

EPA Environmental Regulation Update Impact on KCP&L

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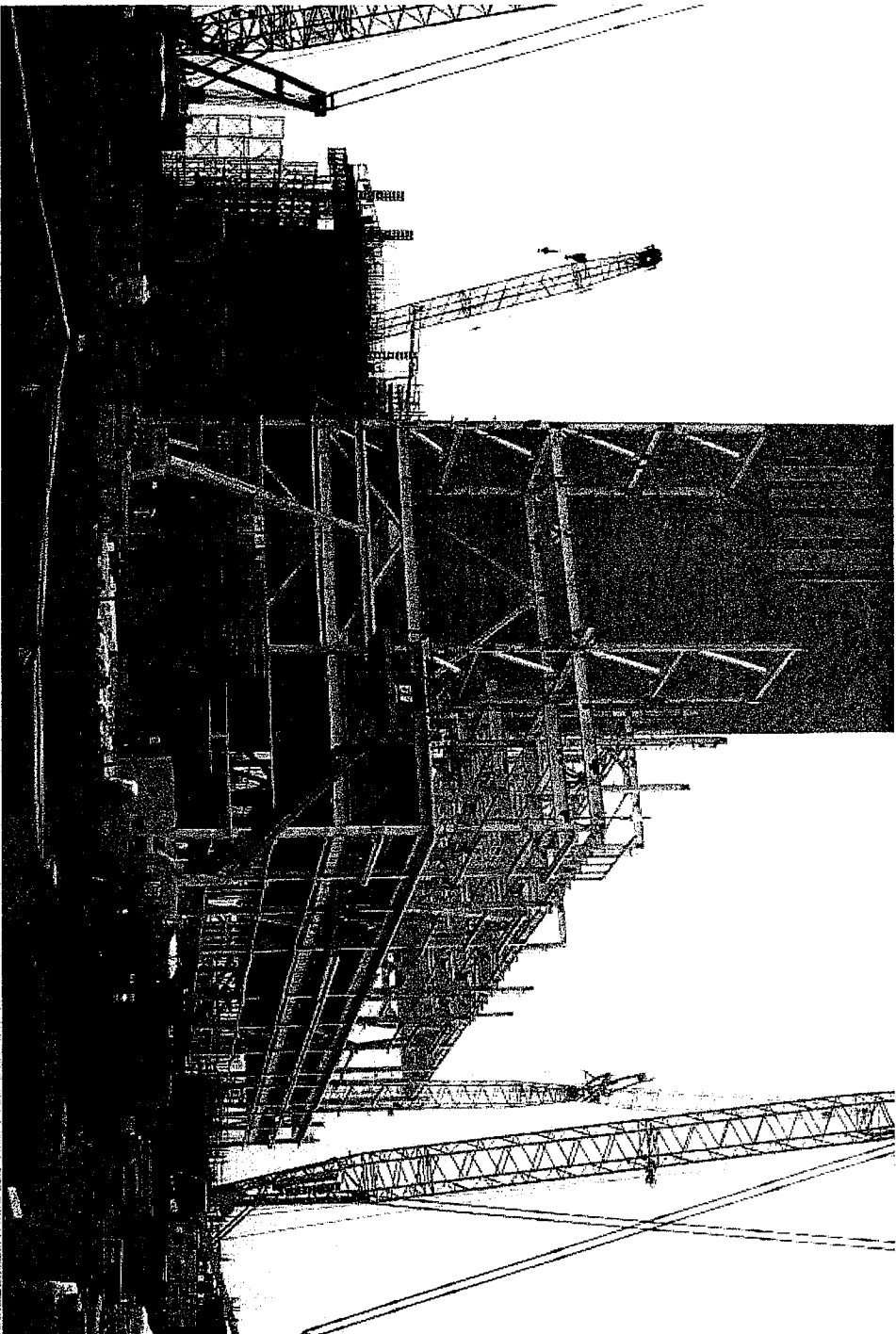
Significant Air Environmental Rule Update

Cross-State Air Pollution Rule (SO₂ and NO_x)

- The EPA was directed by Court to continue to administer the Clean Air Interstate Rule (CAIR) until a replacement is promulgated.
- KCP&L continues to comply with CAIR until a revised Cross-State Air Pollution Rule is effective.
- KCP&L completed installation of additional NO_x controls (burners and over fire air) at Montrose Units 2 and 3 this year.
- KCP&L continues installation of La Cygne Station environmental emission controls.

Significant Air Environmental Rule Update

La Cygne Station Environmental Emission Control Project



Significant Air Environmental Rule Update

Power Plant Mercury and Air Toxics Standards (mercury, metals, acid gases)

KCP&L units minimally impacted because emission controls needed for compliance installed or in process of installation:

- Iatan Units 1 and 2, La Cygne Units 1 and 2, and Hawthorn Unit 5 (except for mercury control).

KCP&L units potentially impacted:

- Montrose Units 1, 2 and 3 - mercury control (activated carbon injection), particulate matter control (improved precipitators or baghouses), and potentially dry sorbent injection (acid gases) under review.
- KCP&L is reviewing the compliance options associated with the Mercury and Air Toxics Standards and developing a compliance strategy.

Significant Air Environmental Rule Update

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National Ambient Air Quality Standard (SO₂, Ozone, and PM)

- The EPA has finalized or proposed new SO₂, Ozone, and PM National Ambient Air Quality Control Standards (NAAQS).
- The compliance timeline with the new standards are generally after the Mercury and Air Toxics Standards Rule.

KCP&L units minimally impacted because emission controls needed for compliance installed or in process of installation:

- Latan Units 1 and 2, La Cygne Units 1 and 2, and Hawthorn Unit 5.

KCP&L units potentially impacted:

- Montrose Units 1, 2 and 3 with additional SO₂ or NO_x emission controls.
- KCP&L continues to monitor and develop compliance options associated with the NAAQS and a compliance strategy.

Significant Water Environmental Rule Update

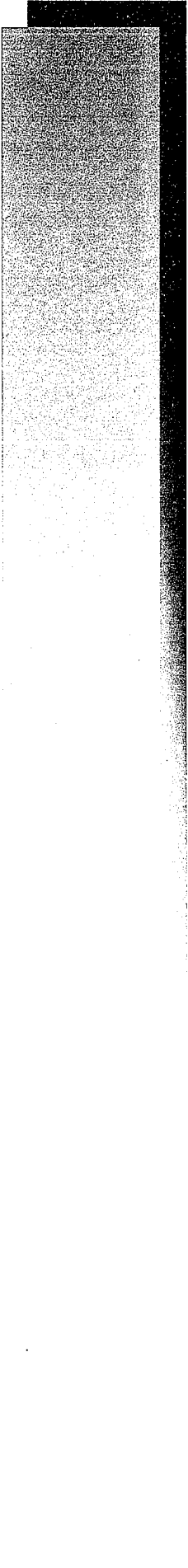
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Clean Water Act 316(b) Rule

- Requires any facilities that utilizes cooling water to use intake structures that reflect best technology available for minimizing adverse environmental impacts.
- EPA issued a proposed rule in 2011 and will finalize the rule by June 2013.

Effluent Limitation Guidelines

- The rule could include stricter requirements for:
 - Scrubber wastewater;
 - Wet sluicing for all types of ash;
 - Other discharges.
- Rule to be proposed in December 2012 and finalized by May 2014.



QUESTIONS

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