	
)	
AMEREN ENERGY )	
RESOURCES, LLC, )	
)	
Co-Petitioner, )	
)	PCB 14-10
v. )	(Variance – Air)
)	
ILLINOIS ENVIRONMENTAL )	
PROTECTION AGENCY, )	
)	
Respondent. )	

**JOINT MOTION TO TERMINATE VARIANCE**

**NOW COMES** IPH, LLC (formerly known as ILLINOIS POWER HOLDINGS, LLC),<sup>1</sup> a Delaware limited liability company (“IPH”) by and through its attorneys, Brown, Hay & Stephens, LLP, and AMERENENERGY MEDINA VALLEY COGEN, LLC, an Illinois limited liability company (“Medina Valley”), by and through its attorneys, Schiff Hardin, LLP, and pursuant to 35 Ill. Adm. Code 101.500, hereby submit this Joint Motion to Terminate Variance (“Motion”) and state as follows:

1. IPH, Medina Valley and AMEREN ENERGY RESOURCES, LLC (“AER”) filed their Petition for Variance (“Petition”) with the Illinois Pollution Control Board (“Board”) on July 22, 2013 seeking dual variances from the sulfur dioxide (“SO<sub>2</sub>”) annual emission rate limits provided in 35 Ill. Adm. Code 225.233(e)(3)(C)(iii) and (iv) of the Illinois Multi-Pollutant Standard (“MPS”) as applicable to the group of seven coal-fired electrical generating stations that

---

<sup>1</sup> Illinois Power Holdings, LLC was renamed “IPH, LLC” on April 30, 2015. See Exhibit 1, Affidavit of Shannon L. Brown at ¶ 3 (“Brown Aff.”).

are together subject to those emission limits (“MPS Group”). The timing of the Petition was necessary in order to allow a seamless regulatory transition in concert with a planned change in ownership of the MPS Group from the then owner, AER,<sup>2</sup> to the current owners, IPH and Medina Valley.<sup>3</sup>

2. In the Board’s November 21, 2013 Order (“Order”), the Board granted the Petition and allowed the combined dual variances for the electrical generating units in the MPS Group from the applicable requirements of 35 Ill. Adm. Code 225.233(e)(3)(C)(iii) for a period beginning January 1, 2015 through December 31, 2019 and 35 Ill. Adm. Code 225.233(e)(3)(C)(iv) for a period beginning January 1, 2017 through December 31, 2019, subject to the conditions outlined therein (the “Variance”).

3. IPH and Medina Valley have complied with all conditions of the Variance since acquiring the electrical generating units in the MPS Group. Brown Aff. at ¶¶ 4-5; Birk Aff. at ¶ 5. IPH has submitted annual reports to the Illinois Environmental Protection Agency (the “Agency”) demonstrating the combined tons of mass SO<sub>2</sub> emissions and the overall SO<sub>2</sub> annual emission rate from the five operating power stations in the MPS Group: Coffeen, Duck Creek, E.D. Edwards, Joppa, and Newton. Those reports, which have also been included in IPH's Annual Emissions Reports, show the mass SO<sub>2</sub> emissions for each time period (October 1, 2013 through December 31, 2013, and each calendar year thereafter), along with a running total of the remaining emissions available under the system-wide mass SO<sub>2</sub> emissions limit provided in the Variance. Moreover, IPH permanently retired Edwards Unit 1 on January 1, 2016, as soon as was allowed by the

---

<sup>2</sup> AER ceased to exist as an ongoing corporate entity as a consequence of corporate reorganizations related to the December 2013 consummation of the transaction involving the change in ownership of the MPS Group. See Exhibit 2.

<sup>3</sup> IPH, through its subsidiaries, owns the five operating electrical generating stations (Coffeen, Duck Creek, E.D. Edwards, Joppa and Newton) in the MPS Group. Medina Valley owns the Hutsonville and Meredosia stations, each of which remains shutdown. See Board’s November 21, 2013 Opinion and Order (“Opinion”) at 7, 9-10. See also Exhibit 3, Affidavit of Mark C. Birk at ¶¶ 4-5 (“Birk Aff”).

Midcontinent Independent System Operator, Inc. (“MISO”), the applicable regional transmission organization; Duck Creek and Coffeen have operated their flue gas desulfurization (“FGD”) systems to achieve a combined SO<sub>2</sub> removal rate of at least 98 percent on a calendar year basis; and Edwards, Joppa and Newton have burned low sulfur coal and have not exceeded 0.55 lb SO<sub>2</sub>/mmBtu combined on an calendar year annual average basis. Brown Aff. at ¶ 4.

4. Condition 9 of the Variance calls for defined activities regarding the Flue Gas Desulfurization project at the Newton Energy Center (I.D. No. 079808AAA) (“Newton FGD project”) to occur in accordance with the schedule established therein. All milestones to date set forth in Condition 9 have been complied with through the date of this Motion. *Id.* at ¶ 5. Annual progress reports on the status of Newton FGD project construction activities, including itemizing activities completed during the year, have been submitted to the Agency. *Id.*

5. The Petition for the Variance was partially based on the need for electricity market conditions to improve prior to completing the Newton FGD project, which would enable the MPS Group to comply with the SO<sub>2</sub> emission limits in 35 Ill. Adm. Code 225.233(e)(3)(C)(iii) and (iv). See Petition, at 22. However, market conditions have not improved as expected. Since August 2013, energy prices at the Newton Energy Center have dropped approximately 20 percent. In addition, the capacity market in the MISO has not improved and the Newton Energy Center failed to clear any volume in the most recent MISO capacity auction. Thus, the Newton Energy Center has failed to recover its basic operating costs, even before considering its ability to cover needed capital expenditures that include the cost of completing the Newton FGD project. Gradual recovery of power prices was an important consideration justifying the delayed construction of the Newton FGD project. The power price and capacity market recovery was central for IPH to continue to fund capital investments, including the Newton FGD project. Brown Aff. at ¶ 6.

6. Due to continued depressed energy pricing and the failure of the Newton Energy Center to recover its basic operating costs, IPH has decided to permanently retire Newton Unit 2 effective September 15, 2016. Brown Aff. at ¶ 7. The MISO has approved the retirement of Newton Unit 2. *Id.* With the permanent retirement of Newton Unit 2 the MPS Group can comply with the SO<sub>2</sub> emission limit in 35 Ill. Adm. Code 225.233(e)(3)(C)(iii) for the current calendar year, 2016, without the Variance. Brown Aff. at ¶ 8. Moreover, in lieu of completing the Newton FGD project identified in Condition 9, with the retirement of Newton Unit 2, the MPS Group can comply with the SO<sub>2</sub> emission limit in 35 Ill. Adm. Code 225.233(e)(3)(C)(iv) without the Variance in calendar year 2017 and each calendar year thereafter. *Id.*

7. A “variance is a temporary exemption from any specified rule, regulation, requirement or order of the Board.” 35 Ill. Adm. Code 104.200(a)(1). Pursuant to Title IX of the Environmental Protection Act (“Act”), 415 ILCS 5/35-38, the Board is responsible for granting variances when a petitioner demonstrates that immediate compliance with a Board regulation would impose an “arbitrary or unreasonable hardship” on the petitioner. 415 ILCS 5/35(a).

8. When conditions that were anticipated upon the filing of a petition for variance are not realized and a petitioner can no longer justify the need for a variance, termination of the variance is “the appropriate action”. *Wallace Pharmaceuticals (n/k/a Medpointe Pharmaceuticals v. IEPA*, Ill. Pollution Control Bd. Supp. Op. 02-207 (April 7, 2005), p. 3. In *Wallace Pharmaceuticals*, the petitioner sought a variance from the volatile organic material emission control requirements of 35 Ill. Adm. Code 215.482(a) based partially on an anticipated increase in emissions from three new products. *Id.* at 1. The variance sought was granted with conditions imposed by the Board that required various research, testing, and evaluation for control technology be accomplished by various times certain, and that regular progress reports be filed. *Id.* However,

the production of those products ceased instead of increasing as anticipated. *Id.* at 3. The lack of production resulted in compliance with the subject emissions standards, and there was no longer any need for the variance or compliance with the variance conditions. *Id.* As such, the Board summarily terminated the variance, pursuant to the petitioner's request. *Id.* at 3.

