BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)	^
PROPOSED NEW 35 ILL. ADM. CODE, SUBPART W,)	R01-9
THE NO _X TRADING PROGRAM FOR ELECTRICAL GENERATING UNITS, AND)	(Rulemaking-Air)
AMENDMENTS TO 35 ILL. ADM. CODE 211 AND 217)	P.c.#G
NOTICE		

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TO: Dorothy Gunn, Clerk
Illinois Pollution Control Board
James R. Thompson Center
100 West Randolph, Suite 11-500
Chicago, IL 60601

Catherine Glenn, Esq. Hearing Officer Illinois Pollution Control Board James R. Thompson Center 100 West Randolph, Suite 11-500 Chicago, IL 60601

SEE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of Pollution Control Board the Comments of Midwest Generation EME, LLC on the Proposed NOx Trading Rule for Electric Generating Units, a copy of which is herewith served upon you.

Respectfully Submitted, Midwest Generation EME, LLC

One of its Attorneys

Dated:

October 13, 2000

Mary A. Gade Cynthia A. Faur Sonnenschein Nath & Rosenthal 8000 Sears Tower 233 S. Wacker Drive Chicago, IL 60606 312/876-8000

11156231

THIS FILING IS BEING SUBMITTED ON RECYCLED PAPER

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)	
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ELECTRICAL GENERATING UNITS	S, AND)	(Rulemaking-Air)
AMENDMENTS TO 35 ILL. ADM. C	ODE 211 AND	217)	,

Comments of Midwest Generation EME, LLC on the Proposed NOx Trading Rule For Electric Generating Units

Midwest Generation EME, LLC ("Midwest Generation") hereby submits the following comments on the proposed NOx Trading Rule for Electric Generating Units ("EGUs"). The purpose of these comments is to supplement the testimony presented by Scott B. Miller at the Illinois Pollution Control Board's (the "Board's") September 26, 2000 hearing on the proposed NOx Trading Rule.

As the Board is aware, Midwest Generation is a new company to Illinois with its headquarters in Chicago. It is a subsidiary of Edison Mission Energy, which is one of the largest independent power producers in the world with an installed capacity of over 27,000 megawatts of electrical generation. On December 15, 1999, Midwest Generation purchased the fossil fuel fired assets of Commonwealth Edison ("ComEd"). These assets included coal-fired power plants located in Chicago, Waukegan, Romeoville (Will County), Joliet, and Pekin (Powerton), Illinois. Midwest Generation also acquired from ComEd a gas/oil-fired power plant near Morris, Illinois and several natural gas units. Midwest Generation has an installed capacity of 10,000 megawatts in Illinois. It also has operations in Pennsylvania.

When Midwest Generation purchased ComEd's fossil assets, it made a commitment to reduce nitrogen oxide emissions from those plants by 50% on both a rate based and annual

emissions basis by the end of 2002. This commitment was not based upon future regulatory requirements or the prospect of early reduction credits, but was based upon a desire to improve air quality in Midwest Generation's operating area.

Midwest Generation has begun work to fulfill its commitment. Earlier this year, Midwest Generation retrofitted three tangentially fired boilers at its Joliet, Waukegan, and Will County stations with low NOx burners that utilize both close-coupled and separated overfire air ports known as the ABB TFS-2000 system. All three units have achieved NOx reductions as low as 0.130 lbs/mmBTU and collectively will reduce NOx emissions by 4,500 tons in this year's ozone season and 9,000 tons annually. The newly achieved emissions rate at all three units is greater than a 50% emission reduction on those units.

In 2001, Midwest Generation plans to install NOx controls at five additional units. These controls will reduce NOx emissions by an additional 7,000 tons during the ozone season and 14,000 tons annually.

The Agency's Motion to Amend the Proposed Rule

As Scott Miller stated in its testimony to the Board, Midwest Generation generally supports the proposed NOx Trading rule. Midwest Generation has also reviewed the amendments to the proposed rule submitted to the Board on September 26, 2000, and generally supports these amendments. In particular, Midwest Generation supports the Illinois Environmental Protection Agency's (the "Agency's") proposed extension of the compliance date for the NOx SIP call rules until May 31, 2004. This revision is consistent with the court order issued by the United States Court of Appeals for the D.C. Circuit which delays full implementation of the NOx SIP call until May 31, 2004. See Attachment A to the Agency's Motion to Amend filed with the Board on September 29, 2000 (Exhibit 33) ("Agency's Motion to Amend"). Midwest Generation further supports the revisions that the Agency has proposed

which would delay the dates contained in Sections 217.758 (permitting requirements), 217.764 (NOx allocations), and 217.768 (new source set-asides) of the proposed rule so that those dates better conform to the revised compliance date of May 31, 2004.

