ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19506, SPRINGFIELD, ILLINOIS 62794-9506 – (217) 782-2113

PAT QUINN, GOVERNOR DOUGLAS P. SCOTT, DIRECTOR

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT -- RENEWAL

EXHIBIT
K-2

PERMITTEE

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

Application No.: 95050167
Applicant's Designation: REV10/07
Subject: Bulk Materials Terminal
Date Issued: December 29, 2010
Location: 3259 East 100th Street, Chicago, Cook County, 60617

I.D. No.: 031600AHI
Date Received: January 31, 2005
Expiration Date: December 29, 2015

This permit is hereby granted to the above-designated Permittee to OPERATE emission source(s) and/or air pollution control equipment consisting of a bulk materials terminal [including two (2) portable conveyers], one (1) 425 kW and one (1) 450 kW diesel-powered generators and 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 Carbon Monoxide (CO), Nitrogen Oxides (NO_x), Particulate Matter with an aerodynamic diameter less than or equal to 10 micrometers (PM_{10}), and 100 tons/year for Sulfur Dioxide (SO_2)). 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.

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

c. This permit supersedes all operating 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.

b. Pursuant to 35 Ill. Adm. Code 212.123(b), the emission of smoke or other particulate matter from any such 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 meter (1000 foot) 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 212.304(a), all storage piles of materials with uncontrolled emissions of fugitive particulate matter in excess of 50 tons/year 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 35 Ill. Adm. Code 212.309, 212.310, and 212.312.

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 equivalent methods in accordance with the operating program required by 35 Ill. Adm. Code 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.

h. Pursuant to 35 Ill. Adm. Code 212.308, crushers, grinding mills, screening operations, bagging operations, bucket elevators, conveyor transfer points, conveyors, 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.

   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.

i. Pursuant to 35 Ill. Adm. Code 212.309(a), the emission units described in 35 Ill. Adm. Code 212.304 through 212.308 shall be operated under the provisions of an operating program, consistent with the

requirements set forth in 35 Ill. Adm. Code 212.310 and 212.312, and prepared by the owner or operator and submitted to the Illinois EPA for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions.

j. 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;

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 Illinois EPA's review of the operating program.

k. 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 Illinois EPA for its review.

l. 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).

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

n. 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 tons/year of aggregate.

o. 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.

p. Pursuant to 35 Ill. Adm. Code 212.316(f), unless an emission unit has been assigned a particulate matter, PM_{10}, or fugitive particulate matter emissions limitation elsewhere in 35 Ill. Adm. Code 212.316 or in 35 Ill. Adm. Code Part 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.

q. The conveyor added under Construction Permit #07100090, Box Hopper added under Construction Permit #04050036,and the conveyor added under Construction Permit #99120065 are subject to 35 Ill. Adm. Code 212.321. 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).

r. 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/hour (450 T/hour):

	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/hour (450 T/hour):

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

s. The South Rail Unloading Hoppers in the Shaker Building, South Collector Belt, South Incline Belt, South Highline, South Transfer Tower, and South Shiploader are subject to 35 Ill. Adm. Code 212.322. Pursuant to 35 Ill. Adm. Code 212.322(a) and except as further provided in 35 Ill. Adm. Code 212, no person shall cause or allow the emission of particulate matter into the atmosphere in any one hour period from any process emission unit for which construction or modification commenced prior to April 14, 1972, which, either alone or in combination with the emission of particulate matter from all other similar process emission units for at a source or premises, exceeds the allowable emission rates specified in 35 Ill. Adm. Code 212.322(c).

t. Pursuant to 35 Ill. Adm. Code 212.322(b), interpolated and extrapolated values of the data in 35 Ill. Adm. Code 212.322(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/hour (450 T/hour):

	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/hour (450 T/hour):

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

s. 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.

t. Pursuant to 35 Ill. Adm. Code 212.324(b), emissions of particulate matter 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.

4a. 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/hour), burning liquid fuel exclusively to exceed 0.46 kg of sulfur dioxide per MW-hour of actual heat input when distillate fuel oil is burned (0.3 lbs/mmBtu).

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 excess 2000 ppm.

c. 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 applicable Subparts B through F (i.e., 35 Ill. Adm. Code 214.122(b)).

5. This permit is issued based on the two electric conveyors constructed pursuant to permit 07100090 not being subject to the New Source Performance Standards (NSPS) for Coal Preparation Plants, 40 CFR 60 Subpart Y because the conveyors will not be used to convey coal to machinery at the coal preparation plant.

6a. 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.

7a. 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.

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).

8a. 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.

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.

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 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%.

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 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.

e. Pursuant to 35 Ill. Adm. Code 212.704(b), if there is a violation of the ambient air quality standard for PM_{10} 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 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 PM_{10} 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.

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 35 Ill. Adm. Code 212.704(b), as follows:

i. 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/m^3.

ii. 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/m^3.

9a. The moisture content of the bulk material handled by the source shall be at least 1.3% 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:

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

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 9(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, using ASTM Procedure D 3302 for coal and ASTM Procedure D 3172 and 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.

d. 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.

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).

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

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

10a. The emissions from and the operation of all activities at source shall not exceed the following limits:

PM_{10} Emission		PM emissions	
(Tons/Month)	(Tons/Year)	(Tons/Month)	(Tons/Year)
8.8	88	8.8	88

These limits are based on the maximum amount of material handled and standard emission factors (Table 11.19.2-2, AP-42, Volume I, Fifth Edition, Update 2004, August 2004 and Section 13.2.4, AP-42, Volume I, Fifth Edition, November 2006). PM_{10} and PM emissions shall be calculated and recorded using the equation:

$$E = [(T \times F_m) + (S \times F_s) + (C \times F_c) + (H \times Z \times F_p) + (R/1000 \times F_1)]/2000$$

Where:

E = Total PM_{10} or PM emissions, (tons);

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

F_m = (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;
= 0.00054 lb PM_{10}/ton;

H = Hours of engine operation (hours);

R = Gallons of kerosene use;

F_F = 0.000721 lb/(hp-hour) for gasoline $\leq$ 250 hp;
= 0.00220 lb/(hp-hour) for diesel engines $\leq$ 600 hp
= 0.0007 lb/(hp-hour) for diesel engines > 7600 hp

F_1 = 1.3 lbs/1,000 gallons for diesel; and

Z = Horse power size (horsepower).

* The conversion for emission factors diesel conservatively includes kerosene since the heat content of kerosene is slightly lower than diesel.

b. Emissions and operation of the two diesel-powered generators, small non-mobile engines and portable heaters at the source shall not exceed the following limits:

Pollutant	Emissions (Tons/Month)	(Tons/Year)
Carbon Monoxide (CO)	9.20	92.0
Nitrogen Oxides (NO_x)	9.20	92.0
Sulfur Dioxide (SO_2)	2.19	21.9
Volatile Organic Material (VOM)	4.01	40.1

The emissions from the diesel-powered generators are based on standard emission factors (Tables 3.3-1 and 3.4-1, AP-42, Fifth Edition, Volume I, Supplement B, October 1996), PM_{10} emissions included in Condition 10a. Emissions from the generators shall be calculated as follows:

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

Where:

E = Total emissions of pollutant;

H = Hours of operation of unit (hours);

F = Emission Factor as follows:

	Emission Factors		
	Gasoline Industrial	Diesel Engines	
Pollutant	Engines ≤250 Hp (lbs/Hp-Hr)	≤600 Hp (lbs/Hp-Hr)	>600 Hp (lbs/Hp-Hr)
Carbon Monoxide (CO)	0.00696	0.0055	0.0068
Nitrogen Oxides (NO_x)	0.011	0.024	0.031
Sulfur Dioxide (SO_2)	0.000591	0.00809 x S*	0.00205
Volatile Organic Material (VOM)	0.0216	0.00064	0.00251

* S = Wt. % sulfur in fuel

c. Compliance with the annual limits of this permit shall be determined on a weekly basis from the sum of the data for the current week plus the preceding 51 weeks (running 52 week total).

11a. 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.

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.

12. 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.

13a. 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. 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.

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 identity of the chemical;

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

F. 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)(3), the records required under 35 Ill. Adm. Code 212.316 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.

14a. The Permittee shall maintain records of the following items so as 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 Conditions 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, dates, 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 9(a)(ii) and 9(c) to demonstrate compliance with Condition 9(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 source of the feed material in accordance with Condition 9(c).

ii. Records of the moisture content of bulk solid materials as provided by the suppliers of bulk solid materials, unless such records are superseded by moisture analysis from samples collected at the source;

iii. Records of moisture analysis from samples collected at the source;

iv. Name and total amount of each bulk material (e.g., coal, petroleum coke, etc.) processed (i.e., crushed, screened and transferred), tons/month and tons/year;

v. Operating hours of each generator, hours/month and hours/year; and

vi. Weekly and annual emissions of CO, NO_x, PM, PM_{10}, SO_2, and VOM from the source 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.

c. 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.

15a. 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.

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.

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.

20a. 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, a description of the exceedances or deviation, and efforts to reduce emissions and future occurrences.

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. ECB Date Signed: 12/29/2010
Manager, Permit Section
Division of Air Pollution Control

ECB:GMK:jws

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, (e.g., 100 tons/year for CO, NO_x, PM_{10}, and SO_2) at which this source would be considered a major source for purposes of the Clean Air Act Permit Program. Actual emissions from this source will be less than predicted in this summary to the extent that control measures are more effective than required in this permit.

	EMISSIONS (Tons/Year)					
Emission Unit	CO	NO_x	PM	PM_{10}	SO_2	VOM
Material Handling Activities			88.0	88.0		
Fuel Combustion	92.0	92.0	----	----	21.9	40.1
Totals	92.0	92.0	88.0	88.0	21.9	40.1

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

STANDARD CONDITIONS FOR OPERATING PERMITS

May, 1993

The Illinois Environmental Protection Act (Illinois Revised Statutes, Chapter 111-1/2, Section 1039) grants the Environmental Protection Agency authority to impose conditions on permits which it issues.

The following conditions are applicable unless superseded by special permit conditions(s).

1. The issuance of this permit does not release the Permittee from compliance with state and federal regulations which are part of the Illinois State Implementation Plan, as well as with other applicable statues and regulations of the United States or the State of Illinois or with applicable local laws, ordinances and regulations.

2. The Illinois EPA has issued this permit based upon the information submitted by the Permittee in the permit application. Any misinformation, false statement or misrepresentation in the application shall be ground for revocation under 35 Ill. Adm. Code 201.166.

3. a. The Permittee shall not authorize, cause, direct or allow any modification, as defined in 35 Ill. Adm. Code 201.102, of equipment, operations or practices which are reflected in the permit application as submitted unless a new application or request for revision of the existing permit is filed with the Illinois EPA and unless a new permit or revision of the existing permit(s) is issued for such modification.

   b. This permit only covers emission sources and control equipment while physically present at the indicated plant location(s). Unless the permit specifically provides for equipment relocation, this permit is void for an item of equipment on the day it is removed from the permitted location(s) or if all equipment is removed, notwithstanding the expiration date specified on the permit.

4. The Permittee shall allow any duly authorized agent of the Illinois EPA, upon the presentation of credentials, at reasonable times:

   a. To enter the Permittee's property where actual or potential effluent, emission or noise sources are located or where any activity is to be conducted pursuant to this permit;

   b. To have access to and to copy any records required to be kept under the terms and conditions of this permit;

   c. To inspect, including during any hours of operation of equipment constructed or operated under this permit, such equipment and any equipment required to be kept, used, operated, calibrated and maintained under this permit;

   d. To obtain and remove samples of any discharge or emission of pollutants; and

   e. To enter and utilize any photographic, recording, testing, monitoring or other equipment for the purpose of preserving, testing, monitoring or recording any activity, discharge or emission authorized by this permit.

5. The issuance of this permit:

   a. Shall not be considered as in any manner affecting the title of the premises upon which the permitted facilities are located;

b. Does not release the Permittee from any liability for damage to person or property caused by or resulting from the construction, maintenance, or operation of the facilities;

c. Does not take into consideration or attest to the structural stability of any unit or part of the project; and

d. In no manner implies or suggests that the Illinois EPA (or its officers, agents, or employees) assumes any liability, directly or indirectly, for any loss due to damage, installation, maintenance, or operation of the proposed equipment or facility.

6. The facilities covered by this permit shall be operated in such a manner that the disposal of air contaminants collected by the equipment shall not cause a violation of the Environmental Protection Act or regulations promulgated thereunder.

7. The Permittee shall maintain all equipment covered under this permit in such a manner that the performance of such equipment shall not cause a violation of the Environmental Protection Act or regulations promulgated thereuner.

8. The Permittee shall maintain a maintenance record on the premises for each item of air pollution control equipment. This records shall be made available to any agent of the Environmental Protection Agency at any time during normal working hours and/or operating hours. As a minimum, this record shall show the dates of performance and nature of preventative maintenance activities.

9. No person shall cause or allow continued operation during malfunction, breakdown or startup of any emission source or related air pollution control equipment if such operation would cause a violation of an applicable emission standard or permit limitation. Should a malfunction, breakdown or startup occur which results in emissions in excess of any applicable standard or permit limitation, the Permittee shall:

a. Immediately report the incident to the Illinois EPA's Regional Field Operations Section Office by telephone, telegraph, or other method as constitutes the fastest available alternative, and shall comply with all reasonable directives of the Illinois EPA with respect to the incident;

b. Maintain the following records for a period of no less than two (2) years:

i. Date and duration of malfunction, breakdown, or startup,

ii. Full and detailed explanation of the cause,

iii. Contaminants emitted and an estimate of quantity of emissions,

iv. Measures taken to minimize the amount of emissions during the malfunction, breakdown or startup, and

v. Measures taken to reduce future occurrences and frequency of incidents.

10. If the permit application contains a compliance program and project completion schedule, the Permittee shall submit a project completion status report within thirty (30) days of any date specified in the compliance program and project completion schedule or at six month intervals, whichever is more frequent.