9. The Order does not address a scenario where one of the Newton electrical generating units is permanently retired. However, with the retirement of Newton Unit 2, it will no longer be necessary to complete construction of the Newton FGD project (*i.e.*, perform Conditions 9(c) - 9(g)) for the MPS Group to meet the MPS rule's applicable SO<sub>2</sub> emission rate limit as the MPS Group will comply with the MPS limit beginning with 2016 (35 Ill. Adm. Code 225.233(e)(3)(C)(iii)) and continuing each year thereafter (35 Ill. Adm. Code 225.233(e)(3)(C)(iv)).

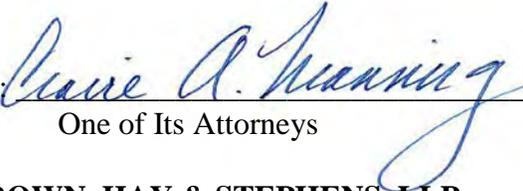
10. In these circumstances, termination by the Board of the granted Variance is appropriate as IPH now is, and will continue to be, compliant with the underlying relevant regulation, the MPS.

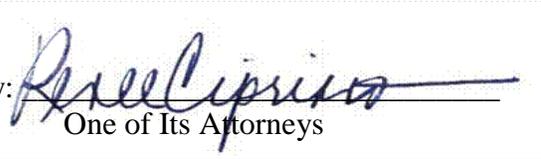
**WHEREFORE**, IPH, LLC, and AMERENENERGY MEDINA VALLEY COGEN, LLC, request that the Board terminate the Variance, effective immediately upon Order of the Board.

Respectfully submitted,

IPH, LLC

AMERENENERGY MEDINA VALLEY  
COGEN, LLC

By:   
One of Its Attorneys

By:   
One of Its Attorneys

**BROWN, HAY & STEPHENS, LLP**

**SCHIFF HARDIN, LLP**

Claire A. Manning  
William D. Ingersoll  
205 S. Fifth Street, Suite 700  
P.O. Box 2459  
Springfield, IL 62705-2459  
(217) 544-8491  
Fax: (217)241-3111  
cmanning@bhslaw.com  
wingersoll@bhslaw.com

Renee Cipriano  
Amy Antonioli  
233 South Wacker Drive, Suite 6600  
Chicago, Illinois 60606  
(312) 258-5550  
Fax: 312-258-5600  
rcipriano@schiffhardin.com  
aantonioli@schiffhardin.com

**Exhibit 1**

**Affidavit of Shannon L. Brown**

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

ILLINOIS POWER HOLDINGS, LLC and	)	
AMERENENERGY MEDINA VALLEY	)	
COGEN, LLC;	)	
	)	
Petitioners,	)	
	)	
AMEREN ENERGY	)	
RESOURCES, LLC,	)	
	)	
Co-Petitioner,	)	
	)	
v.	)	PCB 14-10
	)	(Variance – Air)
	)	
ILLINOIS ENVIRONMENTAL	)	
PROTECTION AGENCY,	)	
	)	
Respondent.	)	

**AFFIDAVIT OF SHANNON L. BROWN**

1. My name is Shannon L. Brown. I am Vice President, Asset Management - MISO, for IPH, LLC (“IPH”), an indirect, wholly owned subsidiary of Dynegy Inc. (“Dynegy”). My business address is 601 Travis Street, Suite 1400, Houston, Texas, 77002. I make this affidavit based on personal knowledge or on knowledge I have obtained through inquiry of individuals employed by Dynegy or its subsidiaries and affiliates.

2. I have been employed with Dynegy in various asset management positions since 2001 and have been a Vice President of asset management since 2013. As Vice President, Asset Management - MISO, I am responsible for, among other things, managing the commercial operation of IPH’s electric generating fleet located in Illinois. IPH’s generating fleet sells capacity and energy into the Midcontinent Independent System Operator, Inc. (“MISO”) and PJM markets. My responsibilities include managing and directing a staff of 27 responsible for financial reporting, bidding, scheduling and trading wholesale energy and capacity transactions

in the MISO and PJM markets. I have extensive experience originating and managing energy and capacity in wholesale markets. These responsibilities include the five operating power stations in the multi-pollutant standard ("MPS") Group (*i.e.*, Coffeen, Duck Creek, E.D. Edwards, Joppa, and Newton) that are the subject of the Variance granted by the Illinois Pollution Control Board ("Board") in PCB 14-10.

3. At the time the Board granted the Variance in PCB 14-10, IPH was named Illinois Power Holdings, LLC. On April 30, 2015, Illinois Power Holdings, LLC amended its Certification of Formation to change its company name to "IPH, LLC" and filed a Certificate of Amendment with the Secretary of State of the State of Delaware, the jurisdiction in which Illinois Power Holdings, LLC was formed. On May 1, 2015, the Delaware Secretary of State certified the name change to IPH, LLC. On May 1, 2015, the Illinois Office of the Secretary of State accepted Illinois Power Holdings, LLC's Amended Application for Admission changing the name of the company to IPH, LLC.

4. IPH has complied with all conditions of the Variance since acquiring the five operating electric generating stations in the MPS Group. As required by Condition 8 of the Board's November 21, 2013 Order in PCB 14-10, IPH has submitted annual reports to the Illinois Environmental Protection Agency ("IEPA") demonstrating the combined tons of mass sulfur dioxide ("SO<sub>2</sub>") emissions and the overall SO<sub>2</sub> annual emission rate from the five operating stations in the MPS Group. See Attachments A, B and C. Those reports, which have been included in IPH's Annual Emissions Reports, show the mass SO<sub>2</sub> emissions for each time period (October 1, 2013 through December 31, 2013, and each calendar year thereafter), along with a running total of the remaining emissions available under the system-wide mass SO<sub>2</sub> emissions limit provided in the Variance. As required by Condition 6 of the Board's Order, IPH

permanently retired Edwards Unit 1 on January 1, 2016, as soon as was allowed by the MISO. As required by Condition 5 of the Board's Order, Duck Creek and Coffeen have operated their flue gas desulfurization ("FGD") systems to achieve a combined SO<sub>2</sub> removal rate of at least 98 percent on a calendar year basis. And, as required by Condition 4 of the Board's Order, Edwards, Joppa and Newton have burned low sulfur coal and have not exceeded 0.55 lb SO<sub>2</sub>/mmBtu combined on a calendar year annual average basis.

5. IPH has to date complied with all milestones concerning activities regarding the FGD project at the Newton Energy Center (I.D. No. 079808AAA) ("Newton FGD project") as set forth in Condition 9 of the Order. In doing so, as required by Condition 9.g, IPH has submitted annual progress reports to the IEPA on the status of Newton FGD project construction activities, including itemization of activities completed during the year. See Attachments D, E and F. Since acquiring the operating stations in the MPS Group in December 2013, IPH has spent approximately \$43 million on continuing construction of the Newton FGD project. The current estimated cost to complete the Newton FGD project is approximately \$201 million.

6. Since filing of the Petition for Variance in August 2013, electricity market conditions have not improved as expected. Energy prices at Newton have dropped approximately 20 percent since August 2013. The capacity market in the MISO also has not improved. In the MISO's most recent capacity auction (*i.e.*, for planning year 2016/2017; MISO released the results of that auction in April 2016), Newton failed to clear any volume. As a result, Newton has failed to recover its basic operating costs, even before considering the additional ability needed to cover required capital expenditures including the cost of completing the Newton FGD project. Energy price and capacity market recovery was central for IPH to continue to fund capital investments, including the Newton FGD project, and the gradual

recovery of electricity markets was a key consideration justifying the delayed construction of the Newton FGD project.

7. Due to continued depressed electricity markets and the failure of Newton to recover even its basic operating costs, IPH has decided to retire Newton Unit 2 permanently effective September 15, 2016. The MISO has approved the permanent retirement of Newton Unit 2 effective on that date. See Attachment G.

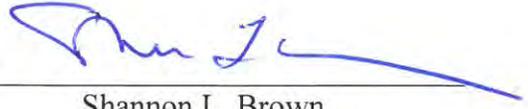
8. With the retirement of Newton Unit 2 and by effectively managing utilization of the remaining operating electrical generating units in the MPS Group, IPH can and will comply with the MPS rule's SO<sub>2</sub> emission limit for the MPS Group in current calendar year 2016 (*i.e.*, 0.25 lb/mmBtu; 35 Ill. Adm. Code 225.233(e)(3)(C)(iii)) without the Variance. Furthermore, in lieu of completing the Newton FGD project identified in Condition 9 of the Order, with the retirement of Newton Unit 2 and effective utilization management of the MPS Group, IPH can and will comply with the MPS rule's SO<sub>2</sub> emission limit for the MPS Group in calendar year 2017 and each calendar year thereafter (*i.e.*, 0.23 lb/mmBtu; 35 Ill. Adm. Code 225.233(e)(3)(C)(iv)). In short, IPH is now able to and will meet the MPS rule's SO<sub>2</sub> emission limits beginning with current calendar year 2016.

