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RECEIVED
CLERK'S OFFICE

AUG 07 2006

STATE OF ILLINOIS
Pollution Control Board

August 3, 2006

By United States Mail First Class Delivery

Ms. Dorothy M. Gunn
Clerk, Illinois Pollution Control Board
100 West Randolph Street
Suite 11-500
Chicago, Illinois 60601

Re: NPDES Permit Appeal

Dear Ms. Gunn:

Enclosed for filing please find the original and 10 copies of the Notice of Filing, Appearance, Petition for NPDES Permit Appeal of K.A. Steel Chemicals Inc., K.A. Steel Chemicals Inc.'s Motion to Stay This Proceeding, and Certificate of Service, along with the \$75.00 filing fee. Please return one copy to me in the enclosed, self-addressed stamped envelope. Thank you very much for your assistance.

Very truly yours,



Maureen Martin

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD **RECEIVED**
CLERK'S OFFICE

AUG 07 2006

STATE OF ILLINOIS
Pollution Control Board

K.A. STEEL CHEMICAL INC.)
)
Petitioner)
)
v.)
)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

PCB 07-009
(Permit Appeal-)

NOTICE OF FILING

To: Division of Legal Counsel
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

PLEASE TAKE NOTICE that K.A. Steel Chemicals Inc. has today filed with the Office of the Clerk of the Illinois Pollution Control Board the attached Appearance, Petition for NPDES Permit Appeal of K.A. Steel Chemicals Inc., K.A. Steel Chemicals Inc.'s Motion to Stay This Proceeding, and Certificate of Service, copies of which are hereby served upon you.

Dated: August 3, 2006

KA STEEL CHEMICALS INC.



By Its Attorney Maureen Martin
Illinois ARDC No. 61811033

Maureen Martin
The Martin Law Firm
W3643 Judy Lane
Green Lake, Wisconsin 54941
Telephone: (920) 295-6032
Facsimile: (920) 295-6132

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED
CLERK'S OFFICE

AUG 07 2006

STATE OF ILLINOIS
Pollution Control Board

K.A. STEEL CHEMICAL INC.)
)
 Petitioner)
)
 v.)
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

PCB 07-009
(Permit Appeal-)

APPEARANCE

I hereby file my appearance in this proceeding on behalf of K.A. Steel
Chemicals Inc.



Maureen Martin
Illinois ARDC No. 61811033

Maureen Martin
The Martin Law Firm
W3643 Judy Lane
Green Lake, Wisconsin 54941
Telephone: (920) 295-6032
Facsimile: (920) 295-6132

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

K.A. STEEL CHEMICALS INC.)
)
Petitioner)
)
v.)
)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

PCB 07-009
(Permit Appeal-)

RECEIVED
CLERK'S OFFICE
AUG 07 2006
STATE OF ILLINOIS
Pollution Control Board

PETITION FOR NPDES PERMIT APPEAL OF K.A. STEEL CHEMICALS INC.

Petitioner K.A. Steel Chemical Inc. ("K.A. Steel"), by its undersigned counsel, petitions the Illinois Pollution Control Board ("the Board") under Section 40(a) of the Illinois Environmental Protection Act, 415 ILCS § 5/40(a), to grant K.A. Steel a hearing to contest terms of the National Pollution Discharge Elimination ("NPDES") Permit issued to K.A. Steel by the Illinois Environmental Protection Agency ("IEPA") on June 29, 2006. In support of this Petition, K.A. Steel states as follows:

1. K.A. Steel is a Delaware corporation, qualified to do business in Illinois, with a facility at 1001 Main Street in Lemont (Cook County), Illinois. As pertinent here, at that facility K.A. Steel produces sodium hypochlorite, which is commonly known as household bleach.

2. On August 4, 1988, IEPA issued an NPDES permit to K.A. Steel ("1988 Permit"), a true and correct copy of which is attached as Exhibit A. The 1988 Permit, which remained in effect until recently, addresses two outfalls relevant in this proceeding: (a) Outfall 001, which discharges to the Illinois and Michigan Canal ("I&M

Canal”); and (b) Outfall 004, which discharges to the Chicago Sanitary & Ship Canal (“S&S Canal”).

3. The 1988 Permit contains limits for discharges from Outfall 001 for pH, temperature, total chlorine residual, and total suspended solids. The 1988 Permit contains limits for discharges from Outfall 004 on pH and iron. The 1988 Permit contains no limits for chlorides or total dissolved solids for either of these two outfalls.

4. On or about August 16, 2005, IEPA published a draft NPDES permit for K.A. Steel. A true and correct copy of this draft permit is attached as Exhibit B. Among other things, the permit proposed effluent limits for Outfall 001 of 500 mg/L for chlorides and 1,000 mg/L for total dissolved solids (“TDS”).

5. K.A. Steel thereafter retained Huff & Huff, Inc., an environmental engineering firm, to evaluate this proposed permit and consider alternatives.

6. In a letter to IEPA dated April 11, 2006, Huff & Huff concluded that meeting the 500 mg/L standard for chlorides and the 1,000 mg/L for TDS would be problematic for K.A. Steel at Outfall 001. A true and correct copy of this letter is attached as Exhibit C.

7. The problem arises because Outfall 001 discharges to the I&M Canal which has a zero dry weather flow. Huff & Huff therefore proposed to IEPA that the process wastewater discharges now going to Outfall 001 be moved to Outfall 004 which, as noted above, discharges to the S&S Canal, which has a 7Q10 of 1,134 million gallons per day (MGD). Switching K.A. Steel’s process water to the S&S Canal will result in an increase

of TDS in the S&S Canal of 0.5 mg/L and chlorides of 0.2 mg/L. Water Quality monitoring of the S&S Canal in Lemont since 2003 has demonstrated that the TDS and chloride water quality standards (1,500 mg/L and 1,000 mg/L respectively) have been consistently achieved. K.A. Steel's proposed discharge will not cause or contribute to a water quality violation on the S&S Canal, as was shown in the April 11, 2006 permit modification request. Therefore, Huff & Huff proposed that no chloride or TDS limits be imposed in a modified permit upon K.A. Steel's wastewater discharge after relocation to Outfall 004 as there is no reasonable potential for causing or creating a water quality violation.

8. K.A. Steel, through Huff & Huff, submitted a proposed permit modification to this effect (see Exhibit C) on or about April 11, 2006. Subsequent communications by IEPA led K.A. Steel and Huff & Huff to believe that this proposed modification was under serious consideration by IEPA.

9. By letter dated June 29, 2006, received by K.A. Steel on July 18, 2006, however, IEPA issued a "final" NPDES permit effective July 1, 2006 ("2006 Permit"). A true and correct copy of this permit is attached as Exhibit D. This permit maintains the discharge of process waste water at Outfall 001 and imposes effluent limits of 500 mg/L for chlorides and 1,000 mg/L for TDS.

10. According to a recent e-mail from IEPA, the 2006 Permit was issued due to a "mix-up" at the agency. A true and correct copy of this e-mail is attached as Exhibit E. IEPA states that it is trying to "rectify" this situation and process the modification, but

that it would not be able to do so by the end of July.

11. By separate motion, K.A. Steel has moved the Board to stay this proceeding pending discussions with IEPA regarding issuance of a modified permit.

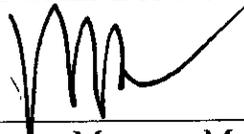
THEREFORE, KA Steel respectfully requests that the Board:

- A. Order IEPA to withdraw the NPDES permit dated July 1, 2006;
- B. Order IEPA to void fines and penalties, if any, that IEPA may levy for alleged violations of effluent limitations in the NPDES permit dated July 1, 2006;
- C. Order IEPA to re-evaluate the NPDES permit for K.A. Steel, with consideration of the April 11, 2006 permit modification submitted to IEPA by K.A. Steel; and
- D. Grant such other relief as may be proper and just.

Dated: August 3, 2006

Respectfully submitted,

KA STEEL CHEMICALS INC.



By Its Attorney Maureen Martin
Illinois ARDC No. 61811033

Maureen Martin
The Martin Law Firm
W3643 Judy Lane
Green Lake, Wisconsin 54941
Telephone: (920) 295-6032

NPDES Permit No. IL0022934

Illinois Environmental Protection Agency

Division of Water Pollution Control

2200 Church 11 Road

P.O. Box 19276

Springfield, Illinois 62794-9276

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

Reissued (NPDES) Permit

Expiration Date: July 1, 1991

Issue Date: August 4, 1988

Effective Date: September 3, 1988

Name and Address of Permittee:

K. A. Steel Chemicals, Inc.
4333 Trans World Rd, Suite 250
Schiller Park, Illinois 60176

Facility Name and Address:

K. A. Steel Chemicals, Inc.
1001 East Main Street
Lemont, Illinois 60434
(Cook County)

Discharge Number and Name:

- 001 miscellaneous and non-contact cooling water
- * 002 non-contact cooling water
- * 003 uncontaminated water
- 004 & 005 non-contact condensate and ground runoff

Receiving Waters

- Illinois and Michigan Canal
- Consumer's Quarry
- Consumer's Quarry
- Chicago Sanitary & Ship Canal

In compliance with the provisions of the Illinois Environmental Protection Act, Subtitle C and/or Subtitle D Rules and Regulations of the Illinois Pollution Control Board, and the Clean Water Act, the above-named permittee is hereby authorized to discharge at the above location to the above-named receiving stream in accordance with the standard conditions and attachments herein.

Permittee is not authorized to discharge after the above expiration date. In order to receive authorization to discharge beyond the expiration date, the permittee shall submit the proper application as required by the Illinois Environmental Protection Agency (IEPA) not later than 180 days prior to the expiration date.



Thomas G. McSwiggan, P.E.
Manager, Permit Section
Division of Water Pollution Control

TGM:REP:jd/1605j/sp

Effluent Limitations and Monitoring

PARAMETER	LOAD LIMITS <i>lbs/day</i>		CONCENTRATION LIMITS <i>mg/l</i>		SAMPLE FREQUENCY	SAMPLE TYPE
	30 DAY AVG.	DAILY MAX.	30 DAY AVG.	DAILY MAX.		
1. From the effective date of this permit until July 1, 1993, the effluent of the following discharge(s) shall be monitored and limited at all times as follows:						
Outfall: 001						
Flow (MGD)					Weekly	Single Reading
pH	See Special Condition 1				1/Week	Grab
Temperature	See Special Condition 2				1/Week	Grab
Total Chlorine Residual	See Special Condition 3				1/Week	Grab
Total Suspended Solids			15	30	1/Week	Composite
Outfall 002						
Flow (MGD)					Weekly	Single Reading
pH	See Special Condition 1				1/Week	Grab
Temperature	See Special Condition 2				1/Week	Grab
Outfall 003						
See Special Condition 4						
Outfalls: 004, 005						
Flow (MGD)					Weekly	Reading
pH	See Special Condition 1				1/Week	Grab
Iron			2.0	4.0	1/Week	Composite

Special Conditions

1. The pH shall be in a range of 6.0 to 9.0. Sampling results shall be reported as a monthly maximum and monthly minimum value.

2. Discharge of wastewater from this facility must not alone or in combination with other sources cause the receiving stream to violate the following thermal limitations at the edge of the mixing zone which is defined by Section 302.211, Illinois Administration Code, Title 35, Chapter 1, Subtitle C, as amended:

A. Maximum temperature rise above natural temperature must not exceed 5°F (2.8°C).

B. Water temperature at representative locations in the main river shall not exceed the maximum limits in the following table during more than one (1) percent of the hours in the 12-month period ending with any month. Moreover, at no time shall the water temperature at such locations exceed the maximum limits in the following table by more than 3°F (1.7°C). (Main river temperatures are temperatures of those portions of the river essentially similar to and following the same thermal regime as the temperatures of the main flow of the river.)

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
°F	60	60	60	90	90	90	90	90	90	90	90	60
°C	16	16	16	32	32	32	32	32	32	32	32	16

C. The sampling results shall be reported as a monthly maximum value.

3. The effluent concentration of total chlorine residual in the discharge shall be limited to a level that will not cause the receiving stream to exceed the water quality standard in Section 302.210 of the Illinois Pollution Control Board, Chapter 1, Rules and Regulations. This Agency has determined that the applicable concentration in the receiving stream after an appropriate mixing zone is 0.02 mg/l.

4. For the purpose of this permit, this discharge is limited solely to uncontaminated water, free from process and other wastewater streams.

5. Samples taken in compliance with the effluent monitoring requirements shall be taken at a point representative of the discharge, but prior to entry into the receiving stream.

6. The permittee shall record monitoring results on Discharge Monitoring Report forms using one such form for each discharge each month. The completed Discharge Monitoring Report form shall be submitted monthly to IEPA, no later than the 15th of the following month, unless otherwise specified by the Agency, to the following address:

Illinois Environmental Protection Agency
Division of Water Pollution Control
Compliance Assurance Section
2200 Churchill Road
P.O. Box 19276
Springfield, Illinois 62794-9276

7. The use or operation of this facility shall be by or under the supervision of a Certified Class K operator.

ATTACHMENT K

Standard Conditions

Definitions

Act means the Illinois Environmental Protection Act, CA 111 1/2 N. Rev. Stat., Sec. 1001-1051 as Amended.

Agency means the Illinois Environmental Protection Agency.

Board means the Illinois Pollution Control Board.

Clean Water Act normally referred to as the Federal Water Pollution Control Act means Pub. L. 92-500, as amended 33 U.S.C. 1251 et seq.

NPDES (National Pollutant Discharge Elimination System) means the national program for issuing, modifying, revoking and renewing, terminating, monitoring and enforcing permits, and imposing and enforcing pretreatment requirements, under Sections 307, 402, 319 and 405 of the Clean Water Act.

USEPA means the United States Environmental Protection Agency.

Daily Discharge means the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the "daily discharge" is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the "daily discharge" is calculated as the average measurement of the pollutant over the day.

Maximum Daily Discharge Limitation (daily maximum) means the highest allowable daily discharge.

Average Monthly Discharge Limitation (30 day average) means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

Average Weekly Discharge Limitation (7 day average) means the highest allowable average of daily discharges over a calendar week, calculated as the sum of all daily discharges measured during a calendar week divided by the number of daily discharges measured during that week.

Best Management Practices (BMPs) means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the State. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage.

