

STATE OF ILLINOIS

ENVIRONMENTAL PROTECTION AGENCY

IN RE:

PROPOSED SIGNIFICANT MODIFICATION
OF THE CLEAN AIR ACT PERMIT PROGRAM

PERMIT FOR THE CITY OF SPRINGFIELD,
CITY WATER, LIGHT AND POWER'S DALLMAN
GENERATING STATION

PUBLIC HEARING

JULY 9, 2013

I N D E X

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

SPEAKERS:	PAGE
Dean Studer	5
Michael Reed	12
Kaushal Desai	17
Eric Hobbie	21
Andrew Armstrong	24

STATE OF ILLINOIS

ENVIRONMENTAL PROTECTION AGENCY

IN RE:
PROPOSED SIGNIFICANT MODIFICATION
OF THE CLEAN AIR ACT PERMIT PROGRAM
PERMIT FOR THE CITY OF SPRINGFIELD,
CITY WATER, LIGHT AND POWER'S DALLMAN
GENERATING STATION

PUBLIC HEARING held, on the 9th day of
July, 2013, between the hours of 7:00 P.M. and
7:58 P.M. of that day, at the offices of Illinois
Department of Transportation, 2300 South Dirksen
Parkway, Harry Hanley Building Auditorium,
Springfield, Illinois 62764, before Robin A.
Enstrom, a Registered Professional Reporter,
Certified Shorthand Reporter, and a Notary Public
within and for the State of Illinois.

A P P E A R A N C E S

HEARING OFFICER:

Dean Studer
Illinois Environmental Protection Agency
1021 North Grand Avenue East
PO Box 19276
Springfield, Illinois 62794-9276
217.558.8280
dean.studer@illinois.gov

FOR THE IEPA:

Michael T. Reed, Bureau of Air
Kaushal Desai, Bureau of Air
Chris Romaine, Bureau of Air
Rosario Johnstone, Bureau of Air

Court Reporter:

Robin A. Enstrom, RPR, CSR
Illinois CSR #084-002046
Midwest Litigation Services
15 S. Old State Capitol Plaza
Springfield, Illinois 62701
217.522.2211
800.280.3376

1 (Hearing began at 7:06 P.M.)

2
3 HEARING OFFICER STUDER: Good
4 evening. We'll go ahead and go on the record.

5 My name is Dean Studer, and I am the
6 hearing officer for the Illinois Environmental
7 Protection Agency. On behalf of Director Lisa
8 Bonnett, I welcome you to tonight's hearing. My
9 purpose tonight is to ensure that these
10 proceedings run properly, according to rules, and
11 are conducted in a fair but efficient manner.
12 Personally, I will not be responding to specific
13 technical issues related to the permit but will
14 defer such issues to the technical staff with me
15 here tonight.

16 This is an informational hearing
17 before the Illinois EPA in the matter of a
18 significant modification of a Clean Air Act
19 Permitting Program -- otherwise referred to as
20 CAAPP, and that is C-A-A-P-P -- permit for the
21 City of Springfield, City Water, Light and
22 Power's (CWLP) Dallman Generating Station,
23 located at 3100 Stevenson Drive in Springfield
24 here in Sangamon County.

1 An informational hearing means
2 exactly that. It is an opportunity for you to
3 provide information to the Illinois EPA
4 concerning this permit. This is not a contested
5 case hearing.

6 A Title V air permit was issued on
7 September 29, 2005. On November 3, 2005, CWLP
8 petitioned the Pollution Control Board for
9 administrative review of the permit. On
10 September 16, 2006, the Board stayed the permit
11 in its entirety pending resolution of the appeal
12 proceeding. On May 2013, the Illinois EPA and
13 CWLP jointly filed a motion with the Pollution
14 Control Board requesting that the administrative
15 stay of the CAAPP permit be lifted for the
16 uncontested conditions of the permit while the
17 remaining conditions contested in the appeal
18 remain stayed. The motion also included a
19 request for remand of the issued CAAPP permit to
20 the Illinois EPA so that the permit could be
21 drafted to reflect the lifting of the stay and a
22 full five-year term of duration as required under
23 CAAPP. On May 16, 2013, the Board issued an
24 order granting the relief sought by the parties.

1 At this time the Board's stay remains in place
2 for the contested conditions of the CAAPP permit.

3 As part of this proceeding, the
4 Illinois EPA has prepared documents for public
5 review that outline the modifications that are
6 the subject of this hearing.

7 The Illinois EPA is holding this
8 hearing for the purpose of accepting comments
9 from the public on the proposed modification of
10 the air pollution control permit for this project
11 prior to actually taking final action on the
12 modification.

13 The public hearing is being held
14 under the provisions of the Illinois EPA's
15 procedures for permit and closure plan hearings
16 which can be found at 35 Illinois Administrative
17 Code Part 166, Subpart (a). Copies of these
18 permits can be accessed on the website for the
19 Illinois Pollution Control Board at
20 www.ipcb.state.il.us or, if you do not have ready
21 access to the Internet, they can be obtained from
22 me upon request.