11. The Permittee shall submit an Annual Emission Report as required by 35 Ill. Adm. Code 201.302 and 35 Ill. Adm. Code Part 254.

assistance in preparing a permit
ion contact the Permit
tion,

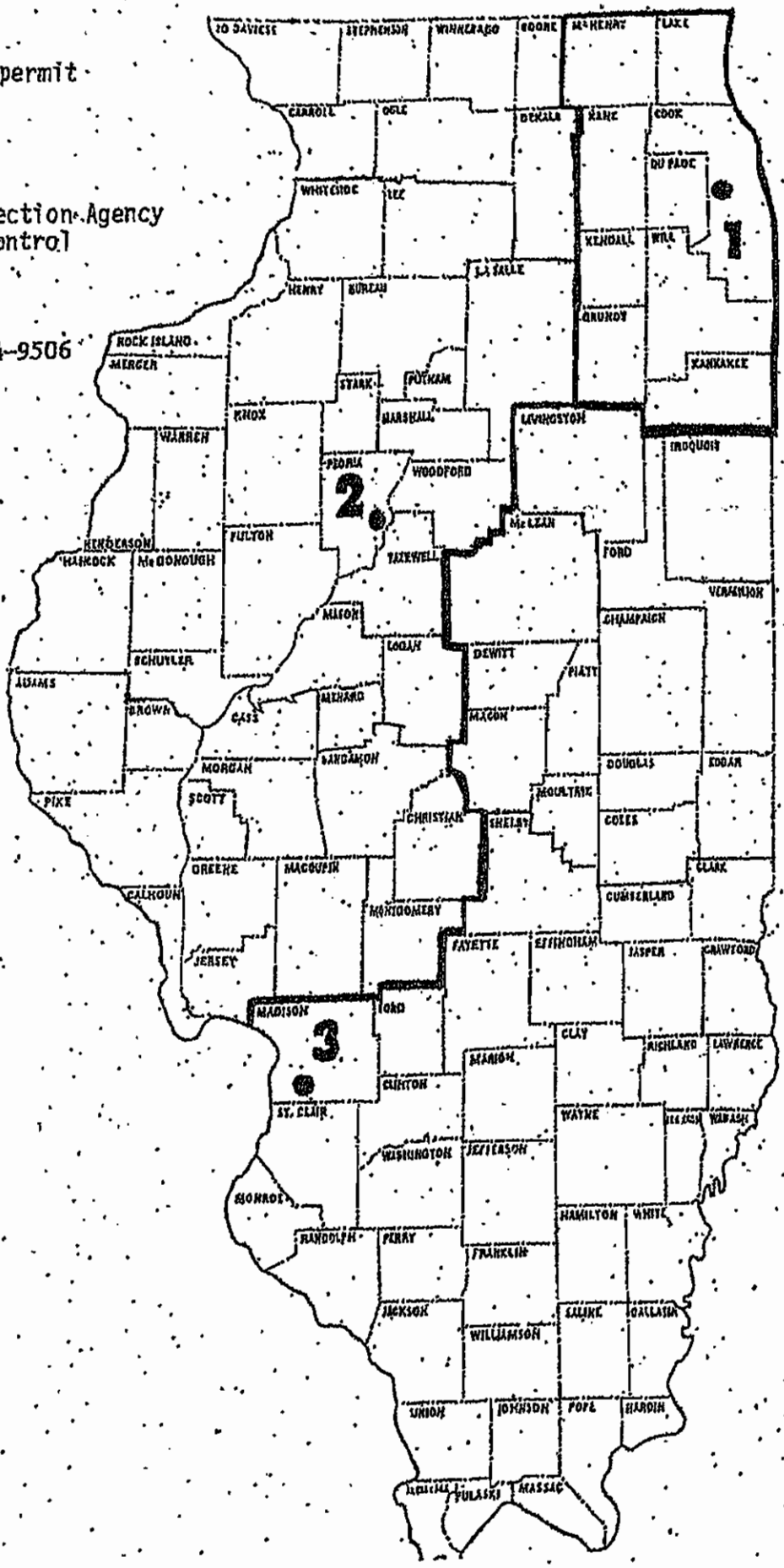
Illinois Environmental Protection Agency
ivision of Air Pollution Control
ermit Section
021 N. Grand Ave E.
.O. Box 19506
ringfield, Illinois 62794-9506

regional office of the
l Operations Section.
egional offices and their
of responsibility are
on the map. The
sses and telephone
rs of the regional
es are as follows:

inois EPA
1
ead of air, FOS
l West Harrison
Plaines, Illinois 60016
294-4000

inois EPA
on 2
North University
ia, Illinois 61614-
593-5463

ois EPA
n 3
Mall Street
nsville, Illinois 62234
46-5120



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.

1780-0504-1133

APPLICATION FOR RENEWAL OF A FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)

OPERATION OF: Bulk Materials Terminal (A)

FOR AGENCY USE ONLY	
I.D. NO.	031600AHI
PERMIT NO.	95050167
DATE	1-31-05

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

3a. NAME OF CORPORATE DIVISION OR PLANT: KCBX Terminals Co.		3b. STREET ADDRESS OF EMISSION SOURCE: 3259 East 100th St.		
3c. CITY OF EMISSION SOURCE: Chicago	3d. LOCATED WITHIN CITY LIMITS: ☒ YES ☐ NO	3e. TOWNSHIP:	3f. COUNTY: Cook	3g. ZIP CODE: 60617

4. ALL CORRESPONDENCE TO: (TITLE AND/OR NAME OF INDIVIDUAL) Duane Pecci	5. WHO IS THE PERMIT APPLICANT? ☒ OWNER ☐ OPERATOR
6. ADDRESS FOR CORRESPONDENCE: (CHECK ONLY ONE)	☒ OWNER ☐ OPERATOR ☐ 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): (B)

BY [signature] 1/27/05 BY ______

SIGNATURE DATE SIGNATURE DATE

Mike Gibson
TYPED OR PRINTED NAME OF SIGNER — TYPED OR PRINTED NAME OF SIGNER

Plant Manager
TITLE OF SIGNER — TITLE OF SIGNER

JAN 3 1 2005
IEPA - DAPC - SPFLD

(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.: 0 3 1 6 0 0 A H I

17b. HAS THE OPERATION AS DESCRIBED IN THE FESOP APPLICATION BEEN MODIFIED* AS DEFINED IN 35 ILL. ADM. CODE 201.102?
☐ YES ☒ 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.

V:004105

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 (PM_{10}), 100 tons/year for nitrogen oxides, (NO_x), 100 tons/year for sulfur dioxide (SO_2),* ***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.*

K:004006

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 PM_{10} 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:

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:

*9a. **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)).***

K:04408

5) In our meeting of December 16, 2004, KCBX proposed a permit limit for PM_{10} in lieu of a limit for PM, since PM_{10} is the regulated pollutant. Emissions of PM_{10} 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 PM_{10} from non-combustion sources shall not exceed the following limits:

Throughput	*PM_{10} Emissions*	
ton/year	*ton/month*	*ton/year*
26,500,000	*16.0*	*96.2*

Several constants and variables are used in the calculation of PM_{10} emissions. Since compliance with the PM_{10} 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 PM_{10} 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 PM_{10}. 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 PM_{10} emissions on a monthly basis for the example calculations provided with the permit application.***

Condition 10(c) should be deleted since a PM_{10} 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.

K:00419

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 PM_{10}, 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 PM_{10} 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)*

K:0040

NOx Emissions (lb/month) = ((18.2 (lb/hr) x H1) + (15.7 (lb/hr) x H2))/2000 lb/ton
CO Emissions (lb/month) = ((4.18 (lb/hr) x H1) + (3.37 (lb/hr) x H2))/2000 lb/ton
SOx Emissions (lb/month) = ((12.3 (lb/hr) x H1) + (1.04 (lb/hr) x H2))/2000 lb/ton
PM_{10} Emissions (lb/month) = ((0.53 (lb/hr) x H1) + (1.11 (lb/hr) x H2))/2000 lb/ton
VOM Emissions (lb/month) = ((0.54 (lb/hr) x H1) + (1.26 (lb/hr) x H2))/2000 lb/ton

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.

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.

Attachment 1 - Potential Annual PM and PM10 Emission Rates

KCBX Terminals Company - Chicago, IL

Average Moisture Content = 7.50 Percent (variable based on inbound material shipping papers)

Annual Throughput = 26.50 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 Worst Cases of 19 Material Handling Scenarios[1]		Annual Throughput ton/yr	No. of drop pts.	PM Emission Factor lb/drop	PM Annual Emissions ton/yr	PM10 Emission Factor lb/drop	PM10 Annual Emissions ton/yr	Emission Factor Source
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 Worst Case Scenarios		Area Acres	Days per year	PM Emission Factor lb/acre/day	Annual PM Emissions ton/yr	PM10 Emission Factor lb/acre/day	Annual PM10 Emissions ton/yr	Emission Factor Source
Scenario 20	Active storage pile	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 Worst Case Emissions Limited by NOx Emissions[3]		Hp of Each Gen. or group	Annual Hours of Operation	PM Emission Factor lb/hp-hr	PM Annual Emissions (tons)	PM10 Emission Factor lb/hp-hr	PM10 Annual Emissions (tons)	Emission Factor Source
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 Worst Case Scenarios[2]		Loads per month	Trip Distance vmt/yr	PM Emission Factor lb/vmt	PM Annual Emission ton/yr	PM10 Emission Factor lb/vmt	PM10 Annual Emission ton/yr	Emission Factor Source
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 PM10/1000 gallon / 2000 lb/ton = 0.05 ton PM10/yr

K:\00413

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 14, 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Blazis
Environmental Protection Engineer
Bureau of Air
Illinois Environmental Protection Agency
1340 North Ninth Street
P.O. Box 19506
Springfield, IL 62794-9506

Subject: Joint Construction/Operating Permit Application
KCBX Terminals Company, Facility ID 031600AHI

Dear Mr. Blazis:

KCBX Terminals Company ("KCBX") submits this application for a joint construction and operating permit (the "Application") to install two, 125-foot portable conveyors to be operated at KCBX facility located at 3259 East 100th Street, Chicago, IL 60617. This Application includes:

1. A narrative that includes proposed changes to the existing Federally Enforceable State Operating Permit ("FESOP")
2. Form 197 FEE – The fee for this project is calculated to be $5000 [$4000 for the first new emission unit + $1000 for one (1) additional emission unit]. Note that all emissions are fugitive.
3. Form APC 200
4. Process Flow Diagram
5. Form APC 220
6. A CD containing files of the existing calculation spreadsheet used to demonstrate compliance with Conditions 10 and 11 and referenced in Condition 10.b.i of the FESOP and a proposed calculation spreadsheet to replace the existing spreadsheet
7. A check for $5000

An application for renewal of the FESOP was submitted on January 27, 2005 and amended on October 23, 2006 that requested several changes to permit conditions in the existing FESOP. Where this Application requests changes to the same permit conditions in the FESOP as the prior submittals, the changes contained in this Application supersede the previous requests. Where this Application does not address requests for changes to permit conditions previously made, the requests of January 27, 2005 and October 23, 2006 are still valid. Following is a list of conditions with references to the document containing the current requested changes:

Condition 1.a	Oct 2, 2007 Joint Construction/Operating permit application
Condition 2.a	Jan 27, 2005 FESOP renewal application
Condition 2.b	Jan 27, 2005 FESOP renewal application
Condition 2.c	Jan 27, 2005 FESOP renewal application
Condition 2.d	Jan 27, 2005 FESOP renewal application
Condition 2.g	Jan 27, 2005 FESOP renewal application
Condition 3	Jan 27, 2005 FESOP renewal application
Condition 6.a	Jan 27, 2005 FESOP renewal application
Condition 6.b	Jan 27, 2005 FESOP renewal application
Condition 7	Jan 27, 2005 FESOP renewal application
Condition 9.a	Jan 27, 2005 FESOP renewal application
Condition 9.b	Jan 27, 2005 FESOP renewal application
Condition 9.c	Jan 27, 2005 FESOP renewal application
Condition 10.a	Oct 2, 2007 Joint Construction/Operating permit application
Condition 10.b.	Oct 2, 2007 Joint Construction/Operating permit application
Condition 10.d	Oct 2, 2007 Joint Construction/Operating permit application
Condition 10.f	Oct 2, 2007 Joint Construction/Operating permit application
Condition 10.g	Oct 2, 2007 Joint Construction/Operating permit application
Condition 11.a – 11.h	Jan 27, 2005 FESOP renewal application
Condition 12.d	Oct 2, 2007 Joint Construction/Operating permit application
Condition 17.b	Jan 27, 2005 FESOP renewal application
New Condition	Jan 27, 2005 FESOP renewal application
Attachment A	Jan 27, 2005 FESOP renewal application

As the new equipment may be used in conjunction with a source subject to New Source Performance Standard Subpart Y ("NSPS Y"), KCBX will perform a Method 9 emissions test within 90 days of start-up of the new conveyors. Further, an emission test protocol will be developed and submitted to the Illinois Environmental Protection Agency ("Agency") at least 30 days prior to the expected test date and at least five (5) working days prior to the actual test date. A report of the NSPS Y test results will be provided to the Agency within 180 days after the actual test date.

If you have any questions, please contact Mr. Christopher Bailey at the facility (773.978.8518) or Mr. Terry Steinert of our corporate compliance office (316.828.7847).

Respectfully Submitted,

David Bever
Terminal Manager

cc: Christopher Bailey
Terry Steinert

Enclosures: As noted

Joint State Air Construction/Operating Permit Application - Conveyor Installation

Prepared for:

KCBX Terminals Company
Chicago, IL

Prepared by:
Short Elliott Hendrickson Inc.
809 North 8th Street, Suite 205
Sheboygan, WI 53081-4032
920.452.6603

Table of Contents

August 24, 2007

Joint State Air Construction/Operating Permit Application - Conveyor Installation

Prepared for KCBX Terminals Company

1.0 Introduction

KCBX Terminals Company (KCBX) operates a bulk material terminal located at 3259 East 100th Street, Chicago, Illinois. Bulk materials are received at the facility by rail, barge and truck, and are transported from the site by lake vessel, truck, barge, and rail.

KCBX proposes to add two conveyors to the equipment used at the site. The proposed conveyors will be portable, that is, they will not be fixed in one location. Rather, they can be moved around the plant site. Emissions will be generated during conveyance and when material drops from the end of the proposed conveyors. Electric motors, powered by the site's existing generators or by fixed electrical lines, will drive the proposed conveyors. By this application, KCBX is requesting a joint air construction and operating permit.

KCBX also proposes administrative changes to their existing Federally Enforceable State Operating Permit (FESOP) and the compliance tracking spreadsheet. The requested changes are detailed in Section 4.0 and the modified compliance tracking spreadsheet is attached in Appendix C.

2.0 Permitting Status

The facility operates under a FESOP (Application No. 95050167 and ID No. 031 600 AHI). A copy of the permit is included in Appendix A. KCBX submitted to the Illinois Environmental Protection Agency (IEPA) a renewal application for the permit on January 27, 2005. However, a renewed permit has not been issued.

The facility is located in an area that has been designated as moderate non-attainment with the 8-hour ozone standard, severe with the 1-hour ozone standard, non-attainment for particulate matter less than 2.5 microns in diameter ($PM_{2.5}$), and attainment or unclassified for other national ambient air quality standards (see 40 CFR 81.314). Therefore the Clean Air Act Permit Program (CAAPP) major source threshold is 100 tons per year (tpy) for volatile organic material (VOM), particulate matter less than 10 microns in diameter (PM_{10}), carbon monoxide (CO), nitrogen oxides (NOx) and sulfur dioxide (SO_2). To date, IEPA has not developed regulations covering $PM_{2.5}$ emissions.

The facility is requesting a construction permit for the installation of the proposed conveyors because emissions from the proposed equipment are not described in the exemptions from state permit requirements found in the 35 Illinois Administrative Code Section 201.146.

3.0 Emission Calculations

KCBX proposes to install two electric conveyors at their bulk material terminal. Each proposed conveyor will have a 60-inch wide belt, be 125 feet long, and be capable of conveying 3,000 tons of material per hour.

Particulate matter (PM) and PM_{10} emissions are estimated using emission factors developed from equations found in Fifth Edition AP-42 Chapter 13.2.4 (dated 11/2006):

$$E = k(0.0032)(U/5)^{1.3}(M/2)^{-1.4}$$

Where,
k (particle size multiplier) = 0.74 for PM and k = 0.35 for PM_{10}
U (mean wind speed) = 10 mph (from http://www.nws.mbay.net/windavg.html)
M (moisture content, %) = 7.5 %

For PM,
$E = 0.74(0.0032)(10/5)^{1.3}(7.5/2)^{-1.4}$ = **0.000916 lb/ton per drop point**

For PM_{10},
$E = 0.35(0.0032)(10/5)^{1.3}(7.5/2)^{-1.4}$ = **0.000433 lb/ton per drop point**

Each proposed conveyor has one drop point (where material is discharged from the end of the conveyor) and a capacity of 3,000 tons per hour. A drop point also exits at the feeder end of each proposed conveyor, but emissions from these drop points are already accounted for by existing conveyors and box hoppers which may feed material to the proposed conveyors. Hourly emission rates for each proposed conveyor are:

PM = 3,000 ton/hr x 0.000916 lb/ton x 1 drop point = 2.7 lb PM/hr

PM_{10} = 3,000 ton/hr x 0.000433 lb/ton x 1 drop point = 1.3 lb PM_{10}/hr

Annual emissions from the proposed conveyors will be limited by the synthetic emission limits impacting facility-wide PM_{10} emissions (see Section 4). This emission calculation method is consistent with calculation methods used for previous permit applications for the facility and with the method used by KCBX to annually report emissions and demonstrate compliance with its current permit.