Effluent means a sample of specified volume used to make up a total composite sample.

Grab Sample means an individual sample of at least 100 milliliters collected at a randomly-selected time over a period not exceeding 15 minutes.

24-hour Composite Sample means a combination of at least 8 sample aliquots of at least 100 milliliters, collected at periodic intervals during the operating hours of a facility over a 24-hour period.

8-hour Composite Sample means a combination of at least 3 sample aliquots of at least 100 milliliters, collected at periodic intervals during the operating hours of a facility over an 8-hour period.

Flow Proportional Composite Sample means a combination of sample aliquots of at least 100 milliliters collected at periodic intervals such that either the time interval between each aliquot or the volume of each aliquot is proportional to either the stream flow at the time of sampling or the total stream flow since the collection of the previous aliquot.

- (1) Duty to comply. The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action, permit termination, revocation and rescission, modification, or for denial of a permit renewal application. The permittee shall comply with effluent standards or prohibitions established under Section 307(f) of the Clean Water Act for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.
- (2) Duty to reapply. If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for and obtain a new permit. If the permittee submits a proper application as required by the Agency no later than 180 days prior to the expiration date, the permit shall continue in full force and effect until the final Agency decision on the application has been made.
- (3) Need to halt or reduce activity not a defense. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (4) Duty to mitigate. The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment.
- (5) Proper operation and maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related adjustments) which are installed or used by the permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator training and learning, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities, or similar systems only where necessary to achieve compliance with the conditions of the permit.

- (6) Permit actions. The permit may be modified, revised and renewed or terminated for cause by the Agency pursuant to 40 CFR 123.62. The filing of a request by the permittee for a permit modification, revocation and rescission, or termination, or a notification of planned changes to anticipated noncompliance, does not stay any permit condition.
- (7) Property rights. The permit does not convey any property rights of any sort, or any exclusive privilege.
- (8) Duty to provide information. The permittee shall furnish to the Agency within a reasonable time any information which the Agency may request to determine whether cause exists for modifying, revoking and rescinding, or terminating the permit, or to determine compliance with the permit. The permittee shall also furnish to the Agency, upon request, copies of records required to be kept by the permittee.
- (9) Inspection and entry. The permittee shall allow an authorized representative of the Agency, upon the presentation of credentials and other documents as may be required by law, to:
 - (a) Enter upon the permittee's premises, where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
 - (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;
 - (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or conditions regulated or required under the permit; and
 - (d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance, or as otherwise authorized by the Act, any substances or parameters at any location.
- (10) Monitoring and records.
 - (a) Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.
 - (b) The permittee shall retain records of all monitoring information, including all calibration and maintenance records, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least 3 years from the date of the permit measurement, report or application. This period may be extended by request of the Agency at any time.
 - (c) Records of monitoring information shall include:
 - (1) The date, exact place, and time of sampling or measurements;
 - (2) The individual(s) who performed the sampling or measurements;
 - (3) The analytical methods were performed;
 - (4) The individual(s) who performed the analysis;
 - (5) The analytical technique or methods used; and
 - (6) The results of such analysis.
 - (d) Monitoring must be conducted according to test procedures approved under 40 CFR Part 136, unless other test procedures have been specified in this permit. Where no test procedure under 40 CFR Part 136 has been approved, the permittee must submit to the Agency a test method for approval. The permittee shall calibrate and perform maintenance procedures on all monitoring and analytical instrumentation at intervals to ensure accuracy of measurements.
- (11) Signatory requirement. All applications, reports or information submitted to the Agency shall be signed and certified.
 - (a) Application. All permit applications shall be signed as follows:
 - (1) For a corporation, by a principal executive officer of at least the level of vice president or a person or position having overall responsibility for environmental matters for the Corporation;
 - (2) For a partnership or sole proprietorship, by a general partner or the proprietor, respectively; or
 - (3) For a municipality, State, Federal, or other public agency, by either a principal executive officer or ranking elected official.
 - (b) Reports. All reports required by permits, or other information requested by the Agency shall be signed by a person described in paragraph (a) or by a duly authorized representative of that person. A person is a duly authorized representative only if:
 - (1) The authorization is made in writing by a person described in paragraph (a), and
 - (2) The authorization specifies either an individual or a position responsible for the overall operation of the facility, from which the discharge originates, such as a plant manager, superintendent or person of equivalent responsibility, and
 - (3) The written authorization is submitted to the Agency.



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1011 South Grand Avenue East, P.O. Box 10226, Springfield, Illinois 62791-0226, TEL: 472-3497
EPA Regional Office, 101 West Randolph, Suite 1100, Chicago, IL 60601, TEL: 462-6000

217/782-0610

ROD R. BENSCHKE, GOVERNOR

ROSE CRANDALL, DIRECTOR

Page 1 of 1

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439

Re: K.A. Steel Chemicals Inc.
NPDES Permit No. IL0022934
Public Notice Permit

Gentlemen:

Please post the attached Public Notice for the subject discharge for at least a period of thirty days from the date on the Notice in a conspicuous place on your premises.

We have enclosed a copy of the draft NPDES permit on which this official Public Notice is based. If you wish to comment on the draft permit, please do so within 30 days of the Public Notice date. If there are any questions, please contact Jan A. Nelle at the indicated telephone number and address.

Thank you for your cooperation.

Sincerely,

Blaine A. Kinsley, P.E.
Manager, Industrial Unit, Permit Section
Division of Water Pollution Control

BAK.JAN:05032901 dlk

Attachments: Draft Permit, Public Notice/Fact Sheet

cc: Records Unit
Compliance Assurance Section
Des Plaines Region
Mauck, Bellande & Cheely
NLPC

NPDES Permit No. IL0022934
Notice No. JAN:05032901.dlk

Public Notice Beginning Date: **August 16, 2005**

Public Notice Ending Date: **September 15, 2005**

National Pollutant Discharge Elimination System (NPDES)
Permit Program

Draft Reissued NPDES Permit to Discharge into Waters of the State

Public Notice/Fact Sheet Issued By:

Illinois Environmental Protection Agency
Bureau of Water,
Division of Water Pollution Control
Permit Section
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
217/782-0610

Name and Address of Discharger:

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439

Name and Address of Facility:

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439
(Cook County)

The Illinois Environmental Protection Agency (IEPA) has made a tentative determination to issue a NPDES permit to discharge into the waters of the state and has prepared a draft permit and associated fact sheet for the above named discharger. The Public Notice period will begin and end on the dates indicated in the heading of this Public Notice/Fact Sheet. The last day comments will be received will be on the Public Notice period ending date unless a commentor demonstrating the need for additional time requests an extension to this comment period and the request is granted by the IEPA. Interested persons are invited to submit written comments on the draft permit to the IEPA at the above address. Commentors shall provide his or her name and address and the nature of the issues proposed to be raised and the evidence proposed to be presented with regards to those issues. Commentors may include a request for public hearing. Persons submitting comments and/or requests for public hearing shall also send a copy of such comments or requests to the permit applicant. The NPDES permit and notice number(s) must appear on each comment page.

The application, engineer's review notes including load limit calculations, Public Notice/Fact Sheet, draft permit, comments received, and other documents are available for inspection and may be copied at the IEPA between 9:30 a.m. and 3:30 p.m. Monday through Friday when scheduled by the interested person.

If written comments or requests indicate a significant degree of public interest in the draft permit, the permitting authority may, at its discretion, hold a public hearing. Public notice will be given 45 days before any public hearing. Response to comments will be provided when the final permit is issued. For further information, please call Jan A. Nelle at 217/782-0610.

The applicant is engaged in the manufacture of sodium hypochlorite for industrial use (SIC 2819). Plant operation results in an average discharge of 0.06 MGD of non-contact cooling water, process water, boiler blowdown, water softener backwash, treated sanitary wastewater and stormwater from outfall 001, 1.06 MGD of non-contact cooling water from outfall 002, intermittent discharge of intake screen water from outfall 003, 0.0033 MGD of boiler blowdown and storm water runoff from outfall 004 and 0.0029 MGD of boiler blowdown, water softener backwash and stormwater runoff from outfall 005 and an intermittent discharge of storm water runoff from outfalls 006 and 007.

Flow will be monitored. The primary parameters to be monitored and limited are pH, temperature, total suspended solids, total residual chlorine, iron (total), iron (dissolved), chloride and total dissolved solids.

The following modification is proposed:

1. Outfall 001; limit and monitor BOD5, Total Suspended Solids (TSS), iron (total) and Total Residual Chlorine; revise TSS to 12/24 ave/max.
2. Outfall 004; limit and monitor Iron (total).
3. Outfall 005; limit and monitor Iron (total) and Total Dissolved Solids, and monitor chloride.
4. Outfall 006, 007; Add Storm Water only outfalls.

Application is made for existing discharges which are located in Cook County, Illinois. The following information identifies the discharge point, receiving stream and stream classifications:

Outfall	Receiving Stream	Latitude	Longitude	Stream Classification	Biological Stream Characterization
001	Illinois & Michigan Canal	41° 40' 45"	North 87° 59' 20" West	General	Unrated
002	Consumer's Quarry	41° 40' 48"	North 87° 59' 20" West	General	Unrated
003	Consumer's Quarry	41° 40' 48"	North 87° 59' 18" West	General	Unrated
004	Chicago Ship & Sanitary Canal	41° 40' 55"	North 87° 59' 27" West	Secondary Contact	D
005	Chicago Ship & Sanitary Canal	41° 40' 56"	North 87° 59' 25" West	Secondary Contact	D
006	Consumer's Quarry	41° 40' 53"	North 87° 59' 22" West	General	Unrated
007	Unnamed Quarry	41° 40' 46"	North 87° 59' 30" West	General	Unrated

To assist you further in identifying the location of the discharge please see the attached map.

The stream segment receiving the discharge from outfall(s) 004 and 005 are on the 303 (d) list of impaired waters. The stream segment receiving the discharge from outfalls 001, 002, 003, 006 and 007 are not on the 303 (d) list of impaired waters. The following parameters have been identified as the pollutants causing impairment:

Pollutants	Potential Contributors
Priority Organics, PCB's, Cadmium, Chromium, Mercury, Zinc, Cyanide, Phosphorus, Ammonia Nitrogen, low DO, flow alteration, other habitat alterations, Suspended Solids	Industrial Point Sources, Municipal Point Sources, Combined Sewer Overflow, Urban Runoff, Hydromodification, Habitat Modification, Contaminated Sediments, Source Unknown

DATE
 TIME
 PUBLIC NO.

The discharge(s) from the facility shall be monitored and limited at all times as follows:

PARAMETER	LOAD LIMITS lbs/day DAF (DMF)			CONCENTRATION LIMITS mg/l		
	30 DAY AVERAGE	DAILY MAXIMUM	REGULATION	30 DAY AVERAGE	DAILY MAXIMUM	REGULATION
Outfall: 001****						
Flow (MGD)*						35 IAC 309.146
pH*	Shall be in the range of 6 to 9 standard units					35 IAC 304.125
BOD ₅				10	20	35 IAC 304.120 c)
Total Suspended Solids				12	24	35 IAC 304.120 c)
Iron (Total)					2	35 IAC 304.124
Iron (Dissolved)***				--	--	35 IAC 309.146
Total Chlorine Residual**				--	0.05	35 IAC 302.208
Total Dissolved Solids					1000	35 IAC 302.208
Chloride					500	35 IAC 302.208
Temperature	See Special Condition No. 2					35 IAC 302.211
Outfall: 002						
Flow (MGD)*						
pH*	Shall be in the range of 6 to 9 standards units					35 IAC 304.125
Temperature	See Special Condition No. 2					35 IAC 302.211
Outfall: 003						
Flow (MGD)						35 IAC 309.146
There shall be no discharge of collected debris						
Outfall 004*****						
Flow (MGD)*						35 IAC 309.146
pH*	Shall be in the range of 6 to 9 standards units					35 IAC 302.404
Temperature	See Special Condition No. 3					35 IAC 302.408
Iron (Total)					2	35 IAC 304.124

PARAMETER	LOAD LIMITS lbs/day DAF (DMF)			CONCENTRATION LIMITS mg/l		
	30 DAY AVERAGE	DAILY MAXIMUM	REGULATION	30 DAY AVERAGE	DAILY MAXIMUM	REGULATION
Outfall: 005*****						
Flow (MGD)*						35 IAC 309.146
pH*	Shall be in the range of 6 to 9 standard units					35 IAC 304.404
Temperature	See Special Condition No. 3					35 IAC 302.408
Iron (Total)					2	35 IAC 302.407
Total Dissolved Solids					1500	35 IAC 302.407
Chloride*****						35 IAC 309.146

Outfalls: 006 and 007*****

*Flow shall be reported as monthly average and daily maximum. pH shall be reported as a monthly minimum and monthly maximum.