23 I would like to explain how tonight's
24 hearing is going to proceed. First, I'll have

1 the Illinois EPA staff introduce themselves and
2 identify their responsibilities within the agency
3 in regards to the permitting action. Then
4 Michael Reed from the Bureau of Air at Illinois
5 EPA and one of his staff, Permit Engineer Kaushal
6 Desai, will briefly explain the CAAPP permit
7 program and permit modifications. This will be
8 followed by additional instructions on how I will
9 take oral comments during the hearing this
10 evening, and then I will allow CWLP and the
11 public to begin providing comments.

12 You are not required to provide your
13 comments orally. Written comments are given the
14 same consideration and may be submitted to the
15 Illinois EPA at any time during the comment
16 period which ends on August 8, 2013. All
17 comments submitted by mail must be postmarked no
18 later than August 8, 2013. Although we will
19 continue to accept comments through that date,
20 tonight is the only time we will accept oral
21 comments.

22 The Illinois EPA would like to have a
23 final decision in this matter as quickly as
24 practical. However, the actual decision will

1 depend upon the number and nature of comments
2 received as well as other factors.

3 Any person who wants to make oral
4 comments may do so as long as the statements are
5 relevant to the issues at hand and time allows.
6 If you have not completed a registration card at
7 this point, please see Melissa Benedict or Kurt
8 Neibergall in the registration area and either of
9 them can provide you a registration card. Please
10 be sure to check the appropriate box on the card
11 if you desire to make comments at this hearing.

12 If you have lengthy comments, it may
13 be helpful to submit them to me in writing before
14 the end of the comment period, and I will ensure
15 that they are included in the hearing record as
16 an exhibit.

17 Please keep your comments relevant to
18 the issues at hand. The foci of this hearing are
19 the conditions and requirements in the permit
20 that Illinois EPA is proposing to modify.

21 If your comments fall outside the scope of this
22 hearing, I may ask you to proceed to your next
23 relevant issue.

24 CWLP is also free to respond to

1 issues that are raised if willing to do so, but I
2 am not in a position to require them to do so. I
3 will not allow the speakers to argue or engage in
4 prolonged dialogue with each other or with other
5 members of the hearing panel. I also will not
6 allow members of the public to address comments
7 to other members of the public. Comments are to
8 be addressed to the hearing panel and the court
9 reporter.

10 For the purpose of allowing everyone
11 a chance to comment, I will ask that everyone
12 keep their comments initially to nine minutes. I
13 don't believe that we're going to have a problem
14 with that this evening. In addition, I'd like to
15 stress that we want to avoid unnecessary
16 repetition. If anyone before you has already
17 presented what is contained in your comments,
18 please skip over the issues when you speak. If
19 someone speaking before you has already said what
20 you desire to say, you may pass when I call your
21 name to come forward. Again, we are accepting
22 written comments which will be part of the
23 official record in this matter and will be
24 considered.

1 All who legibly complete a
2 registration card or submit written comments in
3 this matter during the comment period will be
4 notified of the final decision in this matter and
5 of the availability of the Illinois EPA's
6 responsiveness summary. In the responsiveness
7 summary, the Illinois EPA will respond to all
8 significant issues that were raised at this
9 hearing or submitted to me prior to the close of
10 the comment period. And, again, the record in
11 this matter will close on August 8, 2013, and I
12 will accept comments as long as they are
13 postmarked no later than August 8, 2013.

14 While the record is open, all
15 relevant comments, documents, or data will be
16 placed into the hearing record as an exhibit.
17 Please send all written documents to my
18 attention. They should be mailed to Dean Studer,
19 Hearing Officer, Office of Community Relations,
20 Regarding City Water, Light and Power, Illinois
21 EPA, 1021 North Grand Avenue East, P.O. Box
22 19276, Springfield, Illinois 62794-9276. This
23 address is also given on the public notice for
24 this hearing tonight.

1 At this time please silence all cell
2 phones and pagers if you have not already done
3 so.

4 I will now have the Illinois EPA
5 staff present tonight introduce themselves. Then
6 Mike Reed and Kaushal Desai of his staff will
7 make brief statements regarding the permit and
8 permitting process. I will then provide further
9 instructions on how we will be taking comments
10 during this hearing, and I will then begin taking
11 comments from the public, and that will start
12 with Mr. Eric Hobbie, chief utility engineer with
13 CWLP.

14 Mike.

15 MR. REED: Good evening, folks, and
16 thank you for coming out to this public hearing.
17 Before I start, my name is Michael Reed,
18 M-i-c-h-a-e-l R-e-e-d. I'm the CAAPP unit
19 supervisor and responsible for making sure CAAPP
20 permits are properly written and get out in a
21 timely fashion.

22 I also would like to introduce one of
23 my new engineers with me tonight that is here for
24 training purposes. Her name is Rosario.

1 MS. JOHNSTONE: Rosario Johnstone.

2 MR. REED: The purpose of this
3 hearing is to discuss the development of the
4 significant modification to the Clean Air Act
5 Permit Program permit for the City Water, Light
6 and Power, also called CWLP, Dallman Station.
7 That's a coal-fired power plant located here in
8 Springfield, Illinois.

