Illinois
Environmental
Protection Agency

Bureau of Air
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

October 2002

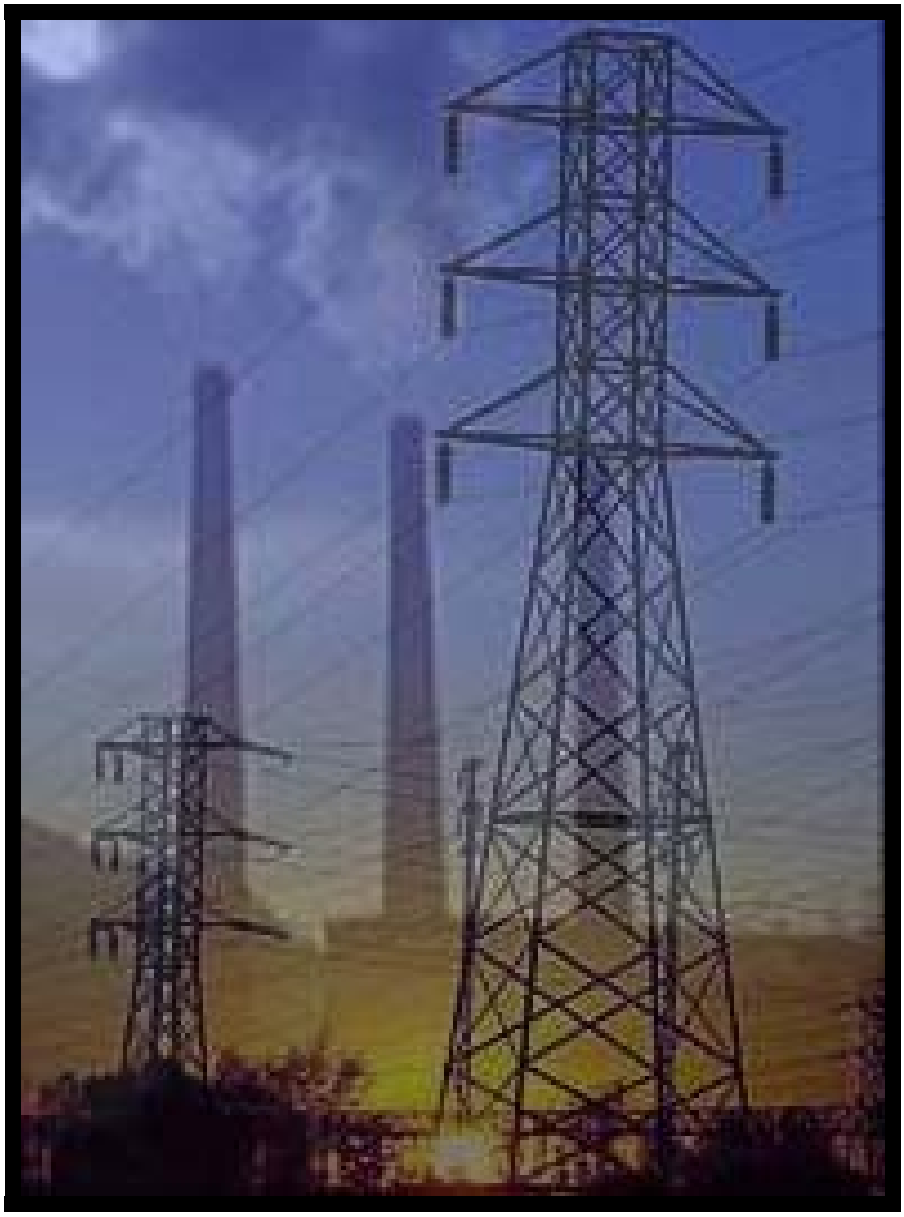
IEPA/BOA/02-019

Report to the Illinois General Assembly

Response to House Resolution 405

"Availability of Nitrogen Oxide Emission Allowances in Illinois"

October 2002



Report to the Illinois General Assembly in Response to House Resolution 405

"Availability of Nitrogen Oxide Emission Allowances In Illinois"

OCTOBER 2002

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
1021 NORTH GRAND AVENUE EAST
P.O. BOX 19276
SPRINGFIELD, ILLINOIS 62794-9276

Table of Contents

		Page
List of Figures		ii
Executive Summary		1
1.0	**Purpose and Introduction**	3
2.0	**Update on NOx Regulations**	4
3.0	**Update on NOx Trading Budget**	4
	3.1 Distribution of Early Reduction Credits	5
	3.2 Initial Allocation for 2004, 2005, and 2006	7
	3.3 New Source Set-Aside	7
4.0	**Growth-Related Issues**	8
5.0	**Energy Availability**	9
	5.1 New EGUs	9
	5.2 Existing EGUs	10
6.0	**Allowance Market**	11
7.0	**Energy Conservation Initiatives**	13
	7.1 Alternative Energy Sources	13
	7.2 Demand Side Energy Initiatives	16
	7.3 Conclusion	17
8.0	**Summary**	19
Appendix A		20
Attachment 1		34

List of Figures

		Page
Figure 5-1	Illinois EGU Ozone Actual Heat Input	11
Figure 6-1	NOx SIP Call Trading Activity.	12
Figure 7-1	Current Energy Sources for Electrical Power Generation . . .	18
Figure 7-2	Potential NOx Emissions Savings	18

Executive Summary

On May 31, 2001, House Resolution 405 ("Resolution") was adopted expressing concern over the availability of nitrogen oxide ("NOx") emission allowances for new electric generation units under the federally required NOx SIP Call regulations adopted by the Illinois Pollution Control Board ("IPCB"). The Resolution directed the Illinois Environmental Protection Agency ("Illinois EPA") to prepare an annual report to the General Assembly for seven years, beginning on October 31, 2001, regarding the availability of NOx allowances within the State and within the larger trading region established by U.S. EPA as part of the NOx SIP Call. This is the second of these annual reports.

Illinois EPA submitted the first report in October 2001. This report described the federal NOx SIP Call and the Illinois regulations adopted by the IPCB to enable the State of Illinois to meet those requirements. It addressed the background of this complex regulatory framework, the market-based nature of these regulations, and the effect of these regulations on existing electric generating units ("EGUs") and on new or prospective EGUs in Illinois. The report also provided explanations of the methods for calculating NOx allocations and the mechanics and purposes of the new source set-aside and early reduction credits.

The development of the NOx trading budget is a critical part of these regulations. The trading budget establishes the total amount of NOx emissions allocated in the aggregate to EGUs in Illinois. The establishment of the growth rate, one of the critical determinants in setting the NOx budget, is an important issue for Illinois that remains unresolved. Although the U.S. Supreme Court has upheld the NOx SIP Call, the determination of growth rates was remanded to U.S. EPA for review and final action. Illinois EPA made extensive comments to U.S. EPA requesting revision of the Illinois growth factors to provide a larger growth for EGUs in Illinois. U.S. EPA responded to the court's remand and the commenters' concerns. U.S. EPA believed that the growth factors and the methodology to predict growth factors were reasonable. The explanations provided by the U.S. EPA in its response are not convincing. Illinois has joined a lawsuit in federal court that continues to challenge U.S. EPA's determination of the growth rates for EGUs.

In addition, Illinois EPA continues to have discussions with U.S. EPA seeking a favorable resolution of the growth issue.

As a part of the NOx implementation process, the NOx SIP Call provides for the distribution of additional NOx allocations for sources who make NOx reductions ahead of that required by the NOx rules. Illinois has reserved 15,261 early reduction credits (ERCs) for its EGUs, and 2,427 ERCs for its non-EGUs. Of the early reduction credits reserved for both EGUs and non-EGUs, one-half are available for distribution for reduction made in 2001, one-half for reductions made in 2002. If there are allowances remaining in the relevant pool, they can be distributed to sources for reductions made in 2003. On or before November 1, 2001, Illinois EPA received requests for ERCs from the owners or operators of 16 EGUs. No requests were received from any non-EGUs. Upon review of the requests for ERCs, Illinois EPA determined that a total of 10,393 ERCs were earned by the 16 EGUs. Because the total requested ERCs exceeded the number of ERCs reserved for EGUs for 2001 (i.e., 7,630), Illinois EPA distributed 7,630 ERCs to all 16 units on a pro-rata basis. In doing the adjustment, fractions of allocations were rounded off, leaving five unallocated ERCs, which could not be allocated fairly between the 16 sources. These five ERCs will be held over for distribution in next year's allocation.

The market system for NOx trading that is the subject of this report begins operation in the summer of 2004. Much of the information needed to determine how the market is operating is not currently available. When it is fully functional, Illinois EPA will assess its operation and impact on the development of new EGUs in Illinois. Consequently, some of the analyses requested by the Resolution will need to be addressed by future annual reports.

1.0 Purpose and Introduction

On May 31, 2001, the Illinois General Assembly's House of Representatives adopted House Resolution 405 ("Resolution"), which addresses the complex economic and regulatory issues that the State of Illinois faces in the deregulation of electric generation in the State. The Resolution acknowledged the factors that the power generators face in their effort to generate electricity competitively, as well as the issues that arise for the State in establishing policies and regulations that impact electric generation, which can in turn significantly affect the economy of the State. A copy of the Resolution is included as Attachment 1 to this October 2002 report.

The Resolution requires Illinois EPA to prepare and submit a report to the General Assembly "regarding the availability of nitrogen oxide emissions credits within the State and within the trading region established by the United States Environmental Protection Agency." The Resolution requires Illinois EPA to submit this report to the General Assembly by October 31, 2001, and a report each year thereafter, ending with the final report in 2007.

Each report is to contain data regarding the use and availability of emission credits in Illinois and in the trading region, projections about the availability of credits in future years, any relationship between the cost of electricity and the availability of emission credits, and any recommendations for legislative or regulatory changes that may be necessary to encourage the development of new electric generating capacity in Illinois.