**See Special Condition No. 14

***See Special Condition No. 15

****See Special Condition No. 12

*****The above limits do not apply to stormwater runoff from these outfalls. See Special Condition No. 13

*****See Special Condition No. 13

*****See Special Condition No. 17

NPDES Permit No. IL0022934

Illinois Environmental Protection Agency

Division of Water Pollution Control

1021 North Grand Avenue East

Post Office Box 19276

Springfield, Illinois 62794-9276

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

Reissued (NPDES) Permit

Expiration Date:

Issue Date:
Effective Date:

Name and Address of Permittee:

Facility Name and Address:

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439
(Cook County)

Discharge Number and Name:

Receiving Waters:

001 Non-Contact Cooling Water, Process Water, Boiler
Blowdown, Water Softener Backwash, Treated Sanitary
Wastewater and Storm Water Runoff

Illinois & Michigan Canal

002 Non-Contact Cooling Water

Consumer's Quarry

003 Intake Screen Water

Consumer's Quarry

004 Boiler Blowdown and Storm Water Runoff

Chicago Sanitary & Ship Canal

005 Boiler Blowdown, Water Softener Backwash and Storm
Water Runoff

Chicago Sanitary & Ship Canal

006 Storm Water Runoff from East Spill Containment Area

Consumer's Quarry

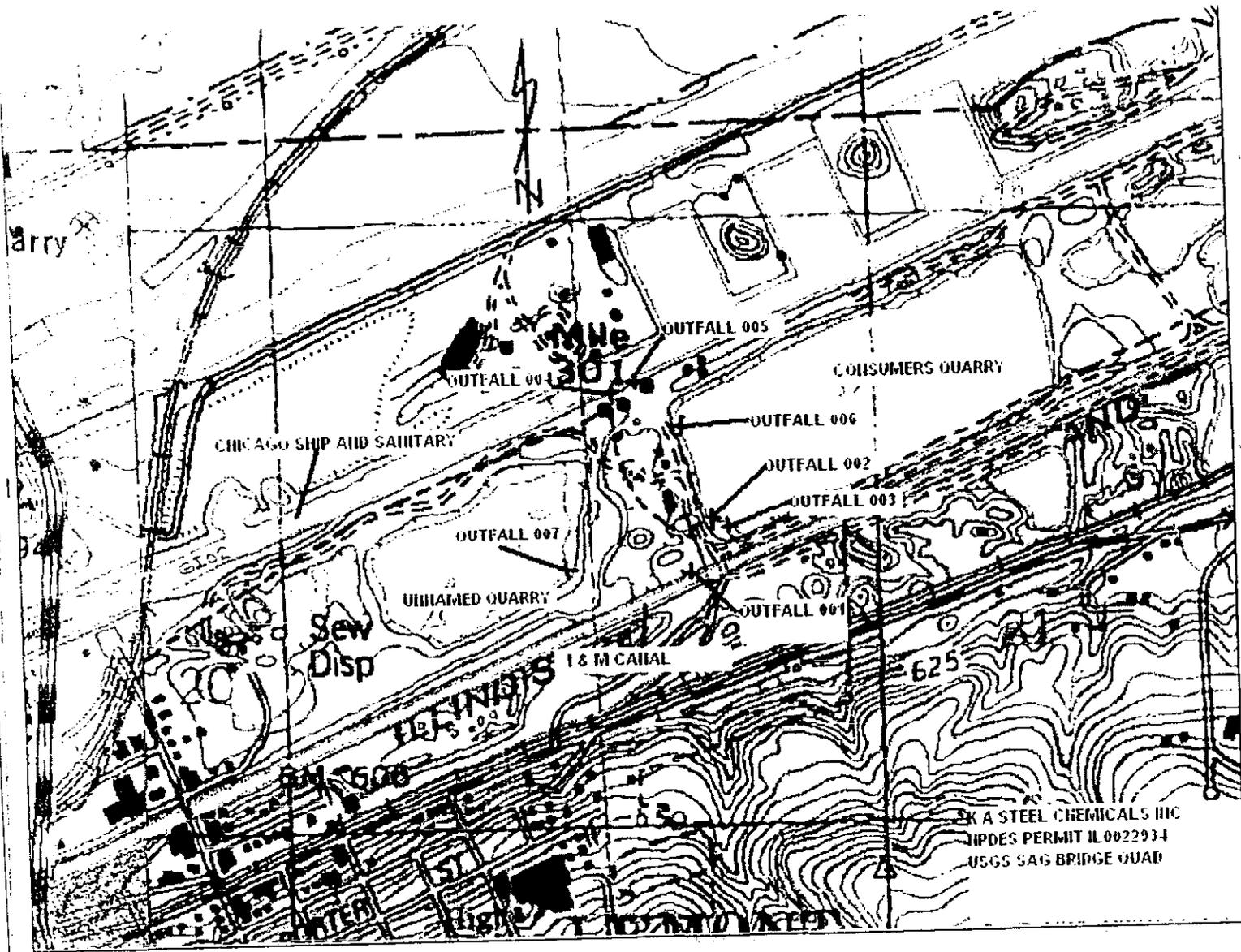
007 Storm Water Runoff from Southwest Spill Containment Area

Unnamed Quarry

In compliance with the provisions of the Illinois Environmental Protection Act, Title 35 of Ill. Adm. Code, Subtitle C and/or Subtitle D, Chapter 1, and the Clean Water Act (CWA), the above-named permittee is hereby authorized to discharge at the above location to the above-named receiving stream in accordance with the standard conditions and attachments herein.

Permittee is not authorized to discharge after the above expiration date. In order to receive authorization to discharge beyond the expiration date, the permittee shall submit the proper application as required by the Illinois Environmental Protection Agency (IEPA) not later than 180 days prior to the expiration date.

Alan Keller, P.E.
Manager, Permit Section
Division of Water Pollution Control



AK A STEEL CHEMICALS INC
IPDES PERMIT IL 0022934
USGS SAG BRIDGE QUAD

POSITION NUMBER

AUG 14 1987

1 1/2

NPDES Permit No. IL0022934

Effluent Limitations and Monitoring

1985
AUG 15
PUBLISHED

From the effective date of this permit until the expiration date, the effluent of the following discharge(s) shall be monitored and limited at all times as follows:

PARAMETER	LOAD LIMITS lbs/day DAF (DMF)		CONCENTRATION LIMITS mg/l		SAMPLE FREQUENCY	SAMPLE TYPE
	30 DAY AVERAGE	DAILY MAXIMUM	30 DAY AVERAGE	DAILY MAXIMUM		
Outfall: 001						
Flow (MGD)*					1/Week	Single Reading
pH*	Shall be in the range of 6 to 9 standard units				1/Week	Grab
BOD ₅			10	20	1/Month	Composite
Total Suspended Solids			12	24	1/Week	Composite
Iron (Total)				2	1/Week	Composite
Iron (Dissolved)***			-	-	***	Composite
Total Chlorine Residual**			-	0.05	1/Week	Grab
Total Dissolved Solids				1000	1/Month	Composite
Chloride				500	1/Month	Composite
Temperature	See Special Condition No. 2				1/Week	Grab
Outfall: 002						
Flow (MGD)*					1/Week	Single Reading
pH*	Shall be in the range of 6 to 9 standard units				1/Week	Grab
Temperature	See Special Condition No. 2				1/Week	Grab
Outfall: 003						
Flow (MGD)*					1/Month	Measure when Monitoring

There shall be no discharge of collected debris

NPDES Permit No. IL0022934

Effluent Limitations and Monitoring

From the effective date of this permit until the expiration date, the effluent of the following discharge(s) shall be monitored and limited at all times as follows:

PARAMETER	LOAD LIMITS lbs/day		CONCENTRATION		SAMPLE FREQUENCY	SAMPLE TYPE
	DAF (DMF)		LIMITS mg/l			
	30 DAY AVERAGE	DAILY MAXIMUM	30 DAY AVERAGE	DAILY MAXIMUM		
Outfall: 004*****						
Flow (MGD)*					1/Week	Single Reading
pH*	Shall be in the range of 6 to 9 standard units				1/Week	Grab
Temperature	See Special Condition No. 3				1/Week	Grab
Iron (Total)				2	1/Week	Composite
Outfall: 005*****						
Flow (MGD)*					1/Week	Single Reading
pH*	Shall be in the range of 6 to 9 standard units				1/Week	Grab
Temperature	See Special Condition No. 3				1/Week	Grab
Iron (Total)				2	1/Week	Composite
Total Dissolved Solids				1500	1/Month	Composite
Chloride*****					1/Month	Composite

Outfalls: 006 & 007*****

*Flow shall be reported as monthly average and daily maximum. pH shall be reported as a monthly minimum and monthly maximum.

**See Special Condition No. 14

***See Special Condition No. 15

****See Special Condition No. 12

*****The above limits do not apply to stormwater runoff from these outfalls. See Special Condition No. 13

*****See Special Condition No. 13

*****See Special Condition No. 17

NPDES Permit No. IL0022934

11/15/11
AUG 15 2011
PUBLIC NO. 1111

Special Conditions

SPECIAL CONDITION 1. Samples taken in compliance with the effluent monitoring requirements shall be taken at a point representative of the discharge, but prior to entry into the receiving stream.

SPECIAL CONDITION 2. Discharge of wastewater from this facility must not alone or in combination with other sources cause the receiving stream to violate the following thermal limitations at the edge of the mixing zone which is defined by Section 302.211, Illinois Administration Code, Title 35, Chapter 1, Subtitle C, as amended:

- A. Maximum temperature rise above natural temperature must not exceed 5°F (2.8°C).
- B. Water temperature at representative locations in the main river shall not exceed the maximum limits in the following table during more than one (1) percent of the hours in the 12-month period ending with any month. Moreover, at no time shall the water temperature at such locations exceed the maximum limits in the following table by more than 3°F (1.7°C). (Main river temperatures are temperatures of those portions of the river essentially similar to and following the same thermal regime as the temperatures of the main flow of the river.)

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
F	60	60	60	90	90	90	90	90	90	90	90	60
C	16	16	16	32	32	32	32	32	32	32	32	16

- C. The monthly maximum value shall be reported on the DMR form.

SPECIAL CONDITION 3. The receiving waters are designated as Secondary Contact and Indigenous Aquatic Life Waters by Section 302.408, Illinois Administration Code, Title 35, Chapter 1, Subtitle C, as amended. These waters shall meet the following standard:

Temperatures shall not exceed 93°F (34°C) more than 5% of the time, or 100°F (37.8°C) at any time at the edge of the mixing zone which is defined by Rule 302.102 of the above regulations.

The monthly maximum value shall be reported on the DMR form.

SPECIAL CONDITION 4. The Permittee shall record monitoring results on Discharge Monitoring Report (DMR) Forms using one such form for each outfall each month.

In the event that an outfall does not discharge during a monthly reporting period, the DMR Form shall be submitted with no discharge indicated.

The Permittee may choose to submit electronic DMRs (eDMRs) instead of mailing paper DMRs to the IEPA. More information, including registration information for the eDMR program, can be obtained on the IEPA website, <http://www.epa.state.il.us/water/edmr/index.html>.

The completed Discharge Monitoring Report forms shall be submitted to IEPA no later than the 15th day of the following month, unless otherwise specified by the permitting authority.

Permittees not using eDMRs shall mail Discharge Monitoring Reports with an original signature to the IEPA at the following address:

Illinois Environmental Protection Agency
Division of Water Pollution Control
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

Attention: Compliance Assurance Section, Mail Code # 19

NPDES Permit No. IL0022934

Special Conditions

SPECIAL CONDITION 5. If an applicable effluent standard or limitation is promulgated under Sections 301(b)(2)(C) and (D), 304(b)(2), and 307(a)(2) of the Clean Water Act and that effluent standard or limitation is more stringent than any effluent limitation in the permit or controls a pollutant not limited in the NPDES Permit, the Agency shall revise or modify the permit in accordance with the more stringent standard or prohibition and shall so notify the permittee.

SPECIAL CONDITION 6. For the purpose of this permit, outfall 001 is limited to process water, non-contact cooling water, boiler blowdown, water softener backwash, treated sanitary wastewater and storm water runoff, free from other wastewater discharges. In the event that the permittee shall require the use of additional water treatment additives for this discharge, the permittee shall notify the Agency in writing in accordance with the Standard Conditions, Attachment H.

SPECIAL CONDITION 7. For the purpose of this permit, the discharge 002 is limited to non-contact cooling water, free from process and other wastewater discharges. In the event that the permittee shall require the use of water treatment additives, the permittee must request a change in this permit in accordance with the Standard Conditions -- Attachment H.

SPECIAL CONDITION 8. For the purpose of this permit, outfall 003 is limited to intake screen water, free from process and other wastewater discharges.

SPECIAL CONDITION 9. For the purpose of this permit, outfall 004 is limited to boiler blowdown and storm water runoff, free from process and other wastewater discharges. In the event that the permittee shall require the use of water treatment additives for this discharge, the permittee shall notify the agency in writing in accordance with the Standard Conditions, Attachment H.

SPECIAL CONDITION 10. For the purpose of this permit, outfall 005 is limited to boiler blowdown, water softener backwash and storm water runoff, free from process and other wastewater discharges. In the event that the permittee shall require the use of water treatment additives for this discharge, the permittee shall notify the Agency in writing in accordance with the Standard Conditions Attachment H.

SPECIAL CONDITION 11. For the purpose of this permit, outfalls 006 and 007 are limited to storm water runoff, free from process and other wastewater discharges.

SPECIAL CONDITION 12. The Agency has determined that the effluent limitations in this permit constitute BAT/BCT for storm water which is treated in the existing treatment facilities for purposes of this permit reissuance, and no pollution prevention plan will be required for such storm water. In addition to the chemical specific monitoring required elsewhere in this permit, the permittee shall conduct an annual inspection of the facility site to identify areas contributing to a storm water discharge associated with industrial activity, and determine whether any facility modifications have occurred which result in previously-treated storm water discharges no longer receiving treatment. If any such discharges are identified the permittee shall request a modification of this permit within 30 days after the inspection. Records of the annual inspection shall be retained by the permittee for the term of this permit and be made available to the Agency on request.

SPECIAL CONDITION 13.

STORM WATER POLLUTION PREVENTION PLAN (SWPPP)

- A. A storm water pollution prevention plan shall be developed by the permittee for the storm water associated with industrial activity at this facility. The plan shall identify potential sources of pollution which may be expected to affect the quality of storm water discharges associated with the industrial activity at the facility. In addition, the plan shall describe and ensure the implementation of practices which are to be used to reduce the pollutants in storm water discharges associated with industrial activity at the facility and to assure compliance with the terms and conditions of this permit.
- B. The plan shall be completed within 180 days of the effective date of this permit. Plans shall provide for compliance with the terms of the plan within 365 days of the effective date of this permit. The owner or operator of the facility shall make a copy of the plan available to the Agency at any reasonable time upon request. [Note: If the plan has already been developed and implemented it shall be maintained in accordance with all requirements of this special condition.]
- C. The permittee may be notified by the Agency at any time that the plan does not meet the requirements of this condition. After such notification, the permittee shall make changes to the plan and shall submit a written certification that the requested changes have been made. Unless otherwise provided, the permittee shall have 30 days after such notification to make the changes.

