

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-001:**

Describe with specificity how the actions undertaken by the Company comply with each of the four prudence standards contained in the Commission's Order in Docket Nos. 91-0080 through 91-0095 (Consolidated).

**Response:**

Costs were prudently incurred as described in my testimony and met prudence standards defined by the Commission. These are (1) reasonable and appropriate business standards, (2) the requirements of other relevant state and/or federal authorities, (3) minimization of costs to rate payers consistent with safety, reliability and quality assurance, and (4) facts and knowledge the Company knew or reasonably should have known at the time the expenditures were made.

AmerenCILCO has identified those MGP sites that it has, or may have, responsibility to remediate. AmerenCILCO has assigned a priority to those sites and is addressing the remediation of the sites one site at a time. AmerenCILCO has consulted with the IEPA, which has approved of AmerenCILCO's approach to the investigation and remediation of these MGP sites.

AmerenCILCO follows appropriate procedures to secure competitive bids for the work that is performed at the MGP sites. In addition, site investigation work is performed in a phased approach to appropriately limit and allocate expenditures to only the degree warranted by site conditions. AmerenCILCO also has staff personnel monitor all work performed at the MGP sites to ensure that it is done in accordance with appropriate standards. AmerenCILCO has engaged counsel to assist in the recovery, if possible, of insurance proceeds available for the MGP site investigation and remediation activities.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-002:**

This request pertains to the level of environmental cleanup required at each MGP site.

- a. For each MGP site, describe the level of environmental cleanup required.
- b. List the steps that must be taken to obtain the level of environmental cleanup required.
- c. Explain and evaluate any alternative levels of environmental cleanup that may be applicable for each site.

**Response:**

- a. The required level of environmental cleanups must adequately protect human health and the environment. To meet this level of protection in the most cost-effective manner, the Illinois Environmental Protection Agency allows cleanup objectives to be based on risk assessments based on site-specific information. Development of risk-based cleanup objectives requires the specification of acceptable health risk values associated with the levels of contaminants allowed to remain at the site. For non-carcinogenic contaminants, a hazard quotient equal to 1 is used. For carcinogenic soil contaminants, the baseline target cancer risk is  $10^{-6}$ . When certain engineered barriers and/or institutional controls are employed, target cancer risks of up to  $10^{-4}$  may be allowed. For groundwater chemicals of concern, the baseline cleanup objectives are based on standards and health advisory procedures found in 35 IL. Admin. Code 620 and are not necessarily equivalent to a  $10^{-6}$  target cancer risk. This process has been formalized in 35 IL. Admin. Code 742, which was effective July 1, 1997. This regulation is called "Tiered Approach to Corrective Action Objectives" or TACO.
- b. To establish cleanup objectives using TACO, a complete remedial investigation must first be performed to adequately assess the degree and extent of contamination with site-specific conditions. Next, cleanup objectives are developed using TACO based on exposure routes, receptors, contaminants, property uses, engineered barriers, institutional controls, groundwater classification, soil attenuation capacity, soil saturation concentration and community acceptance.

At each step of this process, the company obtains IEPA comments and approval to insure the IEPA is in agreement with the investigation methods and assumptions.

- c. Methods to achieve the established cleanup objectives are developed and evaluated as to their cost. The Company presents these alternatives to the IEPA with a

preferred alternative identified. The preferred alternative is the least cost method that adequately protects human health, the environment and complies with the TACO program. If the IEPA agrees, then detailed plans and specifications are developed for bids.

The following discusses those sites for which specific information is available:

825 N. MacArthur Blvd., Springfield, IL:

Contaminated soils and MGP source materials were removed and sent to approved waste landfills for disposal in 1991. IEPA issued an NFR (No Further Remediation) letter to AmerenCILCO for the MacArthur Boulevard site on January 27, 2000. Contaminated groundwater has been collected by a groundwater interceptor trench system since 1991 and was pumped to the local sanitary sewer plant for treatment. The impervious site cap, which is part of an engineered barrier for preventing further groundwater contamination, is routinely inspected and repaired as necessary to maintain its effectiveness.

1100 Monarch St., Peoria, IL:

Remediation has been completed, and, on February 2, 1999, the Illinois Environmental Protection Agency ("IEPA") issued a no further remediation ("NFR") letter with respect to this site. Groundwater monitoring was completed in the last quarter of 1999 as required by the IEPA in the NFR letter. The last of the readings were received in the first quarter of 2000, and the results were under the criteria levels; so, no further water monitoring is required. The monitoring wells were filled and capped May 8, 2001. No further activity, other than maintaining the site cap, is anticipated at the Peoria MGP site. Minor annual maintenance (mowing and cap maintenance) of the site is required to meet the site restrictions imposed by the IEPA.

301-315 Main St., Pekin, IL:

This site is currently owned by the City of Pekin. Investigation and characterization of the site was hampered by the presence of a large amount of overburden that was deposited, I believe, in connection with bridge demolition activities. In 2003, the Company met with representatives from the City and IEPA to discuss the removal of overburden located at the site and implementation of additional site investigation activities. The fill material was removed in late spring, 2004, and additional site investigation activities occurred in early summer 2004. A revised remedial action plan, based on the results of this additional site investigation, was submitted to IEPA in 2004. Site remediation activities occurred in February and March, 2005.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-003:**

Has the Company ever received a site remediation letter from the Illinois Environmental Protection Agency indicating that no further remediation is required at a specific MGP site? If yes, provide a copy of each site remediation letter received.

**Response:**

Yes, on February 2, 1999, the IEPA issued a "No Further Remediation" letter for the 1100 Monarch Street, Peoria, IL MGP site. A "No Further Remediation" letter for the 825 N. MacArthur Blvd., Springfield, IL FMGP was issued on January 27, 2000. The Company has not received a "No Further Remediation" letter for any other AmerenCILCO MGP site.

***See two "NFR Letters" attached.***

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276

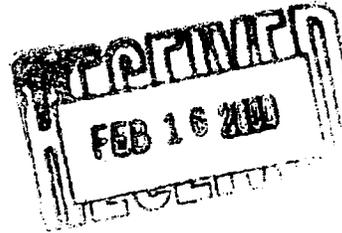
THOMAS V. SKINNER, DIRECTOR

217/782-6761

Certified: 416 147 124

January 27, 2000

Jan Swanson  
Environmental Program Administrator  
Central Illinois Light Company  
300 Liberty Street  
Peoria, IL 61602-1404



Re: 1671205037--Sangamon County  
Springfield/CILCO Gas Plant  
Site Remediation/Technical Reports

Dear Ms. Swanson:

The *Remediation Objectives Report and Request for Comprehensive No Further Remediation Status* report (received May 04, 1999/Log No. 99-809) and the *Addendum to the April 1999 Remediation Objectives Report and Request for Comprehensive No Further Remediation Status* report (received August 12, 1999/Log No.99-1570) as prepared by Krueger Engineering & Sciences for the CILCO Gas Plant property has been reviewed by the Illinois Environmental Protection Agency ("Illinois EPA") and demonstrates that remedial action is complete in accordance with the standards set forth in 35 Illinois Administrative Code 740 and 35 Illinois Administrative Code 742.

The remediation site, consisting of 8 acres, is located at 825 North MacArthur Boulevard, Springfield, Illinois. Pursuant to Section 58.10 of the Illinois Environmental Protection Act (415 ILCS 5/1 et.seq.) ("Act"), your request for a no further remediation determination is granted under the conditions and terms specified in this letter. The Remediation Applicant, as identified on the Illinois EPA's Review and Evaluation Services Agreement form (received September 02, 1992), is:

Central Illinois Light Company  
c/o Jan Swanson, Environmental Program Administrator  
300 Liberty Street  
Peoria, IL 61602-1404

This comprehensive No Further Remediation Letter ("Letter") signifies a release from further responsibilities under the Act for the performance of the approved remedial action and shall be considered prima facie evidence that the remediation site described in the attached Illinois EPA

Site Remediation Program environmental notice and shown in the attached site base map does not constitute a threat to human health and the environment and does not require further remediation under the Act if utilized in accordance with the terms of this Letter.