Illinois EPA submitted the first report in October 2001 that provided a thorough discussion of the regulatory framework of the trading program and availability of credits and other market systems for environmental compliance. This year's report provides updated information to that provided in last year's report but does not repeat the discussion of the regulatory framework for the NOx trading and control program. The reader is directed to the October 2001 report for that information. As was the case in the first report, the NOx SIP Call program is not yet in operation, so that a complete assessment of its operation cannot be made at this time. This report does review NOx implementation activities that have occurred during this current reporting period (October 2001-October 2002).

2.0 Status of Illinois' NOx Regulations

On November 8, 2001, U.S. EPA approved Subparts T, U and W of Title 35 of the Illinois Administrative Code, regulating NOx emissions from cement kilns, industrial boilers and turbines, and electricity generating units ("EGUs"), respectively (FR56449). With approval of these three sets of regulations, U.S. EPA concludes that Illinois has fully satisfied current (Phase I) requirements under the NOx SIP Call.

Along with the above regulations, Illinois EPA also submitted Subpart X, a voluntary NOx reduction program. The purpose of this Subpart is to implement Section 9.9(d)(3) of the Illinois Environmental Protection Act ("Act") by providing a method by which additional NOx allowances may be generated from non-participating NOx emission sources, for use by emission units subject to the requirements of Subparts U and W. U.S. EPA has not taken final action on Subpart X at this time but intends to conduct rulemaking on Subpart X in the near future after having further discussions with Illinois EPA.

3.0 Update on the NOx Trading Budget

On February 22, 2002 (FR8396), U.S. EPA published a proposed rule in response to the court decision on the NOx SIP Call, NOx SIP Call Technical Amendments and Section 126 rules. The proposed rule excludes portions of Georgia, Missouri, Alabama, and Michigan, and the entire State of Wisconsin from the NOx SIP Call. The proposed rule also established a NOx budget under the Phase II of the NOx SIP Call based on the emission reduction from the non-acid rain units and proposed a control level range of 82% to 91% for internal combustion engines. This proposal does not affect the EGU's trading budget for Illinois because emission reductions from non-acid rain combustion turbines are already included in the Illinois NOx regulations for EGUs, i.e., Subpart W of Part 217 of Title 35 IAC. It may affect the total State NOx budget depending upon the final U.S. EPA decision on the level of control for internal combustion engines, since the SIP Call (October 1998) was based on a 90% reduction from large internal combustion engines. U.S. EPA is expected to issue a final rule on the control level for internal combustion engines sometime in late 2002 or early 2003. States are required to submit SIP revisions

complying with the Phase II of the NOx SIP Call within 12 months of final promulgation of the rulemaking. The compliance date for sources will be May 31, 2004, for all States except Georgia and Missouri for which the compliance date will be May 1, 2005.

Since the last report, another federal NOx control initiative has been proposed. On February 14, 2002, President Bush announced the Clear Skies initiative, which sets strict, mandatory emissions caps for three of its worst harmful air pollutants – sulfur dioxide (SO_2), NOx and mercury. On July 29, 2002, the Bush Administration announced that it has sent legislation to Congress to implement the President's Clear Skies initiative, an aggressive plan to cut power plant pollution by 70 percent and protect public health. Clear Skies would provide the following:

- Cut sulfur dioxide (SO2) emissions from power plants by 73 percent, from current emissions of 11 million tons to a cap of 4.5 million tons in 2010, and 3 million tons in 2018;

- Cut emissions of nitrogen oxides (NOx) from power plants by 67 percent, from current emissions of 5 million tons to a cap of 2.1 million tons in 2008, and to 1.7 million tons in 2018;

- Cut mercury emissions from power plants by 69 percent, establishing the first-ever national cap on mercury emissions. Emissions will be cut from current emissions of 48 tons to a cap of 26 tons in 2010, and 15 tons in 2018.

For Illinois, based on the EGU's 2001 NOx emissions, this translates to a NOx ozone season emissions cap of approximately 31,208 tons in 2008 and 24,520 tons in 2018. This compares to a cap of 30,701 tons established to meet the NOx SIP Call.

3.1 Distribution of Early Reduction Credits

U.S. EPA established a Compliance Supplement Pool ("CSP") for each jurisdiction subject to the NOx SIP Call. The CSP could be used by states to provide additional

allowances to sources that would have difficulty in meeting the presumptive NOx emission limit of 0.15 lbs/mmBtu and that have made some early reductions in NOx emissions ahead of the required compliance date of the NOx SIP Call. These early reductions are known as early reduction credits ("ERCs"). Any allowances issued through use of the CSP can only be used for compliance in the 2004 or 2005 control season.

The entire Compliance Supplement Pool available for ERCs in Illinois is 17,688 tons (65 *Fed. Reg.* 11230, March 2, 2000). Illinois EPA has reserved 15,261 ERC allowances for EGUs. The remaining ERC allowances are reserved for non-EGUs. Illinois EPA will allocate the ERCs as set forth in Section 217.770.

If a budget EGU reduces its NOx emission rate as required by the applicable provisions of subsection (c) of Section 217.770 in the 2001, 2002, or 2003 control period, for use in the 2004 or 2005 control period, the account representative may request ERCs for such reductions. Illinois EPA will allocate ERCs to the budget EGU in accordance with the provisions set forth in Section 217.770.

The federal regulatory provisions governing the distribution of ERCs can be found at 35 Ill. Adm. Code 217.770 and 217.470. Of the 15,261 ERC allowances reserved for EGUs and the 2,427 allowances reserved for non-EGUs, Illinois requires that no more than half (7,630 for EGUs and 1,214 for non-EGUs) can be distributed to the sources making NOx reductions for the 2001 ozone season. The other half will be allocated to sources making reductions for the 2002 ozone season. Any remaining allocations will be awarded to sources who make reductions in the 2003 ozone season on a pro-rata basis.

On or before November 1, 2001, Illinois EPA received requests for ERCs from the owners or operators of 16 EGUs. No requests were received from any non-EGUs. Upon review of the requests for ERCs, Illinois EPA determined that a total of 10,393 ERCs were earned by the 16 EGUs. Because the total requested ERCs exceeded the

number of ERCs reserved for EGUs for this period, Illinois EPA distributed 7,630 ERCs to all 16 units on a pro-rata basis. In doing the adjustment, fractions of allocations were rounded off, leaving five unallocated ERCs, which could not be allocated fairly between the 16 sources. Therefore those five ERCs were not allocated but will be included with the next allocation to be administered in 2002. Table A-1 in Appendix A to this report shows the distribution of 7,625 ERCs to various EGUs. Illinois EPA has posted the distribution of ERCs on its website: *www.epa.state.il.us/air/NOx/*.

3.2 New Source Set Aside

As mentioned above, Section 217.768 establishes a new source set-aside ("NSSA") for "new" budget EGUs. A "new" budget EGU is one that commenced commercial operation on or after January 1, 1995, and does not receive allowances under Section 217.764. All budget EGUs, including new EGUs, must have an allowance for every ton of NOx emitted during the control period.

There are 1,535 allowances available for use by the new sources in Illinois, which started operation after January 1, 1995 and before May 1, 2003. As of the date of this report, no new source has applied for allowances from the NSSA account, therefore no allocations has been made.

3.3 Initial Allocation for 2004, 2005 and 2006

Illinois EPA is in the process of allocating NOx allowances to sources listed in the Appendix E and F of Part 217 of Title 35 of IAC. The total number of allowances available for distribution, after deducting 5% of the allowances for NSSA, is 29,166. The list of the EGUs and their 2004, 2005 and 2006 allocations are shown in Table A-2 in Appendix A to this report. This list will be posted on Illinois EPA's website after a thorough quality assurance check is completed.

4.0 Growth-Related Issues

Illinois EPA's first report of October 2001 discussed the growth related issues in detail. This October 2002 report discusses recent developments in growth related issues. In the final federal NOx SIP Call, Illinois was afforded a growth rate of 8% for EGUs. The 8% growth projection for Illinois left the State with a growth rate that is substantially below the actual growth rate that has already occurred, with five years remaining in the time period in question.

In the comments on the growth factors, Illinois EPA proposed the application of a method by U.S. EPA for its growth factors that would have provided a reasonable basis for projecting growth in Illinois. In response to the court's decisions, U.S. EPA on May 1, 2002, published a final rule on Response to Court Remand on NOx SIP Call and Section 126 rule (67 Fed. Reg. 21866). U.S. EPA reviewed the heat input growth rates for EGUs and methodology used to develop those growth rates. Based on that review, U.S. EPA believed that the heat input growth rates and the methodology used to develop them were reasonable. In response to the court's and commenters' concerns, U.S. EPA stated that it had reviewed the new information concerning current activities. U.S. EPA believed that heat input projections are simply required to be reasonable, not to match actual heat input. In response to the alternative methodology, U.S. EPA stated that any alternative methodology for predicting State heat input would result in projected values for some states that would not match actual heat input in some future year. U.S. EPA believed that in most states, recent short-term data was an unreliable predictor of a state's heat input in the future. These are some of the explanations U.S. EPA provided in the notice to show that the growth factors and methodology they used to predict growth factors for EGUs were reasonable.

Illinois EPA reviewed the final rule and is not satisfied with the explanation provided by the U.S. EPA. Illinois has joined a lawsuit in federal court that continues to challenge U.S. EPA's determination of the growth rates for EGU's. In addition, Illinois EPA is continuing to have discussions with U.S. EPA in an attempt to persuade U.S. EPA to provide more growth and is

exploring various alternatives to U.S. EPA's growth rates methodology which would support a larger Illinois growth rate. It is not clear at this time how successful Illinois EPA will be in persuading U.S. EPA to provide a larger growth rate for Illinois EGUs.

5.0 Energy Availability

The EGUs that started commercial operation after January 1, 1995, are new EGUs. In the first report of October 2001, Illinois EPA stated that it had received a large number of permit applications to construct new EGUs in Illinois. This report provides updated information on the status of all the new EGUs and existing EGUs in Illinois.