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PULASKI COUNTY

Special Conditions

- D. The discharger shall amend the plan whenever there is a change in construction, operation, or maintenance which may affect the discharge of significant quantities of pollutants to the waters of the State or if a facility inspection required by paragraph G of this condition indicates that an amendment is needed. The plan should also be amended if the discharger is in violation of any conditions of this permit, or has not achieved the general objective of controlling pollutants in storm water discharges. Amendments to the plan shall be made within the shortest reasonable period of time, and shall be provided to the Agency for review upon request.
- E. The plan shall provide a description of potential sources which may be expected to add significant quantities of pollutants to storm water discharges, or which may result in non-storm water discharges from storm water outfalls at the facility. The plan shall include, at a minimum, the following items:
 - 1. A topographic map extending one-quarter mile beyond the property boundaries of the facility, showing: the facility, surface water bodies, wells (including injection wells), seepage pits, infiltration ponds, and the discharge points where the facility's storm water discharges to a municipal storm drain system or other water body. The requirements of this paragraph may be included on the site map if appropriate.
 - 2. A site map showing:
 - i. The storm water conveyance and discharge structures;
 - ii. An outline of the storm water drainage areas for each storm water discharge point;
 - iii. Paved areas and buildings;
 - iv. Areas used for outdoor manufacturing, storage, or disposal of significant materials, including activities that generate significant quantities of dust or particulates.
 - v. Location of existing storm water structural control measures (dikes, coverings, detention facilities, etc.);
 - vi. Surface water locations and/or municipal storm drain locations
 - vii. Areas of existing and potential soil erosion;
 - viii. Vehicle service areas;
 - ix. Material loading, unloading, and access areas.
 - 3. A narrative description of the following:
 - i. The nature of the industrial activities conducted at the site, including a description of significant materials that are treated, stored or disposed of in a manner to allow exposure to storm water;
 - ii. Materials, equipment, and vehicle management practices employed to minimize contact of significant materials with storm water discharges;
 - iii. Existing structural and non-structural control measures to reduce pollutants in storm water discharges;
 - iv. Industrial storm water discharge treatment facilities;
 - v. Methods of onsite storage and disposal of significant materials;
 - 4. A list of the types of pollutants that have a reasonable potential to be present in storm water discharges in significant quantities.
 - 5. An estimate of the size of the facility in acres or square feet, and the percent of the facility that has impervious areas such as pavement or buildings.

Special Conditions

6. A summary of existing sampling data describing pollutants in storm water discharges.

The plan shall describe the storm water management controls which will be implemented by the facility. The appropriate controls shall reflect identified existing and potential sources of pollutants at the facility. The description of the storm water management controls shall include:

1. Storm Water Pollution Prevention Personnel - Identification by job titles of the individuals who are responsible for developing, implementing, and revising the plan.
2. Preventive Maintenance - Procedures for inspection and maintenance of storm water conveyance system devices such as oil/water separators, catch basins, etc., and inspection and testing of plant equipment and systems that could fail and result in discharges of pollutants to storm water.
3. Good Housekeeping - Good housekeeping requires the maintenance of clean, orderly facility areas that discharge storm water. Material handling areas shall be inspected and cleaned to reduce the potential for pollutants to enter the storm water conveyance system.
4. Spill Prevention and Response - Identification of areas where significant materials can spill into or otherwise enter the storm water conveyance systems and their accompanying drainage points. Specific material handling procedures, storage requirements, spill clean up equipment and procedures should be identified, as appropriate. Internal notification procedures for spills of significant materials should be established.
5. Storm Water Management Practices - Storm water management practices are practices other than those which control the source of pollutants. They include measures such as installing oil and grit separators, diverting storm water into retention basins, etc. Based on assessment of the potential of various sources to contribute pollutants, measures to remove pollutants from storm water discharge shall be implemented. In developing the plan, the following management practices shall be considered:
 - i. Containment - Storage within berms or other secondary containment devices to prevent leaks and spills from entering storm water runoff;
 - ii. Oil & Grease Separation - Oil/water separators, booms, skimmers or other methods to minimize oil contaminated storm water discharges;
 - iii. Debris & Sediment Control - Screens, booms, sediment ponds or other methods to reduce debris and sediment in storm water discharges;
 - iv. Waste Chemical Disposal - Waste chemicals such as antifreeze, degreasers and used oils shall be recycled or disposed of in an approved manner and in a way which prevents them from entering storm water discharges.
 - v. Storm Water Diversion - Storm water diversion away from materials manufacturing, storage and other areas of potential storm water contamination;
 - vi. Covered Storage or Manufacturing Areas - Covered fueling operations, materials manufacturing and storage areas to prevent contact with storm water.
6. Sediment and Erosion Prevention - The plan shall identify areas which due to topography, activities, or other factors, have a high potential for significant soil erosion and describe measures to limit erosion.
7. Employee Training - Employee training programs shall inform personnel at all levels of responsibility of the components and goals of the storm water pollution control plan. Training should address topics such as spill response, good housekeeping and material management practices. The plan shall identify periodic dates for such training.

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AUG 15 2002

PUBLIC NOTICE

Special Conditions

8. Inspection Procedures - Qualified plant personnel shall be identified to inspect designated equipment and plant areas. A tracking or follow-up procedure shall be used to ensure appropriate response has been taken in response to an inspection. Inspections and maintenance activities shall be documented and recorded.

9. The permittee shall conduct an annual facility inspection to verify that all elements of the plan, including the site map, potential pollutant sources, and structural and non-structural controls to reduce pollutants in industrial storm water discharges are accurate. Observations that require a response and the appropriate response to the observation shall be retained as part of the plan. Records documenting significant observations made during the site inspection shall be submitted to the Agency in accordance with the reporting requirements of this permit.

10. This plan should briefly describe the appropriate elements of other program requirements, including Spill Prevention Control and Countermeasures (SPCC) plans required under Section 311 of the CWA and the regulations promulgated thereunder, and Best Management Programs under 40 CFR 125.100.

The plan is considered a report that shall be available to the public under Section 308(b) of the CWA. The permittee may claim portions of the plan as confidential business information, including any portion describing facility security measures.

11. The plan shall include the signature and title of the person responsible for preparation of the plan and include the date of initial preparation and each amendment thereto.

Construction Authorization

12. Authorization is hereby granted to construct treatment works and related equipment that may be required by the Storm Water Pollution Prevention Plan developed pursuant to this permit.

This Authorization is issued subject to the following condition(s).

1. If any statement or representation is found to be incorrect, this authorization may be revoked and the permittee there upon waives all rights thereunder.

2. The issuance of this authorization (a) does not release the permittee from any liability for damage to persons or property caused by or resulting from the installation, maintenance or operation of the proposed facilities; (b) does not take into consideration the structural stability of any units or part of this project; and (c) does not release the permittee from compliance with other applicable statutes of the State of Illinois, or other applicable local law, regulations or ordinances.

3. Plans and specifications of all treatment equipment being included as part of the stormwater management practice shall be included in the SWPPP.

4. Construction activities which result from treatment equipment installation, including clearing, grading and excavation activities which result in the disturbance of one acre or more of land area, are not covered by this authorization. The permittee shall contact the IEPA regarding the required permit(s).

REPORTING

L. The facility shall submit an annual inspection report to the Illinois Environmental Protection Agency. The report shall include results of the annual facility inspection which is required by Part G of the Storm Water Pollution Prevention Plan of this permit. The report shall also include documentation of any event (spill, treatment unit malfunction, etc.) which would require an inspection, results of the inspection, and any subsequent corrective maintenance activity. The report shall be completed and signed by the authorized facility employee(s) who conducted the inspection(s).

M. The first report shall contain information gathered during the one year time period beginning with the effective date of coverage under this permit and shall be submitted no later than 60 days after this one year period has expired. Each subsequent report shall contain the previous year's information and shall be submitted no later than one year after the previous year's report was due.

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Special Conditions

0022934
AUG 16 1985
PUBLIC NOTICE

1. Annual inspection reports shall be mailed to the following address:

Illinois Environmental Protection Agency
Bureau of Water
Compliance Assurance Section
Annual Inspection Report
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

2. If the facility performs inspections more frequently than required by this permit, the results shall be included as additional information in the annual report.

SPECIAL CONDITION 14. All samples for total residual chlorine shall be analyzed by an applicable method contained in 40 CFR 136, equivalent in accuracy to low-level amperometric titration. Any analytical variability of the method used shall be considered when determining the accuracy and precision of the results obtained.

SPECIAL CONDITION 15. The permittee shall sample for iron (Dissolved) on a monthly basis for the first 6 months following the effective date of this permit and quarterly thereafter. The results of the quarterly sampling analyses shall be submitted along with the March, June, September and December monthly Discharge Monitoring Reports. The Agency may modify the permit as a result of these analyses to include limits and include the appropriate monitoring frequency.

SPECIAL CONDITION 16. The Agency may modify the permit to include less frequent monitoring, provided that the discharge has been complying with the permit limits. The permittee may request modification to include less frequent monitoring subsequent to two years after the effective date of this permit. Modification under this special condition shall follow public notice and opportunity for hearing.

SPECIAL CONDITION 17. The Agency may modify the permit as a result of these analyses to include limits for this parameter and include the appropriate monitoring frequency. The permittee may request modification to include less frequent monitoring for this parameter subsequent to two years after the effective date of this permit. Modification under this special condition shall follow public notice and opportunity for hearing.

SPECIAL CONDITION 18. The use or operation of this facility shall be by or under the supervision of a Certified Class K operator.

Department H
Standard Conditions

Definitions

Act means the Landfill and Sewerage Disposal Act, 415 ILCS 5 as Amended.

Agency means the Illinois Environmental Protection Agency.

Board means the Landfill and Sewerage Disposal Board.

Clean Water Act (commonly referred to as the Federal Water Pollution Control Act) means Public Law 92-500 as amended, 33 U.S.C. 1251 et seq.

CDDP (National Pollutant Discharge Elimination System) means the national program for controlling discharges and discharges, licensing, monitoring, enforcing permits, and enforcing compliance with treatment requirements, under Sections 307, 402, 319 and 405 of the Clean Water Act.

EPA means the United States Environmental Protection Agency.

Daily Discharge means the total mass of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants in effluents measured in units of mass, the "daily discharge" is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurements, the "daily discharge" is calculated as the average measurement of the pollutant over the day.

Maximum Daily Discharge Limitation (daily maximum) means the highest allowable daily discharge.

Average Monthly Discharge Limitation (30 day average) means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

Average Weekly Discharge Limitation (7 day average) means the highest allowable average of daily discharges over a calendar week, calculated as the sum of all daily discharges measured during a calendar week divided by the number of daily discharges measured during that week.

Best Management Practices (BMPs) means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the State. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage.

Composite means a mixture of specified volume used to make up a total composite sample.

Grab Sample means an individual sample of at least 100 milliliters collected at a randomly selected time over a period not exceeding 15 minutes.

24 Hour Composite Sample means a combination of at least 8 sample aliquots of at least 100 milliliters collected at equal intervals during the operating hours of a facility over a 24-hour period.

8 Hour Composite Sample means a combination of at least 8 equal aliquots of at least 100 milliliters collected at equal intervals during the operating hours of a facility over an 8-hour period.

Procedures for sampling equipment to be used means the combination of sample aliquots of at least 100 milliliters collected at equal intervals and that either the facility owner or the person who performs the sampling is responsible to ensure the accuracy of the sampling. The person who performs the sampling shall be certified to appropriate the equipment used.

(1) The facility owner or the person who performs the sampling shall be certified to appropriate the equipment used. Any person who performs the sampling shall be certified to appropriate the equipment used for enforcement action, permit enforcement, enforcement, or enforcement. The permittee shall comply with all standards or conditions established under Section 307(a) of the Clean Water Act for toxic pollutants, unless the permittee has provided a treatment plant that establishes these standards or conditions. The permittee shall be certified to appropriate the equipment used.

(2) The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee.

(3) The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee.

(4) The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee.

(5) The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee.

(6) **Permit actions.** This permit may be notified, revoked, or terminated or terminated for cause by the Agency pursuant to 40 CFR 122.62. The Agency shall notify the permittee for a permit modification, revocation or termination, or termination, or a notification of planned changes, or substituted compliance, or any other permit condition.

(7) **Property rights.** This permit does not confer any property rights and does not create any exclusive privilege.

(8) **Duty to provide information.** The permittee shall furnish to the Agency, within a reasonable time, any information which the Agency may request to determine whether cause exists for modifying, revoking and enforcing, or terminating, the permit, to determine compliance with the permit. The permittee shall also furnish such information upon request, copies of records, required to be kept by this permit.

(9) **Inspection and entry.** The permittee shall allow an authorized representative of the Agency, upon the presentation of credentials and other documentation as may be required by law, to:

(a) Enter upon the permittee's premises where a regulated facility of activity is located or conducted, or where records must be kept under the conditions of this permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

(c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations (including any related testing) under the permit; and

(d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance, or as otherwise authorized by the Act, any substances or parameters at any location.

(10) **Monitoring and records.**

(a) Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

(b) The permittee shall retain records of all monitoring information, including all calibration and maintenance records, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by the permit, and records of all data used to complete the application for this permit, for a period of at least 2 years from the date of this permit, then retention, reporting application. This period may be extended by request of the Agency at any time.

(c) Records of monitoring information shall include:

(1) The date, exact place, and time of sampling or test run conducted;

(2) The individual(s) who performed the sampling or test run conducted;

(3) The date(s) analyses were performed;

(4) The individual(s) who performed the analyses;

(5) The analytical techniques or methods used; and

(6) The results of such analyses.

(d) Monitoring must be conducted according to the procedures approved under 40 CFR Part 136, unless other test procedures have been approved under 40 CFR Part 136. Where no test procedure under 40 CFR Part 136 has been approved, the permittee must submit to the Agency a test procedure for approval. The permittee shall calibrate and perform maintenance procedures on all monitoring and analytical instrumentation at intervals to be determined by the permittee.

(11) **Signature requirement.** All applications, reports, and other documents submitted to the Agency shall be signed and certified.

(a) **Application.** All permit applications shall be signed and certified:

(1) For a corporation by a principal officer, officer, or director, or by the president or a person or persons authorized in writing by the board of directors or the principal officers for the corporation;

(2) For a partnership or other unincorporated entity by a general partner or the principal officer, or partner, or proprietor;

(3) For a municipality, State, Federal, or other governmental agency by the principal officer, or officer, or employee of the agency.

(b) **Reports.** All reports required by the permit, or any other document submitted to the Agency, shall be signed by a person or persons authorized in writing by the permittee, or a principal officer, or officer, or employee of the permittee.

(c) **Records.** The permittee shall be certified to appropriate the equipment used by the permittee.

