# BEFORE THE ILLINOIS POLLUTION CONTROL BOARD RECEIVED CLERK'S OFFICE

|   |             | OCT 2 5 2007                              |
|---|-------------|---|
| Midwest Generation EME, LLC Petitioner,                 | )           | STATE OF ILLINOIS Pollution Control Board |
| v.  | )<br>)<br>) | PCB No. 04-185<br>(Trade Secret Appeal)   |
| Illinois Environmental Protection Agency,<br>Respondent | )           |   |

# NOTICE OF FILING

To: Illinois Pollution Control Board, Attn: Clerk 100 West Randolph Suite 11-500 Chicago, Illinois 60601

> Brad Halloran Hearing Officer Illinois Pollution Control Board 100 West Randolph Suite 11-500 Chicago, Illinois 60601

PLEASE TAKE NOTICE that we have filed today with the Office of the Clerk of the Pollution Control Board a Joint Motion to Stay PCB 04-185, Status Report, and Waiver of Decision Deadline for Board Action, copies of which are herewith served upon you.

Andrew N. Sawula

Date: October 25, 2007

Schiff Hardin LLP 6600 Sears Tower Chicago, IL 60606 (312) 258-5687

| BEFORE THE ILLINOIS                       | POLLUTION ( | CONTROL BOARD RECEIVED CLERK'S OFFICE        |
|---|-------------|--|
| Midwest Generation EME, LLC,              | )           | OCT 2 5 2007                                 |
| Petitioner,                               | )           | STATE OF ILLINOIS<br>Pollution Control Board |
|   | ,           | PCB No. 04-185                               |
| v.  | )           | (Trade Secret Appeal)                        |
| Illinois Environmental Protection Agency, | )           |  |
| Respondent.                               | )           |  |
|   | )           |  |

## **JOINT MOTION TO STAY PCB 04-185**

Pursuant to 35 Ill. Admin. Code § 101.514, Petitioner Midwest Generation EME, LLC ("Midwest Generation") and Respondent Illinois Environmental Protection Agency ("IEPA") jointly submit to the Illinois Pollution Control Board this Motion to Stay PCB 04-185 and hereby state as follows:

- 1. This matter comes before the Board on Midwest Generation's petition for review of a trade secret denial that IEPA issued in April 2004. Midwest Generation contends that certain business and financial information ("Marked Material") related to Midwest Generation's coal-fired generating stations located in Illinois is trade secret and should not be available to the public under the Freedom of Information Act ("FOIA").
- 2. Contemporaneously with this proceeding, the United States Environmental Protection Agency ("USEPA") is evaluating whether the very documents at issue in Midwest Generation's Board petition are entitled to confidential treatment under the federal Freedom of Information Act, 5 U.S.C. § 442.
- 3. Because the state and federal proceedings contemplate the same documents and involve substantially similar legal and factual issues, the Board ordered a stay of this proceeding, which, after one extension, was lifted on December 4, 2006. (See the

accompanying Status Report, filed contemporaneously with this motion, for the procedural history of this matter.)

- 4. Midwest Generation was recently advised that USEPA has submitted the Marked Material to an independent contractor for review in connection with its FOIA determination. (See Ex. B.)
- 5. Accordingly, the parties jointly move the Board to stay PCB 04-185 for a period of six months.
- determination involving the same party in interest (Midwest Generation), the same FOIA requestor (Sierra Club), and a substantially similar determination of confidentiality with respect to the Marked Material is on-going at the USEPA level. Granting a stay would (1) avoid the costly and inefficient allocation of resources that is necessarily resulting from duplicative proceedings; (2) avoid practical difficulties that might arise from contrary FOIA determinations by state and federal agencies; and (3) allow the Board to be informed by a closely related federal determination.
- 7. The factors supporting the Board's prior issuance of a stay have renewed force today. The parties are poised to engage in expensive and time-consuming expert discovery and motion practice as the hearing in this matter approaches. As such, Midwest Generation and IEPA hereby request that this case be stayed for six months until April 17, 2008.

WHEREFORE, Midwest Generation and IEPA respectfully request that, pursuant to 35 Ill. Admin. Code § 101.514, the IPCB grant the parties' Joint Motion to Stay PCB 04-185 for six months and stay this proceeding until April 17, 2008.

