

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS

DYNEGY MIDWEST GENERATION, INC.)
Fogging System for Barge Unloading Coal Tower,)
Hennepin Station)) PCB 14-
) (Tax Certification - Air)
)
PROPERTY IDENTIFICATION NUMBER)
01-27-100-000 or portion thereof)

NOTICE

TO: [Electronic filing] [Service by mail]
John Therriault, Clerk Rick Diericx
Illinois Pollution Control Board Dynegy Midwest Generation, Inc.
State of Illinois Center 604 Pierce Boulevard
100 W. Randolph Street, Suite 11-500 O'Fallon, Illinois 62269
Chicago, Illinois 60601

[Service by mail]
Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

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

Respectfully submitted by,

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

Date: December 2, 2013

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

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

DYNEGY MIDWEST GENERATION, INC.)	
Fogging System for Barge Unloading Coal Tower,)	
Hennepin Station)	PCB 14-
)	(Tax Certification - Air)
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PROPERTY IDENTIFICATION NUMBER)	
01-27-100-000 or portion thereof)	

RECOMMENDATION

NOW COMES the ILLINOIS ENVIRONMENTAL PROTECTION AGENCY (“Illinois EPA”), through its attorneys, and pursuant to 35 Ill. Adm. Code 125.204 of the ILLINOIS POLLUTION CONTROL BOARD’S (“Board”) procedural regulations, files the Illinois EPA’s Recommendation in the above-referenced request for tax certification of pollution control facilities. The Illinois EPA recommends **issuance** of a tax certification covering the subject matter of the request. In support thereof, the Illinois EPA states as follows:

1. Sometime in late 2006, the Illinois EPA received an application and supporting information from DYNEGY MIDWEST GENERATION, LLC, (“Dynergy Midwest Gen”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its Hennepin generating station in Putnam 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:

Dynegy Midwest Generation
Hennepin Power Station
13498 East 800 Street
Hennepin, Illinois 61327

4. The subject matter of this request consists of a Fogging System for the Barge Unloading Coal Tower, which is a type of emissions control measure that was constructed and installed by Dynegy Midwest Gen at the Hennepin Station. According to the application, the system is comprised of “a series of full cone and fan jet spray nozzles at set intervals along two opposing manifolds placed at the top of the barge unloading coal tower.” *See*, Exhibit A, page 1 at Section D. Application of water through the system is applied in a “curtain of small diameter micro droplets” and “are delivered above the unloading drop hopper for the clam-shell bucket.” *Id.* The system controls fugitive coal dust emissions and thereby acts to prevent or reduce air contaminants that would otherwise be released to the atmosphere.

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

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

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

7. Based on information in the application and the primary purpose of the Fogging System for the Barge Unloading Coal Tower to prevent or reduce air pollution, it is the Illinois EPA’s engineering judgment that the system and related appurtenances may be considered as

“pollution control facilities” in accordance with the statutory definition and consistent with the Board’s regulations at 35 Ill. Adm. Code 125.200. **[Exhibit B]**.

8. Because the information in the application demonstrates that the Fogging System for the Barge Unloading Coal Tower satisfies the aforementioned statutory and regulatory criteria, the Illinois EPA recommends that the Board **issue** the applicant’s requested tax certification.

Respectfully submitted by,

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

DATED: December 2, 2013

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

CERTIFICATE OF SERVICE

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

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

and, further, that I did send a true and correct paper copy of the same foregoing instruments, by First Class Mail with postage thereon fully paid and deposited into the possession of the United States Postal Service, to:

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

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

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

Dynegy Midwest Generation, Inc
2828 North Monroe Street
Decatur, IL 62526-3269
Phone 217.876.3900 Fax 217.876.7475
www.dynegy.com

December 19, 2006



Mr. Ed Bakowski
Permit Section
Division of Air Pollution Control
Illinois EPA
P.O. Box 19276
Springfield, IL 62794-9276

Re: Application for Certification – Air Pollution Control Facility
Havana Power Station – Agglomerator Technologies System
Facility ID Number: 125804AAB

Application for Certification – Air Pollution Control Facility
Havana Power Station – Sodium Sulfate Additive System
Facility ID Number: 125804AAB

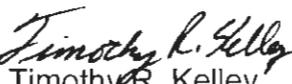
Application for Certification – Air Pollution Control Facility
Hennepin Power Station – Coal Tower Fogging System
Facility ID Number: 155010AAA

Dear Mr. Bakowski:

Dynegy Midwest Generation, Inc. is applying for certification of the following pollution control equipment at its Havana and Hennepin Power Stations. Attached are completed APC-151 forms, Application for Certification of Air Pollution Control Facilities, for each item.

Upon your review and approval of these applications, please send the Illinois State Certifications to me at Dynegy Midwest Generation, Inc., 2828 North Monroe Street, Decatur, Illinois 62526. If you have any questions or require additional information, please contact me at 217-872-2396.