(d) **Records.** The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee.

(e) **Records.** The permittee shall be certified to appropriate the equipment used by the permittee. The permittee shall be certified to appropriate the equipment used by the permittee.



environmental engineers
and consultants

512 W. Burlington Avenue, Suite 100
LaGrange, IL 60525
Phone: (708) 579-5940
Fax: (708) 579-3526
Website: <http://huffnhuff.com>

April 11, 2006

Mr. Blaine Kinsley, P.E.
Manager, Industrial Unit, Permit Section
Division of Water Pollution Control
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, IL 62702

Re: K A Steel Chemicals Inc.
NPDES #IL0022934
Amended Application

Dear Mr. Kinsley:

On August 16, 2005, the Illinois EPA sent to Public Notice a Draft NPDES Permit for K A Steel Chemicals Inc (KA Steel). The draft permit included effluent limits on Outfall 001 for chlorides (500 mg/L) and Total Dissolved Solids (TDS) (1,000 mg/L). Outfall 001 includes the process wastewater stream. These water quality based effluent limits are problematic for a facility that makes sodium hypochlorite. KA Steel retained Huff & Huff, Inc. to evaluate alternatives, and this permit modification request is the outcome of this work. In summary, KA Steel is requesting relocation of the process water discharges from Outfall 001 to existing Outfall 004 to the Chicago Sanitary & Ship Canal (Ship Canal), and the elimination of effluent limits on TDS and chlorides on this outfall. The technical justification is presented herein.

Existing Water Quality

As the Agency is well aware, highway de-icing has been a major source of elevated TDS and chlorides in the waterways in northeast Illinois. Highway authorities have implemented many programs to reduce salt usage, and salt applied per lane mile has dropped dramatically over the past decade. These efforts have paid off, and water quality violations of chlorides and TDS no longer appear on the Ship Canal. Table 1 is the recent TDS and chloride water quality data generated by the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC) on the Ship Canal near Lemont. No water quality violations have occurred. From this monitoring, we have concluded that no water quality violations for chlorides and TDS are occurring on the Ship Canal by Lemont. As such, water quality based effluent limits are not automatically required.

Relative Loadings

The 10-year, 7-day low flow in the Ship Canal in the vicinity of Lemont is 1,756 cfs, or 1,134 mgd. Outfall 005 will have a dry weather flow of 0.068 mgd. The projected maximum TDS and chloride content in Outfall 004 will occur during dry weather, and is projected to be 8,700 mg/L TDS and 4,100 mg/L chlorides. The net increase in TDS and chloride concentrations at low flow in the Ship Canal will be only 0.5 mg/L TDS and 0.2 mg/L chlorides, after complete mixing. These values, and using the maximum reported TDS and chloride levels reported in the Ship Canal over the past three years will result in the following maximum levels downstream of KA Steel:

	<u>Maximum, mg/L</u>
TDS	1094.5
Chlorides	470.2

Assuming 25 percent of the Ship Canal for a mixing zone yields a TDS and chlorides at the edge of the mixing zone of:

	<u>Maximum at Edge of Mixing Zone, mg/L</u>
TDS	1096
Chlorides	471

Clearly there is no reasonable potential to contribute to a water quality violation and therefore effluent limits on TDS and chlorides on Outfall 004 are inappropriate. Moving an industrial outfall from a Primary Contact Waterway to a Secondary Contact Waterway would seem to be a positive step for the environment.

Suggested Permit Changes

The limits and monitoring present in the draft permit for Outfall 001 should be moved to Outfall 004. Going forward, Outfall 001 will be for only storm water, and therefore subject to Best Management Practices (BMPs) only. Temperature limits should reflect the Secondary Contact Standards with the moving of the process wastewater to Outfall 004.

Special Condition 6 should be revised to Outfall 004.

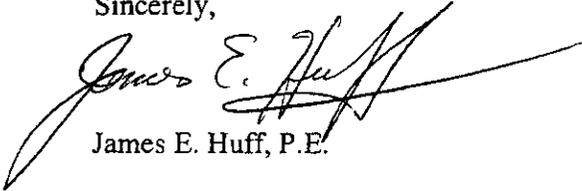
Special Condition 10 can be deleted.

Closure

Hopefully the amended 2C Form and figures are self explanatory. KA Steel will install a new 3-inch line from to the Treatment Cell to Outfall 004. Physically, a tie-in upstream of Outfall 004 will be made. No change in the existing treatment process is planned.

KA Steel would welcome a meeting should the Agency have any questions or concerns. We look forward to working with you in finalizing this NPDES permit.

Sincerely,

A handwritten signature in black ink, appearing to read "James E. Huff". The signature is stylized with a large, sweeping initial "J" and a long horizontal stroke extending to the right.

James E. Huff, P.E.

cc: R. Mosher, IEPA
J. Herbet, KA Steel

TABLE 1
 WATER QUALITY DATA
 CHICAGO SANITARY AND SHIP CANAL
 Stephan Street, Lemont

Date	Chloride, mg/L	TDS, mg/L
1/21/2003	128	648
2/18/2003	249	752
3/17/2003	382	952
4/21/2003	229	756
5/19/2003	157	602
6/16/2003	133	468
7/21/2003	94	404
8/18/2003	86	510
9/15/2003	91	438
10/20/2003	93	356
11/17/2003	143	600
12/15/2003	136	546
01/20/04	253	794
02/17/04	470	1094
03/15/04	309	754
04/19/04	216	758
05/17/04	126	508
06/21/04	126	516
07/19/04	102	492
08/16/04	73	386
09/20/04	84	384
10/18/04	106	450
11/15/04	116	530
12/20/04	165	428
01/18/05	268	736
02/22/05	283	818
03/21/05	307	822
04/18/05	205	728
05/16/05	149	572
06/20/05	116	518
07/18/05	94	436
08/15/05	87	428
09/19/05	83	422
10/17/05	89	422
11/21/05	119	438

EPA I.D. NUMBER (copy from Item 1 of Form 1)
ILD064394323

Please print or type in the unshaded areas only.

FORM 26 **EPA** **U.S. ENVIRONMENTAL PROTECTION AGENCY**
APPLICATION FOR PERMIT TO DISCHARGE WASTEWATER
EXISTING MANUFACTURING, COMMERCIAL, MINING AND SILVICULTURAL OPERATIONS
Consolidated Permits Program

I. OUTFALL LOCATION

For each outfall, list the latitude and longitude of its location to the nearest 15 seconds and the name of the receiving water.

A. OUTFALL NUMBER (list)	B. LATITUDE			C. LONGITUDE			D. RECEIVING WATER (name)
	1. DEG.	2. MIN.	3. SEC.	1. DEG.	2. MIN.	3. SEC.	
001	42	40	40	87	58	49	Illinois & Michigan Canal (IMC)
002	42	40	40	87	58	49	Consumers Quarry (CO)
004	42	40	40	87	58	49	Chicago Sanitary & Ship Canal (CSSC)
005	42	40	40	87	58	49	(CSSC)
006	42	40	40	87	58	49	Consumers Quarry (CO)
007	42	40	40	87	58	49	Unnamed Quarry

II. FLOWS, SOURCES OF POLLUTION, AND TREATMENT TECHNOLOGIES

A. Attach a line drawing showing the water flow through the facility. Indicate sources of intake water, operations contributing wastewater to the effluent, and treatment units labeled to correspond to the more detailed descriptions in Item B. Construct a water balance on the line drawing by showing average flows between intakes, operations, treatment units, and outfalls. If a water balance cannot be determined (e.g., for certain mining activities), provide a pictorial description of the nature and amount of any sources of water and any collection or treatment measures.

B. For each outfall, provide a description of: (1) All operations contributing wastewater to the effluent, including process wastewater, sanitary wastewater, cooling water, and storm water runoff; (2) The average flow contributed by each operation; and (3) The treatment received by the wastewater. Continue on additional sheets if necessary.

1. OUTFALL NO. (list)	2. OPERATION(S) CONTRIBUTING FLOW		3. TREATMENT		
	A. OPERATION (list)	B. AVERAGE FLOW (include units)	C. DESCRIPTION	D. LIST CODES FROM TABLE 2C-1	
001	Storm Runoff	1,000 GPD	Discharge to I&M Canal	4-A	
002	Non-Contact Cooling	1,200,000 GPD	Consumers Quarry	4-A	
004	Storm Runoff	3,300 GPD	1) Mixing, 2) Dechlorination	1-0	2-E
	Steam Condensate	150 GPD	3) Neutralization, 4) Chemical Precipitation	2-K	2-C
	Treatment Cell Discharge a/	20,000 GPD	5) Sedimentation, 6) Microstraining	1-U	1-N
	R O Reject	47,500 GPD	7) Discharge to S&S Canal	4-A	
005	Stream Condensate	150 GPD	Discharge to Chgo S&S Canal	4-A	
	Boiler Blowdown	400 GPD		4-A	
	Storm Runoff	2,600 GPD		4-A	
006	Storm Runoff	600 GPD	Discharge to Consumers Quarry	4-A	
007	Storm Runoff	6,400 GPD	Discharge to Unnamed Quarry	4-A	
	Septic Effluent	100 GPD			
	(permitted by Health Dept)				

OFFICIAL USE ONLY (effluent guidelines sub-categories)

CONTINUED FROM THE FRONT

C. Except for storm runoff, leaks, or spills, are any of the discharges described in Items II-A or B intermittent or seasonal?

YES (complete the following table)

NO (go to Section III)

1. OUTFALL NUMBER (list)	2. OPERATION(S) CONTRIBUTING FLOW (list)	3. FREQUENCY		4. FLOW				C. DURATION (in days)
		a. DAYS PER WEEK (specify usage)	b. MONTHS PER YEAR (specify usage)	a. FLOW RATE (in mgd)		b. TOTAL VOLUME (specify with units)		
				1. LONG TERM AVERAGE	2. MAXIMUM DAILY	1. LONG TERM AVERAGE	2. MAXIMUM DAILY	

III. PRODUCTION

A. Does an effluent guideline limitation promulgated by EPA under Section 304 of the Clean Water Act apply to your facility?

YES (complete Item III-B)

NO (to Section IV)

B. Are the limitations in the applicable effluent guideline expressed in terms of production (or other measure of operation)?

YES (complete Item III-C)

NO (go to Section IV)

C. If you answered "yes" to Item III-B, list the quantity which represents an actual measurement of your level of production, expressed in the terms and units used in the applicable effluent guideline, and indicate the affected outfalls.

1. AVERAGE DAILY PRODUCTION			2. AFFECTED OUTFALLS (list outfall numbers)
a. QUANTITY PER DAY	b. UNITS OF MEASURE	c. OPERATION, PRODUCT, MATERIAL, ETC. (specify)	

IV. IMPROVEMENTS

A. Are you now required by any Federal, State or local authority to meet any implementation schedule for the construction, upgrading or operation of waste-water treatment equipment or practices or any other environmental programs which may affect the discharges described in this application? This includes, but is not limited to, permit conditions, administrative or enforcement orders, enforcement compliance schedule letters, stipulations, court orders, and grant or loan conditions.

YES (complete the following table)

NO (go to Item IV-B)

1. IDENTIFICATION OF CONDITION, AGREEMENT, ETC.	2. AFFECTED OUTFALLS		3. BRIEF DESCRIPTION OF PROJECT	4. FINAL COMPLIANCE DATE	
	a. NO.	b. SOURCE OF DISCHARGE		a. REQUIRED	b. PROJECTED

B. OPTIONAL: You may attach additional sheets describing any additional water pollution control programs (or other environmental projects which may affect your discharges) you now have underway or which you plan. Indicate whether each program is now underway or planned, and indicate your actual or planned schedule for construction. MARK "X" IF DESCRIPTION OF ADDITIONAL CONTROL PROGRAMS IS ATTACHED

IV. B.

Outfall	Treatment	Code
001	Stormwater to I&M Canal	4-A
002	Non-Contact Cooling Water to Consumers Quarry	4-A
004	Discharge to Sanitary & Ship Canal	1-0
	Stormwater	2-E
	Steam Condensate	2-K
	Treatment Cell Discharge which includes:	2-C
	Facility Wash Down (floor drains)	1-U
	Softener Regenerate Stream	1-N
	Sand Filter Backwash	4-A
	Septic Tank, disinfected effluent, permitted by Health Dept.	
	Boiler Blowdown	
	Steam condensate	
	Reverse Osmosis Reject Stream	
005	Discharge to S&S Canal	4-A
	Steam Condensate	
	Boiler Blowdown	
	Stormwater Runoff	
006	Discharge to Consumers Quarry	4-A
	Stormwater	
007	Discharge to other Quarry	4-A
	Stormwater	
	Septic Tank, disinfected effluent, permitted by Health Dept	

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CONTINUED FROM PAGE 2

V. INTAKE AND EFFLUENT CHARACTERISTICS

A, B, & C: See instructions before proceeding — Complete one set of tables for each outfall — Annotate the outfall number in the space provided.
NOTE: Tables V-A, V-B, and V-C are included on separate sheets numbered V-1 through V-8.

D. Use the space below to list any of the pollutants listed in Table 2c-3 of the instructions, which you know or have reason to believe is discharged or may be discharged from any outfall. For every pollutant you list, briefly describe the reasons you believe it to be present and report any analytical data in your possession.