4.0 Permit Limits and Request Changes

4.1 Applicable Emission Limit

KCBX operates a coal screening operation at their facility that is subject to the requirements of 40 CFR 60 Subpart Y (the New Source Performance Standard for Coal Preparation Plants, "NSPS"). KCBX understands that if the proposed conveyors are connected to affected facilities (i.e. equipment that processes coal), emissions from the proposed conveyors will be subject to the NSPS 20 percent opacity limit. KCBX further understands that if the proposed conveyors will be subject to NSPS Subpart Y, an emission test protocol must be submitted to IEPA for review and approval 30 days prior to conducting the emission testing.

4.2 Requested Changes to Existing Operation Permit

KCBX requests the following changes to their existing permit. For reference, the permit is included in Appendix A.

1) KCBX proposes that Condition 1(a) be modified to include annual limits for CO to less than the major source threshold, for VOM to avoid being subject to the Emission Reduction Market System (ERMS), and to remove the reference to Attachment A of the permit (as the limits are contained elsewhere in the permit). KCBX requests the existing permit condition be modified to read (new text is bolded):

   1a. This federally enforceable state operation permit is issued to limit the emissions of air pollutants from the source to less than major source thresholds [i.e. 100 ton/year for particulate matter with an aerodynamic diameter less than or equal to 10 microns (PM_{10}), 100 tons/year for nitrogen oxides (NOx), 100 tons/year sulfur dioxide (SO_2), ***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.*

2) KCBX proposes a permit limit for PM_{10} in lieu of a limit for PM, since PM_{10} is the regulated pollutant. Facility-wide emissions of PM_{10} need to remain below 100 tpy for the facility to be classified as a minor source with respect to the Clean Air Act Permit Program (i.e. the Federal Title V air permitting program). With these considerations, KCBX requests that condition 10(a) of the current permit be changed to:

10a. Material throughput and emissions of PM_{10} shall not exceed the following limits:

Throughput	*PM_{10} Emissions*	
ton/year	*ton/month*	*ton/year*
10,950,000	*16.0*	*99.8*

Several variables are used in the calculation of PM_{10} emissions. Since compliance with the PM_{10} emissions 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.

Table 1 shows potential PM_{10} emissions at KCBX. The calculations demonstrate that at a throughput of 10,950,000 tpy and the contribution from combustion and vehicle traffic sources, facility-wide emissions will not exceed 100 tpy PM_{10}, including a margin of error. Therefore, KCBX requests that Condition 10(b) of the current permit, 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 PM_{10} emissions on a monthly basis for the example calculations provided in the permit application.

3) Condition 10(d) should be modified as follows to clarify that annual "limits" are not determined monthly, rather 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.

4) Condition 10(f) should be deleted since the permit will not have a nested PM limit. In its place, KCBX proposed 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.

5) KCBX understands that IEPA would like the permit to address PM emissions for inventory 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 requirements 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 IEPA***

6) 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 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. KCBX requests Condition 12(d) 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:***

i. ***The person(s) who will be performing the sampling and analysis and their experience with similar tests.***

ii. ***The conditions under which the testing will be performed, including a discussion of why these conditions will be representative of the maximum operating rate, the levels of operating parameters at or within which compliance is intended to be shown, if applicable, and the means by which the operating parameters for the processes and any control equipment will be determined.***

5.0 Permit Application Forms

Illinois Air Permit Application Forms are included in Appendix B.

Appendix A

Current FESOP Permit for KCBX Terminals Company

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

P.O. BOX 19506, SPRINGFIELD, ILLINOIS 62794-9506

RENEE CIPRIANO, DIRECTOR

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT -- REVISED

ORIGINAL

PERMITTEE

KCBX Terminals Co.
Attn: Michael Gibson
3259 East 100th Street
Chicago, Illinois 60617

Application No.: 95050167
Applicant's Designation: REV02/10/04
Subject: Bulk Materials Terminal
Date Issued: April 8, 2004
Location: 3259 East 100th Street, Chicago, 60617

I.D. No.: 031600AHI
Date Received: November 4, 2002
Expiration Date: June 22, 2005

This permit is hereby granted to the above-designated Permittee to OPERATE emission source(s) and/or air pollution control equipment consisting of a bulk materials terminal, three diesel generators and 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 with an aerodynamic diameter less than or equal to 10 micrometers (PM_{10}), 100 tons/year for nitrogen oxides (NO_x), and 100 tons/year for sulfur dioxide (SO_2)). 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.

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

c. This permit supersedes all operating permit(s) for this location.

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.

b. 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 tons/year 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 35 Ill. Adm. Code 212.309, 212.310, and 212.312.

c. 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 equivalent methods in accordance with the operating program required by 35 Ill. Adm. Code 212.309, 212.310, and 212.312.

d. 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.

e. 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.

f. Pursuant to 35 Ill. Adm. Code 212.308, crushers, grinding mills, screening operations, bucket elevators, conveyor transfer points, conveyors, 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.

   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.

g. If particulate collection equipment is operated 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 0.03 gr/dscf, pursuant to 35 Ill. Adm. Code 212.313.

h. No person shall cause or allow fugitive particulate matter emissions generated from crushing, screening, roadways, parking areas or storage piles to exceed an opacity of 10 percent, pursuant to 35 Ill. Adm. Code 212.316(b), (c), and (d).

i. No person shall cause or allow fugitive particulate matter emissions from any other emission unit to exceed an opacity of 20 percent, pursuant to 35 Ill. Adm. Code 212.316(f).

3. Pursuant to 35 Ill. Adm. Code 212.324(b), emissions of particulate matter 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.

4. Pursuant to 35 Ill Adm. Code 212.324(f), the Permittee shall maintain and repair all air pollution control equipment in a manner that assures that the emission limits and standards shall be met at all times. Proper maintenance shall include the following minimum requirements:

   a. Visual inspections of air pollution control equipment;

   b. Maintenance of an adequate inventory of spare parts; and

   c. Expeditious repairs, unless the source is shutdown.

5. Pursuant to 35 Ill Adm. Code 212.324(g), the Permittee shall maintain recordkeeping of maintenance and repair that includes the following minimum requirements:

   a. 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).

   b. The Permittee shall document any period during which any process emission source 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 the causes for pollution control equipment not operating or malfunctioning, and shall state what corrective actions were taken and what repairs were made.

   c. Copies of all records required by this Permit shall be submitted to the Illinois EPA within ten (10) working days of a written request by the Illinois EPA.

   d. The records required under this Section 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. 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 emissions source 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.

6a. The Permittee shall maintain contingency measure plans reflecting the PM_{10} emission reductions set forth in 35 Ill. Adm. Code 212.703. Updates to the PM_{10} contingency plans shall be submitted to the Illinois EPA, as necessary.

b. Sources having operational changes subject to 35 Ill. Adm. Codes 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.

7. The contingency measure plan shall contain two levels of control measures:

a. Level I measures are measures that will reduce total source-wide fugitive emissions of PM-10 subject to control under 35 Ill. Adm. Codes 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 by at least 15%.

b. Level II measures are measures that will reduce total source-wide fugitive emissions of PM-10 subject to control under 35 Ill. Adm. Codes 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464 by at least 25%.

8. If the review of monitoring data reveals an exceedance of the 24-hour ambient air quality standard for PM-10 found at 35 Ill. Adm. Code 243.120, the Illinois EPA may take whatever steps are necessary to determine which source or sources are culpable for the exceedance, including, but not limited to reviewing operating records of the source or sources identified to determine whether any source or sources experienced a malfunction or breakdown or violated any term or condition of its operating permit which contributed to the exceedance.

9a. The Permittee shall implement Level I or Level II measures within ninety (90) days after receipt of a notification from the Illinois EPA that the Permittee has been identified as a source that may likely to be causing or contributing to a PM_{10} exceedance detected by monitoring.

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 any non-fugitive emissions according to the approved schedule set forth in the Permittee's alternative control plan, after receipt of a notification from the Illinois EPA that the Permittee is identified of likely to be causing or contributing to one or more of the exceedances leading to a violation of the ambient air quality standard for PM_{10}.

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 212.304, 212.305, 212.306, 212.308, 212.316(a) through (e), 212.424 or 212.464.

10a. Operation and emissions of particulate matter (PM) from the following activities shall not exceed the following limits:

Annual Throughput (Tons/Year)	Particulate Matter Emissions (Tons/Mo)	(Tons/Yr)
13,000,000	9.52	95.2

b. i. The monthly throughput and number of drop points for each operating scenario shall be recorded each month. Particulate matter emissions shall be calculated by multiplying the monthly actual throughput times the number of drop points times the emission factor for that operating scenario. Such calculations shall follow the example spreadsheet provided in the permit application.

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.

c. The monthly emissions shall be totaled from all operating scenarios that month. This shall include the diesel generators.

d. Each month the annual limits shall be determined from a running total of the previous 12 months of data.

e. These limits are based upon the maximum annual throughput of material, the minimum efficiencies of air pollution control equipment, and standard emission factors.

f. Note that there is a "nested" limit on the emissions of PM_{10} as a result of the limit on PM emissions. PM_{10} emitted is of a lesser quantity than PM, and therefore limiting PM emissions also limits PM_{10} emissions.

11a. The sulfur content of the diesel fuel for the generators shall not exceed 2.0%.

b. Emissions of nitrogen oxides shall not exceed 99.0 tons per year.

c. Emissions of sulfur dioxides shall not exceed 66.8 tons per year.

d. Emissions of PM_{10} from the generators shall not exceed 5.0 tons per year.

e. Each month these limits shall be determined from the operating hours of the generators:

H1 = Total hours of operation for the two 760-HP generators
H2 = Hours of operation of the 505-HP generator

NO_x Emissions = ((16.8 x H1) + (12.4 x H2))/2000
SO_2 Emissions = ((11.34 x H1) + (0.82 x H2))/2000
PM_{10} Emissions = ((0.49 x H1) + (0.88 x H2))/2000

These limits are based on standard emission factors (AP-42). Compliance with the annual limits shall be determined on a monthly basis from the preceding 12 months of data.

f. Emissions of other fuel combustion units shall be added to determine compliance with these limits.

12a. Within 90 days of a written request from the Illinois EPA, pursuant to 35 Ill. Adm. Code 201.282, the emissions from any emission unit(s) shall be measured by an approved testing service, during conditions which are representative of the maximum performance. The Illinois EPA may provide additional time for the performance of this testing upon request from the Permittee which shows that it is not feasible to perform representative testing within 90 days.

b. i. The following methods and procedures shall be used for testing of emissions. Refer to 40 CFR 60, Appendix A for USEPA test methods.

Location of Sample Points	USEPA Method 1
Gas Flow and Velocity	USEPA Method 2
Flue Gas Weight	USEPA Method 3
Moisture	USEPA Method 4
Particulate Matter	USEPA Method 5
Opacity	USEPA Method 9

ii. A test shall consist of three separate runs each at least 60 minutes in duration. Compliance shall be determined from the average of the runs provided that the Illinois EPA may accept the arithmetic mean of the two runs in circumstances described in 40 CFR 60.8(f).

c. Testing shall be performed by a qualified independent testing service.

d. At least 30 days prior to the actual date of testing a written test plan shall be submitted to the Illinois EPA for review and approval. A copy shall also be submitted to the USEPA. The plan shall describe the specific procedures for testing, including:

i. The person(s) who will be performing sampling and analysis and their experience with similar tests.

ii. The conditions under which testing will be performed, including a discussion of why these conditions will be representative of the maximum operating rate, the levels of operating parameters at or within which compliance is intended to be shown, if applicable, and the means by which the operating parameters for the processes and any control equipment will be determined.

e. The Illinois EPA shall be notified prior to these tests to enable the Illinois EPA to observe these tests. Notification for the expected date of testing shall be submitted a minimum of thirty (30) days prior to the expected date. Notification of the actual date and expected time of testing shall be submitted a minimum of five (5) working days prior to the actual date of the tests.

13a. The Final Report(s) for all tests shall be submitted within 180 days after the date of the test. The Final Report shall include as a minimum:

i. General information describing the test, including the name and identification of the emission source which was tested, date of test, name of personnel performing the tests, and Illinois EPA observers, if any;

ii. A summary of results;

iii. Description of test procedures, including description of test equipment, and test schedule;

iv. Data and calculations, including copies of all raw data sheets and records of laboratory analyses, sample calculations, and data on equipment calibration.

b. Submittals of information shall be made as follows:

i. Notices of Test - one copy to the Compliance Section and one copy to the Regional Office.

ii. Final Report - one copy to the Compliance Section, one copy to the Regional Office, and one copy to the Permit Section.

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

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

14a. The Permittee shall maintain records of the following items for the source:

i. Total amount of materials processed in each operating scenario, tons/month and tons/year (running total);

ii. Operating hours of each generator, hours/month and hours/year (running total);

iii. Records for the inspections required by Condition 2(f)(ii), with date, time and observations;

iv. Moisture content of all inbound materials and monthly average moisture content; and

v. Emissions of PM, NO_x and SO_2 (tons/month and tons/year).

b. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least three years from the date of entry and shall be made available for inspection and copying by the Illinois EPA and 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 request for records during the course of a source inspection.

15. If there is an exceedance of 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. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedances or violation and efforts to reduce emissions and future occurrences.

16. Two (2) copies of required reports and notifications concerning equipment operation or repairs, performance testing or a continuous monitoring system 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

17a. The Permittee shall submit the following additional information with the Annual Emissions Report, due May 1st of each year:

i. Total amount of materials processed in each operating scenario, tons/year; and

ii. Operating hours of each generator, hour/year.

b. If there have been no exceedances during the prior calendar year, the Annual Emission Report shall include a statement to that effect.

Please note that this permit is revised to correct the maximum horsepower rating in Condition 11(e), and the moisture content in Conditions 10(b) and 14(a).

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

Donald E. Sutton, P. E.
Manager, Permit Section
Division of Air Pollution Control

DES:JPB:jar

cc: Illinois EPA, FOS Region 1
Illinois EPA, Compliance Section
Lotus Notes

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

STANDARD CONDITIONS FOR OPERATING PERMITS

May, 1993

The Illinois Environmental Protection Act (Illinois Revised Statutes, Chapter 111-1/2, Section 1039) grants the Environmental Protection Agency authority to impose conditions on permits which it issues.

The following conditions are applicable unless superseded by special permit conditions(s).

1. The issuance of this permit does not release the Permittee from compliance with state and federal regulations which are part of the Illinois State Implementation Plan, as well as with other applicable statues and regulations of the United States or the State of Illinois or with applicable local laws, ordinances and regulations.

2. The Illinois EPA has issued this permit based upon the information submitted by the Permittee in the permit application. Any misinformation, false statement or misrepresentation in the application shall be ground for revocation under 35 Ill. Adm. Code 201.166.

3. a. The Permittee shall not authorize, cause, direct or allow any modification, as defined in 35 Ill. Adm. Code 201.102, of equipment, operations or practices which are reflected in the permit application as submitted unless a new application or request for revision of the existing permit is filed with the Illinois EPA and unless a new permit or revision of the existing permit(s) is issued for such modification.

   b. This permit only covers emission sources and control equipment while physically present at the indicated plant location(s). Unless the permit specifically provides for equipment relocation, this permit is void for an item of equipment on the day it is removed from the permitted location(s) or if all equipment is removed, notwithstanding the expiration date specified on the permit.