### CONDITIONS AND TERMS OF APPROVAL

#### LEVEL OF REMEDIATION AND LAND USE LIMITATIONS

1. The recognized environmental conditions at the Remediation Site prior to completion of remedial actions, as characterized by a comprehensive site investigation, included the following:
  - a) Benzene, toluene, ethylbenzene and xylenes (BTEX), polynuclear aromatic compounds, lead and cyanide in soils;
  - b) Benzene, toluene, ethylbenzene and xylenes (BTEX), trichloroethene and tetrachloroethene in groundwater;
  - c) An undefined quantity of tar material in and/or around two tar wells associated with manufactured gas plant activities; and
  - d) Four (4) underground storage tanks, including at least one (1) leaking underground storage tank.
2. The remediation site is restricted to industrial or commercial uses.
3. The land use specified in this Letter may be revised if:
  - a) Further investigation or remedial action has been conducted that documents the attainment of objectives appropriate for the new land use; and
  - b) A new Letter is obtained and recorded in accordance with Title XVII of the Act and regulations adopted thereunder.

#### PREVENTIVE, ENGINEERING, AND INSTITUTIONAL CONTROLS

4. The implementation and maintenance of the following controls are required as part of the approval of the remediation objectives for this site.

##### Preventive Controls:

At a minimum, a safety plan should be developed to address possible worker exposure in the event that any future excavation and construction activities may occur within contaminated soil. Any excavation within contaminated soil will require implementation of a safety plan consistent with NIOSH Occupational Safety and Health

Guidance Manual for Hazardous Waste Site Activities, OSHA regulations (particularly in 29 CFR 1910 and 1926), state and local regulations, and other USEPA guidance. Soil excavated below three (3) feet from the surface must be returned to the same depth from which it was excavated or properly managed or disposed in accordance with applicable state and federal regulations.

#### Engineering Controls:

The asphalt and concrete barriers, including building foundations, identified in the attached site base map (Figure 2.2: Property Limits and Current Site Features, Including Engineered Barriers; Remediation Objectives Report and Request for Comprehensive No Further Remediation Status report, April 1999) must remain in place over all contaminated soils. These barriers must be properly maintained as engineered barriers to inhibit ingestion of contaminated media.

The groundwater interceptor trench system identified in the attached site base map (Figure 2.2: Property Limits and Current Site Features, Including Engineered Barriers; Remediation Objectives Report and Request for Comprehensive No Further Remediation Status report, April 1999) must continue in operation until such time as four consecutive quarters of analytical data from the interceptor trench sump discharge and from Monitoring Wells #2, #3 and #4 demonstrate that concentrations of benzene, toluene, ethylbenzene and total xylenes are below the groundwater quality standards for Class II groundwater identified at 35 Illinois Administrative Code 620.420.

#### Institutional Controls:

No person shall construct, install, maintain, or operate a water system or well at the remediation site for potable uses. All potable water supplies and water services for the remediation site must be obtained from a public water supply system. The provisions of this institutional control shall be applicable to all water usage including, but not limited to, domestic, commercial, and industrial uses and water for outdoor purposes.

#### OTHER TERMS

5. Where an institutional control is used to assure long-term protection of human health (as identified under item 4, Conditions and Terms, of this Letter), the Remediation Applicant must record a copy of this legal mechanism (e.g., restrictive covenant; deed restriction; negative easement; ordinance adopted and administered by a unit of local government; or agreement between a property owner and a highway authority) along with this Letter.
6. Where the Remediation Applicant is not the sole owner of the remediation site, the Remediation Applicant shall complete the attached property owner certification of the No Further Remediation Letter under the Site Remediation Program form. This

certification by original signature of each property owner, or the authorized agent of the owner(s), of the remediation site or any portion thereof who is not a Remediation Applicant shall be recorded along with this Letter.

7. Further information regarding this remediation site can be obtained through a written request under the Freedom of Information Act (5 ILCS 140) to:

Illinois Environmental Protection Agency  
Attn: Freedom of Information Act Officer  
Bureau of Land #24  
1021 North Grand Avenue East  
P.O. Box 19276  
Springfield, IL 62794-9276

8. Pursuant to Section 58.10(f) of the Act (415 ILCS 5/58.10(f)), should the Illinois EPA seek to void this Letter, the Illinois EPA shall provide notice to the current title holder and to the Remediation Applicant at the last known address. The notice shall specify the cause for the voidance, explain the provisions for appeal, and describe the facts in support of this cause. Specific acts or omissions that may result in the voidance of this Letter under Sections 58.10(e)(1)-(7) of the Act (415 ILCS 5/58.10(e)(1)-(7)) include, but shall not be limited to:
- a) Any violation of institutional controls or the designated land use restrictions;
  - b) The failure to operate and maintain preventive or engineering controls or to comply with any applicable groundwater monitoring plan;
  - c) If applicable, the disturbance or removal of contamination that has been left in-place in accordance with the Remedial Action Plan. Access to soil contamination may be allowed if, during and after any access, public health and the environment are protected consistent with the Remedial Action Plan;
  - d) The failure to comply with the recording requirements for this Letter;
  - e) Obtaining the Letter by fraud or misrepresentation;
  - f) Subsequent discovery of contaminants, not identified as part of the investigative or remedial activities upon which the issuance of the Letter was based, that pose a threat to human health or the environment;
  - g) The failure to pay the No Further Remediation Assessment Fee within 45 days after receiving a request for payment from the Illinois EPA;
  - h) The failure to pay in full the applicable fees under the Review and Evaluation Services Agreement within 45 days after receiving a request for payment from the

Illinois EPA.

9. Pursuant to Section 58.10(d) of the Act, this Letter shall apply in favor of the following persons:
- a) Central Illinois Light Company;
  - b) The owner and operator of the remediation site;
  - c) Any parent corporation or subsidiary of the owner of the remediation site;
  - d) Any co-owner, either by joint-tenancy, right of survivorship, or any other party sharing a relationship with the owner of the remediation site;
  - e) Any holder of a beneficial interest of a land trust or inter vivos trust, whether revocable or irrevocable, involving the remediation site;
  - f) Any mortgagee or trustee of a deed of trust of the owner of the remediation site or any assignee, transferee, or any successor-in-interest thereto;
  - g) Any successor-in-interest of the owner of the remediation site;
  - h) Any transferee of the owner of the remediation site whether the transfer was by sale, bankruptcy proceeding, partition, dissolution of marriage, settlement or adjudication of any civil action, charitable gift, or bequest;
  - i) Any heir or devisee of the owner of the remediation site;
  - j) Any financial institution, as that term is defined in Section 2 of the Illinois Banking Act and to include the Illinois Housing Development Authority, that has acquired the ownership, operation, management, or control of the remediation site through foreclosure or under the terms of a security interest held by the financial institution, under the terms of an extension of credit made by the financial institution, or any successor in interest thereto; or
  - k) In the case of a fiduciary (other than a land trustee), the estate, trust estate, or other interest in property held in a fiduciary capacity, and a trustee, executor, administrator, guardian, receiver, conservator, or other person who holds the remediated site in a fiduciary capacity, or a transferee of such party.
10. This Letter, including all attachments, must be recorded as a single instrument within 45 days of receipt with the Office of the Recorder of Sangamon County. For recording purposes, the Illinois EPA Site Remediation Program environmental notice attached to

this Letter should be the first page of the instrument filed. This Letter shall not be effective until officially recorded by the Office of the Recorder of Sangamon County in accordance with Illinois law so that it forms a permanent part of the chain of title for the Central Illinois Light Company property.

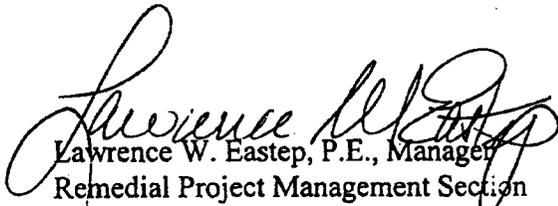
Within 30 days of this Letter being recorded by the Office of the Recorder of Sangamon County, a certified copy of this Letter, as recorded, shall be obtained and submitted to the Illinois EPA to:

Robert E. O'Hara  
Illinois Environmental Protection Agency  
Bureau of Land/Remedial Project Management Section  
1021 North Grand Avenue, East  
P.O. Box 19276  
Springfield, IL 62794-9276

11. In accordance with Section 58.10(g) of the Act, a No Further Remediation Assessment Fee based on the costs incurred for the remediation site by the Illinois EPA for review and evaluation services will be applied in addition to the fees applicable under the Review and Evaluation Services Agreement. Request for payment of the No Further Remediation Assessment Fee will be included with the final billing statement.

If you have any questions regarding this correspondence, you may contact the Illinois EPA project manager, Bob O'Hara, at 217/524-5533.