Dated: October 25, 2007

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

Paula Becker Wheeler, Assistant

Attorney General WASHINGTON 100 West Randolph Street, Suite 2001 1800 Chicago, Illinois 60608 2

(312) 814-3772 /511 (312) 814-2347 (fax)

MIDWEST GENERATION EME, LLC

Sheldon A. Zabel

Mary Ann Mullin Andrew N. Sawula

SCHIFF HARDIN LLP

6600 Sears Tower

Chicago, Illinois 60606

(312) 258-5500

Attorneys for Midwest Generation EME, LLC



# ILLINOIS POLLUTION CONTROL BOARD May 22, 2007

| MIDWEST GENERATION EME, LLC, | )                     |     |
|------------------------------|-----------------------|-----|
|                              | )                     |     |
| Petitioner,                  | )                     |     |
|                              | )                     |     |
| v.                           | ) PCB 04-185          |     |
|                              | ) (Trade Secret Appea | 11) |
| ILLINOIS ENVIRONMENTAL       | )                     |     |
| PROTECTION AGENCY,           | )                     |     |
|                              | )                     |     |
| Respondent.                  | )                     |     |

# **HEARING OFFICER ORDER**

On May 17, 2007, the parties submitted an agreed proposed discovery schedule. The discovery schedule is accepted to the extent as follows.

Initial interrogatories and document requests (limited to 25 of each, including subparts) must be served on or before August 17, 2007. Responses to initial interrogatories and document requests must be served on or before September 17, 2007. Depositions must be completed on or before December 17, 2007. Final interrogatories and document requests (limited to 15 each, including subparts) must be served on or before January 17, 2008. Responses to final interrogatories and document requests must be served on or before February 29, 2008. Supplementation or amendments of prior discovery responses must be served on or before March 14, 2008. Pre-hearing disclosure of the respective parties' list of exhibits and witnesses and their list of stipulated facts must be filed on or before April 11, 2008. Supplemental discovery closes on June 27, 2008. Dispositive motions and motions in limine must be filed on or before August 1, 2008.

The parties or their legal representatives are directed to participate in a telephonic status conference with the hearing officer on June 7, 2007, at 1:00 p.m. The telephonic status conference must be initiated by the petitioner, but each party is nonetheless responsible for its own appearance. At the status conference, the parties must be prepared to discuss the status of the above-captioned matter and their readiness for hearing.

IT IS SO ORDERED.

Bradley P. Hellon

Bradley P. Halloran Hearing Officer Illinois Pollution Control Board James R. Thompson Center, Suite 11-500 100 W. Randolph Street Chicago, Illinois 60601 312.814.8917

# CERTIFICATE OF SERVICE

It is hereby certified that true copies of the foregoing order were mailed, first class, on May 22, 2007, to each of the persons on the attached service list.

It is hereby certified that a true copy of the foregoing order was hand delivered to the following on May 22, 2007:

John T. Therriault Illinois Pollution Control Board James R. Thompson Center 100 W. Randolph St., Ste. 11-500 Chicago, Illinois 60601

Bradley P. Halloran

Hearing Officer

Illinois Pollution Control Board

100 W. Randolph Street, Suite 11-500

Chicago, Illinois 60601

(312) 814-8917

PCB 2004-185
Paula Becker Wheeler
Office of the Attorney General
188 West Randolph, 20th Floor
Chicago, IL 60601

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PCB 2004-185 Ann Alexander Office of the Attorney General 188 West Randolph, 20th Floor Chicago, IL 60601

PCB 2004-185 IEPA 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62794-9276 PCB 2004-185 Katherine D. Hodge Illinois Environmental Regulatory Group 3150 Roland Avenue Springfield, IL 62703

PCB 2004-185
N. LaDonna Driver
Illinois Environmental Regulatory
Group
3150 Roland Avenue
Springfield, IL 62703

PCB 2004-185 Sheldon A. Zabel Schiff Hardin, LLP 6600 Sears Tower 233 South Wacker Drive Chicago, IL 60606-6473

PCB 2004-185 Mary Ann Mullin Schiff Hardin, LLP 6600 Sears Tower 233 South Wacker Drive Chicago, IL 60606-6473 PCB 2004-185 Andrew N. Sawula Schiff Hardin, LLP 6600 Sears Tower 233 South Wacker Drive Chicago, IL 60606-6473