4. The Permittee shall allow any duly authorized agent of the Illinois EPA, upon the presentation of credentials, at reasonable times:

   a. To enter the Permittee's property where actual or potential effluent, emission or noise sources are located or where any activity is to be conducted pursuant to this permit;

   b. To have access to and to copy any records required to be kept under the terms and conditions of this permit;

   c. To inspect, including during any hours of operation of equipment constructed or operated under this permit, such equipment and any equipment required to be kept, used, operated, calibrated and maintained under this permit;

   d. To obtain and remove samples of any discharge or emission of pollutants; and

   e. To enter and utilize any photographic, recording, testing, monitoring or other equipment for the purpose of preserving, testing, monitoring or recording any activity, discharge or emission authorized by this permit.

5. The issuance of this permit:

   a. Shall not be considered as in any manner affecting the title of the premises upon which the permitted facilities are located;

b. Does not release the Permittee from any liability for damage to person or property caused by or resulting from the construction, maintenance, or operation of the facilities;

c. Does not take into consideration or attest to the structural stability of any unit or part of the project; and

d. In no manner implies or suggests that the Illinois EPA (or its officers, agents, or employees) assumes any liability, directly or indirectly, for any loss due to damage, installation, maintenance, or operation of the proposed equipment or facility.

6. The facilities covered by this permit shall be operated in such a manner that the disposal of air contaminants collected by the equipment shall not cause a violation of the Environmental Protection Act or regulations promulgated thereunder.

7. The Permittee shall maintain all equipment covered under this permit in such a manner that the performance of such equipment shall not cause a violation of the Environmental Protection Act or regulations promulgated thereuner.

8. The Permittee shall maintain a maintenance record on the premises for each item of air pollution control equipment. This records shall be made available to any agent of the Environmental Protection Agency at any time during normal working hours and/or operating hours. As a minimum, this record shall show the dates of performance and nature of preventative maintenance activities.

9. No person shall cause or allow continued operation during malfunction, breakdown or startup of any emission source or related air pollution control equipment if such operation would cause a violation of an applicable emission standard or permit limitation. Should a malfunction, breakdown or startup occur which results in emissions in excess of any applicable standard or permit limitation, the Permittee shall:

a. Immediately report the incident to the Illinois EPA's Regional Field Operations Section Office by telephone, telegraph, or other method as constitutes the fastest available alternative, and shall comply with all reasonable directives of the Illinois EPA with respect to the incident;

b. Maintain the following records for a period of no less than two (2) years:

i. Date and duration of malfunction, breakdown, or startup,

ii. Full and detailed explanation of the cause,

iii. Contaminants emitted and an estimate of quantity of emissions,

iv. Measures taken to minimize the amount of emissions during the malfunction, breakdown or startup, and

v. Measures taken to reduce future occurrences and frequency of incidents.

10. If the permit application contains a compliance program and project completion schedule, the Permittee shall submit a project completion status report within thirty (30) days of any date specified in the compliance program and project completion schedule or at six month intervals, whichever is more frequent.

11. The Permittee shall submit an Annual Emission Report as required by 35 Ill. Adm. Code 201.302 and 35 Ill. Adm. Code Part 254.

Attachment A

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 well below the levels, (e.g., 100 tons/year for particulate matter with an aerodynamic diameter less than or equal to 10 micrometers (PM_{10}) and particulate matter (PM)) at which this source would be considered a major source for purposes of the Clean Air Act Permit Program. Actual emissions from this source will be less than predicted in this summary to the extent that control measures are more effective than required in this permit.

1a. Emissions of particulate matter (PM):

Annual Throughput (Tons/Year)	Particulate Matter Emissions (Tons/Mo)	(Tons/Yr)
13,000,000	9.52	95.2

b. Note that there is a "nested" limit on the emissions of PM_{10} as a result of the limit on PM emissions. PM_{10} emitted is of a lesser quantity of PM, and therefore limiting PM emissions also limits PM_{10} emissions.

2. Emissions of nitrogen oxides shall not exceed 99.0 tons per year.

3. Emissions of sulfur dioxides shall not exceed 66.8 tons per year.

4. Emissions of PM_{10} from the generators and other fuel combustion units shall not exceed 5.0 tons per year (Included in 1a).

JPB:jar

Appendix B

Illinois Air Permit Application Forms

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

FEE DETERMINATION FOR CONSTRUCTION PERMIT APPLICATION

FOR AGENCY USE ONLY	
ID NUMBER:	
PERMIT #:	
COMPLETE ☐ INCOMPLETE ☐	DATE COMPLETE:
CHECK #:	ACCOUNT NAME:

THIS FORM IS TO BE USED BY ALL SOURCES TO SUPPLY FEE INFORMATION THAT MUST ACCOMPANY ALL CONSTRUCTION PERMIT APPLICATIONS. ***THIS APPLICATION MUST INCLUDE PAYMENT IN FULL TO BE DEEMED COMPLETE.*** MAKE CHECK OR MONEY ORDER PAYABLE TO THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY. SEND TO THE ADDRESS ABOVE. DO NOT SEND CASH. REFER TO INSTRUCTIONS (197-INST) FOR ASSISTANCE.

SOURCE INFORMATION

1) SOURCE NAME: KCBX Terminals Company	
2) PROJECT NAME: Two Conveyors	3) SOURCE ID NO. (IF APPLICABLE): 031 600 AHI
4) CONTACT NAME: David Bever	5) CONTACT PHONE NUMBER: (773) 978-8516

FEE DETERMINATION

6) FILL IN THE FOLLOWING THREE BOXES AS DETERMINED IN SECTIONS 1 THROUGH 4 BELOW:

$ 0	+	$ 5,000	=	$ 5,000
SECTION 1 SUBTOTAL		SECTION 2, 3 OR 4 SUBTOTAL		GRAND TOTAL

SECTION 1: STATUS OF SOURCE / PURPOSE OF SUBMITTAL

7) YOUR APPLICATION WILL FALL UNDER ONLY ONE OF THE FOLLOWING SIX CATEGORIES DESCRIBED BELOW. CHECK THE BOX THAT APPLIES, ENTER THE CORRESPONDING FEE IN THE BOX TO THE RIGHT AND COPY THIS FEE INTO THE SECTION 1 SUBTOTAL BOX ABOVE. PROCEED TO APPLICABLE SECTIONS.

FOR PURPOSES OF THIS FORM:

- ***MAJOR SOURCE*** IS A SOURCE THAT IS REQUIRED TO OBTAIN A CAAPP PERMIT.
- ***SYNTHETIC MINOR SOURCE*** IS A SOURCE THAT HAS TAKEN LIMITS ON POTENTIAL TO EMIT IN A PERMIT TO AVOID CAAPP PERMIT REQUIREMENTS (E.G., FESOP).
- ***NON-MAJOR SOURCE*** IS A SOURCE THAT IS NOT A MAJOR OR SYNTHETIC MINOR SOURCE.

☒	EXISTING SOURCE WITHOUT STATUS CHANGE OR WITH STATUS CHANGE FROM SYNTHETIC MINOR TO MAJOR SOURCE OR VICE VERSA. ENTER $0 AND PROCEED TO SECTION 2.	$ 0 SECTION 1 SUBTOTAL
☐	EXISTING NON-MAJOR SOURCE THAT WILL BECOME SYNTHETIC MINOR OR MAJOR SOURCE. ENTER $5,000 AND PROCEED TO SECTION 4.	
☐	EXISTING MAJOR OR SYNTHETIC MINOR SOURCE THAT WILL BECOME NON-MAJOR SOURCE. ENTER $4,000 AND PROCEED TO SECTION 3.	
☐	NEW MAJOR OR SYNTHETIC MINOR SOURCE. ENTER $5,000 AND PROCEED TO SECTION 4.	
☐	NEW NON-MAJOR SOURCE. ENTER $500 AND PROCEED TO SECTION 3.	
☐	AGENCY ERROR. IF THIS IS A TIMELY REQUEST TO CORRECT AN ISSUED PERMIT THAT INVOLVES ONLY AN AGENCY ERROR AND IF THE REQUEST IS RECEIVED WITHIN THE DEADLINE FOR A PERMIT APPEAL TO THE POLLUTION CONTROL BOARD, THEN ENTER $0. SKIP SECTIONS 2, 3 AND 4. PROCEED DIRECTLY TO SECTION 5.	

SECTION 2: SPECIAL CASE FILING FEE

8) FILING FEE. IF THE APPLICATION ONLY ADDRESSES ONE OR MORE OF THE FOLLOWING, CHECK THE APPROPRIATE BOXES, ENTER $500 IN THE SECOND BOX UNDER FEE DETERMINATION ABOVE, SKIP SECTIONS 3 AND 4 AND PROCEED DIRECTLY TO SECTION 5. OTHERWISE, PROCEED TO SECTION 3 OR 4, AS APPROPRIATE.

- ☐ ADDITION OR REPLACEMENT OF CONTROL DEVICES ON PERMITTED UNITS
- ☐ PILOT PROJECTS/TRIAL BURNS BY A PERMITTED UNIT
- ☐ APPLICATIONS ONLY INVOLVING INSIGNIFICANT ACTIVITIES UNDER 35 IAC 201.210 (MAJOR SOURCES ONLY)
- ☐ LAND REMEDIATION PROJECTS
- ☐ REVISIONS RELATED TO METHODOLOGY OR TIMING FOR EMISSION TESTING
- ☐ MINOR ADMINISTRATIVE-TYPE CHANGE TO A PERMIT

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 PAGE 1.00

SECTION 3: FEES FOR CURRENT OR PROJECTED NON-MAJOR SOURCES	
9) IF THIS APPLICATION CONSISTS OF A SINGLE NEW EMISSION UNIT OR NO MORE THAN TWO MODIFIED EMISSION UNITS, ENTER $500.	9)
10) IF THIS APPLICATION CONSISTS OF MORE THAN ONE NEW EMISSION UNIT OR MORE THAN TWO MODIFIED UNITS, ENTER $1,000.	10)
11) IF THIS APPLICATION CONSISTS OF A NEW SOURCE OR EMISSION UNIT SUBJECT TO SECTION 39.2 OF THE ACT (I.E., LOCAL SITING REVIEW); A COMMERCIAL INCINERATOR OR A MUNICIPAL WASTE, HAZARDOUS WASTE, OR WASTE TIRE INCINERATOR; A COMMERCIAL POWER GENERATOR; OR AN EMISSION UNIT DESIGNATED AS A COMPLEX SOURCE BY AGENCY RULEMAKING, ENTER $15,000.	11)
12) IF A PUBLIC HEARING IS HELD (SEE INSTRUCTIONS), ENTER $10,000.	12)
13) SECTION 3 SUBTOTAL (ADD LINES 9 THROUGH 12) TO BE ENTERED ON PAGE 1.	13)

SECTION 4: FEES FOR CURRENT OR PROJECTED MAJOR OR SYNTHETIC MINOR SOURCES				
Application Contains Modified Emission Units Only	14) FOR THE FIRST MODIFIED EMISSION UNIT, ENTER $2,000.	14)		
	15) NUMBER OF ADDITIONAL MODIFIED EMISSION UNITS = _____ X $1,000.	15)		
	16) LINE 14 PLUS LINE 15, OR $5,000, WHICHEVER IS LESS.			16)
Application Contains New And/Or Modified Emission Units	17) FOR THE FIRST NEW EMISSION UNIT, ENTER $4,000.	17)	4000	
	18) NUMBER OF ADDITIONAL NEW AND/OR MODIFIED EMISSION UNITS = 1 X $1,000.	18)	1000	
	19) LINE 17 PLUS LINE 18, OR $10,000, WHICHEVER IS LESS.			19) 5000
Application Contains Netting Exercise	20) NUMBER OF INDIVIDUAL POLLUTANTS THAT RELY ON A NETTING EXERCISE OR CONTEMPORANEOUS EMISSIONS DECREASE TO AVOID APPLICATION OF PSD OR NONATTAINMENT NSR = _____ X $3,000.			20)
Additional Supplemental Fees	21) IF THE NEW SOURCE OR EMISSION UNIT IS SUBJECT TO SECTION 39.2 OF THE ACT (I.E., SITING); A COMMERCIAL INCINERATOR OR OTHER MUNICIPAL WASTE, HAZARDOUS WASTE, OR WASTE TIRE INCINERATOR; A COMMERCIAL POWER GENERATOR; OR ONE OR MORE OTHER EMISSION UNITS DESIGNATED AS A COMPLEX SOURCE BY AGENCY RULEMAKING, ENTER $25,000.			21)
	22) IF THE SOURCE IS A NEW MAJOR SOURCE SUBJECT TO PSD, ENTER $12,000.			22)
	23) IF THE PROJECT IS A MAJOR MODIFICATION SUBJECT TO PSD, ENTER $6,000.			23)
	24) IF THIS IS A NEW MAJOR SOURCE SUBJECT TO NONATTAINMENT (NAA) NSR, ENTER $20,000.			24)
	25) IF THIS IS A MAJOR MODIFICATION SUBJECT TO NAA NSR, ENTER $12,000.			25)
	26) IF APPLICATION INVOLVES A DETERMINATION OF CLEAN UNIT STATUS AND THEREFORE IS NOT SUBJECT TO BACT OR LAER, ENTER $5,000 PER UNIT FOR WHICH A DETERMINATION IS REQUESTED OR OTHERWISE REQUIRED. _____ X $5,000.			26)
	27) IF APPLICATION INVOLVES A DETERMINATION OF MACT FOR A POLLUTANT AND THE PROJECT IS NOT SUBJECT TO BACT OR LAER FOR THE RELATED POLLUTANT UNDER PSD OR NSR (E.G., VOM FOR ORGANIC HAP), ENTER $5,000 PER UNIT FOR WHICH A DETERMINATION IS REQUESTED OR OTHERWISE REQUIRED. _____ X $5,000.			27)
	28) IF A PUBLIC HEARING IS HELD (SEE INSTRUCTIONS), ENTER $10,000.			28)
29) SECTION 4 SUBTOTAL (ADD LINES 16 AND LINES 19 THROUGH 28) TO BE ENTERED ON PAGE 1.				29) 5000

SECTION 5: CERTIFICATION

NOTE: APPLICATIONS WITHOUT A SIGNED CERTIFICATION WILL BE DEEMED INCOMPLETE.

30) I CERTIFY UNDER PENALTY OF LAW THAT, BASED ON INFORMATION AND BELIEF FORMED AFTER REASONABLE INQUIRY, THE INFORMATION CONTAINED IN THIS FEE APPLICATION FORM IS TRUE, ACCURATE AND COMPLETE.