Sincerely,



Lawrence W. Eastep, P.E., Manager  
Remedial Project Management Section  
Division of Remediation Management  
Bureau of Land

Attachments: Illinois EPA Site Remediation Program environmental notice  
Site base map  
Property owner certification of No Further Remediation Letter under the Site Remediation Program form

bcc: Division File  
Springfield Region  
Bob O'Hara  
Ginger Miller

**PREPARED BY:**

Name: Jan Swanson  
Central Illinois Light Company

Address: 300 Liberty Street  
Peoria, IL 61602-1404

**RETURN TO:**

Name: Jan Swanson  
Central Illinois Light Company

Address: 300 Liberty Street  
Peoria, IL 61602-1404

**THE ABOVE SPACE FOR RECORDER'S OFFICE**

This Environmental No Further Remediation letter must be submitted by the remediation applicant within 45 days of its receipt, to the Office of the Recorder of Sangamon County.

Illinois State EPA Number: 1671205037

Central Illinois Light Company, the Remediation Applicant, whose address is 300 Liberty Street, Peoria, IL 61602-1404 has performed investigative and/or remedial activities for the remediation site depicted on the attached Site Base Map and identified by the following:

1. Legal description or Reference to a Plat Showing the Boundaries:

All that part of the Northeast Quarter (NE ¼) of the Southwest Quarter (SW ¼) of the Northwest Quarter (NW ¼) of Section 28, lying South of Dorlan Avenue in Payne and Jones Addition, except the East 60 feet which is reserved for public road purposes.

Also; All that part of the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼) of the Northwest Quarter (NW ¼) of Section 28, lying North of the right-of-way of the former Baltimore and Ohio Southwestern Railroad Company, except the East 60 feet which is reserved for public road purposes.

Also; All that part of the Northwest Quarter (NW ¼) of the Southwest Quarter (SW ¼) of the Northwest Quarter (NW ¼) of Section 28, lying South of Dorlan Avenue in Payne and Jones Addition and North of the right-of-way of the former Baltimore and Ohio Southwestern Railroad Company.

**SITE BASE MAP  
SITE ID -- COUNTY  
CITY/SITE NAME  
SITE REMEDIATION PROGRAM**

All of the above being located in Township 16 North, Range 5 West of the Third Principal Meridian, Sangamon County, Illinois.

2. Common Address: 825 North MacArthur Boulevard, Springfield, IL
3. Real Estate Tax Index/Parcel Index Number: 14-28-153-003
4. Remediation Site Owner: Central Illinois Light Company
5. Land Use Limitation: Industrial or commercial
6. Site Investigation: Comprehensive

See NFR letter for other terms.

FIGURE  
2.2 R

1/5000 3:15 PM

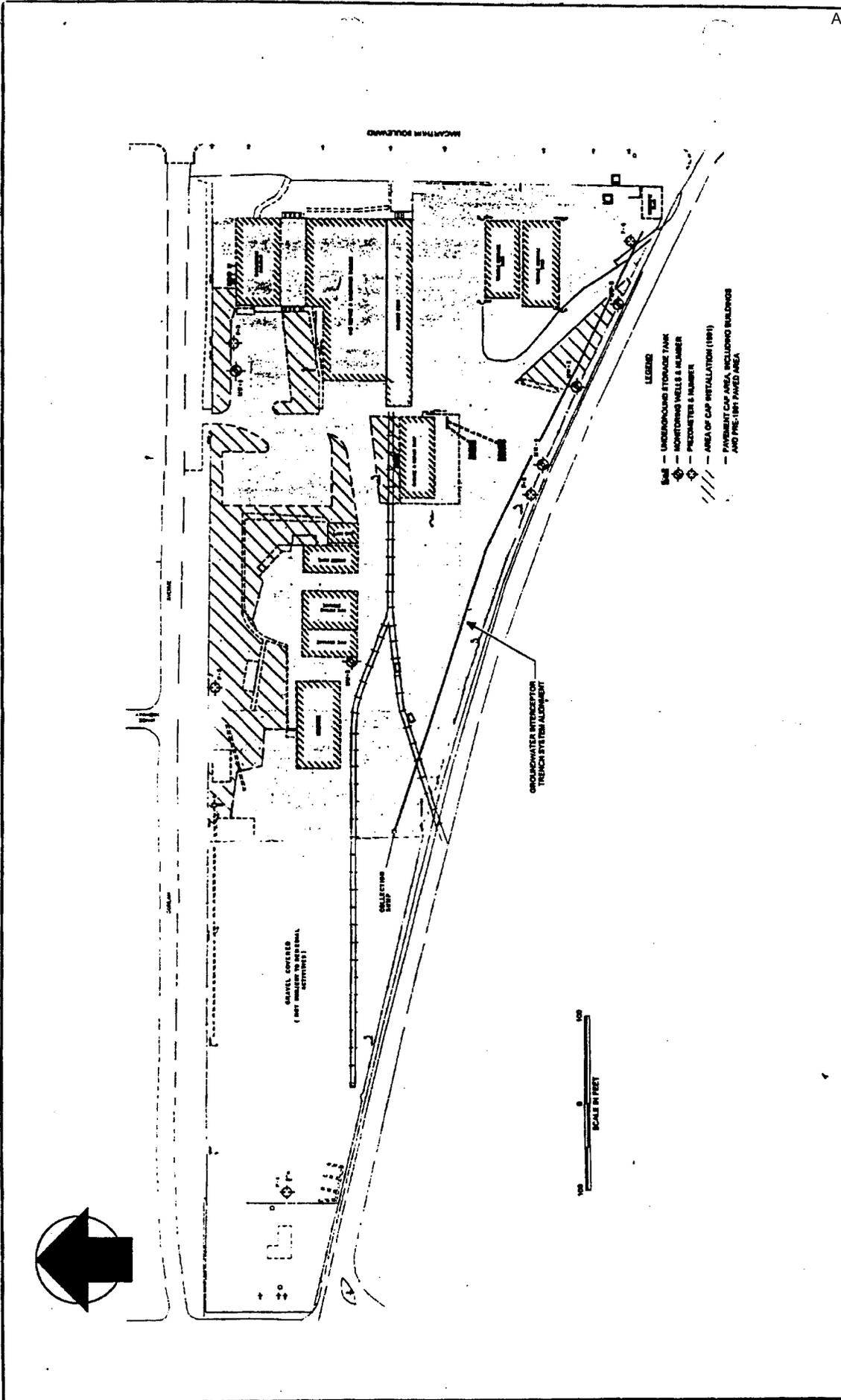
2-3

PROPERTY LIMITS AND CURRENT SITE FEATURES, INCLUDING ENGINEERED BARRIERS  
REMIEDIATION OBJECTIVES REPORT  
CILCO MACARTHUR, BOULEVARD SITE  
SPRINGFIELD, ILLINOIS

DESIGNER: *APB*  
DRAWN BY: *APB*  
CHECKED: *JMA*



S:\proj\csl\documents\cilco\p0002\_r\_032



**PROPERTY OWNER CERTIFICATION OF THE NFR LETTER  
UNDER THE SITE REMEDIATION PROGRAM**

If the Remediation Applicant is not the sole owner of the remediation site, include the full legal name, title, the company, the street address, the city, the state, the ZIP code, and the telephone number of all other property owners. Include the site name, street address, city, ZIP code, county, Illinois inventory identification number and real estate tax index/parcel index number. The property owner(s), or the duly authorized agent of the owner(s) must certify, by original signature, the statement appearing below.

A duly authorized agent means a person who is authorized by written consent or by law to act on behalf of a property owner including, but not limited to:

1. For corporations, a principal executive officer of at least the level of vice-president;
2. For a sole proprietorship or partnership, the proprietor or a general partner, respectively; and
3. For a municipality, state or other public agency, the head of the agency or ranking elected official.

For multiple property owners, attach additional sheets containing the information described above, along with a signed, dated certification for each. All property owner certifications must be recorded along with the attached NFR letter.

<b>Property Owner Information</b>	
Owner's Name: _____	
Title: _____	
Company: _____	
Street Address: _____	
City: _____ State: _____ Zip Code: _____ Phone: _____	
<b>Site Information</b>	
Site Name: _____	
Site Address: _____	
City: _____ State: _____ Zip Code: _____ County: _____	
Illinois inventory identification number: _____	
Real Estate Tax Index/Parcel Index No. _____	
<p>I hereby certify that I have reviewed the attached No Further Remediation Letter, and that I accept the terms and conditions and any land use limitations set forth in the letter.</p> <p>Owner's Signature: _____ Date: _____</p> <p>SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of _____, 19__</p> <p>_____ Notary Public</p>	

The Illinois EPA is authorized to require this information under Sections 415 ILCS 5/58 - 58.12 of the Environmental Protection Act and regulations promulgated thereunder. If the Remediation Applicant is not also the sole owner of the remediation site, this form must be completed by all owners of the remediation site and recorded with the NFR Letter. Failure to do so may void the NFR Letter. This form has been approved by the Forms Management Center. All information submitted to the Site Remediation Program is available to the public except when specifically designated by the Remediation Applicant to be treated confidentially as a trade secret or secret process in accordance with the Illinois Compiled Statutes, Section 7(a) of the Environmental Protection Act, applicable Rules and Regulations of the Illinois Pollution Control Board and applicable Illinois EPA rules and guidelines.

