

ILLINOIS POLLUTION CONTROL BOARD

January 8, 2015

PEOPLE OF THE STATE OF ILLINOIS,)	
)	
Complainant,)	
)	PCB 15-112
v.)	(Enforcement - Air)
)	
INCOBRASA INDUSTRIES, LTD.,)	
an Illinois corporation,)	
)	
Respondent.)	

ORDER OF THE BOARD (by D. Glosser):

On December 19, 2014, the Office of the Attorney General, on behalf of the People of the State of Illinois (People), filed an eight-count complaint against Incobrasa Industries, Ltd. (respondent). The complaint concerns respondent’s soybean processing and biodiesel manufacturing plant located at 540 East US Highway 24, Gilman, Iroquois County. For the reasons below, the Board accepts the complaint for hearing.

Under the Environmental Protection Act (Act) (415 ILCS 5 (2012)), the Attorney General and the State’s Attorneys may bring actions before the Board to enforce Illinois’ environmental requirements on behalf of the People. See 415 ILCS 5/31 (2012); 35 Ill. Adm. Code 103. In this case, the People allege that respondent violated

- Count I: Section 9.1 (d) of the Act (415 ILCS 5/9.1(d) (2012)) and Sections 60.48b (b), (c) and (e) of the Code of Federal Regulations (40 C.F.R. §60.48b (b), (c) and (e))¹;
- Count II Section 9.1 (d) of the Act (415 ILCS 5/9.1(d) (2012)) and Sections 60.49b (h) and (w) of the Code of Federal Regulations (40 C.F.R. §60.49b (h) and (w));
- Count III Section 9(a) of the Act (415 ILCS 5/9(a) (2012)) and Section 244.141 of the Board Air Pollution Regulations (35 Ill. Adm. Code 244.141);
- Count IV Section 9.1(d) of the Act (415 ILCS 5/9.1(d) (2012)) Sections 63.2860(a) and (d) of of the Code of Federal Regulations (40 C.F.R. §63.2860(a) and (d), and Section 63.2861(a) of of the Code of Federal Regulations (40 C.F.R. §63.2861(a));

¹ Although the Board generally does not have jurisdiction over federal Clean Air Act (CAA) regulations, Section 9.1(d) of the Act prohibits violation of federal regulations adopted pursuant to Sections 111, 112, 165, or 173 of the CAA.

- Count V Section 9.1 (d) of the Act (415 ILCS 5/9.1(d) (2012)) Section 60.49b(g)(2) through (10) of Code of Federal Regulations (40 C.F.R. §60.49b(g)(2) through (10), and Section 63.2862(d)(1) and (2) of Code of Federal Regulations (40 C.F.R. §63.2862(d)(1) and (2));
- Count VI Section 39.5(6)(a) of the Act (415 ILCS 5/39.5(6)(a) (2012)) and Conditions 7.4.8(a), 5.2.6, 7.3.10(a), 7.4.9(d)(i) and (iii)(C) through (J), 7.4.9(b), 7.1.9(a) and (d), 7.2.9(a), 7.3.9(a)(ii)(B) and (D) and (iv)(A) and (B), 7.5.9(a) and (b), and 7.6.9(a) and (c) of Clean Air Act Program Permit (CAAPP) permit 98070042;
- Count VII Section 39.5(6)(a) of the Act (415 ILCS 5/39.5(6)(a) (2012)) and Condition 5.5.1 of CAAPP permit 98070042;
- Count VIII Section 9(b) of the Act (415 ILCS 5/9(b) (2012)) and Condition 2.1.8(d)(i) through (iv) of construction permit 06050042.

The complaint alleges respondent violated these provisions in its operations of its Iroquois County facility. The People ask the Board to order respondent to cease and desist from any future violations, assess a civil penalty of \$50,000 for each violation and \$10,000 for each day during which each violation continued, and that the Board award the People their costs and reasonable attorney fees.

The Board finds that the complaint meets the content requirements of the Board's procedural rules and accepts the complaint for hearing. *See* 35 Ill. Adm. Code 103.204(c), (f), 103.212(c). A respondent's failure to file an answer to a complaint within 60 days after receiving the complaint may have severe consequences. Generally, if respondent fails within that timeframe to file an answer specifically denying, or asserting insufficient knowledge to form a belief of, a material allegation in the complaint, the Board will consider respondent to have admitted the allegation. *See* 35 Ill. Adm. Code 103.204(d).

The Board directs the hearing officer to proceed expeditiously to hearing. Among the hearing officer's responsibilities is the "duty . . . to ensure development of a clear, complete, and concise record for timely transmission to the Board." 35 Ill. Adm. Code 101.610. A complete record in an enforcement case thoroughly addresses, among other things, the appropriate remedy, if any, for the alleged violations, including any civil penalty.

If a complainant proves an alleged violation, the Board considers the factors set forth in Sections 33(c) and 42(h) of the Act to fashion an appropriate remedy for the violation. *See* 415 ILCS 5/33(c), 42(h) (2012). Specifically, the Board considers the Section 33(c) factors in determining, first, what to order the respondent to do to correct an on-going violation, if any, and, second, whether to order the respondent to pay a civil penalty. The factors provided in Section 33(c) bear on the reasonableness of the circumstances surrounding the violation, such as the character and degree of any resulting interference with protecting public health, the technical

practicability and economic reasonableness of compliance, and whether the respondent has subsequently eliminated the violation.

If, after considering the Section 33(c) factors, the Board decides to impose a civil penalty on the respondent, only then does the Board consider the Act's Section 42(h) factors in determining the appropriate amount of the civil penalty. Section 42(h) sets forth factors that may mitigate or aggravate the civil penalty amount. These factors include the following: the duration and gravity of the violation; whether the respondent showed due diligence in attempting to comply; any economic benefits that the respondent accrued from delaying compliance based upon the "lowest cost alternative for achieving compliance"; the need to deter further violations by the respondent and others similarly situated; and whether the respondent "voluntarily self-disclosed" the violation. 415 ILCS 5/42(h) (2012). Section 42(h) requires the Board to ensure that the penalty is "at least as great as the economic benefits, if any, accrued by the respondent as a result of the violation, unless the Board finds that imposition of such penalty would result in an arbitrary or unreasonable financial hardship." *Id.* Such penalty, however, "may be off-set in whole or in part pursuant to a supplemental environmental project agreed to by the complainant and the respondent." *Id.*

Accordingly, the Board further directs the hearing officer to advise the parties that in summary judgment motions and responses, at hearing, and in briefs, each party should consider: (1) proposing a remedy for a violation, if any (including whether to impose a civil penalty), and supporting its position with facts and arguments that address any or all of the Section 33(c) factors; and (2) proposing a civil penalty, if any (including a specific total dollar amount and the portion of that amount attributable to the respondent's economic benefit, if any, from delayed compliance), and supporting its position with facts and arguments that address any or all of the Section 42(h) factors. The Board also directs the hearing officer to advise the parties to address these issues in any stipulation and proposed settlement that may be filed with the Board.

IT IS SO ORDERED.

I, John T. Therriault, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on January 8, 2015, by a vote of 4-0.



John T. Therriault, Clerk
Illinois Pollution Control Board