9 This planned action would make
10 certain revisions to the CAAPP permit for this
11 source. These revisions arise from the
12 settlement of the permit appeal currently pending
13 before the Illinois Pollution Control Board for
14 the CAAPP permit that was initially issued by the
15 Illinois EPA.

16 The Illinois EPA is committed to
17 achieving permit effectiveness and a resolution
18 of this and all other CAAPP permit appeals for
19 the remaining coal-fired power plants in the most
20 expeditious and legally defensible manner
21 possible.

22 To say that the Illinois EPA has not
23 had its share of challenge in the development of
24 this and other CAAPP permits would be an

1 exaggeration. The historical development of
2 these CAAPP permits for these sources has been a
3 long and arduous one, a product of the regulatory
4 complexity surrounding one of the nation's
5 predominant energy sectors and the various
6 environmental challenges that accompany their
7 operations.

8 The task of permitting these sources
9 was perhaps made more difficult by the competing
10 difference of views by interested parties, the
11 permittees, and other authorities on numerous
12 permitting issues. It is not surprising that the
13 process of issuing final initial CAAPP permits
14 for these sources back in 2005 resulted in
15 litigation, first, from environmental advocacy
16 groups who filed various petitions with Region 5
17 challenging the legal adequacy of the permitting
18 approach and, second, from the permittees who
19 filed administrative appeals with the Illinois
20 Pollution Control Board shortly after permit
21 issuance.

22 What should not go unnoticed is the
23 fact that, after working closely and
24 cooperatively with USEPA Region 5, the permits

1 for all of these sources were, in fact, issued
2 without objection from USEPA. It should also be
3 kept in mind that the issuance of this permit
4 would reflect a settlement position that resolves
5 the pending permit appeal and is not a unilateral
6 permitting action or decision by the Illinois EPA
7 as is ordinarily the case.

8 As a result, the Illinois EPA's
9 emphasis has been on seeking a settlement
10 resolution of the pending CAAPP permit appeal
11 with the negotiated outcome being memorialized in
12 permit revisions implemented through established
13 CAAPP procedures.

14 As you probably realize, the
15 essential nature of settlement requires that two
16 parties with a mutual interest find a common
17 ground. It should be appreciated that compromise
18 and settlement is a deliberative back-and-forth
19 process that can and has taken many months. Many
20 of these administrative appeals and the resulting
21 negotiations for such issues inevitably demand a
22 fine-grain analysis entailing differences in
23 permit terms from one facility and source as well
24 as one source to another source. Negotiations

1 must necessarily proceed condition by condition,
2 consuming an extensive amount of time and
3 resources.

4 To that end, this CAAPP permit is the
5 second coal-fired power plant appeal to be
6 resolved utilizing the approach developed by the
7 Illinois EPA as outlined in our Statement of
8 Basis at Chapter 1, Section 1.3.

9 The revisions being undertaken in
10 this permitting action have been discussed in the
11 Statement of Basis and are, for purposes of this
12 hearing, involve the changes pertaining to the
13 significant modifications to the permit as
14 outlined in the Statement of Basis at Chapter 3,
15 Sections 3.1 and 3.2.

16 Among some of these changes are two
17 conditions pertaining to the submittal of annual
18 emission reports and the reference method used
19 during an emissions test for particulate matter.
20 These two appeal points challenge the Illinois
21 EPA's authority to impose such conditions in the
22 permit when no underlying requirement existed in
23 any environmental statutory or regulatory
24 provision at the time of permit issuance.

1 The underlying regulatory
2 requirements did not provide support for these
3 conditions, were beyond the scope of agency
4 authority, and therefore have been removed from
5 the permit. The requirement to report has been
6 retained for annual emissions, and it is
7 noteworthy to mention that, by virtue of the Part
8 254 rules, the source is required to report the
9 pollutants under contention consistent with those
10 pollutants now becoming regulated by
11 corresponding law.

12 I will now turn over the discussion
13 to Mr. Kaushal Desai to give a brief summary of
14 some of the more prominent changes to the permit,
15 at which time the hearing officer will then open
16 the floor for comments from the audience.

17 MR. DESAI: Hello. My name is
18 Kaushal Desai, and I'm a Title V engineer at the
19 Illinois EPA. I will talk about a couple of
20 additional points in the permit.

21 Another area where changes were made
22 is the records kept for startup. The Illinois
23 EPA has added to the amount of records in this
24 regard. CWLP must continue to keep basic

1 information -- date, time, duration -- but now
2 they will keep additional records. These include
3 descriptions and written documentation that
4 established procedures were followed. If
5 established procedures were not followed,
6 documentation on the reasons why must be kept.

7 If there is a startup where there
8 might have been an exceedance, that will also
9 trigger additional record keeping requirements.
10 CWLP would notify the Illinois EPA of which
11 standards might have been exceeded, explanation
12 of the nature and magnitude of excess emissions,
13 also what steps CWLP took to minimize excess
14 emissions, and how to prevent such occurrences in
15 the future.

