

R. SERIES/Initials CON 10-1 / C.A.R.
FACILITY ID 64-01-012
WK ACT/Doc Code CP / GC
Project # / Permit # 07-602 /

11/25/08

Construction Changes

**IPL Proposed Permit Conditions and
Requirements for Managing Permit
Changes During Construction**



Interstate Power and Light Co.
An Alliant Energy Company

200 First Street SE
P.O. Box 351
Cedar Rapids, IA 52406-0351

Office: 1.800.822.4348
www.alliantenergy.com

November 25, 2008

Christopher A. Roling, P.E.
Environmental Engineer Senior
Air Quality Bureau
Iowa Department of Natural Resources
7900 Hickman Road, Suite 1
Urbandale, IA 50322

Subject: Proposed permit conditions and requirements: managing changes to permits

Re: Sutherland Generating Station Unit 4

Dear Mr. Roling:

Interstate Power and Light (IPL) appreciates the effort that the Iowa Department of Natural Resources (IDNR) has applied to the Sutherland Generating Station Unit 4 (SGS4) project.

IPL requests that a formal process be established and incorporated into the issued air permits which will address unanticipated in-field construction related changes which may occur during construction of the facility. Proposed permit language is provided in Attachment A.

IPL understands that the addition of emission units or emission points may only proceed following the issuance of pre-construction permits issued by the department for the new additions. As such, no permit language is being proposed for that possible occurrence.

As background, IPL's application materials represent the final plans and specifications for the project. Unanticipated changes to the plans and specifications may occur due to in-field constructability issues, final vendor material or equipment specifications, or other unforeseen circumstances.

In analyzing the universe of possible changes IPL identified the following four categories:

1. Changes to emission point characteristics, including locations;
2. Changes to emission unit characteristics;
3. Removal of emission units or points;
4. Changes, additions, or removal of structures.

IPL proposes the following approach to address these potential unforeseen changes.

RECEIVED
DEC 01 2008

1. Changes to emission point characteristics, including locations

This category includes physical changes to emission point characteristics including location of emission points; changes to stack height or diameter; or flue gas flow rate, among others.

IPL proposes that such changes may proceed after ten business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission point characteristics and a summary of resulting ambient air quality impacts conducted in accordance with the previously approved air modeling protocol. As this type of change may not be in direct conflict with any permit condition, but may be contrary to an assumption relied on by the Department in reaching its permitting decisions, IPL will also identify any permit conditions that might be affected by the change and, if necessary, submit a request for issuance of a supplemental permit to formalize the changes.

2. Changes to emission unit or control equipment characteristics

This category includes changes to emission unit or control equipment characteristics. Such changes may include changes to location, throughput, air to cloth ratio, or reagent flow rates, among others.

IPL proposes such changes may proceed after fifteen business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission unit or control equipment characteristics, a description of the original BACT determination for the emission unit, and an analysis as to whether or not the changes are anticipated to alter the BACT determination. A summary of resulting ambient air quality impacts conducted in accordance with the previously approved air modeling protocol, and a request for issuance of a supplemental permit to formalize the changes will also be provided.

3. Removal of emission units or points

This item includes changes that result in the removal of emission units or emission points.

IPL proposes that unforeseen changes to the design of the new unit, ancillary equipment, or balance of plant details which result in the elimination of emission units or emission points be accomplished by letter from IPL to IDNR requesting that the associated permits be rescinded.

4. Changes, additions, or removal of structures

This item includes changes, additions, or removal of structures at the site which are not directly associated with emission units, control equipment or emission points.

Christopher A. Roling, P.E.
November 25, 2008
Page 3

IPL proposes that such changes may proceed after ten business day's prior notice unless notified otherwise by the department. Prior notice will include a summary of resulting ambient air impacts resulting from these changes conducted in accordance with the previously approved air modeling protocol, and a request for issuance of a supplemental permit to formalize the changes, should such a change affect existing permit conditions.

A copy of proposed permit language incorporating these approaches is included in Attachment A.

IPL appreciates the opportunity to present its proposal to the department. IPL looks forward to working with the IDNR to resolve any concerns and formalize an approach to manage these issues.

Sincerely,



Alan J. Arnold
IPL Baseload Project Lead- Environmental

Enclosure

Cc: Jeff Beer, IPL Project Director
Tim Hillman, B&V Air Permitting Manager

Attachment A

Proposed Permit Language for Managing Permit Changes (Proposed language provided in italics and underlined)

3. Construction

This permit shall become void if construction on the proposed project has not been initiated within eighteen (18) months after the date of the issuance of this permit and completed within sixty-eight (68) months after the date of the issuance of this permit.

It shall be the responsibility of the owner to ensure that construction conforms to the final plans and specifications as submitted and that adequate operation and maintenance is provided to ensure that no condition of air pollution is created. A supplement to this permit shall be obtained if the owner proposes changes to the final submitted plans and specifications subject to the following requirements:

A. Changes to emission point characteristics, including locations:

1. Such changes may proceed after ten business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission point characteristics, a summary of resulting ambient air impacts conducted in accordance with the previously approved air modeling protocol and, if necessary, a request for issuance of a supplemental permit to formalize the changes.