10. IPH believes that compliance with the Variance to date has resulted in an environmental benefit compared to what the MPS Group's compliance with the MPS rule SO<sub>2</sub> limits would have achieved without the Variance over the same period. See Attachment H.

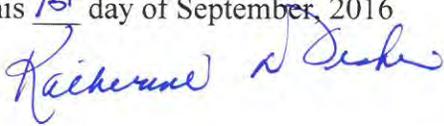
11. I have reviewed the Petitioners' Joint Motion to Terminate Variance and the facts stated therein are, to the best of my knowledge and belief, true and correct.

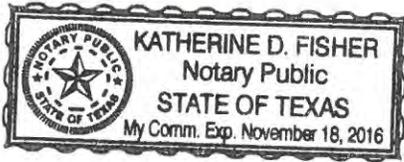
FURTHER, Affiant sayeth not.

DATED: 9/1/2016

  
Shannon L. Brown

Subscribed and sworn to before me  
this 1<sup>st</sup> day of September, 2016





**ATTACHMENT A**

Illinois Power Holdings, LLC  
604 Pierce Blvd  
O'Fallon, IL 62269  
Phone 618.206.5800



February 24, 2014

Illinois Environmental Protection Agency  
Attn: Ray Pilapil, Manager  
1021 N. Grand Avenue East  
Springfield, IL 62794-9276

Re: PCB 2014 – 010 Annual Variance Report for Condition Number 4, 5, 7, and 8  
Reporting Period: October 1, 2013 – December 31, 2013  
Report for 35 IAC 225.233(e)(4)

Dear Mr. Pilapil:

This report is submitted for the following Illinois Power Holding, LLC facilities:

Facility	(Unit)	Facility I.D.
Coffeen Energy Center	(1, 2)	134803AAA
Duck Creek	(1)	057801AAA
E. D. Edwards	(1,2,3)	143805AAG
Joppa	(1,2,3,4,5,6)	127855AAC
Newton	(1, 2)	079808AAA

Attached is the report for the combined tons of mass SO<sub>2</sub> emissions and the overall SO<sub>2</sub> annual emission rate from the five operating power stations in the MPS Group as listed in the table above. This includes the total tons of SO<sub>2</sub> emissions, average SO<sub>2</sub> rate, and the running total of remaining SO<sub>2</sub> emissions from the initial limit of 327,996 tons as specified in condition seven. In accordance with condition four, the combined annual average stack SO<sub>2</sub> emissions of the three stations, E.D. Edwards, Joppa, and Newton Energy Centers, is reported to show compliance with the calendar year annual average limit of 0.55 lb/mmBtu. In accordance with condition five, the combined SO<sub>2</sub> removal rate of Duck Creek and Coffeen Energy Centers is also reported to show compliance with the 98 percent limit.

The data showing compliance with the 0.11 lb/mmBtu NO<sub>x</sub> rate in 35 IAC 225 Subpart B Section 225.233(e)(4) is also attached to this letter.

If you have any questions regarding this submittal, please contact Wendell Watson at 618.206.5927 or via email at [wendell.watson@dynegy.com](mailto:wendell.watson@dynegy.com).

In accordance with 35 IAC 225.290(d)(3), "I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations".

Sincerely,  
Illinois Power Holdings, LLC

A handwritten signature in black ink, appearing to read "Daniel Thompson", with a large, sweeping flourish extending to the right.

Daniel Thompson  
Vice President

Enclosure

**PCB 2014 -010 MPS Variance**

**Illinois Power Holdings, LLC**

Report for Condition 2

MPS Group SO2 limit = 0.35 lb/mmBtu

Period: October 1, 2013 - December 31, 2013

Energy Center	SO2 Tons	Heat Input (mmBtu)	SO2 Average Rate (lb/mmBtu)
Coffeen	17	12,628,689	0.003
Duck Creek	75	5,926,214	0.025
E.D. Edwards	2,193	10,394,510	0.422
Joppa	3,762	17,435,087	0.432
Newton	4,323	18,995,946	0.455
<b>IPH Total</b>	<b>10,371</b>	<b>65,380,446</b>	<b>0.317</b>

Report for Condition 4

Variance Limit = 0.55 lb/mmBtu

Period: January 1, 2013 - December 31, 2013

Energy Center	SO2 Tons	Heat Input (mmBtu)	SO2 Average Rate (lb/mmBtu)
E.D. Edwards	2,193	10,394,510	0.422
Joppa	3,762	17,435,087	0.432
Newton	4,323	18,995,946	0.455
<b>IPH Total</b>	<b>10,278</b>	<b>46,825,543</b>	<b>0.439</b>

**35 IAC 225.233(e)(4)**

**Illinois Power Holdings, LLC**

Annual NOx Rate Limit = 0.11 lb/mmBtu

**Period: January 1, 2013 - December 31, 2013**

<b>Energy Center</b>	<b>NOx Tons</b>	<b>Heat Input (mmBtu)</b>	<b>NOx Average Rate (lb/mmBtu)</b>
Coffeen	1,886	49,258,610	0.077
Duck Creek	1,268	23,561,779	0.108
E.D. Edwards	2,947	44,718,318	0.132
Joppa	4,039	72,832,234	0.111
Newton	3,384	68,589,929	0.099
<b>IPH Total</b>	<b>13,523</b>	<b>258,960,870</b>	<b>0.104</b>

Illinois Power Holdings, LLC

**PCB 2014 - 010 Report for Condition 8**

**Reporting Period: October 1, 2013 - December 31, 2013**

**MPS System SO2 Tons Remaining (Running Total)**

Year	Year Beginning	Actual SO2 Tons Emitted	Year End
2013*	327,996	10,371	317,625
2014	317,625		
2015			
2016			
2017			
2018			
2019			
2020			

\* 2013 represents the period of October 1, 2013 - December 31, 2013

**Report for Condition 5**

**Reporting Period: January 1, 2013 - December 31, 2013**

**Scrubber SO2 Removal Efficiency Average**

Energy Center	Measured Efficiency of SO2 removal	Heat Input (mmBtu)	Average Removal Efficiency
Coffeen 1	99.2	18,453,101	
Coffeen 2	99.0	30,805,509	
Duck Creek	98.8	23,561,779	
<b>Average SO2 Removal Efficiency</b>			<b>99.1</b>

**ATTACHMENT B**

Illinois Power Holdings, LLC  
1500 Eastport Plaza Drive  
O'Fallon, IL 62234



February 9, 2015

Mr. Eric Jones  
Compliance Section Manager #40  
Bureau of Air  
Illinois Environmental Protection Agency  
1021 North Grand Avenue East  
Springfield, Illinois 62794-9276

Re: PCB 2014 – 010 Annual Variance Report for Condition Number 4, 5, 7, and 8  
Reporting Period: January 1, 2014 – December 31, 2014  
Report for 35 IAC 225.233(e)(4)

Dear Mr. Jones:

This report is submitted for the following Illinois Power Holding, LLC facilities:

Facility	(Unit)	Facility I.D.
Coffeen Energy Center	(1, 2)	134803AAA
Duck Creek	(1)	057801AAA
E. D. Edwards	(1,2,3)	143805AAG
Joppa	(1,2,3,4,5,6)	127855AAC
Newton	(1, 2)	079808AAA

Attached is the report for the combined tons of mass SO<sub>2</sub> emissions and the overall SO<sub>2</sub> annual emission rate from the five operating power stations in the MPS Group as listed in the table above. This includes the total tons of SO<sub>2</sub> emissions, average SO<sub>2</sub> rate, and the running total of remaining SO<sub>2</sub> emissions from the initial limit of 327,996 tons as specified in condition seven. In accordance with condition four, the combined annual average stack SO<sub>2</sub> emissions of the three stations, E.D. Edwards, Joppa, and Newton Energy Centers, is reported to show compliance with the calendar year annual average limit of 0.55 lb/mmBtu. In accordance with condition five, the combined SO<sub>2</sub> removal rate of Duck Creek and Coffeen Energy Centers is also reported to show compliance with the 98 percent limit.

The data showing compliance with the 0.11 lb/mmBtu NO<sub>x</sub> rate in 35 IAC 225 Subpart B Section 225.233(e)(4) is also attached to this letter.