5.1 New EGUs

Between October 2001 and October 2002, Illinois EPA issued operating permits to 38 new EGUs to operate with a total capacity of 3,309 megawatts (MW). There are a total of 122 EGUs that have operating permits, and their total capacity is 11,167 MW. Several permits have been either withdrawn or expired for 38 units for which construction permits were issued prior to October 2001. In addition, several permit applications were withdrawn before the issuance of construction permits. Illinois EPA received four new construction permit applications for eight new coal-fired boilers since October 1, 2001. Total electric generating capacity of these coal-fired boilers is 3,960 MW. As of October 1, 2002, there are 20 EGUs with a total capacity of 3,136 MW for which construction has been initiated, 65 EGUs with a total capacity of 5,793 MW for which construction is pending, and 39 EGUs with a total capacity of 11,183 MW for which the Illinois EPA is reviewing the permit applications for construction. Table A-3 in Appendix A to this report summarizes the current status of all of these new EGUs.

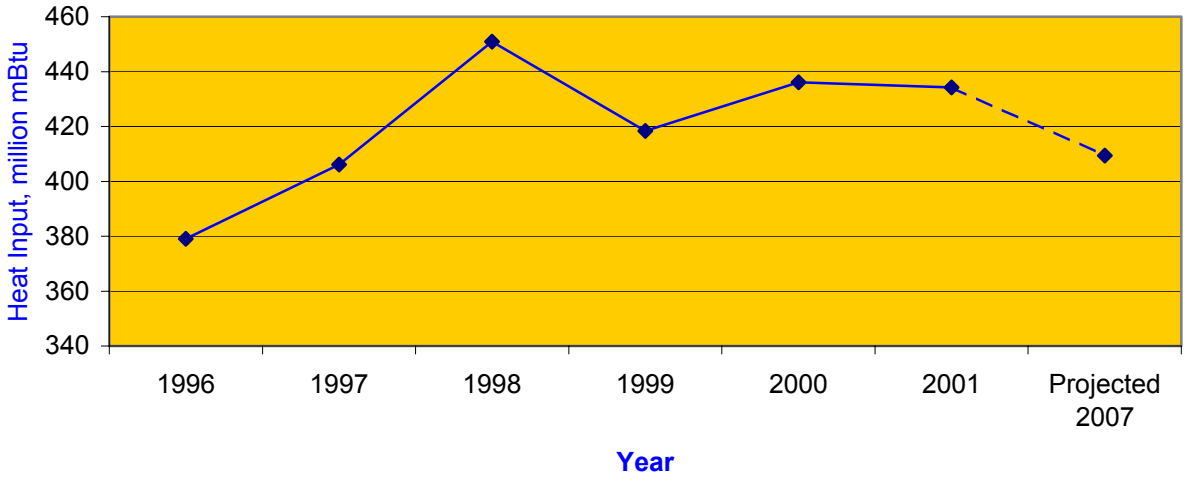
Illinois EPA reviewed the 2001 ozone season emissions data from all of the new EGUs that actually operated. In the 2001 ozone season 86 "new" units actually operated, and the actual NOx emissions from all the new EGUs were 567 tons per

ozone season compared to their potential NOx emissions of 4,382 ton per ozone season. Table A-4 in Appendix A to this report summarizes the NOx emissions data for all of these new EGUs. As described in Section 3.2 of this report there are 1,535 allowances set aside for new sources to be used in each ozone season in 2004, 2005, and 2006. Illinois believes that based on the current activity the NSSA will be sufficient to meet the new sources needs.

5.2 Existing EGUs

Overall, NOx emissions activity has decreased somewhat from last year but is still significantly higher than that allowed for by the NOx SIP Call. Figure 5-1 describes the associated seasonal heat input for the large EGUs covered by the NOx SIP Call trading program, compared to that projected to occur to comply with the trading budget of the NOx SIP Call. In the 2001 ozone season, the NOx emissions from existing EGUs were 73,738 tons (excluding 567 tons from new EGUs) as compared to 100,610 tons of NOx in 2000 ozone season. The budget allocated for existing EGUs is 29,166 allowances for each of the 2004, 2005, and 2006 ozone season. However, existing EGUs are in the process of installing NOx control technologies to bring the NOx emissions down to the required budget level.

Figure 5-1
ILLINOIS EGU OZONE ACTUAL HEAT INPUT



6.0 Allowance Market

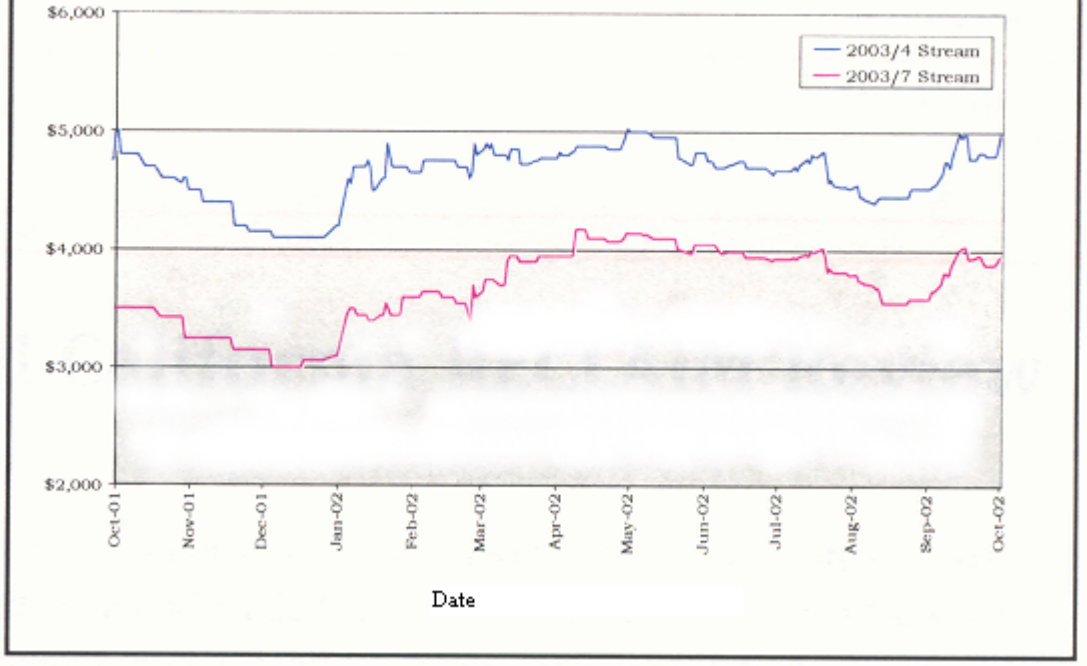
Illinois EPA's first report of October 2001 discussed in detail the mechanics of the allowance market, how it works, and how Illinois EPA will allocate 30,701 budget NOx allowances to the EGUs in Illinois. Once allowances are allocated to the sources, they may start buying or selling among any source in any of the 22 jurisdictions subject to the NOx SIP Call. There are no NOx trading activities in Illinois to report at this time. Currently, a multi-state ozone group comprised of a number of the eastern states, the so-called "Ozone Transport Region" or OTR, is operating a NOx cap and trade program. NOx trading of OTR allowances has occurred for some time and only recently has the OTR started trading NOx SIP Call allowances. However, to date very little trading activity in NOx allowances has occurred to comply with the SIP Call regulations. This section discusses briefly the recent activities in the allowance market in the OTR region.

Although the NOx SIP Call compliance schedule does not appear to be a problem for most utilities, there are lingering concerns about how they will function initially. Utilities, as a safeguard against problems with the control equipment, are buying 2003 and 2004 NOx allowances. Although major problems are not expected, most companies want to ensure that

they have adequate credits on hand to operate their facilities should they experience problems with their control equipment.

As reported by NATSOURCE, in October 2002, the NOx allowances for 2003/4 Vintage Stream were being traded at $4,850/ton (average price of an allowance for 2003 to 2004) and 2003/7 Vintage Stream were being traded at $3,900/ton (average price of an allowance for year 2003 through 2007). During the last year (October 2001 – October 2002), 2003/4 Vintage Stream NOx allowances started at $5,000/ton, decreased to around $4,000/ton at the first of the year 2002, increased to around $5,000/ton in the early Spring 2002, decreased to about $4,500/ton in late Summer 2002, and then recovered to about $5,000/ton in October 2002. For Vintage Stream 2003/7 NOx allowances, prices started at $3,500/ton in October 2001, and after a slight decrease to $3,000/ton at the end of the year 2001, increased thru the year 2002, ending at $3,900/ton in October 2002. Figure 6-1, provided by NATSOURCE provides an overall view of this NOx allowance trading activity.

Figure 6-1 NOx SIP Call OTR Trading Activity



Two large stream trades affected SIP Call prices. A 2003 – 2005 stream traded at $4,500/ton for a total of 180 tons per year. Another trade of 2003 – 2004 stream NOx allowances for $4,500/ ton was made for 136 tons/year. There was also interest in a 2003 – 2007 stream with a bid of $3,000/ton and $3,900/ton offered, but the trade was never completed. These early allowance prices give a slight indication as to what NOx allowances will cost when full NOx SIP Call trading is initiated when the NOx SIP Call program begins in May 2004.

7.0 Energy Conservation Initiatives

An increased level of interest and activity is being seen in Illinois to utilize renewable energy sources and recycled energy such as combined heat and power to lessen the electrical demands on the existing electrical power generation system. Other areas of interest include distributed generation, demand side energy conservation, and voluntary initiatives. These activities have the potential to provide the benefits of producing electrical power from non-polluting energy sources, increasing the operating efficiency of existing power generating equipment, and reducing the current and future demands on conventional fossil-fueled electrical generating units. Currently the contribution by these alternative energy sources and activities in providing electrical power or lessening electrical demands is minimal in most instances; however, the combined future potential of these activities can be looked to in providing relief to the anticipated tight market for NOx allowances that the electrical power generating facilities may be facing under the requirements of the NOx SIP Call if U.S.EPA's 8% growth rate is upheld by the courts.

