

Feds order pollution monitors near S. Side refinery waste

November 17, 2013

Chicago Tribune (chicagotribune.com) – Michael Hawthorne

In a move that could build a stronger case to clean up the air on Chicago's Southeast Side, federal regulators are ordering pollution monitors posted around enormous mounds of refinery waste and coal along the Calumet River.

The demand by the Environmental Protection Agency adds to the increasing scrutiny of three storage terminals — near the East Side and South Deering neighborhoods — two of which handle a steady stream of petroleum coke produced by the nearby BP refinery in Whiting.

Residents say thick black clouds of dust swirling off uncovered piles at the three terminals often force them to stay inside with their windows closed. The pollution monitors, which measure lung-damaging particulate matter, will help determine if the storage companies are violating the federal Clean Air Act.

Federal regulators stepped in late Friday with letters to KCBX Terminals and Beemsterboer Slag Co., both of which face legal pressure from state officials to tamp down the dust.

This attention from environmental regulators comes amid a fury of public anger stoked by photos posted on social media sites. Residents who packed the East Side United Methodist Church for a meeting Thursday night frequently broke into chants of "Move the piles." They told state officials at the meeting they are tired of waiting for action.

"We are breathing this stuff every day," said East Side resident Sue Garza. "No one asked us if we wanted to have these piles dumped in the first place. We have been a toxic dumping ground here for over 100 years. We don't want it anymore."

In a lawsuit filed this month, Illinois Attorney General Lisa Madigan sought a court order to force KCBX to immediately take steps to eliminate the dust clouds. The Illinois EPA earlier filed a similar complaint accusing Beemsterboer of violating anti-pollution laws.

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. But residents say the dust clouds have become more frequent as the storage terminals acquired more petroleum coke, also known as petcoke.

All of the petcoke from BP's Whiting Refinery is stored by KCBX, a company controlled by 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.

More is on the way as BP and other refiners shift to thicker, dirtier oil from the tar sands region of Alberta. BP is completing work on new equipment that will turn the Whiting refinery into the world's second-largest source of petcoke, more than tripling its output to 2.2 million tons from 700,000 tons a year.

Other Koch companies sell the high-carbon, high-sulfur waste 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.

In a statement Friday, KCBX said the company is spending \$10 million to upgrade its Chicago terminals, including improvements to its dust suppression equipment.

"We have a long history of working cooperatively with the EPA and the IEPA on assets we've purchased, making significant investments to upgrade the operations," the KCBX statement read. "This demonstrates that we put a priority on regulatory compliance and managing operations in a manner that protects the health and safety of employees, the community, and the environment."

Beemsterboer, a Hammond-based company that owns a third storage terminal on the Calumet River at 106th Street, has not responded to Tribune requests for comment.

Under a federal legal settlement, BP must store its petcoke behind 40-foot-high walls at the Whiting refinery. Neighborhood groups want Illinois to adopt regulations for the Chicago storage terminals similar to those in place in California, where piles of petcoke, coal and other raw materials must be enclosed or covered.