16 Also, the Illinois EPA has revised
17 some the requirements for the various coal
18 handling, coal processing, and fly ash operations
19 at the source. Inspection protocols for these
20 operations at the facility have been revised as
21 well as requirements of the Method 22 and Method
22 9 testing. In addition, a number of measures are
23 being taken to ensure compliance with the
24 applicable opacity and PM standards such as use

1 of water spray, enclosures, and covers. These
2 are being distinguished as established control
3 measures rather than control devices.

4 HEARING OFFICER STUDER: Thank you,
5 Mr. Desai.

6 We have a court reporter here who is
7 taking a record of these proceedings for the
8 purpose of us compiling our administrative
9 record. Therefore, for her benefit, please keep
10 the general background noise in the room to a
11 minimum so that she can hear everything that is
12 said.

13 Illinois EPA will post the transcript
14 of this hearing on our web page in the same
15 general place where the hearing notice, statement
16 of basis, and the draft permit have been posted.
17 It is my desire to have this posted in about two
18 to two-and-a-half weeks following the close of
19 the hearing, but the actual date will depend on
20 when I get the transcript from the court
21 reporter.

22 When it is your turn to speak, I will
23 call your name to come forward to the podium.
24 For the record, you should state your name and,

1 if applicable, any governmental body, any
2 organization, or association that you are
3 representing. If you are not representing a
4 governmental body, an organization, or an
5 association, you may simply indicate that you are
6 a concerned citizen or a member of the public.

7 For the benefit of the court
8 reporter, I ask that you spell your last name.
9 If there are alternate spellings for your first
10 name, you may also spell your first name. I ask
11 that while you are speaking that you direct your
12 attention to the hearing panel and to the court
13 reporter to ensure that an accurate record of
14 your comments can be made.

15 Again, prolonged dialogue with
16 members of the hearing panel or with others here
17 in attendance tonight will not be permitted.
18 Comments directed to the audience will also not
19 be permitted.

20 I remind everyone that the focus of
21 this hearing is the proposed modification of the
22 Title V permit, specifically the conditions and
23 requirements that Illinois EPA has proposed for
24 modification as outlined in the documents

1 available at the registration table and on the
2 Illinois EPA website.

3 Are there any questions regarding the
4 procedures that I'll use for conducting this
5 hearing? Let the record indicate that no one
6 raised their hand.

7 The first person that will be
8 speaking tonight on behalf of the permit
9 applicant, the City of Springfield, CWLP, will be
10 Eric Hobbie.

11 Mr. Hobbie, if you would come forward
12 to the microphone and please state your name and
13 spell your last name, please, for the record.

14 MR. HOBBIE: My name is Eric Hobbie,
15 E-r-i-c H-o-b-b-i-e.

16 Again, my name is Eric Hobbie. I'm
17 the chief utility engineer for City Water, Light
18 and Power. I want to thank the agency for the
19 opportunity to address the hearing tonight on
20 behalf of CWLP. We appreciate too the agency's
21 Clean Air Act Permit Program staff for working
22 with us to develop the proposed CAAPP permit
23 which we believe fairly resolves our CAAPP
24 appeal. The proposed permit fully and fairly

1 addresses compliance with applicable regulations
2 while incorporating terms specific to CWLP.

3 Resolving our CAAPP appeal through
4 the proposed significant modification at issue
5 here tonight is just one example of CWLP's
6 commitment to the environment. CWLP is a
7 not-for-profit municipal utility providing
8 electric power to approximately 150,000
9 customers, the residents and commercial
10 businesses of Springfield and surrounding areas.
11 The cost for this electric power and our
12 environmental controls are borne by the citizens,
13 the ratepayers.

14 CWLP currently operates four coal
15 combustion units. Three of these units were
16 placed into service in 1968, 1972, and 1978 for
17 an electric generating capacity of 352 net
18 megawatts, which is comparatively small. We are
19 one of the few Illinois coal plants still burning
20 Illinois coal, purchasing coal from a local mine
21 employing Illinois miners. We installed
22 scrubbers to reduce SO2 emissions by more than 90
23 percent as early as 1980 on all three units.

24 CWLP recently completed an upgrade of the

1 original 1980 scrubber at a cost of over \$30
2 million, and now all three scrubbers remove 98
3 percent of the SO2 or better. Selective catalytic
4 reduction systems for NOx removal were installed
5 in 2003. In 2009 the SCRs began year-round
6 operation to assist in control of other
7 emissions. Additionally, these units utilize
8 electrostatic precipitators which capture
9 approximately 99 percent of particulates.

10 In 2009 CWLP began commercial
11 operation of a new unit, Dallman 4, which won
12 accolades from engineering and environmental
13 groups alike. Unit 4 was constructed with a dry
14 ash handling system and has some of the most
15 advanced air pollution controls of any plant in
16 the country, exceeding controls on many
17 neighboring investor-owned utilities. Our unique
18 agreement with the Sierra Club initiated our
19 purchase of wind from two Iowa farms, bringing us
20 to a little over 20 percent renewable energy
21 supply in 2012, which is highly -- which is
22 higher than nearly all investor-owned utilities.