If you have any questions regarding this submittal, please contact Wendell Watson at 618.343,7837 or via email at [wendell.watson@dynegy.com](mailto:wendell.watson@dynegy.com).

*In accordance with 35 IAC 225.290(d)(3), "I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations".*

Sincerely,  
Illinois Power Holdings, LLC

A handwritten signature in black ink, appearing to read 'Daniel Thompson', with a large, sweeping flourish extending to the right.

Daniel Thompson  
Vice President

Enclosure

**PCB 2014 -010 MPS Variance**

**Illinois Power Holdings, LLC**

**Report for Condition 2**

**MPS Group SO2 limit = 0.35 lb/mmBtu**

**Period: January 1, 2014 - December 31, 2014**

<b>Energy Center</b>	<b>SO2 Tons</b>	<b>Heat Input (mmBtu)</b>	<b>SO2 Average Rate (lb/mmBtu)</b>
Coffeen	32	56,129,001	0.001
Duck Creek	240	22,385,699	0.021
E.D. Edwards	8,278	39,374,994	0.420
Joppa	18,281	75,404,993	0.485
Newton	16,416	65,754,871	0.499
<b>IPH Total</b>	<b>43,247</b>	<b>259,049,558</b>	<b>0.334</b>

**Report for Condition 4**

**Variance Limit = 0.55 lb/mmBtu**

**Period: January 1, 2014 - December 31, 2014**

<b>Energy Center</b>	<b>SO2 Tons</b>	<b>Heat Input (mmBtu)</b>	<b>SO2 Average Rate (lb/mmBtu)</b>
E.D. Edwards	8,278	39,374,994	0.420
Joppa	18,281	75,404,993	0.485
Newton	16,416	65,754,871	0.499
<b>IPH Total</b>	<b>42,975</b>	<b>180,534,858</b>	<b>0.476</b>

**35 IAC 225.233(e)(4)**

**Illinois Power Holdings, LLC**

Annual NOx Rate Limit = 0.11 lb/mmBtu

**Period: January 1, 2014 - December 31, 2014**

<b>Energy Center</b>	<b>NOx Tons</b>	<b>Heat Input (mmBtu)</b>	<b>NOx Average Rate (lb/mmBtu)</b>
Coffeen	1,879	56,129,001	0.067
Duck Creek	1,065	22,385,699	0.095
E.D. Edwards	2,432	39,374,994	0.124
Joppa	4,024	75,404,993	0.107
Newton	2,898	65,754,871	0.088
<b>IPH Total</b>	<b>12,298</b>	<b>259,049,558</b>	<b>0.095</b>

Illinois Power Holdings, LLC

**PCB 2014 - 010 Report for Condition 8**

**Reporting Period: October 1, 2013 - December 31, 2014**

**MPS System SO2 Tons Remaining (Running Total)**

Year	Year Beginning	Actual SO2 Tons Emitted	Year End
2013*	327,996	10,371	317,625
2014	317,625	43,247	274,378
2015			
2016			
2017			
2018			
2019			
2020			

\* 2013 represents the period of October 1, 2013 - December 31, 2013

**Report for Condition 5**

**Reporting Period: January 1, 2014 - December 31, 2014**

**Scrubber SO2 Removal Efficiency Average**

Energy Center	Measured Efficiency of SO2 removal	Heat Input (mmBtu)
Coffeen 1	99.4	20,571,871
Coffeen 2	99.8	35,557,130
Duck Creek	98.9	22,385,699
<b>Average SO2 Removal Efficiency</b>	<b>99.4</b>	

**ATTACHMENT C**

**IPH, LLC**

1500 Eastport Plaza Drive  
Collinsville, IL 62234  
Phone 618.343.7837



February 22, 2016

Mr. Eric Jones, Unit Manager  
Illinois Environmental Protection Agency  
Bureau of Air, Compliance Section #40  
1021 North Grand Avenue East  
Springfield, Illinois 62794-9276

Re: PCB 2014 – 010 Annual Variance Report for Condition Number 4, 5, 7, and 8  
Reporting Period: January 1, 2015 – December 31, 2015  
Report for 35 IAC 225.233(e)(4)

Dear Mr. Jones:

This report is submitted for the following IPH, LLC facilities:

Facility	(Unit)	Facility I.D.
Coffeen Energy Center	(1, 2)	134803AAA
Duck Creek	(1)	057801AAA
E. D. Edwards	(1,2,3)	143805AAG
Joppa	(1,2,3,4,5,6)	127855AAC
Newton	(1, 2)	079808AAA

Attached is the report for the combined tons of mass SO<sub>2</sub> emissions and the overall SO<sub>2</sub> annual emission rate from the five operating power stations in the MPS Group as listed in the table above. This includes the total tons of SO<sub>2</sub> emissions, average SO<sub>2</sub> rate, and the running total of remaining SO<sub>2</sub> emissions from the initial limit of 327,996 tons as specified in condition seven. In accordance with condition four, the combined annual average stack SO<sub>2</sub> emissions of the three stations, E.D. Edwards, Joppa, and Newton Energy Centers, is reported to show compliance with the calendar year annual average limit of 0.55 lb/mmBtu. In accordance with condition five, the combined SO<sub>2</sub> removal rate of Duck Creek and Coffeen Energy Centers is also reported to show compliance with the 98 percent limit.

The data showing compliance with the 0.11 lb/mmBtu NO<sub>x</sub> rate in 35 IAC 225 Subpart B Section 225.233(e)(4) is also attached to this letter.

IPH, LLC

1500 Eastport Plaza Drive  
Collinsville, IL 62234  
Phone 618.343.7837



If you have any questions regarding this submittal, please contact Wendell Watson at 618.343.7837 or via email at [wendell.watson@dynegy.com](mailto:wendell.watson@dynegy.com).

*In accordance with 35 IAC 225.290(d)(3), "I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations".*

Sincerely,

A handwritten signature in black ink that reads "James R. Kipp". The signature is written in a cursive style with a large initial "J" and "K".

James Kipp  
Vice President  
IPH, LLC

Enclosure

**PCB 2014 -010 MPS Variance**

**Illinois Power Holdings, LLC**

**Report for Condition 2**

**MPS Group SO2 limit = 0.35 lb/mmBtu**

**Period: January 1, 2015 - December 31, 2015**

<b>Energy Center</b>	<b>SO2 Tons</b>	<b>Heat Input (mmBtu)</b>	<b>SO2 Average Rate (lb/mmBtu)</b>
Coffeen	37	49,522,657	0.001
Duck Creek	78	22,722,935	0.007
E.D. Edwards	6,435	29,090,389	0.442
Joppa	13,230	53,765,015	0.492
Newton	12,805	50,394,880	0.508
<b>IPH Total</b>	<b>32,585</b>	<b>205,495,876</b>	<b>0.317</b>

**Report for Condition 4**

**Variance Limit = 0.55 lb/mmBtu**

**Period: January 1, 2015 - December 31, 2015**

<b>Energy Center</b>	<b>SO2 Tons</b>	<b>Heat Input (mmBtu)</b>	<b>SO2 Average Rate (lb/mmBtu)</b>
E.D. Edwards	6,435	29,090,389	0.442
Joppa	13,230	53,765,015	0.492
Newton	12,805	50,394,880	0.508
<b>IPH Total</b>	<b>32,470</b>	<b>133,250,284</b>	<b>0.487</b>

**Illinois Power Holdings, LLC**

**PCB 2014 - 010 Report for Condition 8**

**Reporting Period: October 1, 2013 - December 31, 2015**

**MPS System SO2 Tons Remaining (Running Total)**

Year	Year Beginning	Actual SO2 Tons Emitted	Year End
2013*	327,996	10,371	317,625
2014	317,625	43,247	274,378
2015	274,378	32,585	241,793
2016			
2017			
2018			
2019			
2020			

\* 2013 represents the period of October 1, 2013 - December 31, 2013

**Report for Condition 5**

**Reporting Period: January 1, 2015 - December 31, 2015**

**Scrubber SO2 Removal Efficiency Average**

Energy Center	Measured Efficiency of SO2 removal	Heat Input (mmBtu)
Coffeen 1	99.3	15,993,139
Coffeen 2	99.8	33,529,518
Duck Creek	98.7	22,722,935
<b>Average SO2 Removal Efficiency</b>	<b>99.3</b>	