7.1 Alternative Energy Sources

The first and probably the most publicized in the alternative energy portfolio are renewable energy sources, which includes wind, solar, hydropower, geothermal, and bioenergy. According to 2001 estimates provided by the American Wind Energy Association, if the wind potential for powering utility-scale wind turbines in Illinois were harnessed, the power produced would equal 61 million megawatt-hours or approximately 49 percent of the entire state's electrical consumption. However, of

the approximately 6,980 megawatts of wind energy potential in Illinois, only two 50 MW wind farms are anticipated to be harnessed and operational by the end of 2003, which means approximately 1.4% of the wind potential in Illinois is being utilized. In addition to wind power, Illinois also has a total of 64 operating facilities using photovoltaic, hydro, and bioenergy. Bioenergy is being used at 25 facilities, photovoltaic at 29 facilities, and hydropower at 10 facilities. The currently installed capacity of these renewable energy facilities represents an additional 100 MW.

Although the contribution from alternative sources is currently minimal, every 100 MW of electrical potential provided from such sources saves approximately 300 tons of NOx emissions per ozone season when compared to the NOx emissions from a 100 MW fossil-fueled powered plant in Illinois and using SIP Call control levels. Therefore, every 100 MW plant that uses alternative energy sources saves 300 NOx credit allowances from the 30,701 NOx credit allowances allocated to Illinois under the NOx SIP Call. Those 300 NOx allowance credits would not have to be drawn from the allotment and could be used to meet growth needs for plants located where renewable or alternative energy sources are not available.

Recycled energy uses the energy content of flared gases, wasted exhaust heat, and unused gas pressure drops to generate electricity. One example of recycled energy is combined heat and power ("CHP"). CHP utilizes the waste heat generated by power producing facilities to provide heating and cooling or for other productive purposes such as mechanical power, dehumidifying systems, or compressed air for industrial and commercial applications. While the average efficiency of power generation has remained around 33% since 1960, CHP systems can achieve overall energy efficiency levels of 70% or greater. The U.S. CHP Association has set a goal of achieving 65% design efficiency for new installations by the year 2005 and at installation costs 10% lower than they are today. If only 10% of the Illinois electrical generating plants could realize an improvement in efficiency from 33% to 65% through CHP, then 4,960 NOx emissions per season could be saved based on 2000 NOx emissions estimates and current plant operating efficiencies. Another example of recycled

energy is using the pressure drop from the pumps that are used to distribute natural gas. Currently, once the gas reaches its final destination any excess pressure left in the lines is vented to the atmosphere. This wasted energy could be harnessed to generate electrical power. Currently no applications of this energy recycling technique have been identified in Illinois.

There is a potential to generate approximately 14 percent of the current fossil-fueled electrical power by simply recycling waste energy streams in Illinois, according to Private Power LLC, an Illinois based firm specializing in recycling energy. Because the waste energy streams are produced on-site, the recycled electricity would be consumed locally, minimizing line losses and avoiding transmission and distribution system upgrades. In terms of NOx allowance credits, this would amount to saving over 4,300 NOx credit allowances of the 30,701 allocated by U.S. EPA's NOx SIP Call.

Distributed generation ("DG") is the concept of reliance on smaller interconnected de-centralized power producing units versus the current approach of reliance on larger centralized units. The DG approach is especially effective during peak demand periods. Not only is it more cost effective but also it is more reliable. Interconnecting the back-up power generation units from hospitals, fire and police stations, and rescue shelters, such as Chicago is doing in their downtown area, insures that these facilities can obtain power reliably during emergency situations or high electrical demand ozone days as well as relieving the burden that the local utility must provide during these times. The City of Chicago has essential built a 10 MW "virtual" power plant by linking scattered back-up generators from eight police stations and three senior citizen centers in the downtown area.

Mayor Daley's 2001 Energy Plan blueprint calls for using DG to add 1.5 billion kilowatt hours of electricity to the city's power grid by 2010. This virtual power plant would not fall under the requirements of the NOx SIP Call since these individual power-generating units have less than 25 MW capacities. This DG project

alone could save approximately 1,200 tons of NOx emissions per season in the Chicago area.

7.2 Demand Side Energy Initiatives

Demand side energy conservation involves minimizing the amount of electrical power required to operate a plant or facility through energy efficiency improvements and energy conservation. Simple things such as energy efficient lighting, heating, air conditioning, and office equipment coupled with improved insulation can lower energy demands substantially, according to U.S. EPA's EnergyStar data. If merely 5% of these opportunities were annually and cumulatively implemented throughout Illinois, the American Council for an Energy Efficient Economy predicts that by 2015 businesses could avoid $13.3 billion in utility costs and reduce smog-forming nitrogen oxide emissions by about 15%. Relating these savings to the electrical generating community means that less power would need to be generated or approximately 4,600 fewer NOx allowance credits could be used of the 30,701 Illinois allotment.

For Chicago's O'Hare Airport, Com Ed sets aside approximately 30 MW of electrical potential to provide for the airport's lighting needs. By improving the lighting efficiency of the O'Hare field operations by 10%, an estimated annual savings of 2.5 to 3.0 megawatts of electrical potential would result, which equates to 7.5 to 9.0 NOx allowance credits. A 25% improvement in lighting efficiency would equate to 18.8 to 22.5 NOx allowance credits. Detailed analysis of demand side savings for O'Hare operations is currently under consideration and will be an integral part of the airport modernization efforts.

Voluntary energy conservation projects also address the demand side of the energy equation. The Metropolitan Mayors Caucus ("MMC") initiated the Regional Dialogue forum in 1999 to brainstorm ways to address the ozone problem in the Chicago six county metropolitan areas. As a result of these discussions the Clean Air

Counts ("CAC") initiative was created. The charter of CAC is to identify and implement voluntary measures that reduce not only VOC but also NOx emissions while also promoting economic development for the Chicago area.

The five campaigns created by CAC promote efforts to reduce emissions in communities, business and industry, development projects, households, and government facilities and operations. The initial NOx reduction goal set by CAC in 1999 was 10.9 tons per day with energy saving of 1.11 million MW hours per year by 2007. From an energy savings perspective, the 1.11 million MW hours of electrical savings equates to 900 NOx allowance credit equivalents per season from these voluntary efforts.

7.3 Conclusion

Although energy conservation initiatives such as alternative energy and demand side reductions have the possible potential of providing needed NOx reductions to enable the NOx SIP Call credit allowance allotment to be met, early contributions will be minimal but future year contributions will increase. City, State, and Federal incentives could accelerate the contribution levels and the timing of these contributions. Currently renewable energy generation, confronted with cheaper fossil-fired generation, is predicted to grow only 1.3% annually through the year 2020. Figures 7-1 and 7-2 describe the current distribution of electrical power generation energy sources and the potential NOx emissions savings from alternative energy sources.

Figure 7-1 CURRENT ENERGY SOURCES FOR ELECTRICAL POWER GENERATION IN ILLINOIS
(36,180 MW)

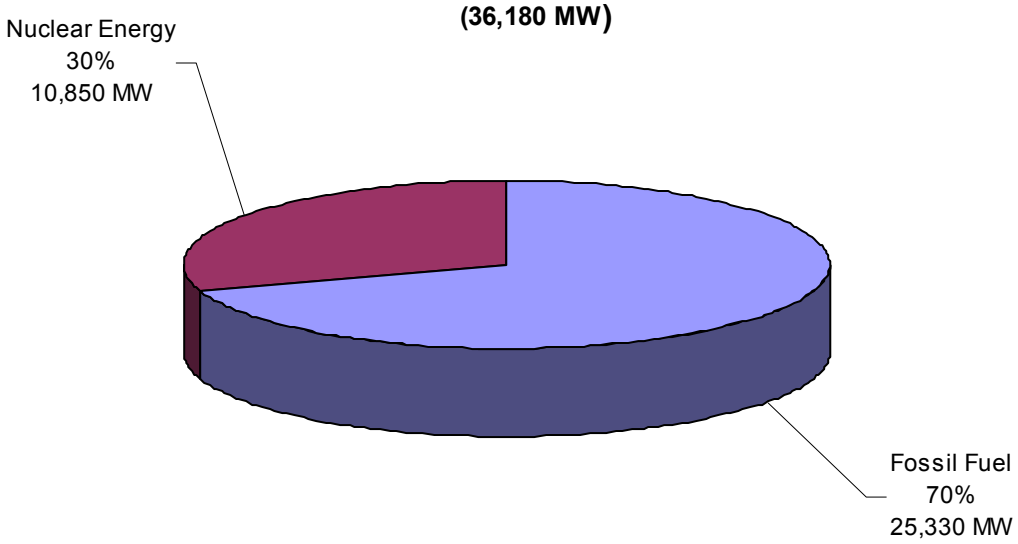
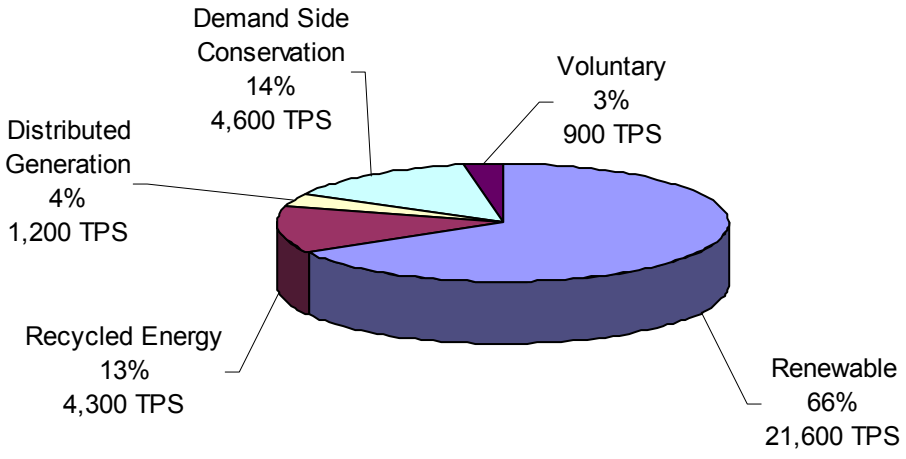


Figure 7-2 POTENTIAL NOx EMISSIONS SAVINGS
From Alternative Energy Sources
(32,600 Tons NOx per Season)



8.0 Summary

The Illinois General Assembly's House of Representatives adopted House Resolution 405 on May 31, 2001, which addresses the issues the State faces in the deregulation of electric generation. The Resolution acknowledged the factors that the power generators face in their efforts to generate electricity competitively.