PCB 2004-185 Keith I. Harley Chicago Legal Clinic 205 West Monroe Street, 4th Floor Chicago, Il 60606



# UNITED ST. S ENVIRONMENTAL PROTECTION A NCY REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590



REPLY TO THE ATTENTION OF:

BY CERTIFIED U.S. MAIL
RETURN RECEIPT REQUESTED
7001 0320 0006 1458 0027

September 11, 2007

Basil G. Constantelos, Director of Environmental, Health and Safety Midwest Generation EME, LLC One Financial Place 440 S. LaSalle Street Suite 3500 Chicago, Illinois 60605

Re: Notification of Disclosure to U.S. EPA Contractor

Dear Mr. Constantelos:

This letter concerns Midwest Generation EME, LLC's (Midwest Generation) confidential business information (CBI) claim for certain documents produced by Midwest Generation to U.S. Environmental Protection Agency (U.S. EPA) in response to U.S. EPA's issuance of Clean Air Act Section 114 information requests (Section 114 requests) dated February 13, 2003, and February 1, 2005. As you know, U.S. EPA received a Freedom of Information Act request for Midwest Generation's documents produced in response to the Section 114 requests, and Midwest Generation submitted information to substantiate its CBI claims with respect to the documents. U.S. EPA is now in the process of making a confidentiality determination for the documents claimed as CBI by Midwest Generation.

This letter is to notify you that U.S. EPA will be disclosing Midwest Generation's documents provided in response to the Section 114 information requests to its contractor, Industrial Economics, Inc., for the purpose of assisting U.S. EPA in the confidentiality determination. The contract number is EP-w06-065. If you have any comments concerning this disclosure, you must provide your comments in writing to Mark J. Palermo, Associate Regional Counsel (C-14J), U.S. EPA, 77 W. Jackson Blvd., Chicago, Illinois, 60604, no later than 5 days after you receive this letter. If you have any questions, please call me at (312) 886-6082.

Very Truly Yours,

Mark J. Palermo

Associate Regional Counsel

cc: Mary Ann Mullin, Esq.
Schiff Hardin LLP
6600 Sears Tower
Chicago, Illinois 60606
Certified Mail # 7001 0320 0006 1458 0010

| BEFORE THE ILLINOIS                       | POLLUTION CONTROL BOARD RECEIVED CLERK'S OFFICE |
|---|---|
| Midwest Generation EME, LLC,              | OCT 2 5 2007                                    |
| Petitioner,                               | STATE OF ILLINOIS Pollution Control Board       |
| v.  | ) PCB No. 04-185 ) (Trade Secret Appeal)        |
| Illinois Environmental Protection Agency, | )   |
| Respondent.                               | )<br>)  |

### STATUS REPORT

Now comes Midwest Generation EME, LLC ("Midwest Generation") and files a Status Report in conformance with the requirements of 35 Ill. Admin Code § 101.514.

- 1. This matter concerns the trade secret status of certain information Midwest Generation originally submitted to the United States Environmental Protection Agency ("USEPA") pursuant to an information request under Section 114 of the Clean Air Act regarding Midwest Generation's coal-fired generating stations located in Illinois. At the suggestion of USEPA, Midwest Generation sent an identical courtesy copy of this information to the Illinois Environmental Protection Agency ("IEPA"). In its submittal to USEPA, Midwest Generation prominently marked some of the information as confidential ("Marked Material").
- 2. On January 23, 2004, Midwest Generation submitted a Statement of Justification describing why it considered the Marked Material to be trade secrets.
- 3. On March 10, 2004, IEPA denied Midwest Generation's trade secret claims and stated, without explanation, that the information was not exempt from disclosure under 35 Ill. Admin. Code Part 130.