While Midwest Generation supports the Agency's revisions to the dates concerning permitting, NOx allocations, and the new source set aside, Midwest Generation has some concerns regarding the Agency's proposed extension of early reduction credit ("ERC") generation period into 2003. These concerns are discussed more fully below.

The Fixed Allocation Method

As Scott Miller testified, Midwest Generation supports the fixed allocation method proposed by the Agency for allocating allotments to existing sources (i.e. those sources that commenced operation before 1995) in the initial years of the program. Midwest Generation supports this approach because it provides existing coal burning facilities with certainty coming into this program.

While Midwest Generation supports the use of natural gas to generate electricity, it believes that natural gas cannot replace coal at this time. As the Board may be aware, coal provided approximately 51% of the total electrical generation in the United States in 1999. Gas-fired units provided only 15.3 percent of the total generation. In Illinois, the percentage of electricity generated from coal in 1999 was 46%, with 50% of the electric generation attributable to nuclear plants. Given the importance of coal-fired generation in meeting the public's electric consumption needs, Midwest Generation believes that this rule should encourage cost-effective reductions from coal-fired power plants rather than encourage coal-fired units to merely purchase allotments from lower emitting natural gas fired plants – a proposal that some parties appear to assert in the rulemaking.

Midwest Generation believes that the initial fixed allocation method proposed by the Agency will encourage coal-fired units to reduce their actual emissions to a level where the source will need to purchase only a few extra allotments in the initial years of the program, and it will enable new, clean gas generation sources to obtain the majority of the allotments that they need in order to operate during the ozone season. As Michael Menne and Lenny Dupuis indicated in their testimony before the Board, the Illinois NOx budget was determined by U.S. EPA using an unrealistically low growth factor. See Transcript of the September 26, 2000 hearing ("Sept. 26 Transcript") at pp.38, 126-129. Due to the use of this growth factor, Illinois has been allocated a budget under which many affected units will be required to reduce their NOx emissions well below the 0.15 lbs./mmBTU emission rate which was purportedly the basis for this trading rule. See e.g. Sept. 26 Transcript at pp. 42-43, 128-129. The fixed allocation method will provide those existing sources with allotments based on an emission rate of less than 0.15 lbs./mmBTU with some certainty that to the extent necessary, they will be able to purchase on the open market enough allotments to comply with the NOx Trading rule.

Additionally, since there has not been a great deal of experience on the retrofit of control technologies on existing coal burning plants, using fixed allotments for the initial years of the program will facilitate a smooth transition of existing EGUs into this program – again because it will provide existing EGUs with some comfort that if there are difficulties with the new control equipment, they will be able to purchase sufficient allotments on the open market. Midwest Generation also believes that using the fixed allocation method in the initial years of the program will not unduly burden the new EGUs constructed after 1995. These sources tend to burn natural gas and have emission rates well below 0.15 lbs./mmBTU. Even though the new source set aside may be oversubscribed in the initial years of the program. Midwest Generation believes that the new sources will be able to obtain some allotments from that set aside and

obtain the rest on the open market – just like those existing sources that received a fixed allocation which will not cover their annual emissions even assuming a 0.15 lbs./mmBTU emission rate.

Early Reduction Credit Provisions

As stated above, when Midwest Generation purchased ComEd's power plants, it made a commitment to reduce NOx emissions by 50% on both a rate based and annual emissions basis by the end of 2002. It has already reduced the ozone season emissions from these plants by 4,500 tons through these early reduction efforts. Midwest Generation anticipates another 7,000 tons of emission reductions by the end of the 2002 ozone season. Therefore, Midwest Generation has a strong interest in including an early reduction credit program in the final NOx rule adopted by the Board. Midwest Generation believes that an early reduction credit program will provide sources with the incentive to reduce their NOx emissions before the required compliance date. While Midwest Generation generally supports the early reduction credit program as proposed by the Agency, we believe that the program can be improved to better encourage true, early reductions.

