

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

PEOPLE OF THE STATE OF ILLINOIS,)	
)	
)	
Complainant,)	
)	
v.)	PCB No. 2017-
)	(Enforcement-Air)
PACKAGING CORPORATION OF)	
AMERICA, a Delaware corporation,)	
)	
Respondent.)	

NOTICE OF ELECTONRIC FILING

To: Dawn Blancaflor
Packaging Corporation of America
3668 LaFontana Way
Boise, ID 83702

PLEASE TAKE NOTICE that on the 31st day of March, 2017, I filed with the Clerk of the Illinois Pollution Control Board a Complaint, Motion to Request Relief from Hearing Requirement with Respondent, Packaging Corporation of America and Stipulation and Proposal for Settlement, copies of which are attached hereto and are hereby served upon you.

PEOPLE OF THE STATE OF ILLINOIS
LISA MADIGAN
Attorney General of the State of Illinois

By: /s/ Elizabeth Dubats
Elizabeth Dubats
Assistant Attorney General
Environmental Bureau North
69 W. Washington Street, Suite 1800
Chicago, IL 60602
(312) 814-2069
edubats@atg.state.il.us

THIS IS SUBMITTED ON RECYCLED PAPER

CERTIFICATE OF SERVICE

I, ELIZABETH DUBATS, an Assistant Attorney General, do certify that I caused to be mailed this 31ST DAY OF MARCH, 2017, the foregoing Complaint, Motion for Request Relief from Hearing, Stipulation and Proposal for Settlement and Notice of Filing with Respondent, Packaging Corporation of America by certified mail with return receipt requested to the person listed on the Notice of Filing on March 31, 2017.

/s/ Elizabet Dubats

Elizabeth Dubats
Assistant Attorney General
Environmental Bureau
69 W. Washington Street, Suite 1800
Chicago, IL 60602
(312) 814-3094

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

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PACKAGING CORPORATION OF)	
AMERICA, a Delaware corporation,)	
Respondent.)	

COMPLAINT

Complainant, PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, Attorney General of the State of Illinois, complains of Respondent, PACKAGING CORPORATION OF AMERICA, a Delaware corporation, as follows:

COUNT I
OPERATING WITHOUT A CLEAN AIR ACT PERMIT PROGRAM PERMIT

1. This Complaint is brought by LISA MADIGAN, Attorney General of the State of Illinois, on her own motion and at the request of the Illinois Environmental Protection Agency (“Illinois EPA”) pursuant to Section 31 of the Illinois Environmental Protection Act (“Act”), 415 ILCS 5/31 (2014)
2. The Illinois EPA is an agency of the State of Illinois created by the Illinois General Assembly in Section 4 of the Act, 415 ILCS 5/4 (2014), and charged, *inter alia*, with the duty of enforcing the Act.
3. At all times relevant to the complaint, Respondent, PACKAGING CORPORATION OF AMERICA (“Packaging Corp.”), was and is a Delaware corporation authorized to conduct business in Illinois and in good standing with the Illinois Secretary of State.

4. Packaging Corp. operates a printing and packaging facility located at 5200 West Roosevelt Road, Chicago, Cook County, Illinois 60076 ("Facility").

5. Emissions units at the Facility include at least one (1) flexographic printer/slotter, one (1) flexographic gluer/printer, one (1) flexographic rotary die cutter, one (1) flexographic coater, one (1) taper gluer, one (1) auto laminator, one (1) semi laminator, two (2) die cutters, and one (1) folder/gluer with hot melt taper.

6. Packaging Corp.'s emission units emit or have the potential to emit ("PTE") volatile organic material ("VOM"), and glycol ethers, which is listed as a hazardous air pollutant ("HAP") in Section 112(b)(1) of the Clean Air Act, 42 U.S. Code § 7412(b)(1) (2014).

7. Respondent's Facility has an estimated PTE for VOM greater than 100 tons/year and for a single HAP greater than 10 tons/year.

8. On December 1, 2010, the Illinois EPA issued to Packaging Corp. a Federally Enforceable State Operating Permit ("FESOP") No. 10050006.