BY: David B — SIGNATURE

Operations Manager — TITLE OF SIGNATORY

David Bever — TYPED OR PRINTED NAME OF SIGNATORY

10 / 14 / 07 — DATE

APPLICATION PAGE 2.00

Printed on Recycled Paper

197-FEE

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)

☒ CONSTRUCT ☒ OPERATE

NAME OF EQUIPMENT TO BE CONSTRUCTED OR OPERATED: Two Electric Conveyors (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 Company		2a. NAME OF OPERATOR: SAME	
1b. STREET ADDRESS OF OWNER: 3259 East 100th Street		2b. STREET ADDRESS OF OPERATOR:	
1c. CITY OF OWNER: Chicago		2c. CITY OF OPERATOR:	
1d. STATE OF OWNER: IL	1e. ZIP CODE: 60617	2d. STATE OF OPERATOR:	2e. ZIP CODE:

3a. NAME OF CORPORATE DIVISION OR PLANT: KCBX Terminals Company		3b. STREET ADDRESS OF EMISSION SOURCE: 3259 East 100th Street		
3c. CITY OF EMISSION SOURCE: Chicago	3d. LOCATED WITHIN CITY LIMITS: ☒ YES ☐ NO	3e. TOWNSHIP:	3f. COUNTY: Cook	3g. ZIP CODE: 60617

4. ALL CORRESPONDENCE TO: (TITLE AND/OR NAME OF INDIVIDUAL) Chris Bailey, EH&S Manager	5. YOUR DESIGNATION FOR THIS APPLICATION: (C) Construction Permit for Two Conveyors
6. ADDRESS FOR CORRESPONDENCE: (CHECK ONLY ONE) ☒ OWNER ☐ OPERATOR ☐ EMISSION SOURCE	7. WHO IS THE PERMIT APPLICANT? ☒ OWNER ☐ 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): (D)

BY [signature]	10/11/07	BY	
SIGNATURE	DATE	SIGNATURE	DATE
David Bever			
TYPED OR PRINTED NAME OF SIGNER		TYPED OR PRINTED NAME OF SIGNER	
Operations Manager			
TITLE 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: David Bever	
9a. COMPANY NAME: KCBX Terminals Company		11. CONTACT PERSON'S TELEPHONE NUMBER: 773-978-8516	
9b. STREET ADDRESS: 3259 East 100th Street		12. CONTACT PERSON'S FACSIMILE NUMBER: 773-375-3153	
9c. CITY: Chicago		13. FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): 48-1082551	
9d. STATE: IL	9f. BILLING CONTACT PERSON: C. Bailey	14. PRIMARY STANDARD INDUSTRIAL CLASSIFICATION (SIC) CATEGORY: Marine Cargo Handling	
9e. ZIP CODE:	9g. CONTACT TELEPHONE NO.: (773) 978-8516	15. PRIMARY SIC NUMBER: 4491	16. TAXPAYER IDENTIFICATION NUMBER (TIN): 833244 (State)

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.: 031600AHI APPLICATION NUMBER 95050167
IS THE APPROXIMATE SIZE OF APPLICANT'S PREMISES LESS THAN 1 ACRE?
☐ YES ☒ NO IF "NO", SPECIFY 40 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 PERMIT 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

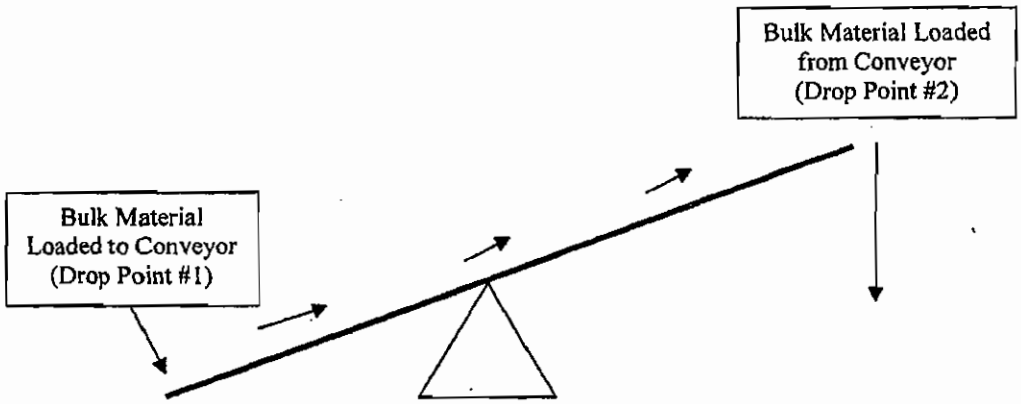
25. DOES THE SOURCE COVERED BY THIS APPLICATION REQUIRE AN EPISODE ACTION PLAN (REFER TO GUIDELINES FOR EPISODE ACTION PLANS)?
☒ YES ☐ NO

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):

State Air Construction Permit Application prepared by SEH, Inc.	
FESOP Permit - ID No 031600AHI App No 95050167	
Table 1 - Potential Annual Emission Calculations	
Permit Application Form 197 - Permit Application Fee	
Permit Application Form 220-Process Emission Source	
	TOTAL NUMBER OF PAGES

Attachment A
City of Chicago - Installation Permit Application
KCBX Terminals Company
August 24, 2007

Process Flow Diagram



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

* DATA AND INFORMATION PROCESS EMISSION SOURCE	

* THIS INFORMATION FORM IS TO BE COMPLETED FOR AN EMISSION SOURCE OTHER THAN A FUEL COMBUSTION EMISSION SOURCE OR AN INCINERATOR. A FUEL COMBUSTION EMISSION SOURCE IS A FURNACE, BOILER, OR SIMILAR EQUIPMENT USED PRIMARILY FOR PRODUCING HEAT OR POWER BY INDIRECT HEAT TRANSFER. AN INCINERATOR IS AN APPARATUS IN WHICH REFUSE IS BURNED.

1. NAME OF PLANT OWNER: KCBX Terminals Company	2. NAME OF CORPORATE DIVISION OR PLANT (IF DIFFERENT FROM OWNER):
3. STREET ADDRESS OF EMISSION SOURCE: 3259 East 100th Street	4. CITY OF EMISSION SOURCE: Chicago, IL

GENERAL INFORMATION		
5. NAME OF PROCESS: Two Electric Conveyors	6. NAME OF EMISSION SOURCE EQUIPMENT: conveyors	
7. EMISSION SOURCE EQUIPMENT MANUFACTURER:	8. MODEL NUMBER:	9. SERIAL NUMBER:
10. FLOW DIAGRAM DESIGNATION(S) OF EMISSION SOURCE:		
11. IDENTITY(S) OF ANY SIMILAR SOURCE(S) AT THE PLANT OR PREMISES NOT COVERED BY THE FORM (IF THE SOURCE IS COVERED BY ANOTHER APPLICATION, IDENTIFY THE APPLICATION): KCBX operates several conveyors and stackers at the site		
12. AVERAGE OPERATING TIME OF EMISSION SOURCE: 16 HRS/DAY 7 DAYS/WK 52 WKS/YR	13. MAXIMUM OPERATING TIME OF EMISSION SOURCE: 24 HRS/DAY 7 DAYS/WK 52 WKS/YR	
14. PERCENT OF ANNUAL THROUGHPUT: DEC-FEB 20 % MAR-MAY 25 % JUN-AUG 20 % SEPT-NOV 30 %		

INSTRUCTIONS
1. COMPLETE THE ABOVE IDENTIFICATION AND GENERAL INFORMATION SECTION. 2. COMPLETE THE RAW MATERIAL, PRODUCT, WASTE MATERIAL, AND FUEL USAGE SECTIONS FOR THE PARTICULAR SOURCE EQUIPMENT. COMPOSITIONS OF MATERIALS MUST BE SUFFICIENTLY DETAILED TO ALLOW DETERMINATION OF THE NATURE AND QUANTITY OF POTENTIAL EMISSIONS. IN PARTICULAR, THE COMPOSITION OF PAINTS, INKS, ETC., AND ANY SOLVENTS MUST BE FULLY DETAILED. 3. EMISSION AND EXHAUST POINT INFORMATION MUST BE COMPLETED, UNLESS EMISSIONS ARE EXHAUSTED THROUGH AIR POLLUTION CONTROL EQUIPMENT. 4. OPERATION TIME AND CERTAIN OTHER ITEMS REQUIRE BOTH AVERAGE AND MAXIMUM VALUES 5. FOR GENERAL INFORMATION REFER TO "GENERAL INSTRUCTIONS FOR PERMIT APPLICATIONS," APC-201.

DEFINITIONS
AVERAGE - THE VALUE THAT SUMMARIZES OR REPRESENTS THE GENERAL CONDITION OF THE EMISSION SOURCE, OR THE GENERAL STATE OF PRODUCTION OF THE EMISSION SOURCE. SPECIFICALLY: AVERAGE OPERATING TIME - ACTUAL TOTAL HOURS OF OPERATION FOR THE PRECEDING TWELVE MONTH PERIOD. AVERAGE RATE - ACTUAL TOTAL QUANTITY OF "MATERIAL" FOR THE PRECEDING TWELVE MONTH PERIOD, DIVIDED BY THE AVERAGE OPERATING TIME. AVERAGE OPERATION - OPERATION TYPICAL OF THE PRECEDING TWELVE MONTH PERIOD, AS REPRESENTED BY AVERAGE OPERATING TIME AND AVERAGE RATES. MAXIMUM - THE GREATEST VALUE ATTAINABLE OR ATTAINED FOR THE EMISSION SOURCE, OR THE PERIOD OF GREATEST OR UTMOST PRODUCTION OF THE EMISSION SOURCE. SPECIFICALLY: MAXIMUM OPERATING TIME - GREATEST EXPECTED TOTAL HOURS OF OPERATIONS FOR ANY TWELVE MONTH PERIOD. MAXIMUM RATE - GREATEST QUANTITY OF "MATERIAL" EXPECTED PER ANY ONE HOUR OF OPERATION. MAXIMUM OPERATION - GREATEST EXPECTED OPERATION, AS REPRESENTED BY MAXIMUM OPERATING TIME AND MAXIMUM RATES.

This Agency is authorized to require this information under Illinois Revised Statutes, 1979, Chapter 111 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.

RAW MATERIAL INFORMATION		
NAME OF RAW MATERIAL	AVERAGE RATE PER IDENTICAL SOURCE	MAXIMUM RATE PER IDENTICAL SOURCE
20a. Dry wetable bulk material	b. 3,000 LB/HR	c. 3,000 LB/HR
21a.	b. LB/HR	c. LB/HR
22a.	b. LB/HR	c. LB/HR
23a.	b. LB/HR	c. LB/HR
24a.	b. LB/HR	c. LB/HR

PRODUCT INFORMATION		
NAME OF PRODUCT	AVERAGE RATE PER IDENTICAL SOURCE	MAXIMUM RATE PER IDENTICAL SOURCE
30a. Dry wetable bulk material	b. 3,000 LB/HR	c. 3,000 LB/HR
31a.	b. LB/HR	c. LB/HR
32a.	b. LB/HR	c. LB/HR
33a.	b. LB/HR	c. LB/HR
34a.	b. LB/HR	c. LB/HR

WASTE MATERIAL INFORMATION		
NAME OF WASTE MATERIAL	AVERAGE RATE PER IDENTICAL SOURCE	MAXIMUM RATE PER IDENTICAL SOURCE
40a.	b. LB/HR	c. LB/HR
41a.	b. LB/HR	c. LB/HR
42a.	b. LB/HR	c. LB/HR
43a.	b. LB/HR	c. LB/HR
44a.	b. LB/HR	c. LB/HR

*FUEL USAGE INFORMATION			
FUEL USED		TYPE	HEAT CONTENT
50a. NATURAL GAS	☐	b. ———	c. 1000 BTU/SCF
OTHER GAS	☐		BTU/SCF
OIL	☐		BTU/GAL
COAL	☐		BTU/LB
OTHER	☐		BTU/LB
d. AVERAGE FIRING RATE PER IDENTICAL SOURCE: BTU/HR		e. MAXIMUM FIRING RATE PER IDENTICAL SOURCE: BTU/HR	

*THIS SECTION IS TO BE COMPLETED FOR ANY FUEL USED DIRECTLY IN THE PROCESS EMISSION SOURCE, E. G. GAS IN A DRYER, OR COAL IN A MELT FURNACE.

*EMISSION INFORMATION

51. NUMBER OF IDENTICAL SOURCES (DESCRIBE AS REQUIRED): 2

AVERAGE OPERATION

CONTAMINANT	CONCENTRATION OR EMISSION RATE PER IDENTICAL SOURCE		METHOD USED TO DETERMINE CONCENTRATION OR EMISSION RATE
PARTICULATE MATTER	52a. GR/SCF	b. 2.7 LB/HR	c. Emission Factor from AP-42 Section 13.2.4
CARBON MONOXIDE	53a. PPM (VOL)	b. LB/HR	c.
NITROGEN OXIDES	54a. PPM (VOL)	b. LB/HR	c.
ORGANIC MATERIAL	55a. PPM (VOL)	b. LB/HR	c.
SULFUR DIOXIDE	56a. PPM (VOL)	b. LB/HR	c.
**OTHER (SPECIFY)	57a. PPM (VOL)	b. 1.3(PM10) LB/HR	c. Emission Factor from AP-42 Section 13.2.4

MAXIMUM OPERATION

CONTAMINANT	CONCENTRATION OR EMISSION RATE PER IDENTICAL SOURCE		METHOD USED TO DETERMINE CONCENTRATION OR EMISSION RATE
PARTICULATE MATTER	58a. GR/SCF	b. 2.7 LB/HR	c. Emission Factor from AP-42 Section 13.2.4
CARBON MONOXIDE	59a. PPM (VOL)	b. LB/HR	c.
NITROGEN OXIDES	60a. PPM (VOL)	b. LB/HR	c.
ORGANIC MATERIAL	61a. PPM (VOL)	b. LB/HR	c.
SULFUR DIOXIDE	62a. PPM (VOL)	b. LB/HR	c.
**OTHER (SPECIFY)	63a. PPM (VOL)	b. 1.3(PM10) LB/HR	c. Emission Factor from AP-42 Section 13.2.4

*ITEMS 52 THROUGH 63 NEED NOT BE COMPLETED IF EMISSIONS ARE EXHAUSTED THROUGH AIR POLLUTION CONTROL EQUIPMENT.
**"OTHER" CONTAMINANT SHOULD BE USED FOR AN AIR CONTAMINANT NOT SPECIFICALLY NAMED ABOVE. POSSIBLE OTHER CONTAMINANTS ARE ASBESTOS, BERYLLIUM, MERCURY, VINYL CHLORIDE, LEAD, ETC.

***EXHAUST POINT INFORMATION

64. FLOW DIAGRAM DESIGNATION(S) OF EXHAUST POINT: Emissions are not conveyed through a stack. Emissions are fugitive.

65. DESCRIPTION OF EXHAUST POINT (LOCATION IN RELATION TO BUILDINGS, DIRECTION, HOODING, ETC.):

66. EXIT HEIGHT ABOVE GRADE:	67. EXIT DIAMETER:
68. GREATEST HEIGHT OF NEARBY BUILDINGS:	69. EXIT DISTANCE FROM NEAREST PLANT BOUNDARY:

AVERAGE OPERATION	MAXIMUM OPERATION
70. EXIT GAS TEMPERATURE: °F	72. EXIT GAS TEMPERATURE: °F
71. GAS FLOW RATE THROUGH EACH EXIT: ACFM	73. GAS FLOW RATE THROUGH EACH EXIT: ACFM

***THIS SECTION SHOULD NOT BE COMPLETED IF EMISSIONS ARE EXHAUSTED THROUGH AIR POLLUTION CONTROL EQUIPMENT.

Appendix C

Compliance Tracking Spreadsheet

Table 1 - Potential Annual PM and PM_{10} Emission Rates
KCBX Terminals Company - Chicago, IL

Average Moisture Content = 7.50 Percent (variable based on inbound material shipping papers)

Annual Throughput = 10.95 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				PM		PM_{10}		
Worst Cases of 19 Material Handling Scenarios[1]		Annual Throughput ton/yr	No. of drop pts.	Emission Factor lb/drop	Annual Emissions ton/yr	Emission Factor lb/drop	Annual Emissions ton/yr	Emission Factor Source
Scenario 4	Rail to main pad	10,950,000	18	0.000916	90.31	0.000433	42.71	AP-42, Chapter 13.2.4, Aggregate Handling and Storage Piles (uncontrolled) (11/0
Scenario 5	Pad to water (main)	10,950,000	18	0.000916	90.31	0.000433	42.71	AP-42, Chapter 13.2.4, Aggregate Handling and Storage Piles (uncontrolled) (11/06)
Scenario 15	Screening (300 tph capacity)[2]	2,628,000	1	0.0022	2.89	0.00074	0.97	AP-42, Chapter 11.19.2, Crushed Stone Processing (controlled with water) (8/0
Scenario 16	Crushing (150 tph capacity)[2]	1,314,000	1	0.0012	0.79	0.00054	0.35	AP-42, Chapter 11.19.2, Crushed Stone Processing (controlled with water) (8/0
		Subtotal from Material Handling =			184.30		86.76	

Storage Piles				PM		PM_{10}		
Worst Case Scenarios		Acres	days per year	Emission Factor lb/acre/day	Annual Emissions ton/yr	Emission Factor lb/acre/day	Annual Emissions ton/yr	Emission Factor Source
Scenario 20	Active storage pile	2	365	32.4	11.83	15.3	5.59	AP-42, Chapter 11.9, Western Surface Coal Mining (controlled with water) (07/98)
Scenario 21	Inactive storage piles	24	365	0.52	2.28	0.25	1.08	AP-42, Chapter 11.9, Western Surface Coal Mining (controlled with water) (07/98)
		Subtotal from Material Handling =			14.11		6.67	

Combustion Sources				PM		PM_{10}		
Note the 396 kW Generator has been removed from service		hp of each	Annual Operating	Emission Factor	Annual Emissions	Emission Factor	Annual Emissions	
Worst Case Emissions Limited by NOx Emissions[3]		Group	Hours	lb/hp-hr	ton/yr	lb/hp-hr	ton/yr	Emission Factor Source
Scenario 24	2 x 567 kW Generator[3]	1520	5,250	0.0007	2.79	0.0007	2.79	AP-42, Chapter 3.4, Large Diesel Engines (10/9
	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 (09/9
		Subtotal from Combustion =			2.93		2.93	

Vehicle Traffic				PM		PM_{10}		
Worst Case Scenarios[2]		Loads per month	Trip Distance vmt/yr	Emission Factor lb/vmt	Annual Emission ton/yr	Emission Factor lb/vmt	Annual Emission ton/yr	Emission Factor Source
Scenario 22	Fugitive dust from haul trucks & FEL wheels	3,000	38,400	3.50	8.06	0.90	3.46	AP-42, Chapter 13.2.2, Unpaved Roads (Controlled with water) (11/0
		Subtotal from Vehicles =			8.06		3.46	

Totals[5]					209.40		99.81	

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 Generators are limited to 5,250 hours of operation per year because at that level, NOx emissions = 100 tpy when combined with other combustion sources.