1. Delay in Implementation of the NOx SIP Call - Section 217.770(e)

First, Midwest Generation requests that the Board delete Section 217.770(e) of the proposed rule. In the original version of the proposed rule, this section provided that if the date for implementing the NOx SIP call were delayed, the years in which ERCs could be generated would also be delayed such that ERCs could only be generated in the two years directly before the NOx SIP call was implemented. In its Motion to Amend, the Agency revised Section 217.770(e) to delete the requirement expressly delaying the years in which ERCs could be generated – a revision which Midwest Generation supports. Midwest Generation, however, is concerned that the Agency has revised Section 217.770(e) to provide that if the NOx SIP call is

delayed beyond May 31, 2004, a request for ERCs must be submitted "in accordance with any rulemaking or guidance by U.S. EPA on the distribution of the Compliance Supplement Pool under the NOx SIP call."

Midwest Generation understands that the Agency's proposed revision to Section 217.770(e) was included to enable the Agency to address future rulemakings or guidance from U.S. EPA on the ERC program without proposing a regulatory revision to the Board, but Midwest Generation is concerned that this provision could enable the Agency to revise the requirements contained in Section 217.770, as adopted by the Board, for obtaining ERCs even if the revisions are not specifically required for approval of the ERC provisions of this Trading Rule. For instance, under the Agency's proposed language, if there were a U.S. EPA guidance document that contained several options for operating the ERC program, the Agency could decide to implement one option over an alternative option contained in the same guidance document without input from the regulated community, the environmental community, members of the general public, or the Board.

In the federal NOx SIP call rulemaking, U.S. EPA provided states with a great deal of latitude in developing their early reduction credit programs. U.S. EPA indicated in the preamble to the final rule that for an early reduction to be eligible for early reduction credit, it must be surplus, verifiable, and quantifiable. See 63 Fed. Reg. 57433 (October 27, 1998). Beyond those requirements, states were free to develop an ERC program that met the needs of their own specific trading program provided the state did not issue credits in an amount in excess of its credit pool. Id. U.S. EPA also stated in the final rule that the State's early reduction credit program could be established for any year after the state's early reduction credit rule was approved by U.S. EPA and before May 1, 2003. Id.

Given the breadth of discretion that U.S. EPA provided the states in the final NOx SIP call rule, Midwest Generation does not believe that U.S. EPA would significantly curtail the flexibility provided to states with regard to their ERC programs as long as the criteria discussed above are met. In the event that U.S. EPA requires specific revisions to ERC programs as part of a further rulemaking, Midwest Generation agrees that those required changes should be made as quickly as possible to ensure that sources are able to take advantage of the ERC provisions. If U.S. EPA through further rulemaking or guidance merely provides options for ERC programs, however, Midwest Generation strongly believes that interested parties should be given the opportunity to comment on the options available to the Agency before the Board – particularly if the options concern delaying the years in which ERCs can be generated beyond 2001 and 2002. Midwest Generation, therefore, requests that the Board make the following revisions to Section 217.770(e):

In the event that the date for implementing the NOx SIP Call, May 31, 2004, is delayed, the early reduction request must be submitted in accordance with any rulemaking or guidance by U.S. EPA, which would require the Agency to adopt same in substance rules on the distribution of the Compliance Supplement Pool under the NOx SIP Call (63(Fed. Reg. 57,356).

2. ERC Allocation Provisions – Section 217.770(f)

Second, with regard to the years in which ERCs may be generated, as Scott Miller testified, Midwest Generation believes that there should be a two year period in which ERCs may be generated and that the amount of ERCs available in each of the two years should be weighted so more credits are available in the first year of the program. In its Motion to Amend, the Agency proposed revisions to the original version of Section 217.770(f)(2). These proposed revisions included the possibility that ERCs could be generated in 2001, 2002, and 2003. It is our understanding that the Agency made this revision due to concerns that U.S. EPA will not have approved this Subpart until after 2001. See Agency's Motion to Amend at p. 4. Midwest

Generation, however, believes that this provision could be strengthened to better address both the issue of delay and the desire to encourage early reductions.

As Scott Miller testified, Midwest Generation does not believe that it is appropriate to allow ERCs to be generated in 2003 because it is our understanding that the Agency intends to propose a rule requiring EGUs to meet a rate based limit of 0.25 lbs./mmBTU by May 1, 2003. Midwest Generation believes that the requirements of this 0.25 lbs./mmBTU rule may raise questions concerning the amount of available emission reductions and whether reductions are truly "early" reductions.

