ILLINOIS POLLUTION CONTROL BOARD April 7, 2016

PEOPLE OF THE STATE OF ILLINOIS,)	
)	
Complainant,)	
)	
V.)	PCB 99-134
)	(Enforcement - Water)
VIRGINIA CONSERVATION LEGACY)	
FUND, INC.,)	
)	
Respondent.)	

OPINION AND ORDER OF THE BOARD (by C.K. Zalewski):

On March 25, 1999, the Office of the Attorney General, on behalf of the People of the State of Illinois (People), filed a three-count complaint against Peabody Coal Company. The complaint concerns water quality standards and groundwater quality violations at the Eagle No. 2 mine shaft. The mine shaft is located on a 250 acre tract of land, approximately one mile northwest of Shawneetown, Gallatin County.

On October 26, 2015, the U.S. Bankruptcy Court for the Eastern District of Virginia entered an order confirming a joint plan of reorganization under chapter 11 of the Bankruptcy Code for respondent Heritage Coal Company, LLC ("Heritage Coal"). This most recent order approved and effectuated the transfer of all assets to respondent, Virginia Conservation Legacy Fund, Inc. ("VCLF") from Heritage Coal. This transfer included all assets necessary for VCLF to assume full responsibility for the management of environmental conditions at the site in question, "Eagle No. 2." The responsibilities assumed by VCLF include the substitution of VCLF as respondent in this matter.

On March 3, 2016, the Board directed the Clerk to provide public notice of the stipulation and proposal for settlement (Stip.) filed on February 25, 2016. Having received no public comment or request for hearing, the Board accepts the parties' stipulation and proposed settlement.

Under the Environmental Protection Act (Act), the Attorney General may bring actions before the Board on behalf of the People to enforce Illinois' environmental requirements. *See* 415 ILCS 5/31 (2014); 35 Ill. Adm. Code 103. In this case, the People allege that VCLF violated Sections 12(a) and (d) of the Act and various provisions of the Board's water quality standards and groundwater quality regulations. 415 ILCS 5/12(a) and (d) (1998); Stip. at 4, 5. Specifically, the complaint alleges that the Eagle No. 2 operation disposed of coarse coal mine waste, coal slurry waste, and other related wastes in such a way that inorganic chemicals entered groundwater quality standards. Stip. at 7.

The stipulation and proposed settlement is authorized by Section 31(c)(2) of the Act, which requires that the public have an opportunity to request a hearing whenever the State and a respondent propose settling an enforcement action without a public hearing. 415 ILCS 5/31(c)(2) (2014); *see* 35 Ill. Adm. Code 103.300(a). The Board provided notice of the stipulation, proposed settlement, and request for relief in *The Gallatin Democrat/Ridgeway News* on March 9, 2016. The Board did not receive any requests for hearing and grants the parties' request for relief from the hearing requirement. *See* 415 ILCS 5/31(c)(2) (2014); 35 Ill. Adm. Code 103.300(b).

Section 103.302 of the Board's procedural rules sets forth the required contents of stipulations and proposed settlements. 35 Ill. Adm. Code 103.302. These requirements include stipulating to facts on the nature, extent, and causes of the alleged violations and the nature of VCLF's operations. Section 103.302 also requires that the parties stipulate to facts called for by Section 33(c) of the Act, which bears on the reasonableness of the circumstances surrounding the alleged violations. 415 ILCS 5/33(c) (2014). VCLF does not affirmatively admit the allegations of violation. Stip. at 5. The stipulation also addresses the factors of Section 42(h) of the Act, which may mitigate or aggravate the civil penalty amount. 415 ILCS 5/42(h) (2014). VCLF agrees to pay a civil penalty of \$5,400. The People and VCLF have satisfied Section 103.302. The Board accepts the stipulation and proposed settlement.

This opinion constitutes the Board's findings of fact and conclusions of law.

ORDER

- 1. The Board accepts and incorporates by reference the stipulation and proposed settlement.
- 2. Virginia Conservation Legacy Fund, Inc. ("VCLF"), must pay a civil penalty of \$5,400 no later than May 9, 2016, which is the first business day following the 30th day after the date of this order. VCLF must pay the civil penalty by certified check or money order payable to the Illinois Environmental Protection Agency for deposit into the Environmental Protection Trust Fund. The case name, case number, and VCLF's federal tax identification number must appear on the face of the certified check or money order.
- 3. VCLF must submit payment of the civil penalty to:

Illinois Environmental Protection Agency Fiscal Services Division 1021 North Grand Avenue East P.O. Box 19276 Springfield, Illinois 62794-9276

VCLF must send a copy of the certified check or money order and any transmittal letter to:

Jane E. McBride Assistant Attorney General Environmental Bureau, Springfield Illinois Attorney General's Office 500 South Second Street Springfield, Illinois 62706

- 4. Penalties unpaid within the time prescribed will accrue interest under Section 42(g) of the Environmental Protection Act at the rate set forth in Section 1003(a) of the Illinois Income Tax Act. 415 ILCS 5/42(g) (2014); 35 ILCS 5/1003(a) (2014).
- 5. VCLF must cease and desist from future violations of the Act and Board regulations that were the subject matter of the complaint.

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) (2014); *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, John T. Therriault, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on April 7, 2016, by a vote of 5-0.

In T. Therian

John T. Therriault, Clerk Illinois Pollution Control Board