**35 IAC 225.233(e)(4)**

**Illinois Power Holdings, LLC**

**Annual NOx Rate Limit = 0.11 lb/mmBtu**

**Period: January 1, 2015 - December 31, 2015**

<b>Energy Center</b>	<b>NOx Tons</b>	<b>Heat Input (mmBtu)</b>	<b>NOx Average Rate (lb/mmBtu)</b>
Coffeen	1,614	49,522,657	0.065
Duck Creek	1,012	22,722,935	0.089
E.D. Edwards	2,141	29,090,389	0.147
Joppa	2,966	53,765,015	0.110
Newton	2,195	50,394,880	0.087
<b>IPH Total</b>	<b>9,929</b>	<b>205,495,876</b>	<b>0.097</b>

**ATTACHMENT D**

Illinois Power Holdings, LLC

604 Pierce Boulevard  
O'Fallon, IL 62269



DYNEGY

December 20, 2013

Illinois Environmental Protection Agency  
Attn: Ray Pilapil, Manager  
Bureau of Air – Compliance Section  
1021 N. Grand Avenue East  
Springfield, IL 62794

RE: Illinois Multi-Pollutant Standard Variance – Annual Newton Progress Report for 2013

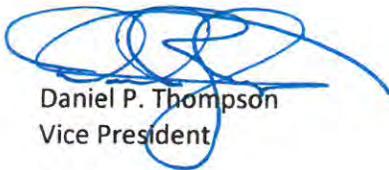
Dear Mr. Pilapil:

In accordance with Condition 9.g of the Illinois Pollution Control Board Order PCB 14-10 dated November 21, 2013, Illinois Power Holdings, LLC hereby submits the attached Annual Progress Report for 2013 for the Newton Flue Gas Desulfurization project. This report encompasses the following information in accordance with the Order; an itemization of activities completed during the year, an itemization of activities planned to be completed in the forthcoming year, progress of the Newton FGD project to comply with the timelines specified in the variance, and the estimated in-service date.

Please contact Rick Diericx at (618) 206-5912 if you have any questions concerning this submittal or if additional information is required.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,



Daniel P. Thompson  
Vice President

Attachment

Cc: Illinois Environmental Protection Agency  
Attn: Ms. Gina Roccaforte, Assistant Counsel  
Division of Legal Counsel - Air Regulatory Unit  
1021 N. Grand Avenue East  
Springfield, IL 62794

Newton FGD Annual Progress Report  
December 2013

Estimated In-Service Dates. Spring/Fall 2019.

Project Activities Completed Through 2013. Engineering, procurement and construction activities with respect to the Newton FGD have progressed and the overall project is estimated to be 63% complete.

- Engineering. Civil engineering and architectural design is substantially complete except for Site Finishing scope. Mechanical and Electrical engineering is substantially complete except for activities associated with future procurements. The piping and instrument diagrams and piping isometric drawings are complete. The routing of electrical circuits is complete except for scope associated with future procurements. There are a total of seventy-two equipment and construction specifications associated with the Newton FGD. Seventy are complete including owner's review and approval.
- Procurements/Construction Status.
  - Chimney. Complete.
  - Limestone Silos. Complete.
  - Electrical and Dewatering Buildings. Complete.
  - Absorber Vessels. Complete.
  - Deep Foundations. Complete.
  - Foundations. All foundations are complete except for the emergency diesel generator foundation and several minor miscellaneous foundations.
  - Material / Equipment Received and Stored On Site. The following equipment and components have been procured and delivered to the site: Agitators; Disconnect Switches; Ductwork Expansion Joints; Gypsum Conveyor; Gypsum Slurry Pumps; Absorber Bleed Pumps ; Slurry Spray Nozzles; Non-Slurry Nozzles; Jet Air Spargers; Makeup Water Vertical Pumps; Pneumatic Blowers; Shop Fabricated Piping (Metallic); Shop Fabricated Piping (FRP); Expansion Joints (Piping), Bridge Crane, Absorber Building Roofing and Siding materials, and Absorber Building HVAC equipment. Installation of such materials remains to be performed.
  - Structural Steel. Approximately 98% of the structural steel has been delivered to the site. Erection of Unit 1 and 2 Absorber Building, Limestone Pipe Rack, and Gypsum Conveyor support steel is complete. Erection of Unit 1 and Unit 2 ductwork support steel is ongoing. Erection of roofing and siding for the Absorber Building is in progress.
  - Ductwork. All of the ductwork has been delivered to the site. Assembly and installation activities are ongoing. Approximately 35% of the ductwork has been erected.
  - Outlet Hoods. Complete except for application of the resin lining coating.
  - Absorber Internal – Beams (Alloy). Complete.
  - Slurry Spray Headers. Erection is complete except for the lamination of the FRP field joints.
  - Slurry Recycle Piping. All piping has been rough set. Lamination of the FRP field joints is in progress.
  - Mist Eliminators. Complete including the mist eliminator wash piping.
  - Absorber Recycle Pumps. Material delivered. The pumps are rough set on their pedestals and the motors and gear boxes are stored onsite.
  - ID Fans. Delivered. The static parts for both units are rough assembled, along with the motors. Remaining components are stored on site.
  - Dewatering Equipment. All components are onsite. Some equipment partially installed.
  - Shop Fabricated Tanks. The emergency quench tanks are delivered and installed.
  - Transformers. All three FGD transformers have been delivered, oil filled, and tested.
  - MV-LV Switchgear, MCCs. Delivered and installed.

- DCS/Simulator. Factory Acceptance and Site Acceptance Testing is complete. The equipment has been delivered and stored at the jobsite. Newton Unit 1 and 2 DCS plant upgrades are complete.
- Large Diameter Butterfly Valves. Installation complete.
- Gypsum Storage Tank. Complete except for the resin lining coating.
- Ductwork Insulation. Approximately 38% of the ductwork insulation has been completed.
- Electrical Construction. Lighting has been installed in the Absorber Building. Cable tray has been installed in the Electrical, Absorber, and Dewatering Buildings. Interconnecting cable between Switchgear and MCC's has been completed in the Electrical Building.
- Underground Utilities. Duct bank installations are complete. Fire protection piping is complete. The makeup water piping is yet to be completed.
- FGD Make-Up Water Tie In. Dynegy is reviewing the documentation provided by Ameren for the initial submittal to the IDNR.

### **Project Activities Planned in 2014.**

- Engineering. Limited engineering to support construction.
- Procurement/Construction Status.
  - Absorber Building. Complete installation of the Unit 1 and 2 Absorber Building roofing and siding.
  - Procurement. Procure and deliver the balance of plant FRP piping, valves, hangers, instruments, and switchyard structures.
  - Piping. Start installation of FRP balance of plant piping. Continue laminations of recycle piping and slurry header field joints.
  - Switchyard. Erect switchyard structures and overhead conductors.
  - Ductwork. Continue to assemble ductwork sections and support steel.
  - Ductwork Insulation. Continue insulation.

### **Progress to Comply with the Timelines Specified in the Variance.**

- "On or before July 1, 2015, IPH (Illinois Power Holdings) must complete engineering work on the Newton FGD Project." By the end of 2013 expect Engineering to be approximately 90% complete. Engineering will be substantially complete by July 1, 2015.
- "On or before December 31, 2017, IPH must obtain a new or extended construction permit, if needed, for the installation of the FGD equipment at the Newton Power Station." Dynegy does not anticipate that a modification or extension of the construction permit will be necessary.
- "On or before December 31, 2018, IPH must complete construction of the absorber building on the Newton FGD project." IPH has identified no project related issues that would preclude compliance with construction requirements associated with the absorber vessel and related structures and building.
- "On or before July 1, 2019, IPH must complete steel fabrication of ductwork and insulation activities on the Newton FGD project." IPH has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019. The second Unit will be in service in the fall of 2019.
- "On or before July 1, 2019, IPH must complete installation of electrical systems and piping on the Newton FGD project." IPH has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019. The second Unit will be in service in the fall of 2019.

- “On or before September 1, 2019, IPH must set major components into final position on the Newton FGD project.” IPH has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019. The second Unit will be in service in the fall of 2019.

**ATTACHMENT E**

Illinois Power Generating Company  
1500 Eastport Plaza Drive  
Collinsville, IL 62234



DYNEGY

December 16, 2014

Mr. Eric Jones  
Compliance Section Manager #40  
Bureau of Air  
Illinois Environmental Protection Agency  
1021 North Grand Avenue East  
Springfield, Illinois 62794-9276

Re: Illinois Multi-Pollutant Standard Variance  
Annual Newton Progress Report for 2014

Dear Mr. Jones:

In accordance with Condition 9.g of the Illinois Pollution Control Board Order PCB 14-10 dated November 21, 2013, Illinois Power Generating Company hereby submits the attached Annual Progress Report for 2014 for the Newton Flue Gas Desulfurization project. This report encompasses the following information in accordance with the Order; an itemization of activities completed during the year, an itemization of activities planned to be completed in the forthcoming year, progress of the Newton FGD project to comply with the timelines specified in the variance, and the estimated in-service date.