9. On December 1, 2015, Packaging Corp.'s FESOP expired.

10. On March 3, 2016, Packaging Corp. submitted its FESOP renewal application to the Illinois EPA.

11. On July 20, 2016, Illinois EPA issued a renewal FESOP to Packaging Corp.

12. Section 3.315 of the Act, 415 ILCS 5/3.315 (2014), provides the following definition:

"Person" is any individual, partnership, co-partnership, firm, company, limited liability company, corporation, association, joint stock company, trust, estate, political subdivision, state agency, or any other legal entity, or their legal representative, agent or assigns.

13. Packaging Corp., a corporation, is a person as that term is defined in Section 3.315 of the Act, 415 ILCS 5/3.315 (2014).

14. Section 39.5(1) of the Act, 415 ILCS 5/39.5(1) (2014), provides the following definitions:

“CAAPP” means the Clean Air Act Permit Program developed pursuant to Title V of the Clean Air Act.

“CAAPP permit” ... means any permit issued, renewed, amended, modified or revised pursuant to Title V of the Clean Air Act.

“CAAPP source” means any source for which the owner or operator is required to obtain a CAAPP permit pursuant to subsection 2 of this Section.

"Major source" means a source for which emissions of one or more air pollutants meet the criteria for major status pursuant to paragraph (c) of subsection 2 of this Section.

“Owner or operator” means any person who owns, leases, operates, controls, or supervises a stationary source.

“Potential to emit” means the maximum capacity of a station source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is enforceable by USEPA. This definition does not alter or affect the use of this term for any other purposes under the Clean Air Act, or the term “capacity factor” as used in Title IV of the Clean Air Act or the regulations promulgated thereunder.

“Regulated air pollutant” means the following:

- (1) Nitrogen oxides (NO_x) or any volatile organic compound.
- (2) Any pollutant for which a national ambient air quality standard has been promulgated.
- (3) Any pollutant that is subject to any standard promulgated under Section 111 of the Clean Air Act.
- (4) Any Class I or II substance subject to a standard promulgated under or established by Title VI of the Clean Air Act.
- (5) Any pollutant subject to a standard promulgated under Section 112 or other requirements established under Section 112 of the Clean Air Act, including Sections 112(g), (j) and (r).
 - (i) Any pollutant subject to requirements under Section 112(j) of the Clean Air Act. Any pollutant listed under Section 112(b) for which the subject source

would be major shall be considered to be regulated 18 months after the date on which USEPA was required to promulgate an applicable standard pursuant to Section 112(e) of the Clean Air Act, if USEPA fails to promulgate such standard.

- (ii) Any pollutant for which the requirements of Section 112(g)(2) of the Clean Air Act have been met, but only with respect to the individual source subject to Section 112(g)(2) requirement.

“Source” means any stationary source (or any group of stationary sources) that is located on one or more contiguous or adjacent properties that are under common control of the same person (or persons under common control) and that belongs to a single major industrial grouping. For the purposes of defining “source,” a stationary source or group of stationary sources shall be considered part of a single major industrial grouping if all of the pollutant emitting activities at such source or group of sources located on contiguous or adjacent properties and under common control belong to the same Major Group (i.e., all have the same two-digit code) as described in the Standard Industrial Classification Manual, 1987, or such pollutant emitting activities at a stationary source (or group of stationary sources) located on contiguous or adjacent properties and under common control constitute a support facility. The determination as to whether any group of stationary sources is located on contiguous or adjacent properties, and/or is under common control, and/or whether the pollutant emitting activities at such group of stationary sources constitute a support facility shall be made on a case by case basis.

“Stationary source” means any building, structure, facility, or installation that emits or may emit any regulated air pollutant or any pollutant listed under Section 112(b) of the Clean Air Act.

15. Section 39.5(2) of the Act, 415 ILCS 5/39.5(2) (2014), provides as follows:

(2) Applicability.

