

Chicago Orders Cleanup Of Petroleum Coke Heaps

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Law360 – Kat Greene

Chicago officials on Thursday filed an order in Illinois court requiring George J. Beemsterboer Inc. to clean up its piles of oil refining byproduct and put them inside, according to a statement released by Mayor Rahm Emanuel.

The city said Beemsterboer, which operates a 22-acre facility in the city, will remove piles of petroleum coke, the solid, dustlike matter left over from the refining process, and document where the dust is sent.

Meanwhile, the city also proposed regulations that would require larger facilities to fully enclose their environmentally dangerous materials, including petcoke, coal and pig iron.

Smaller storage facilities would have to install wind barriers and take other protective measures to prevent the dust from blowing into neighboring homes and businesses, according to the statement.

“Just as we fought to shutter the two remaining coal power plants in the city of Chicago, we are working to force these petroleum coke facilities to either clean up or shut down,” Emanuel said. “These regulations will ensure that the facilities operate in a way that prevents the spread of pet coke into neighboring communities.

The proposed regulations and agreed order follow lawsuits against Beemsterboer and several refiners in the Chicago area over the dust, which residents and Illinois Environmental Protection Agency officials say ruins the quality of life of people nearby.

Petcoke contains high levels of carbon and sulfur and trace amount of several metals, including lead, according to the city.

Beemsterboer and several Koch Industries Inc. units were hit with a class action in October by Chicago residents who allege the oil refining byproduct is blowing into their neighborhood from the companies’ facilities, damaging their property and quality of life. **NOTE:** The homeowners in the class action lawsuit are being represented by attorney Tom Zimmerman of the Zimmerman Law Offices, in Chicago.

The Koch units — KCBX Terminals Co., KM Railways LLC and Koch Carbon — and a handful of other companies operate storage and transfer terminals along the Calumet River, where they maintain uncovered piles of coal and petcoke that have become a scourge on local residents, according to a complaint filed in Illinois state court.

The four plaintiffs, residents of the South Deering and Elgin neighborhoods, contend this “fugitive dust” is diminishing the value of their homes, in addition to creating a health and fire hazard.

According to the suit, the dust coats the exterior of homes and vehicles, while infiltrating houses and ruining upholstery, carpeting, clothing and other items. This forces residents to spend time and money cleaning and sometimes replacing their damaged property, the suit said.

The dust also forces residents indoors, particularly the elderly and children concerned about respiratory problems associated with petcoke dust, ruining backyard barbecues and other outdoor activities, according to the complaint.

While some companies with similar operations have agreed to completely or partially enclose their petcoke piles, which can reach five stories high, the defendants' attempt at mitigating the problem — simply spraying down the piles — has proven ineffective, the suit said.

In addition to the Koch subsidiaries and Beemsterboer, the suit also targets Transload Realty LLC, Calumet Transload Railroad LLC and DTE Chicago Fuels Terminal LLC, which sold its terminal to KM Railways last December.

In October, the Illinois Environmental Protection Agency accused Beemsterboer of multiple violations of state environmental laws in connection with its terminal facility, including some related to the dust, according to the complaint.