Please contact Rick Diericx at (618) 343-7761 if you have any questions concerning this submittal or if additional information is required.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,



Daniel P. Thompson  
Executive Vice President

Attachment

cc: Illinois Environmental Protection Agency  
Attn: Ms. Gina Roccaforte, Assistant Counsel  
Division of Legal Counsel - Air Regulatory Unit  
1021 N. Grand Avenue East  
Springfield, IL 62794

**Newton FGD Annual Progress Report  
December 2014**

**Estimated In-Service Dates.** Spring/Fall 2019.

**Project Activities Completed Through 2014.** Engineering, procurement and construction activities with respect to the Newton FGD have progressed and the overall project is estimated to be 65% complete.

- **Engineering.** Civil engineering and architectural design is substantially complete except for the Site Finishing drawings. Mechanical and Electrical engineering is substantially complete except for activities associated with the remaining procurements, and the makeup water system. The piping and instrument diagrams and piping isometric drawings are complete. The routing of electrical circuits is complete except for scope associated with remaining procurements. There are a total of seventy-one equipment and construction specifications associated with the Newton FGD. Seventy are complete including Dynege's review and approval.
- **Procurements/Construction Status.**
  - Chimney. Complete.
  - Limestone Silos. Complete.
  - Electrical and Dewatering Buildings. Complete.
  - Absorber Vessels. Complete.
  - Deep Foundations. Complete.
  - Foundations. All foundations are complete except for the, emergency diesel generator foundations, and several minor miscellaneous foundations.
  - Material / Equipment Received and Stored On Site. The following equipment and components have been procured, delivered, and stored at site: Agitators, Gypsum Slurry Pumps, Absorber Bleed Pumps, Jet Air Spargers, Makeup Water Vertical Pumps, Pneumatic Blowers, Ductwork Dampers, Variable Frequency Drives, Instruments, and UPS Equipment/Batteries. Installation of such materials remains to be performed.
  - Structural Steel. All of the structural steel has been delivered to the site. Erection of Unit 1 and 2 Absorber Building, Limestone Pipe Rack, and Gypsum Conveyor support steel is complete. Erection of Unit 1 and Unit 2 ductwork support steel is ongoing. Erection of roofing and siding for the Absorber Building is complete except for doors.
  - Ductwork. All of the ductwork has been delivered to the site. Assembly and installation of ductwork and expansion joints continues. Approximately 75% of the ductwork has been erected.
  - Outlet Hoods. Complete except for application of the resin lining coating.
  - Absorber Internal – Beams (Alloy). Complete.
  - Slurry Spray Headers. Erection is complete including the spray nozzles and lamination of the FRP field joints.
  - Slurry Recycle Piping. Erection is complete including the lamination of the FRP field joints.
  - Mist Eliminators. Complete including the mist eliminator wash piping.
  - Absorber Recycle Pumps. Material delivered. The pumps are rough set on their pedestals and the motors and gear boxes are stored onsite.
  - ID Fans. Delivered. The static parts for both units are rough assembled, along with the motors. Remaining components are stored on site.
  - Dewatering Equipment. All components are onsite. The belt filters have been partially installed.
  - Shop Fabricated Tanks. The emergency quench tanks are delivered and installed.
  - Transformers. All three FGD transformers have been delivered, oil filled, and tested.
  - MV-LV Switchgear, MCCs. Delivered and installed.

- DCS/Simulator. Factory Acceptance and Site Acceptance Testing is complete. The equipment has been delivered and stored at the jobsite. Newton Unit 1 and 2 DCS plant upgrades are complete.
- Large Diameter Butterfly Valves. Installation complete.
- Gypsum Storage Tank. Complete except for the resin lining coating.
- Ductwork Insulation. Approximately 50% of the ductwork insulation has been completed.
- Electrical Construction. A portion of the lighting has been installed in the Absorber Building. Cable tray has been installed in the Electrical, Absorber, and Dewatering Buildings. Interconnecting cable between Switchgear and MCC's has been completed in the Electrical Building.
- Underground Utilities. Duct bank installations are complete. Fire protection piping is complete. The makeup water piping is yet to be completed.
- Absorber Building HVAC Equipment. Set in place.
- Bridge Crane. Rough set in the Absorber Building.
- Balance of Plant Piping. All shop fabricated piping (metallic and FRP), pipe supports, valves, and expansion joints have been delivered to site. Erection of piping and accessories is in progress. Installation is approximately 65% complete.
- Switchyard Erection. Erection of the transmission poles and switchyard structures is complete except for the Unit 2 switchyard structures for which a plant outage is necessary to complete the work.
- Gypsum Conveyor. All components have been delivered. The conveyor supports and deck have been erected.

### **Project Activities Planned in 2015.**

- Engineering. Limited engineering to support procurements and construction. Complete the design of the makeup water system.
- Procurement/Construction Status.
  - Procurement. Procure and deliver the HV Switchyard Breakers, CEMS equipment, Absorber Internal Baffles, Air Compressors, and Emergency Diesel Generators.
  - Piping. Continue installation of FRP balance of plant piping, supports, and valves.
  - Switchyard. Complete erection of the switchyard structures if a Unit 2 plant outage is available.
  - Ductwork. Continue to assemble ductwork sections.
  - Ductwork Insulation. Continue insulation.
  - Electrical Construction. Continue installation of plant lighting.

### **Progress to Comply with the Timelines Specified in the Variance.**

- "On or before July 1, 2015, Dynege must complete engineering work on the Newton FGD Project." Engineering will be substantially complete by July 1, 2015.
- "On or before December 31, 2017, Dynege must obtain a new or extended construction permit, if needed, for the installation of the FGD equipment at the Newton Power Station." Dynege does not anticipate that a modification or extension of the construction permit will be necessary.
- "On or before December 31, 2018, Dynege must complete construction of the absorber building on the Newton FGD project." Dynege has identified no project related issues that would preclude compliance with construction requirements associated with the absorber vessel and related structures and building. The building enclosure is now substantially completed.
- "On or before July 1, 2019, Dynege must complete steel fabrication of ductwork and insulation activities on the Newton FGD project." Dynege has identified no project related issues that would preclude compliance

with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019. The second Unit will be in service in the fall of 2019.

- “On or before July 1, 2019, Dynegy must complete installation of electrical systems and piping on the Newton FGD project.” Dynegy has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019. The second Unit will be in service in the fall of 2019.
  
- “On or before September 1, 2019, Dynegy must set major components into final position on the Newton FGD project.” Dynegy has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019. The second Unit will be in service in the fall of 2019.

**ATTACHMENT F**

**IPH, LLC**

1500 Eastport Plaza Drive  
Collinsville, IL 62234  
Phone 618.343.7837



December 15, 2015

Mr. Eric Jones, Unit Manager  
Illinois Environmental Protection Agency  
Bureau of Air, Compliance Section #40  
1021 North Grand Avenue East  
Springfield, Illinois 62794-9276

Re: Illinois Multi-Pollutant Standard Variance  
Annual Newton Progress Report for 2015

Dear Mr. Jones:

In accordance with Condition 9.g of the Illinois Pollution Control Board Order PCB 14-10 dated November 21, 2013, IPH, LLC hereby submits the attached Annual Progress Report for 2015 for the Newton Flue Gas Desulfurization project. This report encompasses the following information in accordance with the Order; an itemization of activities completed during the year, an itemization of activities planned to be completed in the forthcoming year, progress of the Newton FGD project to comply with the timelines specified in the variance, and the estimated in-service date.

Please contact Rick Diericx at (618) 343-7761 if you have any questions concerning this submittal or if additional information is required.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,

A handwritten signature in black ink that reads "James R. Kipp".

James Kipp  
Vice President  
IPH, LLC

Attachment

cc: Illinois Environmental Protection Agency  
Attn: Ms. Gina Roccaforte, Assistant Counsel  
Division of Legal Counsel - Air Regulatory Unit  
1021 N. Grand Avenue East  
Springfield, IL 62794

## Newton FGD Annual Progress Report December 2015

**Estimated In-Service Dates.** The first Unit to be in service in the spring of 2019; the second Unit within 12 months of the first.

