

BEFORE THE POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS

LOGAN HOLLOW PHILLIPS 66,)
Petitioner,)
v.) PCB _____
) (LUST Permit Appeal)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
Respondent.)

NOTICE OF FILING AND PROOF OF SERVICE

To: John T. Therriault, Acting Clerk
Illinois Pollution Control Board
100 West Randolph Street
State of Illinois Building, Suite 11-500
Chicago, IL 60601

Bill Ingersoll
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

PLEASE TAKE NOTICE that I have today electronically filed with the Office of the Clerk of the Illinois Pollution Control Board, pursuant to Board Procedural Rule 101.302 (d), a PETITION FOR REVIEW OF THE AGENCY LUST DECISION, a copy of which is herewith served upon the attorneys of record in this cause.

The undersigned hereby certifies that a true and correct copy of this Notice of Filing, together with a copy of the document described above, were today served upon counsel of record of all parties to this cause by enclosing same in envelopes addressed to such attorneys with postage fully prepaid, and by depositing said envelopes in a U.S. Post Office Mailbox in Springfield, Illinois on the 8th day of January, 2010.

Respectfully submitted,
LOGAN HOLLOW PHILLIPS 66, Petitioner

BY: MOHAN, ALEWELT, PRILLAMAN & ADAMI

BY: /s/ Patrick D. Shaw

Patrick D. Shaw
MOHAN, ALEWELT, PRILLAMAN & ADAMI
1 North Old Capitol Plaza, Suite 325
Springfield, IL 62701-1323
Telephone: 217/528-2517
Facsimile: 217/528-2553

BEFORE THE POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS

LOGAN HOLLOW PHILLIPS 66,)
 Petitioner,)
 v.) PCB _____
) (LUST Permit Appeal)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
 Respondent.)

PETITION FOR REVIEW OF THE AGENCY LUST DECISION

NOW COMES Petitioner, LOGAN HOLLOW PHILLIPS 66, pursuant to Sections 40 and 57.8 of the Illinois Environmental Protection Act and hereby appeals that portion of the LUST Decision issued on December 9, 2009, by Respondent Illinois Environmental Protection Agency (“IEPA”), denying payment of \$7,596.38, in support thereof states as follows:

1. Logan Hollow Phillips 66 (hereinafter “Logan Hollow”) was the owner or operator of underground storage tanks located near Jacob, County of Jackson, Illinois. The site has been assigned LPC #0778995008.
2. In 2009 a release was reported from the site and Incident No. 20090353 was assigned to it.
3. Subsequently, early action activities were undertaken in response to the release.
4. On August 10, 2009, Logan Hollow submitted application for payment in amount of \$83,710.88 for early action activities. The payment application was accompanied by voluminous supporting documentation.
5. On December 9, 2009, the IEPA unjustifiably denied costs for reason of lacking supporting documentation. Prior to rendering its final decision, the IEPA did not request additional information or revise its payment application forms to identify additional information

above and beyond that which was provided in the voluminous submissions of petitioner's consultants. Consequently, \$6,908.33 was deducted. A true and correct copy of the Agency's denial letter is attached hereto as Exhibit A.

6. Furthermore, the Agency appears to have improperly reassigned job tasks from those performed by Project Engineer and Senior Project Manager to someone else without legal justification. Consequently, \$688.05 was deducted.

WHEREFORE, Logan Hollow Phillips 66 requests that the reductions from the Agency be reversed, that the Agency be directed to pay Logan Hollow Phillips 66 the amount of \$7,596.38, that the attorney fees paid by undersigned counsel be reimbursed, and for such other and further relief as the Board deems meet and just.

Respectfully submitted,
LOGAN HOLLOW PHILLIPS 66 Petitioner

BY: MOHAN, ALEWELT, PRILLAMAN & ADAMI

BY: /s/ Patrick D. Shaw

Patrick D. Shaw
MOHAN, ALEWELT, PRILLAMAN & ADAMI
1 North Old Capitol Plaza, Suite 325
Springfield, IL 62701-1323
Telephone: 217/528-2517
Facsimile: 217/528-2553



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 • (217) 782-2829
James R. Thompson Center, 100 West Randolph, Suite 11-300, Chicago, IL 60601 • (312) 814-6026

