

Exhibit E



May 22, 1995

Illinois EPA - Bureau of Air
Division of Air Pollution Control - Permit Section
P.O. Box 19506
Springfield, IL. 62794-9506

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MAY 24 1995

IEPA-DAPC-SPFLD.

Subject: CAAPP Program (FESOP Permit Application) -
KCBX Terminals Company

Dear Sirs:

Attached find Koch Carbon, Inc's application, under the CAAPP Program, for a permit as a "synthetic-minor (FESOP)" stationary source. We would request that the Illinois Environmental Protection Agency maintain as confidential any portion of this submittal which we have stamped "CONFIDENTIAL".

Our approach to demonstrating compliance, day-in and day-out, is by the attached Table: "Operating Scenario Throughput and Emissions Data" (Table #2). In Table 2, we indicate maximum throughput tonnages for each of 16 possible operating scenarios. Please note that total facility-wide PM and PM10 emissions shall not exceed 99.0 tons/year.

We look forward to discussing this permit application and our approach with you in the future.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read 'Dan Gerovac'.

Dan Gerovac -- General Manager



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 DIVISION OF AIR POLLUTION CONTROL - PERMIT SECTION
 P.O. BOX 19506
 SPRINGFIELD, ILLINOIS 62794-9506

FOR APPLICANT'S USE	
Revision #:	_____
Date:	____/____/____
Page	_____ of _____
Source Designation:	_____

APPLICATION FOR CAAPP PERMIT (CHECK ONLY ONE)		FOR AGENCY USE ONLY	
<input checked="" type="checkbox"/> INITIAL APPLICATION		ID NUMBER:	031-600-AHI
<input type="checkbox"/> RENEWAL APPLICATION		PERMIT #:	95050167
<input type="checkbox"/> SIGNIFICANT MODIFICATION		DATE:	5-24-95

SOURCE INFORMATION			
1) SOURCE NAME: KCBX Terminals Company		2) DATE FORM COMPLETED: 6/22/95	
3) SOURCE STREET ADDRESS: 3259 East 100th Street			
4) CITY: Chicago		5) ZIP: 60817	
6) IS THE SOURCE LOCATED WITHIN CITY LIMITS?		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
7) TOWNSHIP NAME:	8) COUNTY: Cook	9) TYPICAL NO. OF EMPLOYEES AT THE SOURCE: 48	
10) ILLINOIS AIR POLLUTION SOURCE ID NO. (IF KNOWN): 031600 AHI		11) FEDERAL EMPLOYER IDENTIFICATION NO. (FEIN): 48-108 2552	
12) TYPE OF SOURCE AND PRODUCTS PRODUCED: Coal, Coke, Iron Ore, Salt, Bentonite Clay, etc.			
13) PRIMARY STANDARD INDUSTRIAL CLASSIFICATION (SIC) CATEGORY: IEPA-DAPC-SPFLD.		14) PRIMARY SIC NO.: 4491	
15a) LATITUDE (DD:MM:SS): 41:42:48.00		b) LONGITUDE (DD:MM:SS): 87:32:36.00	
16a) UTM ZONE:	b) UTM VERTICAL (KM):	c) UTM HORIZONTAL (KM):	
17a) COORDINATE METHOD: U	b) REFERENCE LOCATION:	c) COORDINATE ACCURACY:	
18) SOURCE ENVIRONMENTAL CONTACT PERSON: Daniel N. Gerovac		19) CONTACT PERSON'S TELEPHONE NO.: (312) 375-3700	

OWNER INFORMATION

THIS AGENCY IS AUTHORIZED TO REQUIRE THIS INFORMATION UNDER ILLINOIS REVISED STATUTES, 1991, AS AMENDED 1992, CHAPTER 111 1/2, PAR. 1039.5. DISCLOSURE OF THIS INFORMATION IS REQUIRED UNDER THAT SECTION. FAILURE TO DO SO MAY PREVENT THIS FORM FROM BEING PROCESSED AND COULD RESULT IN THE APPLICATION BEING DENIED. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

FOR APPLICANT'S USE

20) NAME: Koch Carbon, Inc.		
21) ADDRESS: 4111 East 37th Street North		
22) CITY: Wichita	23) STATE: Kansas	24) ZIP: 67220
25) OWNER'S AGENT (IF APPLICABLE):		

OPERATOR INFORMATION		
26) NAME: KCBX Terminals Company		
27) ADDRESS: 3259 East 100th Street		
28) CITY: Chicago	29) STATE: Illinois	30) ZIP: 60617

BILLING INFORMATION		
31) NAME: KCBX Terminals Company		
32) ADDRESS: 3259 East 100th Street		
33) CITY: Chicago	34) STATE: Illinois	35) ZIP: 60617
36) CONTACT PERSON: Daniel N. Gerovac		37) CONTACT PERSON'S TELEPHONE NO.: (312) 375-3700

APPLICANT INFORMATION	
38) WHO IS THE PERMIT APPLICANT? (CHECK ONE): <input type="checkbox"/> OWNER <input checked="" type="checkbox"/> OPERATOR	39) ALL CORRESPONDENCE TO: (CHECK ONE) <input type="checkbox"/> OWNER <input type="checkbox"/> SOURCE <input checked="" type="checkbox"/> OPERATOR
40) ATTENTION NAME AND/OR TITLE FOR WRITTEN CORRESPONDENCE: Daniel N. Gerovac	
41) TECHNICAL CONTACT PERSON FOR APPLICATION: Daniel N. Gerovac	42) CONTACT PERSON'S TELEPHONE NO.: (312) 375-3700

SUMMARY OF APPLICATION CONTENTS		
<small>NOTE: ITEMS 43 TO 61 WILL BE USED FOR APPLICATION COMPLETENESS DETERMINATION.</small>		
43) DOES THE APPLICATION INCLUDE A TABLE OF CONTENTS?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
44) DOES THE APPLICATION INCLUDE A LIST OF ALL ITEMS AND ACTIVITIES FOR WHICH A PERMIT IS BEING SOUGHT?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
45) DOES THE APPLICATION INCLUDE A PLOT PLAN AND/OR MAP DEPICTING THE AREA WITHIN ONE-QUARTER MILE OF THE SOURCE?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
46) DOES THE APPLICATION INCLUDE A PROCESS FLOW DIAGRAM(S) SHOWING ALL EMISSION UNITS AND CONTROL EQUIPMENT, AND THEIR RELATIONSHIP?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
47) DOES THE APPLICATION INCLUDE A COMPLETE PROCESS DESCRIPTION FOR THE SOURCE?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
48a) DOES THE APPLICATION INCLUDE THE APPROPRIATE, COMPLETED FORMS FOR ALL INDIVIDUAL EMISSION UNITS AND AIR POLLUTION CONTROL EQUIPMENT, LISTING ALL APPLICABLE REQUIREMENTS AND PROPOSED EXEMPTIONS FROM OTHERWISE APPLICABLE REQUIREMENTS?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
b) DOES THE APPLICATION ADDRESS OTHER MODES OF OPERATION FOR WHICH A PERMIT IS BEING SOUGHT?	<input checked="" type="checkbox"/> *NA	<input type="checkbox"/> YES <input type="checkbox"/> NO <small>*NOTE: NOT APPLICABLE</small>
c) DOES THE APPLICATION INCLUDE ALL REASONABLY ANTICIPATED OPERATING SCENARIOS FOR WHICH A PERMIT IS BEING SOUGHT?	<input checked="" type="checkbox"/> *NA	<input type="checkbox"/> YES <input type="checkbox"/> NO <small>*NOTE: NOT APPLICABLE</small>
49) DOES THE APPLICATION INCLUDE A COMPLETED "FUGITIVE EMISSION" FORM 391-CAAPP?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
50) DOES THE APPLICATION INCLUDE A COMPLETED "FEE DETERMINATION FOR CAAPP PERMIT" FORM 292-CAAPP? <small>(NOTE: FEES WILL BE BASED UPON INFORMATION CONTAINED IN THIS FORM.)</small>	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
51) DOES THE APPLICATION INCLUDE A COMPLETED "HAZARDOUS AIR POLLUTANT EMISSION SUMMARY" FORM 215-CAAPP?	<input checked="" type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
52) DOES THE APPLICATION INCLUDE THE CALCULATIONS ON WHICH THE FOLLOWING, TO THE EXTENT THEY ARE RELATED TO AIR EMISSIONS, WERE BASED: <ul style="list-style-type: none">• POLLUTANT EMISSION RATES.• FUELS AND RAW MATERIALS USAGE, AND• CONTROL EQUIPMENT EFFICIENCY?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
53) DOES THE APPLICATION INCLUDE A COMPLETED "COMPLIANCE PLAN/SCHEDULE OF COMPLIANCE FOR CAAPP PERMIT" FORM 213-CAAPP?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO

*MLL
7-21-95*

MLL

64) WHY IS THE APPLICANT APPLYING FOR A CAAPP PERMIT (CHECK ALL THAT APPLY)? NA

THE POTENTIAL TO EMIT ONE OR MORE AIR POLLUTANTS FOR THE SOURCE IS 100 TONS/YEAR OR GREATER.

THE SOURCE IS AN AFFECTED SOURCE FOR ACID RAIN DEPOSITION.

THE POTENTIAL TO EMIT VOM OR NOx IS 25 TONS/YEAR OR MORE AND THE SOURCE IS LOCATED IN ONE OF THE FOLLOWING CHICAGO AREA COUNTIES OR TOWNSHIPS:

- COOK COUNTY
- DUPAGE COUNTY
- KANE COUNTY
- LAKE COUNTY
- MCHENRY COUNTY
- WILL COUNTY
- AUX SABLE TOWNSHIP, GRUNDY COUNTY
- GOOSE LAKE TOWNSHIP, GRUNDY COUNTY
- OSWEGO TOWNSHIP, KENDALL COUNTY

THE POTENTIAL TO EMIT AN INDIVIDUAL HAZARDOUS AIR POLLUTANT IS 10 TONS/YEAR OR MORE, OR THE POTENTIAL TO EMIT ALL SOURCE WIDE HAZARDOUS AIR POLLUTANTS IS 25 TONS/YEAR OR MORE, OR MEETS AN APPLICABLE LOWER THRESHOLD.

THE SOURCE CONTAINS EQUIPMENT OR OPERATIONS SUBJECT TO CERTAIN USEPA EMISSION STANDARDS (NSPS AND NESHAP) FOR WHICH USEPA REQUIRES A CAAPP PERMIT.

65) DOES THE APPLICATION INCLUDE A DRAWING PROVIDING THE SOURCE LAYOUT? YES NO

IF NO, PLEASE NOTE THAT THE AGENCY MAY REQUEST SUCH A DRAWING UPON DETAILED REVIEW OF THE APPLICATION.

66a) ARE ACTUAL EMISSIONS OF THE SOURCE BELOW THE APPLICABILITY LEVELS FOR A CAAPP PERMIT? YES NO

b) DOES THE APPLICATION CONTAIN PROPOSED PERMIT LIMITATIONS THAT WILL CONSTRAIN THE EMISSIONS AND PRODUCTION OR OPERATION OF THE SOURCE SUCH THAT POTENTIAL EMISSIONS OF THE SOURCE WILL FALL BELOW THE LEVELS FOR WHICH A CAAPP PERMIT IS REQUIRED? YES NO

c) DOES THE APPLICANT HEREBY REQUEST A FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) CONSTRAINING THE EMISSIONS AND PRODUCTION OR OPERATION OF THE SOURCE SUCH THAT POTENTIAL EMISSIONS WOULD FALL BELOW APPLICABILITY LEVELS AND THEREBY EXCLUDE THE SOURCE FROM REQUIRING A CAAPP PERMIT? YES NO

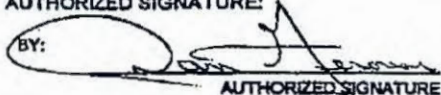
67) FOR SIGNIFICANT MODIFICATIONS, DOES THE APPLICATION INCLUDE A DESCRIPTION OF THE PROPOSED CHANGE(S), INCLUDING ALL PHYSICAL CHANGES IN EQUIPMENT, CHANGES IN THE METHOD OF OPERATION, CHANGES IN EMISSIONS, AND ANY NEW APPLICABLE REQUIREMENTS WHICH WILL APPLY AS A RESULT OF THE PROPOSED CHANGE? YES NO

SIGNATURE BLOCK

NOTE: THIS CERTIFICATION MUST BE SIGNED BY A RESPONSIBLE OFFICIAL. APPLICATIONS WITHOUT A SIGNED CERTIFICATION WILL BE RETURNED AS INCOMPLETE.

68) I CERTIFY UNDER PENALTY OF LAW THAT, BASED ON INFORMATION AND BELIEF FORMED AFTER REASONABLE INQUIRY, THE STATEMENTS AND INFORMATION CONTAINED IN THIS APPLICATION ARE TRUE, ACCURATE AND COMPLETE.

AUTHORIZED SIGNATURE:

BY:  AUTHORIZED SIGNATURE

DAN GENERAL TYPED OR PRINTED NAME OF SIGNATORY

GENERAL MANAGER TITLE OF SIGNATORY

5 / 23 / 95 DATE

B.C.

IBD 7/21/95 -> H. Desa.

N

KCBX TERMINALS COMPANY

DATE 11-01-2002

Mr. John Blazis
Illinois Environmental Protection Agency
Division of Air Pollution Control
1340 North 9th Street
Springfield, IL 62702

031600 AHZ
95050167
11/4/02

Subject: Request to Correct and Clarify Operating Permit
KCBX Terminals Company, Chicago, Illinois
ID No. 031 600 AHZ
Application No. 95050167

Dear Mr. Blazis:

KCBX was issued a Federally Enforceable State Operating Permit on June 22, 2000. In order to ensure facility-wide emissions do not exceed Title V major source thresholds, KCBX accepted a bulk material annual throughput limit and limits on the hours of operation of three electric generators operated at the site. During a recent limited self-assessment audit of its air permit status, KCBX discovered that the listed horsepower of the three units is incorrectly identified in the FESOP (condition 11e) as 700 (for two units) and 400 Hp (for one unit). The correct capacities of the three existing diesel-fired generators are ~~two units at 700 horsepower (Hp) and one at 400 Hp~~. This submittal is in part to correct that inaccuracy.

GENERATOR EMISSION CALCULATIONS

Emissions are calculated for the equipment using appropriate emission factors published in AP-42 and listed in the FESOP (Attachment A). Sulfur dioxide (SO₂) emissions are calculated assuming the sulfur concentration in the fuel is less than 0.05% by weight (the ExxonMobil specification for diesel fuel). Calculations based on total hours of operation of the three generators in 2001, at the identified larger Hp, demonstrate that KCBX did not exceed its permit limits for any pollutant.

Originally, 2001 emissions were estimated at:

- ♦ 39.94 tons of NO_x
- ♦ 6.48 tons of SO_x
- ♦ 9.11 tons of CO

Calculating emissions for the same units and hours at the increased Hp shows estimated actual emissions for 2001 at:

- ♦ 43.82 tons of NO_x, an increase of 9.7%
- ♦ 7.07 tons of SO_x, an increase of 9.1%
- ♦ 10.0 tons of CO, an increase of 9.8%

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KCBX will be submitting an amended Annual Emission Report to IEPA reflecting these ~~emissions~~ increases in emissions. **IEPA - DARC - SPFLD**

Mr. John Blazis
Illinois Environmental Protection Agency
Date
Page 2

INSIGNIFICANT EMISSION SOURCES

During the self-assessment discussed above, a question was raised as to the permitting applicability under the FESOP program for numerous small pieces of combustion equipment used primarily for maintenance activities. See Table 1 (attached) (Current List of Insignificant Combustion Sources). Some of this equipment is diesel fired, and some is fired by gasoline, resulting in certain emissions. While each individual piece of equipment is exempted from state permit requirements pursuant to Section 201.146, it is not clear that the emissions from this equipment are exempt from the facility's FESOP emissions cap. KCBX has calculated the actual hours of operation and corresponding annual emissions for these insignificant sources as follows:

Hours of Operation¹ : 2230

Calculated Emissions:

- ♦ < 6 ton/yr. NOx
- ♦ < 2 ton/yr. SOx
- ♦ < 12 ton/yr. CO

In order to clarify the status of these insignificant sources in its FESOP, KCBX proposes the following language be included in Attachment A:

"Emissions from insignificant sources of combustion at the facility are exempt from permitting under Section 201.146 and from the emissions reporting requirements of Section 254.120."

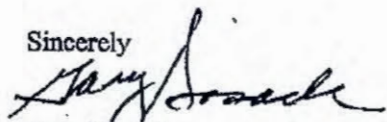
KCBX also understands the timing for IEPA to resolve this change may require a public notice period. KCBX will comply with the terms and limits of its current permit and this letter until such time as an amended permit is issued. A copy of the amended monthly tracking form used to calculate emissions for all scenarios, including the large generators, is included as Attachment B.

We look forward to working to resolve these issues with IEPA and to ultimately strengthen our permit. If you have any questions regarding the application, please contact Daryl Crane at (316) 828-7812 or 316-841-5739 (cell).

¹ Actual emissions were calculated based on estimated total hours of operations for this group of equipment.

Mr. John Blazis
Illinois Environmental Protection Agency
Date
Page 3

Sincerely



Gary Hoesack
Terminal Manager, KCBX

Enclosures:

Attachment A - FESOP 031600AHI
Attachment B - Example Monthly Emissions Tracking Sheet
Table 1 - Insignificant Equipment List

cc: Daryl Crane, Koch Carbon LLC

KCBX Terminals Company - Chicago, Illinois
MONTHLY
Actual Particulate Matter Emissions

Month (e.g. 4/1/97 - Apr-97) **Jun-82**

		Actual Throughput (tons)	No. of drop pts.	Emission Factor per drop point (lb/ton)	Particulate Matter Emissions (tons)			Actual Throughput (tons)	No. of drop pts.	Emission Factor per drop point (lb/ton)	Particulate Matter Emissions (tons)	
Scenario 1	Rail to water	0	3	0.001779	0.00	Scenario 11	Barge to vessel	0	5	0.001779	0.00	
		0	4	0.001779	0.00			0	6	0.001779	0.00	
		0	5	0.001779	0.00			0	7	0.001779	0.00	
		0	6	0.001779	0.00			0	8	0.001779	0.00	
		0	7	0.001779	0.00			0	9	0.001779	0.00	
	Total:	0	0		0.00			0	10	0.001779	0.00	
								0	11	0.001779	0.00	
								0	0		0.00	
Scenario 2	Dry, non-volatile bulk rail to water	0	1	0.040000	0.00	Scenario 12	Barge to shipyard	77,701	1	0.001779	0.07	
		0	2	0.040000	0.00			0	2	0.001779	0.00	
		0	3	0.040000	0.00			0	3	0.001779	0.00	
	Total:	0	0		0.00		Total:	77,701	1		0.07	
Scenario 3	Rail to truck	0	1	0.001779	0.00	Scenario 13	Shipyard to water	0	7	0.001779	0.00	
		0	2	0.001779	0.00			0	8	0.001779	0.00	
		0	3	0.001779	0.00			0	9	0.001779	0.00	
	Total:	0	0		0.00			0	10	0.001779	0.00	
Scenario 4	Rail to main pad	0	6	0.001779	0.00			0	11	0.001779	0.00	
		0	7	0.001779	0.00			62,291	13	0.001779	0.72	
		0	8	0.001779	0.00			32,305	19	0.001779	0.35	
		0	9	0.001779	0.00		Total:	94,596	13,000		1.27	
		12,052	11	0.001779	0.22	Scenario 14	Vessel to barge	0	1	0.001779	0.00	
		66,673	13	0.001779	0.77			0	2	0.001779	0.00	
		6,164	14	0.001779	0.08			0	3	0.001779	0.00	
	Total:	84,889	12,000		1.06		Total:	0	0		0.00	
Scenario 5	Pad to water (trials)	0	7	0.001779	0.00	Scenario 15	Screening	0	1	0.048000	0.00	
		68,774	9	0.001779	0.55			0	2	0.048000	0.00	
		100,938	10	0.001779	0.50			0	3	0.048000	0.00	
		0	12	0.001779	0.00		Total:	0	0		0.00	
		0	13	0.001779	0.00	Scenario 16	Crushing	0	1	0.018000	0.00	
		0	15	0.001779	0.00			0	2	0.018000	0.00	
		0	18	0.001779	0.00			0	3	0.018000	0.00	
	Total:	169,712	5,500		1.45		Total:	0	0		0.00	
Scenario 6	Pad to truck (trials)	16,175	1	0.001779	0.01	Scenario 17	Other	0	1	0.005714	0.00	
		0	2	0.001779	0.00			0	2	0.005714	0.00	
		0	3	0.001779	0.00			0	9	0.005714	0.00	
	Total:	26,175	1		0.02		Total:	0	0		0.00	
Scenario 7	Pad to barge (excavator)	0	1	0.001779	0.00	Scenario 18	Shaker Building	0	-	-	0.00	
		0	2	0.001779	0.00			0	-	-	0.00	
		0	3	0.001779	0.00	Scenario 19	Baghouses on North system	0	-	-	0.00	
		0	4	0.001779	0.00			15	119	lb/yr	0.98	
	Total:	0	0		0.00	Scenario 20	Active storage piles	0	-	-	0.00	
Scenario 8	Pad to rail (mantr)	0	1	0.001779	0.00			11	31	lb/yr	0.17	
		0	2	0.001779	0.00	Scenario 21	Inactive storage piles	0	-	-	0.00	
		0	3	0.001779	0.00			1,901	1.40	lb/yr	0.33	
	Total:	0	0		0.00	Scenario 22	Fugitives from wheel dust trucks	0	1	0.001779	0.00	
Scenario 9	Truck to pad	15,637	1	0.001779	0.01	Scenario 23	Fugitives from wheel dust FEL	0	2	0.001779	0.00	
		0	2	0.001779	0.00	MISCELLANEOUS SCENARIOS (DROP PTS.)		0	3	0.001779	0.00	
		0	3	0.001779	0.00			0	4	0.001779	0.00	
	Total:	15,637	1		0.01			0	5	0.001779	0.00	
Scenario 10	Barge to pad	0	3	0.001779	0.00			0	6	0.001779	0.00	
		0	4	0.001779	0.00			0	7	0.001779	0.00	
		3,531	5	0.001779	0.01			0	8	0.001779	0.00	
		0	6	0.001779	0.00			0	9	0.001779	0.00	
		0	7	0.001779	0.00			0	0		0.00	
		0	8	0.001779	0.00			0	0		0.00	
		0	9	0.001779	0.00			0	0		0.00	
	Total:	3,531	8		0.01			0	0		0.00	
Combus flow:						Scenario 24	396 KW Generator	1		NOx Emissions (tons)	PM Emissions (tons)	SO2 Emissions (tons)
							2 x 547 KW Generator	191		0.01	0.00	0.00
							396 KW - 505 HP	805		1.68	0.05	1.08
							567 KW - 760 HP	760		1.61	0.85	1.08
										MONTHLY GEN NOx TOTALS: 1.61		
										MONTHLY GEN SO2 TOTALS: 1.08		
										MONTHLY PLANT PARTICULATE TOTALS: 6.68		

K: 00438

Table 1

KCBX Chicago - Insignificant Combustion Equipment

Internal/External Combustion Equipment

Process Area	Equipment Name	Manufacturer	Capacity	Fuel Type	Equipment Tag # (Optional)	Equipment Unit Group (S, M or P)	Description of Use	Permitting Exemption
Diesel Shop	Battery Starter	Multiquip	10 Hp	diesel		P	Starting Equipment	Section 201.146(nn)
Diesel Shop	Battery Starter	Multiquip	10 Hp	diesel		P	Starting Equipment	Section 201.146(nn)
Coal/Coke Pad	Water Pump	Wacker 8"	30 Hp	diesel		P	Pumping Drainage Ditch	Section 201.146(l)
Diesel Shop	WD-5 Welder	Miller	64 Hp	diesel		P	Welding	Section 201.146(y)
Mech Truck	Miller Weld Mach	Miller	64 Hp	diesel		P	Use in the Field	Section 201.146(y)
Diesel Shop	Power Washer	Landa	0.33 MMBtu/hr	diesel	4831	P	Power Washer Burner	Section 201.146(nn)
Diesel Shop	Power Washer	MTM	0.54 MMBtu/hr	diesel	5034	P	Power Washer Burner	Section 201.146(nn)
Hourly Lunch Room	Oil Burner Furnace	Armstrong	0.450 MMBtu/hr	fuel oil		S	Building Heat	Section 201.146(d)
Diesel Shop	Oil Burner Furnace	Armstrong	0.284 MMBtu/hr	fuel oil		S	Building Heat	Section 201.146(d)
Hourly Wash House	Oil Burner Furnace	Well McLain	0.298 MMBtu/hr	fuel oil		S	Building Heat	Section 201.146(d)
Wash House	Hot Water Heaters	Bock SN 91063029MC Model 71E	0.138 MMBtu/hr	# 1 fuel oil		S	70 Gal Hot Water Heater	Section 201.146(d)
Wash House	Hot Water Heaters	Bock SN 91063029MC Model 71E	0.138 MMBtu/hr	# 1 fuel oil		S	70 Gal Hot Water Heater	Section 201.146(d)
Wash House	Hot Water Heaters	Bock SN 91063029MC Model 71E	0.138 MMBtu/hr	# 1 fuel oil		S	70 Gal Hot Water Heater	Section 201.146(d)
Coal/Coke Pad	Water Pump	Briggs & Stratton	3 Hp	gasoline		P	Pumping Water	Section 201.146(l)
Weld Shop	Dayton Generator	Dayton	8 Hp	gasoline		P	Use in the Field	Section 201.146(l)
Mech Truck	Air Compressor	Kohler	12 Hp	gasoline		P	Use in the Field	Section 201.146(l)
Weld Shop	Trash Pump Teal	Honda	9 Hp	gasoline		P	Use in the Field	Section 201.146(l)
Weld Shop	Trash Pump Teal	Honda	9 Hp	gasoline		P	Use in the Field	Section 201.146(l)
Electric Truck	Welding Machine	Miller/Honda	9 Hp	gasoline		P	Welding & AC Power	Section 201.146(y)
Coal/Coke Pad	Trash Pump	Briggs & Stratton	16 Hp	gasoline		P	Pumping Drainage Ditch	Section 201.146(l)
Diesel Shop	Power Washer	MTM	16 Hp	gasoline	5034	P	Washer Pump/Motor	Section 201.146(nn)

Equipment Unit Group Definitions

S=Stationary, Equipment not moveable

M=Mobile, Equipment able to move (i.e. loaders, dozers, etc)

P=Portable, Equipment which can be moved (i.e. pumps, welders, etc.)

