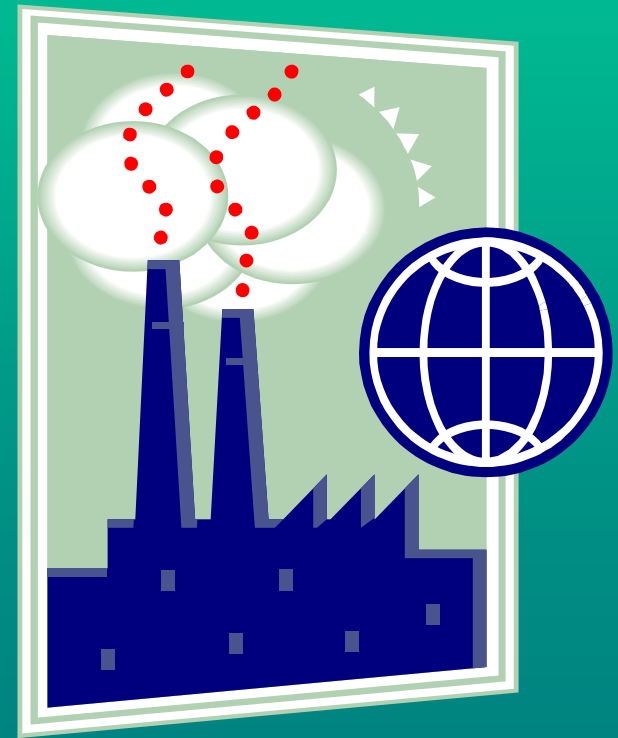


Governor's Mercury Rule

- Principles
- Framework
- Timing
- Expected Results



Principles of Hg Control:

- ✓ **Protect human health, fish, wildlife, & environment**
- ✓ **Control Hg to greatest level possible & as quickly as possible in a cost-effective manner**
- ✓ **Consider the latest control technology that has been shown effective & can be reasonably employed, in a cost effective manner, across the full fleet of Illinois power plants and coal types**

- ✓ Recent advances in Hg control technology has improved control efficiencies and reduced costs to control Hg – notably, use of halogenated sorbents
- ✓ **Control technology continues to rapidly improve performance at lower costs**
- ✓ **Ensure Hg reductions occur both in Illinois & at every power plant in Illinois to address local impacts**

- ✓ **Provide compliance flexibility to assist in widespread compliance & help reduce compliance costs**
- ✓ **Consistent with the Governor's proposal to reduce Hg emissions in Illinois by 90 percent**
- ✓ **Fuel neutral, without favoring coal from any particular region of the country - common standard for different coal types**

Phase 1

By July 1, 2009

System-wide Average:

- ✓ **90% Reduction or 0.0080 lbs Hg/ GWh, and**

Plant-wide Average:

- ✓ **75% Reduction or 0.020 lbs Hg/ GWh**

Phase 2

By December 31, 2012

Plant-wide Average:

- ✓ **90% Reduction or 0.0080 lbs
Hg/GWh**

Flexibility

✓ *Phased In Approach*

✓ *Averaging*

✓ *Standard Options*

✓ *Other Considerations*

Standard Options

✓ *90% Reduction of Input Hg = Control Efficiency Standard*

OR

✓ *lbs Hg/GWh Output = Output Based Emission Rate Standard*

Other Considerations

- ✓ *Temporary Technology Based Standard or Extension*
- ✓ *Shutdown/Replacement Commitment*

Compliance Demonstration

- ✓ *12 month Rolling Total*
- ✓ *CEMS or Sorbent Trap*
- ✓ *Recordkeeping & Reporting*

Timing ~

3/06 – Submit to Board (IPCB)