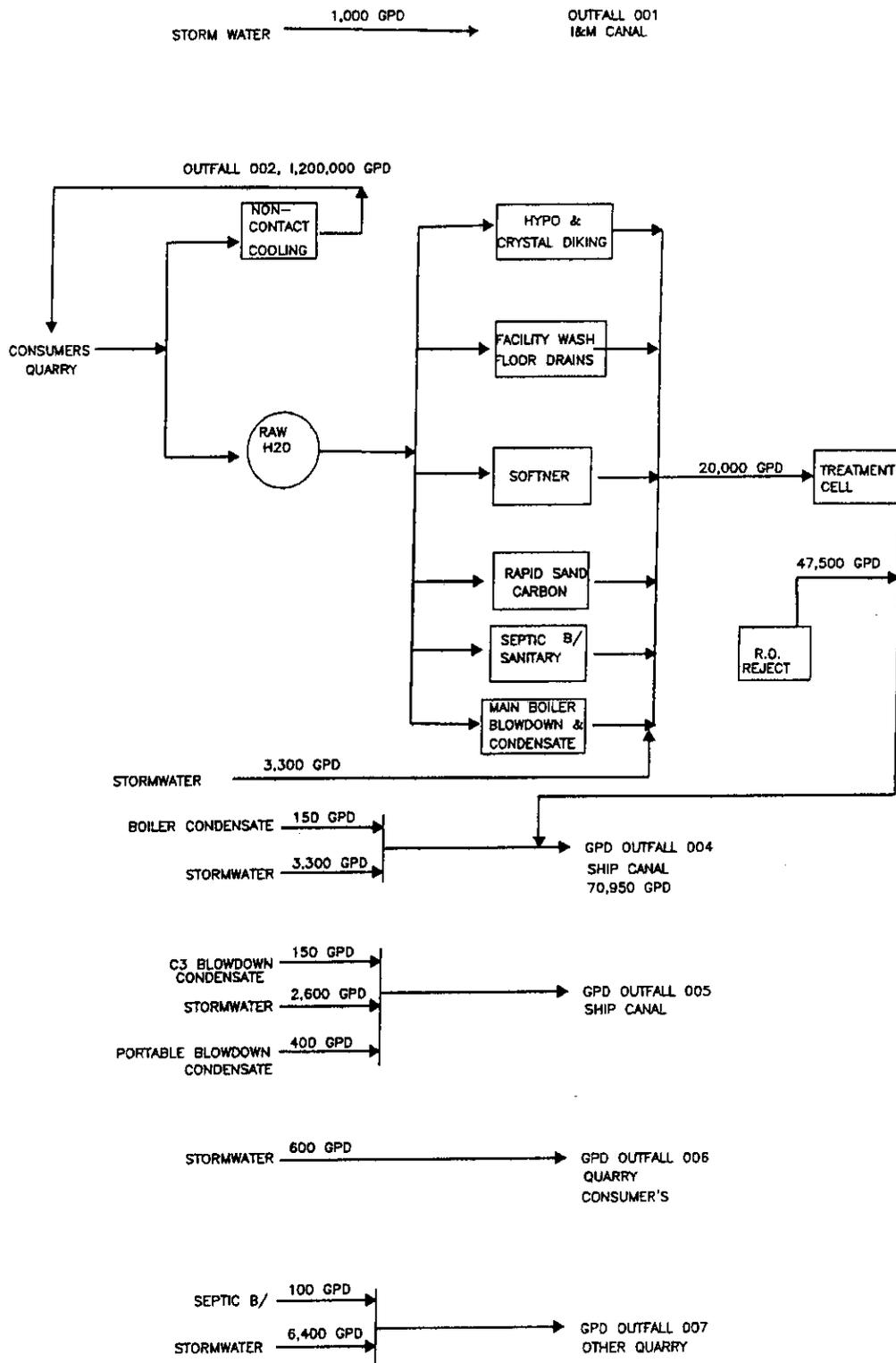
1. POLLUTANT	2. SOURCE	1. POLLUTANT	2. SOURCE
N/A			

VI. POTENTIAL DISCHARGES NOT COVERED BY ANALYSIS

Is any pollutant listed in Item V-C a substance or a component of a substance which you currently use or manufacture as an intermediate or final product or byproduct?

YES (list all such pollutants below)

NO (go to Item VI-B)



B/ SEPTICS PERMITTED BY HEALTH DEPT.

KA STEEL CHEMICAL, INC.
 WATER BALANCE
 LEMONT, ILLINOIS



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 - (217) 782-3397

JAMES R. THOMPSON CENTER, 100 WEST RANDOLPH, SUITE 11-300, CHICAGO, IL 60601 - (312) 814-6026

217/782-0610 ROD R. BLAGOJEVICH, GOVERNOR DOUGLAS P. SCOTT, DIRECTOR

June 29, 2006

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439

Re: K.A. Steel Chemicals Inc.
NPDES Permit No. IL0022934
Final Permit

Gentlemen:

Attached is the final NPDES Permit for your discharge. The Permit as issued covers discharge limitations, monitoring, and reporting requirements. Failure to meet any portion of the Permit could result in civil and/or criminal penalties. The Illinois Environmental Protection Agency is ready and willing to assist you in interpreting any of the conditions of the Permit as they relate specifically to your discharge.

The Agency has begun a program allowing the submittal of electronic Discharge Monitoring Reports (eDMRs) instead of paper Discharge Monitoring Reports (DMRs). If you are interested in eDMRs, more information can be found on the Agency website, http://epa.state.il.us/water/edmr/index.html. If your facility is not registered in the eDMR program, a supply of preprinted paper DMR Forms for your facility will be sent to you prior to the initiation of DMR reporting under the reissued permit. Additional information and instructions will accompany the preprinted DMRs upon their arrival.

The Permit as issued is effective as of the date indicated on the first page of the Permit. You have the right to appeal any condition of the Permit to the Illinois Pollution Control Board within a 35 day period following the issuance date.

Should you have questions concerning the Permit, please contact Jaime Rabins at the telephone number indicated above.

Sincerely,

Handwritten signature of Alan Keller

Alan Keller, P.E.
Manager, Permit Section
Division of Water Pollution Control

SAK:BAK:JAN:05032901.dlk

Attachment: Final Permit

cc: Records
Compliance Assurance Section
Des Plaines Region
Consultant
NIPC

Exhibit D

ROCKFORD - 4302 North Main Street, Rockford, IL 61103 - (815) 987-7760 • DES PLAINES - 9511 W. Harrison St., Des Plaines, IL 60016 - (847) 294-4000
ELGIN - 595 South State, Elgin, IL 60123 - (847) 608-3131 • PEORIA - 5415 N. University St., Peoria, IL 61614 - (309) 693-5463
BUREAU OF LAND - PEORIA - 7620 N. University St., Peoria, IL 61614 - (309) 693-5462 • CHAMPAIGN - 2125 South First Street, Champaign, IL 61820 (217) 278-5800
SPRINGFIELD - 4500 S. Sixth Street Rd., Springfield, IL 62706 - (217) 786-6892 • COLLINSVILLE - 2009 Mall Street, Collinsville, IL 62234 - (618) 346-5120
MARION - 2309 W. Main St., Suite 116, Marion, IL 62959 - (618) 993-7200

PRINTED ON RECYCLED PAPER

8-02-2006 10:13AM

FROM K A STEEL DIR OF OPS 6302432256

NPDES Permit No. IL0022934

Illinois Environmental Protection Agency

Division of Water Pollution Control

1021 North Grand Avenue East

Post Office Box 19276

Springfield, Illinois 62794-9276

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

Reissued (NPDES) Permit

Expiration Date: June 30, 2011

Issue Date: June 29, 2006

Effective Date: July 1, 2006

Name and Address of Permittee:

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439

Facility Name and Address:

K.A. Steel Chemicals Inc.
1001 Main Street
Lemont, Illinois 60439
(Cook County)

Discharge Number and Name:

001 Non-Contact Cooling Water, Process Water, Boiler
Blowdown, Water Softener Backwash, Treated Sanitary
Wastewater and Storm Water Runoff

002 Non-Contact Cooling Water

003 Intake Screen Water

004 Boiler Blowdown and Storm Water Runoff

005 Boiler Blowdown, Water Softener Backwash and Storm
Water Runoff

006 Storm Water Runoff from East Spill Containment Area

007 Storm Water Runoff from Southwest Spill Containment Area

Receiving Waters:

Illinois & Michigan Canal

Consumer's Quarry

Consumer's Quarry

Chicago Sanitary & Ship Canal

Chicago Sanitary & Ship Canal

Consumer's Quarry

Unnamed Quarry

In compliance with the provisions of the Illinois Environmental Protection Act, Title 35 of Ill. Adm. Code, Subtitle C and/or Subtitle D, Chapter 1, and the Clean Water Act (CWA), the above-named permittee is hereby authorized to discharge at the above location to the above-named receiving stream in accordance with the standard conditions and attachments herein.

Permittee is not authorized to discharge after the above expiration date. In order to receive authorization to discharge beyond the expiration date, the permittee shall submit the proper application as required by the Illinois Environmental Protection Agency (IEPA) not later than 180 days prior to the expiration date.



Alan Keller, P.E.
Manager, Permit Section
Division of Water Pollution Control

SAK:JAN:05032901.dlk

NPDES Permit No. IL0022934

Effluent Limitations and Monitoring

1. From the effective date of this permit until the expiration date, the effluent of the following discharge(s) shall be monitored and limited at all times as follows:

PARAMETER	LOAD LIMITS lbs/day DAF (DMF)		CONCENTRATION LIMITS mg/l		SAMPLE FREQUENCY	SAMPLE TYPE
	30 DAY AVERAGE	DAILY MAXIMUM	30 DAY AVERAGE	DAILY MAXIMUM		
Outfall: 001**** Non-Contact Cooling Water, Process Water, Boiler Blowdown, Water Softener Backwash, Treated Sanitary Wastewater and Storm Water Runoff (DAF = 0.06 MGD)						
Flow (MGD)*					1/Week	Single Reading
pH*			6 - 9 s.u.		1/Week	Grab
BOD ₅			10	20	1/Month	Composite
Total Suspended Solids			12	24	1/Week	Composite
Iron (Total)				2	1/Week	Composite
Iron (Dissolved)****			--	--	***	Composite
Total Chlorine Residual**			--	0.05	1/Week	Grab
Total Dissolved Solids				1000	1/Month	Composite
Chloride				500	1/Month	Composite
Temperature	See Special Condition No. 2				1/Week	Grab
Outfall: 002 Non-Contact Cooling Water (DAF = 1.06 MGD)						
Flow (MGD)*					1/Week	Single Reading
pH*			6 - 9 s.u.		1/Week	Grab
Temperature	See Special Condition No. 2				1/Week	Grab
Outfall: 003 Intake Screen Water (Intermittant Discharge)						
Flow (MGD)*					1/Month	Measure when Monitoring

There shall be no discharge of collected debris

NPDES Permit No. IL0022934

Effluent Limitations and Monitoring

1. From the effective date of this permit until the expiration date, the effluent of the following discharge(s) shall be monitored and limited at all times as follows:

PARAMETER	LOAD LIMITS lbs/day DAF (DMF)		CONCENTRATION LIMITS mg/l		SAMPLE FREQUENCY	SAMPLE TYPE
	30 DAY AVERAGE	DAILY MAXIMUM	30 DAY AVERAGE	DAILY MAXIMUM		
Outfall: 004***** Boiler Blowdown and Storm Water Runoff (DAF = 0.0033 MGD)						
Flow (MGD)*					1/Week	Single Reading
pH*			6 - 9 s.u.		1/Week	Grab
Temperature	See Special Condition No. 3				1/Week	Grab
Iron (Total)				2	1/Week	Composite
Outfall: 005***** Boiler Blowdown, Water softener Backwash, and Storm Water Runoff (DAF = 0.0029 MGD)						
Flow (MGD)*					1/Week	Single Reading
pH*			6 - 9 s.u.		1/Week	Grab
Temperature	See Special Condition No. 3				1/Week	Grab
Iron (Total)				2	1/Week	Composite
Total Dissolved Solids				1500	1/Month	Composite
Chloride*****					1/Month	Composite

Outfall: 006***** Storm Water Runoff from East Spill Containment Area (Intermittant Discharge)

Outfall: 007***** Storm Water Runoff from Southwest Spill Containment Area (Intermittant Discharge)

*Flow shall be reported as monthly average and daily maximum. pH shall be reported as a monthly minimum and monthly maximum.

**See Special Condition No. 14

***See Special Condition No. 15

****See Special Condition No. 12

*****The above limits do not apply to stormwater runoff from these outfalls. See Special Condition No. 13

*****See Special Condition No. 13

*****See Special Condition No. 17

Special Conditions

SPECIAL CONDITION 1. Samples taken in compliance with the effluent monitoring requirements shall be taken at a point representative of the discharge, but prior to entry into the receiving stream.

SPECIAL CONDITION 2. Discharge of wastewater from this facility must not alone or in combination with other sources cause the receiving stream to violate the following thermal limitations at the edge of the mixing zone which is defined by Section 302.211, Illinois Administration Code, Title 35, Chapter 1, Subtitle C, as amended:

- A. Maximum temperature rise above natural temperature must not exceed 5°F (2.8°C).
- B. Water temperature at representative locations in the main river shall not exceed the maximum limits in the following table during more than one (1) percent of the hours in the 12-month period ending with any month. Moreover, at no time shall the water temperature at such locations exceed the maximum limits in the following table by more than 3°F (1.7°C). (Main river temperatures are temperatures of those portions of the river essentially similar to and following the same thermal regime as the temperatures of the main flow of the river.)

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
°F	60	60	60	90	90	90	90	90	90	90	90	60
°C	16	16	16	32	32	32	32	32	32	32	32	16

- C. The monthly maximum value shall be reported on the DMR form.

SPECIAL CONDITION 3. The receiving waters are designated as Secondary Contact and Indigenous Aquatic Life Waters by Section 302.408, Illinois Administration Code, Title 35, Chapter 1, Subtitle C, as amended. These waters shall meet the following standard:

Temperatures shall not exceed 93°F (34°C) more than 5% of the time, or 100°F (37.8°C) at any time at the edge of the mixing zone which is defined by Rule 302.102 of the above regulations.

The monthly maximum value shall be reported on the DMR form.

SPECIAL CONDITION 4. The Permittee shall record monitoring results on Discharge Monitoring Report (DMR) Forms using one such form for each outfall each month.

In the event that an outfall does not discharge during a monthly reporting period, the DMR Form shall be submitted with no discharge indicated.

The Permittee may choose to submit electronic DMRs (eDMRs) instead of mailing paper DMRs to the IEPA. More information, including registration information for the eDMR program, can be obtained on the IEPA website, <http://www.epa.state.il.us/water/edmr/index.html>.

The completed Discharge Monitoring Report forms shall be submitted to IEPA no later than the 15th day of the following month, unless otherwise specified by the permitting authority.

