Illinois sues owner of refinery waste piles to stop dust clouds November 5, 2013

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Illinois Attorney General Lisa Madigan is suing one of the companies piling up huge mounds of refinery waste on Chicago's Southeast Side, adding new legal pressure to stop black clouds of dust from blowing into surrounding neighborhoods.

In a complaint filed Monday in Cook County Circuit Court, Madigan accused KCBX Terminals of repeatedly violating state law by allowing lung-damaging particulate matter to swirl off piles of petroleum coke and coal along the Calumet River.

The lawsuit follows months of complaints from residents in the East Side and South Deering neighborhoods who say the noxious clouds often are so thick they are forced to stay inside with their windows closed.

"The piles of refinery waste at this site are growing by the day without the appropriate protections to ensure nearby residents' health and safety," Madigan said in a statement. "It's critical that KCBX quickly installs safeguards to protect the surrounding community."

Madigan is asking the court to order KCBX to tamp down the dust immediately. She also is seeking fines of \$50,000 for every violation of state law and \$10,000 for every day the company continues to violate the law.

All of the petroleum coke from a nearby BP refinery is stored by KCBX, a company controlled by the wealthy industrialists Charles and David Koch. KCBX owns two sites along the Calumet River, one along 100th Street just south of the Chicago Skyway bridge and the other along Burley Avenue between 108th and 111th streets.

BP is completing work on new equipment that will turn its Whiting refinery on Lake Michigan into the world's second-largest source of petroleum coke, also known as petcoke. BP expects to produce more than 2.2 million tons a year at Whiting, up from about 700,000 tons before the refinery was overhauled to process oil from the tar sands region of Alberta.

Other Koch companies sell high-carbon, high-sulfur petcoke for use as industrial fuel, often in countries with more lenient environmental laws. The largest independent petcoke marketer in the U.S., Oxbow Corp., is owned by William Koch, brother of Charles and David.

Since the Tribune and other local news media drew attention to the dust problems last month, state and federal officials have stepped up their investigations of KCBX and Beemsterboer Slag Co., a Hammond-based company that owns a third storage terminal on the Calumet River at 106th Street.

Madigan's lawsuit comes less than two weeks after the Illinois EPA filed a similar complaint accusing Beemsterboer of violating anti-pollution laws. Five residents of the East Side

neighborhood sued the two companies independently last week. <u>NOTE:</u> The residents in the class action lawsuit are being represented by attorney Tom Zimmerman of the Zimmerman Law Offices, in Chicago.

Uncovered piles of coal and petroleum coke are a long-standing feature of the Southeast Side, an area once dominated by steel mills, coke plants and blast furnaces.

Residents in the working class, largely Latino and black neighborhoods near the piles say the pollution problems have gotten worse since the three storage terminals began acquiring more petcoke.

"We've been working hard to improve the area," said Alfredo Mendoza, who has lived on East 106th Street for 35 years. "But who wants to buy a house or start a business with all of this black dust in the air?"

KCBX could not be reached for comment. In a statement last month, a spokesman said the company is spending more than \$10 million to upgrade its facilities, including improvements to its "dust-suppression capabilities."

The Chicago dust problems highlight how industrial waste can be regulated differently depending on who is handling and storing it.

Under the terms of a federal legal settlement, BP is required to store any petcoke at the Whiting refinery behind 40-foot-high walls. But state permits for the Chicago storage sites are less stringent, requiring the owners only to spray water on their uncovered piles of petcoke and coal during warmer months.

Madigan's complaint accuses KCBX of violating state air pollution limits and endangering the health of neighbors "due to the defendant's insufficient dust suppression controls at the site, particularly on windy days."

Air pollution is a chronic problem in neighborhoods surrounding the petcoke piles. A monitor at Washington High School routinely registers the state's highest levels of the toxic metals chromium and cadmium, as well as sulfates, which can trigger asthma attacks and increase the risk of heart disease.

Neighborhood groups want Illinois to adopt regulations similar to those in place in California, where piles of petcoke, coal and other raw materials must be enclosed or covered.