While Midwest Generation still is concerned with the implications of allowing sources to generate emission reduction credits in 2003, Midwest Generation supports the Agency's decision to propose an extension of the ERC generation period in the event that U.S. EPA does not approve the ERC rule before May 1, 2001, and U.S. EPA approves the generation of ERCs in the 2003 control period. Midwest Generation, however, would request that the Board revise the allocation method contained in the rule to encourage earlier reductions over the proposed three year ERC generation period.

In its Motion to Amend, the Agency proposed to revise Section 217.770(f)(2) to allocate 50% of the 15,621 available ERCs to the compliance pool available for reductions made in 2001 and to allocate not more than 50% of the total ERCs available in 2002 to the compliance pool available for reductions made in 2002. Any ERCs allowances not allocated in 2001 or 2002 would be allocated for reductions made in 2003. Midwest Generation does not believe that this allocation structure truly encourages and rewards early reductions.

In his testimony, Scott Miller requested that the Board revise Section 217.770(f)(2) to allocate 2/3 of the available credits, or 10,174 ERCs to the ERC Pool in 2001 and to allocate the remaining 1/3 of the credits, or 5,087 ERCs to the ERC Pool in 2002. After reviewing the

Agency's amended provisions, Midwest Generation requests that the Board adopt a variation of its initial allocation methodology, which addresses the Agency's concerns about allocation of ERCs in the event that U.S. EPA does not approve the ERC portion of the SIP before the 2001 control period while encouraging sources to reduce emissions in 2001 and 2002. Specifically, Midwest Generation requests that the Board adopt an allocation procedure that would allocate 2/3 of the available ERCs to the Compliance Supplement Pool for emission reductions made in the 2001 control period and the remaining 1/3 of the available ERCs along with any remaining ERCs after the 2001 control period for emission reductions made during the 2002 control period. Under Midwest Generation's proposal, if no ERCs were allocated in 2001 due to a delay in U.S. EPA's approval of the ERC provisions of the SIP revision to be submitted for this rulemaking, all 15,621 ERCs would be available for emission reductions made in the 2002 control period. Any ERCs that were not allocated for reductions made in the 2001 and 2002 control periods would be allocated in 2003.

This proposed approach balances the competing concerns of encouraging and rewarding sources that chose to reduce their emissions earlier and the need to ensure that all the ERCs in the Compliance Supplement Pool can be used if there is a delay in U.S. EPA's approval of the NOx SIP call. Midwest Generation believes that this proposal better serves the purpose and intent of the ERC provision, and therefore, requests that the Board adopt the following revisions to Section 217.770(f)(2):

The Agency shall allocate at least 15,261 ERCs over three years as follows:

A) If U.S. EPA has approved this subpart of the SIP revision, **two-thirds** not more than one-half of the total ERC allowances for reductions made in the control period in 2001;

- B) Not more than one half At least one-third of the total ERC allowances and if U.S. EPA did not approve this Subpart of the SIP revision until after May 1, 2001, all of the available ERC allowances for reductions made in the control period in 2002; and
- C) Any ERC allowances not allocated pursuant to subsections (f)(2)(A) or (B) of this Section, for reductions made in the control period in 2003.

3. Eligibility for ERCs – Section 217.770(c)

Finally, Midwest Generation requests that the Board revise the calculation methodology contained in Section 217.770(c) of the proposed rule, which is used to determine if early reductions are eligible for the early reduction credit program. Specifically, Midwest Generation requests that the Board delete the requirement contained in Section 217.770(c)(2) that EGUs with units that are part of a NOx averaging plan achieve emission reductions from those units as a whole equivalent to a 30% reduction from the emission rate required under that NOx averaging plan.

A NOx averaging plan is a means of demonstrating compliance with annual NOx limitations under the federal Acid Rain Program, and Midwest Generation does not believe that this annual averaging plan should be applied on a five month basis because application of the NOx averaging plan over a five month period does not recognize that there can be seasonal variation in emissions from units regardless of whether those units are in an averaging plan or meeting the annual Acid Rain limitations on a unit-by-unit basis. Due to the potential for seasonal variation in emissions from units subject to annual Acid Rain requirements, Midwest Generation believes that the early reduction credit rule, as proposed, could penalize an EGU using an annual NOx averaging plan for Acid Rain compliance in a way that it would not penalize another source that was not participating in an averaging plan.

