



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH – GOVERNOR

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Gov. Blagojevich announces multi-pollutant reduction plan with Ameren that will make Illinois a national clean air leader

Proposal achieves mercury reduction goal and significantly reduces other dangerous air pollutants

Under agreement, Ameren to continue using Illinois coal at two power plants, install \$1.6 billion in technology upgrades in plants to reduce emissions

CHICAGO – Governor Rod R. Blagojevich today announced an agreement with Ameren, Illinois' second largest utility, on a major pollution reduction plan that would establish Illinois as a national leader in reducing the three most dangerous power plant emissions: mercury, sulfur dioxide and nitrogen oxides. The agreement means that Illinois will become a national leader in reducing pollutants from coal fired power plants. Under the plan, Ameren will:

- Install mercury control equipment to reduce mercury emissions by 90% by 2009 at 94% of its plants in Illinois;
- Dramatically reduce its emissions in sulfur dioxide and nitrogen oxide – two of the most harmful pollutants from power plants – beyond federal requirements;
- Agree not to trade emissions credits, which means that reductions in emissions are the result of actual pollution reductions in Illinois and not credits purchased from other states;
- Agree not to switch from Illinois coal to coal from western states at its Duck Creek and Coffeen plants, as the company had been considering; and
- Install \$1.6 billion in technology upgrades to its plants to help reduce harmful emissions.

“Today’s agreement puts Illinois on track to be the national leader when it comes to reducing pollution and cleaning our air. Our agreement with Ameren not only means getting mercury out of our air and water, it means major reductions in other harmful pollutants as well,” said Governor Blagojevich. “Air pollution leads to all kinds of health problems like asthma, bronchitis, cerebral palsy, and so many others. This plan means our air will be cleaner, it means our rivers will be less polluted, and it means our children will be healthier. Ameren deserves a great deal of credit for working with us to reach this historic agreement which will benefit the quality of lives of so many people in our state.”

Under the agreement, 94 percent of Ameren’s plants will meet the Mercury standards proposed by the Governor earlier this year. The remaining 6 percent will meet the standards by 2012. In addition, Ameren will make major reductions in sulfur dioxide (SO₂) and nitrogen oxides (NO_x), again surpassing federal standards.

“We appreciate Governor Blagojevich's support and that of the Illinois EPA in working with us to come up with an approach that provides reductions of multiple pollutants and offers flexibility, while reaching the goal of significantly reducing air emissions,” says Ameren Chairman, President and Chief Executive Officer Gary L. Rainwater. “We believe this constructive approach will significantly benefit the state's air quality.”

Last winter, Gov. Blagojevich filed rules with the Illinois Pollution Control Board that would cut mercury emissions from coal-burning power plants by 90 percent by 2009. Illinois' mercury rule will achieve more mercury reductions from power plants than any other state, and now, under the multi-pollutant plan announced today, sulfur dioxide emissions reductions from Ameren alone will exceed the entire reductions expected from the federal Clean Air Interstate Rule (CAIR) for all Illinois power plants combined.

"Today's agreement is a major breakthrough that will lead to cleaner air that will improve children's health and our environment," said Howard A. Learner, Executive Director of the Environmental Law & Policy Center. “We commend Gov. Blagojevich for forging this agreement with Ameren and showing that Illinois’ fleet of older coal plants can achieve significant pollution reductions.”

“This proposal guarantees that modern pollution controls will reduce air pollution from coal power plants right here in Illinois,” stated Joel J. Africk, President and CEO of the American Lung Association of Metropolitan Chicago. “These emission reductions in Illinois will benefit asthma patients throughout the state and greatly reduce hospitalizations, emergency room visits and even premature deaths.”

“The Illinois mercury rule will do what federal regulators wouldn't: put children’s health first. Ameren’s willingness to come to the table with the new multi-pollutant provision means Illinois will still have among the most protective mercury rules in the country, but with additional up front reductions in soot and smog-forming emissions,” said Max Muller, Environmental Advocate at Environment Illinois. “Risking the health of our children is not an acceptable cost of doing business in Illinois, and this multi-pollutant plan makes that clear.”

Also under the agreement, Ameren will spend more than \$1.6 billion to upgrade their plants to meet these new standards, which will create hundreds of new downstate jobs. The company will install pollution control equipment at their seven power plants in central and southern Illinois. The new scrubbing equipment will enable the company to burn more Illinois coal, which has higher sulfur content than coal from other regions, but produces more energy per pound than coal from the west. Stricter emission mandates in the Clean Air Act amendments of 1990 caused many companies to switch to low sulfur western coal. With the advanced equipment required by the multi-pollutant plan, utilities can return to using higher energy Illinois coal.

“I commend Ameren for their leadership and hope that the other power companies will follow their lead by adopting the multi-pollutant plan,” said Doug Scott, Director of the Illinois Environmental Protection Agency. “The Governor’s mercury proposal is among the strongest in the nation, and this multi-pollutant plan makes it even better by ensuring significant reductions of other harmful power plant pollutants.”

Sulfur dioxide and nitrogen oxides chemically contribute to ground-level ozone and fine air pollution particles that can lead to respiratory illness, particularly in children and the elderly, and aggravate heart and lung diseases. Sulfur dioxide and nitrogen oxides can also contribute to acid rain, reduced visibility and damage to sensitive ecosystems.

Mercury is a harmful toxin that can cause serious health problems to the human nervous system. Mercury becomes toxic when it enters lakes and streams from the atmosphere through rain and snow. People can become exposed to dangerous levels of mercury by eating fish from contaminated lakes and waterways. Mercury exposure can harm developing fetuses and can cause mental retardation, cerebral palsy, lower IQs, slow motor functions, deafness, blindness and other health problems. Recent studies indicate that as many as 10 percent of babies born each year in the United States are exposed to excessive mercury levels in the womb.

In the U.S., an estimated 43 percent of mercury emissions come from power plants, making them the largest man-made source of mercury emissions. The Illinois Environmental Protection Agency estimates that the state’s coal-fired power plants emit 3.5 tons of mercury into the air every year.