**Project Activities Completed Through 2015.** Engineering, procurement and construction activities with respect to the Newton FGD have progressed and the overall project is estimated to be 72% complete.

- **Engineering.** Civil engineering, Architectural design, Mechanical and Electrical engineering are all substantially complete. In 2015, the routing of electrical circuits was completed, and all raceway and circuit drawings were completed. Piping isometric drawings and Piping and Instrumentation drawings are complete. All seventy-two equipment and construction specifications are completed. The only engineering activities remaining are those related to ongoing construction and commissioning support, writing of plant performance test procedures and performance testing support following commissioning, final site paving after the completion of construction, and updating of drawings to conform to construction records (as-built drawings).
- **Procurements/Construction Status.**
  - *Chimney.* Complete.
  - *Limestone Silos.* Complete.
  - *Electrical and Dewatering Buildings.* Complete.
  - *Absorber Vessels.* Complete.
  - *Deep Foundations.* Complete.
  - *Foundations.* All foundations are complete.
  - *Structural Steel.* All of the structural steel has been delivered to the site. Erection of Unit 1 and 2 Absorber Building, Limestone Pipe Rack, and Gypsum Conveyor support steel is complete. Erection of Unit 1 and Unit 2 ductwork support steel is completed to the extent possible prior to the outage tie-ins.
  - *Absorber Building Enclosure.* Erection of roofing and siding for the Absorber Building is complete except for doors.
  - *Ductwork.* All of the ductwork has been delivered to the site. Assembly and installation of ductwork and expansion joints continues. Approximately 85% of the ductwork has been erected. Only the outage tie-in ductwork remains to be erected.
  - *Ductwork Dampers.* The ID Fan outlet dampers have been erected.
  - *Outlet Hoods.* Fabrication and erection complete. The application of the resin lining coating is complete on Unit 2 and in progress on Unit 1.
  - *Absorber Internals.* The alloy beams, jet air spargers, and baffles have been installed.
  - *Slurry Spray Headers.* Erection is complete including the spray nozzles and lamination of the FRP field joints.
  - *Slurry Recycle Piping.* Erection is complete including the lamination of the FRP field joints.
  - *Mist Eliminators.* Complete including the mist eliminator wash piping.
  - *Absorber Recycle Pumps.* The pumps are rough set on their pedestals and the motors and gear boxes are stored onsite.
  - *Miscellaneous Pumps.* The absorber bleed, gypsum slurry, and absorber, dewatering, reclaim, and gypsum sump pumps have been rough set.

- ID Fans. The static parts for both units are rough assembled, along with the motors. Remaining components are stored on site.
- Dewatering Equipment. All components are onsite. The belt filters and associated equipment have been partially installed.
- Pneumatic Limestone Conveying. The blowers and associated equipment have been partially installed.
- Agitators. The absorber, gypsum tank, and sump pump agitators have been installed.
- Air Compressors. The air compressors and receiver have been rough set.
- Shop Fabricated Tanks. The emergency quench tanks are delivered and installed.
- Transformers. All three FGD (Unit 1, Unit 2, and spare) transformers have been delivered, oil filled, and tested.
- MV-LV Switchgear, MCCs. All units have been installed.
- UPS/Batteries. The battery assemblies have been installed.
- Variable Frequency Drives. The VFDs have been installed.
- Emergency Diesel Generators. The EDGs have been rough set.
- DCS/Simulator. Factory Acceptance and Site Acceptance Testing is complete. The equipment has been delivered and stored at the jobsite. Newton Unit 1 and 2 DCS plant upgrades are complete.
- Large Diameter Butterfly Valves. Installation complete.
- Gypsum Storage Tank. Complete, including the application of the resin lining coating.
- Ductwork Insulation. Approximately 74% of the ductwork insulation has been completed.
- Electrical Construction. Lighting has been installed in the Absorber Building. Cable tray has been installed in the Electrical, Absorber, and Dewatering Buildings. Interconnecting cable between Switchgear and MCC's has been completed in the Electrical Building.
- Underground Utilities. Duct bank installations are complete. The installation of all underground piping is completed.
- Absorber Building HVAC Equipment. Set in place.
- Bridge Crane. Rough set in the Absorber Building.
- Balance of Plant Piping and Instruments. All shop fabricated piping (metallic and FRP), pipe supports, valves, and expansion joints have been delivered to the site. Erection of piping, piping accessories, and instruments is nearing completion. Installation is approximately 95% complete.
- Switchyard Erection. Erection of the transmission poles and switchyard structures is complete except for the Unit 2 switchyard structures for which a plant outage is necessary to complete the work. The high voltage breakers have been rough set.
- Gypsum Conveyor. All components have been delivered. The conveyor supports and deck have been erected. Mechanical components are yet to be erected.
- Material / Equipment Received and Stored On Site. The following components have been delivered to site but not yet installed: ID Fans, ID Fan inlet dampers, gypsum conveyor equipment, makeup water pumps, DCS equipment, and remote I/O enclosures.

### **Project Activities Planned in 2016.**

- Engineering. Engineering support of construction activities.
- Procurement/Construction.
  - Procurement. No major procurements are planned. All major procurements are complete except for the fire protection and stack decommissioning subcontracts.
  - Switchyard. Complete erection of the switchyard structures if a Unit 2 plant outage is available.
  - Ductwork. Continue to assemble ductwork sections.

- Ductwork Insulation. Continue installation of insulation and lagging on erected/stored ductwork sections.
- Electrical Construction. Continue to install conduit, cabling & terminations, and electrical equipment.

**Progress to Comply with the Timelines Specified in the Variance.**

- “On or before July 1, 2015, IPH must complete engineering work on the Newton FGD Project.”  
**Milestone Achieved** - Engineering was substantially completed by July 1, 2015.
- “On or before December 31, 2017, IPH must obtain a new or extended construction permit, if needed, for the installation of the FGD equipment at the Newton Power Station.” IPH does not anticipate that a modification or extension of the construction permit will be necessary.
- “On or before December 31, 2018, IPH must complete construction of the absorber building on the Newton FGD project.” IPH has identified no project related issues that would preclude compliance with construction requirements associated with the absorber vessel and related structures and building. The building enclosure is now substantially completed.
- “On or before July 1, 2019, IPH must complete steel fabrication of ductwork and insulation activities on the Newton FGD project.” IPH has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019 with the second Unit to be in service within 12 months of the first Unit.
- “On or before July 1, 2019, IPH must complete installation of electrical systems and piping on the Newton FGD project.” IPH has identified no project related issues that would preclude compliance with this requirement. Piping installation is currently 95% complete. Electrical installation is the major construction activity planned for 2016. Our current schedule calls for the first Unit to be in service in the spring of 2019 with the second Unit to be in service within 12 months of the first Unit.
- “On or before September 1, 2019, IPH must set major components into final position on the Newton FGD project.” IPH has identified no project related issues that would preclude compliance with this requirement. Our current schedule calls for the first Unit to be in service in the spring of 2019 with the second Unit to be in service within 12 months of the first Unit.

**ATTACHMENT G**



Timothy Aliff  
Director, Reliability Planning  
317.249.5654  
taliff@misoenergy.org

**VIA OVERNIGHT DELIVERY**

August 23, 2016

Shannon Brown  
Dynergy, Inc.  
601 Travis St., Suite 1400  
Houston, TX 77002

Subject: **Approval of Newton Unit 2 Attachment Y Request for Expedited Retirement**

Dear Mr. Brown:

On August 8, 2016 MISO received a revised Attachment Y Notice from Illinois Power Marketing Company for the retirement of Newton Unit 2 effective September 15, 2016 with an accompanying request for MISO to consider the expedited retirement date. Previously MISO approved an Attachment Y Notice of suspension for the unit effective September 15, 2016 and a subsequent Attachment Y Notice of retirement effective November 29, 2016. After review of the power system reliability impacts, MISO determined that the earlier retirement of Newton Unit 2 would not result in violations of applicable reliability criteria. Therefore, Newton Unit 2 may Retire without the need for the generator to be designated as a System Support Resource ("SSR") unit as defined in the Tariff.

This letter acknowledges that MISO has received your amended Attachment Y Notice revising the Newton Unit 2 retirement date to September 15, 2016. The decision to Retire is considered final and the existing interconnection rights for the generators will be terminated as of the retirement date specified in the revised Attachment Y Notice. Illinois Power Marketing Company may not modify the decision to Retire Newton Unit 2 unless an Attachment X Request is submitted to enter the generation interconnection queue. As there were no reliability criteria violations, MISO will continue to preserve the confidentiality of this Attachment Y Notice. Please submit the necessary Attachment B form to the MISO Customer & Asset Registration Department ([Register@misoenergy.org](mailto:Register@misoenergy.org)) to reflect this change in asset information.