23 CWLP has been an important part of
24 the Springfield community for decades, now with

1 over 600 employees. These air pollution projects
2 have been an important source of revenue and work
3 for many local and worldwide contractors. Lake
4 Springfield serves not only as the cooling for
5 our lake -- cooling lake for our generation but,
6 more importantly, it is our potable water supply
7 source, providing valuable and enjoyable outdoor
8 recreation too.

9 The revised permit at issue tonight
10 is a necessary component of our commitment to the
11 environment, to continue efficient operations
12 that comply with applicable regulations.

13 Thank you.

14 HEARING OFFICER STUDER: Thank you,
15 Mr. Hobbie.

16 First person to make comments this
17 evening or ask questions will be Andrew
18 Armstrong.

19 MR. ARMSTRONG: My name is Andrew
20 Armstrong. I'm an attorney with the
21 Environmental Law and Policy Center, and I
22 appreciate the agencies holding this hearing
23 today and for the open and inclusive process that
24 you've had for this permit as well as the Coffeen

1 permit.

2 I just would like to ask a few
3 questions today about some of the proposed
4 significant modifications, and they will be
5 focused on the compliance assurance monitoring
6 aspect of the permit, but I think I'll just go
7 ahead and go through the permit condition by
8 condition in terms of the questions I have today.

9 I first had a question on page 16 of
10 the statement of basis document, and this is
11 related to the conditions in the initial CAAPP
12 permit that contain record keeping requirements
13 related to the continuous opacity monitoring
14 systems on the coal-fired boilers, and I had a
15 question about one particular statement which was
16 -- I'll quote from the statement of basis.

17 "Among other things, they" -- i.e.,
18 the condition -- the permit conditions --
19 "required the correlation between opacity and PM
20 emissions to meet a statistical criterion as
21 related to the confidence interval. This
22 criterion would not necessarily be able to be met
23 given the nature of the correlation between
24 opacity and PM emissions and the data that would

1 be available from emissions testing to develop
2 the correlation. These conditions of the initial
3 permit and this element of CWLP's appeal would
4 now cease to be relevant as the revised CAAPP
5 permit would require CAM monitoring for PM
6 emissions."

7 I was wondering if the agency might
8 be able to speak a little bit on the nature of
9 the correlation between opacity and PM emissions
10 and why there would be a difficulty in
11 establishing the correlation that was initially
12 required in the initial CAAPP permit.

13 MR. REED: Kaushal, you going to
14 answer that?

15 I guess I'll be answering that,
16 Andrew.

17 MR. ARMSTRONG: Thank you, Mr. Reed.

18 MR. REED: So if I understand your
19 question right, you want to understand how it is
20 that the correlation in the initial issuance of
21 the permits with the 95 percent confidence
22 interval was not sufficient but the CAM is now?
23 Is that the gist?

24 MR. ARMSTRONG: I guess my question

1 would be why did the agency believe that the
2 initial -- the correlation that was required in
3 the initial permit was unachievable.

4 MR. REED: Well, predominantly the
5 way it was written, in an attempt to address the
6 USEPA's petition for objection in the Midwest
7 Generation objection -- objections, would have
8 required all of the permits to report a
9 significant quantity of -- I don't want to say
10 exceedances but maybe deviations -- that may or
11 may not have been PM related at all, and that's
12 just simply due to the statistical dataset that
13 was being required and the way the condition was
14 written.

15 So they would be reporting, you know,
16 predominantly on just about every six-minute
17 average that they had, which that is just not a
18 reasonable or even an accurate methodology to be
19 used.

20 So that's one reason, Andrew, as to
21 the -- I won't say it was an unacceptable method,
22 but it was just not reasonable at all and would
23 not have provided any useful information. And,
24 again, it's just the way the condition was

1 written in an attempt to address USEPA's concerns
2 with the draft or proposed condition in the
3 proposed permits. So that is the reason for the
4 change.

5 MR. ARMSTRONG: So just if I
6 understand it correctly, do you mean that the
7 numerical value for opacity that was the upper
8 bound of the 95 percent confidence interval was
9 so low that the plants would have been reporting
10 a large number of exceedances?

11 MR. REED: They would have been
12 reporting -- I won't say exceedances. They would
13 have been reporting an extreme amount of events
14 or deviations that probably had nothing to do
15 with anything related to PM emissions.

16 MR. ARMSTRONG: So did the agency
17 determine a numerical value for opacity at the
18 upper bound of the 95 percent confidence interval
19 for this particular facility?

20 MR. REED: For this condition?

21 MR. ARMSTRONG: For this condition
22 for this plant.

23 MR. REED: No, we did not. The
24 condition would have required the source to

1 develop that number.

2 MR. ARMSTRONG: Right.

3 MR. REED: On a continuing basis.

4 MR. ARMSTRONG: Right. Right. So I
5 guess I'm just trying to understand then that --
6 so when you say that there would have been a
7 large number of deviations reported, is that
8 based on kind of a preliminary determination of
9 this numerical value?