K **KCBX** TERMINALS COMPANY

December 19, 2003

Mr. John Blazis
Illinois Environmental Protection Agency
Division of Air Pollution Control
1340 North 9th Street
Springfield, IL 62702

Subject: Request for Minor Modification to Update and Change Emission Factor
KCBX Terminals Company, Chicago, Illinois
ID No. 031 600 AHI, Application No. 95050167

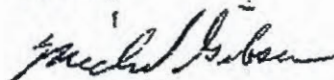
Dear Mr. Blazis:

KCBX was issued a Federally Enforceable State Operating Permit (FESOP) on June 22, 2000. As part of the application materials for the FESOP in 1995, KCBX provided an example spreadsheet for calculating emissions for a number of operating scenarios for its dry-bulk handling operations. A requirement to use this spreadsheet to calculate emissions was written into the permit as Special Condition 10b.

During a recent routine limited self-assessment of its emission estimating methods, KCBX discovered that the emission factor currently used for transfer points [0.001779 pounds per ton (lbs./ton)] was developed in 1994/5 using an empirical expression from the 4th Ed. AP-42, section 11.2.3-1 (*Aggregate Handling and Storage Piles*, 9/88).¹ In developing this emission factor originally, an average moisture content of 4.8% was used. KCBX was not able to verify the origin of that value and has recently reviewed moisture values for each of the products it handles on site. Then, using the 2003 throughput tons for each product, arrived at a weighted average moisture content of 8.172% and subsequently, a recalculated emission factor of 0.000855 lbs./ton.

Based on this new information, KCBX formally requests that the Illinois Environmental Protection Agency (IEPA) approve this change in the transfer point emission factor as a minor modification to its FESOP. We look forward to working to resolve this issue with IEPA and to ultimately strengthen our emission calculating methods and permit. If you have any questions regarding this minor modification, please contact Daryl Crane at (316) 828-7812 or 316-841-5739 (cell).

Sincerely



Michael Gibson
Terminal Manager, KCBX

cc: Daryl Crane, Koch Carbon LLC

¹ USEPA updated and relocated this section with its release of the 5th Ed. in January 1995 (section 13.2.4 *Aggregate Handling and Storage Piles*).

RECEIVED

DEC 24 2003

IEPA - DAPC - SPFLD



February 10, 2004

Mr. John Blazis
Illinois Environmental Protection Agency
Division of Air Pollution Control
1340 North 9th Street
Springfield, IL 62702

RECEIVED

FEB 11 2004

IEPA - DAPC - SPFLD

**Subject: Revised Request for Minor Modification to Update and Change Emission Factor
KCBX Terminals Company, Chicago, Illinois
ID No. 031 600 AHI, Application No. 95050167**

Dear Mr. Blazis:

As we discussed this afternoon, KCBX wishes to slightly revise its request of December 19, 2003. In that request KCBX had calculated a new emission factor based on site-specific moisture content data (8.172%) and asked the IEPA to approve that new factor for transfer points. During recent discussions you stated that a lower limit for moisture along with a recordkeeping requirement would be necessary to approve that request and amend the site's FESOP accordingly.

Although KCBX was comfortable with the annual weighted average moisture content of 8.17%, it is possible under rare occasions that the value could be less than 8.17% on a monthly basis. Therefore, based on future throughput modeling of a variety of anticipated business opportunities, KCBX is confident today that the weighted average moisture content of all inbound products would never be lower than 7.5%. Using this value the calculated emission factor for transfer points would be 0.00096 lbs/ton at each transfer point. To demonstrate compliance with this limit, KCBX will obtain an average moisture content of all inbound products, using industry standard test methods, and calculate weighted average moisture content on a monthly basis.

KCBX proposes the following language be included in its FESOP:

Amend section 10b to state:

- (ii) The average moisture content of all inbound material shall not be lower than 7.5% on a weighted basis.
- (iii) Permittee shall determine compliance with the average moisture content limit on a monthly basis using a block monthly averaging period and industry standard test methods.

K: 00432

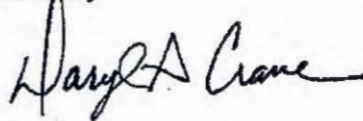
Mr. John Blazis
Illinois Environmental Protection Agency
Date
Page 2

Amend section 14a to include:

- Moisture content of all inbound materials used to calculate the average monthly moisture content.

Based on this new information KCBX formally requests that the Illinois Environmental Protection Agency (IEPA) approve this change in the transfer point emission factor as a minor modification to its FESOP. We look forward to working to resolve this issue with IEPA and to ultimately strengthen our emission calculating methods and permit. If you have any questions regarding this minor modification, please contact me at (316) 828-7812 or 316-841-5739 (cell).

Sincerely



Daryl Crane
Environmental Manager
Koch Carbon LLC

cc: Michael Gibson, Terminal Manager, KCBX

K: 00433

K KCBX TERMINALS COMPANY

January 27, 2005

RE: FESOP Renewal Application, KCBX
Terminals Company, Chicago, IL
FID #031 600 AHI

Mr. John Blazis
Illinois Environmental Protection Agency
Division of Air Pollution Control
1021 North Grand Avenue East
Springfield, IL 62702

Dear Mr. Blazis:

KCBX Terminals Company ("KCBX") submits this permit renewal application for the KCBX facility located at 3259 East 100th Street in Chicago. We appreciated the opportunity to meet with you on December 16, 2004 to discuss the conditions of the KCBX Federally Enforceable State Operating Permit ("FESOP") which is scheduled to expire on June 22, 2005. The Illinois Environmental Protection Agency ("IEPA") issued the most recent revision to the FESOP on April 8, 2004.

Attached to this letter is a completed Form 205A, *Application for Renewal of a Federally Enforceable State Operating Permit*. Below are descriptions of modifications that should be made in the permit.

- 1) Condition 1(a) should be modified to state that the permit includes conditions to limit emissions of carbon monoxide ("CO") and volatile organic material ("VOM") to less than major source thresholds and to remove the reference to Attachment A, as limits are contained elsewhere in the permit. KCBX requests the condition be modified to read:

1a. This federally enforceable state operating permit is issued to limit the emissions of air pollutants from the source to less than major source thresholds, (i.e., 100 tons/year for particulate matter with an aerodynamic diameter less than or equal to 10 micrometers (PM₁₀), 100 tons/year for nitrogen oxides, (NO_x), 100 tons/year for sulfur dioxide (SO₂), 100 tons/year for carbon monoxide (CO), and 25 tons/year for volatile organic material (VOM)). As a result, the source is excluded from the requirements to obtain a Clean Air Act Permit Program (CAAPP) permit.

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IEPA - DAPO - SPRLD

K: 00406

Mr. John Blazis
January 27, 2005
Page 2

- 2) Condition 2(a) should be modified to clarify the circumstances under which the condition applies. KCBX requests the condition be modified to read:

2a. No person shall cause or allow any visible emissions of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer beyond the property line of the emission source, pursuant to 35 Ill. Adm. Code 212.301, subject to the provisions of 35 Ill. Adm. Code 312.314 for excess wind velocity.

- 3) As a wholesaler of coal and coke, the Standard Industrial Classification (SIC) Code for KCBX is 5052, "Wholesale Trade of Coal and Other Minerals and Ores." However, as noted by IEPA during our meeting of December 16, 2004, SIC Code 4491 "Marine Cargo Handling" has previously been used as a basis for regulation under 35 Ill. Adm. Code Part 212. Upon further examination of the scope of activity at KCBX, we agree that SIC 4491 is also applicable under current operations, by virtue of the facility handling products that are not the property of KCBX. However, KCBX requests that IEPA:

a. delete Conditions 2(b), 2(c), and 2(d) because the worst-case, uncontrolled emissions of fugitive particulate matter from storage piles are estimated to be well below the 50 tpy PM threshold for 35 Ill. Adm. Code 212.304 to be applicable (see Attachment 1).

b. delete Condition 2(g) because no particulate collection equipment is operated and installation of such equipment would require a construction permit, at which time appropriate permit conditions would be developed.

c. reference the appropriate regulation in Condition 6(a) such that Condition 6(a) reads:

6a. Pursuant to 35 Ill. Adm. Code 212.700 and 212.701(a), the Permittee shall maintain a contingency measure plan reflecting the PM₁₀ emission reductions set forth in 35 Ill. Adm. Code 212.703. A new or revised contingency measure plan shall be subject to the requirements of 35 Ill. Adm. Code 212, Subpart U and submitted to the IEPA upon request.

d. reference the appropriate regulation in Condition 6(b) and clarify the condition to reflect only the portions of 35 Ill. Adm. Code that are applicable to KCBX:

6b. Pursuant to 35 Ill. Adm. Code 212.701(c), a request to modify this permit for the purpose of providing a new or revised contingency measure plan shall be submitted within 30 days after making an operational change that is subject to 35 Ill. Adm. Codes 212.308 or 212.316(a) through (d) or that requires a new permit or a revision to an existing permit.

e. reference the appropriate regulation in Condition 7 and clarify the condition to reflect only the portions of 35 Ill. Adm. Code that are applicable to KCBX:

Mr. John Blazis
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7. Pursuant to 35 Ill. Adm. Code 212.703, the contingency measure plan shall contain two levels of control measures:
- ✓ 7.a Level I measures that will reduce total source-wide fugitive emissions of PM_{10} subject to control under 35 Ill. Adm. Codes 212.308 or 212.316(a) through (d) by at least 15%.
 - ✓ 7.a Level II measures that will reduce total source-wide fugitive emissions of PM_{10} subject to control under 35 Ill. Adm. Codes 212.308 or 212.316(a) through (d) by at least 25%.
 - f. Revise Condition 9a to reflect the language of 35 Ill. Adm. Code Subpart U as follows:
 - ✓ 9.a Pursuant to 35 Ill. Adm. Code 212.704(a), the Permittee shall implement Level I or Level II measures within ninety (90) days after receipt of a notification from the IEPA that the Permittee has been identified as a source that may likely be causing or contributing to a PM_{10} exceedance detected by monitoring that is not classified as an exceptional event and recognized as such by the USEPA pursuant to 35 Ill. Adm. Code 212.703(c).
 - ✓ 9.b Pursuant to 35 Ill. Adm. Code 212.704(b), the Permittee shall implement Level I or Level II measures corresponding to fugitive emissions within ninety (90) days and shall implement such measures corresponding to non-fugitive emissions according to the approved schedule set forth in the contingency measure plan, after receipt of a notification from the IEPA that the Permittee has been identified as a source that may likely be causing or contributing to an exceedance leading to a violation of the ambient air quality standard for PM_{10} .
 - ✓ 9.c Pursuant to 35 Ill. Adm. Code 212.704(c), upon the finding of a failure to attain the PM_{10} standard by the Administrator of USEPA, the Permittee shall, within sixty (60) days after receipt of such notification, implement any Level II measures corresponding to fugitive emissions subject to control under 35 Ill. Adm. Codes 212.308 or 212.316(a) through (d).
- 4) Condition 3 should be modified to clarify circumstances under which Condition 3 applies. KCBX requests the condition be modified to read:
- ✓ 3. Pursuant to 35 Ill. Adm. Code 212.324(b), emissions of Particulate Matter (PM) with an aerodynamic diameter less than or equal to 10 micrometers (PM_{10}) from any process emission unit shall not exceed 0.03 gr/scf during any one hour period, excluding emission units with no visible emissions other than fugitive PM as excepted by 35 Ill. Adm. Code 312.324(d)).

Mr. John Blazis
 January 27, 2005
 Page 4

- 5) In our meeting of December 16, 2004, KCBX proposed a permit limit for PM₁₀ in lieu of a limit for PM, since PM₁₀ is the regulated pollutant. Emissions of PM₁₀ need to remain below 100 tons per year (tpy) for the facility to remain a minor source with respect to the Clean Air Act Permit Program (i.e. the Federal Title V air permitting program). PM emissions will continue to be tracked, according to proposed Condition 10(g) discussed below. With these considerations, KCBX requests that condition 10(a) be changed to:

10a. Material throughput and facility-wide emissions of PM₁₀ from non-combustion sources shall not exceed the following limits:

<i>Throughput</i>	<i>PM₁₀ Emissions</i>		
	<i>ton/year</i>	<i>ton/month</i>	<i>ton/year</i>
<i>26,500,000</i>	<i>16.0</i>	<i>96.2</i>	

Several constants and variables are used in the calculation of PM₁₀ emissions. Since compliance with the PM₁₀ emission limit is not dependent on any one variable, but rather the combination of several variables, limits on individual variables are not appropriate. However, the permit may specify that all appropriate data be acquired and all appropriate calculations made. Attachment 1 shows potential PM₁₀ emissions at KCBX. The calculations demonstrate that at a throughput of 26,500,000 tpy and the contribution from combustion sources, facility-wide emissions will not exceed 100 tpy PM₁₀. Therefore, KCBX requests that Condition 10(b), including 10(b)(i) through 10(b)(iii), be changed to:

10b. The Permittee shall monitor and record the data necessary to calculate production throughput and PM₁₀ emissions on a monthly basis for the example calculations provided with the permit application.

Condition 10(c) should be deleted since a PM₁₀ emission limit from combustion sources is proposed to be included in Condition 11 (see Comment 6 below).

Condition 10(d) should be modified as follows to clarify that annual "limits" are not determined monthly, rather the annual throughput and annual emissions are calculated monthly based on a 12-month rolling averaging period:

10d. Once each month, annual throughput and annual emissions shall be calculated based on a 12-month rolling averaging period.

Condition 10(f) should be deleted since the permit will not have a nested PM limit. In its place, KCBX proposes the following condition that provides a consistent basis for measuring throughput:

10f. Production throughput shall be measured in tons and recorded as the amount of product shipped from KCBX.

Mr. John Blazis
 January 27, 2005
 Page 5

KCBX understands that IEPA would like the permit to address PM emissions for inventorying and annual reporting purposes. Therefore, KCBX proposes adding Condition 10(g) to read:

10.g Emissions of PM shall be calculated for inclusion in the annual emission report of the Permittee. The requirement to make PM calculations and submit annual reports may be waived without modification of the permit if, at such time, the reporting of PM is no longer required by the IEPA.

- 6) Condition 11 currently includes limits for the sulfur content of diesel, and emissions of nitrogen oxides, sulfur dioxide and PM₁₀, from generators. Because KCBX operates other non-mobile combustion equipment and because limits should be added for carbon monoxide (CO) and volatile organic material (VOM) to stay under major source threshold, KCBX requests that Condition 11(a) through (h) be modified to:

11a. The sulfur content of the diesel fuel used in non-mobile combustion equipment shall not exceed 2.0%.

11b. Emissions of nitrogen oxides from non-mobile combustion equipment at the facility shall not exceed 99 tons per year, based on a 12-month rolling averaging period.

11.c Emissions of sulfur dioxides from non-mobile combustion equipment at the facility shall not exceed 66.8 tons per year, based on a 12-month rolling averaging period.

11d. Emissions of PM₁₀ from non-mobile combustion equipment at the facility shall not exceed 3.7 tons per year, based on a 12-month rolling averaging period.

11e. Emissions of carbon monoxide from non-mobile combustion equipment at the facility shall not exceed 99.0 tons per year, based on a 12-month rolling averaging period.

11f. Emissions of volatile organic material from non-mobile combustion equipment at the facility shall not exceed 24.0 tons per year, based on a 12-month rolling averaging period.

11g. Each month these emissions shall be calculated from the operating hours of the generators and emissions from other non-mobile fuel combustion units:

H1 = Total hours of operation per month for large, diesel-powered engines (> 600 hp)

H2 = Total hours of operation per month of smaller, diesel-powered engines (≤ 600hp)

Mr. John Blazis
 January 27, 2005
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$$\begin{aligned} \text{NOx Emissions (lb/month)} &= ((18.2 \text{ (lb/hr)} \times H1) + (15.7 \text{ (lb/hr)} \times H2))/2000 \text{ lb/ton} \\ \text{CO Emissions (lb/month)} &= ((4.18 \text{ (lb/hr)} \times H1) + (3.37 \text{ (lb/hr)} \times H2))/2000 \text{ lb/ton} \\ \text{SOx Emissions (lb/month)} &= ((12.3 \text{ (lb/hr)} \times H1) + (1.04 \text{ (lb/hr)} \times H2))/2000 \text{ lb/ton} \\ \text{PM}_{10} \text{ Emissions (lb/month)} &= ((0.53 \text{ (lb/hr)} \times H1) + (1.11 \text{ (lb/hr)} \times H2))/2000 \text{ lb/ton} \\ \text{VOM Emissions (lb/month)} &= ((0.54 \text{ (lb/hr)} \times H1) + (1.26 \text{ (lb/hr)} \times H2))/2000 \text{ lb/ton} \end{aligned}$$

These calculations are based on standard emission factors from AP-42 at the time of permit renewal application. Updates to AP-42 will be incorporated at the next permit renewal or by modification of this permit. Compliance with annual limits shall be determined on a monthly basis from the calculations made according to Conditions 10d and 11g.

11.h Emissions from gasoline engines and other fuel combustion units shall be added to the emissions calculated in 11.g on a monthly basis to determine compliance with these limits.

Attachment 2 contains tables showing the emission factors used for the proposed emission calculations in Condition 11(g). Factors are taken from AP-42 Section 3.4, Large Stationary Diesel and All Stationary Dual Fuel Engines (dated 10/96), and from AP-42 Section 3.3, Gasoline and Diesel Industrial Engines (dated 10/96).

- 7) Condition 12(d) should be amended to remove the requirement to submit copies of source test plans to USEPA. IEPA has delegated authority to administer the testing program for sources subject to New Source Performance Standards under the Joint USEPA - IEPA Agreement for Delegation of Authority for New Source Performance Standards (Section 111), National Emission Standards for Hazardous Air Pollutants (Section 112), and Inspection, Monitoring, and Entry (Section 114) signed April 8, 1988 by USEPA and April 28, 1988 by IEPA. Pursuant to Section 5 of the delegation agreement, the reporting and notification provisions in 40 CFR Parts 60 and 61 requiring industry to make submissions to the USEPA are met by sending such submissions to IEPA. Therefore, KCBX requests the condition be modified to read:

12.d At least 30 days prior to the actual date of testing, a written test plan shall be submitted to the IEPA for review and approval. The plan shall describe the specific procedures for testing, including:

- 8) Condition 17(b) should be deleted from the permit. The condition is redundant with Condition 15 which requires KCBX to report an exceedance of a requirement of the permit to IEPA within 30 days. The requirement to make a statement that no exceedances occurred during the year is not a requirement included in the IEPA Air Emission Report rules found in 35 Ill. Adm. Code 254.
- 9) Attachment A of the current permit should be deleted because it contains conditions that are redundant with conditions found elsewhere in the permit.

Mr. John Blazis
January 27, 2005
Page 7

- 10) KCBX operates a coal screening operation that is subject to the requirements of 40 CFR 60 Subpart Y (New Source Performance Standard for Coal Preparation Plants). The opacity limits from 40 CFR 60.252(c) and 60.11(c) should be included in the permit because they are federally enforceable. It is noted that compliance with the 20 percent Subpart Y opacity standard is met by virtue of complying with the 10 percent opacity limit of 212.316 (Permit Condition 2h). KCBX has conducted initial 40 CFR Part 60, Subpart Y testing and additional, periodic monitoring is not required. These initial test results were previously submitted to IEPA. KCBX requests a condition be added to read:

To meet federal New Source Performance Standards (40 CFR Part 60 Subparts A and Y), the portions of the facility subject to Subpart Y shall not exhibit 20 percent or greater opacity except during periods of startup, shutdown, or malfunction. This limit does not supersede the limit of 35 Ill. Adm. Code 212.316(b), (c), or (d).

KCBX looks forward to working with the IEPA to renew the FESOP. Please contact Mr. Duane Pecci at (733) 978-8518 with questions concerning KCBX operations.

Sincerely,



Michael Gibson
KCBX Terminal Manager

Enclosures: As Noted

c: Duane Pecci, KCBX Terminals Company
Terry Steinert, Koch Carbon
Tom Henning, SEH, Inc.

K: 00412



STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 DIVISION OF AIR POLLUTION CONTROL
 1021 NORTH GRAND AVENUE EAST
 P. O. BOX 19506
 SPRINGFIELD, ILLINOIS 62794-9506

This Agency is authorized to require and you must disclose this information under 415 ILCS 5/39. Failure to do so could result in the application being denied and penalties under 415 ILCS 5 et seq. It is not necessary to use this form in providing this information. This form has been approved by the forms management center.

APPLICATION FOR RENEWAL OF A FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)	I.D. NO.	031600 AHI
	PERMIT NO.	95050167
	DATE	1-31-05
OPERATION OF: <u>Bulk Materials Terminal</u> (A)		

1a. NAME OF OWNER: <u>KCBX Terminals Co.</u>	2a. NAME OF OPERATOR: <u>Same</u>		
1b. STREET ADDRESS OF OWNER: <u>3259 East 100th St.</u>	2b. STREET ADDRESS OF OPERATOR:		
1c. CITY OF OWNER: <u>Chicago</u>	2c. CITY OF OPERATOR:		
1d. STATE OF OWNER: <u>IL</u>	1e. ZIP CODE: <u>60617</u>	2d. STATE OF OPERATOR:	2e. ZIP CODE:

3a. NAME OF CORPORATE DIVISION OR PLANT: <u>KCBX Terminals Co.</u>	3b. STREET ADDRESS OF EMISSION SOURCE: <u>3259 East 100th St.</u>
3c. CITY OF EMISSION SOURCE: <u>Chicago</u>	3d. LOCATED WITHIN CITY LIMITS: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
3e. TOWNSHIP:	3f. COUNTY: <u>Cook</u>
	3g. ZIP CODE: <u>60617</u>

4. ALL CORRESPONDENCE TO: (TITLE AND/OR NAME OF INDIVIDUAL) <u>Duane Pecci</u>	5. WHO IS THE PERMIT APPLICANT? <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> OPERATOR
6. ADDRESS FOR CORRESPONDENCE: (CHECK ONLY ONE)	<input checked="" type="checkbox"/> OWNER <input type="checkbox"/> OPERATOR <input type="checkbox"/> EMISSION SOURCE

7. THE UNDERSIGNED HEREBY MAKES APPLICATION FOR A PERMIT AND CERTIFIES THAT THE STATEMENTS CONTAINED HEREIN ARE TRUE AND CORRECT, AND FURTHER CERTIFIES THAT ALL PREVIOUSLY SUBMITTED INFORMATION REFERENCED IN THIS APPLICATION REMAINS TRUE, CORRECT AND CURRENT. BY AFFIXING HIS SIGNATURE HERETO HE FURTHER CERTIFIES THAT HE IS AUTHORIZED TO EXECUTE THIS APPLICATION.

