

ILLINOIS POLLUTION CONTROL BOARD
October 4, 2001

PEOPLE OF THE STATE OF ILLINOIS,)
)
 Complainant,)
)
 v.) PCB 01-11
) (Enforcement - Air)
REICHHOLD, INC.,)
)
 Respondent.)

ORDER OF THE BOARD (by C.A. Manning):

This matter is before the Board on the parties' May 22, 2001 joint motion to amend a stipulation and proposal for settlement accepted by the Board in its August 24, 2000 order. On July 24, 2000, the People of the State of Illinois filed a complaint against Reichhold Inc. (Reichhold), accompanied by a joint stipulation and proposal for settlement. The complaint alleged that Reichhold violated Section 9(b) of the Environmental Protection Act (Act) (415 ILCS 5/9(b) (2000)), and Special Condition No. 2 of Operating Permit No. 94110091. On August 24, 2000, the Board accepted a stipulation and proposal for settlement filed by the parties. Among other things, Reichhold was ordered to pay a \$41,250 penalty and to perform a Supplemental Environmental Project (SEP), involving installation of a custom made burner unit to reduce NOx emissions at its chemical manufacturing plant in Morris, Grundy County.

On May 22, 2001, the parties filed a motion to amend the stipulation and proposal for settlement, due to an error in the price quotations received by Reichhold for equipment pricing.¹ The parties seek to increase the penalty to \$75,000, and eliminate the SEP implementation provision. The parties also filed a motion requesting relief from the hearing requirement of Section 31(c)(1) of the Act (415 ILCS 5/31(c)(1) (2000)).

The Board provided notice of the stipulation, proposed settlement, and request for relief, including published notice in *The Morris Daily Herald*. The Board did not receive

¹ In the course of preparing formal engineering plans for the Supplemental Environmental Project (SEP) detailed in the stipulation, Reichhold obtained new engineering estimates for the procurement and installation of the materials required for the SEP. The new engineering estimates revealed that Reichhold's vendors had seriously erred in earlier quotations for equipment pricing. This error amounted to a true cost of \$716,000 for the SEP, whereas the parties anticipated the costs of the SEP to be \$155,000. The reduction in the complainant's penalty demand was based upon the Reichhold's implementation of the SEP. Implementation of the SEP was not necessary for Reichhold to achieve regulatory or permitting compliance.

any requests for hearing. The Board grants the parties' request for relief from the hearing requirement. *See* 415 ILCS 5/31(c)(2) (2000); 35 Ill. Adm. Code 103.300(b).

Reichhold has already paid a civil penalty of \$41,250. In lieu of implementing the SEP, as required by the August 24, 2000 order, the amended stipulation set forth below orders Reichhold to pay an additional civil penalty of \$33,750, for a total civil penalty of \$75,000. The Board accepts the amended stipulation and proposed settlement. The Board grants the parties' motion to amend the stipulation and proposal for settlement accepted by order of August 24, 2000.

ORDER

1. The Board accepts and incorporates by reference the stipulations and proposed settlements as (1) accepted in the Board's order of August 24, 2000, and (2) as contained in the parties' May 22, 2001 motion to amend.
2. Reichhold, Inc. (Reichhold) must pay an additional civil penalty of \$33,750 for a total civil penalty of \$75,000 on or before November 4, 2001, which is the 30th day after the date of this order. Reichhold must pay the civil penalty by certified check or money order, payable to the Environmental Protection Trust Fund. The case number, case name, and Reichhold's social security number or federal employer identification number must be included on the certified check or money order.
3. Reichhold must send the certified check or money order to:

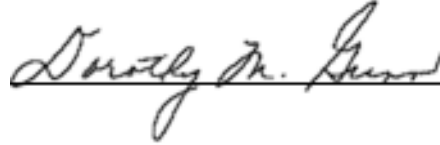
Illinois Environmental Protection Agency
Fiscal Services Division
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276
4. Penalties unpaid within the time prescribed will accrue interest under Section 42(g) of the Environmental Protection Act (415 ILCS 5/42(g) (2000)) at the rate set forth in Section 1003(a) of the Illinois Income Tax Act (35 ILCS 5/1003(a) (2000)).
5. Reichhold must cease and desist from the alleged violations.
6. All of the terms and conditions of the stipulation adopted on August 24, 2000 remain in full force and effect except as set forth above.

IT IS SO ORDERED.

Section 41(a) of the Environmental Protection Act provides that final Board orders may be appealed directly to the Illinois Appellate Court within 35 days after the

Board serves the order. 415 ILCS 5/41(a) (2000); *see also* 35 Ill. Adm. Code 101.300(d)(2), 101.906, 102.706. Illinois Supreme Court Rule 335 establishes filing requirements that apply when the Illinois Appellate Court, by statute, directly reviews administrative orders. 172 Ill. 2d R. 335. The Board's procedural rules provide that motions for the Board to reconsider or modify its final orders may be filed with the Board within 35 days after the order is received. 35 Ill. Adm. Code 101.520; *see also* 35 Ill. Adm. Code 101.902, 102.700, 102.702.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on October 4, 2001, by a vote of 7-0.

A handwritten signature in cursive script, reading "Dorothy M. Gunn", is written over a horizontal line.

Dorothy M. Gunn, Clerk
Illinois Pollution Control Board