

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

SANITARY DISTRICT OF	)	
DECATUR,	)	
	)	
Petitioner,	)	
	)	
v.	)	PCB 14-111
	)	(Variance – Water)
ILLINOIS ENVIRONMENTAL	)	
PROTECTION AGENCY,	)	
	)	
Respondent.	)	

**NOTICE OF FILING**

TO: Mr. John T. Therriault	Carol Webb, Esq.
Assistant Clerk of the Board	Hearing Officer
Illinois Pollution Control Board	Illinois Pollution Control Board
100 W. Randolph Street	1021 North Grand Avenue East
Suite 11-500	Post Office Box 19274
Chicago, Illinois 60601	Springfield, Illinois 62794-9274
<b>(VIA ELECTRONIC MAIL)</b>	<b>(VIA FIRST CLASS MAIL)</b>

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the Illinois Pollution Control Board the **STATUS REPORT** and **PETITIONER'S MOTION TO EXTEND STAY OF THE PROCEEDING**, copies of which are herewith served upon you.

Respectfully submitted,

SANITARY DISTRICT OF DECATUR,

Dated: April 1, 2015

By: /s/Katherine D. Hodge  
Katherine D. Hodge

Katherine D. Hodge  
HODGE DWYER & DRIVER  
3150 Roland Avenue  
Post Office Box 5776  
Springfield, Illinois 62705-5776  
(217) 523-4900

**CERTIFICATE OF SERVICE**

I, Katherine D. Hodge, the undersigned, hereby certify that I have served the attached STATUS REPORT and PETITIONER'S MOTION TO EXTEND STAY OF THE PROCEEDING, upon:

Mr. John T. Therriault  
Assistant Clerk of the Board  
Illinois Pollution Control Board  
100 West Randolph Street, Suite 11-500  
Chicago, Illinois 60601

via electronic mail on April 1, 2015; and upon:

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

Carol Webb, Esq.  
Hearing Officer  
Illinois Pollution Control Board  
1021 North Grand Avenue East  
Post Office Box 19274  
Springfield, Illinois 62794-9274

Division Chief of Environmental Enforcement  
Office of the Attorney General  
69 West Washington Street  
Chicago, Illinois 60602

Office of Legal Services  
IL Department of Natural Resources  
One Natural Resources Way  
Springfield, IL 62702-1271

depositing said documents in the United States Mail, postage prepaid, in Springfield, Illinois, on April 1, 2015.

/s/Katherine D. Hodge  
Katherine D. Hodge

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**STATUS REPORT**

NOW COMES the SANITARY DISTRICT OF DECATUR (“District”), by and through its attorneys, HODGE DWYER & DRIVER, and provides this status report to the Hearing Officer and the Illinois Pollution Control Board (“Board”) regarding recent activities in this matter. The District provides as follows:

On February 21, 2014, the Sanitary District of Decatur (“District”) filed a petition to extend a 2010 variance from water quality standards that establish water quality based effluent limits for nickel. See 35 Ill. Adm. Code 302.208(e) and 304.105. On April 7, 2014, the Illinois Environmental Protection Agency (“Illinois EPA”) filed its recommendation, recommending that the variance be denied. On April 21, 2014, the District filed a motion to stay the proceedings along with a waiver of the decision deadline. The Board granted the stay, but only until October 1, 2014, as the District provided a waiver of the decision deadline only until December 31, 2014.

The Board directed the District and Illinois EPA to file a status report with the Board indicating how the case should proceed and noted that, if a proper waiver is filed, an additional stay will be considered.

On October 1, 2014, the District filed a motion to extend the stay along with an open waiver of the decision deadline. The District has filed a site-specific rulemaking docketed as *Proposed Site Specific rule for Sanitary District of Decatur From 35 Ill. Adm. Code Section 302.208(E)*, R14-24 (“Site Specific Rulemaking”) and is continuing to “engage in discussions” with the United States Environmental Protection Agency (“USEPA”). The District stated that an additional stay until April 1, 2015, will allow for the parties to make meaningful progress in this proceeding. The Board granted the stay until April 1, 2015, and directed that the parties submit a status report on December 31, 2014 and another on April 1, 2015.

The District is continuing to engage in discussions with Illinois EPA and USEPA concerning technical studies at issue in the Site Specific Rulemaking proceeding. The District’s consultants have completed their review and evaluation, as requested by USEPA, and are in the process of preparing a written report to be submitted to USEPA. Completion of the report has been delayed by the need to respond to additional comments from USEPA. A meeting with USEPA (and Illinois EPA) was held in Chicago on January 8, 2015, to discuss the status of and schedule for additional USEPA review and comment of the District’s written report.