AUTHORIZED SIGNATURE(S):			
BY <u>Mike Gibson</u>	<u>1/27/05</u>	BY	<u>JAN 31 2005</u>
SIGNATURE	DATE	SIGNATURE	DATE
TYPED OR PRINTED NAME OF SIGNER		TYPED OR PRINTED NAME OF SIGNER	
<u>Plant Manager</u>		<u>EPA - DAPC - SPFLD</u>	
TITLE OF SIGNER		TITLE OF SIGNER	

(A) THIS FORM IS TO PROVIDE THE ILLINOIS EPA WITH GENERAL INFORMATION ABOUT THE EQUIPMENT TO BE OPERATED.

(B) THIS APPLICATION MUST BE SIGNED IN ACCORDANCE WITH 35 ILL. ADM. CODE 201.154 OR 201.159 WHICH STATES: "ALL APPLICATIONS AND SUPPLEMENTS THERETO SHALL BE SIGNED BY THE OWNER AND OPERATOR OF THE EMISSION SOURCE OR AIR POLLUTION CONTROL EQUIPMENT, OR THEIR AUTHORIZED AGENT, AND SHALL BE ACCOMPANIED BY EVIDENCE OF AUTHORITY TO SIGN THE APPLICATION."

IF THE OWNER OR OPERATOR IS A CORPORATION, SUCH CORPORATION MUST HAVE ON FILE WITH THE ILLINOIS EPA A CERTIFIED COPY OF A RESOLUTION OF THE CORPORATION'S BOARD OF DIRECTORS AUTHORIZING THE PERSONS SIGNING THIS APPLICATION TO CAUSE OR ALLOW THE CONSTRUCTION OR OPERATION OF THE EQUIPMENT TO BE COVERED BY THE PERMIT.

SITE FEE BILLING INFORMATION		10. CONTACT PERSON FOR APPLICATION: Duane Pecci	
9a. COMPANY NAME: KCBX Terminals Co.		11. CONTACT PERSON'S TELEPHONE NUMBER: 773-978-8518	
9b. STREET ADDRESS: 3259 East 100th St.		12. CONTACT PERSON'S FACSIMILE NUMBER: 316-828-9330	
9c. CITY: Chicago		13. FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): 48-1082551	
9d. STATE: IL	9f. BILLING CONTACT PERSON: Duane Pecci	14. PRIMARY STANDARD INDUSTRIAL CLASSIFICATION (SIC) CATEGORY: Coal/Coke Wholesale Trade	
9e. ZIP CODE: 60617	9g. CONTACT TELEPHONE NO.: 773-978-8518	15. PRIMARY SIC NUMBER: 5052	16. TAXPAYER IDENTIFICATION NUMBER (TIN): (state) 833244 (city) 815676

375-3700 EXT 8518

17a. I.D. NO.: <u>0 3 1 6 0 0 A H I</u>
17b. HAS THE OPERATION AS DESCRIBED IN THE FESOP APPLICATION BEEN MODIFIED* AS DEFINED IN 35 ILL. ADM. CODE 201.102? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO IF "YES", SUBMIT THE APPLICABLE FORM(S) AND UPDATED FLOW DIAGRAM(S).
17c. DATE THE OPERATION WAS MODIFIED: _____

* **MODIFICATION:** ANY PHYSICAL CHANGE IN, OR CHANGE IN THE METHOD OF OPERATIONS OF, AN EMISSION SOURCE OR OF AIR POLLUTION CONTROL EQUIPMENT WHICH INCREASES THE AMOUNT OF ANY SPECIFIED AIR CONTAMINANT EMITTED BY SUCH SOURCE OR EQUIPMENT OR WHICH RESULTS IN THE EMISSION OF ANY SPECIFIED AIR CONTAMINANT NOT PREVIOUSLY EMITTED. IT SHALL BE PRESUMED THAT AN INCREASE IN THE USE OF RAW MATERIALS, THE TIME OF OPERATION, OR THE RATE OF PRODUCTION WILL CHANGE THE AMOUNT OF ANY SPECIFIED AIR CONTAMINANT EMITTED. NOT WITHSTANDING ANY OTHER PROVISIONS OF THIS DEFINITION, FOR PURPOSES OF PERMITS ISSUED PURSUANT TO SUBPART D, THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY MAY SPECIFY CONDITIONS UNDER WHICH AN EMISSION SOURCE OR AIR POLLUTION CONTROL EQUIPMENT MAY BE OPERATED WITHOUT CAUSING A MODIFICATION AS HEREIN DEFINED, AND NORMAL CYCLICAL VARIATIONS, BEFORE THE DATE OPERATING PERMITS ARE REQUIRED, SHALL NOT BE CONSIDERED MODIFICATIONS. 35 ILL. ADM. CODE 201.102.

**Attachment 1 - Potential Annual PM and PM10 Emission Rates
KCBX Terminals Company - Chicago, IL**

Average Moisture Content = Percent (variable based on inbound material shipping papers)
Annual Throughput = million tons/year

NOTE: This information is for calculation purposes only to demonstrate that the site can operate as a minor source. This attachment is not intended to establish limits on any parameters. Variables in this spreadsheet (including drop points, drop point throughputs, moisture content, emission factors, operating hours, and all other variables) are not intended to establish limits and are subject to change based on actual operations and as new or better information become available. Although the details in this spreadsheet may change over time, the basic concepts of emission estimating methodology will be retained.

Material Handling		Annual Throughput	No. of drop pts.	PM Emission Factor	PM Annual Emissions	PM10 Emission Factor	PM10 Annual Emissions	Emission Factor Source
Worst Cases of 19 Material Handling Scenarios ¹		ton/yr		lb/drop	ton/yr	lb/drop	ton/yr	
Scenario 4	Rail to main pad	26,500,000	8	0.000916	97.14	0.000433	45.94	AP-42, Chapter 13.2.4, Aggregate Handling and Storage Piles (uncontrolled) (1/95)
Scenario 5	Pad to water (main)	26,500,000	7	0.000916	84.99	0.000433	40.20	AP-42, Chapter 13.2.4, Aggregate Handling and Storage Piles (uncontrolled) (1/95)
Scenario 15	Screening (300 tph capacity) ²	2,628,000	1	0.0022	2.89	0.00074	0.97	AP-42, Chapter 11.19, Crushed Stone Processing (controlled with water) (8/04)
Scenario 16	Crushing (150 tph capacity) ²	1,314,000	1	0.0012	0.79	0.00054	0.35	AP-42, Chapter 11.19, Crushed Stone Processing (controlled with water) (8/04)
Subtotal from Material Handling =					185.81		87.47	

Storage Piles		Area	Days per year	PM Emission Factor	PM Annual Emissions	PM10 Emission Factor	PM10 Annual Emissions	Emission Factor Source
Worst Case Scenarios		Acres	year	lb/acre/day	ton/yr	lb/acre/day	ton/yr	
Scenario 20	Active storage piles	2	260	13.2	3.43	6.3	1.64	AWMA Air Pollution Engineering Manual, 1992, Page 779 (Uncontrolled)
Scenario 21	Inactive storage piles	24	105	3.5	4.41	1.7	2.14	AWMA Air Pollution Engineering Manual, 1992, Page 779 (Uncontrolled)
Subtotal from Material Handling =					7.84		3.78	

Combustion Sources		Hp of Each Gen.	Annual Hours of Operation	PM Emission Factor	PM Annual Emissions	PM10 Emission Factor	PM10 Annual Emissions	Emission Factor Source
Worst Case Emissions Limited by NOx Emissions ³		or group		lb/hp-hr	(tons)	lb/hp-hr	(tons)	
Scenario 24	396 kW Generator	505	3,200	0.0022	1.78	0.0022	1.78	AP-42, Chapter 3.3, Gasoline and Diesel Industrial Engines (10/96)
	2 x 567 kW Generator ³	760	6,400	0.0007	1.70	0.0007	1.70	AP-42, Chapter 3.4, Large Diesel Engines (10/96)
	Gasoline engines (non-mobile)	73	3,200	0.000721	0.08	0.000721	0.08	AP-42, Chapter 3.3, Gasoline and Diesel Industrial Engines (10/96)
	Other diesel fired sources ⁴				0.05		0.05	AP-42, Chapter 1.3, Fuel Oil Combustion (9/98)
Subtotal from Combustion =					3.61		3.61	

Vehicle Traffic		Loads per month	Trip Distance vmt/yr	PM Emission Factor	PM Annual Emissions	PM10 Emission Factor	PM10 Annual Emissions	Emission Factor Source
Worst Case Scenarios ²				lb/vmt	ton/yr	lb/vmt	ton/yr	
Scenario 22	Fugitives from haul truck wheel dust	1,080	7,776	4.73	2.21	1.22	0.95	AP-42, Chapter 13.2.2, Unpaved Roads (Controlled with water) (12/03)
Scenario 23	Fugitives from FEL wheel dust	1,498	32,357	4.15	13.43	1.07	3.53	AP-42, Chapter 13.2.2, Unpaved Roads (Controlled with water) (12/03)
Subtotal from Vehicles =					15.63		4.48	

Totals				Totals (ton/yr) =		212.90	99.35
---------------	--	--	--	-------------------	--	--------	-------

Notes and Assumptions:

- 1 Material Handling Scenarios 4 and 5 represent the conditions with the most material handling expected at the plant
- 2 Vehicle Traffic emissions and emissions from crushing and screening assume water is routinely applied to roads and bulk material
- 3 Combustion sources are limited to 3,200 hours of operation per year because at that level, NOx emissions = 100 tpy. 760 Hp generator at 6,400 hr/yr because there are two generators.
- 4 Emissions from "Other diesel fired sources" are based on 50,000 gal/yr of diesel burned and a factor of 2 lb PM/1000 gallon fuel: 50,000 gal/yr x 2 lb PM/1000 gallon / 2000 lb/ton = 0.05 ton PM10/yr

K:00443

**Attachment 2 - Emission Calculations for FESOP
KCBX Terminals Company - Chicago, Illinois**

Emission Factors for Large Diesel Combustion Sources (Greater than 600 Hp)
from AP-42, Chapter 3.4, Large Stationary Diesel and All Stationary Dual-fuel Engines (dated 10/96)

Pollutant	AP-42 Emission Factor lb/Hp-hr	KCBX Generator Capacity Hp	Factor for FESOP Emission Calculation lb/hr
Nitrogen Oxides	0.024	760	18.2
Carbon Monoxide	0.0055	760	4.18
Sulfur Dioxide ¹	0.01618	760	12.3
Particulate Matter (PM ₁₀)	0.0007	760	0.53
Volatile Organic Material	0.000705	760	0.54

¹ The maximum allowable sulfur concentration in the diesel fuel is 2%, per permit Condition 11(a).

Emission Factors for Other Diesel Combustion Sources (Less than 600 Hp)
from AP-42, Chapter 3.3, Gasoline and Diesel Industrial Engines (dated 10/96)

Pollutant	AP-42 Emission Factor lb/Hp-hr	KCBX Generator Capacity Hp	Factor for FESOP Emission Calculation lb/hr
Nitrogen Oxides	0.031	505	15.7
Carbon Monoxide	0.00668	505	3.37
Sulfur Dioxide	0.00205	505	1.04
Particulate Matter (PM ₁₀)	0.0022	505	1.11
Volatile Organic Material ²	0.0025	505	1.26

² The emission factor represents the sum of TOC emissions from exhaust, evaporation, crankcase, and refueling.



KCBX TERMINALS COMPANY

October 23, 2006

Mr. John Blazis
Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, IL 62702

Re: FESOP Renewal Application of January 27, 2005
KCBX Terminals Company, Chicago, IL
FID No. 031600AHI

Dear Mr. Blazis:

KCBX Terminals Company ("KCBX") submitted an application for renewal of the Federally Enforceable State Operating Permit (FESOP) for the facility on January 27, 2005. A review of this application, permitting documentation and current operations has indicated that the permit renewal application should be supplemented with the information contained herein and attached hereto.

KCBX currently calculates the throughput tonnages from each of the bulk operating scenarios each month and also tracks the 12-month rolling sum of throughput tonnages from each of the bulk material operating scenarios. We believe that Condition 10.d of the FESOP requires only the aggregate throughput for the site be totaled for the 12-month period, rather than 12-month totals for each operating scenario. PM₁₀ emissions will continue to be calculated for each operating scenario, summarized monthly and compared with the rolling 12-month limit. Accordingly, the wording for FESOP Condition 10.d should be:

10.d Once each month, annual throughput and annual PM₁₀ emissions shall be calculated for the previous based-on-a 12-month rolling averaging period.

Bolded text identifies additional text requested in the January 27, 2005 application. Underlined and bolded text identifies additional text requested in this supplement. Strike-through text identifies text that was requested in the 2005 application, but is now requested to be removed.

Referencing the telephone conversation between you and Mr. Terry Steinert this morning, KCBX also understands that no construction permit will be necessary to reactivate the North Shiploader System as long as new emission units/transfer points are not added and operation of the system is accommodated in one or more of the approved scenarios on the tracking spreadsheet.

EXHIBIT

Mr. John Blazis
October 13, 2006
Page 2

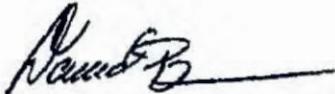
Additionally, internal records indicate that KCBX inadvertently may not have requested an operating permit for the 72-inch portable box hopper permitted by the Illinois Environmental Protection Agency ("Agency") on May 28, 2004 (Application No. 04050036). The Agency was notified that this equipment was operational on August 16, 2004. Accordingly, KCBX is requesting an authorization to operate this equipment by way of this correspondence and is submitting Forms APC-200 and APC-210 in support of this request.

Also, as required by 35 IAC 212.312 and Condition 6.a of the FESOP, KCBX is submitting an update to the combined Fugitive Particulate Operating Program and Contingency Measures Plan for PM₁₀. Included with this plan is an updated drawing containing the information required in 35 IAC 212.310(c).

Thank you for your consideration of this change to the FESOP renewal application. Please contact me at 733.978.3700 x8516 if you have questions about the FESOP application revision, the request for an authorization to operate the 72-inch box hopper, or the combined fugitive emissions plans. We look forward to receiving our revised FESOP in the very near future.

The undersigned hereby certifies that the statements contained herein are true and correct, and further certifies that all previously submitted information referenced in this application remains true, correct and current. By affixing his signature hereto, he further certifies that he is authorized to execute this application.

Respectfully,



David Bever.
Terminal Manager

cc: Terry Steinert

encl: Combined Fugitive Particulate Operating Program & Contingency Measures Plan
Delegation of Authority



**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
DIVISION OF AIR POLLUTION CONTROL
PERMIT SECTION
P. O. BOX 19506
SPRINGFIELD, ILLINOIS 62794-9506**

This Agency is authorized to require and you must disclose this information under 415 ILCS 5/39. Failure to do so could result in the application being denied and penalties under 415 ILCS 5 et seq. It is not necessary to use this form in providing this information. This form has been approved by the forms management center.

APPLICATION FOR PERMIT (A) <input type="checkbox"/> CONSTRUCT <input checked="" type="checkbox"/> OPERATE NAME OF EQUIPMENT TO BE CONSTRUCTED OR OPERATED <u>72-inch Portable Box Hopper</u> (B)	FOR AGENCY USE ONLY I.D. NO. _____ PERMIT NO. _____ DATE _____
--	---

NOTE: THIS APPLICATION FORM IS ONLY FOR SOURCES NOT REQUIRED TO OBTAIN A FESOP OR CAAPP PERMIT PURSUANT SECTION 39.5 OF THE ILLINOIS ENVIRONMENTAL PROTECTION ACT.

1a. NAME OF OWNER: KCBX Terminals Co.		2a. NAME OF OPERATOR: KCBX Terminals Co.	
1b. STREET ADDRESS OF OWNER: 3259 E. 180th Street		2b. STREET ADDRESS OF OPERATOR: 3259 E. 100th Street	
1c. CITY OF OWNER: Chicago		2c. CITY OF OPERATOR: Chicago	
1d. STATE OF OWNER: IL	1e. ZIP CODE: 60617	2d. STATE OF OPERATOR: IL	2e. ZIP CODE: 60617

3a. NAME OF CORPORATE DIVISION OR PLANT: Koch Carbon, LLC		3b. STREET ADDRESS OF EMISSION SOURCE: 3259 E. 100th Street		
3c. CITY OF EMISSION SOURCE: Chicago	3d. LOCATED WITHIN CITY LIMITS: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	3e. TOWNSHIP: Cook	3f. COUNTY: Cook	3g. ZIP CODE: 60617

4. ALL CORRESPONDENCE TO: (TITLE AND/OR NAME OF INDIVIDUAL) David Bever	5. YOUR DESIGNATION FOR THIS APPLICATION: (A) 72"BOXHOPR
6. ADDRESS FOR CORRESPONDENCE: (CHECK ONLY ONE) <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> OPERATOR <input type="checkbox"/> EMISSION SOURCE	7. WHO IS THE PERMIT APPLICANT? <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> OPERATOR

8. THE UNDERSIGNED HEREBY MAKES APPLICATION FOR A PERMIT AND CERTIFIES THAT THE STATEMENTS CONTAINED HEREIN ARE TRUE AND CORRECT, AND FURTHER CERTIFIES THAT ALL PREVIOUSLY SUBMITTED INFORMATION REFERENCED IN THIS APPLICATION REMAINS TRUE, CORRECT AND CURRENT. BY AFFIXING HIS/HER SIGNATURE HERETO THE UNDERSIGNED FURTHER CERTIFIES THAT HE/SHE IS AUTHORIZED TO EXECUTE THIS APPLICATION.

AUTHORIZED SIGNATURE(S): (A)

BY <u>David Bever</u> <u>10/23/14</u> BY _____ SIGNATURE DATE SIGNATURE DATE TYPED OR PRINTED NAME OF SIGNER TYPED OR PRINTED NAME OF SIGNER Terminal Manager TITLE OF SIGNER	_____ SIGNATURE DATE TYPED OR PRINTED NAME OF SIGNER TITLE OF SIGNER
--	---

- (A) THIS FORM IS TO PROVIDE THE ILLINOIS EPA WITH GENERAL INFORMATION ABOUT THE EQUIPMENT TO BE CONSTRUCTED OR OPERATED. THIS FORM MAY BE USED TO REQUEST A CONSTRUCTION PERMIT, AN OPERATING PERMIT, OR A JOINT CONSTRUCTION AND OPERATING PERMIT.
- (B) ENTER THE GENERIC NAME OF THE EQUIPMENT TO BE CONSTRUCTED OR OPERATED. THIS NAME WILL APPEAR ON THE PERMIT WHICH MAY BE ISSUED PURSUANT TO THIS APPLICATION. THIS FORM MUST BE ACCOMPANIED BY OTHER APPLICABLE FORMS AND INFORMATION.
- (C) PROVIDE A DESIGNATION IN ITEM 5 ABOVE WHICH YOU WOULD LIKE THE ILLINOIS EPA TO USE FOR IDENTIFICATION OF YOUR EQUIPMENT. YOUR DESIGNATION WILL BE REFERENCED IN CORRESPONDENCE FROM THIS AGENCY RELATIVE TO THIS APPLICATION. YOUR DESIGNATION MUST NOT EXCEED TEN (10) CHARACTERS. (OPTIONAL)
- (D) THIS APPLICATION MUST BE SIGNED IN ACCORDANCE WITH 35 ILL. ADM. CODE 201.154 OR 201.159 WHICH STATES: "ALL APPLICATIONS AND SUPPLEMENTS THERETO SHALL BE SIGNED BY THE OWNER AND OPERATOR OF THE EMISSION SOURCE OR AIR POLLUTION CONTROL EQUIPMENT, OR THEIR AUTHORIZED AGENT, AND SHALL BE ACCOMPANIED BY EVIDENCE OF AUTHORITY TO SIGN THE APPLICATION."

IF THE OWNER OR OPERATOR IS A CORPORATION, SUCH CORPORATION MUST HAVE ON FILE WITH THE ILLINOIS EPA A CERTIFIED COPY OF A RESOLUTION OF THE CORPORATION'S BOARD OF DIRECTORS AUTHORIZING THE PERSONS SIGNING THIS APPLICATION TO CAUSE OR ALLOW THE CONSTRUCTION OR OPERATION OF THE EQUIPMENT TO BE COVERED BY THE PERMIT.

BILLING INFORMATION		10. CONTACT PERSON FOR APPLICATION: Terry Steiner	
COMPANY NAME: KCBX Terminals Co.		11. CONTACT PERSON'S TELEPHONE NUMBER: (316) 828-7847	
9b. STREET ADDRESS: 3259 E. 100th Street		12. CONTACT PERSON'S FACSIMILE NUMBER: (316) 828-9108	
9c. CITY: Chicago		13. FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): 48-1082551	
9d. STATE: IL	9f. BILLING CONTACT PERSON: D. Bever	14. PRIMARY STANDARD INDUSTRIAL CLASSIFICATION (SIC) CATEGORY: 44, 50	
9e. ZIP CODE: 60617	9g. CONTACT TELEPHONE NO.: (773) 978-8516	15. PRIMARY SIC NUMBER: 4491, 5052	16. TAXPAYER IDENTIFICATION NUMBER (TIN): 2207-1563 (IL)

17. DOES THIS APPLICATION CONTAIN FORM 197-FEE, "CONSTRUCTION PERMIT APPLICATION FEE DETERMINATION"?
 YES NO

18. DOES THE APPLICATION CONTAIN A PLOT PLAN/MAP?
 YES NO
 IF THE PLOT PLAN/MAP HAS PREVIOUSLY BEEN SUBMITTED, SPECIFY:
 I. D. NO.: 031800AH1 APPLICATION NUMBER 04050036
 IS THE APPROXIMATE SIZE OF APPLICANT'S PREMISES LESS THAN 1 ACRE?
 YES NO IF "NO", SPECIFY appx. 42 ACRES

19. DOES THE APPLICATION CONTAIN A PROCESS FLOW DIAGRAM(S) THAT ACCURATELY AND CLEARLY REPRESENTS CURRENT PRACTICE?
 YES NO

20. IS THE EMISSION UNIT COVERED BY THIS APPLICATION ALREADY CONSTRUCTED?
 YES NO
 IF "YES", PROVIDE THE DATE CONSTRUCTION WAS COMPLETED:

21. IF THIS APPLICATION INCORPORATES BY REFERENCE A PREVIOUSLY GRANTED PERMIT(S), HAS FORM APC-210, "DATA AND INFORMATION-INCORPORATION BY REFERENCE" BEEN SUBMITTED?
 YES NO

APPLICATION FOR OPERATING PERMITS ONLY

22. DOES THE STARTUP OF AN EMISSION UNIT COVERED BY THIS APPLICATION PRODUCE AIR CONTAMINANT EMISSIONS IN EXCESS OF APPLICABLE STANDARDS?
 YES NO
 IF "YES", HAS FORM APC-203, "OPERATION DURING STARTUP" BEEN COMPLETED FOR THIS UNIT?
 YES NO

23. DOES THIS APPLICATION REQUEST PERMISSION TO OPERATE AN EMISSION UNIT DURING MALFUNCTIONS OR BREAKDOWNS?
 YES NO
 IF "YES", HAS FORM APC-204, "OPERATION DURING MALFUNCTION AND BREAKDOWN" BEEN COMPLETED FOR THIS UNIT?
 YES NO

24. IS AN EMISSION UNIT COVERED BY THIS APPLICATION SUBJECT TO A FUTURE COMPLIANCE DATE?
 YES NO
 IF "YES", HAS FORM APC-202, "COMPLIANCE PROGRAM & PROJECT COMPLETION SCHEDULE" BEEN COMPLETED FOR THIS UNIT?
 YES NO

25. DOES THE SOURCE COVERED BY THIS APPLICATION REQUIRE AN EPISODE ACTION PLAN (REFER TO GUIDELINES FOR EPISODE ACTION PLANS)?
 YES NO

26. LIST AND IDENTIFY ALL FORMS, EXHIBITS, AND OTHER INFORMATION SUBMITTED AS PART OF THIS APPLICATION. INCLUDE THE PAGE NUMBERS OF EACH ITEM (ATTACH ADDITIONAL SHEETS IF NECESSARY):

Form 210	

TOTAL NUMBER OF PAGES: _____

200
REV. 6/6/2003

K:000567

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 DIVISION OF AIR POLLUTION CONTROL
 1021 NORTH GRAND AVENUE, EAST
 SPRINGFIELD, ILLINOIS 62702

DATA AND INFORMATION
 INCORPORATION BY REFERENCE

THIS FORM IS TO BE USED TO INCORPORATE OR TRANSFER INFORMATION FROM ONE PERMIT APPLICATION TO ANOTHER, INCLUDING THE TRANSFER OF INFORMATION FROM A CONSTRUCTION PERMIT APPLICATION INTO AN OPERATING PERMIT APPLICATION. THIS FORM SHOULD ACCOMPANY THE APPLICATION INTO WHICH INFORMATION IS TO BE TRANSFERRED.

