State denies permit for petcoke facility

November 19, 2013

Chicago Sun-Times (suntimes.com) – Tina Sfondeles

The Illinois Environmental Protection Agency on Tuesday announced it has denied a construction permit to KCBX, one of three storage facilities of petroleum coke on the Southeast Side along the banks of the Calumet River.

KCBX Terminals Co. has said the permit coincided with \$10 million in upgrades being implemented to improve the site's dust-supression capabilities. But in a public meeting with the IEPA to inform them of the permit, residents spoke out against the petcoke storage facilities, saying they were worried about the black dust that they say continuously coats their homes and belongings.

"After the overwhelming response, and in recognition of the various legal and regulatory deliberations still taking place, the IEPA has decided to not issue the construction permit to KCBX this week," IEPA Director Lisa Bonnett said in a statement.

On Monday, Mayor Rahm Emanuel ordered the city's Department of Public Health to develop regulations to crack down on the "harmful emission" of petcoke in Chicago.

Emanuel ordered the regulations in light of South Deering residents' complaints about black dust — a byproduct of the oil refinery process — coating their neighborhood, as well as the Illinois Attorney General's office lawsuit against KCBX Terminals Co. and investigations by the U.S. EPA and Illinois EPA, according to mayoral spokesman Bill McCaffrey.

The city will publish a draft copy of the new regulations, then hold a 30-day public comment period before putting the regulations in place — as early as next year.

The regulations will address the maintenance and storage of petcoke. Operators would have to take additional measures to prevent the emission of petcoke particles onto nearby property and prevent the movement of petcoke into nearby waterways.

The U.S. EPA, the IEPA and the U.S. Attorney General's office are all investigating KCBX. And four Southeast Side homeowners have filed suit against the owners and operators of three terminals, including KCBX, Beemsterboer and Koch Carbon.