- 4. On April 19, 2004, Midwest Generation filed with the Illinois Pollution Control Board ("Board" or "IPCB") a petition for review of the IEPA's denial of Midwest Generation's trade secret claims. In its petition, Midwest Generation requested the Board to reverse IEPA's trade secret determination or, alternatively, to remand the case for a determination of the Marked Material's confidentiality under the confidential business information provisions of the Illinois Freedom of Information Act ("FOIA") (5 ILCS § 140/7(1)(g)) and 2 Ill. Admin. Code Part 1828.
- 5. On May 6, 2004, the Board accepted the petition for hearing, and Midwest Generation's appeal, PCB 04-185, is currently before the Board. To date, the Board has ruled on certain procedural motions but has not yet engaged in a substantive review of IEPA's trade secret determination or of Midwest Generation's confidentiality claims. The parties have conducted some fact discovery, however, several months of discovery remain, pursuant to the hearing officer's Scheduling Order in this matter (See Ex. A).
- 6. On September 23, 2005, Midwest Generation filed with the Board a motion to stay PCB 04-185 pending resolution of the substantially similar proceeding currently underway at USEPA. IEPA filed a motion in opposition to a stay of PCB 04-185, and Midwest Generation filed a reply to IEPA's opposition.
- 7. In March 2006, USEPA informed Midwest Generation that the Sierra Club had sent a FOIA request for Midwest Generation's and ComEd's additional responses and submittals to USEPA. USEPA provided Midwest Generation with an opportunity to submit a substantiation for its claims of confidentiality as to this additional material and to supplement its original substantiation. On June 2, 2006, Midwest Generation submitted its substantiation consisting of 44 pages of text, numerous affidavits and exhibits to USEPA.

- 8. On April 6, 2006, the Board issued an Order granting a stay of this case until August 4, 2006.
- 9. Because a federal determination had not yet been issued as of August 4, 2006, Petitioner and Respondent jointly moved the Board to extend the stay of this matter. The Board did so, extending the stay to December 4, 2006.
- 10. As of December 4, 2006, USEPA had not completed its review of the Marked Materials. Accordingly, Midwest Generation moved for a further extension of the stay. At that time, IEPA opposed a further extension, citing the public's interest in timely access to the information sought by the FOIA request. The Board declined to further stay the proceeding.
- 11. USEPA recently notified Midwest Generation that Midwest Generation's Marked Materials have been submitted to an independent contractor for review (See Ex. B).
- 12. The parties have continued to conduct scheduled status teleconferences with the IPCB Hearing Officer. Pursuant to the Hearing Officer's May 22, 2007 Scheduling Order, the parties are currently engaged in discovery. Some fact discovery has been exchanged, however, discovery will not close until June 27, 2008.
- 13. Contemporaneously with this Status Report, Midwest Generation is filing an updated waiver of deadline for Board action, which extends such deadline until September 20, 2008.

# Respectfully submitted,

MIDWEST GENERATION EME, LLC

By:

Sheldon A. Zabel Mary Ann Mullin Andrew N. Sawula

SCHIFF HARDIN LLP 6600 Sears Tower Chicago, Illinois 60606 (312) 258-5500

Attorneys for Midwest Generation EME, LLC

Dated: October 25, 2007

# BEFORE THE ILLINOIS POLLUTION CONTROL BOARD CLERK'S OFFICE Midwest Generation EME, LLC, Petitioner, Petitioner, PCB No. 04-185 CLERK'S OFFICE STATE OF ILLINOIS PCB No. 04-185 OCT 2 5 2007 Trade Secret Appeal) Illinois Environmental Protection Agency, Respondent.

# MIDWEST GENERATION EME, LLC'S WAIVER OF DEADLINE FOR BOARD ACTION

Pursuant to 35 Ill. Admin. Code §101.308(c)(2), Midwest Generation EME, LLC hereby waives the statutory decision deadline for Board action in the above-captioned matter from March 20, 2008 to September 20, 2008.

Respectfully submitted,

Midwest Generation EME, LLC

Sheldon A. Zabel

Mary A. Mullin Andrew N. Sawula

Schiff Hardin LLP 6600 Sears Tower Chicago, Illinois 60606

(312) 258-5500

Attorneys for

Midwest Generation EME, LLC

Dated: October 25, 2007

# **CERTIFICATE OF SERVICE**

I, the undersigned attorney, certify that I have served the attached Notice of Filing, Joint Motion to Extend the Stay of PCB 04-185, Status Report, and Waiver of Deadline for Board Action by U.S. Mail on this 25<sup>th</sup> day of October, 2007, upon the following persons:

To: Illinois Pollution Control Board, Attn: Clerk 100 West Randolph Suite 11-500 Chicago, Illinois 60601

> Brad Halloran Hearing Officer Illinois Pollution Control Board 100 West Randolph Suite 11-500 Chicago, Illinois 60601

> > Slava Sulbert
> > Glenna L. Gilbert