PAT QUINN, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

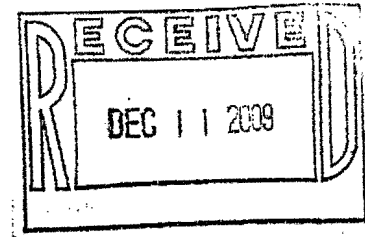
217782-6762

CERTIFIED MAIL #

DEC 09 2009

7007 2560 0003 2089 2791

Logan Hollow Phillips 66
Attention: Robert M. Villanueva c/o CW3M Company, Inc.
P.O. Box 571
Carlinville, Illinois 62626



Re: LPC 0778995008 -- Jackson County
Jacob/Logan Hollow Phillips 66
21118 Highway 3
Incident-Claim No.: 20090353 -- 57179
Queue Date: August 12, 2009
Leaking UST Fiscal File

Dear Mr. Villanueva:

The Illinois Environmental Protection Agency (Illinois EPA) has completed the review of your application for payment from the Underground Storage Tank (UST) Fund for the above-referenced Leaking UST incident pursuant to Section 57.8(a) of the Illinois Environmental Protection Act (Act), as amended by Public Act 92-0554 on June 24, 2002, and 35 Illinois Administrative Code (35 Ill. Adm. Code) 734, Subpart F.

This information is dated August 10, 2009 and was received by the Illinois EPA on August 12, 2009. The application for payment covers the period from April 1, 2009 to July 31, 2009. The amount requested is \$83,710.88.

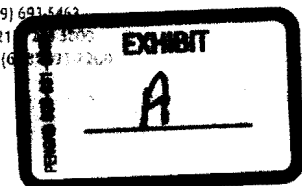
On August 12, 2009, the Illinois EPA received your complete application for payment for this claim. As a result of Illinois EPA's review of this application for payment, a voucher for \$61,101.49 will be prepared for submission to the Comptroller's Office for payment as funds become available based upon the date the Illinois EPA received your complete request for payment of this application for payment. Subsequent applications for payment that have been/are submitted will be processed based upon the date complete subsequent application for payment requests are received by the Illinois EPA. This constitutes the Illinois EPA's final action with regard to the above application(s) for payment.

The deductible amount of \$15,000.00 was withheld from your payment. Pursuant to Section 57.8(a)(4) of the Act, any deductible, as determined pursuant to the Office of the State Fire

Rockford • 4302 N. Main St., Rockford, IL 61103 • (815) 987-7760
Elgin • 595 S. State, Elgin, IL 60123 • (847) 608-3131
Bureau of Land — Peoria • 7620 N. University St., Peoria, IL 61614 • (309) 693-5462
Collinsville • 2009 Mall Street, Collinsville, IL 62234 • (618) 346-5120

Des Plaines • 9511 W. Harrison St., Des Plaines, IL 60016 • (847) 294-4000
Peoria • 5415 N. University St., Peoria, IL 61614 • (309) 693-5462
Champaign • 2125 S. First St., Champaign, IL 61820 • (217) 244-3300
Marion • 2309 W. Main St., Suite 116, Marion, IL 62959 • (618) 993-7269

Printed on Recycled Paper



Page 2

Marshal's eligibility and deductibility final determination in accordance with Section 57.9 of the Act, shall be subtracted from any payment invoice paid to an eligible owner or operator.

There are costs from this claim that are not being paid. Listed in Attachment A are the costs that are not being paid and the reasons these costs are not being paid.

An underground storage tank system owner or operator may appeal this decision to the Illinois Pollution Control Board. Appeal rights are attached.

If you have any questions or require further assistance, please contact Doug Tolan of my staff at 217/782-6762.

Sincerely,

Hernando A. Alvarain
for

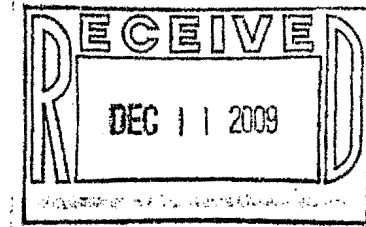
John Sherrill, Manager
Financial Management Unit
Bureau of Land

JS
JS: DMT

Attachment A
Appeal Rights

cc: CW3M Company, Inc.
Leaking UST Claims Unit
Doug Tolan

Attachment A
Technical Deductions



Re: LPC # 0778995008 – Jackson County
Jacob / Logan Hollow Phillips 66
21118 Highway 3
Leaking UST Incident No. 20090353
Claim No. 57179
Leaking UST Fiscal File

Citations in this attachment are from the Environmental Protection Act (Act), as amended by Public Act 92-0554 on June 24, 2002, and 35 Illinois Administrative Code (35 Ill. Adm. Code).