3/06 – Board files and schedules Hearings

5/06 – 1st hearing within 55 days of date filed

5/06 – 2nd Hearing within 30 days of 1st

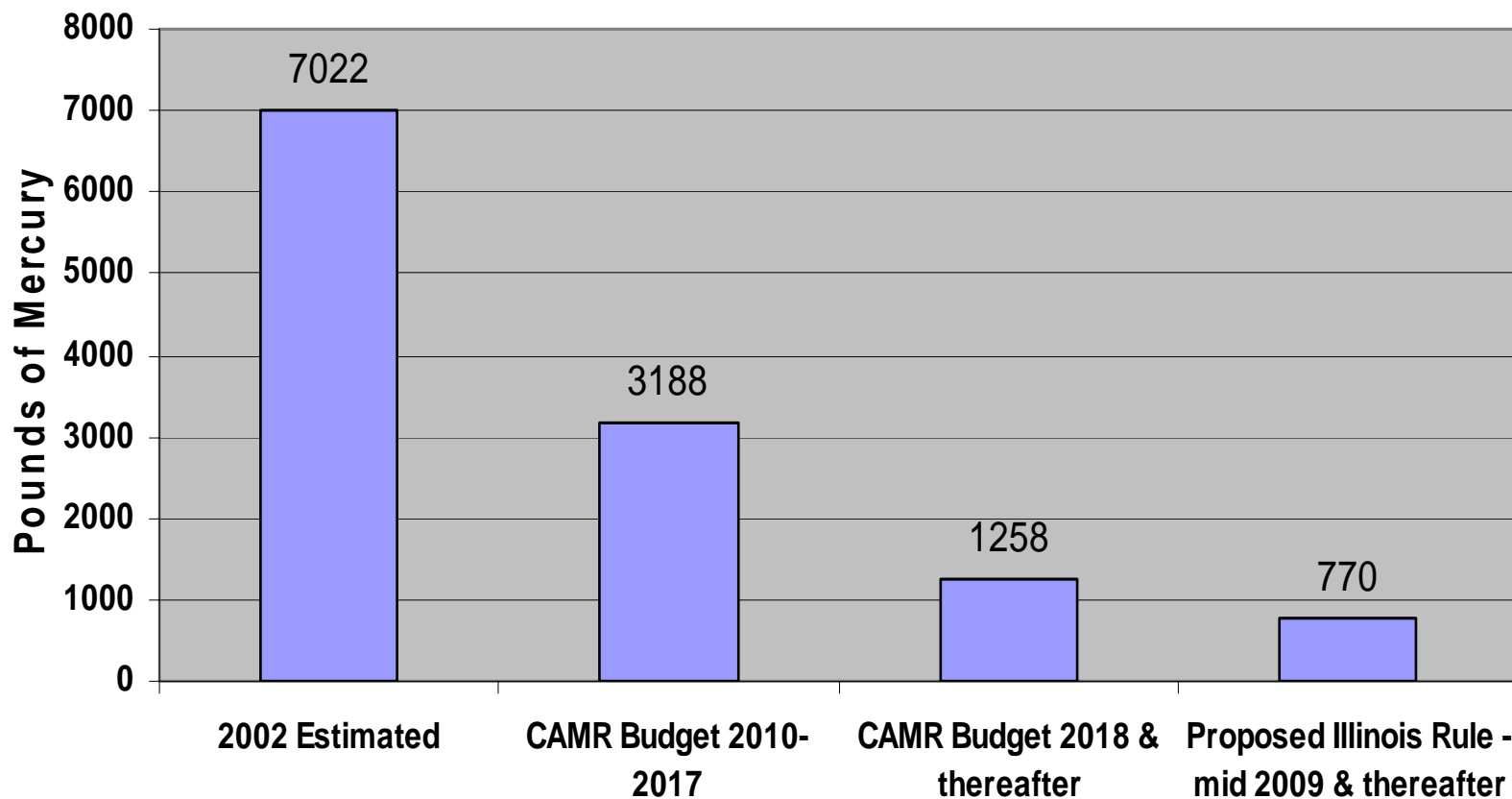
6/06 – 3rd Hearing within 14 days of 2nd

9/06 – Board sends to JCAR - have 45 days to review

11/06 – Submit to USEPA as part of SIP

Expected Results

Current and Projected Emissions in Illinois



Expected Results (cont.)

- ✓ **Reduction in Hg deposition**
- ✓ **Lower methylmercury levels in Illinois waters & fish tissues**
- ✓ **Fish caught in Illinois waters safer to eat**
- ✓ **Health Benefits – improvements to IQ and less cardiovascular disease**
- ✓ **Job support in areas of pollution control, tourism and recreational fishing, Illinois coal industry**

Summary:

- ✓ Hg control needed for health and welfare of Illinois citizens & environment
- ✓ Power Plants largest source of man-made uncontrolled Hg emissions
- ✓ Technology has advanced since federal CAMR proposal – can do more, quicker
- ✓ IL proposed rule based on sound principles
- ✓ Cost effective control + Rule flexibility = Economically Reasonable
- ✓ Urge the Board to Adopt the Proposed Rule