1. NAME OF OWNER: KCBX Terminals Co.	2. NAME OF CORPORATE DIVISION OR PLANT (IF DIFFERENT FROM OWNER): Koch Carbon, LLC
3. STREET ADDRESS OF EMISSION SOURCE: 3259 E. 100th Street	4. CITY OF EMISSION SOURCE: Chicago
	5. IDENTIFICATION NUMBER: 031600AHI

6. APPLICATION NUMBER: 04050036	7. <input checked="" type="checkbox"/> CONSTRUCTION <input type="checkbox"/> OPERATION OF: 72-inch Box Hopper
8. SHOULD ALL INFORMATION IN THIS APPLICATION BE INCORPORATED BY REFERENCE OR TRANSFERRED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF "NO", LIST ITEMS TO BE INCORPORATED	
9a. ITEM TO BE INCORPORATED:	b. PAGE:
	c. FLOW DIAGRAM DESIGNATION (IF APPLICABLE):
10. DOES THE DATA & INFORMATION DESCRIBING THESE ITEMS REMAIN TRUE, CORRECT, CURRENT, AND COMPLETE? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF "NO", SUBMIT THE APPLICATION FORMS AND CLEARLY STATE THE DATA AND INFORMATION WHICH IS NO LONGER TRUE, CORRECT, CURRENT, AND COMPLETE	

11. APPLICATION NUMBER:	12. <input type="checkbox"/> CONSTRUCTION <input type="checkbox"/> OPERATION OF:
13. SHOULD ALL INFORMATION IN THIS APPLICATION BE INCORPORATED BY REFERENCE OR TRANSFERRED? <input type="checkbox"/> YES <input type="checkbox"/> NO IF "NO", LIST ITEMS TO BE INCORPORATED	
14a. ITEM TO BE INCORPORATED:	b. PAGE:
	c. FLOW DIAGRAM DESIGNATION (IF APPLICABLE):
15. DOES THE DATA & INFORMATION DESCRIBING THESE ITEMS REMAIN TRUE, CORRECT, CURRENT, AND COMPLETE? <input type="checkbox"/> YES <input type="checkbox"/> NO IF "NO", SUBMIT THE APPLICATION FORMS AND CLEARLY STATE THE DATA AND INFORMATION WHICH IS NO LONGER TRUE, CORRECT, CURRENT, AND COMPLETE	

This Agency is authorized to require this information under Illinois Revised Statutes, 1979, Chapter III 1/2, Section 1039. Disclosure of this information is required under that Section. Failure to do so may prevent this form from being processed and could result in your application being denied. This form has been approved by the Forms Management Center.

**Consolidated
Fugitive Particulate Operating Program and
Contingency Measures Plan**

K KCBX TERMINALS COMPANY

Facility Physical Address: 3259 East 100th Street
Chicago, IL 60617

Facility Mailing Address: 3259 East 100th Street
Chicago, IL 60617

Facility ID No.: 031600AHI

Facility Telephone: (773) 375-3700

Responsible Persons: Site EHS Coordinator (primary for Operating Program)
Terminal Operations Manager (primary for Contingency Measures)

Prepared: November 18, 1999

Current Revision: #6 - May 18, 2006

Regulatory Driver: 35 IAC 212.309 through 212.312 (operating program)
35 IAC 212.700 through 212.705 (contingency measures)

1. Fugitive Particulate Operating Program

KCBX Terminals Company ("KCBX") handles bulk materials, which are transported via truck, train, barge, and/or vessel. KCBX can transfer material from one transportation mode to another either with or without stockpiling. To significantly reduce fugitive particulate matter emissions from these activities, KCBX has identified and implemented the requirements of 35 IAC 212.304 through 212.308.

A. Stockpiles. Bulk materials are stockpiled on-site to satisfy customer needs throughout the year. Even though uncontrolled emissions from stockpiles should not exceed 50 tons/year (tpy), water is applied from permanent, pole-mounted water cannons to control fugitive particulate emissions in conformance with 35 IAC 212.301 (prohibiting visible emissions of fugitive particulates beyond the property line), 212.304 (requiring watering or other controls), and 212.316(d) (limiting fugitive particulate emissions from stockpiles to 10 percent opacity). Stockpiles located in areas that may not receive 100 percent coverage from the pole-mounted water spray system are watered by portable water cannon¹. Watering also reduces fugitive emissions from bulk material transfers because of the moisture carry-over in the product.

¹ "Portable Water Cannons" are either free standing (2) or mounted on the water truck (1).

The permanent, fixed-pole water spray system consists of 21 water cannons, set on 4-inch diameter risers mounted on poles approximately 65 feet above grade providing a throw radius of 260-foot for each cannon at 100 psi and 500 gpm (see Table 1 for engineering specifications). Automated controls allow programmed sequencing of the cannons, regulating the duration of time the cannons are used and the timing of cycle initiation. Water for the system is supplied by two feeder pumps designed to deliver up to 1200 gallons per minute (gpm) through 6000 feet of buried 8-inch diameter pipeline. KCBX normally operates only a single pump, which supplies two cannons simultaneously, thus providing system redundancy.

TABLE 1. Specifications for Fixed-Pole Water Spray System or equivalent substitutions (per 35 IAC 212.310(e))

Description	Supplier/ MFR	MFR. Part No.
Nelson Big Gun (part circle) Model SR150-24 Deg, Rated at 500 gpm @ 100 psi, 260' radius, 34' Height, 34MM bore, including ring nozzle, 4" FNPT Gun Connection Flange.	Nelson	SR150-24 Deg
Pipe - Schedule 40 - Galvanized (3 - lengths)		
Pipe Coupling Threaded- 4" class 150		
Hose 4" Dia. - Flex Hose to connect underground piping to piping on spray pole	Black Industrial	AZN4 RoyalFlex
Hose clamps for 4" hose - install 2 clamps each hose end		
Combination (Hose to MNPT) nipple - Serrated shank for hose connection and NPT Male threads for piping connection.		
Pipe 45 degree elbow - 4" class 150 - threaded		
CLA-VAL, 6" Roll Seal - Solenoid Control Valve - Model 736-01, 24 VDC Pilot Solenoid w/speed Control, Flanged Design	CLA-VAL, Roll Seal	Model 736-01
6" x 4" FNPT Threaded Raised Face Flange, ANSI 150# Galv. for mating to 6" roll seal valve.		
4" Ball Valve - Conbraco/Apollo 88A14A01-150# raised face, standard port, carbon steel ball valve with WCB -B 16-34 body and 316 SS ball	Conbraco	88A14A01
4" FNPT Threaded Raised Face Flange, ANSI 150# Galv. 2 flanges for mating to 4" ball valve, 1 flange to mate to under ground feed pipe.		
Gaskets 4" pipe flange (ball valve & feed pipe)		
Gaskets 6" pipe flange (control valve)		
Control Valve Enclosure - 24x24x16, NEMA 12	Rittal / Electromate	E242416
Control Valve Enclosure Bracket		

The fixed-pole water spray system is operated to apply small quantities of water over extended periods of time so that the exterior of stockpiles, which are exposed to the eroding forces of wind and the mechanical agitation of equipment, is kept wet. Stockpiles are not kept saturated because only the surface is exposed to wind erosion and therefore, wetting the surface/outer few inches of the pile is all that is required. Additionally, over-application of water results in increased controls associated with runoff management. Product stockpiles are visually inspected and frequency of duration of watering are adjusted based on observed conditions, prevailing or forecasted weather, or as directed by the Illinois Environmental Protection Agency (IEPA) as discussed in Part 2. Watering is completed daily (7 days per week), unless any of the following are present:

1. precipitation,
2. freezing conditions (i.e., stockpiles have a frozen crust on the outside surface)², or
3. other conditions are present such as snow cover, or winds exceeding 25 mph.

Inactive stockpiles³ are encrusted with a surfactant every 60 days, weather permitting. Written logs of the operation of the water spray system are maintained.

Bulk materials stored on barges berthed at KCBX are visually monitored for fugitive emissions. As with land-side stockpiles, bulk materials on barges typically develop a crust that is resistant to wind erosion unless the material is mechanically disturbed. Fugitive emissions that appear to arise from bulk material stored on barges are controlled by portable water cannon using river water on the material.

B. Bulk material unloading. BMP to control fugitive particulate emissions in conformance with the opacity limits of 35 IAC 212.316(d) and (f) are achieved as follows:

1. Barges are unloaded using a clamshell bucket, portable box hopper, and portable conveyor. In accordance with 35 IAC 212.308, choke-feeding and application of water spray from a portable water cannon, as conditions warrant, are used to control fugitive particulate emissions at the hopper and along the conveyor. Choke-feeding narrows the opening from the donating equipment to the receiving equipment so that the vertical drop distance is reduced by maintaining a volume of the material above the drop point. Water spray is also applied at the barge as warranted. Barges may also be unloaded directly to stockpiles where pole-mounted water cannons control fugitive particulate emissions.
2. Rail cars are unloaded via a bottom car dump receiving system. Fugitive particulate emissions are controlled by choke-feeding inside a partial enclosure with multiple spray bar headers at strategic locations in accordance with 35 IAC 212.308.

² The permanent, fixed water spray system is typically drained and shut down from November 1 through March 31 to protect against freeze damage. The portable water cannons are available during this period to provide spot application of water, as needed.

³ Inactive stockpiles are those piles that are not receiving or having material removed during the period of surfactant application, including the "backside" of piles that have a working face.

3. Trucks are unloaded directly to stockpiles. The moisture content of unloaded product typically exceeds 10 percent and does not typically generate fugitive particulate emissions due to the high moisture content. When conditions warrant, water sprays from the pole-mounted water cannons are applied to control fugitive particulate emissions during truck unloading in accordance with 35 IAC 212.304 and 212.306.

C. Transfer points. Several material transfer points are utilized to move product to and from barges, vessels, rail cars, and stockpiles.

1. At fixed transfer points, water from full-width spray bars is applied to control fugitive particulate emissions when conditions warrant. Dust suppressants may also be used to supplement water sprays as needed.
2. At portable and mobile transfer points, front-end loaders, bulldozers, box hoppers, conveyors, and stacking equipment are generally utilized. When conditions warrant, water sprays from the pole-mounted water cannons are applied to control fugitive particulate emissions and water sprays from a portable water cannon(s) may also be applied to control fugitive particulate emissions.

Water from spray bars is utilized as necessary at fixed conveyor loading operations to stockpiles (i.e., stacker transfer to stockpiles) to control fugitive particulate emissions in accordance with 35 IAC 212.305. Where spray bars are not present, watering is provided from the pole-mounted water spray system or the mobile truck-mounted water spray system. (Note: the requirement in 35 IAC 212.305 applies only to systems associated with stockpiles that have "uncontrolled emissions of fugitive particulate matter in excess of...50 T/yr which are located within a source whose potential particulate emissions from all emission units exceed...100 T/yr." KCBX is not such a source.)

D. Bulk material loading. In addition to the controls described below, the carryover from controls described in Sections A through C, also minimize fugitive particulate emissions during loading and within the receiving vehicle (i.e., barge, vessel or truck). Choke-feeding, in accordance with 35 IAC 212.308 is utilized where possible given the physical configuration of equipment.

1. For barge and vessel loading, material drop height and feed rate are monitored and adjusted.
2. For vessel to barge transfer, a boom is used and, when conditions warrant, water spray from the boom is applied to control the fugitive particulate emissions at the barge.

3. For truck loading, front-end loaders transfer bulk material from stockpiles to the trucks. During non-freezing conditions, water from the pole-mounted water cannons control fugitive particulate emissions from the truck loading. Loaded trucks are tarped in accordance with 35 IAC 212.315. During non-freezing conditions, the trucks pass through a wheel-wash prior to leaving the site.

- E. Screening. Bulk material may be sized in a screening process to satisfy customer product specifications. When conditions warrant, water spray is applied from a portable water cannon(s) to the stockpile and/or the target hopper to control fugitive particulate emissions to achieve an opacity of 10 percent or less in accordance with 35 IAC 212.316(b). Choke-feeding, in accordance with 35 IAC 212.308, is also employed where possible given the physical configuration of equipment.

- F. Plant roads and parking areas. KCBX utilizes large, heavy earth-moving equipment to transfer bulk materials. This equipment frequently traverses the storage pad and plant roadways. Water spray from pole-mounted water cannons is applied to control fugitive particulate emissions generated by this heavy equipment traffic. Water spray from a truck-mounted spray bar and a portable water cannon(s) is applied on days when equipment traffic is present or as otherwise needed to control fugitive particulate emissions from unpaved plant roadways. In addition, a mechanical sweeper is during normal business days, except days with precipitation, to remove particulates from paved plant roads, parking areas and adjacent city streets. Trucks leaving the stockpile area and entering the "back road" are required to pass through a wheel-wash system prior to leaving. The wheel-wash operates daily except during freezing conditions. These best management practices are implemented in accordance with the requirements of 35 IAC 212.306 and are designed to meet the 10 percent opacity limit of 35 IAC 212.316(c).

Unpaved and paved roads are visually inspected each day that heavy equipment is operated and water is applied according to need, unless precipitation, freezing conditions, snow cover, winds in excess of 25 mph, or other mitigating conditions are present. Sweeping is also performed on days when heavy equipment is operated unless the above listed conditions are present. Written logs of water truck and sweeper use are maintained.

The watering program also covers the west perimeter access road that runs between 100th street to the north and Muskegon Avenue to the south. Although this access road is neither owned nor leased by the company, KCBX voluntarily implements fugitive dust control measures as part of our community outreach efforts. Fugitive dust control measures will be continued as long as the road is safe to traverse and it does not become a public thoroughfare.

Each day, fugitive particulate sources and current weather conditions are monitored and, when conditions warrant, the Best Management Practices (BMP) listed in Sections A through F are implemented to control fugitive particulate emissions. Forecasts of future weather conditions (e.g., wind and precipitation) are also monitored and the pole-mounted water spray program is adjusted accordingly. The responsible persons listed on page 1 have accountability for weather forecasts or assigning this responsibility. Weather tracking is accomplished using local and national public domain forecasting services.

35 IAC 212.314 provides an exception from the requirement of Section 212.301 to prevent visible emissions of fugitive particulate matter from any process, including material handling or storage activity, beyond the property line when wind speeds exceed 25 mph. Similarly, when wind speeds exceed 25 mph, spray systems and sweeping equipment are not required under Sections 212.304 through 212.310 and Section 212.212. However, on occasions where the exceptions outlined in Section 212.314 may apply, KCBX will evaluate wind conditions and make every effort to continue operation of water spray and mechanical sweeping programs unless deemed inappropriate. Current and future wind and precipitation conditions are monitored and the water spray program is adjusted accordingly.

There is currently no pollution control equipment in operation subject to the emission limits of 35 IAC 212.313 that collects residual materials subject to the requirements of 35 IAC 212.307.

A plot plan depicting the following elements is included per 35 IAC 212.310(c) as an aide to implementing the consolidated plan.

- A. approximate locations of storage piles
- B. fixed conveyor locations
- C. areas where portable conveyors may be operated
- D. normal traffic patterns
- E. approximate locations of bulk material loading and unloading
- F. locations of fixed pollution control systems

This Fugitive Particulate Operating Program is reviewed periodically by KCBX and revised to reflect current knowledge and practice. Any revisions made are consistent with 35 IAC Subpart K and submitted to IEPA in accordance with 35 IAC 212.312.

2. Contingency Measure Plan

A. Plan Elements. This Contingency Measure Plan is designed to achieve reductions in actual annual PM₁₀ emissions. Terms of this Contingency Measure Plan are federally enforceable per 35 IAC 212.702. There are two levels of control measures identified in Section 212.703:

1. Level I measures reduce total actual annual source-wide fugitive emissions of PM₁₀ by at least 15%. These reductions are achieved by increasing both the frequency and the volume of water in the application cycles, thereby increasing the moisture of the stockpiles and the effectiveness of the fugitive emissions controls (see Table).
2. Level II measures reduce total actual annual source-wide fugitive emissions of PM₁₀ by at least 25%. These reductions are achieved by further increasing both the frequency and the volume of water in the application cycles, thereby increasing the moisture of the stockpiles and the effectiveness of the fugitive emissions controls (see Table).

The BMP for meeting the contingency measure reductions specified in 35 IAC 212.703(a) follow those listed in Sections A through F of the Fugitive Particulate Operating Program in Part 1 of this consolidated plan. Because any control measure applied at any stage of the receiving or transferring aspect of bulk material handling tends to carry over to storage in stockpiles, the controls for these activities also constitute BMP that enable KCBX to meet the requirements of 35 IAC 212.304.

Scenario	Reduction Using Water Sprays [%]	Actual Annual PM ₁₀ Emission Reductions [%]
Base condition	80	N/A
Level I: Increase frequency and volume of pole-mounted and mobile water sprays from base condition	85	≥ 15
Level II: Increase in frequency and volume of pole-mounted and mobile water sprays from Level I	90	≥ 25

In accordance with 35 IAC 212.704(b) and (c), KCBX will implement Level I controls within 90 days and Level II controls within 60 days of receiving notice from the IEPA that the Contingency Measure Plan should be implemented. KCBX will make every effort to implement the measure as soon as possible, but in no case will delay implementation beyond the applicable 60 or 90 day period.

- B. Alternative Compliance Plan: KCBX has the option of complying with 35 IAC 212.703 through an Alternative Compliance Plan that provides for reductions in emissions equal to the level of reduction of fugitive emissions sought by Level I and Level II control measures. An Alternative Compliance Plan must be approved by IEPA and USEPA as federally enforceable permit conditions. If source controls are included on process emission units or other fugitive emissions of PM₁₀ not subject to 35 IAC 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424, or 212.464 in an Alternative Control Plan, the Plan must include a reasonable schedule of implementation for the controls, not to exceed two (2) years. The implementation schedule is subject to IEPA review and approval.
- C. Revisions to the Contingency Measure Plan: Operational changes subject to 35 IAC 212.304, 212.305, 212.306, 212.308, 212.316 (a) through (e), 212.424, or 212.464 that require a new or revised permit must, within 30 days after making such changes, be submitted to IEPA with a request for permit modification to include the new or revised Contingency Measure Plan per 35 IAC 212.701(c).
- D. Alternative Strategies Considered for Reduction of PM₁₀ Emissions: The following alternative strategies were considered and rejected as possible strategies to reduce PM₁₀ emissions from the KCBX operation:
1. KCBX considered the option of reducing the fines in the coal it handles by altering the crushing, screening or other mining techniques at the coal mine supply site. After due consideration, it was determined that KCBX does not have the decision rights to make this change. KCBX provides coal to its customers, sized to their specification. KCBX can not alter those specifications.

The petroleum coke shipped to KCBX is a refinery product. The sizing of the petroleum coke is dictated by the processing system at the refinery. KCBX has contractual obligations to accept the entire petroleum coke product stream from the refinery. Only the refinery can modify the coking equipment or alter the sizing specification of the petroleum coke.

2. KCBX evaluated the use of tarpaulins to cover the stockpiles, thereby reducing particulate emissions. This approach is not possible due to the way that stockpiles are utilized at KCBX. There may be up to 20 stockpiles present on the dock at any given time with active operations (i.e., loader or conveyor activity) at multiple stockpiles. Since stockpile locations and usage patterns are constantly changing, it is not feasible to use tarpaulins.

3. Revisions Log

Rev 1 01/21/01	Plant Manager changed to Gary Hosack from Ed Koerperich and changed PVC to Pipeline.
Rev 2 08/27/02	Added: (1) an estimated frequency for the application of water as a dust suppressant by the sprinklers, water truck and sweeper, and (2) inclusion of the truck wash as a method of fugitive dust control.
Rev 3 01/21/03	Changed responsible party from Gary Hosack to Duane Pecci and changed number of fixed water cannons from (22) to (21) in Paragraph K
Rev 4 02/21/05	Deleted old paragraphs "I" Crushing Process and "B" Vessel Unloading which are no longer performed. Added new paragraph "G", vessel to barge transfer loading. Added new spray bars for rail unloading to paragraph "B"
Rev 5 07/07/05	Added surfactant application note to Paragraph J. and clarified scope of sweeper services to Paragraph K.
Rev 6 10/23/06	Combined Fugitive Particulate Operating Program with Contingency Measure Plan, added regulatory drivers, changed Responsible Persons, clarified controls around box hopper in Sections H and I, and reformatted the document.

Lauren C. Lurkins

From: Katherine Hodge
Sent: Thursday, October 16, 2008 11:55 AM
To: Pressnall, Chris
Subject: kcbx
Attachments: FESOP Modification 2008-10-16 draft moisture.doc

Katherine D. Hodge
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6. The moisture content of the bulk material handled by the source shall be at least 1.5% by weight. The Permittee shall show compliance with this requirement by recording the moisture content of the bulk material received at the source as provided by the supplier of the feed material. If moisture content falls below 3.0% by weight as documented by the supplier, then the Permittee shall as follows:

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- a. ~~In lieu of natural moisture (e.g., rain or retained moisture), utilize water sprays shall be used on the emission units associated with the material handling operations (e.g., material transfer, screening and crushing) associated with bulk materials having a moisture content below 3.0% by weight, except when weather conditions are below or expected to fall below freezing temperatures, to produce a moisture content of 1.5% by weight or higher to reduce particulate matter emissions and to maintain compliance with the applicable visible emissions standards for each affected material handling operation.~~ ~~pieces of processing equipment used in the production process; or~~
- b. ~~Demonstrate compliance with Condition 6(a) by following the testing requirements of Condition 7B.~~

7. ~~The moisture content of the bulk material received by the source shall be certified by the source of the feed material. If moisture content falls below 3.0% by weight as documented by the supplier, then the Permittee shall utilize water spray on the emission units associated with the material handling operations, as specified 6(a) or perform the testing referenced in Condition 8.~~

7.a If the Permittee relies on Condition 6(a) to demonstrate compliance with Condition 6, the Permittee shall monitor for the water spray equipment as follows during non-freezing conditions:

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- (i) The water supply to the spray equipment shall be equipped with a master metering device used to determine water usage for the control of particulate matter emissions.
- (ii) Inspections of water spray equipment and operation (such as leaking, maintaining adequate flow, clogging of flow lines, etc.) shall be performed at least once per week when the material handling operations are in operation.

7.b. ~~If the Permittee relies on when required by Conditions 6(b) and 7 to demonstrate compliance with Condition 6, the Permittee shall measure the moisture content of a representative sample of the bulk material having a moisture content below 3.0% as provided by the supplier, handled by the source shall be measured at least once per week, when water spray is not being utilized, using ASTM Procedure D 3302 for coal and ASTM Procedure D 4931 for petroleum coke. ASTM Procedures (C566-97) for total moisture content of material. Should three consecutive tests at the source show moisture contents greater than 3.0% of 1.5% or greater by weight, this testing shall no longer be required for the subject until the source of bulk the feed material changes.~~

- ~~(i) If the Permittee relies on Condition 6(a) to demonstrate compliance with Condition 6, the Permittee shall monitor for the water spray equipment as follows during non-freezing conditions:~~
- ~~(ii) The water supply to the spray equipment shall be equipped with a metering device used to determine water usage for the control of particulate matter emissions.~~
- ~~(iii) Inspections of water spray equipment and operation (such as leaking, maintaining adequate flow, clogging of flow lines, etc.) shall be performed at least once per week when the material handling operations are in operation.~~

 **KCBX** TERMINALS COMPANY

January 19, 2009

Via Certified Mail

Mr. Ed. Bakowski
Bureau of Air Permit Section
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, IL 62702

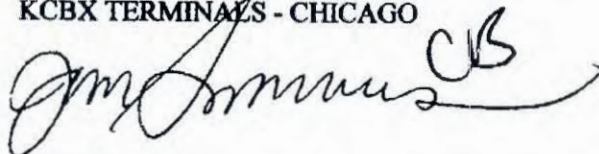
RE: FESOP Renewal Draft
KCBX Terminals Company, Chicago, IL FID# 031600AHI

Dear Mr. Bakowski,

Please find enclosed a proposed draft of the Federally Enforceable State Operating Permit ("FESOP") renewal for the KCBX Terminals Co. ("KCBX") facility in Chicago, Illinois. This draft is submitted in addition to previous written communications from KCBX to the Illinois Environmental Protection Agency ("Illinois EPA"). As you may be aware, KCBX has been operating under a FESOP that had an expiration date of June 22, 2005, while the permit renewal process has been underway. Based upon conversations between KCBX outside counsel Katherine Hodge and Illinois EPA personnel, KCBX believes that submission of this draft for review by Illinois EPA is the next step in the renewal process. KCBX is willing to provide this document to Illinois EPA in an electronic format upon request.