Illinois EPA's previous report of October 2001, discussed an overview of NOx SIP Call, its impacts on Illinois EGUs and issues related to emissions trading budget for EGUs. This report provides updated information thru October 2002.

U.S. EPA approved Illinois NOx SIP regulations to control NOx emissions from EGU, non-EGU, and cement kilns, and U.S. EPA concluded that Illinois had met the current Phase I of NOx SIP Call requirements. Illinois EPA continues to have discussions with U.S.EPA seeking a greater growth rate for Illinois' EGUs and is pursuing a favorable resolution of the growth issue.

Illinois EPA distributed 7,630 ERCs to 16 EGUs units that applied for early reduction credits. Sources can use these early reduction credits to meet the NOx budgets in 2004 or 2005.

Since the NOx trading program does not begin until May 2004, limited market trading activity has taken place. The limited trades that have occurred since the last year report have ranged from $3,850-$4,850 per ton of NOx as compared to $5,000-$6,000 per ton of NOx reported in last year's report. It would be expected that this cost will be reduced once the program is operational in 2004 and the market fully develops. Illinois EPA will track the NOx market activity and future reports will provide more data and analysis of its operation and its impact on Illinois' electricity production.

APPENDIX A

Table A-1 2001 Early Emission Reduction Credits Allocation

Table A-2 Allowance Allocation for Electrical Generating Units

Table A-3 New Large Electric Generating Units (>25 MW Capacity) in Illinois

Table A-4 Ozone Season NOx Emissions from New Electric Generating Units in 2001

Table A-1

2001 Early Emission Reduction Credits Allocation

Name	Location	Number of Emission Units	Seasonal Heat Input (mmBtu)	Calculated NOx Rate (lbs/mmBtu)	Annual Limit (lbs/mmBtu)	30% Reduction Nox Rate (lbs/mmBtu)	ERC Eligible	Adjusted ERCs
Midwest Generation EME, LLC	Joliet	2	12,365,938	0.117	0.4	0.28	1008	740
Midwest Generation EME, LLC	Joliet	2	12,952,455	0.177	0.4	0.28	667	489
Ameren Energy Generating Co.	Grand Tower	1	846,390	0.087	0.755	0.5285	187	137
Midwest Generation EME, LLC	Joliet	1	4,934,511	0.424	0.86	0.602	439	322
Midwest Generation EME, LLC	Waukegan	1	9,956,366	0.126	0.45	0.315	941	690
Midwest Generation EME, LLC	Will County	1	9,707,921	0.158	0.45	0.315	762	559
Electric Energy Inc.	Joppa	2	13,753,475	0.138	0.45	0.315	1217	893
Electric Energy Inc.	Joppa	2	12,660,438	0.139	0.45	0.315	1114	817
Electric Energy Inc.	Joppa	2	13,418,718	0.135	0.45	0.315	1208	886
Dynegy Midwest Energy, Inc.	Baldwin	1	16,316,198	0.132	0.45	0.315	1493	1096
Ameren Energy Generating Co.	Newton	1	15,686,757	0.142	0.45	0.315	1357	996
Total		16					10393	7625

Table A-2			
Allowance Allocation For Electrical Generating Units			
Company Name and ID #	**Generating Unit Designation**	**EGU Designation**	**2004, 2005, 2006 Allowances**
135803AAA	Coffeen 1	Coffeen 1	523
135803AAA	Coffeen 2	Coffeen 2	898
077806AAA	G. Tower 3	Boiler 7	52
077806AAA	G. Tower 3	Boiler 8	42
077806AAA	G. Tower 4	Boiler 9	189
033801AAA	Hutsonville 3	Boiler 5	153
033801AAA	Hutsonville 4	Boiler 6	123
137805AAA	Meredosia 1	Boiler 1	31
137805AAA	Meredosia 1	Boiler 2	22
137805AAA	Meredosia 2	Boiler 3	21
137805AAA	Meredosia 2	Boiler 4	27
137805AAA	Meredosia 3	Boiler 5	410
137805AAA	Meredosia 4	Boiler 6	27
079808AAA	Newton 1	Newton 1	1,046
079808AAA	Newton 2	Newton 2	1,020
Ameren Energy Generating Company			**4,584**
057801AAA	D. Creek	D. Creek	868
143805AAG	Edwards 1	Edwards 1	239
143805AAG	Edwards 2	Edwards 2	350
143805AAG	Edwards 3	Edwards 3	622
AES			**2,079**
167120AAO	Dallman 1	Boiler 31	134
167120AAO	Dallman 2	Boiler 32	192
167120AAO	Dalman 3	Boiler 33	450
167120AGQ	G.Turbine #2	G.Turbine #2	86
167120AAO	Lakeside 7	Lakeside 7	45
167120AAO	Lakeside 8	Lakeside 8	40
CWLP			**947**
063806AAF	Collins 1	Collins 1	287
063806AAF	Collins 2	Collins 2	290
063806AAF	Collins 3	Collins 3	446
063806AAF	Collins 4	Collins 4	275
063806AAF	Collins 5	Collins 5	435
031600AIN	Crawford 7	Crawford 7	347
031600AIN	Crawford 8	Crawford 8	440
031600AMI	Fisk 19	Fisk 19	497
031600AMI	Fisk Peaker	GT 31-1	9
031600AMI	Fisk Peaker	GT 31-2	9
031600AMI	Fisk Peaker	GT 32-1	9

031600AMI	Fisk Peaker	GT 32-2	9
031600AMI	Fisk Peaker	GT 33-1	8
031600AMI	Fisk Peaker	GT 33-2	8
031600AMI	Fisk Peaker	GT 34-1	8
031600AMI	Fisk Peaker	GT 34-2	8
197809AAO	Joliet 6	Boiler 5	113
197809AAO	Joliet 7	Boiler 71	432
197809AAO	Joliet 7	Boiler 72	673
197809AAO	Joliet 8	Boiler 81	711
197809AAO	Joliet 8	Boiler 82	472
179801AAA	Powerton 5	Boiler 52	702
179801AAA	Powerton 5	Boiler 51	702
179801AAA	Powerton 6	Boiler 61	702
179801AAA	Powerton 6	Boiler 62	702
097190AAC	Waukegan 6	Boiler 17	189
097190AAC	Waukegan 7	Waukegan 7	357
097190AAC	Waukegan 8	Waukegan 8	634
097190AAC	Peaker	GT 31-1	4
097190AAC	Peaker	GT 31-2	5
097190AAC	Peaker	GT 32-1	5
097190AAC	Peaker	GT 32-2	5
197810AAK	Will County 1	Will County 1	346
197810AAK	Will County 2	Will County 2	336
197810AAK	Will County 3	Will County 3	427
197810AAK	Will County 4	Will County 4	728
Midwest Generation			**11,330**
021814AAB	Kincaid 1	Kincaid 1	752
021814AAB	Kincaid 2	Kincaid 2	829
Dom. Energy			**1,581**
127855AAC	Joppa 1	Joppa 1	457
127855AAC	Joppa 2	Joppa 2	489
127855AAC	Joppa 3	Joppa 3	487
127855AAC	Joppa 4	Joppa 4	365
127855AAC	Joppa 5	Joppa 5	440
127855AAC	Joppa 6	Joppa 6	498
El. Energy Inc.			**2,736**
157851AAA	Baldwin 1	Baldwin 1	1,058
157851AAA	Baldwin 2	Baldwin 2	884
157851AAA	Baldwin 3	Baldwin 3	1,252
125804AAB	Havana 1-5	Boiler 1	0
125804AAB	Havana 1-5	Boiler 2	0
125804AAB	Havana 1-5	Boiler 3	0
125804AAB	Havana 1-5	Boiler 4	0
125804AAB	Havana 1-5	Boiler 5	0
125804AAB	Havana 1-5	Boiler 6	0
125804AAB	Havana 1-5	Boiler 7	0
125804AAB	Havana 1-5	Boiler 8	0
125804AAB	Havana 6	Boiler 9	520

155010AAA	Hennepin 1	Hennepin 1	142
155010AAA	Hennepin 2	Hennepin 2	513
183814AAA	Vermilion 1	Vermilion 1	16
183814AAA	Vermilion 2	Vermilion 2	30
119020AAE	Wood River 1	Wood River 1	0
119020AAE	Wood River 2	Wood River 2	0
119020AAE	Wood River 3	Wood River 3	0
119020AAE	Wood River 4	Wood River 4	208
119020AAE	Wood River 5	Wood River 5	678
DMG			**5,301**
199856AAC	Marion 1	Marion 1	13
199856AAC	Marion 2	Marion 2	10
199856AAC	Marion 3	Marion 3	29
199856AAC	Marion 4	Marion 4	485
SIPCO			**537**
119105AAA	Turbine	Turbine	4
119105AAA	Venice 1	Venice 1	9
119105AAA	Venice 2	Venice 2	12
119105AAA	Venice 3	Venice 3	6
119105AAA	Venice 4	Venice 4	7
119105AAA	Venice 5	Venice 5	14
119105AAA	Venice 6	Venice 6	15
119105AAA	Venice 7	Venice 7	2
119105AAA	Venice 8	Venice 8	2
Union Electric			**71**
Total			**29,166**