Item # Description of Deductions

1. \$6,908.33 for costs that lack supporting documentation and justification. Pursuant to 35 Ill. Adm. Code 734.605(b)(9) and 734.630(cc), application for payments must include an accounting of all costs, including but not limited to, invoices, receipts, and supporting documentation showing the dates and descriptions of the work performed. In addition, reasonableness of costs cannot be determined without documentation. Pursuant to 734.630(ee), costs incurred during early action that are unreasonable are ineligible.

*\$ 5,928.77 Excavation, Transportation, and Disposal.
*\$ 979.56 Backfill.

The above costs were submitted per bidding. In order for the bids to be reviewed pursuant to 35 Ill. Adm. Code 734.855, a breakdown of what is included in the bid and what specific costs exceed the Subpart H rates must be provided. Justification must be provided to document why the bids were necessary and why the Subpart H rates could not be met for this project. In addition, the UST removal appears to be an intricate part of the remediation however, the UST removal portion of the project was not bid.

2. \$688.05, deduction for a reduction in the personnel title listed in Section 734.APPENDIX E Personnel Titles and Rates. Pursuant to Section 734.850(b) personnel costs must not exceed the amounts set forth in Appendix E and the personnel costs must be based on the work performed, regardless the title of the person performing the work. The Engineer and Senior Project Manager rates have been reduced to a Senior Account Technician rate of \$61.16 per hour.

The costs exceed the maximum payment amounts set forth in Subpart H, Appendix D, and/or Appendix E of 35 Ill. Adm. Code 734. Such costs are ineligible for payment from the Fund pursuant to 35 Ill. Adm. Code 734.630(zz). In addition, such costs are not approved pursuant to Section 57.7(c)(3) of the Act because they are not reasonable.

Attachment A
Accounting Deductions

Re: LPC 0778995008 -- Jackson County
Jacob/Logan Hollow Phillips 66
21118 Highway 3
Incident-Claim No.: 20090353 -- 57179
Queue Date: August 12, 2009
Leaking UST FISCAL FILE

Citations in this attachment are from the Environmental Protection Act (Act), as amended by Public Act 92-0554 on June 24, 2002, and 35 Illinois Administrative Code (35 Ill. Adm. Code).

Item # Description of Deductions

1. \$11.66, deduction for early action costs for unnecessary analytical data and handling charges that are not reasonable as submitted. Such costs are ineligible for payment from the Fund pursuant to Section 57.7(c)(3) of the Act and 35 Ill. Adm. Code 734.630(ee).
 - a) Handling charge costs on hotel overnight costs are not eligible = \$10.76.
 - b) Unnecessary analytical data; 9 copies x \$0.10/copy = \$0.90.

2. \$1.35, deduction for handling charges for subcontractor costs when the contractor has not submitted proof of payment for subcontractor costs. Such costs are ineligible for payment from the Fund pursuant to 35 Ill. Adm. Code 734.630 (ii). In addition, such costs are not approved pursuant to Section 57.7(c)(3) of the Act because they are not reasonable.
 - a) CW3M Company, Inc. - Subcontractors - \$1,663.22 - \$1,661.87 = \$1.35.

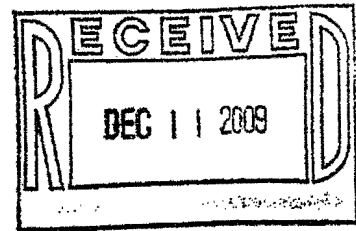
dmt

Appeal Rights

An underground storage tank owner or operator may appeal this final decision to the Illinois Pollution Control Board pursuant to Sections 40 and 57.7(c)(4) of the Act by filing a petition for a hearing within 35 days after the date of issuance of the final decision. However, the 35-day period may be extended for a period of time not to exceed 90 days by written notice from the owner or operator and the Illinois EPA within the initial 35-day appeal period. If the owner or operator wishes to receive a 90-day extension, a written request that includes a statement of the date the final decision was received, along with a copy of this decision, must be sent to the Illinois EPA as soon as possible.

For information regarding the filing of an appeal, please contact:

Dorothy Gunn, Clerk
Illinois Pollution Control Board
State of Illinois Center
100 West Randolph, Suite 11-500
Chicago, IL 60601
312/814-3620



For information regarding the filing of an extension, please contact:

Illinois Environmental Protection Agency
Division of Legal Counsel
1021 North Grand Avenue East
Post Office Box 19276
Springfield, IL 62794-9276
217/782-5544