PREPARED BY:

FILED  
PEORIA COUNTY  
STATE OF ILLINOIS

Name: Jan Swanson  
CILCO

19 FEB 99 14 59

Address: 300 Liberty Street  
Peoria, IL 61602-1404

*C. D. McQuinn*  
RECORDER OF DEEDS

RETURN TO:

Name: Jan Swanson  
CILCO

Address: 300 Liberty Street  
Peoria, IL 61602-1404

THE ABOVE SPACE FOR RECORDER'S OFFICE

23<sup>00</sup>

This Environmental No Further Remediation letter must be submitted by the remediation applicant within 45 days of its receipt, to the Office of the Recorder of Peoria County.

Illinois State EPA Number: 1430655048

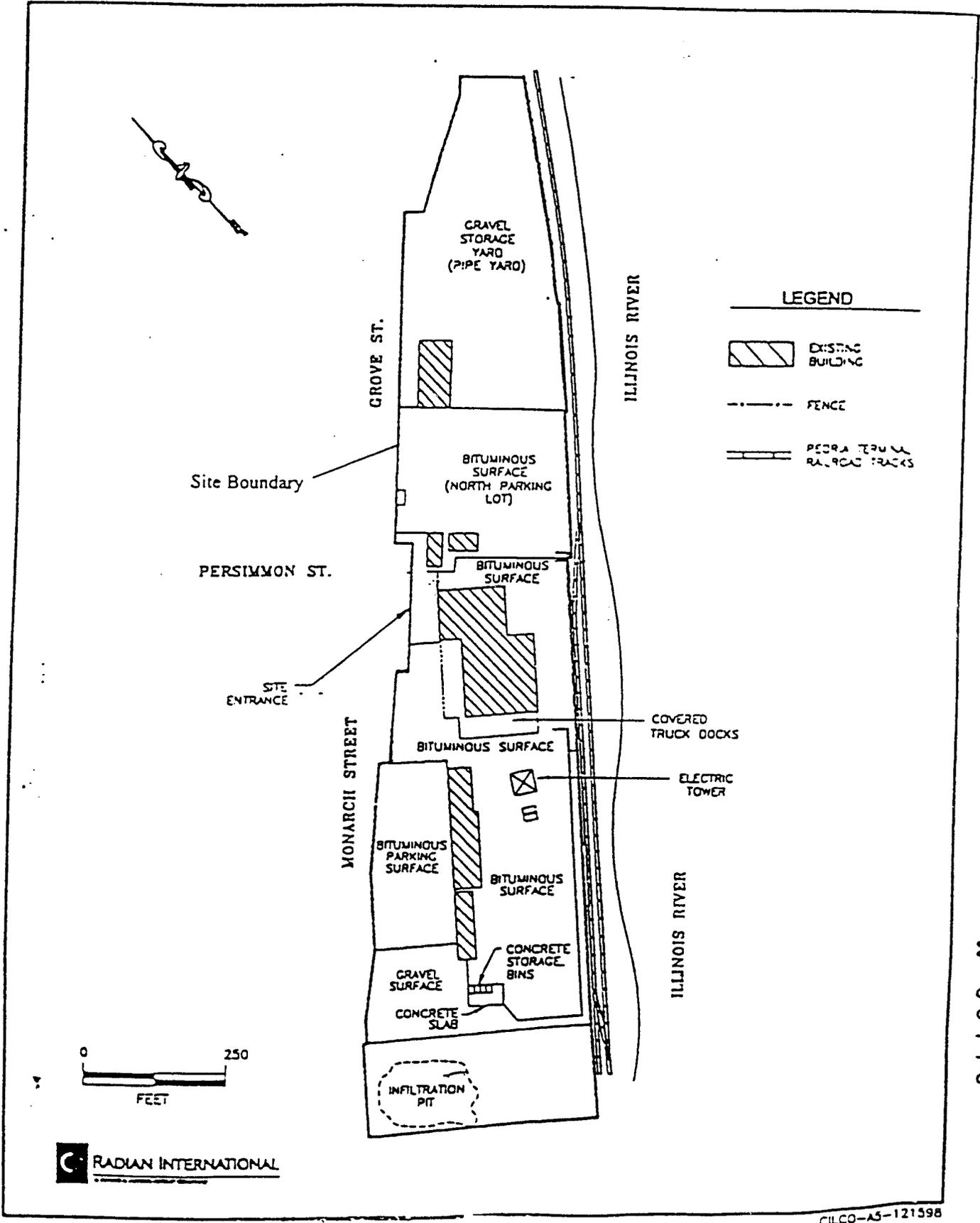
Central Illinois Light Company, the Remediation Applicant, whose address is 300 Liberty Street, Peoria, Illinois 61602-1404 has performed investigative and/or remedial activities for the remediation site depicted on the attached Site Base Map and identified by the following:

1. Legal description or Reference to a Plat Showing the Boundaries: Part of Lots 5 and 6 of the Northwest Fractional Quarter of Section 16; Part of Lots 1 through 24 of St. John's Subdivision of Lots 3 and 4 of the Northwest Fractional Quarter of Section 16; Part of Lots 25 through 34 of R.E. Little's Subdivision of Lot 2 of the Northwest Fractional Quarter of Section 16; Part of Lot 1 of the Northwest Fractional Quarter of Section 16; Part of Lots 1 through 6 of Block 70 of Ballance's Addition of the Southwest Fractional Quarter of Section 9; Part of Lots 1 through 6 of Block 69 of Ballance's Addition of the Southwest Fractional Quarter of Section 9; all of St. John's Street vacated; and Parts of the following vacated streets; Rye Street, Grove Street, Elm Street, and Maple Street; containing 13.5 acres more or less.
2. Common Address: 1100 South Monarch Street, Peoria, Illinois
3. Real Estate Tax Index/Parcel Index Number: #18-16-104-005
4. Remediation Site Owner: Central Illinois Light Company
5. Land Use Limitation: Industrial/Commercial
6. Site Investigation: Comprehensive

See NFR letter for other terms.

99-05713

**SITE BASE MAP**  
**1430655048-PEORIA COUNTY**  
**PEORIA/CILCO PERSIMMON STREET STATION,**  
**SITE REMEDIATION PROGRAM**



99-05713

### PROPERTY OWNER CERTIFICATION OF THE NFR LETTER UNDER THE SITE REMEDIATION PROGRAM

If the Remediation Applicant is not the sole owner of the remediation site, include the full legal name, title, the company, the street address, the city, the state, the ZIP code, and the telephone number of all other property owners. Include the site name, street address, city, ZIP code, county, Illinois inventory identification number and real estate tax index/parcel index number. The property owner(s), or the duly authorized agent of the owner(s) must certify, by original signature, the statement appearing below.

A duly authorized agent means a person who is authorized by written consent or by law to act on behalf of a property owner including, but not limited to:

1. For corporations, a principal executive officer of at least the level of vice-president;
2. For a sole proprietorship or partnership, the proprietor or a general partner, respectively; and
3. For a municipality, state or other public agency, the head of the agency or ranking elected official.

For multiple property owners, attach additional sheets containing the information described above, along with a signed, dated certification for each. All property owner certifications must be recorded along with the attached NFR letter.

Property Owner Information	
Owner's Name:	_____
Title:	_____
Company:	_____
Street Address:	_____
City:	_____ State: _____ Zip Code: _____ Phone: _____
Site Information	
Site Name:	_____
Site Address:	_____
City:	_____ State: _____ Zip Code: _____ County: _____
Illinois inventory identification number:	_____
Real Estate Tax Index/Parcel Index No.	_____
I hereby certify that I have reviewed the attached No Further Remediation Letter, and that I accept the terms and conditions and any land use limitations set forth in the letter.	
Owner's Signature:	_____ Date: _____
SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of _____, 19__	
_____ Notary Public	

The Illinois EPA is authorized to require this information under Sections 415 ILCS 5/58 - 58.12 of the Environmental Protection Act and regulations promulgated thereunder. If the Remediation Applicant is not also the sole owner of the remediation site, this form must be completed by all owners of the remediation site and recorded with the NFR Letter. Failure to do so may void the NFR Letter. This form has been approved by the Forms Management Center. All information submitted to the Site Remediation Program is available to the public except when specifically designated by the Remediation Applicant to be treated confidentially as a trade secret or secret process in accordance with the Illinois Compiled Statutes, Section 7(a) of the Environmental Protection Act, applicable Rules and Regulations of the Illinois Pollution Control Board and applicable Illinois EPA rules and guidelines.