In addition, the District is continuing to engage in discussions with Illinois EPA and USEPA regarding approval of the District’s proposed testing protocol. The District received another set of comments from USEPA on December 2, 2014. The District’s consultants prepared responses to such comments, which were discussed in conference calls with Illinois EPA and USEPA on December 11, 2014, and on December 18, 2014. The District received further USEPA comments regarding the proposed testing protocol

on February 2, 2015, and has reviewed the comments with its consultant and with personnel from the university laboratory that will be performing the testing. Initial testing began during the week of March 16, 2015. The District expects to begin initial testing as soon as the laboratory schedule will allow, with further testing to follow based on the initial results and further discussion with USEPA.

The District will commit to the filing of additional status report(s), as requested by the Hearing Officer.

Respectfully submitted,

SANITARY DISTRICT OF DECATUR,

Dated: April 1, 2015

By: /s/ Katherine D. Hodge  
Katherine D. Hodge

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HODGE DWYER & DRIVER  
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**PETITIONER’S MOTION TO EXTEND STAY OF THE PROCEEDING**

NOW COMES Petitioner, SANITARY DISTRICT OF DECATUR (“District” or “Petitioner”), by and through its attorneys, HODGE DWYER & DRIVER, and pursuant to 35 Ill. Admin. Code § 101.514, hereby requests that the Illinois Pollution Control Board (“Board”) grant this Motion to Extend Stay of the Proceeding until June 30, 2015.

In support of its motion, Petitioner states as follows:

1. On June 15, 2009, the District first sought a variance from the Board’s general use water quality standards for nickel and zinc at Section 302.208(e) of the Board’s regulations (35 Ill. Admin. Code § 302.208(e)) and from Section 304.105 of the Board’s regulations (35 Ill. Admin. Code § 304.105) as it applies to establishing water quality based effluent limits.

2. On July 30, 2009, the Illinois Environmental Protection Agency (“Illinois EPA” or “Agency”) filed its Recommendation recommending that the Board grant the variance. Under the heading of Consistency With Federal Law, the Agency stated as follows:

25. There are no applicable federal laws or regulations that preclude the granting of this variance. The State of Illinois has

been delegated by the Administrator of the United States Environmental Protection Agency to administer the National Pollutant Discharge Elimination System for discharges into navigable waters within its jurisdiction under Section 402(b) of the Clean Water Act. 33 U.S.C. 1342(b) (2008).

Agency Recommendation at 9, PCB No. 09-125 (Ill.Pol.Control.Bd. July 30, 2009).

3. On January 7, 2010, the Board granted the variance, subject to specified conditions, in an Opinion and Order in PCB 09-125. ("Initial Variance"). The Initial Variance began on January 7, 2010, and ends on July 1, 2014.

4. On February 21, 2014, the District filed its Petition for Extension of Variance ("Petition") requesting a one-year extension of its Initial Variance for the continued discharge of nickel from its wastewater treatment plant located in Decatur, Macon County, Illinois, into the Sangamon River, pursuant to the terms and conditions outlined in the Petition.

5. On March 6, 2014, the Board accepted the Petition.

6. On April 7, 2014, the Agency filed its Recommendation, stating in pertinent part, as follow:

Given that the District needs to perform additional Biotic Ligand Model ("BLM") work and ADM has yet to implement new pretreatment technology to reduce nickel, the District is clearly in need of additional time by which to achieve compliance with the applicable nickel water quality standard. The Agency believes that additional time of one year would be sufficient to complete the appropriate BLM research required to validate the resulting site-specific nickel standard and file a petition with the Board. This additional time would also allow the District to conduct the confirmatory Water Effects Ratio ("WER") testing, should it choose to do so. The request to seek this additional time through a variance however must comply with state as well as federal requirements. As discussed in detail under the Consistency With Federal Law heading, the District has failed to comply with the mandatory federal requirements. The District maintains that there is no valid current applicable federal law or regulation that precludes the Board's granting the District's variance extension request. However, under US EPA's regulations and interpretations, the

District can only remove a designated use specified in section 101(a)(2) of the CWA, or a subcategory thereof, if, among other things, the District demonstrates that it is not feasible to attain the designated use for one of the reasons specified at 40 CFR 131.10(g).

Based on the totality of the factors stated above, the Illinois EPA recommends that the Board DENY the Petitioner's request for an extension of variance from water quality standards for nickel at Section 302.208(e) of the Board's regulations (35 Ill. Adm. Code 302.208(e)) and from Section 304.105 of the Board's regulations (35 Ill. Adm. Code 304.105) as it applies to establishing water quality based effluent limits.