(a) Sources subject to this Section shall include:

(i) Any major source as defined in paragraph (c) of this subsection

* * *

(c) For purposes of this Section the term “major source” means any source that is:

- (i) A major source under Section 112 of the Clean Air Act, which is defined as:
 - A. For pollutants other than radionuclides, any stationary source located within a contiguous area and under common control that emits or has the potential to emit, in the aggregate, 10 tons per year (tpy) or more of any hazardous air pollutant which has been listed pursuant to Section 112(b) of the Clean Air Act, 25 tpy or more of any combination of such hazardous air pollutants. . . .
- (ii) A major stationary source of air pollutants, as defined in Section 302 of the Clean Air Act, that directly emits or has the potential to emit, 100 tpy or more of any air pollutant. . . .
- (iii) A major stationary source as defined in part D of Title I of the Clean Air Act including:
 - A. For ozone nonattainment areas, sources with the potential to emit 100 tons or more per year of volatile organic compounds or oxides of nitrogen in areas classified as "marginal" or "moderate", 50 tons or more per year in areas classified as "serious", 25 tons or more per year in areas classified as "severe". . . .

16. The Facility is a stationary source as the term is defined in Section 39.5(1) of the Act, 415 ILCS 5/39.5(1) (2014), because it emits VOM, a regulated air pollutant, and glycol ethers, which is listed as a HAP under Section 112(b) of the Clean Air Act, 42 U.S. Code § 7412(b)(1) (2014).

17. At the time Respondent first received FESOP No. 10050006, Cook County, Illinois, the location of the Facility, was designated as a "moderate" nonattainment area for ozone. The Facility has the potential to emit 100 tons per year of VOM in a moderate nonattainment area, and 10 tons per year for a single HAP, and is therefore a major source as that term is defined in Sections 39.5(1) and 39.5(2)(c) of the Act, 415 ILCS 5/39.5(1) and 39.5(2)(c)

(2014).

18. Respondent is an owner/operator of a major source and a CAAPP source and is subject to CAAPP requirements.

19. Section 39.5(3)(c) of the Act, 415 ILCS 5/39.5(3)(c) (2014), provides as follows:

(3) Agency Authority To Issue CAAPP Permits and Federally Enforceable State Operating Permits.

* * *

(c) The Agency shall have the authority to issue a State operating permit for a source under subsection (a) of Section 39 of this Act, as amended, and regulations promulgated thereunder, which includes federally enforceable conditions limiting the “potential to emit” of the source to a level below the major source threshold for that source as described in paragraph (c) of subsection 2 of this Section, thereby excluding the source from the CAAPPP, when requested by the applicant pursuant to paragraph (u) of subsection 5 of this Section. . . .

20. Pursuant to 39.5(3)(c) of the Act, Respondent applied for and obtained a FESOP that voluntarily limited the potential to emit of the Facility to below major source levels.

21. Section 39.5(6)(b) of the Act, 415 ILCS 5/39.5(6)(b) (2014), provides as follows:

After the applicable CAAPP permit or renewal application submittal date, as specified in Subsection 5 of this Section, no person shall operate a CAAPP source without a CAAPP permit unless the complete CAAPP permit or renewal application for such source has been timely submitted to the Agency.

22. Section 39.5(5)(u) of the Act, 415 ILCS 5/39.5(5)(u) (2014), provides as follows:

An owner or operator of a CAAPP source which seeks exclusion from the CAAPP through the imposition of federally enforceable conditions, pursuant to paragraph (c) of subsection 3 of this Section, must request such exclusion within a CAAPP application submitted consistent with this subsection on or after the date that the CAAPP application for the source is due. . . .

23. Section 201.162 of the Board’s Air Pollution Regulations, 35 Ill. Adm. Code

201.162, provides as follows:

Applications for renewal of an operating permit shall be submitted to the Agency at least 90 days prior to the expiration of the prior permit. . . .

24. Packaging Corp. was required to submit its permit renewal application no later than September 2, 2015, 90 days prior to the expiration of its FESOP No. 10050006. Respondent submitted its FESOP renewal application to the Illinois EPA on March 3, 2016, 184 days late.

25. From December 2, 2015 until July 20, 2016, Packaging Corp. operated without its FESOP.

26. By failing to submit its FESOP permit renewal application by the deadline for this source and by operating without the requisite permit, Respondent violated Section 39.5(6)(b) of the Act, 415 ILCS 5/39.5(6)(b) (2014).

