

IPH Files for Early Termination of Environmental Variance; Company Operating in Compliance With Emissions Rules

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HOUSTON--([BUSINESS WIRE](#))--Dynergy (NYSE:DYN) subsidiary, IPH, LLC (IPH) and AmerenEnergy Medina Valley Cogen, LLC will file a motion today with the Illinois Pollution Control Board (IPCB) to terminate the dual variance from the sulfur dioxide (SO₂) annual emission rate limits provided in the Illinois Multi-Pollutant Standard (MPS). The variance was originally granted in November 2013 in conjunction with IPH's purchase of the Coffeen, Duck Creek, Edwards, Joppa and Newton Power Stations.

IPH has complied with all conditions of the variance, including retirement of Edwards unit 1 on January 1, 2016. In addition, IPH has operated in compliance with the SO₂ limits in the MPS during 2016.

As previously announced, IPH plans to retire Newton Power Station unit 2 on September 15. This retirement, along with the use of dispatch management will allow IPH to continue to comply with the SO₂ limits in the MPS, thereby eliminating the need for the Variance. The scrubber construction project at Newton will also be terminated.

The initial variance was requested to allow for energy market conditions to improve to a point that supports building a scrubber. Additionally, needed capacity market changes that respect the unique competitive nature of MISO Zone 4 (Southern Illinois) have not occurred. Unfortunately, Newton is and will continue to be unable to recover its basic operating costs, leading to the unit retirement.

IPH appreciates the many employees, union members, local officials, citizens and business owners who helped the Company obtain the variance and thanks them for their help in allowing the Company to provide a positive economic impact in these Illinois communities since 2013.

ABOUT DYNEGY

At Dynergy, we generate more than just power for our customers. We are committed to being a leader in the electricity sector. Throughout the Midwest and Northeast, Dynergy operates power generating facilities capable of producing nearly 26,000 megawatts of electricity—or enough energy to power about 21 million American homes. We're proud of what we do, but it's about much more than just output. We're always striving to generate power safely and responsibly for our wholesale and retail electricity customers who depend on that energy to grow and thrive.

FORWARD-LOOKING STATEMENT

This press release contains statements reflecting assumptions, expectations, projections, intentions or beliefs about future events that are intended as “forward-looking statements” particularly those statements concerning filing of the motion to terminate the Variance and future benefits of elimination of the Variance; IPH’s expectations regarding retirement of the Newton Power Station unit 2; and termination of the Newton scrubber construction project. Discussion of risks and uncertainties that could cause actual results to differ materially from current projections, forecasts, estimates and expectations of IPH is contained in Dynegy’s filings with the Securities and Exchange Commission (the “SEC”). Specifically, IPH makes reference to, and incorporates herein by reference, the section entitled “Risk Factors” in the Dynegy 2015 Form 10-K and subsequent Form 10-Qs. In addition to the risks and uncertainties set forth in Dynegy’s SEC filings, the forward-looking statements described in this press release could be affected by, among other things, (i) IPH’s anticipated benefits associated with the termination; (ii) the business of IPH may suffer as a result of uncertainty surrounding elimination of the Variance; (iii) the industry may be subject to future regulatory or legislative actions, including environmental, that could adversely affect IPH; and (iv) IPH may be adversely affected by other economic, business, and/or competitive factors. Any or all of these forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors, many of which are beyond IPH’s control.

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