Table A-3

New Large Electric Generating Units (>25 MW Capacity) in Illinois

* The Status is as of October 7, 2002

** These boilers are coal-fired

Sr. No.	Company Name	Location	ID #	Unit Size MW	Max. NOx Tons/Yr.	Max. NOx T/Season
1	2	3	4	5	6	7
1	**Aurora-Reliant Energy**	Aurora	**043407AAF**	170	31	31
2	**Aurora-Reliant Energy**	Aurora	**043407AAF**	170	31	31
3	**Aurora-Reliant Energy**	Aurora	**043407AAF**	170	31	31
4	**Aurora-Reliant Energy**	Aurora	**043407AAF**	170	31	31
5	**Aurora-Reliant Energy**	Aurora	**043407AAF**	45	21	21
6	**Aurora-Reliant Energy**	Aurora	**043407AAF**	45	21	21
7	**Aurora-Reliant Energy**	Aurora	**043407AAF**	45	21	21
8	**Aurora-Reliant Energy**	Aurora	**043407AAF**	45	21	21
9	**Aurora-Reliant Energy**	Aurora	**043407AAF**	45	21	21
10	**Aurora-Reliant Energy**	Aurora	**043407AAF**	45	21	21
11	**Cordova Energy Center-Mid America**	Cordova	**161807AAN**	250	134	56
12	**Cordova Energy Center-Mid America**	Cordova	**161807AAN**	250	134	56
13	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
14	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
15	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
16	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
17	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
18	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
19	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
20	**Duke Energy/Lee LLC**	South Dixon	**103817AAH**	83	85	35.42
21	**Elwood Energy Facility-People Gas**	Elwood	**197808AAG**	170	73	73
22	**Elwood Energy Facility-People Gas**	Elwood	**197808AAG**	170	73	73
23	**Elwood Energy Facility-People Gas**	Elwood	**197808AAG**	170	73	73
24	**Elwood Energy Facility-People Gas**	Elwood	**197808AAG**	170	73	73
25	**Elwood Energy Facility-People Gas**	Elwood	**197035AAG**	172	29.14	23.31
26	**Elwood Energy Facility-People Gas**	Elwood	**197035AAG**	172	29.14	23.31
27	**Elwood Energy Facility-People Gas**	Elwood	**197035AAH**	172	29.14	23.31
28	**Elwood Energy Facility-People Gas**	Elwood	**197035AAH**	172	29.14	23.31
29	**Elwood Energy Facility-People Gas**	Elwood	**197035AAH**	172	29.14	23.31
30	**Gibson City Power- Ameren**	Gibson City	**053803AAL**	135	125	125
31	**Gibson City Power- Ameren**	Gibson City	**053803AAL**	135	125	125
32	**Ameren CIPS-Grand Tower**	Jackson Cnty	**077806AAA**	300	950	396
33	**Ameren CIPS-Grand Tower**	Jackson Cnty	**077806AAA**	300	962	401
34	**Indeck-Rockford Energy Center**	Rockford	**201030BCG**	150	199	50

35	**Indeck-Rockford Energy Center**	Rockford	**201030BCG**	150	199	50
36	**Interstate (CWLP)**	Springfield	**167822ABG**	138.6	249	249
37	**Kinmundy Power- Ameren UE**	Kinmundy	**121803AAA**	135	125	125
38	**Kinmundy Power- Ameren UE**	Kinmundy	**121803AAA**	135	125	125
39	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
40	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
41	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
42	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
43	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
44	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
45	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
46	**Lincoln Energy Center-Desplaines**	Manhattan	**197811AAH**	83	40	40
47	**Electric Energy/MEPI GT/Midwest El. Power**	Joppa	**127899AAA**	72	81	65
48	**Electric Energy/MEPI GT/Midwest El. Power**	Joppa	**127899AAA**	72	81	65
49	**Electric Energy/MEPI GT/Midwest El. Power**	Joppa	**127899AAA**	72	81	65
50	**Electric Energy/MEPI GT/Midwest El. Power**	Joppa	**127899AAA**	51	91	73
51	**Electric Energy/MEPI GT/Midwest El. Power**	Joppa	**127899AAA**	51	91	73
52	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48.5	50	20
53	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48.5	50	20
54	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48.5	50	20
55	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48.5	50	20
56	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48	58	6
57	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48	58	6
58	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48	58	6
59	**Ameren CIPS/Pinckneyville Power**	Pinckneyville	**145842AAA**	48	58	6
60	**Rocky Road Power LLC-Dynegy**	E.Dundee	**089425AAC**	121	79	79
61	**Rocky Road Power LLC-Dynegy**	E.Dundee	**089425AAC**	121	79	79
62	**Rocky Road Power LLC-Dynegy**	E.Dundee	**089425AAC**	35	39	39
63	**Rocky Road Power LLC-Dynegy**	E.Dundee	**089425AAC**	121	52	52
64	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
65	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
66	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
67	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
68	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
69	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75

70	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
71	**Reliant Energy/ Shelby Enrgy Cntr**	Sigel	**173801AAA**	41	24.75	24.75
72	**Tilton Energy --Dynegy**	Tilton	**183090AAE**	44	48	48
73	**Tilton Energy --Dynegy**	Tilton	**183090AAE**	44	48	48
74	**Tilton Energy --Dynegy**	Tilton	**183090AAE**	44	48	48
75	**Tilton Energy --Dynegy**	Tilton	**183090AAE**	44	48	48
76	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
77	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
78	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
79	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
80	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
81	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
82	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
83	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
84	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
85	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
86	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
87	**Univ. Park Energy/ Constellation Po.**	University Park	**197899AAB**	25	20.83	20.83
88	**Soyland Power**	Alsey	**171851AAA**	30	70	70
89	**Soyland Power**	Alsey	**171851AAA**	30	70	70
90	**Soyland Power**	Alsey	**171851AAA**	25	60	60
91	**Southwestern Elect. Coop/Spectrum**	St. Elmo	**051808AAK**	45	86	86
92	**Power Energy Partners**	Crete	**197030AAO**	89	82.18	82
93	**Power Energy Partners**	Crete	**197030AAO**	89	82.18	82
94	**Power Energy Partners**	Crete	**197030AAO**	89	82.18	82
95	**Power Energy Partners**	Crete	**197030AAO**	89	82.18	82
96	**Aquila Energy/MFP Flora Power**	Flora	**025803AAD**	94.5	62.50	50.00
97	**Aquila Energy/MFP Flora Power**	Flora	**025803AAD**	94.5	62.50	50.00
98	**Aquila Energy/MFP Flora Power**	Flora	**025803AAD**	94.5	62.50	50.00
99	**Aquila Energy/MFP Flora Power**	Flora	**025803AAD**	94.5	62.50	50.00
100	**Skygen/Zion Energy Center LLC**	Zion	**097200ABB**	160	139.5	139.5
101	**Skygen/Zion Energy Center LLC**	Zion	**097200ABB**	160	139.5	139.5
102	**Ameren-Union Electric**	Venice	**119105AAA**	30	19.5	14.63
103	**Ameren-Union Electric**	Venice	**119105AAA**	30	19.5	14.63
104	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	161	105
105	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	Average	from all
106	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	from all	12 turbines
107	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	12 turbines	combined
108	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	combined	
109	**University Park Power (PPL**	University Park	**197899AAC**	44.2	Max Nox	

	Global)					
110	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	250tpy	
111	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	from all	
112	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	12 turbines	
113	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2	combined	
114	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2		
115	**University Park Power (PPL Global)**	University Park	**197899AAC**	44.2		
116	**Indeck-Rockford**	Rockford	**201030BCO**	254	166	69
117	**Constellation Power/Holland Enrgy**	Beecher City	**173807AAA**	168	133	55.42
118	**Constellation Power/Holland Enrgy**	Beecher City	**173807AAA**	168	133	55.42
119	**L S Power**	Minooka	**093808AAD**	250	401	150
120	**L S Power**	Minooka	**093808AAD**	250	401	150
121	**L S Power**	Minooka	**093808AAD**	250	401	150
122	**L S Power**	Minooka	**093808AAD**	250	401	150
	Operating Total			**11,167**	**10,130**	**6,352**
1	**L S Power**	Nelson	**103814AAC**	250	158	66
2	**L S Power**	Nelson	**103814AAC**	250	158	66
3	**L S Power**	Nelson	**103814AAC**	250	158	66
4	**L S Power**	Nelson	**103814AAC**	250	158	66
5	**Calumet Energy Team LLC**	Chicago	**031600GHA**	152.5	120	120
6	**Calumet Energy Team LLC**	Chicago	**031600GHA**	152.5	120	120
7	**ABB Energy/Grand Prairie Enrgy**	Bartlett	**043412AAH**	279	91.15	37.98
8	**ABB Energy/Grand Prairie Enrgy**	Bartlett	**043412AAH**	279	91.15	37.98
9	**Ameren Energy-Elgin Energy Cntr**	Elgin	**031438ABC**	135	58.9	27.7
10	**Ameren Energy-Elgin Energy Cntr**	Elgin	**031438ABC**	135	58.9	27.7
11	**Ameren Energy-Elgin Energy Cntr**	Elgin	**031438ABC**	135	58.9	27.7
12	**Ameren Energy-Elgin Energy Cntr**	Elgin	**031438ABC**	135	58.9	27.7
13	**MEP Investments-Piatt County**	Deland	**147803AAC**	94.5	40.83	24.5
14	**MEP Investments-Piatt County**	Deland	**147803AAC**	94.5	40.83	24.5
15	**MEP Investments-Piatt County**	Deland	**147803AAC**	94.5	40.83	24.5
16	**MEP Investments-Piatt County**	Deland	**147803AAC**	94.5	40.83	24.5
17	**MEP Investments-Piatt County**	Deland	**147803AAC**	94.5	40.83	24.5
18	**MEP Investments-Piatt County**	Deland	**147803AAC**	94.5	40.83	24.5
19	**Southern Ill. Power Coop.**	Marion	**199856AAC**	83	43	26
20	**Southern Ill. Power Coop.**	Marion	**199856AAC**	83	43	26
	Construction Initiated, Total			**3,136**	**1,620**	**888**
1	**Skygen/Zion Energy Center LLC**	Zion	**097200ABB**	160	139.5	139.5
2	**Skygen/Zion Energy Center LLC**	Zion	**097200ABB**	160	139.5	139.5
3	**Skygen/Zion Energy Center LLC**	Zion	**097200ABB**	160	139.5	139.5
4	**Kinder Morgan-Aux Sable Power Plt**	Morris	**063800AAP**	44	62.25	25.94
5	**Kinder Morgan-Aux Sable**	Morris	**063800AAP**	44	62.25	25.94