99-05713

## Site Remediation Program Review Checklist

### A. General Information

1. Project/Site Name (County): CILCO Persimmon Street Station/Peoria County  
Illinois Inventory ID Number: 1430655048  
Address: 1100 South Monarch Street  
City: Peoria Zip Code: 61602
  
2. Remediation Applicant(s): Central Illinois Light Company  
Contact Person(s): Jan Swanson  
Address: 300 Liberty Street  
City: Peoria State: Illinois Zip Code: 61602-1404  
Phone: (309) 633-2858 Fax:
  
3. RA's Agent(s):  
Contact Person(s):  
Address:  
City: State: Zip Code:  
Phone: Fax:
  
4. RA's Consultant(s): Radian International  
Contact Person(s): Jeff Brown  
Address: 10150 W. National Avenue, Suite 200  
City: Milwaukee State: Wisconsin Zip Code: 53227  
Phone: (414)327-8252 Fax: (414)327-2129
  
5. RELPE(s):  
Contact Person(s):  
Address:  
City: State: Zip Code:  
Phone: Fax:
  
6. Property Owner(s): Same as RA . . .  
Contact Person(s):  
Address:  
City: State: Zip Code:  
Phone: Fax:
  
7. Illinois EPA  
Community Relations Coordinator: Stan Black Phone: (217) 785-1427  
OCS: Tom Hornshaw Phone: (217) 785-0830  
Attorney: Mark Wight Phone: (217) 782-5544  
FOS: Phone:
  
8. Other Interested Parties:

☛ For multiple listings, attached additional sheets containing all applicable information above.

B. Project Summary

1. Central Illinois Light Company (CILCO) entered the Persimmon Street Station into the Site Remediation Program to obtain a comprehensive No Further Remediation letter. The site coal gas production began around 1853 and continued until the 1940's. The current use of the property is by CILCO for a gas service center. The contaminants of concern at the site include: cyanide, volatile, semi-volatiles, and metals.
2. The CILCO Persimmon Street site is situated in an industrial/commercial area of Peoria, Illinois. The Illinois River is located immediately southeast of the site.
3. The groundwater has been classified as Class I at the site. The site geology consists of 50 feet of sand and gravel underlain by black shale. The City of Peoria obtains water from public water supply wells located more than one mile to the southwest of the site and is supplemented from water pumped from the Illinois River. ADM has a well located approximately 1,000 feet southwest of the site and is pumped for non-contact cooling water during the summer months.
4. The remediation objectives were met by using a combination of Tier 1, exposure route exclusion, impractical remediation and a groundwater ordinance. Of those compounds exceeding Tier 1, the compounds were identified as either under a pathway exclusion (engineered barrier with site remaining industrial/commercial), impractical remediation (residual coal tar left in place) or a groundwater ordinance.
5. Excavation, transport and off-site disposal of soils exceeding soil saturation limits and blue stained cyanide contaminated soils.
6. The site has been paved with either concrete or asphalt and the current buildings will remain in place. A site safety plan is required to address possible worker exposure for any excavations and construction activities in the contaminated soil areas. A groundwater ordinance has been approved for a 2500 foot radius surrounding the site and the site will remain industrial/commercial.
7. No post-remediation requirements are needed.
8. No other environmental determinations or actions.
9. No other services requested by the RA under the SRP.
10. No services provided by a Review and Evaluation Licensed Professional Engineer ("RELPE").



# ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276

217/782-6761

Certified  
P 344 302 612

February 2, 1999

Ms. Jan Swanson  
Central Illinois Light Company  
300 Liberty Street  
Peoria, Illinois 61602-1404

Re: 1430655048—Peoria County  
Peoria/CILCO Persimmon Street Station  
Site Remediation/Technical Reports

Dear Ms. Swanson:

The Remedial Action Completion Report (dated December 1998/Log No. 98-1807) as prepared by Radian International for the CILCO Persimmon Street Station property has been reviewed by the Illinois Environmental Protection Agency ("Illinois EPA") and demonstrates that the remedial action was completed in accordance with the Remedial Action Plan, dated May 8, 1998/Log No. 98-624.

The remediation site, consisting of 13.5 acre(s), is located at 1100 South Monarch Street, Peoria, Illinois. Pursuant to Section 58.10 of the Illinois Environment Protection Act ("Act") (415 ILCS 5/1 et seq.), your request for a no further remediation determination is granted under the conditions and terms specified in this letter.

This comprehensive No Further Remediation Letter ("Letter") signifies a release from further responsibilities under the Act for the performance of the approved remedial action and shall be considered prima facie evidence that the remediation site described in the attached Illinois EPA Site Remediation Program environmental notice and shown in the attached site base map does not constitute a threat to human health and the environment and does not require further remediation under the Act if utilized in accordance with the terms of this Letter.

99-05713

CONDITIONS AND TERMS OF APPROVAL

LEVEL OF REMEDIATION AND LAND USE LIMITATIONS

1. The remediation site is restricted to industrial/commercial uses.
2. The land use specified in this Letter may be revised if:
  - a) Further investigation or remedial action has been conducted that documents the attainment of objectives appropriate for the new land use; and
  - b) A new Letter is obtained and recorded in accordance with Title XVII of the Act and regulations adopted thereunder.

PREVENTIVE, ENGINEERING, AND INSTITUTIONAL CONTROLS

3. The implementation and maintenance of following controls are required as part of the approval of the remediation objectives for this site.

Preventive Controls:

At a minimum, a safety plan should be developed to address possible worker exposure in the event that any future excavation and construction activities may occur within the contaminated soil located in the pipe yard storage area and the north parking lot area. Any excavation within the contaminated soil will require implementation of a safety plan consistent with NIOSH Occupational Safety and Health Guidance Manual for Hazardous Waste Site Activities, OSHA regulations (particularly in 29 CFR 1910 and 1926), state and local regulations, and other USEPA guidance. Soil excavated below three feet must be returned to the same depth from which it was excavated or properly managed or disposed in accordance with applicable state and federal regulations.

Engineering Controls:

The asphalt barrier in the pipe storage yard and north parking lot area must remain over the contaminated soils. This asphalt barrier must be properly maintained as an engineered barrier to inhibit inhalation and ingestion of the contaminated media.

The buildings, as shown in the site base map, must remain over the contaminated soils. These buildings must be properly maintained as an engineered barrier to inhibit inhalation and ingestion of the contaminated media.

**Institutional Controls:**

No person shall construct, install, maintain, or operate a water system or well at the remediation site. All water supplies and water services for the remediation site must be obtained from a public water supply system. The provisions of this institutional control shall be applicable to all water usage including, but not limited to, domestic, commercial, and industrial uses and water for outdoor purposes.

Ordinance No. 14,505 adopted by the City Council of the City of Peoria, Illinois effectively prohibits the installation and use of potable water supply wells within 2,500 feet of the CILCO Persimmon Street Site located within the City of Peoria. This ordinance provides an acceptable institutional control under the following conditions:

- a) The current owner or successor in interest of this site who relies on this ordinance as an institutional control shall:
  - i) Monitor activities of the unit of local government relative to variance requests or changes in the ordinance relative to the use of potable groundwater at this remediation site; and
  - ii) Notify the Illinois EPA of any approved variance requests or ordinance changes within thirty (30) days after the date such action has been approved.
- b) The Remediation Applicant shall provide written notification to the City of Peoria and to owner(s) of all properties under which groundwater contamination attributable to the remediation site exceeds the objectives approved by the Illinois EPA. The notification shall include:
  - i) The name and address of the local unit of government;
  - ii) The citation of the ordinance used as an institutional control in this Letter;
  - iii) A description of the property being sent notice by adequate legal description or by reference to a plat showing the boundaries;
  - iv) A statement that the ordinance restricting the groundwater use has been used by the Illinois EPA in reviewing a request for groundwater remediation objectives;
  - v) A statement as to the nature of the release and response action with the name, address, and Illinois EPA inventory identification number; and
  - vi) A statement as to where more information may be obtained regarding the ordinance.