Please do not hesitate to contact me if you have any questions on this matter.

Respectfully,

A handwritten signature in blue ink, appearing to read "Tim Aliff", is written over a light blue horizontal line.

Tim Aliff  
Director, Reliability Planning

**ATTACHMENT H**



IPH, LLC  
1500 Eastport Plaza Drive  
Collinsville, IL 62234-6135

Via E-Mail

September 1, 2016

Jim Ross  
Manager, Division of Air Pollution Control  
Illinois Environmental Protection Agency  
1021 North Grand Avenue East  
Springfield, Illinois 62794

Dear Mr. Ross:

The enclosed spreadsheet demonstrates the environmental benefit that has been achieved to date under the Variance in PCB 14-10. The environmental benefit is identified in terms of additional tons of SO<sub>2</sub> reductions achieved under the Variance compared to the SO<sub>2</sub> tons that would have been allowed under the MPS Rule. The benefit achieved to date reflects that the Variance imposed more stringent SO<sub>2</sub> emission rates than the MPS Rule upfront in the relevant period (Oct. 1, 2013 – 12/31/2014) and provides relief from the MPS Rule SO<sub>2</sub> emission rates in the back end of the relevant period (1/1/2015-12/31/2019).

The environmental benefit is demonstrated using either the MPS Group's baseline heat input or, more conservatively, the MPS Group's actual heat input. Specifically:

**Using the MPS Group's baseline heat input:**

- During the period October 1, 2013 - to Aug. 31, 2016 (covering both AER and IPH ownership of the MPS Group), the allowable SO<sub>2</sub> emissions under the MPS Rule (without the Variance) would have been 164,984 tons. During that same timeframe, the MPS Group's actual SO<sub>2</sub> emissions were 100,881 tons. As the MPS would have allowed emissions totaling 164,984 tons of SO<sub>2</sub>, that represents a reduction (benefit) of 64,103 tons (164,984 – 100,881).

**Using the MPS Group's actual heat input:**

- During the period October 1, 2013 - to Aug. 31, 2016 (covering both AER and IPH ownership of the MPS Group), the allowable SO<sub>2</sub> emissions under the MPS without the Variance would have been 111,738 tons. Since the MPS Group's actual SO<sub>2</sub> emissions were 100,881 tons during that same timeframe, a benefit of 10,857 tons of SO<sub>2</sub> reductions has occurred to date (111,738 – 100,881).

Alternatively, an environmental benefit is also demonstrated occurring over the period October 1, 2013 - to Aug. 31, 2016 by comparing actual tons of SO<sub>2</sub> emitted by the MPS Group to SO<sub>2</sub> tons under the Variance's allowable SO<sub>2</sub> emission rate using either the MPS Group's baseline heat input or actual heat input. Specifically, actual tons of SO<sub>2</sub> emitted by the MPS Group were less than allowed under the Variance using (i) the MPS Group Baseline heat input (173,478 – 100,881 = 72,597 tons of benefit), or (ii) the MPS Group actual heat input (112,351 - 100,881 = 11,470 tons of benefit; where 112,351 = 0.35 lbs/mmbtu x 642,004,246 mmbtu x 1 ton/2,000 lbs).

Jim Ross, IEPA  
September 1, 2016  
Page 2 of 2

If you have any questions concerning this information, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Diericx", with a large, stylized flourish above the name.

Rick Diericx  
Managing Director, Environmental Compliance Group

Enclosure

IPH MPS Group

A	B	C	D	E	F	G	H	I	J	K
Year	MPS Group Baseline Heat Input	MPS SO2 Rate (lb/mmBtu)	MPS Baseline SO2 (tons)	Variance SO2 Rate (lb/mmBtu)	Variance SO2 Tons	Actual SO2 Tons	Difference MPS Baseline SO2 tons and Actual SO2 tons (col. D - col. G)	Actual Heat Input (mmBtu)	MPS SO2 with Actual Heat Input (tons)	Difference MPS SO2 with Actual Heat Input and Actual SO2 tons (col. J - col. G)
4th Q 2013	83,443,376	0.5	20,861	0.35	14,603	10,371	10,490	65,380,446	16,345	5,974
2014	340,446,252	0.43	73,196	0.35	59,578	43,247	29,949	259,049,558	55,696	12,449
2015	340,446,252	0.25	42,556	0.35	59,578	32,585	9,971	205,495,876	25,687	-6,898
2016 Jan-Aug 31	226,965,303*	0.25	28,371	0.35	39,719	14,678	13,693	112,078,366	14,010	-668
Total			164,984		173,478	100,881	64,103	642,004,246	111,738	10,857

Electronic Filing Received, Clerk's Office : 09/02/2016

\*MPS Group Baseline Heat Input for 2016 Jan-Aug 31 = .66667 x annual MPS Group Baseline Heat input

## **Exhibit 2**

# Delaware

PAGE 1

*The First State*

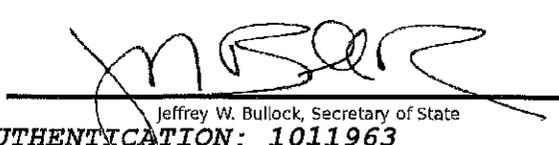
I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CANCELLATION OF "AMEREN ENERGY RESOURCES COMPANY, LLC", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF DECEMBER, A.D. 2013, AT 3:43 O'CLOCK P.M.

4445570 8100

131474617



You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

  
Jeffrey W. Bullock, Secretary of State  
AUTHENTICATION: 1011963

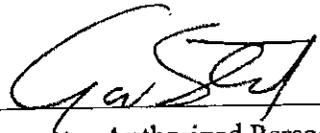
DATE: 12-26-13

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 03:49 PM 12/24/2013  
FILED 03:43 PM 12/24/2013  
SRV 131474617 - 4445570 FILE

**STATE OF DELAWARE  
CERTIFICATE OF CANCELLATION**

1. The name of the limited liability company is Ameren Energy Resources Company, LLC
2. The Certificate of Formation of the limited liability company was filed on February 11, 2008

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Cancellation this 24th day of December, A.D. 2013.

By:   
Authorized Person(s)

Name: Craig W. Stensland, Assistant Secretary  
Print or Type

**Exhibit 3**

**Affidavit of Mark C. Birk**

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD**

ILLINOIS POWER HOLDINGS, LLC and	)	
AMERENENERGY MEDINA VALLEY	)	
COGEN, LLC;	)	
	)	
Petitioners,	)	
	)	
AMEREN ENERGY	)	
RESOURCES, LLC,	)	
	)	
Co-Petitioner,	)	
	)	PCB 14-10
v.	)	(Variance – Air)
	)	
ILLINOIS ENVIRONMENTAL	)	
PROTECTION AGENCY,	)	
	)	
Respondent.	)	

**AFFIDAVIT OF MARK C BIRK**

1. My name is Mark C. Birk. I am employed by Ameren Services Company as a Senior Vice President of Corporate Planning and Oversight. I am the President of AmerenEnergy Medina Valley Cogen, LLC. My business address is 1901 Chouteau Avenue, St. Louis, Missouri, 63103. Both of these entities are subsidiaries of Ameren Corporation (collectively “Ameren”).

2. On behalf of Ameren, I offered affidavit testimony in the Board’s PCB No. 14-10 proceeding, concerning a Petition for Variance filed jointly by Illinois Power Holdings, LLC, AmerenEnergy Medina Valley Cogen, LLC, and Ameren Energy Resources.

3. Ameren is a public utility holding company whose primary assets are the common stock of its subsidiaries, one of which is AmerenEnergy Medina Valley Cogen, LLC (“Medina Valley”).

4. One of the conditions in the Board's Order in PCB 14-10 relates to the assets of Medina Valley. Condition #3 requires that Medina Valley not operate the electrical generating units at Meredosia and Hutsonville Power Stations until after December 31, 2010.

5. On behalf of Medina Valley I attest that both the Meredosia and Hutsonville Power Stations have been permanently retired and all Clean Air Act operating permits previously applicable to these stations have been surrendered to the Illinois Environmental Protection Agency.

FURTHER, Affiant sayeth not.

DATED: 8/31/16



Name: Mark C. Birk  
Title: President  
AmerenEnergy Medina Valley Cogen, LLC

Subscribed and sworn to before me  
This 31<sup>st</sup> day of August, 2016

  
Notary Public