10 MR. REED: No. What would have
11 happened was the permit would have issued. They
12 would have collected their data, come up with
13 this 95 percent upper bound confidence number.
14 Let's say it's 5 percent opacity.

15 MR. ARMSTRONG: Right. Right.

16 MR. REED: Okay? And then they would
17 have had to report every time they were over 5
18 percent opacity -- I believe it was on an hourly
19 basis -- based upon one-minute data during a
20 stack test. So that's one of your first
21 discrepancies. But 5 percent opacity likely is
22 nowhere near a PM emissions exceedance; yet they
23 would have been reporting -- almost all of their
24 hours would have been 5 percent or more.

1 MR. ARMSTRONG: I guess I'm just
2 trying to understand where the 5 percent, you
3 know --

4 MR. REED: That was an example.

5 MR. ARMSTRONG: -- example came from.
6 Yeah. Right. Right.

7 MR. REED: That's not a number
8 that -- I used the very lowest number possible;
9 so --

10 MR. ARMSTRONG: Right. Right. I
11 mean, but, you know, couldn't it turn out to be
12 that, if this upper bound of the 95 percent
13 confidence level were to be calculated for a
14 particular source, that it would not be so low?

15 MR. REED: That's correct. It could
16 have turned out to be 95 percent opacity.

17 MR. ARMSTRONG: Right. Right. So in
18 that case we wouldn't have the problem then of
19 requiring the source to report a large number of
20 deviations.

21 MR. REED: Correct. And that's the
22 reason why CAM has now taken care of that. So
23 there's no reason to be concerned with -- with
24 that upper bound because the CAM plan has

1 actually established that value.

2 MR. ARMSTRONG: Okay. I'll get back
3 to that in a second.

4 MR. REED: Does that better help you
5 understand a little more?

6 MR. ARMSTRONG: Yeah.

7 MR. REED: I know it's complicated.

8 MR. ARMSTRONG: So I guess you said
9 that was the predominant reason. Are there other
10 reasons that Illinois EPA decided to reject this
11 correlation?

12 MR. REED: Chris, would you want to
13 add anything to that?

14 MR. ROMAINE: Chris Romaine with the
15 Illinois EPA. R-o-m-a-i-n-e.

16 I guess just in very general terms,
17 when you --

18 HEARING OFFICER STUDER: Chris, can
19 you use the mic?

20 MR. ROMAINE: When you require a
21 specific statistical correlation, you're
22 affecting the result, but it's also highly
23 influenced by the amount of data that's
24 available. If you have a limited amount of data,

1 which would be the case in this circumstance
2 because you'd be basing your ultimate value on
3 testing, you would have a handful of tests to
4 establish a 95 confidence -- percent confidence
5 level means that you would have a very
6 conservative calculation of that value.

7 If you were in a circumstance where
8 you had a much larger number of tests, which
9 would not occur when you're dealing with a
10 coal-fired power plant given the nature of
11 testing for a coal-fired power plant, you would
12 likely end up with a more reasonable value that
13 is not influenced by the fact that you've
14 specified such a rigorous statistical
15 correlation.

16 MR. ARMSTRONG: Okay. So that -- I
17 appreciate those answers, and unless there's
18 other information about that you had, I can move
19 on.

20 MR. REED: I don't have any others,
21 Andrew.

22 MR. ARMSTRONG: Okay. Thank you. I
23 appreciate that.

24 I also -- I wanted to move on to page

1 18 of the statement of basis, and this is a
2 change that was not unique to this permit but
3 also was in the Coffeen permit, and I just was
4 hoping -- I did want to get some more information
5 about Illinois EPA's thoughts on this.

6 This is -- this relates to
7 notifications when there is an opacity
8 exceedance, and in the initial permit there was a
9 requirement that there be an immediate telephonic
10 report to the Illinois EPA when there was a
11 violation of five six-minute averaging periods.
12 And this -- in the statement of basis on page 18,
13 it states, "The length of time before the
14 immediate notification requirement is triggered
15 has been increased... to eight six-minute
16 averaging periods." So 30 minutes to 48 minutes.
17 And the reason is that this -- this will provide
18 the permittee with 18 additional minutes in which
19 to correct the problem or begin to shut down a
20 boiler before it needs to provide immediate
21 notification.

22 I'm just wondering here, if we're
23 talking about a notification requirement and
24 extending the length of the period that triggers

1 the requirement, is there -- is there a reason to
2 believe that a telephonic notification would be
3 so onerous that it would interfere with the
4 ability of the permittee to correct this problem?

5 MR. REED: I don't think, Andrew, the
6 question -- or that's the real concern that the
7 agency had when we made the modification.

8 First, we would rather have the
9 source address the problem and correct it and
10 reduce the emissions rather than have them just
11 continue on and try to figure out what's going on
12 and submit a telephonic notification.

13 So the other thing is, is we would
14 prefer not to have telephone notifications where,
15 shall I say, there's no immediate danger to the
16 public health or any concern that's going to, you
17 know, cause an evacuation of some sort or things
18 of that nature. So an extra 18 minutes for the
19 agency to be notified, we felt, was reasonable to
20 give the source an opportunity to take corrective
21 action and also an incentive to take corrective
22 action versus having to, you know, make all these
23 notifications.

