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**From:** Ghanta, Venu G [Venu.Ghanta@duke-energy.com]  
**Sent:** 4/25/2017 4:34:04 PM  
**To:** Bolen, Brittany [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=31e872a691114372b5a6a88482a66e48-Bolen, Brit]  
**Subject:** follow-up  
**Attachments:** Edwardsport IGCC Issue paper 2017 04 11 v.2.docx  
**Flag:** Follow up

Hi Brittany-

Thanks for taking the time out to meet with me yesterday. Per our discussion, here is additional information on a couple of issues. Please feel free to call any time with questions.

**ELG issue with Duke's Edwardsport plant in Edwardsport, IN (more background is in the attached file, which was sent to Ryan Jackson on 4/11)**

- Edwardsport is a state-of-the art integrated gasification combined cycle (IGCC) plant which began operation in June 2013.
- It is the cleanest and one of the most efficient coal plants in the nation.
- The final ELG rule established limits for gasification wastewater which are unreasonably stringent and cannot be achieved by this plant.
- As a result, Duke Energy submitted a request for variance from the final ELG limits to EPA Region 5 nearly one year ago. Indiana's Department of Environmental Management (IDEM) supports the approval of this request; however, Region 5 has yet to act on it.
- While Duke Energy supports EPA's action to reconsider aspects of the ELG rule, the rulemaking process would not be complete in time to provide relief for the Edwardsport facility. (We would need to begin work soon to install an additional control system to meet the limits in the final ELG rule.)
- We ask that you approve Duke Energy's variance request and the alternative limits proposed in the application submitted to Region 5 to provide immediate relief to the Edwardsport plant.

**CSAPR Update Indiana issue**

- EPA finalized the CSAPR Update rule last October, lowering the CSAPR Phase 2 NOx emission budgets during ozone season for power plants in 22 Eastern states, including Indiana.
- While most state budgets increased from the proposal to the final rule, Indiana was one of a few states whose budget decreased. In Indiana's case, the budget went down by nearly 18%, or almost 5,000 tons from proposal to final.
- The Indiana budget is insufficient based on how our power plants operate, and EPA arrived at this unreasonable number by relying on erroneous assumptions and an incorrect methodology.
- If this budget is not adjusted, additional costs will have to be borne by the electric customers of Indiana.
- In March, we joined the Indiana Utility Group (IUG) and the Indiana Energy Association (IEA) in submitting a petition for reconsideration in which we articulated the errors EPA made in its calculation of the final Indiana budget, and requested that EPA correct the errors in the final rule and revise the Indiana budget accordingly. (Link is here: <https://www.epa.gov/airmarkets/csapr-update-petition-reconsideration-indiana-utility-group-and-indiana-energy>)
- We ask that you act upon this reconsideration petition as soon as is practicable. We believe that these fixes are technical in nature, and could be made with little administrative burden.

Thanks, Venu

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