WHEREFORE, Complainant, PEOPLE OF THE STATE OF ILLINOIS, respectfully requests that the Board enter an Order against the Respondent, PACKAGING CORPORATION OF AMERICA, for the following relief:

1. Authorizing a hearing in this matter at which time the Respondent will be required to answer the allegations herein;
2. Finding that Respondent has violated Section 39.5(6)(b) of the Act, 415 ILCS 5/39.5(6)(b) (2014);
3. Ordering the Respondent to cease and desist from any further violations of Section 39.5(6)(b) of the Act, 415 ILCS 5/39.5(6)(b) (2014);
4. Assessing against the Respondent a civil penalty of Ten Thousand Dollars (\$10,000.00) per day for each day of violation pursuant to Section 42(b)(5) of the Act, 415 ILCS 5/42(b)(5) (2014);

5. Taxing all costs in this action, including, but not limited to, attorney, expert witness and consultant fees, against Respondent; and
6. Granting such other relief as the Board deems appropriate and just.

PEOPLE OF THE STATE OF ILLINOIS,
LISA MADIGAN,
Attorney General of the State of Illinois

MATTHEW J. DUNN, Chief
Environmental Enforcement/
Asbestos Litigation Division


ELIZABETH WALLACE, Chief
Environmental Bureau
Assistant Attorney General

Of Counsel:
ELIZABETH DUBATS
Assistant Attorney General
Environmental Bureau
Illinois Attorney General's Office
69 W. Washington St., Suite 1800
Chicago, Illinois 60602
(312) 814-2069
edubats@atg.state.il.us

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MOTION FOR RELIEF FROM HEARING REQUIREMENT

NOW COMES Complainant, PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, Attorney General of the State of Illinois, and pursuant to Section 31(c)(2) of the Illinois Environmental Protection Act (“Act”), 415 ILCS 5/31(c)(2) (2014), moves that the Illinois Pollution Control Board (“Board”) grant the parties in the above-captioned matter relief from the hearing requirement imposed by Section 31(c)(1) of the Act, 415 ILCS 5/31(c)(1) (2014). In support of this motion, Complainant states as follows:

1. The Complaint in this matter alleges violation of Section 39.5(6)(b) of the Act, 415 ILCS 5/39.5(6)(b) (2014).
2. Complainant is filing the Complaint with the Board simultaneous with this Motion and a Stipulation and Proposal for Settlement.
3. The parties have reached agreement on all outstanding issues in this matter.
4. This agreement is presented to the Board in a Stipulation and Proposal for Settlement filed this same date.
5. All parties agree that a hearing on the Stipulation and Proposal for Settlement is not necessary, and respectfully request relief from such a hearing as allowed by Section 31(c)(2)

of the Act, 415 ILCS 5/31(c)(2) (2014).

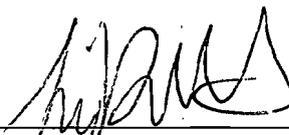
WHEREFORE, Complainant, PEOPLE OF THE STATE OF ILLINOIS, hereby requests that the Board grant this motion for relief from the hearing requirement set forth in Section 31(c)(1) of the Act, 415 ILCS 5/31(c)(1) (2014).

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS

LISA MADIGAN
Attorney General
State of Illinois

BY:



ELIZABETH DUBATS
Assistant Attorney General
Environmental Bureau
Illinois Attorney General's Office
69 W. Washington St., Suite 1800
Chicago, Illinois 60602
(312) 814-2069
edubats@atg.state.il.us

DATE: March 31, 2017

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STIPULATION AND PROPOSAL FOR SETTLEMENT

Complainant, PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, Attorney General of the State of Illinois, the ILLINOIS ENVIRONMENTAL PROTECTION AGENCY (“Illinois EPA”), and PACKAGING CORPORATION OF AMERICA (“Packaging Corp.” or “Respondent”) (together, “Parties to the Stipulation”), have agreed to the making of this Stipulation and Proposal for Settlement (“Stipulation”) and submit it to the Illinois Pollution Control Board (“Board”) for approval. This stipulation of facts is made and agreed upon for purposes of settlement only and as a factual basis for the Board’s approval of this Stipulation and issuance of relief. None of the facts stipulated herein shall be introduced into evidence in any other proceeding regarding the violations of the Illinois Environmental Protection Act (“Act”), 415 ILCS 5/1 *et seq.* (2014), alleged in the Complaint except as otherwise provided herein. It is the intent of the Parties to the Stipulation that it be a final adjudication of this matter.