Page 4

Written proof of this notification shall be submitted to the Illinois EPA within 45 days from the date of this Letter.

The following activities shall be grounds for voidance of the ordinance as an institutional control and this Letter:

- a) Modification of the referenced ordinance to allow potable uses of groundwater;
- b) Approval of a site-specific request, such as a variance, to allow use of groundwater at the site;
- c) Failure to provide written proof to the Illinois EPA within 45 days from the date of this Letter of written notification to the City of Peoria and affected property owner(s) of the intent to use of Ordinance No. 14,505 as an institutional control at the remediation site; and
- d) Violation of the terms of an institutional control recorded.

#### OTHER TERMS

4. Where an institutional control is used to assure long-term protection of human health (as identified under 3 of this Letter), the Remediation Applicant must record a copy of this legal mechanism (e.g., restrictive covenant; deed restriction; negative easement; ordinance adopted and administered by a unit of local government; or agreement between a property owner and a highway authority) along with this Letter.
5. Where the Remediation Applicant is not the sole owner of the remediation site, the Remediation Applicant shall complete the attached property owner certification of the No Further Remediation Letter under the Site Remediation Program form. This certification by original signature or each property owner, or the authorized agent of the owner(s), of the remediation site or any portion thereof who is not a Remediation Applicant shall be recorded along with this Letter.
6. Further information regarding this remediation site can be obtained through a written request under the Freedom of Information Act (5 ILCS 140) to:

Illinois Environmental Protection Agency  
Attn: Freedom of Information Act Officer  
Bureau of Land #24  
1021 North Grand Avenue East  
P.O. Box 19276  
Springfield, IL 62794-9276

33-00113

7. Pursuant to Section 58.10(f) of the Act (415 ILCS 5/58.10(f)), should the Illinois EPA seek to void this Letter, the Illinois EPA shall provide notice to the current title holder and to the Remediation Applicant at the last known address. The notice shall specify the cause for the voidance, explain the provisions for appeal, and describe the facts in support of this cause. Specific acts or omissions that may result in the voidance of this Letter under Sections 58.10(e)(1)-(7) of the Act (415 ILCS 5/58.10(e)(1)-(7)) include, but shall not be limited to:

- a) Any violation of institutional controls or the designated land use restrictions;
- b) The failure to operate and maintain preventive or engineering controls or to comply with any applicable groundwater monitoring plan;
- c) If applicable, the disturbance or removal of contamination that has been left in-place in accordance with the Remedial Action Plan. Access to soil contamination may be allowed if, during and after any access, public health and the environment are protected consistent with the Remedial Action Plan;
- d) The failure to comply with the recording requirements for this Letter;
- e) Obtaining the Letter by fraud or misrepresentation;
- f) Subsequent discovery of contaminants, not identified as part of the investigative or remedial activities upon which the issuance of the Letter was based, that pose a threat to human health or the environment;
- g) The failure to pay the No Further Remediation Assessment Fee within 45 days after receiving a request for payment from the Illinois EPA;
- h) The failure to pay in full the applicable fees under the Review and Evaluation Services Agreement within 45 days after receiving a request for payment from the Illinois EPA.

8. Pursuant to Section 58.10(d) of the Act, this Letter shall apply in favor of the following persons:

- a) Central Illinois Light Company;
- b) The owner and operator of the remediation site;
- c) Any parent corporation or subsidiary of the owner of the remediation site;

Page 6

- d) Any co-owner, either by joint-tenancy, right of survivorship, or any other party sharing a relationship with the owner of the remediation site;
- e) Any holder of a beneficial interest of a land trust or inter vivos trust, whether revocable or irrevocable, involving the remediation site;
- f) Any mortgagee or trustee of a deed of trust of the owner of the remediation site or any assignee, transferee, or any successor-in-interest of the owner of the remediation site;
- g) Any successor-in-interest of the owner of the remediation site;
- h) Any transferee of the owner of the remediation site whether the transfer was by sale, bankruptcy proceeding, partition, dissolution of marriage, settlement or adjudication of any civil action, charitable gift, or bequest;
- i) Any heir or devisee of the owner of the remediation site;
- j) Any financial institution, as that term is defined in Section 2 of the Illinois Banking Act and to include the Illinois Housing Development Authority, that has acquired the ownership, operation, management, or control of the remediation site through foreclosure or under the terms of a security interest held by the financial institution, under the terms of an extension of credit made by the financial institution, or any successor in interest thereto; or
- k) In the case of a fiduciary (other than a land trustee), the estate, trust estate, or other interest in property held in a fiduciary capacity, and a trustee, executor, administrator, guardian, receiver, conservator, or other person who holds the remediated site in a fiduciary capacity, or a transferee of such party.

9. This Letter, including all attachments, must be recorded as a single instrument within 45 days of receipt with the Office of the Recorder of Peoria County. For recording purposes, the Illinois EPA Site Remediation Program environmental notice attached to this Letter should be the first page of the instrument filed. This Letter shall not be effective until officially recorded by the Office of the Recorder of Peoria County in accordance with Illinois law so that it forms a permanent part of the chain of title for the CILCO Persimmon Street Station property.

Within 30 days of this Letter being recorded by the Office of the Recorder of Peoria County, a certified copy of this Letter, as recorded, shall be obtained and submitted to the Illinois EPA to:

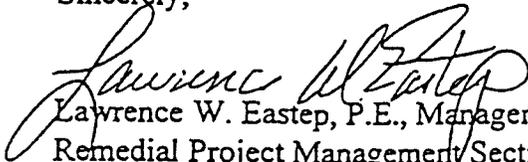
99-05713

Mr. Robert E. O'Hara  
Illinois Environmental Protection Agency  
Bureau of Land/RPMS Section  
1021 North Grand Avenue, East  
P.O. Box 19276  
Springfield, IL 62794-9276

10. In accordance with Section 58.10(g) of the Act, a No Further Remediation Assessment Fee based on the costs incurred for the remediation site by the Illinois EPA for review and evaluation services will be applied in addition to the fees applicable under the Review and Evaluation Services Agreement. Request for payment of the No Further Remediation Assessment Fee will be included with the final billing statement.

If you have any questions regarding this correspondence, you may contact the Illinois EPA project manager, Greg Dunn at 217/785-2359.

Sincerely,

  
Lawrence W. Eastep, P.E., Manager  
Remedial Project Management Section  
Division of Remediation Management  
Bureau of Land

Attachments: Illinois EPA Site Remediation Program environmental notice  
Site base map  
Property owner certification of No Further Remediation Letter under the Site  
Remediation Program form

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-004:**

Describe how the Company monitors the actual on-site investigation and remediation activities.

**Response:**

The Company's project manager monitors all on-site investigations and remediation activities to ensure approved work plans are being followed. The project manager is on-site during all key periods of the investigation such as drilling into anticipated contaminated areas and periodically monitors site activities. In addition, progress meetings regarding site activities are held as necessary.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-005:**

This request pertains to the Company's forecasting of MGP environmental cleanup costs for the reconciliation period.

- a. Explain the forecasting methods used by the Company to determine MGP environmental cleanup costs for the reconciliation period.
- b. Describe how the forecasted cost amounts were determined.
- c. Include explanations for each instance where the actual costs, by site or account code, deviated from the forecast costs by 10% or more.
- d. Explain how these cost forecasts were used by the Company for the reconciliation period.

**Response:**

- a. Based on the Company's experience, a budget forecast is developed. Ameren completed initial assessments of the sites which involved the collection and evaluation of existing records, conducting preliminary site investigations to make visual observations of the presence of waste material and determining current or former building and equipment locations. Observations were made of site topography, geology, and existing groundwater and land uses in the area.

Estimates of future schedules for investigation and potential cleanup cost are based on various assumptions and, for several sites, limited information. The Ameren Environmental, Safety & Health (ESH) project manager most familiar with a specific site develops the cost estimates using the following basic method.

1. Based on available site information the project manager developed an estimate of soil requiring removal. The removal amount was based on the site being cleaned up to a commercial/industrial standard. The depth was limited to the groundwater interface in most cases based on the difficulty of soil removal and regulatory considerations.
2. Low and high unit rates were established using past Ameren actual MGP cleanup costs. The low rate was based on a typical MGP site cleanup (excavation under a temporary structure with disposal at a landfill) without any extenuating conditions. The higher rate accounts for various unknown conditions that may be encountered during cleanup and disposal.