24 MR. ARMSTRONG: So it was really

1 about cutting down the number of notifications
2 that are made?

3 MR. REED: I wouldn't say it's about
4 cutting down the notifications more than it was a
5 filtering type -- it's more a filtering-type
6 process to get to what's important. And I was
7 going to look up -- I think these conditions are
8 pertaining to opacity; is that right, Kaushal?

9 MR. DESAI: I think so. Yeah.

10 MR. REED: And so they're visible
11 emissions, greater than 30 percent opacity, and
12 so we're talking about visibility here.

13 Kaushal, you want to add anything?

14 MR. DESAI: No. Just that it was for
15 opacity. The ones for the PM standard had a
16 different time frame, but the six-minute average
17 was for the 30 percent opacity rule.

18 MR. ROMAINE: I don't have a direct
19 response. However, we did try to make this
20 aspect of the statement of basis more informative
21 based on certain comments that we received on the
22 Coffeen draft permit. So this is something that
23 we are trying to better explain our rationale.

24 MR. ARMSTRONG: So the remainder of

1 my questions are on the CAM plan, and I just had
2 a few more questions about those.

3 MR. REED: I'm actually ready for
4 those, Andrew.

5 MR. ARMSTRONG: Good. So I wondered,
6 first, if I might ask -- I appreciate the
7 inclusion of the most recent test runs on page --
8 pages 27 and 28 of the statement of basis. And
9 I'm wondering if -- we've got opacity that goes
10 up to 11 percent, approximately, for boilers 31
11 and 32 and opacity that goes up to also
12 approximately 11 percent for boiler 33. These
13 are the -- you know, the upper bounds of opacity
14 that are listed in these test results. Would --
15 does the agency view these test results as
16 indicating the normal operating condition of the
17 boilers?

18 MR. REED: The test results do
19 suggest the normal operation of the boilers, and
20 those would appear to be the normal opacity
21 levels that these boilers would operate on any
22 given day.

23 MR. ARMSTRONG: So given that these
24 test results show that normal operation of the

1 boilers yields opacity somewhere from, say, 5 to
2 11 percent, under what conditions would the
3 boilers be emitting 20 percent opacity, for
4 example?

5 MR. REED: I honestly wouldn't even
6 want to venture to try and answer that question,
7 Andrew, because it could be a whole variety of
8 things. So I really -- I would really rather not
9 attempt to go there. We could be here all night
10 discussing scenarios and options and what-ifs.

11 MR. ARMSTRONG: Clearly -- I mean,
12 clearly there's a host of scenarios under which
13 the boilers could achieve 20 percent opacity.
14 Would it be safe to say that, if there is 20
15 percent opacity, there has been a malfunction of
16 some sort in the control equipment?

17 MR. REED: I wouldn't say there's
18 been a malfunction, but certainly at 20 percent
19 opacity the CAM plan would suggest that some --
20 some level of investigation needs to be done to
21 see what is going on because that would not
22 suggest what we would normally expect to be
23 seeing.

24 MR. ARMSTRONG: So why did the agency

1 select 20 percent then as the indicator?

2 MR. ROMAINE: We didn't.

3 MR. ARMSTRONG: I'm sorry. That's a
4 good point. You approved 20 percent.

5 MR. ROMAINE: That's correct.

6 MR. ARMSTRONG: Why? Why did you
7 approve 20 percent as the indicator range?

8 MR. REED: We approved 20 percent
9 because -- based on the data that we were
10 provided, and the analysis that we performed on
11 that data show that that was a reasonable number
12 at which the potential for a PM excursion could
13 exist.

14 MR. ARMSTRONG: There was a reference
15 in the statement of basis on page 28 to that
16 analysis that you just mentioned, and it relies
17 on linear correlations between the measured
18 levels of opacity and PM emissions from the
19 boiler, and the agency then correlated 20 percent
20 opacity to particular PM emission rates for each
21 of the boilers.

22 What was the agency's basis for
23 relying on a linear correlation in making its
24 approval of the 20 percent opacity indicator?

1 MR. REED: We relied on a linear
2 analysis simply because that's the analysis
3 the USEPA, in their guidance documents for CAM,
4 has relied upon as well.

5 MR. ARMSTRONG: In terms of the
6 responsive action that's required by the CAM
7 plan, the plan would require that, upon
8 occurrence of an excursion above the 20 percent
9 opacity indicator, the permittee would have to
10 take action for the boiler as necessary to return
11 to the normal or usual manner of operation which
12 would reasonably assure that the boiler is
13 complying with the applicable PM standards.