If you have any questions or would like additional information please do not hesitate to contact me at 773.978.8516 or the facility Environmental, Health and Safety Manager, Mr. Christopher Bailey at 773.978.8518.

Respectfully Submitted,
KCBX TERMINALS - CHICAGO



Jim Simmons
Terminal Manager

cc. George Kennedy
Bob Bernoteit

Page 1

XXXX/XXX-XXXX

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT

PERMITTEE

KCBX Terminals Co.
Attn: Chris Bailey
3259 East 100th Street
Chicago, Illinois 60617

Application No.: yyyyyyyy

I.D. No.: 031600AHI

Applicant's Designation: zzzzzz

Date Received: wwwwww

Subject: Bulk Materials Terminal

Date Issued: DRAFT 11-20-2008

Location: 3259 East 100th Street, Chicago, Cook County, 60617

This permit is hereby granted to the above-designated Permittee to OPERATE emission unit(s) and/or air pollution control equipment consisting of a bulk materials terminal, two diesel generators, and miscellaneous small, portable fuel combustion units pursuant to the above-referenced application. This Permit is subject to standard conditions attached hereto and the following special condition(s):

- 1a. This federally enforceable state operating permit is issued to limit the emissions of air pollutants from the source to less than major source thresholds (i.e., 100 tons/year for particulate matter emissions that are not "fugitive emissions" as defined in Section 39.5(2)(c)(2) of the Illinois Environmental Protection Act, 415 ILCS 5/39.5(2)(c)(2), 100 tons/year for particulate matter with an aerodynamic diameter less than or equal to 10 micrometers (PM_{10}), 100 tons/year for particulate matter with an aerodynamic diameter less than or equal to 2.5 micrometers ($PM_{2.5}$), 100 tons/year for nitrogen oxides (NO_x), 100 tons/year for sulfur dioxide (SO_2), 100 tons/year for carbon monoxide (CO) and 100 tons/year for volatile organic material (VOM)). As a result, the source is excluded from the requirements to obtain a Clean Air Act Permit Program (CAAPP) permit.
 - b. Prior to issuance, a draft of this permit has undergone a public notice and comment period.
 - c. This permit supersedes all operating and construction permit(s) for this location.
- 2a. Pursuant to 35 Ill. Adm. Code 212.123(a), no person shall cause or allow the emission of smoke or other particulate matter, with an opacity greater than 30 percent, into the atmosphere from any emission unit other than those emission units subject to 35 Ill. Adm. Code 212.122.

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- b. Pursuant to 35 Ill. Adm. Code 212.123(b), the emission of smoke or other particulate matter from any such emission unit (i.e., any emission unit other than a fuel combustion emission unit) may have an opacity greater than 30 percent but not greater than 60 percent for a period or periods aggregating 8 minutes in any 60 minute period provided that such opaque emissions permitted during any 60 minute period shall occur from only one such emission unit located within a 305 m (1000 feet) radius from the center point of any other such emission unit owned or operated by such person, and provided further that such opaque emissions permitted from each such emission unit shall be limited to 3 times in any 24 hour period.
- c. Pursuant to 35 Ill. Adm. Code 212.206, no person shall cause or allow the emission of particulate matter into the atmosphere in any one hour period to exceed 0.5 kg of particulate matter per MW-hr of actual heat input from any fuel combustion emission unit using liquid fuel exclusively (0.10 lbs/mmBtu).
- d. Pursuant to 35 Ill. Adm. Code 212.301, no person shall cause or allow the emission of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer looking generally toward the zenith at a point beyond the property line of the source.
- e. Pursuant to 35 Ill. Adm. Code 212.314, 35 Ill. Adm. Code 212.301 shall not apply and spraying pursuant to 35 Ill. Adm. Code 212.304 through 212.310 and 35 Ill. Adm. Code 212.312 shall not be required when the wind speed is greater than 40.2 km/hour (25 mph). Determination of wind speed for the purposes of this rule shall be by a one-hour average or hourly recorded value at the nearest official station of the U.S. Weather Bureau or by wind speed instruments operated on the site. In cases where the duration of operations subject to this rule is less than one hour, wind speed may be averaged over the duration of the operations on the basis of on-site wind speed instrument measurements.
- f. Pursuant to 35 Ill. Adm. Code 212.316(a), 212.302(b), 212.324(a)(1)(B), and 212.316(b), no person shall cause or allow fugitive particulate matter emissions generated by the crushing or screening of slag, stone, coke or coal to exceed an opacity of 10 percent.
- g. Pursuant to 35 Ill. Adm. Code 212.316(a), 212.302(b), 212.324(a)(1)(B), and 212.316(c), no person shall cause or allow fugitive particulate matter emissions from any roadway or parking area to exceed an opacity of 10 percent, except that the opacity shall not exceed 5 percent at quarries with a capacity to produce more than 1 million T/yr of aggregate.
- h. Pursuant to 35 Ill. Adm. Code 212.316(a), 212.302(b), 212.324(a)(1)(B), and 212.316(d), no person shall cause or allow fugitive particulate matter emissions from any storage pile to exceed an opacity of 10 percent, to be measured four feet from the pile surface.

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- i. Pursuant to 35 Ill. Adm. Code 212.316(f), unless an emission unit has been assigned a particulate matter, PM₁₀, or fugitive particulate matter emissions limitation elsewhere in 35 Ill. Adm. Code 212.316 or in 35 Ill. Adm. Code 212 Subparts R or S, no person shall cause or allow fugitive particulate matter emissions from any emission unit to exceed an opacity of 20.
- j. Pursuant to 35 Ill. Adm. Code 212.321(a), no person shall cause or allow the emission of particulate matter into the atmosphere in any one hour period from any new process emission unit which, either alone or in combination with the emission of particulate matter from all other similar process emission units for which construction or modification commenced on or after April 14, 1972, at a source or premises, exceeds the allowable emission rates specified in 35 Ill. Adm. Code 212.321(c).
- k. Pursuant to 35 Ill. Adm. Code 212.321(b), interpolated and extrapolated values of the data in 35 Ill. Adm. Code 212.321(c) shall be determined by using the equation:

$$E = A(P)^B$$

where

P = Process weight rate; and

E = Allowable emission rate; and,

- i. Up to process weight rates of 408 MG/hr (450 T/hr):

	<u>Metric</u>	<u>English</u>
P	Mg/hr	T/hr
E	kg/hr	lbs/hr
A	1.214	2.54
B	0.534	0.534

- ii. For process weight rate greater than or equal to 408 Mg/hr (450 T/hr):

	<u>Metric</u>	<u>English</u>
P	Mg/hr	T/hr
E	kg/hr	lbs/hr
A	11.42	24.8
B	0.16	0.16

- l. Pursuant to 35 Ill. Adm. Code 212.323, Ill. Adm. Code 321 shall not apply to emission units, such as stock piles of particulate matter, to which, because of the disperse nature of such emission units, such rules cannot reasonably be applied.
- m. Pursuant to 35 Ill. Adm. Code 212.324(b), except as otherwise provided in 35 Ill. Adm. Code 212.324, no person shall cause or allow the emission into the atmosphere, of PM₁₀ from any process emission unit to exceed 68.7 mg/scm (0.03 gr/scf) during any one hour period.

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- n. Pursuant to 35 Ill. Adm. Code 212.324(d), the mass emission limits contained in 35 Ill. Adm. Code 212.324(b) shall not apply to those emission units with no visible emissions other than fugitive particulate matter; however, if a stack test is performed, 35 Ill. Adm. Code 212.324(d) is not a defense finding of a violation of the mass emission limits contained in 35 Ill. Adm. Code 212.324(b).
3. Pursuant to the federal New Source Performance Standard (NSPS) for coal preparation plants, 40 CFR 60, Subpart A and Y, crushing and screening of coal at the source constitutes coal preparation and crushers, screeners and all conveyors directly connected to these emission units are subject to NSPS for coal preparation plants while processing coal.
- 4.a Pursuant to 35 Ill. Adm. Code 212.308, crushers, grinding mills, screening operations, bucket elevators, conveyor transfer points, conveyors, bagging operations, storage bins and fine product truck and railcar loading operations shall be sprayed with water or a surfactant solution, utilize choke-feeding or be treated by an equivalent method in accordance with an operating program.
- b. Pursuant to Ill. Adm. Code 212.315, no person shall cause or allow the operation of a vehicle of the second division as defined by 625 ILCS 5/1-217, or a semi-trailer as defined by 625 ILCS 5/1-187, without a covering sufficient to prevent the release of particulate matter into the atmosphere, provided that this rule shall not pertain to automotive exhaust emissions
5. Pursuant to 35 Ill Adm. Code 212.324(f), for any process emission unit subject to 35 Ill. Adm. Code 212.324(a), the owner or operator shall maintain and repair all air pollution control equipment in a manner that assures that the emission limits and standards in 35 Ill. Adm. Code 212.324 shall be met at all times. 35 Ill. Adm. Code 212.324 shall not affect the applicability of 35 Ill. Adm. Code 201.149. Proper maintenance shall include the following minimum requirements:
 - i. Visual inspections of air pollution control equipment;
 - ii. Maintenance of an adequate inventory of spare parts; and
 - iii. Expeditious repairs, unless the emission unit is shutdown.
- 6.a. Pursuant to 35 Ill. Adm. Code 212.309, the emission units described in Ill. Adm. Code 212.308 and 212.316 shall be operated under the provisions of an operating program, consistent with the requirements set forth in Ill Adm. Code 212.310 and 212.312, and prepared by the owner or operator and submitted to the Agency for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions.
- b. Pursuant to 35 Ill. Adm. Code 212.310, as a minimum the operating program shall include the following:
 - i. The name and address of the source;

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- ii. The name and address of the owner or operator responsible for execution of the operating program;
 - iii. A map or diagram of the source showing approximate locations of storage piles, conveyor loading operations, normal traffic pattern access areas surrounding storage piles and all normal traffic patterns within the source;
 - iv. Location of unloading and transporting operations with pollution control equipment;
 - v. A detailed description of the best management practices utilized to achieve compliance with this Subpart, including an engineering specification of particulate collection equipment, application systems for water, oil, chemicals and dust suppressants utilized and equivalent methods utilized;
 - vi. Estimated frequency of application of dust suppressants by location of materials; and
 - vii. Such other information as may be necessary to facilitate the Agency's review of the operating program
- c. Pursuant to 35 Ill. Adm. Code 212.312, the operating program shall be amended from time to time by the owner or operator so that the operating program is current. Such amendments shall be consistent with this Subpart and shall be submitted to the Agency for its review.
- 7a. Pursuant to 35 Ill. Adm. Code 212.700(a), 35 Ill. Adm. Code 212 Subpart U (Additional Control Measures) shall apply to those sources in the areas designated in and subject to 35 Ill. Adm. Code 212.324(a)(1) or 212.423(a) and that have actual annual source-wide emissions of PM_{10} of at least fifteen (15) tons per year.
- b. Pursuant to 35 Ill. Adm. Code 212.701(a), those sources subject to 35 Ill. Adm. Code 212 Subpart U shall prepare contingency measure plans reflecting the PM_{10} emission reductions set forth in 35 Ill. Adm. Code 212.703. These plans shall become federally enforceable permit conditions. Such plans shall be submitted to the Illinois EPA by November 15, 1994. Notwithstanding the foregoing, sources that become subject to the provisions of 35 Ill. Adm. Code 212 Subpart U after July 1, 1994, shall submit a contingency measure plan to the Illinois EPA for review and approval within ninety (90) days after the date such source or sources became subject to the provisions of 35 Ill. Adm. Code 212 Subpart U or by November 15, 1994, whichever is later. The Illinois EPA shall notify those sources requiring contingency measure plans, based on the Illinois EPA's current information; however, the Illinois EPA's failure to notify any source of its requirement to submit contingency measure plans shall not be a defense to a violation of 35 Ill. Adm. Code 212 Subpart U and shall not relieve the source of its obligation to timely submit a contingency measure plan.

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- c. Pursuant to 35 Ill. Adm. Code 212.701(c), sources having operational changes subject to 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 which require either a new permit or a revision to an existing permit shall, within 30 days after such changes, submit a request to modify its permit in order to include a new, appropriate contingency measure plan. Such new plan shall be subject to the requirements of 35 Ill. Adm. Code 212 Subpart U.
- d. Pursuant to 35 Ill. Adm. Code 212.701(d), a source may, consistent with the requirements of 35 Ill. Adm. Code 212 Subpart U and any applicable permitting requirements, propose revisions to its contingency measure plan.
- e. Pursuant to 35 Ill. Adm. Code 212.703(a), all sources subject to 35 Ill. Adm. Code 212 Subpart U shall submit a contingency measure plan. The contingency measure plan shall contain two levels of control measures:
 - i. Level I measures are measures that will reduce total actual annual source-wide fugitive emissions of PM_{10} subject to control under 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 by at least 15%.
 - ii. Level II measures are measures that will reduce total actual annual source-wide fugitive emissions of PM_{10} subject to control under 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 by at least 25%.
- f. Pursuant to 35 Ill. Adm. Code 212.703(b), a source may comply with 35 Ill. Adm. Code 212 Subpart U through an alternative compliance plan that provides for reductions in emissions equal to the level of reduction of fugitive emissions as required at 35 Ill. Adm. Code 212.703(a) and which has been approved by the Illinois EPA and USEPA as federally enforceable permit conditions. If a source elects to include controls on process emission units, fuel combustion emission units, or other fugitive emissions of PM_{10} not subject to 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 at the source in its alternative control plan, the plan must include a reasonable schedule for implementation of such controls, not to exceed two (2) years. This implementation schedule is subject to Illinois EPA review and approval.

- g. Pursuant to 35 Ill. Adm. Code 212.704(b), if there is a violation of the ambient air quality standard for PM₁₀, as determined in accordance with 40 CFR Part 50, Appendix K, the Illinois EPA shall notify the source or sources the Illinois EPA has identified as likely to be causing or contributing to one or more of the exceedences leading to such violation, and such source or sources shall implement Level I or Level II measures, as determined pursuant to 35 Ill. Adm. Code 212.704(e). The source or sources so identified shall implement such measures corresponding to any non-fugitive emissions within ninety (90) days after receipt of a notification and shall implement such measures corresponding to any nonfugitive emissions according to the approved schedule set forth in such source's alternative control plan. Any source identified as causing or contributing to a violation of the ambient air quality standard for PM₁₀ may appeal any finding of culpability by the Illinois EPA to the Illinois Pollution Control Board pursuant to 35 Ill. Adm. Code 106 Subpart J.
- h. Pursuant to 35 Ill. Adm. Code 212.704(c), upon the finding of a failure to attain the PM₁₀ standard by the Administrator of USEPA, the Illinois EPA shall notify all sources in the applicable area required to submit contingency measure plans pursuant to 35 Ill. Adm. Code 212.700 of such finding by the Administrator; however, the Illinois EPA's failure to notify a source of its requirement to implement its contingency measure plan because of the Administrator's finding of a failure to attain shall not be a defense to a violation of 35 Ill. Adm. Code 212 Subpart U and shall not relieve the source of its obligation to timely comply with Ill. Adm. Code 212.704. All such sources subject to 35 Ill. Adm. Code 212 Subpart U shall within sixty (60) days after receipt of such notification, implement any Level II measures corresponding to fugitive emissions subject to control under 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 and shall implement any Level II measures corresponding to any nonfugitive emissions of PM-10 according to the approved schedule set forth in such source's alternative control plan, unless such corresponding Level II controls have been previously implemented by such source or sources pursuant to subsection 35 Ill. Adm. Code 212.704(a) or (b).
- 8a. The moisture content of bulk materials handled by the source shall be at least 1.5% by weight. The Permittee shall show compliance with this requirement by recording the moisture content of bulk materials received at the source as provided by the suppliers of the bulk materials. If moisture content falls below 3.0% by weight as documented by a supplier, then the Permittee shall:
- i. Utilize water sprays on the material handling operations (e.g., material transfer, screening and crushing) associated with bulk materials having a moisture content below 3.0% by weight to reduce particulate matter emissions and to maintain compliance with the applicable visible emissions standards for each affected material handling operation; or

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- ii. Measure the moisture content of a representative sample of the bulk material having a moisture content below 3.0% as provided by the supplier, at least once per week, when water spray is not being utilized, using ASTM Procedure D 3302 for coal and ASTM Procedure D 4931 for petroleum coke. Should three consecutive tests at the source show moisture contents of 3.0% or greater by weight, this testing shall no longer be required for the subject bulk material.
- b. If the Permittee relies on Condition 8(a)(i) to demonstrate compliance with Condition 8(a), the Permittee shall monitor the water spray equipment as follows during non-freezing conditions:
 - i. The water supply to the spray equipment shall be equipped with a master metering device used to determine water usage for the control of particulate matter emissions.
 - ii. Inspections of water spray operations shall be performed at least once per week while bulk materials are being handled or stockpiled. At a minimum, such inspections shall include observations of:
 - A. equipment leaks that affect performance,
 - B. adequacy of flow, and
 - C. clogged flow lines.
- 9a. Emissions of PM and PM₁₀ from bulk material storage and handling (material transfer, crushing and screening), generator operation, small engine operation and portable heater use shall not exceed the following limits:
 - i. PM₁₀ emissions shall not exceed 9.5 tons/month and 95 tons/year.
 - ii. PM_{2.5} emissions shall not exceed 9.5 tons /month and 95 tons/year.
 - iii. PM emissions that are not "fugitive emissions" as defined in Section 39.5(2)(c)(2) of the Illinois Environmental Protection Act, 415 ILCS 5/39.5(2)(c)(2), shall not exceed 9.5 tons/month and 95 tons/year.
 - iv. These limits are based on standard emission factors from AP-42, Volume I, Fifth Edition (Table 11.19.2-2, August 2004, Section 13.2.4, November 2006, Table 3.4-2, October 1996, and Table 3.3-1, October 1996). PM₁₀ and PM emissions shall be calculated and recorded using the equation:

$$E = [(T \times F_n) + (S \times F_s) + (C \times F_c)] + (0.10 \times H) (0.31 \times F1 \times V1) + (4.41 \times F2 \times V2) / 2000$$

Where:

E = Total PM₁₀ or PM emissions, (tons);

T = Amount of bulk material transferred, (tons);

F_n = (k * 0.0032 * N) * [((U/5)1.3) / ((M/2)1.4)];

Where:

K = 0.35 for PM_{10} ;
= 0.74 for PM;

U = mean wind speed, (miles/hour);

M = material moisture content, (%);

N = Number of material drop points;

S = Amount of bulk material Screened, (tons);

F_s = 0.0022 lb PM/ton;
= 0.00074 lb PM_{10} /ton;

C = tons of bulk material Crushed, (tons);

F_c = 0.0012 lb PM/ton; and
= 0.00054 lb PM_{10} /ton.

H = Total hours of operation for the two 760-HP generators

F1 = gallons of gasoline use

F2 = gallons of diesel plus kerosene use

V1 = 0.13 mmBtu/gallon of gasoline (AP-42 Appendix A)

V2 = 0.137 mmBtu/gallon of diesel (AP-42 Appendix A)

*The conversion from gallons into mmBtu for diesel conservatively includes kerosene since the heat content of kerosene is slightly lower than diesel.

- b. Emissions of NO_x , SO_2 , CO and VOM from operation of the generators small, non-mobile engines and portable heaters at the source shall not exceed the following limits:
- i. Emissions of NO_x shall not exceed 95.0 tons per year.
 - ii. Emissions of SO_2 shall not exceed 66.8 tons per year.
 - iii. Emissions of CO shall not exceed 95.0 tons per year.
 - iv. Emission of VOM shall not exceed 25 tons per year.
 - v. Generator emissions are based on standard emission factors (Table 3.4-1, AP-42, Volume I, Fifth Edition, Update 1996). Emissions of NO_x , SO_2 , CO, and VOM from generators shall be calculated and recorded using the equations:

$$NO_x \text{ Emissions} = (16.8 \times H) / 2000$$

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SO₂ Emissions = (11.34 x H)/2000
 CO Emissions = (0.49 x H)/2000
 VOM Emissions = (0.49 x H)/2000

Where H is defined in 9(a) above.

- vi. Emissions from small, non-mobile engines are based on standard emission factors (Table 3.4-1, AP-42, Volume I, Fifth Edition, Update 1996). Emission factors for distillate oil may be used for kerosene (EIPP Volume III, page 2). Emissions of NO_x, SO₂, CO, and VOM from small engines shall be calculated and recorded using the equations:

NO_x Emissions = ((1.63 x F1 x V1) + (4.41 x F2 x V2))/2000
 SO₂ Emissions = ((0.084 x F1 x V1) + (0.29 x F2 x V2))/2000
 CO Emissions = ((62.7 x F1 x V1) + (0.95 x F2 x V2))/2000
 VOM Emissions = ((2.10 x F1 x V1) + (0.35 x F2 x V2))/2000

Where F1, F2, V1, and V2 are defined in 9(a) above.

- c. Compliance with the annual limits of this permit shall be determined once each month from the data for the preceding 12 months (running 12 month total).
- d. The sulfur content of the diesel fuel for the generators shall not exceed 2.0%.
- 10a. Pursuant to 35 Ill. Adm. Code 201.282, every emission source or air pollution control equipment shall be subject to the following testing requirements for the purpose of determining the nature and quantities of specified air contaminant emissions and for the purpose of determining ground level and ambient air concentrations of such air contaminants:
- i. Testing by Owner or Operator. The Illinois EPA may require the owner or operator of the emission source or air pollution control equipment to conduct such tests in accordance with procedures adopted by the Illinois EPA, at such reasonable times as may be specified by the Illinois EPA and at the expense of the owner or operator of the emission source or air pollution control equipment. The Illinois EPA may adopt procedures detailing methods of testing and formats for reporting results of testing. Such procedures and revisions thereto, shall not become effective until filed with the Secretary of State, as required by the APA Act. All such tests shall be made by or under the direction of a person qualified by training and/or experience in the field of air pollution testing. The Illinois EPA shall have the right to observe all aspects of such tests.

