



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

DYNEGY MIDWEST GENERATION, INC.	)	
Mercury Sorbent Trap Monitoring System for	)	
Wood River Station, Unit No. 5	)	PCB 14-
	)	(Tax Certification - Air)
	)	
PROPERTY IDENTIFICATION NUMBER	)	
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,

1st 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, Illinois 62794-9276  
Telephone: (217) 524-9137

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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 October 20, 2008, the Illinois EPA received an application and supporting information from DYNEGY MIDWEST GENERATION, INC, (“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]**. Following a belated discovery that the application had been misplaced, the Illinois EPA’s undersigned attorney sought and obtained verbal confirmation from Dynergy Midwest Gen concerning the continuing need for certification of the subject sources and/or equipment on November 26, 2013.

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 Mercury Sorbent Trap Monitoring System, which was constructed and installed by Dynergy Midwest Gen on Unit No. 5, Boiler No. 5 of the Wood River Station. According to the application, the project was implemented to comply with the requirements of the Illinois mercury rule promulgated by the Board. As generally recognized in the field of air pollution control technology, a sorbent trap monitoring system is designed for automated, continuous sampling of vapor-phase mercury emissions from stationary sources and is an integral part of mercury emissions control.

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 Mercury Sorbent Trap Monitoring System to serve as an integral part of, or appurtenance to, mercury emission controls that prevent or reduce air pollution, it is the Illinois EPA’s engineering judgment that the system 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 Mercury Sorbent Trap Monitoring 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 2<sup>nd</sup> 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

Dynegy Midwest Region Operations  
A Division of Dynegy Inc.  
604 Pierce Boulevard  
O'Fallon, IL 62269

October 14, 2008

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



Mr. Bakowski:

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

Dynegy is submitting herein three applications (Form APC-151) for pollution control facility tax certifications for pollution control systems soon to be installed on generating Units 4 and 5 at its Wood River Power Station. One application form is for the mercury sorbent trap monitoring equipment to be installed on Unit 4. The other two application forms are for the activated carbon injection and fabric filter systems, and mercury sorbent trap monitoring equipment to be installed on Unit 5.

These systems are being installed so as to satisfy the terms and conditions of a 2005 Consent Decree between Dynegy, Inc. and the U.S. Department of Justice, and the requirements of the State of Illinois Mercury Rule. A construction permit has previously been issued by the IEPA for the activated carbon injection and fabric filter systems, and that construction permit no. is noted on the enclosed forms.

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,

A handwritten signature in black ink, appearing to read "Rick Diericx". The signature is fluid and cursive, written over a white background.

Rick Diericx, Sr. Director  
Operations Environmental Compliance

**RECEIVED**  
**STATE OF ILLINOIS**

OCT 20 2008

Environmental Protection Agency  
BUREAU OF AIR

Exhibit A

cc:

- (1) Rick Barton – Suite 306, 133 So. 4<sup>th</sup> St., Springfield, IL 62701-1232
- (2) Jeremy Sandel/Jon R. Harris - Tax Department; Dynegy Corporate Office; 1000 Louisiana St., Houston, TX 77002
- (3) D. Crone – Wood River Power Station; #1 Chesson Lane; Alton, IL 62002
- (4) Wendell Watson/Rick Kelley/Tom Davis – Operations Environmental Compliance; O'Fallon, IL Office
- (5) Rick Diericx Reading File – O'Fallon, IL Office

Path

G:\EA\Tax Credit Certifications\Wood River\State Applications\WR Units 4 and 5; ACI, Mercury Sorbent Traps, and FF Certification Applications to IEPA.doc

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, Inc.			
	Person Authorized to Receive Certification Rick Diericx		Person to Contact for Additional Details Wendell Watson	
	Street Address 604 Pierce Boulevard		Street Address 604 Pierce Boulevard	
	Municipality, State & Zip Code O'Fallon, IL 62269		Municipality, State & Zip Code O'Fallon, IL 62269	
	Telephone Number (618) 206-5912		Telephone Number (618) 206-5927	
	Location of Facility Quarter Section 19:SE	Township 48N	Range 9W	Municipality Alton  Township E. Alton City
	Street Address #1 Chessen Ln, Alton, IL 62002		County Madison	Book Number
	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 Units 4 and 5 and natural gas in Units 1, 2 and 3.			
	Water Pollution Control Construction Permit No.		Date Issued	
	NPDES PERMIT No. IL0000701		Date Issued November 9, 2006 (Modification)	Expiration Date April 30, 2007 (In Renewal)
	Air Pollution Control Construction Permit No.		Date Issued	
	Air Pollution Control Operating Permit No. 73010719 (Unit 5)		Date Issued March 10, 1997	
Sec. C  MANUFACTURING PROCESS	Describe Unit Process  The station is engaged in the generation of electricity from the combustion of coal and natural gas. Natural gas is combusted in three boilers (Units 1, 2, and 3). Powder River Basin Wyoming coal is combusted in two boilers (Units 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  This pollution control project consists of equipment used to measure the mercury concentrations in the emissions of the manufacturing process. The equipment was installed to meet the requirements of the federal CAMR and Illinois Mercury Rule. The rule is Title 35: Subtitle B: Chapter 1: Subchapter c: Part 225 as promulgated by the IPCB.			





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 Approval**

Date: December 29, 2008

To: Robb Layman

From: Ed Bakowski *EB*

Subject: Dynegy Midwest Generation, Inc. TC-08-10-20F

This Agency received a request on October 20, 2008 from Dynegy Midwest Generation, Inc.. 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:

Mercury Sorbent Trap Monitoring Project for Unit 5 which measures the mercury concentrations in the emissions of the manufacturing process and reduces mercury emissions. 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.

*Exhibit B*