ILLINOIS POLLUTION CONTROL BOARD January 17, 1974

OLIN CORPORATION,) Petitioner,) vs.) ENVIRONMENTAL PROTECTION AGENCY,) Respondent.)

Thomas B. Martin, Attorney, on behalf of Petitioner. Thomas R. Casper, Attorney, on behalf of Respondent.

OPINION AND ORDER OF THE BOARD (by Mr. Seaman):

On October 25, 1973, Olin Corporation filed its Petition for Variance, seeking variance from the provisions of Section 9(a) of the Illinois Environmental Protection Act and Rule 3-3.112 of the Rules and Regulations Governing the Control of Air Pollution (establishing particulate emission limitations) until March 31, 1974.

Petitioner operates a facility, consisting of an area of approximately 1,732 acres at East Alton, Madison County, Illinois, wherein it manufactures brass strip and fabricated products, metallic and shot shell ammunition and operates a steam generating plant and a potable water treatment plant. Approximately 5,700 employees are currently employed at Petitioner's East Alton facility.

Petitioner's power plant consists of two 75,000 lbs/hr boilers and two 150,000 lbs/hr boilers. The two 150,000 lbs/hr boilers are operated to supply the necessary steam load during normal operations; the two 75,000 lbs/hr boilers are maintained in wet lay up and are not operated unless there occurs an outage of one of the primary boilers.

All of the boilers have the capability of using either natural gas or coal, or both, as a fuel supply. However, one of the primary boilers must have 80% of its rated output supplied by coal firing before natural gas can be used to supplement the coal when both fuels are fired simultaneously. This is due to its pressurized continuous slag tapping wet bottom design. Petitioner's natural gas supply can be supplemented with propane-air mixtures up to 125,000 CFH of natural gas equivalent by a Propane-Air Plant owned and operated by Petitioner.

Petitioner alleges that it has made every possible effort to insure that it will have adequate, clean fuel supplies during the 1973-74 winter heating season to sustain operation of its facility. However, Petitioner states that factors completely beyond its control - the recent, unexpected Federal embargo on propane; the uncertainties regarding the amount of curtailment of natural gas; and the shortage of low ash coal - have placed Petitioner in a position in which it is probable that it will be in violation of the present particulate emission regulations during the 1973-74 winter season.

Petitioner's natural gas supply has been unexpectedly curtailed for the first time. This curtailment was to levels as low as 30% of the original contract demand of 10 million cubic feet per day. On October 2, 1973, the Energy Policy Office placed in effect the Mandatory Propane Allocation Program. Petitioner asserts that this program may have a severe affect on its estimated requirements of propane for the 1973-74 heating session. For example, Petitioner has been required to sell 1,100,000 gallons of propane because it was being held in storage for Petitioner. Finally, Petitioner has been able to acquire only 8,000 tons of low ash coal for this season. Illinois coal having an ash content of 10.18%, a heating value of 11,286 BTU/1b, and a sulfur content of 3.18% is expected to be available as required.

The Agency is of the opinion that Petitioner has made a good faith effort to obtain complying fuels. The Agency recommends that should the quantities of natural gas, propane and low ash coal obtained be insufficient to meet Petitioner's requirements, then Petitioner should be permitted to use high sulfur-high ash coal even if the limitations of Rule 3-3.112 are thereby exceeded.

As a result of the anticipated fuel shortage, Petitioner has retained engineering consultants to determine the pollution control equipment which will be required in order to achieve compliance with the new particulate regulations (Rule 203(g)) when high sulfur coal is employed. Petitioner's new compliance program indicates compliance by May 30, 1975. During the Agency investigation, agents of Petitioner indicated that Petitioner will probably utilize flue gas scrubbing using a caustic solution and Petitioner's sewage treatment plant to handle the scrubbing solution. The Agency is of the opinion that this program could achieve complaince with both Rules 203(g) and 204 and that the time schedule is reasonable. The Agency has received no objections to the granting of this variance from the public.

We are of the opinion that Petitioner has exercised good faith in its efforts to obtain complying fuels under extraordinary conditions and that its current problems are not self-imposed. We note also that Petitioner has had the foresight to develop a system of fuel use which will keep violations to a minimum in the event that high sulfurhigh ash coal must be used. The variance will be granted. However, Petitioner's statements regarding environmental impact are quite meager, and Petitioner is hereby put on notice that a more substantial treatment of this area will be necessary should Petitioner request an extension of the instant variance.

This Opinion constitutes the findings of fact and conclusions of law of the Board.

ORDER

IT IS THE ORDER of the Pollution Control Board that Petitioner, Olin Corporation, be granted variance from Rule 3-3.112 until March 31, 1974 to operate the power plant at its East Alton facility, subject to the following conditions:

- Petitioner shall utilize gas, propane and low ash coal as much as possible to maintain compliance with Rule 3-3.112;
- 2. Petitioner shall report, in writing, to:

Illinois Environmental Protection Agency Division of Air Pollution Control Control Program Coordinator 2200 Churchill Road Springfield, Illinois 62706

on February 1, 1974 and March 1, 1974 the amount of propane, natural gas and coal burned in its boilers and the amount of propane, natural gas and coal available to Petitioner;

3. Should Petitioner seek an extension of this Variance for the 1974-75 winter, Petitioner shall submit a compliance program indicating compliance with Rules 203 and 204 for its boilers by May 30, 1975. IT IS SO ORDERED.

I, Christan L. Moffett, Clerk of the Illinois Pollution Control Board, certify that the above Opinion and Order was adopted on this 11^{11} day of 1974by a vote of 1-7.