



Legal Department

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Barcy F. McNeal  
Docketing Division Chief  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215

Re: *In the Matter of the Annual Environmental Control Plan under  
Rule 4901:1-41-03(B), Ohio Administrative Code, by AEP Generation Resources Inc.*  
Case No. 17-1081-EL-ECP

Dear Ms. McNeal:

Please find enclosed the 2017 Annual Environmental Control Plan ("ECP") filed on behalf of AEP Generation Resources Inc. ("AEPGR"). AEPGR is not a public utility as defined in Section 4905.02, Revised Code, and its facilities are not owned or operated by a public utility subject to the jurisdiction of the Ohio Public Utilities Commission. The Company submits the attached ECP out of an abundance of caution, and without waiving its arguments as to the Commission's jurisdiction.

Respectfully submitted,

/s/Hector Garcia  
Attorney for AEP Generation Resources Inc.

Attachment

# **AEP Generation Resources Inc. Environmental Control Plan**

## **Introduction**

AEP Generation Resources Inc. (“AEPGR”) is committed to protecting the environment while delivering safe, reliable electricity. AEPGR is an affiliate of American Electric Power Company (“AEP”). Between 2000 and 2016, AEP invested approximately \$8.5 billion in environmental controls.<sup>1</sup> From 2001 and including projections through 2017, AEP expects its emissions of mercury will be lower by approximately 8,300 pounds, a reduction of approximately 87%. Since 1990 and including projections through 2017, AEP expects its emissions of SO<sub>2</sub> and NO<sub>x</sub> will be lower by approximately 1,460,000 tons and 560,000 tons, respectively, a reduction of approximately 94% and 89%, respectively.<sup>1</sup>

## **Current Conditions, Planned Activity and Goals**

Exhibit A summarizes the installation status of SO<sub>2</sub>, NO<sub>x</sub>, and mercury control equipment at currently operating generating units owned by AEPGR as of March 2017. The control equipment listed represents existing and planned installations through 2025 that are currently required for compliance with the Clean Air Act (“CAA”), including the Clean Air Act Amendments of 1990 (“CAAA”), NO<sub>x</sub> SIP Call, the Cross State Air Pollution Rule (“CSAPR”) the Mercury and Air Toxics Standards (“MATS”) Rule, as well as the New Source Review (“NSR”) Consent Decree.

In 2016, AEPGR sold the Gavin Plant, and in early 2017, AEPGR entered into an agreement with Dynegy to exchange ownership shares of the Zimmer and Conesville Plants, eliminating AEPGR’s ownership share of the Zimmer Plant. The Gavin and Zimmer Plants have been removed from this Plan as a result of those transactions. All retired generating units have also been removed.

## **Greenhouse Gas (“GHG”) Control**

System-wide, AEP is currently focused on taking practical, short-term actions to reduce carbon emissions, such as improving energy efficiency, investing in the development of cost-effective and less carbon-intensive technologies and evaluating our assets – power plants, office buildings, and mobile fleet – across a range of reasonable scenarios. The transformation of our generation business is expected to reduce our reliance on coal and lignite from 68% of our generating capacity in 1999 to approximately 47% in 2017.<sup>2</sup> AEP affiliates are heavily invested in renewable energy resources, and highly successful energy efficiency programs.

While many of the actions described above are initiated at a broader level, the net results are achieved through AEP Generation Resources and the AEP operating companies in the form

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<sup>1</sup> 2016 Form 10-K, Page 9. [http://aep.com/investors/FinancialFilingsAndReports/Filings/docs/AEP\\_10K\\_2016.pdf](http://aep.com/investors/FinancialFilingsAndReports/Filings/docs/AEP_10K_2016.pdf)  
<sup>2</sup> Slide 24.

<http://www.aep.com/investors/eventspresentationsandwebcasts/documents/BarclaysPowerUtilityCreditConfHandout02-28-2017.pdf>

of emission reductions and increased operational experience in managing carbon emissions. These efforts will continue as federal regulation and/or legislation for carbon reduction progresses.

# Exhibit A

AEP Generation Resources <sup>A</sup> Unit Control Equipment Installed or Planned to be Installed for Air Emission Control for CAA <sup>B</sup>								
Plant Name & Unit #	SO2	Installation Date <sup>C</sup>	NOx (Combustion Controls)	Installation Date <sup>C</sup>	NOx (SCR/SNCR)	Installation Date <sup>C</sup>	Hg	Installation Date <sup>C</sup>
Cardinal 1	FGD	Installed ('08)	Low NOx Burners	Installed ('98)	SCR	Installed ('03)	SCR/FGD <sup>D</sup>	03/08
Conesville 4 <sup>E</sup>	FGD	Installed ('09)	T-Fired Unit Simulated OFA / Concentric Firing System	Implemented / ('04)	SCR	Installed ('09)	SCR/FGD <sup>D</sup>	09/09
Conesville 5	FGD Upgrade	Installed ('06) <sup>F</sup>	T-Fired / OFA with upgrades	Installed ('04)			Gore <sup>G</sup>	May-16
Conesville 6	FGD Upgrade	Installed ('08) <sup>F</sup>	T-Fired / OFA with upgrades	Installed ('04)			Gore <sup>G</sup>	Jun-15
Stuart 1 <sup>H</sup>	FGD	Installed ('08)	Low NOx Burners	Installed ('11)	SCR	Installed ('04)	SCR/FGD <sup>D</sup>	04/08
Stuart 2 <sup>H</sup>	FGD	Installed ('08)	Low NOx Burners	Installed ('11)	SCR	Installed ('04)	SCR/FGD <sup>D</sup>	04/08
Stuart 3 <sup>H</sup>	FGD	Installed ('08)			SCR	Installed ('04)	SCR/FGD <sup>D</sup>	04/08
Stuart 4 <sup>H</sup>	FGD	Installed ('08)			SCR	Installed ('04)	SCR/FGD <sup>U</sup>	04/08

<sup>A</sup> Consistent with AEP Ohio's Commission-approved corporate separation plan, effective January 1, 2014, AEP Ohio transferred the generating units and associated assets identified herein to AEP Generation Resources (AEPGR).

<sup>B</sup> This Exhibit reflects installed or planned installations as of March 2017.

<sup>C</sup> In-service by end of year, where applicable

<sup>D</sup> SCR/FGD co-benefit removal of mercury anticipated to meet requirements of the Mercury and Air Toxics Standards

<sup>E</sup> AEPGR owns a portion of this generating unit, and is responsible for its operation.

<sup>F</sup> Upgrade existing FGD to meet 95% 30-day rolling average removal efficiency

<sup>G</sup> Gore mercury control system uses a proprietary material to capture gaseous mercury emissions

<sup>H</sup> AEPGR owns a portion of this generating unit, which is operated by another party.

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 17-1081-EL-ECP**

Summary: Correspondence 2017 Annual Environmental Control Plan filed on behalf of AEP Generation Resources, Inc. electronically filed by Mr. Hector Garcia on behalf of AEP Generation Resources, Inc.