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 PM10/1000 gallon / 2000 lb/ton = 0.05 ton PM10/yr

285

FedEx Express US Airbill FedEx Tracking Number 8594 3644 9990

SCH12

Form ID No. 0215

1 From Please print and press hard.

Date 10-29-07 Sender's FedEx Account Number 1718-0704-2

Sender's Name Dave Becker Phone (773) 375-3700

Company KCBX TERMINALS CO

Address 3259 E 100TH ST Dept./Floor/Suite/Room

City CHICAGO State IL ZIP 60617

2 Your Internal Billing Reference First 24 characters will appear on invoice.

3 To

Recipient's Name John Blazis Phone ( )

Company IL EPA Bureau of Air

Recipient's Address 1340 North Ninth St. Dept./Floor/Suite/Room

We cannot deliver to P.O. boxes or P.O. ZIP codes.

Address

To request a package be held at a specific FedEx location, print FedEx address here.

City Springfield State IL ZIP 62794-9506

0347890335

Schedule a pickup at fedex.com
Simplify your shipping. Manage your account. Access all the tools you need.

4a Express Package Service *Packages up to 150 lbs.*

- [ ] FedEx Priority Overnight — Next business morning.* Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
- [x] FedEx Standard Overnight — Next business afternoon.* Saturday Delivery NOT available.
- [ ] FedEx First Overnight — Earliest next business morning delivery to select locations.* Saturday Delivery NOT available.
- [ ] FedEx 2Day — Second business day.* Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
- [ ] FedEx Express Saver — Third business day.* Saturday Delivery NOT available.

FedEx Envelope rate not available. Minimum charge: One-pound rate. *To most locations.

4b Express Freight Service *Packages over 150 lbs.*

- [ ] FedEx 1Day Freight* — Next business day.** Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
- [ ] FedEx 2Day Freight — Second business day.** Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
- [ ] FedEx 3Day Freight — Third business day.** Saturday Delivery NOT available.

*Call for Confirmation. **To most locations.

5 Packaging

- [x] FedEx Envelope*
- [x] FedEx Pak* — Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak.
- [ ] FedEx Box
- [ ] FedEx Tube
- [ ] Other

*Declared value limit $500.

6 Special Handling

- [ ] SATURDAY Delivery — FedEx Standard Overnight, FedEx First Overnight, FedEx Express Saver, or FedEx 3Day Freight.
- [ ] HOLD Weekday at FedEx Location — FedEx First Overnight.
- [ ] HOLD Saturday at FedEx Location — FedEx Priority Overnight and FedEx 2Day to select locations.

Does this shipment contain dangerous goods?

- [x] No
- [ ] Yes — As per attached Shipper's Declaration.
- [ ] Yes — Shipper's Declaration not required.
- [ ] Dry Ice — Dry Ice, 9, UN 1845 ____ x ____ kg
- [ ] Cargo Aircraft Only

Dangerous goods (including dry ice) cannot be shipped in FedEx packaging.

7 Payment Bill to: Enter FedEx Acct. No. or Credit Card No. below.

- [x] Sender — Acct. No. in Section 1 will be billed.
- [ ] Recipient
- [ ] Third Party
- [ ] Credit Card
- [ ] Cash/Check

FedEx Acct. No. / Credit Card No. Exp. Date

Total Packages Total Weight Total Declared Value† $ .00

†Our liability is limited to $100 unless you declare a higher value. See back for details. By using this Airbill you agree to the service conditions on the back of this Airbill and in the current FedEx Service Guide, including terms that limit our liability. FedEx Use Only

8 Residential Delivery Signature Options If you require a signature, check Direct or Indirect.

- [ ] No Signature Required — Package may be left without obtaining a signature for delivery.
- [ ] Direct Signature — Anyone at recipient's address may sign for delivery.
- [ ] Indirect Signature — If no one is available at recipient's address, anyone at a neighboring address may sign for delivery.

519

Rev. Date 11/05 • Part #158279 • ©1994–2005 FedEx • PRINTED IN U.S.A. SRS

PULL AND RETAIN THIS COPY BEFORE AFFIXING TO THE PACKAGE. NO POUCH NEEDED.

FedEx Express
Customer Support
Domestic Trace
3875 Airways Boulevard
Module H, 4th Floor
Memphis, TN 38116

U.S. Mail: PO Box 727
Memphis, TN 38194-4643

Telephone 901-369-3600

FedEx Express

October 30,2007

FedEx Customer
(773) 375-3153

Dear FedEx Customer:

Our records reflect the following delivery information for the shipment with the tracking number 859436449990.

Delivery Information:

Signed For By: J.JONES

Delivery Date: October 30, 2007

Delivery Time: 09:09 AM

Shipping Information:

Tracking No:	859436449990	Ship Date:	October 29, 2007
Shipper:	CHICAGO, IL US	Recipient:	SPRINGFIELD, IL US

Thank you for choosing FedEx Express. We look forward to working with you in the future.

FedEx Worldwide Customer Service
1-800-Go-FedEx (1-800-463-3339)
Reference No: R2007103000428518952

This Information is provided subject to the FedEx Service Guide.

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

EXHIBIT
K-6

RECEIVED
STATE OF ILLINOIS
JAN 23 2009
Environmental Protection Agency
BUREAU OF AIR

xxx/xxx-xxxx

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT

PERMITTEE

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

Application No.: yyyyyyyy
Applicant's Designation: zzzzzz
Subject: Bulk Materials Terminal
Date Issued: **DRAFT 11-20-2008**
Location: 3259 East 100th Street, Chicago, Cook County, 60617

I.D. No.: 031600AHI
Date Received: wwwwwww

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.

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.

i. Pursuant to 35 Ill. Adm. Code 212.316(f), unless an emission unit has been assigned a particulate matter, PM_{10}, 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):

	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

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 PM_{10} from any process emission unit to exceed 68.7 mg/scm (0.03 gr/scf) during any one hour period.

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;

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.

K:00342

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 PM_{10} 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 PM_{10} 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

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 PM_{10} 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. PM_{10} 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). PM_{10} and PM emissions shall be calculated and recorded using the equation:

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

Where:

E = Total PM_{10} or PM emissions, (tons);

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

F_m = (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 Emissions = (16.8 x H)/2000

K:003460

SO_2 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, SO_2, 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
SO_2 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.

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:

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, PM_{10}, 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.

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

K:00351

ECB:JPB:

cc: Region 1

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19506, SPRINGFIELD, ILLINOIS 62794-9506 – (217) 782-2113

DOUGLAS P. SCOTT, DIRECTOR

June 24, 2009

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

Re: Preliminary Draft Federally Enforceable State Operating Permit

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

Dear Mr. Bailey:

Enclosed please find a preliminary draft Federally Enforceable State Operating Permit for KCBX Terminals Co.. Please review this draft permit, indicate any corrections that need to be made and provide your comments no later than July 15, 2009.

If you should have any questions regarding this permit, please contact George Kennedy at 217/782-2113.

Sincerely,

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

Enclosure

cc: FOS, Region 1
File

EXHIBIT
K-7

VC 00291

DRAFT

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT - RENEWAL

PERMITTEE

KCBX 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 Materials Terminal
Date Issued: TO BE DETERMINED Expiration Date:
Location: 3259 East 100th Street, Chicago, Cook County, 60617

This permit is hereby granted to the above-designated Permittee to OPERATE emission source(s) and/or air pollution control equipment consisting of a bulk materials terminal, two (2) 560 Hp diesel-powered generators and 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 Carbon Monoxide (CO), Nitrogen Oxides (NO_x), Particulate Matter with an aerodynamic diameter less than or equal to 10 micrometers (PM_{10}), and 100 tons/year for Sulfur Dioxide (SO_2)). 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.

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

c. This permit supersedes all operating 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.

b. Pursuant to 35 Ill. Adm. Code 212.123(b), the emission of smoke or other particulate matter from any such 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 ft) radius from the center point of any other such emission unit owned or operated by such person, and provided further that such

IC 00292

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 emission source.

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 tons/year 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 35 Ill. Adm. Code 212.309, 212.310, and 212.312.

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 equivalent methods in accordance with the operating program required by 35 Ill. Adm. Code 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.

h. Pursuant to 35 Ill. Adm. Code 212.308, crushers, grinding mills, screening operations, bucket elevators, conveyor transfer points, conveyors, 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.

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.

i. Pursuant to 35 Ill. Adm. Code 212.309(a), the emission units described in 35 Ill. Adm. Code 212.304 through 212.308 shall be operated under the provisions of an operating program, consistent with the requirements set forth in 35 Ill. Adm. Code 212.310 and 212.312, and prepared by the owner or operator and submitted to the Illinois EPA for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions.

j. 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;

   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 Illinois EPA's review of the operating program.

k. 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 Illinois EPA for its review.

l. 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).

m. Pursuant to 35 Ill. Adm. Code 212.316(b), no person shall cause or allow fugitive particulate matter emissions generated from crushing,

screening of slag, stone, coke or coal to exceed an opacity of 10 percent.

n. 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/year of aggregate.

o. 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.

p. Pursuant to 35 Ill. Adm. Code 212.316(f), unless an emission unit has been assigned a particulate matter, PM_{10}, or fugitive particulate matter emissions limitation elsewhere in 35 Ill. Adm. Code 212.316 or in 35 Ill. Adm. Code Part 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.

q. 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).

r. 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/hour (450 T/hour):

	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/hour (450 T/hour):

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

m. 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.

n. Pursuant to 35 Ill. Adm. Code 212.324(b), emissions of particulate matter 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.

4a. 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/hour), burning liquid fuel exclusively to exceed 0.46 kg of sulfur dioxide per MW-hour of actual heat input when distillate fuel oil is burned (0.3 lbs/mmBtu).

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 excess 2000 ppm.

c. 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 applicable Subparts B through F (i.e., 35 Ill. Adm. Code 214.122(b)).

5. This permit is issued based on the two electric conveyors constructed pursuant to permit 07100090 not being subject to the New Source Performance Standards (NSPS) for Coal Preparation Plants, 40 CFR 60 Subpart Y because the conveyors will not be used to convey coal to machinery at the coal preparation plant.

6a. 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

K:00296

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.

7a. 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.

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).

8a. 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.

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.

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 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%.

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 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.

e. Pursuant to 35 Ill. Adm. Code 212.704(b), if there is a violation of the ambient air quality standard for PM_{10} 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 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 PM_{10} 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.

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 35 Ill. Adm. Code 212.704(b), as follows:

i. 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/m^3.

ii. 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/m^3.

9a. 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:

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

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 9(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, 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.

d. 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.

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).

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

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

10a. The emissions from and the operation of all activities at source shall not exceed the following limits:

PM_{10} Emission		PM emissions	
Tons/Week	Tons/Year	Tons/Week	Tons/Year
2.38	95	2.38	95

These limits are based on the maximum amount of material handled and standard emission factors (Table 11.19.2-2, AP-42, Volume I, Fifth Edition, Update 2004, August 2004 and Section 13.2.4, AP-42, Volume I, Fifth Edition, November 2006). PM_{10} and PM emissions shall be calculated and recorded using the equation:

$$E = [(T \times F_m) + (S \times F_s) + (C \times F_c) + (F1 \times V1 \times F3) + (F2 \times V2 \times F4)]/2000$$

Where:
E = Total PM_{10} or PM emissions, (tons);

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

K:00300

F_m = (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;
= 0.00054 lb PM_{10}/ton;

F1 = Gallons of gasoline used (gal);

F2 = Gallons of diesel plus kerosene use;

F3 = 0.1 lb/mmBtu for gasoline;

F4 = 0.31 lb/mmBtu for diesel/kerosene;

V1 = 0.13 mmBtu/gallon of gasoline; and

V2 = 0.137 mmBtu/gallon of diesel*.

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

b. Emissions and operation of the two diesel-powered generators, small non-mobile engines and portable heaters at the source shall not exceed the following limits:

	Emissions	
Pollutant	Ton/Week	Ton/Year
Carbon Monoxide (CO)	2.38	95.0
Nitrogen Oxides (NO_x)	2.38	95.0
Sulfur Dioxide (SO_2)	1.67	66.8
Volatile Organic Material (VOM)	0.63	25.0

The emissions from the diesel-powered generators are based on standard emission factors (Tables 3.3-1 and 3.4-1, AP-42, Fifth Edition, Volume

I, Supplement B, October 1996). Emissions from the generators shall be calculated as follows:

$$E = H \times F / 2{,}000$$

Where:
E = Total emissions of pollutant;

H = Hours of operation of unit (hours);

F = Emission Factor as follows:

Pollutant	Emission Factors: Gasoline Industrial Engines lbs/Hp-Hr	Emission Factors: Large Stationary Diesel Engines lbs/Hp-Hr
Carbon Monoxide (CO)	0.00696	0.0055
Nitrogen Oxides (NO_x)	0.011	0.024
Sulfur Dioxide (SO_2)	0.000591	0.00809 x S*
Volatile Organic Material (VOM)	0.0216	0.00064

*S = Wt. % sulfur in fuel

c. Compliance with the annual limits of this permit shall be determined on a weekly basis from the sum of the data for the current week plus the preceding 51 weeks (running 52 week total).

11a. 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.

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.

12. 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.

13a. 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. 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.

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 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

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)(3), the records required under 35 Ill. Adm. Code 212.316 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.

14a. The Permittee shall maintain records of the following items so as 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 Conditions 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, dates, 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 9(a)(ii) and 9(c) to demonstrate compliance with Condition 9(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 source of the feed material in accordance with Condition 9(c).

i. Name and total amount of each bulk material (e.g., coal, petroleum coke, etc.) processed (i.e., crushed, screened and transferred), tons/week and tons/year;

ii. Operating hours of each generator, hours/week and hours/year; and

iii. Weekly and annual emissions of CO, NO_x, PM, PM_{10}, SO_2, and VOM from the source with supporting calculations (tons/week 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.

c. 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.