Permittees not using eDMRs shall mail Discharge Monitoring Reports with an original signature to the IEPA at the following address:

Illinois Environmental Protection Agency
 Division of Water Pollution Control
 1021 North Grand Avenue East
 Post Office Box 19276
 Springfield, Illinois 62794-9276

Attention: Compliance Assurance Section, Mail Code # 19

NPDES Permit No. IL0022934

Special Conditions

SPECIAL CONDITION 5. If an applicable effluent standard or limitation is promulgated under Sections 301(b)(2)(C) and (D), 304(b)(2), and 307(a)(2) of the Clean Water Act and that effluent standard or limitation is more stringent than any effluent limitation in the permit or controls a pollutant not limited in the NPDES Permit, the Agency shall revise or modify the permit in accordance with the more stringent standard or prohibition and shall so notify the permittee.

SPECIAL CONDITION 6. For the purpose of this permit, outfall 001 is limited to process water, non-contact cooling water, boiler blowdown, water softener backwash, treated sanitary wastewater and storm water runoff, free from other wastewater discharges. In the event that the permittee shall require the use of additional water treatment additives for this discharge, the permittee shall notify the Agency in writing in accordance with the Standard Conditions, Attachment H.

SPECIAL CONDITION 7. For the purpose of this permit, the discharge 002 is limited to non-contact cooling water, free from process and other wastewater discharges. In the event that the permittee shall require the use of water treatment additives, the permittee must request a change in this permit in accordance with the Standard Conditions – Attachment H.

SPECIAL CONDITION 8. For the purpose of this permit, outfall 003 is limited to intake screen water, free from process and other wastewater discharges.

SPECIAL CONDITION 9. For the purpose of this permit, outfall 004 is limited to boiler blowdown and storm water runoff, free from process and other wastewater discharges. In the event that the permittee shall require the use of water treatment additives for this discharge, the permittee shall notify the agency in writing in accordance with the Standard Conditions, Attachment H.

SPECIAL CONDITION 10. For the purpose of this permit, outfall 005 is limited to boiler blowdown, water softener backwash and storm water runoff, free from process and other wastewater discharges. In the event that the permittee shall require the use of water treatment additives for this discharge, the permittee shall notify the Agency in writing in accordance with the Standard Conditions Attachment H.

SPECIAL CONDITION 11. For the purpose of this permit, outfalls 006 and 007 are limited to storm water runoff, free from process and other wastewater discharges.

SPECIAL CONDITION 12. The Agency has determined that the effluent limitations in this permit constitute BAT/BCT for storm water which is treated in the existing treatment facilities for purposes of this permit reissuance, and no pollution prevention plan will be required for such storm water. In addition to the chemical specific monitoring required elsewhere in this permit, the permittee shall conduct an annual inspection of the facility site to identify areas contributing to a storm water discharge associated with industrial activity, and determine whether any facility modifications have occurred which result in previously-treated storm water discharges no longer receiving treatment. If any such discharges are identified the permittee shall request a modification of this permit within 30 days after the inspection. Records of the annual inspection shall be retained by the permittee for the term of this permit and be made available to the Agency on request.

SPECIAL CONDITION 13.

STORM WATER POLLUTION PREVENTION PLAN (SWPPP)

- A. A storm water pollution prevention plan shall be developed by the permittee for the storm water associated with industrial activity at this facility. The plan shall identify potential sources of pollution which may be expected to affect the quality of storm water discharges associated with the industrial activity at the facility. In addition, the plan shall describe and ensure the implementation of practices which are to be used to reduce the pollutants in storm water discharges associated with industrial activity at the facility and to assure compliance with the terms and conditions of this permit.
- B. The plan shall be completed within 180 days of the effective date of this permit. Plans shall provide for compliance with the terms of the plan within 365 days of the effective date of this permit. The owner or operator of the facility shall make a copy of the plan available to the Agency at any reasonable time upon request. [Note: If the plan has already been developed and implemented it shall be maintained in accordance with all requirements of this special condition.]
- C. The permittee may be notified by the Agency at any time that the plan does not meet the requirements of this condition. After such notification, the permittee shall make changes to the plan and shall submit a written certification that the requested changes have been made. Unless otherwise provided, the permittee shall have 30 days after such notification to make the changes.

Special Conditions

- D. The discharger shall amend the plan whenever there is a change in construction, operation, or maintenance which may affect the discharge of significant quantities of pollutants to the waters of the State or if a facility inspection required by paragraph G of this condition indicates that an amendment is needed. The plan should also be amended if the discharger is in violation of any conditions of this permit, or has not achieved the general objective of controlling pollutants in storm water discharges. Amendments to the plan shall be made within the shortest reasonable period of time, and shall be provided to the Agency for review upon request.
- E. The plan shall provide a description of potential sources which may be expected to add significant quantities of pollutants to storm water discharges, or which may result in non-storm water discharges from storm water outfalls at the facility. The plan shall include, at a minimum, the following items:
1. A topographic map extending one-quarter mile beyond the property boundaries of the facility, showing: the facility, surface water bodies, wells (including injection wells), seepage pits, infiltration ponds, and the discharge points where the facility's storm water discharges to a municipal storm drain system or other water body. The requirements of this paragraph may be included on the site map if appropriate.
 2. A site map showing:
 - i. The storm water conveyance and discharge structures;
 - ii. An outline of the storm water drainage areas for each storm water discharge point;
 - iii. Paved areas and buildings;
 - iv. Areas used for outdoor manufacturing, storage, or disposal of significant materials, including activities that generate significant quantities of dust or particulates.
 - v. Location of existing storm water structural control measures (dikes, coverings, detention facilities, etc.);
 - vi. Surface water locations and/or municipal storm drain locations
 - vii. Areas of existing and potential soil erosion;
 - viii. Vehicle service areas;
 - ix. Material loading, unloading, and access areas.
 3. A narrative description of the following:
 - i. The nature of the industrial activities conducted at the site, including a description of significant materials that are treated, stored or disposed of in a manner to allow exposure to storm water;
 - ii. Materials, equipment, and vehicle management practices employed to minimize contact of significant materials with storm water discharges;
 - iii. Existing structural and non-structural control measures to reduce pollutants in storm water discharges;
 - iv. Industrial storm water discharge treatment facilities;
 - v. Methods of onsite storage and disposal of significant materials;
 4. A list of the types of pollutants that have a reasonable potential to be present in storm water discharges in significant quantities.
 5. An estimate of the size of the facility in acres or square feet, and the percent of the facility that has impervious areas such as pavement or buildings.

NPDES Permit No. IL0022934

Special Conditions

6. A summary of existing sampling data describing pollutants in storm water discharges.
- F. The plan shall describe the storm water management controls which will be implemented by the facility. The appropriate controls shall reflect identified existing and potential sources of pollutants at the facility. The description of the storm water management controls shall include:
1. Storm Water Pollution Prevention Personnel - Identification by job titles of the individuals who are responsible for developing, implementing, and revising the plan.
 2. Preventive Maintenance - Procedures for inspection and maintenance of storm water conveyance system devices such as oil/water separators, catch basins, etc., and inspection and testing of plant equipment and systems that could fail and result in discharges of pollutants to storm water.
 3. Good Housekeeping - Good housekeeping requires the maintenance of clean, orderly facility areas that discharge storm water. Material handling areas shall be inspected and cleaned to reduce the potential for pollutants to enter the storm water conveyance system.
 4. Spill Prevention and Response - Identification of areas where significant materials can spill into or otherwise enter the storm water conveyance systems and their accompanying drainage points. Specific material handling procedures, storage requirements, spill clean up equipment and procedures should be identified, as appropriate. Internal notification procedures for spills of significant materials should be established.
 5. Storm Water Management Practices - Storm water management practices are practices other than those which control the source of pollutants. They include measures such as installing oil and grit separators, diverting storm water into retention basins, etc. Based on assessment of the potential of various sources to contribute pollutants, measures to remove pollutants from storm water discharge shall be implemented. In developing the plan, the following management practices shall be considered:
 - i. Containment - Storage within berms or other secondary containment devices to prevent leaks and spills from entering storm water runoff;
 - ii. Oil & Grease Separation - Oil/water separators, booms, skimmers or other methods to minimize oil contaminated storm water discharges;
 - iii. Debris & Sediment Control - Screens, booms, sediment ponds or other methods to reduce debris and sediment in storm water discharges;
 - iv. Waste Chemical Disposal - Waste chemicals such as antifreeze, degreasers and used oils shall be recycled or disposed of in an approved manner and in a way which prevents them from entering storm water discharges.
 - v. Storm Water Diversion - Storm water diversion away from materials manufacturing, storage and other areas of potential storm water contamination;
 - vi. Covered Storage or Manufacturing Areas - Covered fueling operations, materials manufacturing and storage areas to prevent contact with storm water.
 6. Sediment and Erosion Prevention - The plan shall identify areas which due to topography, activities, or other factors, have a high potential for significant soil erosion and describe measures to limit erosion.
 7. Employee Training - Employee training programs shall inform personnel at all levels of responsibility of the components and goals of the storm water pollution control plan. Training should address topics such as spill response, good housekeeping and material management practices. The plan shall identify periodic dates for such training.

Special Conditions

- 8. Inspection Procedures - Qualified plant personnel shall be identified to inspect designated equipment and plant areas. A tracking or follow-up procedure shall be used to ensure appropriate response has been taken in response to an inspection. Inspections and maintenance activities shall be documented and recorded.
- G. The permittee shall conduct an annual facility inspection to verify that all elements of the plan, including the site map, potential pollutant sources, and structural and non-structural controls to reduce pollutants in industrial storm water discharges are accurate. Observations that require a response and the appropriate response to the observation shall be retained as part of the plan. Records documenting significant observations made during the site inspection shall be submitted to the Agency in accordance with the reporting requirements of this permit.
- H. This plan should briefly describe the appropriate elements of other program requirements, including Spill Prevention Control and Countermeasures (SPCC) plans required under Section 311 of the CWA and the regulations promulgated thereunder, and Best Management Programs under 40 CFR 125.100.
- I. The plan is considered a report that shall be available to the public under Section 308(b) of the CWA. The permittee may claim portions of the plan as confidential business information, including any portion describing facility security measures.
- J. The plan shall include the signature and title of the person responsible for preparation of the plan and include the date of initial preparation and each amendment thereto.

Construction Authorization

- K. Authorization is hereby granted to construct treatment works and related equipment that may be required by the Storm Water Pollution Prevention Plan developed pursuant to this permit.

This Authorization is issued subject to the following condition(s).

- 1. If any statement or representation is found to be incorrect, this authorization may be revoked and the permittee there upon waives all rights thereunder.
- 2. The issuance of this authorization (a) does not release the permittee from any liability for damage to persons or property caused by or resulting from the installation, maintenance or operation of the proposed facilities; (b) does not take into consideration the structural stability of any units or part of this project; and (c) does not release the permittee from compliance with other applicable statutes of the State of Illinois, or other applicable local law, regulations or ordinances.
- 3. Plans and specifications of all treatment equipment being included as part of the stormwater management practice shall be included in the SWPPP.
- 4. Construction activities which result from treatment equipment installation, including clearing, grading and excavation activities which result in the disturbance of one acre or more of land area, are not covered by this authorization. The permittee shall contact the IEPA regarding the required permit(s).

REPORTING

- L. The facility shall submit an annual inspection report to the Illinois Environmental Protection Agency. The report shall include results of the annual facility inspection which is required by Part G of the Storm Water Pollution Prevention Plan of this permit. The report shall also include documentation of any event (spill, treatment unit malfunction, etc.) which would require an inspection, results of the inspection, and any subsequent corrective maintenance activity. The report shall be completed and signed by the authorized facility employee(s) who conducted the inspection(s).
- M. The first report shall contain information gathered during the one year time period beginning with the effective date of coverage under this permit and shall be submitted no later than 60 days after this one year period has expired. Each subsequent report shall contain the previous year's information and shall be submitted no later than one year after the previous year's report was due.

Special Conditions

N. Annual inspection reports shall be mailed to the following address:

Illinois Environmental Protection Agency
Bureau of Water
Compliance Assurance Section
Annual Inspection Report
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

O. If the facility performs inspections more frequently than required by this permit, the results shall be included as additional information in the annual report.

SPECIAL CONDITION 14. All samples for total residual chlorine shall be analyzed by an applicable method contained in 40 CFR 136, equivalent in accuracy to low-level amperometric titration. Any analytical variability of the method used shall be considered when determining the accuracy and precision of the results obtained.

SPECIAL CONDITION 15. The permittee shall sample for Iron (Dissolved) on a monthly basis for the first 6 months following the effective date of this permit and quarterly thereafter. The results of the quarterly sampling analyses shall be submitted along with the March, June, September and December monthly Discharge Monitoring Reports. The Agency may modify the permit as a result of these analyses to include limits and include the appropriate monitoring frequency.

SPECIAL CONDITION 16. The Agency may modify the permit to include less frequent monitoring, provided that the discharge has been complying with the permit limits. The permittee may request modification to include less frequent monitoring subsequent to two years after the effective date of this permit. Modification under this special condition shall follow public notice and opportunity for hearing.

SPECIAL CONDITION 17. The Agency may modify the permit as a result of these analyses to include limits for this parameter and include the appropriate monitoring frequency. The permittee may request modification to include less frequent monitoring for this parameter subsequent to two years after the effective date of this permit. Modification under this special condition shall follow public notice and opportunity for hearing.

SPECIAL CONDITION 18. The use or operation of this facility shall be by or under the supervision of a Certified Class K operator.

Standard Conditions

Definitions

Act means the Illinois Environmental Protection Act, Ch. 111 1/2 Ill. Rev. Stat., Sec. 1001-1052 as Amended.

Agency means the Illinois Environmental Protection Agency.

Board means the Illinois Pollution Control Board.

Clean Water Act (formerly referred to as the Federal Water Pollution Control Act) means Pub. L. 92-500, as amended, 33 U.S.C. 1251 et seq.

NPDES (National Pollutant Discharge Elimination System) means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring and enforcing permits, and imposing and enforcing pretreatment requirements, under Sections 307, 402, 318 and 405 of the Clean Water Act.

USEPA means the United States Environmental Protection Agency.

Daily Discharge means the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling, for pollutants with limitations expressed in units of mass, the "daily discharge" is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurements, the "daily discharge" is calculated as the average measurement of the pollutant over the day.

Maximum Daily Discharge Limitation (daily maximum) means the highest allowable daily discharge.