I. STATEMENT OF FACTS

A. Parties and Factual Allegations

1. On March 31, 2017, a Complaint was filed on behalf of the People of the State of

Illinois by Lisa Madigan, Attorney General of the State of Illinois, on her own motion and upon the request of the Illinois EPA, pursuant to Section 31 of the Act, 415 ILCS 5/31 (2014), against the Respondent.

2. The Illinois EPA is an administrative agency of the State of Illinois, created pursuant to Section 4 of the Act, 415 ILCS 5/4 (2014).

3. At all times relevant to the Complaint, Respondent was and is a Delaware corporation that is authorized to transact business in the State of Illinois. At all times relevant to the Complaint, Respondent owned and operated a printing and packaging facility located at 5200 West Roosevelt Road, Chicago, Cook County, Illinois ("Facility" or "Source").

4. On December 1, 2010, the Illinois EPA issued Federally Enforceable State Operating Permit ("FESOP") No. 1005006 to the Respondent with the expiration date of December 1, 2015.

5. On January 12, 2016, Packaging Corp. verbally notified Illinois EPA of the expired permit. On February 29, Packaging Corp. sent a certified letter to Illinois EPA informing the agency of the expired FESOP. On March 3, 2016, Packaging Corp. submitted an application for FESOP renewal to Illinois EPA.

6. On May 12, 2016, Packaging Corp. and Illinois EPA entered into an Agreement for Expedited Review of Permit Application and Packaging Corp. paid the \$940 fee.

7. On July 20, 2016, Illinois EPA issued a renewal FESOP to Packaging Corp.

B. Allegations of Non-Compliance

Complainant contends that the Respondent has violated the following provisions of the Act and Board's regulations:

Count I: Operating without a Clean Air Act Permit Program Permit.

Violation of Section 39.5(6)(b) of the Act, 415 ILCS 5/39.5(6)(b) (2014).

C. Admission of Violations

The Respondent admits to the violations alleged in the Complaint filed in this matter and referenced within Section I.B herein.

D. Compliance Activities to Date

On July 20, 2016, the Respondent obtained a renewed FESOP permit.

II. APPLICABILITY

This Stipulation shall apply to and be binding upon the Parties to the Stipulation. The Respondent shall not raise as a defense to any enforcement action taken pursuant to this Stipulation the failure of any of its officers, directors, agents, employees or successors or assigns to take such action as shall be required to comply with the provisions of this Stipulation. This Stipulation may be used against the Respondent in any subsequent enforcement action or permit proceeding as proof of a past adjudication of violation of the Act and the Board's regulations for all violations alleged in the Complaint in this matter, for purposes of Sections 39 and 42 of the Act, 415 ILCS 5/39 and 42 (2014).

III. IMPACT ON THE PUBLIC RESULTING FROM ALLEGED NON-COMPLIANCE

Section 33(c) of the Act, 415 ILCS 5/33(c)(2014), provides as follows:

In making its orders and determinations, the Board shall take into consideration all the facts and circumstances bearing upon the reasonableness of the emissions, discharges, or deposits involved including, but not limited to:

1. the character and degree of injury to, or interference with the protection of the health, general welfare and physical property of the people;
2. the social and economic value of the pollution source;

3. the suitability or unsuitability of the pollution source to the area in which it is located, including the question of priority of location in the area involved;
4. the technical practicability and economic reasonableness of reducing or eliminating the emissions, discharges or deposits resulting from such pollution source; and
5. any subsequent compliance.