B. Changes to emission unit or control equipment characteristics

1. Such changes may proceed after fifteen business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission unit or control equipment characteristics, a description of the original BACT determination for the emission unit, and an analysis as to whether or not the changes are anticipated to alter the BACT determination. A summary of resulting ambient air quality impacts conducted in accordance with the previously approved air modeling protocol, and a request for issuance of a supplemental permit to formalize the changes will also be provided. Changes altering the BACT determination may not proceed until a supplemental permit has been issued.

C. Removal of emission units or points

1. IPL will request by letter that the associated permits be rescinded.

D. Changes, additions, or removal of structures

1. Such changes may proceed after ten business day's prior notice, including a summary of resulting ambient air impacts conducted in accordance with the previously approved air modeling protocol, to the department unless notified otherwise by the department. If necessary, this notice shall request issuance of a supplemental permit to revise permit conditions to reflect the change.

Roling, Chris [DNR]

From: Arnold, Alan [AlanArnold@alliantenergy.com]
Sent: Tuesday, November 25, 2008 3:14 PM
To: Roling, Chris [DNR]
Cc: Phelps, Dave [DNR]; Hillman, Timothy M.; Beer, Jeffery
Subject: Letter Addressing "Managing Changes"
Attachments: 2552_001.pdf

Chris- on behalf of Interstate Power and Light (IPL), please find attached a pdf electronic copy of a letter we are sending in the mail to you this afternoon. We hope the information is self-explanatory and timely.

Have a great Thanksgiving Holiday break.

Regards,

Alan J. Arnold

Environmental Lead- IPL Baseload Project

Alliant Energy Corporate Services

P.O. Box 351

200 First Street S.E., GO-13th Floor

Cedar Rapids, IA 52406 (52401)

Phone: 319.786.4476

Fax: 319.786.4747



Please consider the environment before printing my e-mail

Please note that the information and attachments in this email are intended for the exclusive use of the addressee and may contain confidential or privileged information. If you are not the intended recipient, please do not forward, copy or print the message or its attachments. Notify me at the above address, and delete this message and any attachments. Thank you.



Interstate Power and Light Co.
An Alliant Energy Company

200 First Street SE
P.O. Box 351
Cedar Rapids, IA 52406-0351

Office: 1.800.822.4348
www.alliantenergy.com

November 25, 2008

Christopher A. Roling, P.E.
Environmental Engineer Senior
Air Quality Bureau
Iowa Department of Natural Resources
7900 Hickman Road, Suite 1
Urbandale, IA 50322

Subject: Proposed permit conditions and requirements: managing changes to permits

Re: Sutherland Generating Station Unit 4

Dear Mr. Roling:

Interstate Power and Light (IPL) appreciates the effort that the Iowa Department of Natural Resources (IDNR) has applied to the Sutherland Generating Station Unit 4 (SGS4) project.

IPL requests that a formal process be established and incorporated into the issued air permits which will address unanticipated in-field construction related changes which may occur during construction of the facility. Proposed permit language is provided in Attachment A.

IPL understands that the addition of emission units or emission points may only proceed following the issuance of pre-construction permits issued by the department for the new additions. As such, no permit language is being proposed for that possible occurrence.

As background, IPL's application materials represent the final plans and specifications for the project. Unanticipated changes to the plans and specifications may occur due to in-field constructability issues, final vendor material or equipment specifications, or other unforeseen circumstances.

In analyzing the universe of possible changes IPL identified the following four categories:

1. Changes to emission point characteristics, including locations;
2. Changes to emission unit characteristics;
3. Removal of emission units or points;
4. Changes, additions, or removal of structures.

IPL proposes the following approach to address these potential unforeseen changes.

1. Changes to emission point characteristics, including locations

This category includes physical changes to emission point characteristics including location of emission points; changes to stack height or diameter; or flue gas flow rate, among others.

IPL proposes that such changes may proceed after ten business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission point characteristics and a summary of resulting ambient air quality impacts conducted in accordance with the previously approved air modeling protocol. As this type of change may not be in direct conflict with any permit condition, but may be contrary to an assumption relied on by the Department in reaching its permitting decisions, IPL will also identify any permit conditions that might be affected by the change and, if necessary, submit a request for issuance of a supplemental permit to formalize the changes.

2. Changes to emission unit or control equipment characteristics

This category includes changes to emission unit or control equipment characteristics. Such changes may include changes to location, throughput, air to cloth ratio, or reagent flow rates, among others.

IPL proposes such changes may proceed after fifteen business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission unit or control equipment characteristics, a description of the original BACT determination for the emission unit, and an analysis as to whether or not the changes are anticipated to alter the BACT determination. A summary of resulting ambient air quality impacts conducted in accordance with the previously approved air modeling protocol, and a request for issuance of a supplemental permit to formalize the changes will also be provided.

3. Removal of emission units or points

This item includes changes that result in the removal of emission units or emission points.

IPL proposes that unforeseen changes to the design of the new unit, ancillary equipment, or balance of plant details which result in the elimination of emission units or emission points be accomplished by letter from IPL to IDNR requesting that the associated permits be rescinded.