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- ii. Testing by the Illinois EPA. The Illinois EPA shall have the right to conduct such tests at any time at its own expense. Upon request of the Illinois EPA, the owner or operator of the emission source or air pollution control equipment shall provide, without charge to the Illinois EPA, necessary holes in stacks or ducts and other safe and proper testing facilities, including scaffolding, but excluding instruments and sensing devices, as may be necessary.
- 11a. Pursuant to 35 Ill. Adm. Code 212.107, for both fugitive and non-fugitive particulate matter emissions, a determination as to the presence or absence of visible emissions from emission units shall be conducted in accordance with Method 22, 40 CFR part 60, Appendix A, except that the length of the observing period shall be at the discretion of the observer, but not less than one minute. 35 Ill. Adm. Code 212 Subpart A shall not apply to 35 Ill. Adm. Code 212.301.
 - b. Pursuant to 35 Ill. Adm. Code 212.109, except as otherwise provided in 35 Ill. Adm. Code Part 212, and except for the methods of data reduction when applied to 35 Ill. Adm. Code 212.122 and 212.123, measurements of opacity shall be conducted in accordance with Method 9, 40 CFR Part 60, Appendix A, and the procedures in 40 CFR 60.675(c) and (d), if applicable, except that for roadways and parking areas the number of readings required for each vehicle pass will be three taken at 5-second intervals. The first reading shall be at the point of maximum opacity and second and third readings shall be made at the same point, the observer standing at right angles to the plume at least 15 feet away from the plume and observing 4 feet above the surface of the roadway or parking area. After four vehicles have passed, the 12 readings will be averaged.
 - c. Pursuant to 35 Ill. Adm. Code 212.110(c), upon a written notification by the Illinois EPA, the owner or operator of a particulate matter emission unit subject to 35 Ill. Adm. Code Part 212 shall conduct the applicable testing for particulate matter emissions, opacity, or visible emissions at such person's own expense, to demonstrate compliance. Such test results shall be submitted to the Illinois EPA within thirty (30) days after conducting the test unless an alternative time for submittal is agreed to by the Illinois EPA.
- 12a. Pursuant to 35 Ill. Adm. Code 212.110(e), the owner or operator of an emission unit subject to 35 Ill. Adm. Code Part 212 shall retain records of all tests which are performed. These records shall be retained for at least three (3) years after the date a test is performed.
 - b. Pursuant to 35 Ill. Adm. Code 212.316(g)(1), the owner or operator of any fugitive particulate matter emission unit subject to 35 Ill. Adm. Code 212.316 shall keep written records of the application of control measures as may be needed for compliance with the opacity limitations of 35 Ill. Adm. Code 212.316 and shall submit to the Illinois EPA an annual report containing a summary of such information.
 - c. Pursuant to 35 Ill. Adm. Code 212.316(g)(2), the records required under 35 Ill. Adm. Code 212.316(g) shall include at least the following:

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- i. The name and address of the source;
 - ii. The name and address of the owner and/or operator of the source;
 - iii. A map or diagram showing the location of all emission units controlled, including the location, identification, length, and width of roadways;
 - iv. For each application of water or chemical solution to roadways by truck: the name and location of the roadway controlled, application rate of each truck, frequency of each application, width of each application, identification of each truck used, total quantity of water or chemical used for each application and, for each application of chemical solution, the concentration and identity of the chemical; and
 - v. A log recording incidents when control measures were not used and a statement of explanation.
- d. Pursuant to 35 Ill. Adm. Code 212.316(g)(4), the records required under 35 Ill. Adm. Code 212.316(g) shall be kept and maintained for at least three (3) years and shall be available for inspection and copying by Illinois EPA representatives during working hours.
 - e. Pursuant to 35 Ill. Adm. Code 212.324(g)(1), written records of inventory and documentation of inspections, maintenance, and repairs of all air pollution control equipment shall be kept in accordance with 35 Ill. Adm. Code 212.324(f).
 - f. Pursuant to 35 Ill. Adm. Code 212.324(g)(2), the owner or operator shall document any period during which any process emission unit was in operation when the air pollution control equipment was not in operation or was malfunctioning so as to cause an emissions level in excess of the emissions limitation. These records shall include documentation of causes for pollution control equipment not operating or such malfunction and shall state what corrective actions were taken and what repairs were made.
 - g. Pursuant to 35 Ill. Adm. Code 212.324(g)(3), a written record of the inventory of all spare parts not readily available from local suppliers shall be kept and updated.
 - h. Pursuant to 35 Ill. Adm. Code 212.324(g)(5), the records required under 35 Ill. Adm. Code 212.324 shall be kept and maintained for at least three (3) years and shall be available for inspection and copying by Illinois EPA representatives during working hours.
- 13a. The Permittee shall maintain the following records to demonstrate compliance with the conditions of this permit:
- i. Records addressing use of good operating practices for the material handling operations at this source:

- A. If the Permittee is relying on Condition 8(a)(i) and 8(b) to demonstrate compliance with Condition 8(a), the Permittee shall maintain operating logs for the water spray equipment, including dates and hours of usage, total amount of water applied each month, malfunctions (type, date, and measures to correct), dates of rainfall during the preceding 24 hours, and daily observations of bulk material conditions (wet or dry) and/or other controls as may be present (e.g., coverage by snow or ice);
- B. If the Permittee is relying on the requirements of Conditions 8(a)(ii) to demonstrate compliance with Condition 8(a), the Permittee shall maintain records of all moisture content tests performed including date, time, individual or laboratory performing test, and location of sample (e.g., prior to crushing, stockpiles, etc.); and
- C. The Permittee shall keep records of the moisture content of bulk materials as provided by the suppliers of the bulk materials in accordance with Condition 8(a).
 - ii. Name and total amount of each bulk material (e.g., coal, petroleum coke, etc.) handled (i.e., crushed, screened or transferred) in tons/month and tons/year; and
 - iii. Monthly and 12-month rolling emissions of PM, PM₁₀, and PM_{2.5} from the bulk material storage and handling operations at this source in tons/month and tons/year, with supporting calculations.
- b. Unless otherwise specified in this permit, all records and logs required by this permit shall be retained at a readily accessible location at the source for at least five (5) years from the date of entry and shall be made available for inspection and copying by the Illinois EPA or USEPA upon request. Any records retained in an electronic format (e.g., computer) shall be capable of being retrieved and printed on paper during normal source office hours so as to be able to respond to an Illinois EPA or USEPA request for records during the course of a source inspection.
- 14a. Pursuant to 35 Ill. Adm. Code 212.316(g)(5), a quarterly report shall be submitted to the Illinois EPA stating the following: the dates any necessary control measures were not implemented, a listing of those control measures, the reasons that the control measures were not implemented, and any corrective actions taken. This information includes, but is not limited to, those dates when controls were not applied based on a belief that application of such control measures would have been unreasonable given prevailing atmospheric conditions, which shall constitute a defense to the requirements of 35 Ill. Adm. Code 212.316. This report shall be submitted to the Illinois EPA thirty (30) calendar days from the end of a quarter. Quarters end March 31, June 30, September 30, and December 31.

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- b. Pursuant to 35 Ill. Adm. Code 212.316(g)(3), copies of all records required by 35 Ill. Adm. Code 212.316 shall be submitted to the Illinois EPA within ten (10) working days after a written request by the Illinois EPA and shall be transmitted to the Illinois EPA by a company-designated person with authority to release such records.
- c. Pursuant to 35 Ill. Adm. Code 212.324(g)(4), copies of all records required by 35 Ill. Adm. Code 212.324 shall be submitted to the Illinois EPA within ten (10) working days after a written request by the Illinois EPA.
- d. Pursuant to 35 Ill. Adm. Code 212.324(g)(6), upon written request by the Illinois EPA, a report shall be submitted to the Illinois EPA for any period specified in the request stating the following: the dates during which any process emission unit was in operation when the air pollution control equipment was not in operation or was not operating properly, documentation of causes for pollution control equipment not operating or not operating properly, and a statement of the corrective actions taken or repairs made.
15. If there is an exceedence of or a deviation from the requirements of this permit, as determined by the records required by this permit, the Permittee shall submit a report to the Illinois EPA's Compliance Section in Springfield, Illinois within 30 days after the exceedence or deviation. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedence or deviation and efforts to reduce emissions and future occurrences.
16. Two (2) copies of required reports and notifications shall be sent to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Compliance Section (#40)
P.O. Box 19276
Springfield, Illinois 62794-9276

and one (1) copy shall be sent to the Illinois EPA's regional office at the following address unless otherwise indicated:

Illinois Environmental Protection Agency
Division of Air Pollution Control
9511 West Harrison
Des Plaines, Illinois 60016

If you have any questions on this permit, please call George Kennedy at 217/782-2113.

Edwin C. Bakowski, P. E.
Acting Manager, Permit Section
Division of Air Pollution Control

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ECB:JPB:

cc: Region 1

KCBX TERMINALS COMPANY

August 7, 2009

By Electronic Mail and Overnight Mail

Edwin C. Bakowski, P.E.
Manager, Permit Section
Division of Air Pollution Control
Illinois Environmental Protection Agency – Bureau of Air
1021 North Grand Avenue East
P.O. Box 19506
Springfield, Illinois 62794-9506

Re: Preliminary Draft Federally Enforceable State Operating Permit

I.D. Number: 031600AHI
Application Number: 95050167

Dear Mr. Bakowski,

This letter is sent on behalf of KCBX Terminals Co. ("KCBX") in response to your correspondence dated June 24, 2009. By that correspondence, you forwarded us an informal draft ("Draft Permit") Federally Enforceable State Operating Permit ("FESOP") for the KCBX facility located at 3259 E. 100th Street, Chicago, Illinois 60617 ("Facility"). KCBX appreciates the opportunity to review this Draft Permit, and also appreciates the Illinois Environmental Protection Agency ("Illinois EPA" or "Agency") speaking with us on July 23, 2009 regarding the Draft Permit language, and extending the timeframe for KCBX to provide a written response regarding the Draft Permit to August 7, 2009.

As you know, KCBX currently operates the Facility under a FESOP issued by Illinois EPA on April 8, 2004 (Expiration Date: June 22, 2005, Application No: 95050167). KCBX submitted its timely application for renewal of that FESOP on January 27, 2005, and has provided supplemental written information in support of its renewal application since that date. Most recently on January 19, 2009, KCBX transmitted proposed permit language to Illinois EPA. KCBX incorporates its January 27, 2005 renewal application and subsequent written communications relating to the FESOP renewal into this letter by reference.

During our July 23, 2009 telephone conference, KCBX and Illinois EPA discussed four main issues relating to the Draft Permit. KCBX addresses those discussions below, and – per our discussion during the telephone conference – raises additional substantive comments and questions on the Draft Permit language for the Agency's consideration. KCBX has included with this letter a markup of the Draft Permit proposing language

changes that address all of these issues, as well as other documents that are referenced below. The enclosed markup also includes self-explanatory proposed changes to correct typographical errors in references to regulatory provisions, numbering of permit conditions, etc.

As you will see from the following, in response to our discussion with Illinois EPA on July 23, KCBX proposes to modify the permit conditions addressing emissions of particulate matter ("PM"), and we would like the opportunity to walk through with the Agency our revised proposal. In addition, as indicated by proposed changes in the enclosed draft markup, it appears to us that the Agency may be utilizing information regarding the facility's VOM and SO₂ emissions which is not current, which we also would like to discuss with the Agency. We will contact you in the near future to arrange a telephone conference, and look forward to speaking with you.

Issues Discussed during July 23, 2009, Telephone Conference

Permit Reference to Applicability of NSPS Subpart Y -- Proposed Condition 3 in KCBX's January 19, 2009, draft permit language referenced the applicability of the federal New Source Performance Standard ("NSPS") for coal preparation plants, 40 CFR 60, Subpart Y, to a portion of the operations at the Facility which involve screening of coal. (*See also* further discussion of Subpart Y applicability below.) This proposed language was not included in the Agency's Draft Permit. Based on our July 23, 2009 conversation, KCBX understands that the Agency agrees this language should be included in the permit. Therefore, KCBX has included Subpart Y applicability language in the enclosed markup of the Agency's Draft Permit. KCBX also has struck the Agency's proposed Condition 5 regarding the issuance of a construction permit by the Agency for two conveyors that are not subject to NSPS Subpart Y, as this language does not appear relevant to the FESOP, and does not appear necessary in light of the re-inclusion of KCBX's proposed Condition 3 language.

Limit for Emissions of Particulate Matter ("PM") -- Various Conditions of the Agency's Draft Permit reference an emissions limit of 95 tons per year ("tpy") for PM, in addition to a separate limit of 95 tpy for PM less than or equal to 10 micrometers in aerodynamic diameter ("PM₁₀"). *See, e.g.*, Draft Permit Section 10a; Draft Permit Attachment A. Based on our July 23, 2009 conversation, KCBX understands that Illinois EPA included this separate 95 ton PM limit only for purposes of establishing the permit fee for the Facility, and not to establish a synthetic limit on PM emissions for purposes of Title V applicability. This is consistent with U.S. Environmental Protection Agency ("USEPA") guidance which makes clear that "[t]he Federal minimum for applicability of Title V to sources of particulate matter should be based on the amount of emissions of PM-10, not particulate matter, that the source has the potential to emit." October 16, 1995 Memorandum from Lydia N. Wegman, USEPA, enclosed, at 1. (Emphasis added.) Accord, *id.*, at enclosure "Regulated Air Pollutant: Particulate Matter," p. 1 ("[U]nder the Title V operating permits program only PM-10 is considered by EPA to be the regulated form of particulate matter for applicability and fee purposes.")

Notwithstanding that a synthetic limit on PM is not necessary for Title V purposes, KCBX requests a synthetic limit to control potential PM emissions for purposes of the Federal Prevention of Significant Deterioration ("PSD") program, 40 CFR 52.21. As the Agency is aware, the Facility does not have any operations within the source categories listed in 40 CFR 52.21(b)(1)(i)(a) (defining "Major stationary source" for purposes of the PSD rule to include, in part, sources of air pollutants in certain categories, such as "portland cement plants, primary zinc smelters," etc.). Thus, the Facility could only be a Major Stationary Source of PM emissions for PSD purposes if relevant emissions of PM exceeded 250 tpy. See 40 CFR 52.21(b)(1)(i)(b).

For purposes of the PSD program, the relevant emissions of PM only include PM emissions from the Facility's coal screening operation. This is made clear by guidance issued by USEPA on March 6, 2003, by Letter from Cheryl L. Newton, USEPA, to the Indiana Department of Environmental Management, a copy of which is enclosed. By this guidance, USEPA "clarify[s] to what extent, and from which emission units, ... fugitive emissions [are] counted towards major source applicability for Title V, nonattainment new source review (NSR), and prevention of significant deterioration (PSD)." *Id.* at 1.

First, USEPA finds that: "If the primary activity of a stationary source falls within a listed source category, then fugitive emissions are included from all emissions units at the source" for purposes of determining applicability with regard to these programs. *Id.* at "Analysis," p. 2. (Emphasis added.) In contrast, however, USEPA further finds that:

If the primary activity of a stationary source falls within a source category that is not listed, then as a general matter fugitive emissions from the emissions units at the source are not included in determining whether the source is a major stationary source. However, if the source also contains emission units which *do* fall within a listed source category (or categories), then you include fugitive emissions from these listed emissions units to determine if the source is a major stationary source.

Id. at "Analysis," p. 3. (Emphasis added.)

As an example, USEPA's guidance discusses "[a] coal mine with an onsite coal cleaning plant with a thermal dryer." *Id.* USEPA notes that "[t]he primary activity of the source, in this example, is the mining of coal, and coal mines are not a listed source category," but that "[t]he coal cleaning plant ... does fall within a listed source category." *Id.* In this case, USEPA concludes: "You include fugitive emissions only from the coal cleaning plant to determine if the source is a major stationary source." *Id.* (Emphasis added.)

In the case of the KCBX Chicago Facility, the primary activity of the Facility is unloading, storing, and loading of bulk solids. The Facility also operates a small screening operation that is subject to NSPS Subpart Y when it is used to screen coal. However, the great majority of material at the Facility is either not coal or is coal that is never introduced into the screening operation. That material, which is not screened, arrives at the Facility by train, barge or truck and is either directly transloaded to another mode of transportation,

such as a lake vessel, or is placed in piles on the Facility storage pad. Material from the storage pad is later loaded onto ships, barges, or trucks for transportation elsewhere.

Only the incidental coal screening operation at the Facility falls within a listed source category under PSD, specifically "[a]ny other stationary source category which, as of August 7, 1980, is being regulated under section 111 or 112 of the Act." 40 CFR 52.21(b)(1)(iii)(aa). Thus, pursuant to USEPA's March 6, 2003 guidance, only PM emissions associated with the screening operation are relevant "to determine if the source is a major stationary source" of PM emissions for purposes of PSD. Therefore, only PM emissions associated with the coal screening operation (that is, PM emissions from the screening plant when processing coal and directly-connected appurtenances such as conveyors) need be limited to render the Facility a "synthetic minor" stationary source for purposes of PSD. As discussed below, KCBX proposes a 88 tpy limit on PM10 emissions from the Subpart Y regulated coal screening operation at the Facility. This limit will serve to limit emissions of PM from the Subpart Y regulated coal screening operation to less than 250 tpy, ensuring that the potential PM emissions from the source would be capped below the threshold for a Major Stationary Source under the PSD program. See enclosed calculations.

During the July 23, 2009 telephone conference, we also discussed the issue of permit fees. In 2008, Illinois EPA assessed a permit fee of \$3,500 for the Facility, presumably pursuant to 415 ILCS 5/9.6(b)(3), as the Facility's current FESOP allows the Facility to emit "at least 100 tons per year of any combination of regulated air pollutants." It is KCBX's understanding that PM (as opposed to PM10) is not a "regulated air pollutant" as that term is defined in 415 ILCS 5/39.5(1) and, accordingly, that emissions of PM are not counted for purposes of determining permit fees. Regardless, the Facility's permit fees would not change under this proposal, because even without emissions of PM, the Draft Permit allows the Facility to emit at least 100 tpy of "any combination of regulated air pollutants" (the combination of CO at 92 tpy, NOx at 92 tpy, PM10 at 88 tpy, SO2 at 21.9 tpy, and VOM at 40.1 tpy is greater than 100 tpy").

Weekly vs. Monthly Emission Limits – The Facility's current FESOP sets both yearly and monthly limits on emissions of certain pollutants, with associated recordkeeping requirements. See, e.g., April 8, 2004, FESOP, §§ 10, 11. The Agency's Draft Permit, on the other hand, sets yearly and weekly limits on such emissions. See, e.g., Draft Permit, §§ 10, 14a. As discussed during our July 23, 2009 telephone conference, setting limits on a weekly basis presents operational difficulties for KCBX. The Agency stated that it would be comfortable with monthly rather than weekly limits if the final FESOP contained numeric limits of 92 tpy rather than 95 tpy for pollutants for which the Title V major source threshold is 100 tpy. As discussed further below, KCBX proposes a PM10 limit of 88 tpy from the screening operation at the Facility, accepts the lower 92 tpy limits for other pollutants, and requests that the Agency include such lower limits with corresponding monthly rather than weekly compliance and recordkeeping requirements in the final FESOP. KCBX has proposed language addressing this issue in conditions 9.a., b. and c., and 13.a.ii. and iii. of the enclosed markup of the Draft Permit.

Limits on Facility PM₁₀ Emissions -- During our July 23, 2009 telephone conference, we also discussed what emissions of PM₁₀ at the Facility are relevant for purposes of determining whether the Facility would be considered a "major source" of PM₁₀ emissions for purposes of Title V. As we explained to the Agency, this issue arose in our internal discussions in preparation for the telephone conference, and at that time, we had not fully developed our analysis of this issue.

Like the federal Clean Air Act, Section 39.5(c)(ii) of the Illinois Environmental Protection Act provides that "[t]he fugitive emissions of a stationary source shall not be considered in determining whether it is a major stationary source for the purposes of Section 302(j) of the Clean Air Act, unless the source belongs to one of" certain specified "categories of stationary source." 415 ILCS § 5/39.5(c)(ii). The screening operation discussed above constitutes a "stationary source categor[y], which as of August 7, 1980 [was] being regulated by a standard promulgated under Section 111 or 112 of the Clean Air Act," that is, NSPS Subpart Y. Therefore, the screening operation does fit into the category of stationary source identified in 415 ILCS 5/39.5(c)(AA). No other operation at the Facility fits in to any source category listed in Section 39.5(c).

As with the PSD analysis discussed above, USEPA has made clear that for Title V applicability purposes, where "the primary activity of a stationary source falls within a source category that is not listed, [but] the source also contains emission units which *do* fall within a listed source category (or categories), then you include fugitive emissions from these listed emissions units to determine if the source is a major stationary source." March 6, 2003 USEPA Guidance, "Analysis," at 3. Thus, as with the PSD program, only PM₁₀ emissions associated with the screening operations are relevant for determining Title V applicability, and only PM₁₀ emissions associated with the screening operations need be limited for purposes of avoiding Title V applicability. Therefore, KCBX proposes a 88 tpy limit on PM₁₀ emissions from the screening operations. This limit will serve to cap PM-10 emissions under both the Title V and PSD thresholds, to ensure that the potential PM-10 emissions from the Facility are capped below the threshold for a major stationary source under both programs.

Related to the issue of the limits on emissions of PM and PM₁₀ at the Facility is the question of how the facility monitors the level of moisture in the bulk products at the Facility. In order to ensure the most accurate moisture information for all material that it screens, KCBX proposes to sample this material directly, on a weekly basis, rather than rely on moisture information from suppliers. See Proposed Condition 8a. in the enclosed markup of the Agency's Draft Permit. With regard to the moisture of other bulk materials at the Facility, KCBX proposes to rely on moisture information from suppliers or on moisture testing of the material once it is present at the Facility. See KCBX's proposed Condition 8b.

Finally, of course, while limits on emissions of PM and PM₁₀ from locations or activities at the Facility not associated with the coal screening operation are not necessary under Title V or PSD, such emissions will be subject to state opacity rules and the Facility's Fugitive Particulate Operating Program.

Additional Substantive Comments/Clarifications/Additions

In addition to the changes discussed above, KCBX proposes further substantive changes to the FESOP, as explained in more detail below. All references below to "Draft Permit Condition #" refer to the draft permit conditions as numbered in the Draft Permit dated June 24, 2009, without regard to any typographical errors in the numbering of such conditions. The renumbering of some conditions, as reflected in the enclosed markup, is reflected by the additional language "KCBX Renumbered Condition #" where applicable.

Draft Permit Opening Paragraph -- Changes proposed to the opening paragraph of the draft permit are intended to clarify that:

1. the Facility handles only bulk solid materials, not bulk liquids (see also proposed revision to Draft Permit Condition 9.a.);
2. the two diesel generators at the Facility are slightly different in size; and,
3. combustion units other than the two diesel generators are small in size (i.e., less than 600 horsepower) and may individually run on a variety of fuels (e.g., gasoline, diesel or kerosene).

Draft Permit Condition 1.a. -- The change proposed to Draft Permit Condition 1.a is intended to clarify that emission caps are only needed for NO_x, CO and PM₁₀ for the facility to be a non-major source with respect to Title V.

Draft Permit Condition 1.d. -- The change proposed to Draft Permit Condition 1.c is intended to clarify that any operating authority granted by the Construction Permit for Two Conveyors issued on October 17, 2008 (Application No. 07100090), or any other Construction Permit issued to the Facility, is superseded by this new FESOP, and that the two conveyors, if added, will operate under the conditions of this FESOP and not those of the Construction Permit.

Draft Permit Condition 2.b. -- The change proposed to Draft Permit Condition 2.b is intended to clarify the applicability of 35 Ill. Admin. Code § 212.123(b) by noting the emission units to which the condition applies as previously agreed during issuance of the Construction Permit for Two Conveyors on October 17, 2008 (Application No. 07100090).

Draft Permit Condition 2.c. -- The change to Draft Permit Condition 2.c is proposed to make the language of the Condition consistent with the Illinois Pollution Control Board ("Illinois PCB") regulation that the Agency is quoting, 35 Ill. Admin. Code § 212.301.

Draft Permit Conditions 2.d through 2.f. – Deletion of Draft Permit Conditions 2.d, e, and f is proposed because no individual storage pile at the facility has the potential to emit 50 tpy of PM as is needed for these Conditions to be applicable.¹

Draft Permit Conditions 2.g and 2.l. – Deletion of Draft Permit Conditions 2.g and 2.l. is proposed because the facility does not have pollution control equipment that collects materials. The addition of such equipment would require a construction permit that would govern the operation of such equipment until such time as the FESOP would be amended or renewed. Therefore, inclusion of these Conditions in the FESOP at this time is not necessary.

Draft Permit Condition 2.h./KCBX Renumbered Condition 2.d. – Changes proposed to Draft Permit Condition 2.h are intended to:

1. make the language of the Condition consistent with the Illinois PCB regulation that the Agency is quoting, 35 Ill. Admin. Code § 212.308, even though the facility does not have bagging operations; and,
2. remove sub-Conditions i. and ii. relating to conveyor loadout sleeves for loading trucks and railcars, as Section 212.308 specifies that it applies to “fine product truck and railcar loading operations,” and the Facility does not segregate materials

¹ See 35 IAC 212.304 and Illinois EPA approved calculations for emissions from storage piles using Fifth Edition AP-42 Chapter 11.9 “Western Surface Coal Mining,” Table 11.9-1 for active storage piles and Table 11.9-4 for inactive, exposed areas) Using the equation for inactive storage piles of:

$$\text{PM Emission} = 0.38 \text{ ton per acre per year}$$

and assuming the entire 53.26 acre site is one large storage pile and no emission controls such as watering are applied, the potential emissions from this hypothetical inactive pile would be:

$$\text{PM Emissions} = 53.26 \text{ acres} * 0.38 \text{ ton/acre-year} = 20.239 \text{ tons PM/year}$$

Using the Equation for active piles of:

$$\text{PM Emission} = 3.1536 * u = \text{ton per acre per year}$$

Where u is the long-term average annual wind speed of 10.4 miles per hour and assuming the 26.5 acre storage pad is one large storage pile where 10% can be actively worked on any day, and 50% control is achieved from adding water, the potential emissions from this hypothetical pile would be:

$$\text{PM Emission} = 3.1536 * 10.4 * 26.5 * 0.1 * 0.5 = 43.457 \text{ ton per acre per year}$$

The above illustrations are hypothetical because the site actually consists of a minimum of 10 (and more likely 15 to 20) separate storage piles and the Agency has previously agreed that 75 percent control from watering is acceptable for emissions calculations. Additionally, the 26.5 acre storage pad is not wholly consumed by storage piles because space is occupied by roadways, railroad tracks and conveying systems.

to produce a "fine product," and therefore does not engage in "fine product truck and railcar loading operations."