Sincerely,


Timothy R. Kelley
Environmental Professional

Attachments

Exhibit A

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

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

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

FOR AGENCY USE

File No.	Date Received	Certification No.	Date	
Sec. A APPLICANT	Company Name Dynegy Midwest Generation (DMG), Inc.			
	Person Authorized to Receive Certification Rick Diericx		Person to Contact for Additional Details Rick Diericx	
	Street Address 2828 North Monroe Street		Street Address 2828 North Monroe Street	
	Municipality, State & Zip Code Decatur, IL 62526		Municipality, State & Zip Code Decatur, IL 62526	
	Telephone Number (217) 872-2354		Telephone Number (217) 872-2354	
	Location of Facility Quarter Section Township Range		Municipality Township Hennepin Hennepin	
	Street Address 13498 E. 800 Street, Hennepin, IL 61327		County Book Number Putnam	
	Property Identification Number		Parcel Number	
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location The facility is DMG's Hennepin Power Station. The station is located on the south bank of the Illinois River at river mile 212. The station is engaged in the generation of electricity from the combustion of coal (SIC Code 4911).			
	Water Pollution Control Construction Permit No.		Date Issued	
	NPDES PERMIT No.		Date Issued Expiration Date	
	Air Pollution Control Construction Permit No.		Date Issued	
	Air Pollution Control Operating Permit No. N/A		Date Issued	
Sec. C MANUFACTURING PROCESS	Describe Unit Process The station is engaged in the generation of electricity from the combustion of coal (SIC Code 4911). Powder River Basin Wyoming coal is combusted in two boilers (Boilers #1 and #2). These boilers generate steam which is utilized to turn independent steam turbine/generator sets. The net rated capacity of the station is 280 MW.			
	Materials Used in Process Sub-bituminous coal, Natural Gas, Water and Air.			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility A coal tower fogging system has been installed. The system consists of a series of full cone and fan jet spray nozzles at set intervals along two opposing manifolds placed at the top of the barge unloading coal tower. The system captures airborne coal dust by delivering a curtain of small diameter micro droplets. These droplets are delivered above the unloading drop hopper for the clam-shell bucket to capture and suspend coal dust fugitive emissions.			

Sec. E	(1) Nature of Contaminants or Pollutants			
	CONTAMINANTS	Material Retained, Captured or Recovered		
		Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
		Total suspended solids/particulate matter	Coal dust	Knocked down into the receiver tower and processed with the coal
		(2) Point(s) of Waste Water Discharge		
		Plans and Specifications Attached	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
		(3) Are contaminants (or residues) collected by the control facility?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
	(4) Date installation completed <u>July 17, 2006</u> status of installation on date of application <u>Complete</u>			
ACCOUNTING DATA	(5) a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 17,171.00		
	b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$		
	c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$		
	d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$		
	e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	%	100%	
Sec. F	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	 _____ Signature		Sr. Director - Operations Environmental Compliance _____ Title	
Sec. G	INSTRUCTIONS FOR COMPILING AND FILING APPLICATION			
	General: Separate applications must be completed for each control facility claimed. Do not mix types (water and air). Where both air and water operations are related, file two applications. If attachments are needed, record them consecutively on an index sheet.			
INSTRUCTIONS	Sec. A	Information refers to applicant as listed in the tax records and the person to be contacted for further details or for inspection of facilities. Define facility location by street address or legal description. A plat map location is required for facilities located outside of municipal boundaries. The property identification number is required.		
	Sec. B	Self-explanatory. Submit copies of all permits issued by local pollution control agencies. (e.g. MSD Construction Permit)		
	Sec. C	Refers to manufacturing processes or materials on which pollution control facility is used.		
	Sec. D	Narrative description of the pollution control facility, indicating that its primary purpose is to eliminate, prevent or reduce pollution. State the type of control facility. State permit number, date, and agency issuing permit. A narrative description and a process flow diagram describing the <u>pollution control facility</u> . Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an <u>average</u> analysis of the influent and effluent of the control facility stating the collection efficiency.		
	Sec. E	List air contaminants, or water pollution substances released as effluents to the manufacturing processes. List also the final disposal of any contaminants removed from the manufacturing processes. Item (1) – Refers to pollutants and contaminants removed from the process by the pollution control facility. Item (2) – Refers to water pollution but can apply to water-carried wastes from air pollution control facilities. Submit drawings, which clearly show (a) Point(s) of discharge to receiving stream, and (b) Sewers and process piping to and from the control facility. Item (3) – If the collected contaminants are disposed of other than as wastes, state the disposition of the materials, and the value in dollars reclaimed by sale or reuse of the collected substances. State the cost of reclamation and related expense. Item (4) – State the date which the pollution control facility was first placed in service and operated. If not, explain. Item (5) – This information is essential to the certification and assessment actions. This accounting data must be completed to activate project review prior to certification by this Agency.		
	Sec. F	Self-explanatory. Signature must be a corporate authorized signature.		
	Submit to:	Attention:	Attention:	
	Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	Alan Keller Permit Section Division of Water Pollution Control	Donald E. Sutton Permit Section Division of Air Pollution Control	



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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

ROD R. BLAGOJEVICH, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

Memorandum

Technical Recommendation for Tax Certification Approval

Date: December 02, 2008

To: Robb Laymon

From: Ed Bakowski *EB 12/18/08*

Subject: Dynegy Midwest Generation, Inc. TC-06-12-20C

This Agency received a request on December 20, 2006 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:

Coal Tower Fogging System whose primary purpose is to capture coal dust by delivering a curtain of small diameter micro droplets to capture and suspend coal dust fugitive emissions. Because the primary purpose of these are to reduce or eliminate air pollution, it is certified as a pollution control facility.

This facility is located at 13498 E. 800 Street, Hennepin, Putnam County
The property identification number is 01-27-100-00

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