Average Monthly Discharge Limitation (30 day average) means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

Average Weekly Discharge Limitation (7 day average) means the highest allowable average of daily discharges over a calendar week, calculated as the sum of all daily discharges measured during a calendar week divided by the number of daily discharges measured during that week.

Best Management Practices (BMPs) means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the State. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage.

Aliquot means a sample of specified volume used to make up a total composite sample.

Grab Sample means an individual sample of at least 100 milliliters collected at a randomly selected time over a period not exceeding 15 minutes.

24 Hour Composite Sample means a combination of at least 8 sample aliquots of at least 100 milliliters, collected at periodic intervals during the operating hours of a facility over a 24-hour period.

8 Hour Composite Sample means a combination of at least 3 sample aliquots of at least 100 milliliters, collected at periodic intervals during the operating hours of a facility over an 8-hour period.

Flow Proportional Composite Sample means a combination of sample aliquots of at least 100 milliliters collected at periodic intervals such that either the time interval between each aliquot or the volume of each aliquot is proportional to either the stream flow at the time of sampling or the total stream flow since the collection of the previous aliquot.

(1) Duty to comply. The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action, permit termination, revocation and reissuance, modification, or for denial of a permit renewal application. The permittee shall comply with effluent standards or prohibitions established under Section 307(a) of the Clean Water Act for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

(2) Duty to reapply. If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for and obtain a new permit. If the permittee submits a proper application as required by the Agency no later than 180 days prior to the expiration date, this permit shall continue in full force and effect until the final Agency decision on the application has been made.

(3) Need to halt or reduce activity not a defense. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

(4) Duty to mitigate. The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment.

(5) Proper operation and maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related apparatuses) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate testing, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of backup, or auxiliary facilities, or similar systems only when necessary to achieve compliance with the conditions of the permit.

(6) Permit actions. This permit may be modified, revoked and reissued, or terminated for cause by the Agency pursuant to 40 CFR 122.62. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

(7) Property rights. This permit does not convey any property rights of any sort, or any exclusive privilege.

(8) Duty to provide information. The permittee shall furnish to the Agency within a reasonable time, any information which the Agency may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with the permit. The permittee shall also furnish to the Agency, upon request, copies of records required to be kept by this permit.

(9) Inspection and entry. The permittee shall allow an authorized representative of the Agency, upon the presentation of credentials and other documents as may be required by law, to:

(a) Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

(c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and

(d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance, or as otherwise authorized by the Act, any substances or parameters at any location.

(10) Monitoring and records.

(a) Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

(b) The permittee shall retain records of all monitoring information, including all calibration and maintenance records, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least 3 years from the date of the permit measurement, report or application. This period may be extended by request of the Agency at any time.

(c) Records of monitoring information shall include:

- (1) The date, exact place, and time of sampling or measurements;
(2) The individual(s) who performed the sampling or measurements;
(3) The date(s) analyses were performed;
(4) The individual(s) who performed the analyses;
(5) The analytical techniques or methods used; and
(6) The results of such analysis.

(d) Monitoring must be conducted according to test procedures approved under 40 CFR Part 136, unless other test procedures have been specified in this permit. Where no test procedure under 40 CFR Part 136 has been approved, the permittee must submit to the Agency a test method for approval. The permittee shall calibrate and perform maintenance procedures on all monitoring and analytical instrumentation at intervals to ensure accuracy of measurements.

(11) Signatory requirement. All applications, reports or information submitted to the Agency shall be signed and certified.

(a) Application. All permit applications shall be signed as follows:

- (1) For a corporation, by a principal executive officer of at least the level of vice president or a person or position having overall responsibility for environmental matters for the corporation;
(2) For a partnership or sole proprietorship, by a general partner or the proprietor, respectively; or
(3) For a municipality, State, Federal, or other public agency, by either a principal executive officer or ranking elected official.

(b) Reports. All reports required by permits, or other information requested by the Agency shall be signed by a person described in paragraph (a) or by a duly authorized representative of that person. A person is a duly authorized representative only if:

- (1) The authorization is made in writing by a person described in paragraph (a); and
(2) The authorization specifies either an individual or a position responsible for the overall operation of the facility, from which the discharge originates, such as a plant manager, superintendent or person of equivalent responsibility; and
(3) The written authorization is submitted to the Agency.

- (c) Changes of Authorization. If an authorization under (b) is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of (b) must be submitted to the Agency prior to or together with any reports, information, or applications to be signed by an authorized representative.
- (12) Reporting requirements.
- (a) Planned changes. The permittee shall give notice to the Agency as soon as possible of any planned physical alterations or additions to the permitted facility.
- (b) Anticipated noncompliance. The permittee shall give advance notice to the Agency of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (c) Compliance schedules. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit shall be submitted no later than 15 days following each schedule date.
- (d) Monitoring reports. Monitoring results shall be reported at the intervals specified elsewhere in this permit.
- (1) Monitoring results must be reported on a Discharge Monitoring Report (DMR).
- (2) If the permittee monitors any pollutant more frequently than required by the permit, using test procedures approved under 40 CFR 136 or as specified in the permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the DMR.
- (3) Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified by the Agency in the permit.
- (e) Twenty-four hour reporting. The permittee shall report any noncompliance which may endanger health or the environment. Any information shall be provided orally within 24 hours from the time the permittee becomes aware of the circumstances. A written submission shall also be provided within 5 days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times; and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance. The following shall be included as information which must be reported within 24 hours:
- (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
- (2) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Agency in the permit to be reported within 24 hours.
- The Agency may waive the written report on a case-by-case basis if the oral report has been received within 24 hours.
- (f) Other noncompliance. The permittee shall report all instances of noncompliance not reported under paragraphs (12)(c), (d), or (e), at the time monitoring reports are submitted. The reports shall contain the information listed in paragraph (12)(a).
- (g) Other information. Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application, or in any report to the Agency, it shall promptly submit such facts or information.
- (13) Transfer of permits. A permit may be automatically transferred to a new permittee if:
- (a) The current permittee notifies the Agency at least 30 days in advance of the proposed transfer date;
- (b) The notice includes a written agreement between the existing and new permittees containing a specific date for transfer of permit responsibility, coverage and liability between the current and new permittees; and
- (c) The Agency does not notify the existing permittee and the proposed new permittee of its intent to modify or revoke and reissue the permit. If this notice is not received, the transfer is effective on the date specified in the agreement.
- (14) All manufacturing, commercial, mining, and silvicultural dischargers must notify the Agency as soon as they know or have reason to believe:
- (a) That any activity has occurred or will occur which would result in the discharge of any toxic pollutant identified under Section 307 of the Clean Water Act which is not limited in the permit, if that discharge will exceed the highest of the following notification levels:
- (1) One hundred micrograms per liter (100 ug/l);
- (2) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitrophenol and for 2-methyl-4,6-dinitrophenol; and one milligram per liter (1 mg/l) for entomony;
- (3) Five (5) times the maximum concentration value reported for that pollutant in the NPDES permit application; or
- (4) The level established by the Agency in this permit.
- (b) That they have begun or expect to begin to use or manufacture as an intermediate or final product or byproduct any toxic pollutant which was not reported in the NPDES permit application.
- (15) All Publicly Owned Treatment Works (POTW) must provide adequate notice to the Agency of the following:
- (a) Any new introduction of pollutants into that POTW from an indirect discharger which would be subject to Sections 301 or 306 of the Clean Water Act if it were directly discharging those pollutants; and
- (b) Any substantial change in the volume or character of pollutants being introduced into that POTW by a source introducing pollutants into the POTW at the time of issuance of the permit.
- (c) For purposes of this paragraph, adequate notice shall include information on (i) the quality and quantity of effluent introduced into the POTW, and (ii) any anticipated impact of the change on the quantity or quality of effluent to be discharged from the POTW.
- (16) If the permit is issued to a publicly owned or publicly regulated treatment works, the permittee shall require any industrial user of such treatment works to comply with federal requirements concerning:
- (1) User charges pursuant to Section 204(b) of the Clean Water Act, and applicable regulations appearing in 40 CFR 35;
- (2) Toxic pollutant effluent standards and pretreatment standards pursuant to Section 307 of the Clean Water Act; and
- (3) Inspection, monitoring and entry pursuant to Section 308 of the Clean Water Act.
- (17) If an applicable standard or limitation is promulgated under Section 301(b)(2)(C) and (D), 304(b)(2), or 307(b)(2) and that effluent standard or limitation is more stringent than any effluent limitation in the permit, or controls a pollutant not limited in the permit, the permit shall be promptly modified or revoked, and revised to conform to that effluent standard or limitation.
- (18) Any authorization to construct issued to the permittee pursuant to 35 Ill. Adm. Code 309.154 is hereby incorporated by reference as a condition of this permit.
- (19) The permittee shall not make any false statement, representation or certification in any application, record, report, plan or other document submitted to the Agency or the USEPA, or required to be maintained under this permit.
- (20) The Clean Water Act provides that any person who violates a permit condition implementing Sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed \$10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing Sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than \$2,500, not more than \$25,000 per day of violation, or by imprisonment for not more than one year, or both.
- (21) The Clean Water Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
- (22) The Clean Water Act provides that any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit shall, including monitoring reports or reports of compliance or non-compliance shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
- (23) Collected screenings, sludges, sludges, and other solids shall be disposed of in such a manner as to prevent entry of those wastes (or runoff from the wastes) into waters of the State. The proper authorization for such disposal shall be obtained from the Agency and is incorporated as part hereof by reference.
- (24) In case of conflict between these standard conditions and any other conditions included in this permit, the other conditions shall govern.
- (25) The permittee shall comply with, in addition to the requirements of the permit, all applicable provisions of 35 Ill. Adm. Code, Subtitle C, Subtitle D, Subtitle E, and all applicable orders of the Board.
- (26) The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit is held invalid, the remaining provisions of this permit shall continue in full force and effect.

(Rev. 12-1-88)

From: Blaine Kinsley [mailto:Blaine.Kinsley@epa.state.il.us]
Sent: Friday, July 28, 2006 4:13 PM
To: Al Keller; Bob Mosher; Roger Callaway
Cc: Jim Huff
Subject: Re: KA Steel

Roger,

This e-mail is a heads up regarding a potential non-compliance issue that has come up with the KA Steel permit. The permit was recently renewed with an effective date of July 1, 2006. There was a mix up in which the facility had requested a change in receiving stream that was not processed in the reissued permit. We are currently trying to rectify the that situation, but will not be able to do that before the first DMR is due. I have instructed KA Steel to submit their new July DMR with an explanation of the situation.

Permits will endeavor to process the modification as soon as possible.

Blaine Kinsley, P.E.
Industrial Unit Manager
Permit Section
Division of Water Pollution Control
Illinois EPA

>>> "Jim Huff" <jhuff@huffnhuff.com> 7/27/2006 1:10 PM >>>
Blaine

Can you give me an update on KA Steel?

Thanks

Jim

James E. Huff, P.E.
JHuff@huffnhuff.com <<mailto:JHuff@huffnhuff.com>>
Huff & Huff, Inc.
Ph: (708) 579-5974
Fx: (708) 579-3526

Exhibit E

From: Blaine Kinsley [mailto:Blaine.Kinsley@epa.state.il.us]
Sent: Friday, July 28, 2006 4:13 PM
To: Al Keller; Bob Mosher; Roger Callaway
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Industrial Unit Manager
Permit Section
Division of Water Pollution Control
Illinois EPA

>>> "Jim Huff" <jhuff@huffnhuff.com> 7/27/2006 1:10 PM >>>
Blaine

Can you give me an update on KA Steel?

Thanks

Jim

James E. Huff, P.E.
JHuff@huffnhuff.com <<mailto:JHuff@huffnhuff.com>>
Huff & Huff, Inc.
Ph: (708) 579-5974
Fx: (708) 579-3526

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

K.A. STEEL CHEMICALS INC.)
)
 Petitioner)
)
 v.)
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

PCB 07-009
(Permit Appeal-)

RECEIVED
CLERK'S OFFICE
AUG 07 2006
STATE OF ILLINOIS
Pollution Control Board

MOTION OF K.A. STEEL CHEMICALS INC. TO STAY THIS PROCEEDING

Petitioner K.A. Steel Chemical Inc. ("K.A. Steel"), by its undersigned counsel, moves the Illinois Pollution Control Board ("the Board") under Section 101.514 of the Illinois Administrative Code to stay this proceeding pending the outcome of discussions regarding permit modification with the Illinois Environmental Protection Agency ("IEPA"). In support of this Motion, K.A. Steel states as follows:

1. K.A. Steel has on this date filed a petition for appeal of the NPDES permit issued by IEPA on June 29, 2006.
2. As related in that petition, the appeal concerns that permit. IEPA states in a recent e-mail that, due to a "mix-up" at the agency, it did not consider K.A. Steel's application for a modification of its prior permit, pending since April 11, 2006, before issuing the new permit.
3. The IEPA stated in the e-mail that it would seek to "rectify" this situation but that it could not do so by the end of July 2006. Thus this situation also could not be rectified prior to the expiration of K.A. Steel's 35-day appeal period.

4. While a successful outcome of discussions between K.A. Steel and IEPA cannot be assumed, it is clear that, by issuing the June 29, 2006 permit, IEPA did not intend at this time to reject K.A. Steel's pending application for modification of its prior permit out-of-hand. Thus, K.A. Steel reasonably believes that it would conserve the resources of the Board and the parties to stay this proceeding for a reasonable time pending these discussions.

THEREFORE, KA Steel respectfully requests that the Board enter an order staying this proceeding for 30 days pending discussions with IEPA regarding permit modification.

Dated: August 3, 2006

Respectfully submitted,

KA STEEL CHEMICALS INC.



By Its Attorney Maureen Martin
Illinois ARDC No. 61811033

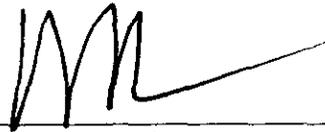
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Green Lake, Wisconsin 54941
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Facsimile: (920) 295-6132

CERTIFICATE OF SERVICE

I, the undersigned, certify that I served the attached Notice of Filing, Appearance, Petition for NPDES Permit Appeal of K.A. Steel Chemicals Inc., and K.A. Steel Chemicals Inc.'s Motion to Stay This Proceeding. by United States First Class Mail upon:

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

on this 3rd day of August, 2006



Maureen Martin
Illinois ARDC No. 61811033