Draft Permit Condition 2.i/KCBX Renumbered Condition 2.e. – The change to Draft Permit Condition 2.i is proposed to make the language of the Condition consistent with the Illinois PCB regulation that the Agency is quoting, 35 Ill. Admin. Code § 212.309(a).

Draft Permit Conditions 2.m., 2.n., and 2.o./KCBX Renumbered Conditions 2.h., 2.l., and 2.j. – No changes are proposed to Draft Permit Conditions 2.m, 2.n, and 2.o, but KCBX notes that 35 Ill. Admin. Code 212.316(a), 212.302(b) and 212.324(a)(1)(B) also require conformance to these permit Conditions.

Second Draft Permit Condition 2.n. (Draft Permit Page 5)/KCBX Renumbered Condition 2.o. – The revision of the second Draft Permit Condition numbered "2.n." (Draft Permit Page 5) is proposed because all "process emission units" at the Facility, defined in 35 Ill. Admin. Code 211.5190 as non-fuel combusting emission units only, have only fugitive emissions which are exempted from regulation under 35 Ill. Admin. Code 212.324 by 35 Ill. Admin. Code 212.324(d).

Draft Permit Condition 4.b. – The deletion of Draft Permit Condition 4.b is proposed because the facility does not have process emission sources, as that term is defined in 35 Ill. Admin. Code 211.5190, that emit sulfur dioxide.

Proposed New Condition 3.b. – The addition of a new Condition 3.b is proposed because the Facility believes it may have comfort-heating emission sources that qualify as existing fuel combustion emission sources.

Draft Permit Condition 4.c./KCBX Renumbered Condition 3.c. – The change proposed to Draft Permit Condition 4.c makes this Condition consistent with the proposed addition of new Condition 3.b to the extent that "existing" equipment is or is not defined. KCBX has furnaces / water heaters that predate the acquisition of the Facility in 1993.

KCBX further notes that it is unsure how to interpret Draft Permit Condition 4.c., which quotes Illinois PCB regulation 35 Ill. Admin. Code § 214.304, because Section 214.304 refers to "burning of fuel at process emission sources." However, by definition, fuel is not burned in "process emission sources" – "process emission source" is defined as "any stationary emission source other than a fuel combustion emission unit or an incinerator." 35 Ill. Admin. Code § 211.5185. Accord, 35 Ill. Admin. Code § 211.5190 (defining "process emission unit"). KCBX would appreciate guidance from the Agency on this issue.

Draft Permit Condition 8.e./KCBX Renumbered Condition 7.e. – The change to Draft Permit Condition 8.e. is proposed to make the language of the Condition consistent with the regulation that the Agency is quoting, 35 Ill. Admin. Code § 212.704(b).

Draft Permit Condition 8.f. – The deletion of Draft Permit Condition 8.f is proposed because the regulation quoted in this draft Condition, 35 Ill. Admin. Code Section 212.704(e), addresses actions required of the Agency, not permit holders, and thus its inclusion in the FESOP is unnecessary.

Draft Permit Condition 9.b.ii./KCBX Renumbered Condition 8.a. – The changes to this Draft Permit Condition are proposed to clarify that the purpose of the 1.5% moisture content for coal to be processed through the coal preparation plant is to designate that the emission factor for controlled emissions may be used in the calculation of particulate emissions. The proposed changes also set out the conditions whereby water must be applied in order to utilize the emission factor for controlled emissions.

Proposed Draft Permit Condition 8.b. – Draft Permit Condition 8.b is proposed to establish the source of moisture data for other particulate emissions calculations.

Draft Permit Condition 9.e. – The deletion of Draft Permit Condition 9.e is proposed because KCBX believes this Condition is unnecessary in light of the proposed revisions to Draft Permit Conditions 4.a., b. and c. discussed above.

Draft Permit Condition 10.a./KCBX Renumbered Condition 9.a. – As discussed in more detail above, KCBX proposes revisions to Draft Permit Condition 10.a. intended to limit certain emissions for PM₁₀ to 88 tpy, with a corresponding change from weekly to monthly emissions limits. KCBX proposes additional revisions to this Draft Permit Condition to clarify that the PM10 limit is based on the combination of capacity of the screening equipment taken together with the number of material transfers these materials' pass through.

Draft Permit Condition 10.b./KCBX Renumbered Condition 9.c. – As discussed in more detail above, KCBX proposes revisions to Draft Permit Condition 10.b. intended to lower the draft limits on emissions for CO and NO_x to 92 tpy, SO₂ to 21.9 tpy, and VOM to 40.1, with a corresponding change from weekly to monthly emissions limits. Additional changes to Draft Permit Condition 10.b are proposed in order to:

1. make the Condition consistent with monthly calculations as described above;
2. clarify that the emissions calculations cover all non-mobile fuel combustion emissions not excluded as insignificant sources;
3. clarify that emission factors come only from Table 3.4-1 in AP-42 for large diesel engines 600 Hp or greater;
4. add the horsepower to the calculation formula because the two generators are of different horsepower;
5. change the emission factor for VOM to the value stated in the cited reference – Table 3.4-1 in AP-42; and

6. add emission calculations for small (< 600 Hp) combustion units.

KCBX notes that the Agency did not include calculations for emissions of CO, NO_x, SO₂, and VOM from the other, small gasoline, kerosene and diesel combustion units at the Facility. KCBX has included calculated emissions from all combustion units, regardless of size or function, but understands that the Agency may have determined the emissions from some or all of these units to be insignificant.

Proposed New Condition 12.b.ii.D. -- New Condition 12.b.ii.D. is proposed to reflect the rule requirement of 35 Ill. Admin. Code § 212.316(g)(2)(D).

Second Draft Permit Condition 14.a.i. (Draft Permit Page 14)/KCBX Renumbered Condition 13.a.iv. -- The changes to the second Draft Permit Condition numbered "14.a.i" (Draft Permit Page 14) are proposed to:

1. distinguish "processing" from "handling" (i.e., transferring a material from one location at the Facility to another location is not processing the material);
2. maintain consistency of naming;
3. change the recording frequency from weekly to monthly, consistent with the comments above.

Draft Permit Condition 14/KCBX Renumbered Condition 13. -- The changes to Draft Permit Condition 14 are proposed to be consistent with the moisture data required in Renumbered Condition 8 and to change the recording frequency from weekly to monthly, consistent with the comments above.

Draft Permit Condition 14.c./KCBX Renumbered Condition 13.c. -- The change to Draft Permit Condition 14.c., which as drafted requires retention of all records for a period of five years, is proposed to make this Condition consistent with Draft Permit Conditions 13.b.iii and 13.c.iv, which require retention of certain specified records for only three years.

Additional Permit Conditions Needed. -- KCBX continues to believe the following regulations are applicable to the Facility, and requests the Agency address these regulations in the FESOP:

1. 35 Ill. Admin. Code § 212.107
2. 35 Ill. Admin. Code § 212.109
3. 35 Ill. Admin. Code § 212.206
4. 35 Ill. Admin. Code § 212.315
5. 35 Ill. Admin. Code § 212.316(g)(3)
6. 35 Ill. Admin. Code § 212.323
7. 35 Ill. Admin. Code § 212.324(g)(4)

8. 35 Ill. Admin. Code § 212.701(c)
9. 35 Ill. Admin. Code § 212.701(d)
10. 35 Ill. Admin. Code § 212.704(c)
11. 35 Ill. Admin. Code § 214.161

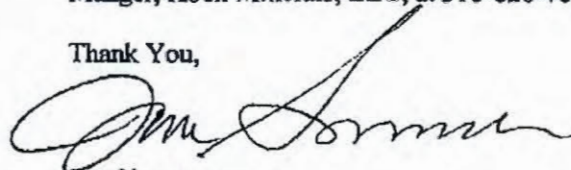
KCBX proposed permit conditions addressing these regulations in its draft FESOP language forwarded to the Agency on January 19, 2009.

Typographical Errors

Finally, KCBX's enclosed markup of the Draft Permit includes proposed changes to correct typographical errors, e.g., in references to regulatory provisions, numbering of permit conditions, etc. that are self explanatory

Again, KCBX appreciates the opportunity to communicate with Illinois EPA regarding the Draft Permit, both during our July 23 telephone conference, and through this correspondence. We hope the Agency finds this correspondence useful. If the Agency has any questions - regarding this correspondence, or any other aspect of the Facility or the Draft Permit - please do not hesitate to contact Terry Steinert, Environmental Compliance Manger, Koch Minerals, LLC, at 316-828-7847.

Thank You,



Jim Simmons
Terminal Manmager

xxx/xxx-xxxx

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT

PERMITTEE

KCEX Terminals Co.
Attn: Chris Bailey
3259 East 100th Street
Chicago, Illinois 60617

Application No.: 95050167 I.D. No.: 031600AHI
Applicant's Designation: REV10/07 Date Received: January 31, 2005
Subject: Bulk Solid Materials Terminal
Date Issued: DRAFT 07-02-2009
Location: 3259 East 100th Street, Chicago, Cook County, 60617

This permit is hereby granted to the above-designated Permittee to OPERATE emission sources(s) and/or air pollution control equipment consisting of a bulk solid materials trans-shipment terminal, one (1) coal preparation (screening) plant, one (1) 425 kW (750 Hp) diesel generator, one (1) 450 kW (760 Hp) diesel generator, and miscellaneous small (less than 600 Hp) gasoline, kerosene and diesel fuel combustion units pursuant to the above-referenced application. This Permit is subject to standard conditions attached hereto and the following special condition(s):

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1a. This federally enforceable state operating permit is issued to limit the emissions of air pollutants from the source to less than the Clean Air Act Title V major source threshold (i.e., 100 tons/year for Carbon Monoxide (CO) and Nitrogen Oxides (NOx)). In addition, this federally enforceable state operating permit is issued to limit the emissions of Particulate Matter (PM) with an aerodynamic diameter less than or equal to 10 micrometers (PM₁₀) from the coal preparation plant, while this plant is processing coal, to less than the Title V major source threshold. As a result, the source is excluded from the requirements to obtain a Clean Air Act Permit Program (CAAPP) permit. The maximum emissions of this source, as limited by the conditions of this permit are described in Attachment A.

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b. This federally enforceable state operating permit also is issued to limit the emissions of PM from the source to less than the major stationary source threshold for the Federal Prevention of Significant Deterioration program (i.e., 250 tons/year from the coal preparation plant, while this plant is processing coal). As a result, the source is excluded from the requirements of the PSD program set forth in 40 C.F.R. 52.21.

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c. Prior to issuance, a draft of this permit has undergone a public notice and comment period.

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d. This permit supersedes all operating permit(s) and operating authority granted in construction permits for this location.

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- 2a. Pursuant to 35 Ill. Adm. Code 212.123(a), no person shall cause or allow the emission of smoke or other particulate matter, with an opacity greater than 30 percent, into the atmosphere from any emission unit other than those emission units subject to 35 Ill. Adm. Code 212.122.
- b. Pursuant to 35 Ill. Adm. Code 212.123(b), the emission of smoke or other particulate matter from any such emission unit (i.e., any emission unit other than a fuel combustion emission unit greater of 600 Hp or larger) may have an opacity greater than 30 percent but not greater than 60 percent for a period or periods aggregating 8 minutes in any 60 minute period provided that such opaque emissions permitted during any 60 minute period shall occur from only one such emission unit located within a 305 m (1000 feet) radius from the center point of any other such emission unit owned or operated by such person, and provided further that such opaque emissions permitted from each such emission unit shall be limited to 3 times in any 24 hour period.
- c. Pursuant to 35 Ill. Adm. Code 212.301, no person shall cause or allow the emission of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer looking generally toward the zenith at a point beyond the property line of the source.
- d. Pursuant to 35 Ill. Adm. Code 212.308, crushers, grinding mills, screening operations, bucket elevators, conveyor transfer points, conveyors, bagging operations, storage bins and fine product truck and railcar loading operations shall be sprayed with water or a surfactant solution, utilize choke-feeding or be treated by an equivalent method in accordance with an operating program.
- e. Pursuant to 35 Ill. Adm. Code 212.309(a), the emission units described in Ill. Adm. Code 212.304 through 212.308 and 212.316 shall be operated under the provisions of an operating program, consistent with the requirements set forth in Ill Adm. Code 212.310 and 212.312, and prepared by the owner or operator and submitted to the Agency for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions.
- f. Pursuant to 35 Ill. Adm. Code 212.310, as a minimum the operating program shall include the following:
- i. The name and address of the source;
 - ii. The name and address of the owner or operator responsible for execution of the operating program;
 - iii. A map or diagram of the source showing approximate locations of storage piles, conveyor loading operations, normal traffic pattern access areas surrounding storage piles and all normal traffic patterns within the source;
 - iv. Location of unloading and transporting operations with pollution control equipment;

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~~Deleted: d. Pursuant to 35 Ill. Adm. Code 212.304(a), all storage piles of materials with uncontrolled emissions of fugitive particulate matter in excess of 50 T/yr shall be protected by a cover or sprayed with a surfactant solution or water on a regular basis, as needed, or treated by an equivalent method, in accordance with the operating program required by Sections 212.309, 212.310 and 212.312 of this Subpart. ¶~~

~~¶~~

~~e. Pursuant to 35 Ill. Adm. Code 212.305, all conveyor loading operations to storage piles specified in 35 Ill. Adm. Code 212.304 shall utilize spray systems, telescopic chutes, stone ladders or other equivalent methods in accordance with the operating program required by Sections 212.309, 212.310 and 212.312. ¶~~

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~~f. Pursuant to 35 Ill. Adm. Code 212.306, all normal traffic pattern access areas surrounding storage piles specified in 35 Ill. Adm. Code 212.304 shall be paved or treated with water, oils or chemical dust suppressants. All paved areas shall be cleaned on a regular basis. All areas treated with water, oils or chemical dust suppressants shall have the treatment applied on a regular basis, as needed, in accordance with the operating program required by 35 Ill. Adm. Code 212.310. ¶~~

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~~Deleted: i. Conveyor loadout to trucks and railcars shall be conducted with sleeves extending to at least 6 inches below the sides and the receiving vehicle, except for topping off. ¶~~

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~~ii. Conveyor loadout shall be conducted with sleeves extending to at least 6 inches below the sides and the receiving vehicle, except for topping off. ¶~~

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- v. A detailed description of the best management practices utilized to achieve compliance with 35 Ill. Adm. Code 212 Subpart K, including an engineering specification of particulate collection equipment, application systems for water, oil, chemicals and dust suppressants utilized and equivalent methods utilized;
- vi. Estimated frequency of application of dust suppressants by location of materials; and
- vii. Such other information as may be necessary to facilitate the Agency's review of the operating program

g. Pursuant to 35 Ill. Adm. Code 212.312, the operating program shall be amended from time to time by the owner or operator so that the operating program is current. Such amendments shall be consistent with 35 Ill. Adm. Code 212 Subpart K and shall be submitted to the Agency for its review.

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h. Pursuant to 35 Ill. Adm. Code 212.316(b), no person shall cause or allow fugitive particulate matter emissions generated by the crushing or screening of slag, stone, coke or coal to exceed an opacity of 10 percent.

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1. Pursuant to 35 Ill. Adm. Code 212.313, if particulate collection equipment is operated pursuant to 35 Ill. Adm. Code 212.304 through 212.310 and 212.312 (i.e., to control bucket elevators, conveyor transfer points, conveyors, storage bins and fine product truck and railcar loading operations), emissions from such equipment shall not exceed 68 mg/dscm (0.03 gr/dscf).²

i. Pursuant to 35 Ill. Adm. Code 212.316(c), no person shall cause or allow fugitive particulate matter emissions from any roadway or parking area to exceed an opacity of 10 percent, except that the opacity shall not exceed 5 percent at quarries with a capacity to produce more than 1 million T/yr of aggregate.

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j. Pursuant to 35 Ill. Adm. Code 212.316(d), no person shall cause or allow fugitive particulate matter emissions from any storage pile to exceed an opacity of 10 percent, to be measured four feet from the pile surface.

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k. Pursuant to 35 Ill. Adm. Code 212.316(f), unless an emission unit has been assigned a particulate matter, PM₁₀, or fugitive particulate matter emissions limitation elsewhere in 35 Ill. Adm. Code 212.316 or in 35 Ill. Adm. Code 212 Subparts R or S, no person shall cause or allow fugitive particulate matter emissions from any emission unit to exceed an opacity of 20 percent.

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l. Pursuant to 35 Ill. Adm. Code 212.321(a), no person shall cause or allow the emission of particulate matter into the atmosphere in any one hour period from any new process emission unit which, either alone or in combination with the emission of particulate matter from all other similar process emission units for which construction or modification commenced on or after April 14, 1972, at a source or premises, exceeds the allowable emission rates specified in 35 Ill. Adm. Code 212.321(c).

m. Pursuant to 35 Ill. Adm. Code 212.321(b), interpolated and extrapolated values of the data in 35 Ill. Adm. Code 212.321(c) shall be determined by using the equation:

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$$E = A(P)^0$$

where

P = Process weight rate; and
 E = Allowable emission rate; and,

i. Up to process weight rates of 408 MG/hr (450 T/hr):

	Metric	English
P	Mg/hr	T/hr
E	kg/hr	lbs/hr
A	1.214	2.54
B	0.534	0.534

ii. For process weight rate greater than or equal to 408 Mg/hr (450 T/hr):

	Metric	English
P	Mg/hr	T/hr
E	kg/hr	lbs/hr
A	11.42	24.8
B	0.16	0.16

d. Pursuant to 35 Ill. Adm. Code 212.700(a), 35 Ill. Adm. Code 212 Subpart U (Additional Control Measures) shall apply to those sources in the areas designated in and subject to 35 Ill. Adm. Code 212.324(a)(1) or 212.423(a) and that have actual annual source-wide emissions of PM₁₀ of at least fifteen (15) tons per year.

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q. Pursuant to 35 Ill. Adm. Code 212.324(b), except as otherwise provided in 35 Ill. Adm. Code 212.324, no person shall cause or allow the emission into the atmosphere of PM₁₀ from any process emission unit to exceed 68.7 mg/scm (0.03 gr/scf) during any one hour period.

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3a. Pursuant to 35 Ill. Adm. Code 214.122(b)(2), no person shall cause or allow the emission of sulfur dioxide into the atmosphere in any one hour period from any new fuel combustion source with actual heat input smaller than, or equal to, 73.2 MW (250 mmbtu/hr), burning liquid fuel exclusively to exceed 0.46 kg of sulfur dioxide per MW-hr of actual heat input when distillate fuel oil is burned (0.3 lbs/mmbtu).

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b. Pursuant to 35 Ill. Adm. Code 214.161, no person shall cause or allow the emission of sulfur dioxide into the atmosphere in any one hour period from any existing fuel combustion emission source, burning liquid fuel exclusively to exceed 0.46 kg of sulfur dioxide per MW-hr of actual heat input when distillate fuel oil is burned (0.3 lbs/mmbtu).

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f. Pursuant to 35 Ill. Adm. Code 214.304, the emissions from the burning of fuel at process emission sources located in the Chicago or St. Louis (Illinois) major metropolitan areas shall comply with the applicable Subparts B through F (i.e., 35 Ill. Adm. Code 214.122(b) and 214.161).

Deleted: b. Pursuant to 35 Ill. Adm. Code 214.301, no person shall cause or allow the emission of sulfur dioxide into the atmosphere from any process emission source to exceed 2000 ppm. 1

4. Pursuant to the federal New Source Performance Standard (NSPS) for coal preparation plants, 40 CFR 60, Subpart A and Y, crushing and screening of coal at the source constitutes coal preparation and crushers, screeners and all conveyors directly connected to these emission units are subject to NSPS for coal preparation plants while processing coal.

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5A. This permit is issued based on this source not being a participating source in the Emissions Reduction Market System (ERMS), 35 Ill. Adm. Code Part 205, pursuant to 35 Ill. Adm. Code 205.200. This is based on the source's actual VOM emissions during the seasonal allotment period from May 1 through September 30 of each year being less than 10 tons and the source's baseline emissions also being less than 10 tons.

b. In the event that the source's VOM emissions during the seasonal allotment period equal or exceed 10 tons, the source shall become a participating source in the ERMS and shall comply with 35 Ill. Adm. Code Part 205, by holding allotment trading units (ATUs) for its VOM emissions during each seasonal allotment period, unless the source obtains exemption from the ERMS by operating with seasonal VOM emissions of no more than 15 tons pursuant to a limitation applied for and established in a Clean Air Act Permit Program (CAAPP) permit or a Federally Enforceable State Operating Permit (FESOP).

c. Pursuant to 35 Ill. Adm. Code 205.316(a), any participating or new participating source shall not operate without a CAAPP permit or FESOP. Pursuant to 35 Ill. Adm. Code 205.316(a)(2), if a participating or new participating source does not have a CAAPP permit containing ERMS provisions and the source elects to obtain a permit other than a CAAPP permit, the source shall apply for and obtain a FESOP that contains, in addition to other necessary provisions, federally enforceable ERMS provisions, including baseline emissions, allotment for each seasonal allotment period, identification of any units deemed to be insignificant activities for purposes of the ERMS, emissions calculation methodologies, and provisions addressing all other applicable requirements of 35 Ill. Adm. Code Part 205.

6a. Pursuant to 35 Ill. Adm. Code 212.314, 35 Ill. Adm. Code 212.301 shall not apply and spraying pursuant to 35 Ill. Adm. Code 212.304 through 212.310 and 35 Ill. Adm. Code 212.312 shall not be required when the wind speed is greater than 40.2 km/hour (25 mph). Determination of wind speed for the purposes of this rule shall be by a one-hour average or hourly recorded value at the nearest official station of the U.S. Weather Bureau or by wind speed instruments operated on the site. In cases where the duration of operations subject to this rule is less than one hour, wind speed may be averaged over the duration of the operations on the basis of on-site wind speed instrument measurements.

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b. Pursuant to 35 Ill. Adm. Code 212.324(d), the mass emission limits contained in 35 Ill. Adm. Code 212.324(b) shall not apply to those emission units with no visible emissions other than fugitive particulate matter; however, if a stack test is performed, 35 Ill. Adm. Code 212.324(d) is not a defense finding of a violation of the mass emission limits contained in 35 Ill. Adm. Code 212.324(b).