As stated above, the Acid Rain rules require a unit to meet emission limitations on an annual average basis. Therefore, an EGU meeting the requirements on a unit-by-unit basis could on an emission rate basis emit more than the annual limit for the unit in the summer months and still meet the annual Acid Rain limit by emitting at a lower emission rate in the non-ozone season. In applying this concept to the ERC program, a company operating a system of units, each meeting the Acid Rain annual limitations on a unit-by-unit basis, could make early reductions on certain units and obtain credit for those reductions while actually emitting more than the Acid Rain limitations would allow if applied on a seasonal basis on other units because under the Acid Rain program, units with higher emissions in the summer could reduce emissions in other parts of the year and still meet the annual average.

Under the rule as proposed, the EGU system described above, would be eligible for ERCs, but a similar EGU system, emitting the exact same amount during the ozone season on a unit-by-unit basis as the EGU system described above, may not be eligible for ERCs if it were complying with the Acid Rain requirements through an averaging plan because the proposed rule requires sources that use a NOx averaging plan to reduce emissions from all the units included in the plan as a whole by 30% below the limitation in the averaging plan before that system of sources is eligible for ERCs. This discrepancy in treatment between sources is demonstrated in Attachment A to this comments.

Similarly, the Agency's proposed rule would also penalize sources that include units in a NOx averaging plan as a precautionary measure even though the units meet the applicable annual NOx limitations on a unit-by-unit basis. In this example, all the units in the NOx averaging plan may meet or exceed the individual NOx limitations applicable to their particular boiler type without averaging, but are included in an averaging plan as a precautionary measure in the event that individual limits may be exceeded on an annual basis. Even though some of the units in this

NOx averaging plan may be achieving emission reductions that exceed 30% of their individual Acid Rain limitations during the ozone season, the other units included in the averaging plan may not be performing at a level that would demonstrate a 30% reduction from the "average" emission rate in the averaging plan. Again, under this example, an EGU system meeting the Acid Rain limitations on a unit-by-unit basis with the exact same emissions during the ozone season would be eligible for early reduction credit under the proposed rule, but the EGU system that uses averaging to comply with the annual Acid Rain limitations would not be eligible for credit. This example is illustrated in Attachment B to this comment.

As demonstrated by the above examples, an EGU could be penalized for using an annual NOx averaging plan for Acid Rain compliance in a way that another source that was not participating in an averaging plan would not. To address this potential problem, Midwest Generation requests that the Board revise Section 217.770(c)(2) as follows:

Each budget EGU for which ERCs are requested under subsection (d) of this Section must have reduced its NOx emission rate for each control period for which ERCs are requested as follows:

- 1) For budget units subject to the requirements of the Title IV of the CAA and: not included in a NOx averaging plan pursuant to 40 CFR 72 and 76, as incorporated by reference in Section 217.104 of this Part, at least 30% less than the annual emission rate specified in the applicable Title IV permit or other applicable federally enforceable permit; or
- 2) For budget EGUs subjection to the requirements of Title IV of the CAA and included in a NOx averaging plan pursuant to 40 CFR 72 and 76, at lease 30% less than the annual emission rate required in the NOx averaging plan in the applicable Title IV permit or other applicable federally enforceable permit;
- 3) 2) For budget EGUs not subject to the requirements of Title IV of the CAA, at least 30% less than the actual emission rate (lbs/mmBTU) for the 2000 control period.

Conclusion

In conclusion, Midwest Generation generally supports the proposed NOx Trading Rule for EGUs. In particular, it supports the Agency's proposed revisions to the applicable date of the rule and the proposed fixed allocation methodology in the initial years of the program. Midwest Generation, however, believes that the early reduction credit provisions of this rule could be strengthened as set forth above. Midwest Generation believes that its requested revisions to the ERC provisions of Section 217.770 will provide sources with a greater incentive to make earlier reductions than the provisions of Section 217.770, as currently proposed, and will avoid penalizing certain sources that elect to make early reductions. Midwest Generation, therefore requests that the Board amend the proposed rule as set forth in this comment.