14 So the opacity indicator is the same
15 as the opacity limit under the SIP for the
16 boilers; so --

17 MR. REED: Not exactly, Andrew --

18 MR. ARMSTRONG: Well, right.

19 MR. REED: -- for one of the
20 boilers -- or two of the boilers.

21 MR. ROMAINE: For none of the
22 boilers.

23 MR. REED: One of them is --

24 MR. ROMAINE: No. No. Under the

1 value --

2 MR. ANDREW: The value.

3 MR. ROMAINE: The values may be
4 similar, but it's not identical to the standard.

5 MR. ARMSTRONG: So the value of 20
6 percent is the same for the CAM plan and for the
7 emission limit in the SIP?

8 MR. ROMAINE: For boiler 33.

9 MR. ARMSTRONG: For boiler 33.

10 MR. REED: Yeah. One of them is
11 subject to the NSPS which has a 20 percent limit
12 which is a not a SIP limit.

13 MR. ROMAINE: Except under the NSPS
14 that SIP limit doesn't apply for one 20 --
15 six-minute average of 27 percent opacity. And
16 these opacity rules that we're talking about
17 apply as six-minute averages, not as hourly
18 averages. And the CAM plan is based on a
19 block -- or CWLP proposed a CAM plan where the
20 indicator value would be a block hourly average
21 of opacity.

22 MR. ARMSTRONG: So I guess my
23 question is --

24 MR. REED: That's a three-hour block

1 average.

2 MR. ROMAINE: Three hour-block
3 average.

4 MR. ARMSTRONG: So I guess my
5 question is, for the boiler that has a 20 percent
6 opacity limit already, independent of the CAM
7 plan, on a six-minute average and the CAM plan
8 has an opacity indicator of 20 percent over a
9 much longer period, it seems that the CAM plan
10 would allow for potentially lengthy exceedances
11 of the opacity emission limit before any sort of
12 action is required.

13 MR. REED: Well, you have to keep in
14 mind the CAM plan is not for opacity. It's for
15 PM. So PM is just being used as an indication as
16 to whether we're approaching an excursion of PM
17 emissions. And PM can only be demonstrated
18 compliance using -- sorry. That's my watch.

19 PM can only be demonstrated -- you
20 can only demonstrate compliance with PM through a
21 stack test reference method, and those are done
22 on three one-hour averages, three one-hour test
23 run averages. And so that was what the averaging
24 period was modeled off of, which, again, is a

1 recommendation of the USEPA in their guidance
2 that you should -- you should closely mirror or
3 mimic the compliance averaging period of the
4 pollutant that's being looked at.

5 And so when you do a Reference Method
6 5, Andrew, you would run three one-hour test
7 runs, and you would average those three one-hour
8 test runs to demonstrate compliance with the PM.
9 And so that's what we're doing here -- we're
10 taking three one-hour averages and averaging
11 those to compare against the 20 percent.

12 MR. ARMSTRONG: Okay. Well, thank
13 you very much for your answers to my questions.
14 I greatly appreciate it. That was all I had on
15 this permit at this time. We do intend to submit
16 some written comments later in the comment
17 period; but, again, thank you very much.

18 MR. REED: Wait. Chris has a
19 comment.

20 MR. ARMSTRONG: Yes.

21 MR. ROMAINE: I think we need to
22 double-check exactly what the averaging period
23 was that CWLP proposed in its CAM; so -- but
24 certainly the averaging period is not a

1 six-minute average. We're trying to address a PM
2 standard that applies on an hourly basis and
3 where you have testing that's based on an average
4 of three nominally one-hour runs

5 HEARING OFFICER STUDER: And I assume
6 we'll provide a more detailed response in the
7 responsiveness summary on that issue.

8 MR. REED: I actually have that
9 analysis with me, Andrew, if you'd like to take a
10 look at it.

11 MR. ARMSTRONG: Okay. That would be
12 helpful.

13 Oh, one other -- and that -- I'm
14 sorry. That reminded me of one other issue I was
15 going to ask you about.

16 In terms of the information that CWLP
17 had submitted relating to startup times, is that
18 available in the public record that's in the
19 Springfield -- I believe the library?

20 MR. DESAI: Are you speaking about
21 the detailed startup information where they say
22 how many hours a typical startup? I believe it
23 is in the repository -- is that -- that was
24 provided. However, I also have a copy myself

1 that, if it's not in there for whatever reason,
2 you can contact me, and I can give -- I can just
3 e-mail that information to you as well. But to
4 double-check is the -- you know, kind of like the
5 process of how we got the number, we indicated
6 the startup records. That was the information?

7 MR. ARMSTRONG: Yes. Exactly.
8 Right.

9 Okay. Well, thank you very much for
10 your time.

11 HEARING OFFICER STUDER: Thank you,
12 Mr. Armstrong.

13 Is there anyone else that has
14 questions or comments before I close this
15 hearing? Okay. If not, I appreciate your
16 patience and your attendance here tonight.

17 I remind everyone that the hearing
18 record is open until August 8th, and this hearing
19 is adjourned.

20 (Hearing adjourned at 7:58 P.M.)

21

22

23

24

CERTIFICATE OF REPORTER

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

STATE OF ILLINOIS)

) ss.

COUNTY OF SANGAMON)

I, ROBIN A. ENSTROM, a Registered Professional Reporter and Certified Shorthand Reporter within and for the State of Illinois, do hereby certify that the foregoing proceedings were taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

ROBIN A. ENSTROM
Illinois CSR No. 084-002086