Page 6

7a. Pursuant to 35 Ill. Adm. Code 212.324(f), for any process emission unit subject to 35 Ill. Adm. Code 212.324(a), the owner or operator shall maintain and repair all air pollution control equipment in a manner that assures that the emission limits and standards in 35 Ill. Adm. Code 212.324 shall be met at all times. 35 Ill. Adm. Code 212.324 shall not affect the applicability of 35 Ill. Adm. Code 201.149. Proper maintenance shall include the following minimum requirements:

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- i. Visual inspections of air pollution control equipment;
 - ii. Maintenance of an adequate inventory of spare parts; and
 - iii. Expeditious repairs, unless the emission unit is shutdown.
- b. Pursuant to 35 Ill. Adm. Code 212.701(a), those sources subject to 35 Ill. Adm. Code 212 Subpart U shall prepare contingency measure plans reflecting the PM₁₀ emission reductions set forth in 35 Ill. Adm. Code 212.703. These plans shall become federally enforceable permit conditions. Such plans shall be submitted to the Illinois EPA by November 15, 1994. Notwithstanding the foregoing, sources that become subject to the provisions of 35 Ill. Adm. Code 212 Subpart U after July 1, 1994, shall submit a contingency measure plan to the Illinois EPA for review and approval within ninety (90) days after the date such source or sources became subject to the provisions of 35 Ill. Adm. Code 212 Subpart U or by November 15, 1994, whichever is later. The Illinois EPA shall notify those sources requiring contingency measure plans, based on the Illinois EPA's current information; however, the Illinois EPA's failure to notify any source of its requirement to submit contingency measure plans shall not be a defense to a violation of 35 Ill. Adm. Code 212 Subpart U and shall not relieve the source of its obligation to timely submit a contingency measure plan.
- c. Pursuant to 35 Ill. Adm. Code 212.703(a), all sources subject to 35 Ill. Adm. Code 212 Subpart U shall submit a contingency measure plan. The contingency measure plan shall contain two levels of control measures:
- i. Level I measures are measures that will reduce total actual annual source-wide fugitive emissions of PM₁₀ subject to control under 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 by at least 15%.
 - ii. Level II measures are measures that will reduce total actual annual source-wide fugitive emissions of PM₁₀ subject to control under 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 by at least 25%.

d. Pursuant to 35 Ill. Adm. Code 212.703(b), a source may comply with 35 Ill. Adm. Code 212 Subpart U through an alternative compliance plan that provides for reductions in emissions equal to the level of reduction of fugitive emissions as required at 35 Ill. Adm. Code 212.703(a) and which has been approved by the Illinois EPA and USEPA as federally enforceable permit conditions. If a source elects to include controls on process emission units, fuel combustion emission units, or other fugitive emissions of PM₁₀ not subject to 35 Ill. Adm. Code 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 at the source in its alternative control plan, the plan must include a reasonable schedule for implementation of such controls, not to exceed two (2) years. This implementation schedule is subject to Illinois EPA review and approval.

e. Pursuant to 35 Ill. Adm. Code 212.704(b), if there is a violation of the ambient air quality standard for PM₁₀ as determined in accordance with 40 CFR Part 50, Appendix K, the Illinois EPA shall notify the source or sources the Illinois EPA has identified as likely to be causing or contributing to one or more of the exceedances leading to such violation, and such source or sources shall implement Level I or Level II measures, as determined pursuant to 35 Ill. Adm. Code 212.704(e). The source or sources so identified shall implement such measures corresponding to any non-fugitive emissions within ninety (90) days after receipt of a notification and shall implement such measures corresponding to any nonfugitive emissions according to the approved schedule set forth in such source's alternative control plan. Any source identified as causing or contributing to a violation of the ambient air quality standard for PM₁₀ may appeal any finding of culpability by the Illinois EPA to the Illinois Pollution Control Board pursuant to 35 Ill. Adm. Code 106 Subpart J.

8a. The moisture content of coal processed through the coal preparation plant shall be at least 1.5% by weight. The Permittee shall show compliance with this requirement by measuring the moisture content of the coal to be processed at the coal preparation plant using ASTM Procedure D 3302 once each week that coal is processed. If the moisture content of coal to be processed at the coal preparation plant is less than 1.5% by weight, the Permittee shall utilize water sprays on the coal and re-test the moisture content using ASTM Procedure D 3302.

8b. The moisture content of other bulk solid materials handled at the facility shall be recorded from the supplier(s) of the bulk solid materials and used to calculate fugitive PM and PM₁₀ emissions for annual emissions reporting. The facility may utilize water sprays on the material storage and handling operations (e.g., stockpiles and material transfer) to reduce PM and PM₁₀ emissions and to maintain compliance with the applicable visible emissions standards for each affected material handling operation. Following the use of water sprays the Permittee may, but is not required to, re-test the moisture content of bulk solid materials using ASTM Procedure D 3302 for coal and ASTM Procedure D 4931 for petroleum coke. If moisture re-testing is conducted, the results of the re-test will be used in lieu of the analyses from the bulk material supplier.

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f. Pursuant to 35 Ill. Adm. Code 212.704(e), the Illinois EPA shall require that sources comply with the Level I or Level II measures of their contingency measure plans, pursuant to 35 Ill. Adm. Code 212.704(b), as follows: §

1) Level I measures shall be required when the design value of a violation of the 24-hour ambient air quality standard, as computed pursuant to 40 CFR 50, Appendix K, is less than or equal to 170 ug/m³. §

2) Level II measures shall be required when the design value of a violation of the 24-hour ambient air quality standard, as computed pursuant to 40 CFR 50, Appendix K, exceeds 170 ug/m³. §

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c. The diesel-powered generators shall only be operated with distillate fuel oil as the fuel. The use of any other fuel in the diesel-powered generators requires that the Permittee first obtain a construction permit from the Illinois EPA and then perform stack testing to verify compliance with all applicable requirements.

d. Organic liquid by-products or waste materials shall not be used in any emission unit at this source without written approval from the Illinois EQP.

e. The Illinois EPA shall be allowed to sample all fuels stored at the above location.

9a. The PM₁₀ emissions from the processing of coal in the coal preparation plant shall not exceed 8.8 tons per month and 88 tons per year. These limits are based on the maximum throughput of the coal preparation plant per the manufacturer and standard emission factors (Table 11.19.2-2, AP-42, Volume I, Fifth Edition, Update August 2004 and Section 13.2.4, AP-42, Volume I Fifth Edition, November 2006). PM₁₀ emissions shall be calculated and recorded using the equation:

$$E_c = [(T \times F_m) + (S \times F_s) + (C \times F_c)] / 2000$$

Where:

E_c = Total PM₁₀ emissions from the coal preparation plant, (tons);

T = Amount of coal transferred by conveyances directly connected to the coal preparation plant, (tons);

$$F_m = (k \times 0.0032 \times N) \times [((U/5)1.3) / ((M/2)1.4)];$$

Where:

k = 0.35 for PM₁₀;

U = mean wind speed, (miles/hour);

M = material moisture content, (%);

N = Number of coal transfers (i.e., drop points);

S = Amount of bulk coal screened, (tons);

F_s = 0.00074 lb PM₁₀/ton;

C = Amount of coal crushed, (tons);

F_c = 0.00054 lb PM₁₀/ton.

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b. A limit on PM emissions is established by the limit on PM₁₀ emissions because the calculation of PM and PM₁₀ use the same formulae and same data inputs, with the only difference being in emission factors, which are constants. Therefore, a limit on PM₁₀ sets a direct cap on PM and when calculated PM₁₀ emissions remain below the limits of this permit, the calculated emissions of PM will be below the thresholds of Condition 1b.

c. Emissions from the operation of non-mobile, fuel combustion sources not excluded as insignificant sources in 35 Ill. Adm. Code 201.146 shall not exceed the following limits:

Pollutant	Emissions	
	Ton/Month	Ton/Year
Carbon Monoxide (CO)	2.2	92.0
Nitrogen Oxides (NO _x)	9.2	92.0
Sulfur Dioxide (SO ₂)	2.196	21.9
Volatile Organic Material (VOM)	4.01	40.1
PM ₁₀	2.35	23.5

Emissions from the diesel-powered generators are based on standard emission factors (Table 3.4-1, AP-42, Fifth Edition, Volume I, Supplement B, October 1996) and are calculated as follows:

$$E = H \times F \times D / 2,000$$

Where:

- E = Total emissions of pollutant
- D = Engine Duty (in horsepower)
- H = Hours of operation of unit (hours)
- F = Emission Factor as follows:

Pollutant	Engines	
	Large ≥ 600 Hp	Stationary Diesel
Carbon Monoxide (CO)	0.0055	
Nitrogen Oxides (NO _x)	0.024	
Sulfur Dioxide (SO ₂)	0.00809 * S	
Volatile Organic Material (VOM)	0.000705	

*S = Wt. % sulfur in fuel

Emissions from the operation of non-mobile, small (less than 600 Hp) fuel combustion sources not excluded as insignificant sources in 35 Ill. Adm. Code 201.146 are based on standard emission factors (Table 3.3-1, AP-42, Fifth Edition, Volume I, Supplement B, October 1996) and are calculated as follows:

$$E = V \times F / 2,000$$

Where:

- E = Total emissions of pollutant:

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V = Volume of fuel used, (gallons);

R = Heat content of fuel, (mmbtu/gallon) where

R = 0.13 mmbtu/gallon of gasoline (AP-42 Appendix A)

R = 0.137 mmbtu/gallon of diesel (AP-42 Appendix A);

F = Emission Factor as follows:

Pollutant	Emission Factors <600 Hp Stationary Engines	
	Gasoline lbs/mmbtu	Diesel/Kerosene lbs/mmbtu
Carbon Monoxide (CO)	62.7	0.95
Nitrogen Oxides (NO _x)	1.63	4.41
Sulfur Dioxide (SO ₂)	0.084	0.29
Volatile Organic Material (VOM)	3.03	0.36

The conversion from gallons into mmbtu for diesel conservatively includes kerosene since the heat content of kerosene is slightly lower than diesel.

e. Compliance with the annual limits of this permit shall be determined once each month from the data for the current month plus the preceding 11 months (running 12 month total).

10a. Pursuant to 35 Ill. Adm. Code 201.282, every emission source or air pollution control equipment shall be subject to the following testing requirements for the purpose of determining the nature and quantities of specified air contaminant emissions and for the purpose of determining ground level and ambient air concentrations of such air contaminants:

- i. Testing by Owner or Operator. The Illinois EPA may require the owner or operator of the emission source or air pollution control equipment to conduct such tests in accordance with procedures adopted by the Illinois EPA, at such reasonable times as may be specified by the Illinois EPA and at the expense of the owner or operator of the emission source or air pollution control equipment. The Illinois EPA may adopt procedures detailing methods of testing and formats for reporting results of testing. Such procedures and revisions thereto, shall not become effective until filed with the Secretary of State, as required by the APA Act. All such tests shall be made by or under the direction of a person qualified by training and/or experience in the field of air pollution testing. The Illinois EPA shall have the right to observe all aspects of such tests.
- ii. Testing by the Illinois EPA. The Illinois EPA shall have the right to conduct such tests at any time at its own expense. Upon request of the Illinois EPA, the owner or operator of the emission source or air pollution control equipment shall provide, without charge to the Illinois EPA, necessary holes in stacks or ducts and other safe and proper testing facilities, including scaffolding, but excluding instruments and sensing devices, as may be necessary.

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- b. Testing required by Condition 12 shall be performed upon a written request from the Illinois EPA by a qualified individual or independent testing service.

11. Pursuant to 35 Ill. Adm. Code 212.110(c), upon a written notification by the Illinois EPA, the owner or operator of a particulate matter emission unit subject to 35 Ill. Adm. Code Part 212 shall conduct the applicable testing for particulate matter emissions, opacity, or visible emissions at such person's own expense, to demonstrate compliance. Such test results shall be submitted to the Illinois EPA within thirty (30) days after conducting the test unless an alternative time for submittal is agreed to by the Illinois EPA.

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12a. Pursuant to 35 Ill. Adm. Code 212.110(g), the owner or operator of an emission unit subject to 35 Ill. Adm. Code Part 212 shall retain records of all tests which are performed. These records shall be retained for at least three (3) years after the date a test is performed.

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b. i. Pursuant to 35 Ill. Adm. Code 212.316(g)(1), the owner or operator of any fugitive particulate matter emission unit subject to 35 Ill. Adm. Code 212.316 shall keep written records of the application of control measures as may be needed for compliance with the opacity limitations of 35 Ill. Adm. Code 212.316 and shall submit to the Illinois EPA an annual report containing a summary of such information.

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ii. Pursuant to 35 Ill. Adm. Code 212.316(g)(2), the records required under 35 Ill. Adm. Code 212.316(g) shall include at least the following:

- A. The name and address of the source;
- B. The name and address of the owner and/or operator of the source;
- C. A map or diagram showing the location of all emission units controlled, including the location, identification, length, and width of roadways;

D. For each application of water or chemical solution to roadways by truck: the name and location of the roadway controlled, application rate of each truck, frequency of each application, width of each application, identification of each truck used, total quantity of water or chemical used for each application and, for each application of chemical solution, the concentration and identify of the chemical;

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E. For application of physical or chemical control agents: the name of the agent, application rate and frequency, and total quantity of agent, and, if diluted, percent of concentration used each day; and

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- E. A log recording incidents when control measures were not used and a statement of explanation.
- iii. Pursuant to 35 Ill. Adm. Code 212.316(g)(4), the records required under 35 Ill. Adm. Code 212.316(g) shall be kept and maintained for at least three (3) years and shall be available for inspection and copying by Illinois EPA representatives during working hours.
- c. i. Pursuant to 35 Ill. Adm. Code 212.324(g)(1), written records of inventory and documentation of inspections, maintenance, and repairs of all air pollution control equipment shall be kept in accordance with 35 Ill. Adm. Code 212.324(f).
- ii. Pursuant to 35 Ill. Adm. Code 212.324(g)(2), the owner or operator shall document any period during which any process emission unit was in operation when the air pollution control equipment was not in operation or was malfunctioning so as to cause an emissions level in excess of the emissions limitation. These records shall include documentation of causes for pollution control equipment not operating or such malfunction and shall state what corrective actions were taken and what repairs were made.
- iii. Pursuant to 35 Ill. Adm. Code 212.324(g)(3), a written record of the inventory of all spare parts not readily available from local suppliers shall be kept and updated.
- iv. Pursuant to 35 Ill. Adm. Code 212.324(g)(5), the records required under 35 Ill. Adm. Code 212.324 shall be kept and maintained for at least three (3) years and shall be available for inspection and copying by Illinois EPA representatives during working hours.
- 13a. The Permittee shall maintain records of the following items so as to demonstrate compliance with the conditions of this permit:
- i. all moisture content tests performed on coal processed through the coal preparation plant, including date, time, and individual or laboratory performing test, in accordance with Condition 8(a).
- ii. all moisture contents of bulk solid materials provided by the suppliers of the bulk solid materials in accordance with Condition 8(b).
- iii. all re-tests of the moisture content of bulk solid materials in accordance with Condition 8(h), including date, time, individual or laboratory performing test, and location of sample (e.g., prior to crushing, stockpiles, etc.); and
- iv. the name and total amount of each bulk solid material (e.g., coal, petroleum coke, etc.) processed (i.e., crushed or screened) or transferred in tons/month and tons/year;
- v. the operating hours of each generator, hours/month and hours/year; and

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vi. the monthly and annual emissions of CO, NO_x, PM, SO₂, and VOM from the source with supporting calculations (tons/month and tons/year) and the monthly and annual emissions of PM₁₀ from the processing of coal in the coal preparation plant with supporting calculations (tons/month and tons/year).

- b. The Permittee shall maintain the following records to allow the confirmation of actual VOM emissions during the seasonal allotment period:
 - i. Records of operating data and other information for each individual emission unit or group of related emission units at the source, as appropriate, to determine actual VOM emissions during the seasonal allotment period;
 - ii. Records of the VOM emissions, in tons, during the seasonal allotment period, with supporting calculations, for each individual emission unit or group of related emission units at the source, determined in accordance with the procedures that may be specified in this permit; and
 - iii. Total VOM emissions from the source, in tons, during each seasonal allotment period, which shall be compiled by November 30 of each year.

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c. Unless otherwise specified in this permit, all records and logs required by this permit shall be retained at a readily accessible location at the source for at least five (5) years from the date of entry and shall be made available for inspection and copying by the Illinois EPA or USEPA upon request. Any records retained in an electronic format (e.g., computer storage device) shall be capable of being retrieved and printed on paper during normal source office hours so as to be able to respond to an Illinois EPA or USEPA request for records during the course of a source inspection.

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14a. Pursuant to 35 Ill. Adm. Code 212.110(d), a person planning to conduct testing for particulate matter emissions to demonstrate compliance shall give written notice to the Illinois EPA of that intent. Such notification shall be given at least thirty (30) days prior to the initiation of the test unless a shorter period is agreed to by the Illinois EPA. Such notification shall state the specific test methods from 35 Ill. Adm. Code 212.110 that will be used.

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b. Pursuant to 35 Ill. Adm. Code 212.316(g)(5), a quarterly report shall be submitted to the Illinois EPA stating the following: the dates any necessary control measures were not implemented, a listing of those control measures, the reasons that the control measures were not implemented, and any corrective actions taken. This information includes, but is not limited to, those dates when controls were not applied based on a belief that application of such control measures would have been unreasonable given prevailing atmospheric conditions, which shall constitute a defense to the requirements of 35 Ill. Adm. Code 212.316. This report shall be submitted to the Illinois EPA thirty (30) calendar days from the end of a quarter. Quarters end March 31, June 30, September 30, and December 31.

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- c. i. Pursuant to 35 Ill. Adm. Code 212.324(g)(4), copies of all records required by 35 Ill. Adm. Code 212.324 shall be submitted to the Illinois EPA within ten (10) working days after a written request by the Illinois EPA.
- ii. Pursuant to 35 Ill. Adm. Code 212.324(g)(6), upon written request by the Illinois EPA, a report shall be submitted to the Illinois EPA for any period specified in the request stating the following: the dates during which any process emission unit was in operation when the air pollution control equipment was not in operation or was not operating properly, documentation of causes for pollution control equipment not operating or not operating properly, and a statement of what corrective actions were taken and what repairs were made.

15a. If there is an exceedance of or a deviation from the requirements of this permit, as determined by the records required by this permit, the Permittee shall submit a report to the Illinois EPA's Compliance Section in Springfield, Illinois within 30 days after the exceedance or deviation. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedance or deviation and efforts to reduce emissions and future occurrences.

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- b. Two (2) copies of required reports and notifications shall be sent to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Compliance Section (#40)
P.O. Box 19276
Springfield, Illinois 62794-9276

and one (1) copy shall be sent to the Illinois EPA's regional office at the following address unless otherwise indicated:

Illinois Environmental Protection Agency
Division of Air Pollution Control
9511 West Harrison
Des Plaines, Illinois 60016

If you have any questions on this permit, please call George Kennedy at 217/782-2113.

Edwin C. Bakowski, P. E.
Manager, Permit Section
Division of Air Pollution Control

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cc: Illinois EPA, FOS Region 1
Lotus Notes

Attachment A- Emission Summary

This attachment provides a summary of the maximum emissions from the source operating in compliance with the requirements of this federally enforceable permit. In preparing this summary, the Illinois EPA used the annual operating scenario which results in maximum emissions from the source. The resulting maximum emissions are below the levels at which this source would be considered a major source for purposes of the Clean Air Act Permit Program (e.g., 100 tons/year for CO, NO_x, and PM₁₀) and below the levels at which this source would be considered a significant major source for purposes of the Federal PSD program (i.e., 250 tons/year for PM). Actual emissions from this source will be less than calculated in this summary to the extent that control measures are more effective than required in this permit and the amounts of materials handled and fuel consumed are less than the theoretical maximums.

E M I S S I O N S (Tons/Year)

Emission Unit	CO	NO _x	PM	PM ₁₀	SO ₂	VOM
Coal Preparation Plant			250.0	88.0		
Fuel Combustion	92.0	92.0	--	--	21.9	40.1
Totals	92.0	92.0	250.0	88.0	21.9	40.1

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- d. Pursuant to 35 Ill. Adm. Code 212.304(a), all storage piles of materials with uncontrolled emissions of fugitive particulate matter in excess of 50 T/yr shall be protected by a cover or sprayed with a surfactant solution or water on a regular basis, as needed, or treated by an equivalent method, in accordance with the operating program required by Sections 212.309, 212.310 and 212.312 of this Subpart.
- e. Pursuant to 35 Ill. Adm. Code 212.305, all conveyor loading operations to storage piles specified in 35 Ill. Adm. Code 212.304 shall utilize spray systems, telescopic chutes, stone ladders or other equivalent methods in accordance with the operating program required by Sections 212.309, 212.310 and 212.312.
- f. Pursuant to 35 Ill. Adm. Code 212.306, all normal traffic pattern access areas surrounding storage piles specified in 35 Ill. Adm. Code 212.304 shall be paved or treated with water, oils or chemical dust suppressants. All paved areas shall be cleaned on a regular basis. All areas treated with water, oils or chemical dust suppressants shall have the treatment applied on a regular basis, as needed, in accordance with the operating program required by 35 Ill. Adm. Code 212.309, 212.310 and 212.312.
- g. Pursuant to 35 Ill. Adm. Code 212.307, all unloading and transporting operations of materials collected by pollution control equipment shall be enclosed or shall utilize spraying, pelletizing, screw conveying or other equivalent methods.

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- i. Conveyor loadout to trucks and railcars shall be conducted with sleeves extending to at least 6 inches below the sides and the receiving vehicle, except for topping off
- ii. Conveyor loadout sleeves shall be inspected for proper operation while such loadout to trucks or railcars is occurring, at least once each week when such loadout to trucks or railcars is performed.

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source as provided by the supplier of the bulk material. If moisture content falls below 3.0% by weight as documented by the supplier, then the Permittee shall:

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; or

- ii. Follow the testing requirements of Condition 9(c).
- b. If the Permittee relies on Condition 9(a)(i) to demonstrate compliance with Condition 9(a), the Permittee shall monitor the water spray equipment as follows during non-freezing conditions:

- i. The water supply to the spray equipment shall be equipped with a master metering device used to determine water usage for the control of particulate matter emissions.
- ii. Inspections of water spray equipment and operation (such as leaking, maintaining adequate flow, clogging of flow lines, etc.) shall be performed at least once per week when the material handling operations are in operation
- c. If the Permittee relies on Condition 89(a) (ii) to demonstrate compliance with Condition 9(a), the Permittee shall measure the moisture content of a representative sample of the bulk material having a moisture content below 3.0% as provided by the supplier, at least once per week, when water spray is not being utilized,

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Should three consecutive tests at the source show moisture contents of 3.0% or greater by weight, this testing shall no longer be required for the subject bulk material.

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- e. The Permittee shall not keep, store or use distillate fuel oil (Grades No. 1 and 2) at this source with a sulfur content greater than the larger of the following two values:

- i. 0.28 weight percent, or
- ii. The wt. percent given by the formula: Maximum wt. percent sulfur = (0.00015) x (Gross heating value of oil, Btu/lb).

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operation of all activities at the source

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the following limits:

PM ₁₀ Emission Tons/Week	95	PM emissions Tons/Year Tons/Week Tons/Year
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 Left + Not at 4.25"

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 0.0022 lb PM/ton;
 =

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 0.0012 lb PM/ton; and
 =

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 $F_1 =$ gallons of gasoline use
 $F_2 =$ gallons of diesel plus kerosene use
 $V_1 =$ 0.13 mmbtu/gallon of gasoline (AP-42 Appendix A)
 $V_2 =$ 0.137 mmbtu/gallon of diesel (AP-42 Appendix A)"

* The conversion from gallons into mmbtu for diesel conservatively includes kerosene since the heat content of kerosene is slightly lower than diesel.

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 the two diesel-powered generators small non-mobile engines and portable heaters at the

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Emissions from generators shall be

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Emission Factors

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A. If the Permittee is relying on Condition 9(a)(i) and 9(b) to demonstrate compliance with Condition 9(a), the Permittee shall maintain operating logs for the water spray equipment, including dates and hours of usage, total amount of water applied each month, malfunctions (type, date, and measures to correct), dates of rainfall during the preceding 24 hours, and daily observations of bulk material conditions (wet or dry) and/or other controls as may be present (e.g., coverage by snow or ice);

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is relying on the requirements of Conditions 9(a)(ii) and 9(c) to demonstrate compliance with

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the Permittee shall maintain records of all moisture content tests performed

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C. The Permittee shall keep records of the moisture content of bulk materials as provided by the suppliers of the bulk materials in accordance with Condition 9(a).

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March 6, 2003

(A-18J)

Janet McCabe, Assistant Commissioner
Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015

Dear Ms. McCabe:

In discussions with United States Environmental Protection Agency (EPA) Region 5, State permitting authorities have requested clarification on our fugitive emissions policy. Specifically, the States have asked EPA to clarify to what extent, and from which emission units, are fugitive emissions counted towards major source applicability for Title V, nonattainment new source review (NSR), and prevention of significant deterioration (PSD). Various EPA letters and memoranda provide guidance on when you count fugitive emissions to determine whether a source is a major stationary source subject to Title V, NSR, or PSD, but there is no one guidance document which addresses the various scenarios which arise.

In the enclosed analysis, we are providing some examples that should help you understand when to include fugitive emissions in determining whether a source is major for purposes of Title V, NSR, or PSD. However, no part of this document, including the following examples, create any new legally binding obligations. Rather, the purpose of this document is to help you understand the statutory provisions and regulations which govern when fugitive emissions are included in major source determinations and EPA's interpretation of these provisions and regulations.

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This response has been coordinated with staff in EPA's Office of Air Quality Planning and Standards, Office of Enforcement and Compliance Assurance, and Office of General Counsel in order to help assure completeness and accuracy.

If you have any questions regarding this letter, please contact Sam Portanova, of my staff, at (312) 886-3189.

Sincerely yours,

/s/ (Stephen Rothblatt for)

Cheryl L. Newton, Acting Director
Air and Radiation Division

Enclosure