15a. 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.

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.

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.

20a. 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, a description of the exceedances or deviation, and efforts to reduce emissions and future occurrences.

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

ECB:GMK:jws

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, (e.g., 100 tons/year for CO, NO_x, PM_{10}, and SO_2) at which this source would be considered a major source for purposes of the Clean Air Act Permit Program. Actual emissions from this source will be less than predicted in this summary to the extent that control measures are more effective than required in this permit.

	E M I S S I O N S (Tons/Year)					
Emission Unit	CO	NOx	PM	PM_{10}	SO_2	VOM
Material Handling Activities			95.0	95.0		
Fuel Combustion	95.0	95.0	--	--	66.8	25.0
Totals	95.0	95.0	95.0	95.0	66.8	25.0

GMK:jws

KCBX TERMINALS COMPANY

June 29, 2009

Via Certified Mail

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

RE: Revision to KCBX Terminals Fugitive Particulate Operating Program

Dear Mr. Kennedy,

Please find enclosed a revised copy of the combined Fugitive Particulate Operating Program – Contingency Measures Plan (the "Plan") for KCBX Terminals Company ("KCBX") in Chicago, IL. This revision addresses minor inconsistencies in the Plan and further clarifies descriptions of emission control systems. KCBX will continue to review the Plan for completeness and effectiveness as conditions and circumstances change at the facility.

If you have any questions or would like additional information please do not hesitate to contact me at 773.978.8518

Respectfully Submitted,
KCBX TERMINALS - CHICAGO

Christopher Bailey
EHS Manager

enclosure

EXHIBIT
K-8

Consolidated Fugitive Particulate Operating Program and Contingency Measures Plan

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 Manager (primary for Operating Program) Terminal Operations Manager (primary for Contingency Measures)
Prepared: Current Revision:	November 18, 1999 #10 – June 25, 2009
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 solid materials, primarily coal and petroleum coke, which are transported via truck, train, barge, and vessel. KCBX can transfer material either directly from one transportation mode to another or indirectly using intermediate stockpiling. KCBX has identified and implemented the requirements of 35 IAC 212.304 through 212.308 to control fugitive particulate matter emissions from these activities.

A. Stockpiles. Bulk solid 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 that may not receive 100 percent coverage from the pole-mounted water spray system due to meteorological conditions or stockpile configurations are watered by portable water cannon mounted on the facility water truck. Watering also reduces fugitive emissions from bulk solid material transfers because of the moisture carry-over in the product.

The permanent, fixed-pole water spray system consists of 19 water cannons, set on 4-inch diameter risers mounted on poles approximately 65 feet above grade providing a design 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, redundant feeder pumps designed to deliver up to 1200 gallons per minute (gpm) through approximately 6000 feet of buried 8-inch diameter pipe. KCBX normally operates only a single pump, which typically supplies two cannons simultaneously.

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 water during each cycle, with cycles programmed to apply water over pre-set periods of time, wetting the exteriors of stockpiles which are exposed to the eroding forces of wind and the mechanical displacement of operating equipment. Stockpiles are not kept saturated because only the surface is exposed to wind erosion and therefore, wetting the outer portion of the pile is all that is required. This prevents over-application of water which would result in increased controls associated with runoff management. The frequency and duration of watering are adjusted based on existing 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 outer surface)[1], or
3. other mitigating conditions such as rainfall in the previous two days exceeding 0.25 inches, snow cover, or winds exceeding 25 mph.

Inactive stockpiles[2] are encrusted with a surfactant approximately every 60 days, weather permitting. Operating logs of the water spray system and surfactant application are maintained.

Control of fugitive particulate emissions from bulk solid materials stored on barges berthed at KCBX is similar to controls for land-based stockpiles. As with stockpiles on the storage pad, bulk solid materials on barges typically develop a crust that is resistant to wind erosion unless the material is mechanically disturbed. Visible fugitive emissions from bulk solid material stored on barges are controlled by applying river water from the portable water cannon attached to the water truck as conditions warrant.

B. Bulk solid 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 either to a storage pile or to a portable box hopper that transfers the material to a conveying system. In accordance with 35 IAC 212.308, choke-feeding and application of water spray from a portable water cannon attached to the water truck are used, as conditions warrant, to control fugitive particulate emissions at the hopper and along the conveying system. 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. Fugitive emissions from barges unloaded directly to stockpiles are controlled by the pole-mounted water cannons.

---

[1] 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 cannon attached to the water truck is available during this period to provide spot application of water, as needed.

[2] 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.

2. Rail cars are unloaded via a bottom 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.

3. Trucks are unloaded directly to stockpiles where mobile equipment may further place the bulk solid materials. Unloaded bulk solid materials typically have moisture contents exceeding 10 percent which minimizes the generation of fugitive particulate emissions. 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. Material Transfers. Several material transfers may be utilized to move product to and from barges, vessels, rail cars, and stockpiles.

1. At multiple fixed transfer points throughout the conveyance systems, water from full-width spray bars is applied to control fugitive particulate emissions when conditions warrant. Dust suppressants may be added 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 attached to the water truck may also be used for spot or supplemental control of fugitive particulate emissions.

3. As stated in 1.A, uncontrolled emissions from stockpiles should not exceed 50 tpy and therefore, dedicated spray systems and telescopic chutes for conveyor loading operations to storage piles are not required by 35 IAC 212.305. However, water from the pole-mounted water cannons or the portable water cannon attached to the water truck is available for control at these transfer points as needed and telescopic chutes for pile creation are used as additional controls.

D. Bulk solid material loading. In addition to the controls described below, carryover moisture from controls described in Sections A through C also minimizes fugitive particulate emissions during loading of receiving vehicles (i.e., barges, vessels, trucks or railcars). 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.

3. For truck loading, front-end loaders transfer bulk solid material from stockpiles to the trucks. During non-freezing conditions, water from the pole-mounted water cannons is applied to 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 solid material may be sized in a screening process to remove foreign material and/or to satisfy customer product specifications. When conditions warrant, water spray is applied from a portable water cannon attached to the water truck 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 employed where possible given the physical configuration of equipment.

F. Plant roads and parking areas. KCBX utilizes large, heavy mobile equipment to transfer bulk solid materials. This equipment frequently traverses the storage pad and interior plant roadways. Water spray from pole-mounted water cannons is applied to control fugitive particulate emissions generated by this heavy equipment traffic. Water from a truck-mounted spray bar and/or portable water cannon attached to the water truck is applied on days when heavy equipment traffic is present or as otherwise needed to control fugitive particulate emissions from interior plant roadways and parking areas. In addition, a mechanical sweeper is used during normal business days, except days with precipitation or freezing conditions, to remove particulates from paved interior plant roads, parking areas and adjacent streets. Trucks leaving the storage pad and entering the west access road that runs between 100th Street to the north and Muskegon Avenue to the south (the "Back Road") are required to pass through a wheel-wash prior to leaving. The wheel-wash operates each day that truck traffic is present 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).

Water is applied to interior plant roads each day that heavy equipment is operated, unless precipitation, freezing conditions, snow cover, winds in excess of 25 mph, or other mitigating conditions are present, such as rainfall exceeding 0.25 inches in the preceding two days. Sweeping is also performed on days when heavy equipment is operated unless the above listed conditions are present. Written records of water truck and sweeper use are maintained.

The watering program also covers the Back Road although this access road is neither owned nor leased by the company. KCBX voluntarily implements fugitive dust control measures on the Back Road as a community outreach effort and will continue this practice as long as the road is safe to traverse and it does not become a public thoroughfare.

G. Program. Each day, fugitive particulate sources and current weather conditions are monitored and the Best Management Practices (BMP) listed in Sections A through F are implemented to control fugitive particulate emissions when conditions warrant. Forecasts of expected weather conditions, including wind and precipitation, are monitored and the pole-mounted water spray program is adjusted accordingly. The responsible persons listed on page 1 have accountability for monitoring weather forecasts or assigning this responsibility. Forecasts are available through local and national public domain 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 speed exceeds 25 mph. Similarly, when wind speed exceeds 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 conditions and make every effort to continue operation of water spray and mechanical sweeping programs unless deemed inappropriate.

There is currently no pollution control equipment in operation at the facility 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 aid to implementing the consolidated plan:

1. approximate locations of storage piles
2. fixed conveyor locations
3. areas where portable conveyors may be operated
4. normal traffic patterns
5. approximate locations of bulk solid material loading and unloading
6. 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 PM_{10} 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 PM_{10} 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 PM_{10} 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 solid 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 and abeyance or rescheduling of non-critical operations	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.

Assessment of operations as non-critical will be accomplished on as as-needed basis. Options may include, but are not limited to, cessation of certain activities such as screening and stockpile compaction and may involve rescheduling certain activities such as material deliveries or shipments to periods when less wind is forecast.

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 a federally enforceable permit condition. If source controls are included on process emission units or other fugitive emissions of PM_{10} 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 PM_{10} Emissions: The following alternative strategies were considered and rejected as possible strategies to reduce PM_{10} 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. Episode Action Plan

Episode Action Plans under 35 IAC 244 Subpart C are not required because the emission sources combusting fuel oil at the facility do not exceed 10 mmbtu/hr (see 35 IAC 244.142(c)).

4. Revision 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.
Rev 7 08/07/07	Minor edits to s. 1.A. to note spray cannon on high line and surfactant application to inactive piles is "approximately" every 60 days and s. 1.B. noting that product unloaded from trucks may be further reworked by mobile equipment. Added s. 3 rationale for no Episode Action Plan.
Rev 8 08/29/08	Corrected the number of fixed pole water cannons operating on-site from 21 to 19.
Rev 9 11/06/08	Edited: (1) footnote 1 regarding portable water cannons; (2) s. 1.A regarding 3 conditions related to running water system; (3) s. 1.F for conditions regarding reasons for sweeper not being run; (4) s. 1.A through 1.G for wording clarification; (5) s. 2.A adding abeyance and rescheduling as options.
Rev 10 06/23/09	(1) Clarified "portable water cannon" throughout the plan. (2) Made administrative edits for consistency in plan implementation.

KCBX TERMINALS COMPANY

May 4, 2010

Via Certified Mail

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

RE: Revision to KCBX Terminals Fugitive Particulate Operating Program

Dear Mr. Kennedy,

Please find enclosed a revised copy of the combined Fugitive Particulate Operating Program – Contingency Measures Plan (the "Plan") for KCBX Terminals Company ("KCBX") in Chicago, IL. This revision addresses minor inconsistencies in the Plan and further clarifies descriptions of emission control systems. KCBX will continue to review the Plan for completeness and effectiveness as conditions and circumstances change at the facility.

If you have any questions or would like additional information please do not hesitate to contact me at 773.978.8518

Respectfully Submitted,
KCBX TERMINALS - CHICAGO

Christopher Bailey
EHS Manager

enclosure

EXHIBIT
K-9

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

OPERATING PROGRAM FOR FUGITIVE PARTICULATE CONTROL	**KCBX TERMINALS COMPANY**

1. THIS FORM IS USED TO APPLY FOR A FUGITIVE DUST OPERATING PROGRAM AS REQUIRED BY 35 IAC 212.309. COMPLETE THE FORM, KEEP ONE COPY FOR YOUR RECORDS, AND RETURN TWO COPIES TO THE ATTENTION OF BUREAU OF AIR PERMIT SECTION MANAGER AT THE ADDRESS LISTED ABOVE.

2a. NAME OF OWNER: **KCBX Terminals Co.**		3a. NAME OF OPERATOR: **KCBX Terminals Co.**	
2b. STREET ADDRESS OF OWNER: **3259 East 100th Street**		3b. STREET ADDRESS OF OPERATOR: **3259 East 100th Street**	
2c. CITY OF OWNER: **Chicago**		3c. CITY OF OPERATOR: **Chicago**	
2d. STATE OF OWNER: **IL**	2e. ZIP CODE: **60617**	3d. STATE OF OPERATOR: **IL**	3e. ZIP CODE: **60617**

4a. NAME OF CORPORATE DIVISION OR PLANT: **KCBX Terminals Co.**		4b. STREET ADDRESS OF EMISSION SOURCE: **3259 East 100th Street**		
4c. CITY OF EMISSION SOURCE: **Chicago**	4d. LOCATED WITHIN CITY LIMITS: ☒ YES ☐ NO	4e. TOWNSHIP:	4f. COUNTY: **COOK**	4g. ZIP CODE: **60617**

5. SUBMIT A SCALE MAP SHOWING ALL STORAGE PILES, CONVEYOR LOADING OPERATIONS, STORAGE PILE ACCESS ROADS, NORMAL TRAFFIC ROADS, PARKING FACILITIES, LOCATION OF UNLOADING AND TRANSPORTING OPERATIONS WITH POLLUTION CONTROL EQUIPMENT.

6a. DO STORAGE PILES CONTAIN A TOTAL OF MORE THAN 260,000 TONS OF MATERIAL IN A CALENDER YEAR? ☒ YES ☐ NO

6b. IF THE ANSWER TO 6a WAS YES, PLEASE SUBMIT THE FOLLOWING INFORMATION.

TOTAL AMOUNT OF MATERIAL IN THE STORAGE PILES: TONS/YEAR: **800,000**

AND SUBMIT AN ATTACHED SHEET DESCRIBING:

I) DETAILED OPERATING PROCEDURES AND CONTROL METHODS BY WHICH FUGITIVE PARTICULATES FROM THESE STORAGE PILES WILL BE MINIMIZED DURING LOADING, UNLOADING, PILE MAINTENANCE, AND WIND EROSION. HOW OFTEN WILL THESE PILES BE TREATED WITH SURFACTING AGENT? NAME THE TYPE AND CONCENTRATION OF SURFACTANT THAT WILL BE USED.

II) TYPE OF CONTROL METHODS USED FOR FUGITIVE PARTICULATE EMISSIONS FROM CONVEYOR LOADING OPERATIONS AND NORMAL TRAFFIC PATTERN ROADS SERVING THESE STORAGE PILES. IF SURFACTING AGENT IS USED STATE TYPE AND CONCENTRATION OF SURFACTING AGENT AND FREQUENCY OF ITS USE.

III) TYPE OF CONTROL METHODS USED FOR FUGITIVE PARTICULATE EMISSIONS FROM ALL PAVED OR UNPAVED PARKING LOTS AND NORMAL TRAFFIC PATTERN ROADS AT THIS FACILITY. IF ROADS ARE PAVED INDICATE FOOTAGE OF ROADS THAT WILL BE PAVED AND HOW FREQUENTLY THESE ROADS WILL BE CLEANED.

7. DOES THIS FACILITY HAVE ANY OF THE FOLLOWING SOURCES?	
a.) CRUSHERS	☐ YES ☒ NO
b.) GRINDING MILLS	☐ YES ☒ NO
c.) SCREENING OPERATIONS	☒ YES ☐ NO
d.) BUCKET ELEVATORS	☐ YES ☒ NO
e.) CONVEYORS	☒ YES ☐ NO
f.) CONVEYOR TRANSFER POINTS	☒ YES ☐ NO
g.) BAGGING OPERATIONS	☐ YES ☒ NO
h.) STORAGE BINS	☐ YES ☒ NO
i.) FINE PRODUCT TRUCK AND TRAILER LOADING OPERATIONS	☐ YES ☒ NO
j.) UNLOADING AND TRANSPORTING OPERATIONS OF MATERIAL COLLECTED BY POLLUTION CONTROL EQUIPMENT	☐ YES ☒ NO
k.) UNPAVED NORMAL TRAFFIC ROADS	☒ YES ☐ NO
l.) PAVED NORMAL TRAFFIC ROADS	☒ YES ☐ NO
m.) UNPAVED PARKING LOTS	☐ YES ☒ NO
n.) PAVED PARKING LOTS	☒ YES ☐ NO

7b. FOR EACH SOURCE MARKED YES, ATTACH AN ADDITIONAL SHEET DESCRIBING THE TYPE OF CONTROL METHODS THAT WILL BE USED TO CONTROL FUGITIVE PARTICULATE EMISSIONS. IF SURFACTANT IS USED, STATE THE TYPE AND CONCENTRATION OF SURFACTANT AND FREQUENCY OF ITS APPLICATION. IF THE ROADS AND PARKING LOTS ARE PAVED, STATE THE FREQUENCY OF CLEANING.