In response to these factors, the Parties to the Stipulation state the following:

1. The Illinois EPA's information gathering responsibilities were hindered by the Respondent's violations thereby threatening human health and the environment.
2. There is social and economic benefit to the facility resulting from the manufacturing operations performed by Respondent at the facility.
3. Operation of Respondent's facility was and is suitable for the area in which it is located.
4. Submitting a timely FESOP renewal application is both technically practicable and economically reasonable.
5. Respondent has subsequently complied with the Act and the Board regulations. Respondent submitted an application to renew its FESOP on March 3, 2016 and the FESOP was issued on July 20, 2016.

IV. CONSIDERATION OF SECTION 42(h) FACTORS

Section 42(h) of the Act, 415 ILCS 5/42(h)(2014), provides as follows:

In determining the appropriate civil penalty to be imposed under . . . this Section, the Board is authorized to consider any matters of record in mitigation or aggravation of penalty, including but not limited to the following factors:

1. the duration and gravity of the violation;

2. the presence or absence of due diligence on the part of the respondent in attempting to comply with requirements of this Act and regulations thereunder or to secure relief therefrom as provided by this Act;
3. any economic benefits accrued by the respondent because of delay in compliance with requirements, in which case the economic benefits shall be determined by the lowest cost alternative for achieving compliance;
4. the amount of monetary penalty which will serve to deter further violations by the respondent and to otherwise aid in enhancing voluntary compliance with this Act by the respondent and other persons similarly subject to the Act;
5. the number, proximity in time, and gravity of previously adjudicated violations of this Act by the respondent;
6. whether the respondent voluntarily self-disclosed, in accordance with subsection i of this Section, the non-compliance to the Agency;
7. whether the respondent has agreed to undertake a "supplemental environmental project," which means an environmentally beneficial project that a respondent agrees to undertake in settlement of an enforcement action brought under this Act, but which the respondent is not otherwise legally required to perform; and
8. whether the respondent has successfully completed a Compliance Commitment Agreement under subsection (a) of Section 31 of this Act to remedy the violations that are the subject of the complaint.

In response to these factors, the Parties to the Stipulation state as follows:

1. The Respondent failed to timely submit its application for renewal for FESOP No. 10050006. On December 2, 2015, Respondent's FESOP No. 10050006 expired. Respondent operated without the requisite permit until July 20, 2016. The Clean Air Act Permit Program and FESOP requirements are of programmatic significance to Illinois EPA.

2. Respondent was diligent in attempting to come back into compliance with the Act, Board regulations and applicable federal regulations, once the Illinois EPA notified it of its noncompliance.

3. The civil penalty takes into account any economic benefit realized by the Respondent as a result of avoided or delayed compliance.

4. Complainant has determined, based upon the specific facts of this matter, that a penalty of Ten Thousand Dollars (\$10,000.00) will serve to deter further violations and aid in future voluntary compliance with the Act and Board regulations.

5. To Complainant's knowledge, Respondent has no previously adjudicated violations of the Act

6. Self-disclosure is not at issue in this matter.

7. The settlement of this matter does not include a supplemental environmental project.

8. A Compliance Commitment Agreement was proposed by Respondent, but rejected by the Illinois EPA.

V. TERMS OF SETTLEMENT

A. Penalty Payment

1. The Respondent shall pay a civil penalty in the sum of Ten Thousand Dollars (\$10,000.00) within thirty (30) days from the date the Board adopts and accepts this Stipulation.

B. Interest and Default

1. If the Respondent fails to make any payment required by this Stipulation on or before the date upon which the payment is due, the Respondent shall be in default and the remaining unpaid balance of the penalty, plus any accrued interest, shall be due and owing immediately. In the event of default, the Complainant shall be entitled to reasonable costs of collection, including reasonable attorney's fees.

2. Pursuant to Section 42(g) of the Act, interest shall accrue on any penalty amount

owed by the Respondent not paid within the time prescribed herein. Interest on unpaid penalties shall begin to accrue from the date such are due and continue to accrue to the date full payment is received. Where partial payment is made on any penalty amount that is due, such partial payment shall be first applied to any interest on unpaid penalties then owing.