	Power Plt					
6	**Kinder Morgan-Aux Sable Power Plt**	Morris	**063800AAP**	44	62.25	25.94
7	**Kinder Morgan-Aux Sable Power Plt**	Morris	**063800AAP**	44	62.25	25.94
8	**Duke Energy Kankakee**	Kankakee	**091806AAM**	310	70.00	29.17
9	**Duke Energy Kankakee**	Kankakee	**091806AAM**	310	70.00	29.17
10	**SIPCO****	Marion	**199856AAC**	120	841	350
11	**Enviropower****	Benton	**05580AAG**	250	1396	581.7
12	**Enviropower****	Benton	**05580AAG**	250	1396	581.7
13	**MEP Investments-Washington Cnty**	Posen	**189802AAA**	94.5	61.25	36.75
14	**MEP Investments-Washington Cnty**	Posen	**189802AAA**	94.5	61.25	36.75
15	**MEP Investments-Washington Cnty**	Posen	**189802AAA**	94.5	61.25	36.75
16	**MEP Investments-Washington Cnty**	Posen	**189802AAA**	94.5	61.25	36.75
17	**Indeck-Bourbonnias Energy Center**	Bourbonnias	**091015AAD**	170.8	58	58
18	**Indeck-Bourbonnias Energy Center**	Bourbonnias	**091015AAD**	170.8	58	58
19	**Indeck-Bourbonnias Energy Center**	Bourbonnias	**091015AAD**	170.8	58	58
20	**Indeck-Bourbonnias Energy Center**	Bourbonnias	**091015AAD**	170.8	58	58
21	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
22	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
23	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
24	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
25	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
26	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
27	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
28	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
29	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
30	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
31	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
32	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
33	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
34	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
35	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
36	**Standard Energy Venture, LLC**	W.Chicago	**043090ADB**	50	77.75	77.75
37	**Titan Land Dev.-Livingston Energy**	Pontiac	**105807AAM**	167	49.16	32.94
38	**Titan Land Dev.-Livingston Energy**	Pontiac	**105807AAM**	167	49.16	32.94
39	**Titan Land Dev.-Livingston Energy**	Pontiac	**105807AAM**	167	49.16	32.94
40	**Titan Land Dev.-Livingston Energy**	Pontiac	**105807AAM**	167	49.16	32.94
41	**Titan Land Dev.-Livingston Energy**	Pontiac	**105807AAM**	167	49.16	32.94
42	**Cinergy Corp.-CinCap-Oraville,LLC**	Oraville	**077808AAB**	80	60.63	40.62
43	**Cinergy Corp.-CinCap-Oraville,LLC**	Oraville	**077808AAB**	80	60.63	40.62
44	**Cinergy Corp.-CinCap-Oraville,LLC**	Oraville	**077808AAB**	80	60.63	40.62
45	**Cinergy Corp.-CinCap-**	Oraville	**077808AAB**	80	60.63	40.62

	Oraville,LLC					
46	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
47	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
48	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
49	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
50	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
51	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
52	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
53	**People Energy/ Calumet Power-LLC**	Chicago	**031600GKE**	43.75	30.73	24.58
54	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
55	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
56	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
57	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
58	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
59	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
60	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
61	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
62	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
63	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
64	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
65	**PPL Global-Jamaica TWP Power**	Catlin	**183808AAC**	44.2	20.62	13.40
	Construction Pending Total			**5,793**	**7,143**	**4,402**
1	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
2	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
3	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
4	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
5	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
6	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
7	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
8	**Enron/Kendall New Cent. Dev.-** Revision	Yorkville	**093801AAN**	83	54	54
9	**Kinder Morgan-Lakeside Energy**	Waukegan	**097190AFX**	72	90.58	37.74
10	**Kinder Morgan-Lakeside Energy**	Waukegan	**097190AFX**	72	90.58	37.74
11	**Kinder Morgan-Lakeside Energy**	Waukegan	**097190AFX**	72	90.58	37.74
12	**Kinder Morgan-Lakeside**	Waukegan	**097190AFX**	72	90.58	37.74

	Energy					
13	**Kinder Morgan-Lakeside Energy**	Waukegan	**097190AFX**	72	90.58	37.74
14	**Kinder Morgan-Lakeside Energy**	Waukegan	**097190AFX**	72	90.58	37.74
15	**Kinder Morgan-Lakeside Energy**	Waukegan	**097190AFX**	126	148.6	61.92
16	**Panda Energy-Panda Shiloh**	Mount Vernon	**081813AAE**	275	116.35	75.63
17	**Panda Energy-Panda Shiloh**	Mount Vernon	**081813AAE**	275	116.35	75.63
18	**Panda Energy-Panda Shiloh**	Mount Vernon	**081813AAE**	275	116.35	75.63
19	**Panda Energy-Panda Shiloh**	Mount Vernon	**081813AAE**	275	116.35	75.63
20	**P G & E--Goose Lake Generating Stn**	Morris	**063806AAK**	397	104.1	67.665
21	**P G & E--Goose Lake Generating Stn**	Morris	**063806AAK**	397	104.1	67.665
22	**P G & E--Goose Lake Generating Stn**	Morris	**063806AAK**	397	104.1	67.665
23	**Port City Power/ Exelon**	Waukegan	**097190AGB**	306	124.8	124.8
24	**Port City Power/ Exelon**	Waukegan	**097190AGB**	306	124.8	124.8
25	**Port City Power/ Exelon**	Waukegan	**097190AGB**	306	124.8	124.8
26	**Midwest Generation-Collins Station****	Morris	**063806AAF**	600	2625	2625
27	**Midwest Generation-Collins Station****	Morris	**063806AAF**	600	2625	2625
28	**Corn Belt Energy****	Elkhart	**107806AAC**	91	518	216
29	**Peabody Coal-Prarie State Gen.****	Marissa	**189808AAB**	750	3381	1409
30	**Peabody Coal-Prarie State Gen.****	Marissa	**189808AAB**	750	3381	1409
31	**Indeck-Elwood LLC****	Elwood	**197035AAJ**	300		
32	**Indeck-Elwood LLC****	Elwood	**197035AAJ**	300		
33	**Dynegy Midwest Generation****	Baldwin	**157851AAA**	750	2629.5	1096
34	**Dynegy Midwest Generation****	Baldwin	**157851AAA**	750	2629.5	1096
35	**Midwest Generation-Fisk Station**	Chicago	**031600AMI**	167	116	92.4
36	**Midwest Generation-Fisk Station**	Chicago	**031600AMI**	167	116	92.4
37	**Midwest Generation-Fisk Station**	Chicago	**031600AMI**	167	116	92.4
38	**Illinois Energy Group-Franklin Energy****	Benton	**055806AAB**	680	2393	997.1
39	**Illinois Energy Group-Franklin Energy****	Benton	**055806AAB**	680	2393	997.1
	Under Review Total			**11,183**	**25,197**	**14,345**
246	**Grand Total**			**31,279**	**44,090**	**25,988**

Table A-4

Ozone Season NOx Emissions from New Electric Generating Units in 2001

C:mydocument:2001 Ozone Sesaon Data New EGUs.xls/ 10-11-2002

No.	Plant Name	Unit Size MW	Heat Input Capacity mmBtu/Hr	Maximum NOx (Tons)	Actual 2001 NOx (tons)	Maximum Heat Input (mmBtu)	Actual 2001 Heat Input (mmBtu)
1	Aurora - Reliant Energy	170	1885	31.0	3.6	2,120,625	260,778
2	Aurora - Reliant Energy	170	1885	31.0	5.3	2,120,625	317,428
3	Aurora - Reliant Energy	170	1885	31.0	2.7	2,120,625	162,479
4	Aurora - Reliant Energy	170	1885	31.0	2.9	2,120,625	91,376
5	Aurora - Reliant Energy	45	443	21.0	5.5	498,375	221,722
6	Aurora - Reliant Energy	45	443	21.0	4.7	498,375	198,149
7	Aurora - Reliant Energy	45	443	21.0	3.5	498,375	108,190
8	Aurora - Reliant Energy	45	443	21.0	3.1	498,375	98,164
9	Aurora - Reliant Energy	45	443	21.0	4.1	498,375	151,097
10	Cordova Energy Center	250	1974	55.7	7.5	7,208,338	1,065,669
11	Cordova Energy Center	250	1974	55.7	5.6	7,208,338	974,759
12	Duke Energy Lee, LLC	83	978	35.4	0.9	1,018,750	81,464
13	Duke Energy Lee, LLC	83	978	35.4	0.9	1,018,750	67,420
14	Duke Energy Lee, LLC	83	978	35.4	1.0	1,018,750	78,857
15	Duke Energy Lee, LLC	83	978	35.4	0.9	1,018,750	74,704
16	Duke Energy Lee, LLC	83	978	35.4	2.8	1,018,750	90,245
17	Duke Energy Lee, LLC	83	978	35.4	1.5	1,018,750	107,898
18	Duke Energy Lee, LLC	83	978	35.4	3.2	1,018,750	118,938
19	Duke Energy Lee, LLC	83	978	35.4	4.1	1,018,750	86,435
20	Elwood Energy Facility	170	1763	73.0	9.0	2,538,720	448,811
21	Elwood Energy Facility	170	1763	73.0	10.0	2,538,720	440,624
22	Elwood Energy Facility	170	1763	73.0	9.8	2,538,720	408,331
23	Elwood Energy Facility	170	1763	73.0	8.5	2,538,720	374,131
24	Elwood Energy Facility	172	1764	23.3	9.4	1,270,080	570,860
25	Elwood Energy Facility	172	1764	23.3	4.0	1,270,080	290,437
26	Elwood Energy Facility	172	1764	23.3	6.8	1,270,080	449,445
27	Elwood Energy Facility	172	1764	23.3	7.2	1,270,080	474,851
28	Elwood Energy Facility	172	1764	23.3	4.6	1,270,080	269,055
29	Gibson City Power Plant-Ameren	135	1457	125.0	13.0	5,350,104	398,744
30	Gibson City Power Plant-Ameren	135	1457	125.0	15.3	5,350,104	434,636
31	Grand Tower-Ameren	300	2347	396.0	36.6	8,566,550	844,968
32	Grand Tower-Ameren	300	2383	401.0	0.0	8,697,950	0
33	Indeck-Rockford Energy Center	150	1698.5	50.0	7.2	499,359	225,616
34	Indeck-Rockford Energy Center	150	1698.5	50.0	8.6	499,359	264,274
35	Interstate-CWLP	138.6	1370	249.0	105	5,000,500	303,942
36	Kinmundy Power Plant (Ameren U.E.)	135	1457	125.0	10.9	5,350,104	336,869
37	Kinmundy Power Plant (Ameren U.E.)	135	1457	125.0	10.5	5,350,104	315,455
38	Lincoln Generating Facility LLC	83	1002	39.8	3.1	3,679,344	255,476
39	Lincoln Generating Facility LLC	83	1002	39.8	2.6	3,679,344	238,575
40	Lincoln Generating Facility LLC	83	1002	39.8	3.0	3,679,344	264,596
41	Lincoln Generating Facility LLC	83	1002	39.8	2.8	3,679,344	234,954