4. Changes, additions, or removal of structures

This item includes changes, additions, or removal of structures at the site which are not directly associated with emission units, control equipment or emission points.

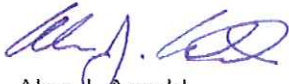
Christopher A. Roling, P.E.
November 25, 2008
Page 3

IPL proposes that such changes may proceed after ten business day's prior notice unless notified otherwise by the department. Prior notice will include a summary of resulting ambient air impacts resulting from these changes conducted in accordance with the previously approved air modeling protocol, and a request for issuance of a supplemental permit to formalize the changes, should such a change affect existing permit conditions.

A copy of proposed permit language incorporating these approaches is included in Attachment A.

IPL appreciates the opportunity to present its proposal to the department. IPL looks forward to working with the IDNR to resolve any concerns and formalize an approach to manage these issues.

Sincerely,



Alan J. Arnold
IPL Baseload Project Lead- Environmental

Enclosure

Cc: Jeff Beer, IPL Project Director
Tim Hillman, B&V Air Permitting Manager

Attachment A

Proposed Permit Language for Managing Permit Changes (Proposed language provided in italics and underlined)

3. Construction

This permit shall become void if construction on the proposed project has not been initiated within eighteen (18) months after the date of the issuance of this permit and completed within sixty-eight (68) months after the date of the issuance of this permit.

It shall be the responsibility of the owner to ensure that construction conforms to the final plans and specifications as submitted and that adequate operation and maintenance is provided to ensure that no condition of air pollution is created. A supplement to this permit shall be obtained if the owner proposes changes to the final submitted plans and specifications subject to the following requirements:

A. Changes to emission point characteristics, including locations:

1. Such changes may proceed after ten business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission point characteristics, a summary of resulting ambient air impacts conducted in accordance with the previously approved air modeling protocol and, if necessary, a request for issuance of a supplemental permit to formalize the changes.

B. Changes to emission unit or control equipment characteristics

1. Such changes may proceed after fifteen business day's prior notice to the department unless notified otherwise by the department. Prior notice will include a description of the change to the emission unit or control equipment characteristics, a description of the original BACT determination for the emission unit, and an analysis as to whether or not the changes are anticipated to alter the BACT determination. A summary of resulting ambient air quality impacts conducted in accordance with the previously approved air modeling protocol, and a request for issuance of a supplemental permit to formalize the changes will also be provided. Changes altering the BACT determination may not proceed until a supplemental permit has been issued.

C. Removal of emission units or points

1. IPL will request by letter that the associated permits be rescinded.

D. Changes, additions, or removal of structures

1. Such changes may proceed after ten business day's prior notice, including a summary of resulting ambient air impacts conducted in accordance with the previously approved air modeling protocol, to the department unless notified otherwise by the department. If necessary, this notice shall request issuance of a supplemental permit to revise permit conditions to reflect the change.

Roling, Chris [DNR]

From: Arnold, Alan [AlanArnold@alliantenergy.com]
Sent: Wednesday, October 29, 2008 3:10 PM
To: Roling, Chris [DNR]
Subject: RE: permit language

Chris- thanks for the information.

Alan J. Arnold
Environmental Lead- IPL Baseload Project
Alliant Energy Corporate Services
P.O. Box 351
200 First Street S.E., GO-13th Floor
Cedar Rapids, IA 52406 (52401)
Phone: 319.786.4476
Fax: 319.786.4747



Please consider the environment before printing my e-mail

Please note that the information and attachments in this email are intended for the exclusive use of the addressee and may contain confidential or privileged information. If you are not the intended recipient, please do not forward, copy or print the message or its attachments. Notify me at the above address, and delete this message and any attachments. Thank you.

From: Roling, Chris [DNR] [mailto:Chris.Roling@dnr.iowa.gov]
Sent: Wednesday, October 29, 2008 3:05 PM
To: Arnold, Alan
Subject: permit language

Alan,

Here is the language that was in the original MidAmerican permits:

“The facility (plant number 78-01-026) shall submit all final plans and specifications for this emission unit and its respective control equipment to the Department within thirty (30) days of the start of construction. These final plans and specifications will be made available in the Records Center of the Air Quality Bureau.”

I will be talking to Kelli to see how we might amend the language.

Chris

Christopher A. Roling, PE
Environmental Engineer Senior
Air Quality Bureau, IDNR
ph: 515-242-6002
fax: 515-242-5094

Roling, Chris [DNR]

From: Roling, Chris [DNR]
Sent: Wednesday, October 29, 2008 3:05 PM
To: Arnold, Alan
Subject: permit language

Alan,

Here is the language that was in the original MidAmerican permits:

"The facility (plant number 78-01-026) shall submit all final plans and specifications for this emission unit and its respective control equipment to the Department within thirty (30) days of the start of construction. These final plans and specifications will be made available in the Records Center of the Air Quality Bureau."

I will be talking to Kelli to see how we might amend the language.

Chris

Christopher A. Roling, PE
Environmental Engineer Senior
Air Quality Bureau, IDNR
ph: 515-242-6002
fax: 515-242-5094