Archived: Thursday, May 31, 2012 4:00:29 PM

From: Mike Thompson

Sent: Thursday, June 23, 2011 8:05:26 AM

To: John Bott; Brian Azman; Jason Painter; Ted Vatnsdal

Subject: RE: CATR allowances Response requested: No **Importance:** Normal

John.

The city does get their capacity-reservation share of the annual so2 allocation for h-1&2. Mike T.

Sent from my AT&T Windows Mobile phone.

----Original Message-----

From: John Bott <johnbo@acespower.com> Sent: Thursday, June 23, 2011 8:14 AM

To: Brian Azman <BrianA@acespower.com>; Mike Thompson <Mike.Thompson@bigrivers.com>; Jason

Painter <JasonP@acespower.com>; Ted Vatnsdal <tedv@acespower.com>

Subject: RE: CATR allowances

Does the city, in any way, become responsible for their slice of SO2 off their piece of HMPL station under CATR? Couldn't remember the ownership arrangement on those units and what the impact to the city would be.

John

----Original Message-----From: Brian Azman

Sent: Thursday, June 23, 2011 7:46 AM

To: Mike Thompson; Jason Painter; Ted Vatnsdal; John Bott

Subject: RE: CATR allowances

I think the 2nd email from John Baileys over-rode the 1st, in that allowances could only be transferred to a "new build," not an existing unit.

Ifso, we do need the other 2 sensitivity runs.

John Baileys is trying to confirm this with WoodMac (the author of the report he's basing his answer on). We'll keep you updated.

thx brian

From: Mike Thompson [Mike.Thompson@bigrivers.com]

Sent: Thursday, June 23, 2011 5:58 AM

To: Brian Azman; Jason Painter; Ted Vatnsdal; John Bott

Subject: RE: CATR allowances

Thanks, Brian.

so does this influence our need for those other two senstivity runs? Just make sure BREC is aware of John's research below?

Mike T.

From: Brian Azman [BrianA@acespower.com] Sent: Wednesday, June 22, 2011 8:15 PM

To: Mike Thompson; Jason Painter; Ted Vatnsdal; John Bott

Subject: Fw: CATR allowances

Fyi Brian

Sent from my blackberry

---- Original Message -----From: John Baileys

Sent: Wednesday, June 22, 2011 08:11 PM

To: Brian Azman

Subject: Re: CATR allowances

It says they can only use them toward a new unit. I assume it means their new unit. I am trying to get wood mac to confirm. But it seems to make sense since any new unit would need emission controls and would have no allowances allocated. Most new units including gas units would have Nox emissions and even some SO2 emissions.

---- Original Message -----From: Brian Azman

Sent: Wednesday, June 22, 2011 07:42 PM

To: John Baileys; Kelly Snyder Subject: Re: CATR allowances

So they do NOT lose them then?

Thx B

Sent from my blackberry

---- Original Message -----From: John Baileys

Sent: Wednesday, June 22, 2011 04:25 PM

To: Kelly Snyder; Brian Azman

Cc: John Baileys

Subject: RE: CATR allowances

I am still searching the exact rules; however, Wood Mackenzie wrote an article that said if a unit does not operate for 3 consecutive years that the EPA will allocate allowance for those 3 years and 3 additional yrs which can be used for other existing operating units. After this the EPA will allocate the same allowances to a new unit set aside pool for that company.

I will see if I can find more.

John Baileys ACES Power Marketing Vice President of Fuels 317-344-7078 Office 317-308-8308 Cell

----Original Message-----

From: Kelly Snyder

Sent: Wednesday, June 22, 2011 4:01 PM

To: Brian Azman; John Baileys Subject: Re: CATR allowances

I believe you do not get any allowances if you mothball your plant for 2 years or longer. Right, John?

Brian - see you at DEMEC tomorrow.

---- Original Message -----From: Brian Azman

Sent: Wednesday, June 22, 2011 03:06 PM

To: Kelly Snyder; John Baileys Subject: CATR allowances

What's the rule again on what happens to allowances for (coal) plants that are shut down? Diff rules for "shut down for sure" vs "turned off" for many years?

Thx B

Sent from my blackberry

Think before you print

NOTICE: This email message and any attachments are for the sole and confidential use of the intended recipients and may contain proprietary and/or confidential information which may be privileged or otherwise protected from disclosure. Any unauthorized review, use, disclosure or distribution is strictly prohibited. If you are not the intended recipient, please contact the sender by reply email and delete the original message from your computer system and destroy any copies of the message as well as any attachments and notify me immediately at (317) 344-7000.

Think before you print

NOTICE: This email message and any attachments are for the sole and confidential use of the intended recipients and may contain proprietary and/or confidential information which may be privileged or otherwise protected from disclosure. Any unauthorized review, use, disclosure or distribution is strictly prohibited. If you are not the intended recipient, please contact the sender by reply email and delete the original message from your computer system and destroy any copies of the message as well as any attachments and notify me immediately at (317) 344-7000.