3. The estimated cost was then adjusted, when appropriate, to account for known site specific extenuating conditions such as cost recovery from third parties, relocation of a substation or other structures, not utilizing a temporary structure, property purchase, etc.

Both the cost estimates and scheduling of site activities are dependent on factors that are many times beyond the control of Ameren. These factors include but are not limited to site ownership, access, structures, regulatory approvals, weather and staffing resources. The project managers review the cost estimates quarterly and update the cost if necessary based on any new site information. The cost is reviewed by the Supervisor, Property Remediation & Emergency Response before being forwarded to the VP, Environmental Safety & Health for approval. The cost information is then forwarded to the Accounting Department to evaluate the need to adjust environmental reserves and for potential adjustment of revenues collected under the IL environmental rider.

Forecasting of MGP environmental cleanup costs is dependent on site-specific information that was collected during the remedial investigation and IEPA approvals. Once IEPA has approved the appropriate cleanup level and method, actual cleanup costs are developed through a public bid process.

**b. & c.**

**825 N. MacArthur Boulevard, Springfield, IL:** Site cap maintenance estimates are determined by annual inspections and are directly proportional to the amount of repairs that are necessary. Extensive site cap work was determined to be necessary in 2004, and the Company spent approximately \$65,000 to accomplish all the necessary repairs. Future site cap repairs are expected to be substantially less because the asphalt cap should need only minor maintenance for the next 5 years, assuming no unusual wear or deterioration. On-going groundwater interceptor trench inspection and operation costs will continue until IEPA allows the system to be discontinued based on the site achieving groundwater quality standards. Costs to maintain the groundwater system and treat the water that has been collected are directly proportional to the wear and tear on the system and the amount of water that is sent to the treatment plant. Total expenditures in 2005 were \$57,774.77.

**First and Washington Streets, Springfield, IL**

Total expenditures in 2005 were \$103,841.22.

**1100 Monarch Street, Peoria, IL:** Site cap maintenance estimates are determined by annual inspections and are directly proportional to the amount of repairs that are necessary. Only minor maintenance should be necessary for the next 5 years, assuming no unusual wear or deterioration. Total expenditures in 2005 were \$20160

**301-315 Main Street, Pekin, IL:** Total expenditures in 2005 were \$586,127.08.

d. Actual cost and forecasted estimates are reviewed on a quarterly basis. Rider charges are adjusted as appropriate.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-006:**

Provide a copy of all written procedures for MGP environmental cleanup purchasing and contracting that were in effect during the reconciliation period or that were in effect when past MGP environmental cleanup purchases and contracts were made that extended into the reconciliation period.

**Response:**

There is no formal written procedure for MGP cleanups. The practice is as follows: Environmental, Safety & Health proposes a written scope of work along with a list of qualified potential bidders. The Purchasing Department then prepares, solicits and reviews bid responses. Once a qualified contractor is chosen, a more detailed professional services or remediation contract that has been tailored to the particular site is prepared and executed.

The Company believes these procedures provide the best possible mechanism for achieving competent assistance, while minimizing the cost of site cleanups, site investigations and other similar engineering type services.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-007:**

Provide the date when the MGP environmental cleanup purchasing and contracting procedures were most recently changed, identify each procedure that was changed, and explain why each change was made.

**Response:**

No formal written procedure exists; however, the process is as described in SDR-006.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
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Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-008:**

This request pertains to the general management evaluations, assessments, and/or reviews of the MGP environmental cleanup purchasing and contracting procedures.

- a. Provide the date of the three most recent general management evaluations, assessments, and/or reviews of MGP environmental cleanup purchasing and contracting procedures.
- b. Provide a copy of all reports and/or summaries of these general management evaluations, assessments, and/or reviews.
- c. List and explain any changes or modifications made to the purchasing and contracting decision-making process as a result of the these general management evaluations, assessments, and/or reviews.

**Response:**

a. – c.

AmerenCILCO evaluates, assesses and reviews environmental clean-up procedures on a regular basis but it is not possible to identify three separate formal reviews. Construction audit reviews project documents and invoices.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-009:**

Explain how purchasing and contracting decisions for MGP environmental cleanup costs were included in the corporate planning and budgeting process during the reconciliation period.

**Response:**

Purchasing and contracting decisions for MGP environmental cleanups are considered as a part of the site specific information utilized in the forecasting process described in response to SDR-005.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
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**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-010:**

This request pertains to the Company's procedures for MGP environmental cleanup purchasing and contracting decisions.

- a. Identify the management level at which purchasing and contracting decisions for MGP environmental cleanup costs were made during the reconciliation period.
- b. If different procedures were applied at progressively higher cost amounts, describe in detail the procedures for each of the cost amounts.

**Response:**

All consultants used for site remedial investigations and other similar engineering work are performed under Professional Service Agreements. Environmental, Safety and Health, Risk Management and legal review these agreements before they are signed by a Company officer.

Each year, MGP expenditures are reviewed and approved for the next year utilizing Ameren's budget approval process. The Vice-President of Environmental, Safety and Health is then authorized to expend these amounts within the Company's general guidelines shown below. The project manager is able to authorize consultants through Professional Service Agreements and with the approval of the Vice-President of Environmental, Safety and Health to perform the necessary site investigation, design work and other necessary work.

- a. Ameren has authorization limits for contracts as shown below:

Vice President, Environmental, Safety and Health	\$250,000
Sr. Vice President/President	\$1,000,000
CEO, Ameren	unlimited

- b. See a. above.

**Prepared By:** Steven L. Burns  
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**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-011:**

This request pertains to the Company's notification to potential suppliers of goods and services of the Company's intent to purchase or contract goods and services for the environmental cleanup of MGP sites.

- a. Identify all procedures used by the Company to ensure that every reasonable effort was made to notify all available suppliers of the goods and services required for the environmental cleanup of MGP sites before new purchases were made, or before new contracts were awarded to a supplier during the reconciliation period.
- b. Describe all related actions taken by the Company before any new purchases were made or before any new contracts were awarded during the reconciliation period.
- c. Describe the instances when only one supplier was notified, and explain how costs were thus minimized.
- d. Identify all instances when the lowest bid for goods and services required for the environmental cleanup of MGP sites was rejected, and explain the reasons for the rejection.

**Response:**

a. – b.

Consulting firms contact the Company's Environmental, Safety and Health Department on a consistent basis. These firms supply qualification packages. Based on these qualification packages, qualified firms are requested to send proposals as explained in SDR-006.

c. None.

d. None.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-012:**

Explain how the Company evaluated each contract renegotiation position that was proffered by a contracted supplier of the goods and services required for the environmental cleanup of MGP sites during the reconciliation period.

**Response:**

None

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-013:**

Explain how the Company formulated each contract renegotiation position that it offered to a contracted supplier of the goods and services required for the environmental cleanup of MGP sites during the reconciliation period.

**Response:**

Except for emergency situations, a scope and cost estimate was required for any contract changes resulting in a cost increase. Ameren reserved the right to either reject the change or to select another contractor to perform the additional work.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
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Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-014:**

This request pertains to the Company's monitoring of MGP environmental cleanup purchases and contracts.

- a. Explain how the Company monitored MGP environmental cleanup purchases and contracts during the reconciliation period.
- b. Document all changes made as a result of these monitoring efforts

**Response:**

- a. As explained in detail in SDR-010, the Company's upper management reviews and approves contracts and project budgets. Billings are reviewed by the Company's Construction Audit Section to verify the billing rates and that adequate detail has been provided to support the expenditures. The billing is then sent to the company's project manager to ensure that all purchases and services were authorized under the terms of the contract or Professional Service Agreement. In addition, the project manager ensures that purchases and services meet the necessary quantity requested. Any change in the scope of work is only approved by the project manager if it is necessary and appropriate.
- b. Documents responsive to the request are too voluminous to copy. Information responsive to the request will be provided at the Company's offices in St. Louis, Missouri.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
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Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-015:**

Identify and explain any factors that limited the Company's available purchasing and contracting options for the goods and services required for the environmental cleanup of MGP sites during the reconciliation period.

**Response:**

As explained in detail in SDR-010, the Company's contract options are limited by a variety of factors. Vendors qualified to perform the necessary work are also limited in number. The need for environmental liability insurance also limits the number of vendors. Time constraints to meet compliance deadlines can contribute to limiting options in certain circumstances. Since the IEPA approves the cleanup option, the least cost option is not always chosen.