C. Payment Procedures

1. All payments required by this Stipulation shall be made by certified check or money order payable to the Illinois EPA for deposit into the Environmental Protection Trust Fund ("EPTF"). Payments shall be sent by first class mail and delivered to:

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

2. The name and case number shall appear on the face of the certified check or money order.

3. A copy of the certified check or money order and any transmittal letter shall be sent to:

Elizabeth Dubats
Environmental Bureau
Illinois Attorney General's Office
69. West Washington, Suite 1800
Chicago, Illinois 60602

D. Future Compliance

1. In addition to any other authorities, the Illinois EPA, its employees and

representatives, and the Attorney General, her employees and representatives, shall have the right of entry into and upon the Respondent's facility which is the subject of this Stipulation, at all reasonable times for the purposes of conducting inspections and evaluating compliance status. In conducting such inspections, the Illinois EPA, its employees and representatives, and the Attorney General, her employees and representatives, may take photographs, samples, and collect information, as they deem necessary.

2. This Stipulation in no way affects the responsibilities of the Respondent to comply with any other federal, state or local laws or regulations; including but not limited to the Act and Board regulations.

3. The Respondent shall cease and desist from future violations of the Act that were the subject matter of the Complaint.

E. Release from Liability

In consideration of the Respondent's payment of the \$10,000.00 penalty, its commitment to cease and desist as contained in Section V.D.3 above, and upon the Board's approval of this Stipulation, the Complainant releases, waives and discharges the Respondent from any further liability or penalties for the violations of the Act that were the subject matter of the Complaint herein. The release set forth above does not extend to any matters other than those expressly specified in Complainant's Complaint filed on March 31, 2017. The Complainant reserves, and this Stipulation is without prejudice to, all rights of the State of Illinois against the Respondent with respect to all other matters, including but not limited to, the following:

- a. criminal liability;
- b. liability for future violation of state, federal, local, and common laws and/or

regulations;

- c. liability for natural resources damage arising out of the alleged violations; and
- d. liability or claims based on the Respondent's failure to satisfy the requirements of this Stipulation.

Nothing in this Stipulation is intended as a waiver, discharge, release, or covenant not to sue for any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the State of Illinois may have against any person, as defined by Section 3.315 of the Act, 415 ILCS 5/3.315, or entity other than the Respondent.

F. Enforcement of Stipulation

Upon the entry of the Board's Order approving and accepting this Stipulation, that Order is a binding and enforceable order of the Board and may be enforced as such through any and all available means.

G. Execution of Stipulation

The undersigned representatives for the Parties to the Stipulation certify that they are fully authorized by the party whom they represent to enter into the terms and conditions of this Stipulation and to legally bind them to it.

WHEREFORE, the Parties to the Stipulation request that the Board adopt and accept the

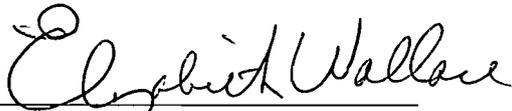
foregoing Stipulation and Proposal for Settlement as written.

PEOPLE OF THE STATE OF ILLINOIS, ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

LISA MADIGAN
Attorney General
State of Illinois

ALEC MESSINA, Director
Illinois Environmental Protection Agency

MATTHEW J. DUNN, Chief
Environmental Enforcement/
Asbestos Litigation Division

BY: 
ELIZABETH WALLACE, Chief
Assistant Attorney General
Environmental Bureau

BY: 
JOHN J. KIM
Chief Legal Counsel

DATE: 3/28/17

DATE: 3/21/17

PACKAGING CORPORATION OF AMERICA

BY: _____

Name: _____

Title: _____

DATE: _____

foregoing Stipulation and Proposal for Settlement as written.

PEOPLE OF THE STATE OF ILLINOIS,

ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY

LISA MADIGAN
Attorney General
State of Illinois

ALEC MESSINA, Director
Illinois Environmental Protection Agency

MATTHEW J. DUNN, Chief
Environmental Enforcement/
Asbestos Litigation Division

BY: _____
JOHN J. KIM
Chief Legal Counsel

BY: _____
ELIZABETH WALLACE, Chief
Assistant Attorney General
Environmental Bureau

DATE: _____

DATE: _____

PACKAGING CORPORATION OF
AMERICA

BY: 

Name: Kent PFL de...

Title: SVP, CSR & Sec...

DATE: 3/24/2011