Respectfully Submitted,

MIDWEST GENERATION EME, LLC

One Of Its Attorneys

Dated:

October 13, 2000

Mary A. Gade Cynthia A. Faur Sonnenschein Nath & Rosenthal 8000 Sears Tower 233 S. Wacker Drive Chicago, IL 60606 312/876-8000

11156231

THIS FILING IS BEING SUBMITTED ON RECYCLED PAPER

CERTIFICATE OF SERVICE

The undersigned, an attorney, certify that I have served upon the individuals named below true and correct copies of Comments of Midwest Generation EME, LLC on the Proposed NOx Trading Rule for Electric Generating Units by Messenger, as indicated or First Class Mail, postage prepaid on October 13, 2000.

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Attachment A

Midwest Generation

Example of NOx averaging plan in reference to proposed rule 217.770(c)(2) and 217.770(c)(3)

217.770(c)(2) - Two units not in averaging plan

Boiler 1 Acid Rain NOx Limit = 0.40 lbs/mmBtu

Ozone season heat input = 10,000,000 Btu

Year 2001 actual ozone seasonal emissions = 0.15 lbs/mmBtu

Potential early reduction credits (ERCs)

[(.40*.7) - (.15)] = 0.13 * 10,000,000/2000 = 650tons

Boiler 2 Acid Rain NOx Limit = 0.86 lbs/mmBtu

Annual heat input = 15,000,000 Btu

Year 2001 annual emissions = 0.70 lbs/mmBtu Compliance with annual limit (0.70 < 0.86) No early reductions credits applied for

217.770(c)(3) - Two units in an averaging plan

Bolier 1&2 Acid Rain NOx average limit = 0.630 lbs/mmBtu

Acid Rain actual NOx emissions = 0.450 lbs/mmBtu

Boiler 1 Acid Rain NOx Limit = 0.40 lbs/mmBtu

Ozonc scason heat input - 10,000,000 Btu

Annual heat input = 15,000,000 Btu

Year 2001 actual ozone seasonal emissions = 0.15 lbs/mmBtu

Year 2001 annual emissions = 0.20 lbs/mmBtu

Boiler 2 Acid Rain NOx Limit = 0.86 lbs/mmBtu

Ozone season heat input = 10,000,000 Btu

Annual heat input = 15,000,000 Btu

Year 2001 actual ozone seasonal emissions = 0.90 lbs/mmBtu

Year 2001 annual emissions = 0.70 lbs/mmBtu

Potential early reduction credits

 $[(0.630*.7) - (0.525)] = \langle zero \text{ (no ERCs) since average is not } 30\%$

below weighted limit.

Attachment B

Midwest Generation Example of NOx averaging plan in reference to proposed rule 217.770(c)(2) and 217.770(c)(3)

217.770(c)(2) - Two units not in averaging plan

Boiler 1 Acid Rain NOx Limit = 0.40 lbs/mmBtu Ozone season heat input = 10,000,000 Btu

Ozone season neat input – 10,000,000 Diu

Year 2001 actual ozone seasonal emissions = 0.15 lbs/mmBtu

Potential early reduction credits (ERCs)

[(.40*.7) - (.15)] = 0.13 * 10,000,000/2000 = 650tons

Boiler 2 Acid Rain NOx Limit = 0.86 lbs/mmBtu

Annual heat input = 15,000,000 Btu

Year 2001 annual emissions = 0.80 lbs/mmBtu Compliance with annual limit (0.80 < 0.86) No early reductions credits applied for

217.770(c)(3) - Two units in an averaging plan

Bolier 1&2 Acid Rain NOx average limit = 0.630 lbs/mmBtu Acid Rain actual NOx emissions = 0.500 lbs/mmBtu

Boiler 1 Acid Rain NOx Limit = 0.40 lbs/mmBtu

Ozone season heat input = 10,000,000 Btu

Annual heat input = 15,000,000 Btu

Year 2001 actual ozone seasonal emissions = 0.15 lbs/mmBtu

Year 2001 annual emissions = 0.20 lbs/mmBtu

Boiler 2 Acid Rain NOx Limit = 0.86 lbs/mmBtu

Ozone season heat input = 10,000,000 Btu

Annual heat input = 15,000,000 Btu

Year 2001 actual ozone seasonal emissions = 0.80 lbs/mmBtu

Year 2001 annual emissions = 0.80 lbs/mmBtu

Potential early reduction credits

 $[(0.630*.7) - (0.475)] = \langle \text{zero (no ERCs)} \rangle$ since average is not 30%

below weighted limit.