**Prepared By:** Steven L. Burns  
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**Date:** May 22, 2006

AmerenCILCO's Response to  
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Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-016:**

Identify and explain all efforts that the Company made during the reconciliation period to take advantage of favorable market conditions to renegotiate its contracts or to purchase from alternative market sources the goods and services required for the environmental cleanup of MGP sites. If no contract renegotiations were attempted, explain why not.

**Response:**

Prior to authorizing any work under any Professional Service Agreement, the competitive bid procedures explained in SDR-006 are followed. Environmental, Safety and Health has negotiated Professional Service Agreements with various consultants qualified to perform MGP investigation and design. With the increase of more qualified firms, Ameren has been able to obtain more favorable terms and conditions over previous agreements. The agreements themselves do not authorize specific projects or obligates the Company to any specific work.

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-017:**

This request pertains to any occurrences when the Company made purchases or entered into contracts using criteria other than minimizing the cost of the environmental cleanup of MGP sites.

- a. List any occurrences during the reconciliation period when the Company made purchases or entered into contracts using criteria other than minimizing the cost of the environmental cleanup of MGP sites.
- b. For each occurrence, explain the circumstances, quantify the extra costs incurred, and explain what, if anything, can be done to prevent extra costs of this type from being incurred in the future.
- c. Provide all documentation pertaining to each occurrence.

**Response:**

None

**Prepared By:** Steven L. Burns  
**Title:** Sr. Environmental Scientist  
**Phone:** (314) 554-2253  
**Date:** May 22, 2006

AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-018:**

This request pertains to the Company's procedures to minimize MGP environmental cleanup costs.

- a. Explain with specificity the procedures used by the Company to minimize MGP environmental cleanup costs.
- b. Give a detailed description of these procedures as they related to all purchasing and contracting decisions for MGP environmental cleanup costs made during the reconciliation period.

**Response:**

See SDR-002 and SDR-010.

a.

AmerenCILCO is required by federal and state law to incur costs for the investigation and remediation of MGP sites. Under these laws, liability for the cost of remediating MGP sites extends to any current owner of an MGP site, any entity that owned or operated an MGP site at the time of disposal, and any successor in interest to such entities. The Company has investigated its liabilities under these laws and has determined legal responsibility at four MGP sites.

The Company aggressively pursued litigation against its present and past insurance carriers. As a result of this litigation, settlements have been negotiated that will offset a large portion of investigation and remediation cost.

Several trade organizations such as EPRI and the Gas Technologies Institute (GTI) provide information regarding new and innovative investigation methods and cleanup technologies which reduce cost. These organizations also provide data and technical reports that are used to convince the IEPA to reduce the need for site-specific information. This reduces the cost of site investigations.

The Company is a member of EEI and the Illinois Environmental Regulatory Group (IERG). These groups review and comment on federal and state regulations. Smaller committees of these organizations have been formed to specifically review regulation relating to MGP sites. These groups have been successful in providing

information to the federal and state regulators resulting in more reasonable regulations. A committee under EEI successfully argued in federal court that certain testing procedures were not appropriate to determine, if MGP waste were hazardous. Recently, IERG has helped the Illinois utilities to implement this court ruling in Illinois.

The Company has taken a phased approach to MGP investigations. A phased approach ensures a more thorough approach while minimizing cost. Preliminary investigations were conducted at the sites to prioritize the order of investigations. Sites were ranked based on the potential to cause harm to human health or the environment relative to each other.

Investigation starts with selection of a consultant as described in SDR-006. Once the consultant has been selected, the consultant submits a work plan for a site investigation to the Company. Company personnel with vast experience and knowledge of MGP site work and IEPA requirements review the work plan. The work plan is reviewed to ensure only necessary information will be collected which will satisfy the IEPA. The work plan is then submitted to the IEPA for review and comment. Company personnel review any IEPA comments. Any request believed to be unreasonable is discussed with the IEPA. This review process reduces the cost of site investigations.

As discussed in SDR-004, the Company's project manager supervises the on-site investigation activities. Results determined in the on-site investigation often require some adjustments in the work plan. The Company's project manager has the experience and expertise to authorize necessary and appropriate charges. Once all the on-site investigation results are available, they are evaluated for the need of additional on-site information. Additional information is usually required to focus on specific areas. The work plan is revised and the same steps for review of the original work plan are followed.

Once all necessary site information has been obtained, the cleanup levels and methods can be developed. Cleanup objectives are based using either the Tier 1 and Tier 2 tables within the TACO regulations or a full risk assessment may be conducted under the Tier 3 provisions of the TACO regulations. Under TACO, site contaminants under certain conditions may be managed instead of being removed. Management of site contaminants to eliminate exposure pathways in the majority of situations is significantly lower in cost than soil removal with treatment. Review of these documents follows the same pattern as the site investigation work plan.

As described in detail in SDR-014 the Company's project manager reviews all billings. This review ensures all billings are appropriate for the work performed.

- b. During 2005, the above procedures were used to:
  - oversee the operation of the MacArthur Boulevard groundwater interceptor trench system;

- oversee site cap inspection and/or maintenance at MacArthur Blvd. and 1100 Monarch St., Peoria;
- oversee site remediation at Pekin; and
- oversee the site investigation at First and Washington Streets, Springfield.

All the information to give a detailed description of these procedures at these sites is too voluminous to supply, but is available for inspection at our Corporate Office in St. Louis, Missouri.

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AmerenCILCO's Response to  
Illinois Commerce Commission Data Request  
Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-019:**

This request pertains to the Company's after-the-fact evaluations of its purchasing and contracting decisions for MGP environmental cleanup costs.

- a. How often are after-the-fact evaluations conducted by the Company to review its purchasing and contracting decisions for MGP environmental cleanup costs?
- b. Provide a copy of all documents pertaining to these evaluations.
- c. Identify any decisions, recommendations, policy changes, and new procedures that have resulted from these evaluations.
- d. Provide the date when the three most recent after-the-fact evaluations were conducted and provide copies of those reports.
- e. List and explain any changes or modifications made to the purchasing and contracting decision-making process as a result of the after-the-fact evaluations.

**Response:**

- a. Prior to awarding new service contracts for MGP site investigations, the Company reviews the performance, including costs, of all current and former MGP consultants to determine whether they should be considered for the new work. This process is on-going and is used to determine if an MGP consultant should continue to perform work for the remaining phases at a MGP site. In addition, periodically, the Company's Internal Audit Department performs a formal audit of activities.

b. - e.

During the course of the remediation project, CILCO closely monitors contracts to ensure compliance. See also SDR-008 a. and b.

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**Data Request No. SDR-020:**

This request pertains to the Company's audits of its purchasing and contracting decisions for MGP environmental cleanup costs.

- a. How often are the MGP environmental cleanup purchasing and contracting functions audited by management using internal or external auditors?
- b. Provide the dates when the three most recent audits were conducted and provide copies of those audit reports.
- c. List and explain any changes or modifications made to the purchasing and contracting decision-making process as a result of these audits.

**Response:**

a. – c.

During 2005, audits were not performed regarding the MGP sites and procedures.

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Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent costs associated with coal tar clean-up expenditures

**Data Request No. SDR-021:**

Explain the procedures used to verify the quality of the items and services purchased or contracted for regarding the environmental cleanup of MGP sites.

**Response:**

The Company's Project Manager monitors the activities of the contractors consistently to ensure that the quality of the items and services provided adequately meet the required contract terms. The billings along with supporting documents are sent to the Construction Audit Section. The Construction Audit Section reviews the billing and supporting documents to verify the billing rates are correct and the totals are accurate. The Project Manager then reviews the billing to ensure the work performed was within the authorization. The payment is then sent for proper authorization.

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Docket No. 06-0206

Reconciliation of revenues collected under coal tar riders with prudent  
costs associated with coal tar clean-up expenditures

**Data Request No. SDR-022:**

This request pertains to the policies and procedures for the quality control of items and services purchased or contracted for regarding the environmental cleanup of MGP sites.

- a. What are the Company's policies and procedures for dealing with items and services purchased or contracted for regarding the environmental cleanup of MGP sites that failed to meet quality and contract specifications?
- b. List each occurrence when items and services purchased or contracted for regarding the environmental cleanup of MGP sites failed to meet quality and contract specifications.
- c. Provide documentation of any related actions taken by the Company during the reconciliation period. If no documentation can be provided, explain why not.

**Response:**

- a. All billings are reviewed by the Ameren site project manager for approval. Some billings are reviewed by the Construction Audit Section of Accounting prior to being forwarded to the project manager. All billings approved by the site project manager must be approved by the VP Environmental, Safety and Health before the Accounting Department will pay the bill.
- b. None
- c. N/A

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