Agency Recommendation at 15-16 (Ill.Pol.Control.Bd. Apr. 7, 2014).

7. On April 17, 2014, the District met with Illinois EPA to discuss the pending request for variance extension, as well as issues associated with the recent federal directive regarding "consistency with federal law" for water variances.

8. On April 21, 2014, the District filed a Motion to Stay the Proceeding and a Waiver of the Decision Deadline until December 31, 2014.

9. On May 1, 2014, the Board granted the motion to stay until October 1, 2014, as the District provided a waiver of the decision deadline only until December 31, 2014. The Board stated in its Opinion and Order "if a proper waiver is filed, an additional stay will be considered." Opinion and Order at 1, PCB 14-111 (Ill.Pol.Control.Bd. May 1, 2014).

10. On June 30, 2014, the District filed a petition for a site-specific rulemaking seeking to establish an alternative chronic water quality standard for nickel. Petition for Site Specific Rule, R14-24 (Ill.Pol.Control.Bd. June 30, 2014). On August 29, 2014, the District filed a status report in the site-specific rulemaking, requesting an additional sixty days before scheduling a hearing in this rulemaking. The District is continuing to engage in discussions with USEPA concerning the technical studies at issue

in the rulemaking proceeding. Status Report, R14-24 (Ill.Pol.Control.Bd. Aug. 29, 2014). The Hearing Officer granted the request and directed the District to file a new status report by October 28, 2014. The District filed its status report on October 28, 2014, requesting an additional sixty days before scheduling a hearing in this rulemaking. On October 30, 2014, the Hearing Officer granted the request and directed the District to file a new status report by December 29, 2014. The District filed its status report on December 22, 2014, requesting an additional sixty days before scheduling a hearing in this rulemaking. On December 30, 2014, the Hearing Officer granted the request and directed the District to file a new status report by February 27, 2015. The District filed its status report on February 27, 2015, requesting an additional sixty days before scheduling a hearing in this rulemaking. On March 2, 2015, the Hearing Officer granted the request and directed the District to file a new status report by May 1, 2015. The District is continuing to engage in discussions with Illinois EPA and USEPA concerning technical studies at issue in this proceeding. The District's consultants have completed their review and evaluation, as requested by USEPA, and are in the process of preparing a written report to be submitted to USEPA. Completion of the report has been delayed by the need to respond to additional comments from USEPA. The District met with USEPA (and Illinois EPA) in Chicago on January 8, 2015, to discuss the status of and schedule for additional USEPA review and comment of the District's written report. In addition, the District is continuing to engage in discussions with Illinois EPA and USEPA regarding approval of the District's proposed testing protocol. The District received another set of comments from USEPA on December 2, 2014. The District's consultants prepared responses to such comments, which were discussed in conference calls with Illinois EPA

and USEPA on December 11, 2014, and on December 18, 2014. The District received further USEPA comments regarding the proposed testing protocol on February 2, 2015, and has reviewed the comments with its consultant and with personnel from the university laboratory that will be performing the testing. Initial testing began during the week of March 16, 2015. The District expects to begin initial testing as soon as the laboratory schedule will allow, with further testing to follow based on the initial results and further discussion with USEPA. Status Report, R14-24 (Ill.Pol.Control.Bd. Feb. 27, 2015)

11. On October 1, 2014, the District filed a motion to extend the stay along with an open waiver of the decision deadline. The District stated that an additional stay until April 1, 2015, will allow for the parties to make meaningful progress in this proceeding. The Board granted the stay until April 1, 2015, and directed that the parties submit a status report on December 31, 2014 and another on April 1, 2015. Board Order, PCB 14-111 (Ill.Pol.Control.Bd. Oct. 16, 2014)

12. The District hereby files its Motion to Extend Stay of this Variance Proceeding, requesting an extension of the stay from April 1, 2015 to June 30, 2015.

13. On this same date, Petitioner filed it's Status Report in the above-captioned matter.

14. The additional time requested, until June 30, 2015, should allow the parties to make meaningful progress in this matter. Also, the District will submit a Status Report to the Board as requested by the Hearing Officer. Finally, the District requests that all pending deadlines for any responses be stayed, as necessary, to accommodate this Motion to Extend Stay of the Proceeding.

WHEREFORE, Petitioner, SANITARY DISTRICT OF DECATUR, moves the Illinois Pollution Control Board grant this Motion to Extend Stay of the Proceeding until June 30, 2015.

Respectfully submitted,

SANITARY DISTRICT OF DECATUR,

Dated: April 1, 2015

By: /s/Katherine D. Hodge  
Katherine D. Hodge

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