42	**Lincoln Generating Facility LLC**	83	1002	39.8	2.7	3,679,344	200,680
43	**Lincoln Generating Facility LLC**	83	1002	39.8	2.2	3,679,344	193,236
44	**Lincoln Generating Facility LLC**	83	1002	39.8	2.2	3,679,344	144,976
45	**Lincoln Generating Facility LLC**	83	1002	39.8	1.8	3,679,344	133,625
46	**MEPI GT Facility**	72	743	65.0	17.0	1,081,808	261,223
47	**MEPI GT Facility**	72	743	65.0	17.5	1,081,808	258,689
48	**MEPI GT Facility**	72	743	65.0	15.6	1,081,808	239,429
49	**MEPI GT Facility**	51	542	65.0	5.6	1,081,808	97,141
50	**MEPI GT Facility**	51	542	65.0	5.5	1,081,808	103,652
51	**Pinckneyville Power Plant**	48.5	444	20.0	8.7	1,551,514	205,550
52	**Pinckneyville Power Plant**	48.5	444	20.0	13.2	1,551,514	284,148
53	**Pinckneyville Power Plant**	48.5	444	20.0	10.0	1,551,514	212,494
54	**Pinckneyville Power Plant**	48.5	444	20.0	9.4	1,551,514	218,819
55	**Pinckneyville Power Plant**	48	552.5	23.0	1.3	1,935,960	15,095
56	**Pinckneyville Power Plant**	48	552.5	23.0	1.1	1,935,960	12,945
57	**Pinckneyville Power Plant**	48	552.5	23.0	0.3	1,935,960	16,915
58	**Pinckneyville Power Plant**	48	552.5	23.0	0.3	1,935,960	15,957
59	**Rocky Road Power, LLC**	121	1439	79.0	6.7	1,870,700	172,318
60	**Rocky Road Power, LLC**	121	1439	79.0	6.7	1,870,700	167,352
61	**Rocky Road Power, LLC**	35	367	39.0	1.8	477,100	23,306
62	**Rocky Road Power, LLC**	121	1439	52.0	4.3	1,870,700	165,020
63	**Shelby Energy Center**	41	444	24.8	2.9	1,630,368	70,903
64	**Shelby Energy Center**	41	444	24.8	3.4	1,630,368	85,145
65	**Shelby Energy Center**	41	444	24.8	3.2	1,630,368	83,892
66	**Shelby Energy Center**	41	444	24.8	3.8	1,630,368	86,667
67	**Shelby Energy Center**	41	444	24.8	2.9	1,630,368	75,403
68	**Shelby Energy Center**	41	444	24.8	3.5	1,630,368	86,562
69	**Shelby Energy Center**	41	444	24.8	3.9	1,630,368	98,864
70	**Shelby Energy Center**	41	444	24.8	3.1	1,630,368	78,826
71	**Tilton-Illinois Power**	44	410	48.0	8.9	964,320	222,236
72	**Tilton-Illinois Power**	44	410	48.0	8.9	964,320	213,464
73	**Tilton-Illinois Power**	44	410	48.0	7.6	964,320	207,007
74	**Tilton-Illinois Power**	44	410	48.0	11.1	964,320	212,084
75	**University Park Energy, LLC**	25	247	20.8	4.0	414,960	53,968
76	**University Park Energy, LLC**	25	247	20.8	0.4	414,960	5,137
77	**University Park Energy, LLC**	25	247	20.8	0.2	414,960	2,615
78	**University Park Energy, LLC**	25	247	20.8	0.2	414,960	2,615
79	**University Park Energy, LLC**	25	247	20.8	4.0	414,960	53,987
80	**University Park Energy, LLC**	25	247	20.8	0.6	414,960	7,973
81	**University Park Energy, LLC**	25	247	20.8	0.6	414,960	8,059
82	**University Park Energy, LLC**	25	247	20.8	2.3	414,960	30,383
83	**University Park Energy, LLC**	25	247	20.8	2.3	414,960	30,586
84	**University Park Energy, LLC**	25	247	20.8	1.6	414,960	21,694
85	**University Park Energy, LLC**	25	247	20.8	1.6	414,960	20,918
86	**University Park Energy, LLC**	25	247	20.8	0.4	414,960	5,137
	Total	**7,758**	**80,879**	**4,382**	**567**	**171,473,097**	**17,107,113**

ATTACHMENT 1

HOUSE RESOLUTION 405

May 31, 2001

92_HR0405

LRB9209078RHrh

HOUSE RESOLUTION

WHEREAS, Development of Illinois' natural resources, especially its coal reserves, in an environmentally sound manner will stimulate the economy of this State, especially in the southern part of our State; and

WHEREAS, Illinois is currently in the process of transitioning from a fully regulated electric generation market into a competitive electric generation market; and

WHEREAS, Recent events in the western part of the United States have demonstrated the need to develop electric generation resources to ensure a reliable supply of electricity; and

WHEREAS, There is an increasing need for electricity and electric generation capacity within Illinois and surrounding states; and

WHEREAS, Illinois has the richest coal reserves in the nation and it is imperative that these coal reserves be developed and utilized; and

WHEREAS, It is paramount that any electric generating facilities built in Illinois use Illinois natural resources, especially Illinois coal, and protect the environment with the best available technology; and

WHEREAS, In preparing for the coming deregulated electric power generation market, Illinois must plan to take advantage of the environmentally sound use of its own natural resources, including Illinois coal; and

WHEREAS, Illinois has the opportunity to foster significant economic development within the State during the transition into a deregulated electric marketplace; and

WHEREAS, The development of power generation capacity

raises concerns about the environmental impact of those power generation facilities; and

WHEREAS, Current federal regulations regarding emissions of nitrogen oxides and emission credits may impede development of necessary electric generation facilities; and

WHEREAS, Illinois must ensure that sufficient nitrogen oxide emission credit are available for new electric generating sources that will utilize clean coal technologies; and

WHEREAS, Illinois' budget for nitrogen oxide emission allowances is limited due to the State's current reliance on nuclear power which will eventually be decommissioned and therefore unavailable for generating electricity; and

WHEREAS, The development of clean coal technologies, including coal gasification, with the vast coal reserves within Illinois will enable Illinois to harvest the rewards of utilizing the proven coal reserves of this State and to support the further development of clean energy solutions utilizing our State's natural resources as the fuel; and

WHEREAS, President Bush has called for the development of a national energy policy; and

WHEREAS, Illinois is uniquely positioned to contribute to the development of that national energy policy through use of its extensive natural resources and coal reserves in an environmentally sound manner; and

WHEREAS, Some adjustments in Illinois' nitrogen oxide emission allowances established by the United States Environmental Protection Agency will be necessary to foster the development of electric generating facilities that utilize Illinois natural resources and coal reserves; and

WHEREAS, The Illinois Environmental Protection Agency is charged with overseeing the nitrogen oxide emissions credit program and is the most appropriate agency to make recommendations to the General Assembly regarding any adjustments necessary to accommodate the development of sufficient new electric generating capacity; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the United States Congress and the United States Environmental Protection Agency to increase Illinois' nitrogen oxide emission allowances budget; and be it further

RESOLVED, That the Illinois Environmental Protection Agency shall prepare and submit a report to the General Assembly regarding the availability of nitrogen oxide emissions credits within the State and within the trading region established by the United States Environmental

Protection Agency; the report shall contain data regarding the use of emissions credits by existing electric generating units, the availability of emission credits for purchase in Illinois and within the trading region, the number of emission credits that may be reasonably projected for use by new sources in Illinois, and the relationship between the cost and availability for electricity and access by existing and new sources to emission credits and shall contain recommendations for legislative and regulatory changes that may be necessary to encourage the development of new electric generating capacity in Illinois; and be it further

RESOLVED That the report shall be submitted to the General Assembly by October 31 of each year until 2007; and be it further

RESOLVED, That a suitable copy of this resolution be delivered to the President of the United States, the Vice

President of the United States, the Administrator of the United States Environmental Protection Agency, the Governor of the State of Illinois, the Director of the Illinois Environmental Protection Agency, the members of the Illinois Congressional delegation, and the Speaker of the United States House of Representatives.

[Top]

File:H:Carolyn:HR405 Report October2002