8. VEHICULAR MILES TRAVEL INFORMATION:
THIS INFORMATION IS TO BE DETERMINED BY THE NUMBER OF CARS MULTIPLIED BY THE DISTANCE TRAVELED FOR THE FOLLOWING ROADS.

I) TRAFFIC ON UNPAVED NORMAL TRAFFIC ROADS IN MILES PER YEAR 11000 Miles Per Year

II) TRAFFIC ON PAVED NORMAL TRAFFIC ROADS IN MILES PER YEAR 4200 Miles Per Year

III) TRAFFIC ON UNPAVED PARKING LOTS IN MILES PER YEAR 0 Miles Per Year

IV) TRAFFIC ON PAVED PARKING LOTS IN MILES PER YEAR 10 Miles Per Year

9. IS THIS FUGITIVE PARTICULATE CONTROL PROGRAM IMPLEMENTED AT THE PRESENT? ☒ YES ☐ NO

10.
AUTHORIZED SIGNATURE (S): (D)

BY Jim Simmons 5-7-10 BY _____
SIGNATURE DATE SIGNATURE DATE

Jim Simmons
TYPED OR PRINTED NAME OF SIGNER

TYPED OR PRINTED NAME OF SIGNER

Terminal Manager
TITLE OF SIGNER

TITLE OF SIGNER

This Agency is authorized to require this information under Illinois Revised Statutes, 1979, Chapter 111 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.

Facility ID No.:	031600AHI
Facility Telephone:	(773) 375-3700
Responsible Persons:	Site EHS Manager (primary for Operating Program) Terminal Operations Manager (primary for Contingency Measures)
Prepared: Current Revision:	November 18, 1999 #11 – May 4, 2010
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 solid materials, primarily coal and petroleum coke, which are transported via truck, train, barge, and vessel. KCBX can transfer material either directly from one transportation mode to another or indirectly using intermediate stockpiling. KCBX has identified and implemented the requirements of 35 IAC 212.304 through 212.308 to control fugitive particulate matter emissions from these activities.

A. Stockpiles. Bulk solid 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 that may not receive 100 percent coverage from the pole-mounted water spray system due to meteorological conditions or stockpile configurations are watered by portable water cannon mounted on the facility water truck. Watering also reduces fugitive emissions from bulk solid material transfers because of the moisture carry-over in the product.

The permanent, fixed-pole water spray system consists of 19 water cannons, set on 4-inch diameter risers mounted on poles approximately 65 feet above grade providing a design 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, redundant feeder pumps designed to deliver up to 1200 gallons per minute (gpm) through approximately 6000 feet of buried 8-inch diameter pipe. KCBX normally operates only a single pump, which typically supplies two cannons simultaneously.

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 water as conditions warrant, wetting the exteriors of stockpiles which are exposed to the eroding forces of wind and the mechanical displacement of operating equipment. Stockpiles are not kept saturated because only the surface is exposed to wind erosion and therefore, wetting the outer portion of the pile is all that is required. This prevents over-application of water which would result in increased controls associated with runoff management. The frequency and duration of watering are adjusted based on existing 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 outer surface)[1], or
3. other mitigating conditions such as rainfall in the previous two days exceeding 0.25 inches, snow cover, or winds exceeding 25 mph.

Inactive stockpiles[2] are encrusted with a surfactant approximately every 60 days, weather permitting. Operating logs of the water spray system and surfactant application are maintained.

Control of fugitive particulate emissions from bulk solid materials stored on barges berthed at KCBX is similar to controls for land-based stockpiles. As with stockpiles on the storage pad, bulk solid materials on barges typically develop a crust that is resistant to wind erosion unless the material is mechanically disturbed. Visible fugitive emissions from bulk solid material stored on barges are controlled by applying river water from the portable water cannon attached to the water truck as conditions warrant.

B. Bulk solid 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 either to a storage pile or to a portable box hopper that transfers the material to a conveying system. In accordance with 35 IAC 212.308, choke-feeding and application of water spray from a portable water cannon attached to the water truck are used, as conditions warrant, to control fugitive particulate emissions at the hopper and along the conveying system. 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. Fugitive emissions from barges unloaded directly to stockpiles are controlled by the pole-mounted water cannons.

2. Rail cars are unloaded via a bottom dump receiving system. Fugitive particulate emissions are controlled by choke-feeding inside a partial enclosure and with multiple spray bar headers operated as conditions warrant located near the top of the receiving hoppers in accordance with 35 IAC 212.308.

---

[1] 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 cannon attached to the water truck is available during this period to provide spot application of water, as needed.

[2] 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 where mobile equipment may further place the bulk solid materials. Unloaded bulk solid materials typically have moisture contents exceeding 10 percent which minimizes the generation of fugitive particulate emissions. 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. Material Transfers. Several material transfers may be utilized to move product to and from barges, vessels, rail cars, and stockpiles.

1. At multiple fixed transfer points throughout the conveyance systems, water from full-width spray bars is applied to control fugitive particulate emissions when conditions warrant. Dust suppressants may be added 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 attached to the water truck may also be used for spot or supplemental control of fugitive particulate emissions.

3. As stated in 1.A, uncontrolled emissions from stockpiles should not exceed 50 tpy and therefore, dedicated spray systems and telescopic chutes for conveyor loading operations to storage piles are not required by 35 IAC 212.305. However, water from the pole-mounted water cannons or the portable water cannon attached to the water truck is available for control at these transfer points as needed and telescopic chutes for pile creation are used as additional controls.

D. Bulk solid material loading. In addition to the controls described below, carryover moisture from controls described in Sections A through C also minimizes fugitive particulate emissions during loading of receiving vehicles (i.e., barges, vessels, trucks or railcars). 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.

3. For truck loading, front-end loaders transfer bulk solid material from stockpiles to the trucks. During non-freezing conditions, water from the pole-mounted water cannons is applied to 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 solid material may be sized in a screening process to remove foreign material and/or to satisfy customer product specifications. When conditions warrant, water spray is applied from a portable water cannon attached to the water truck 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 employed where possible given the physical configuration of equipment.

F. Plant roads and parking areas. KCBX utilizes large, heavy mobile equipment to transfer bulk solid materials. This equipment frequently traverses the storage pad and interior plant roadways. Water spray from pole-mounted water cannons is applied to control fugitive particulate emissions generated by this heavy equipment traffic. Water from a truck-mounted spray bar and/or portable water cannon attached to the water truck is applied on days when heavy equipment traffic is present or as otherwise needed to control fugitive particulate emissions from interior plant roadways and parking areas. In addition, a mechanical sweeper is used during normal business days, except days with precipitation or freezing conditions, to remove particulates from paved interior plant roads, parking areas and adjacent streets. Trucks leaving the storage pad and entering the west access road that runs between 100th Street to the north and Muskegon Avenue to the south (the "Back Road") are required to pass through a wheel-wash prior to leaving. The wheel-wash operates each day that truck traffic is present 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).

Water is applied to interior plant roads each day that heavy equipment is operated, unless precipitation, freezing conditions, snow cover, winds in excess of 25 mph, or other mitigating conditions are present, such as rainfall exceeding 0.25 inches in the preceding two days. Sweeping is also performed on days when heavy equipment is operated unless the above listed conditions are present. Written records of water truck and sweeper use are maintained.

The watering program also covers the Back Road although this access road is neither owned nor leased by the company. KCBX voluntarily implements fugitive dust control measures on the Back Road as a community outreach effort and will continue this practice as long as the road is safe to traverse and it does not become a public thoroughfare.

G. Program. Each day, fugitive particulate sources and current weather conditions are monitored and the Best Management Practices (BMP) listed in Sections A through F are implemented to control fugitive particulate emissions when conditions warrant. Forecasts of expected weather conditions, including wind and precipitation, are monitored and the pole-mounted water spray program is adjusted accordingly. The responsible persons listed on page 1 have accountability for monitoring weather forecasts or assigning this responsibility. Forecasts are available through local and national public domain 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 speed exceeds 25 mph. Similarly, when wind speed exceeds 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 conditions and make every effort to continue operation of water spray and mechanical sweeping programs unless deemed inappropriate.

There is currently no pollution control equipment in operation at the facility 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 aid to implementing the consolidated plan:

1. approximate locations of storage piles
2. fixed conveyor locations
3. areas where portable conveyors may be operated
4. normal traffic patterns
5. approximate locations of bulk solid material loading and unloading
6. 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 PM_{10} 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 PM_{10} 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 PM_{10} 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 solid 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 and abeyance or rescheduling of non-critical operations	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.

Assessment of operations as non-critical will be accomplished on as as-needed basis. Options may include, but are not limited to, cessation of certain activities such as screening and stockpile compaction and may involve rescheduling certain activities such as material deliveries or shipments to periods when less wind is forecast.

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 a federally enforceable permit condition. If source controls are included on process emission units or other fugitive emissions of PM_{10} 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).

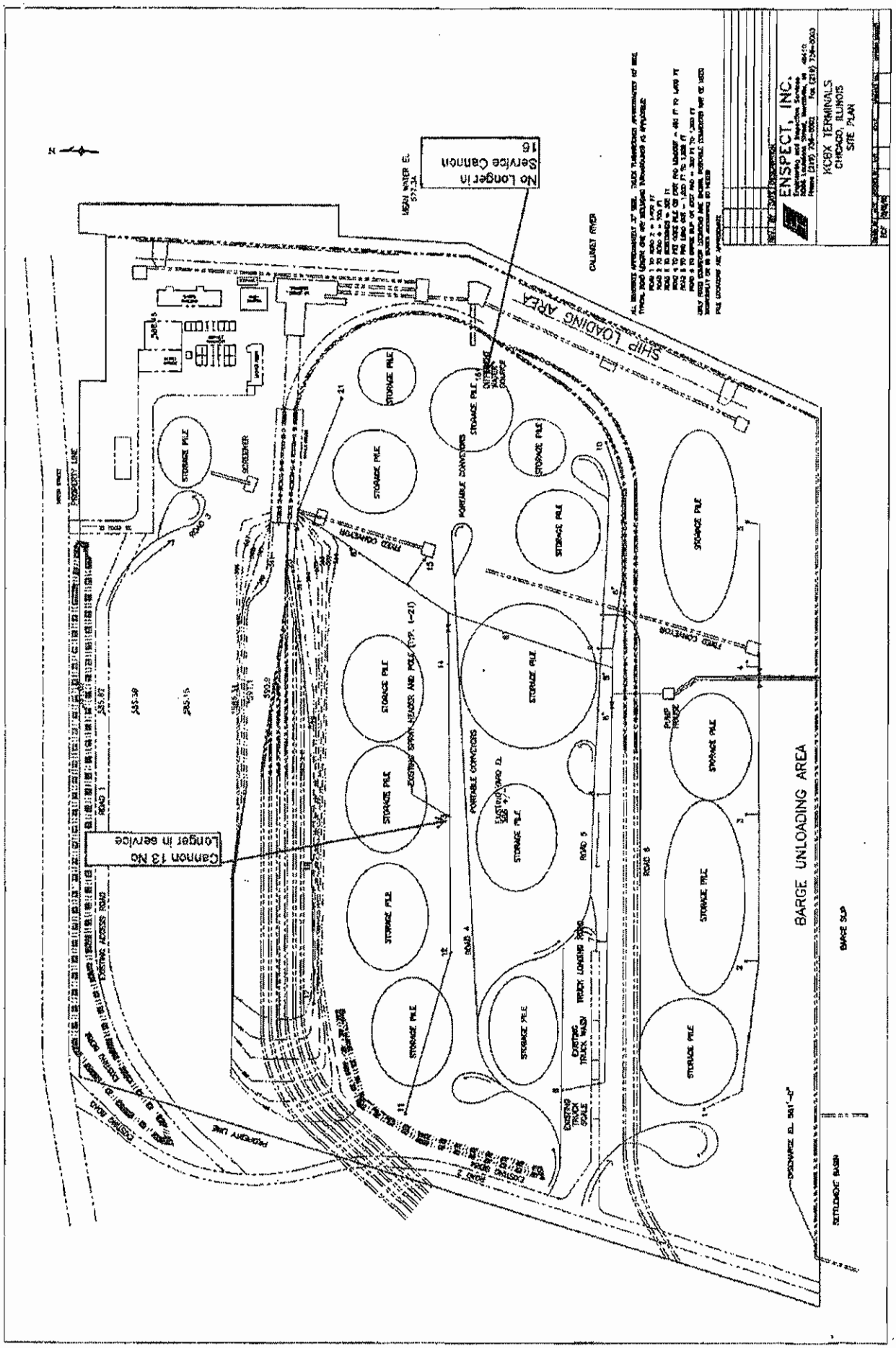
D. Alternative Strategies Considered for Reduction of PM_{10} Emissions: The following alternative strategies were considered and rejected as possible strategies to reduce PM_{10} emissions from the KCBX operation:

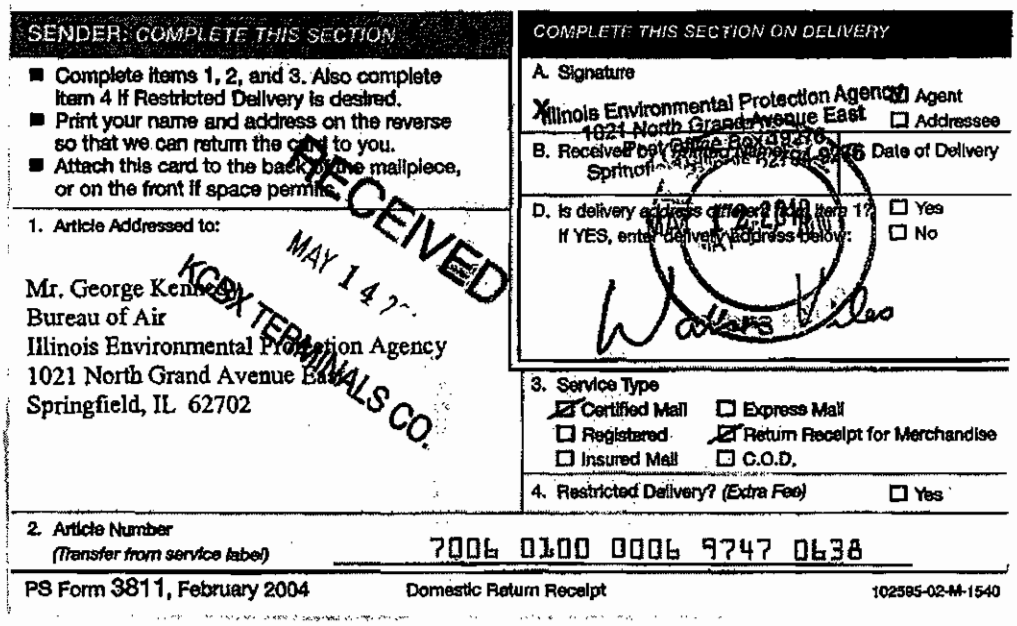
1. KCBX considered the option of reducing the fines in the coal it handles by altering the crushing, screening or other mining techniques at the coal mine supply site. After due consideration, it was determined that KCBX does not have the decision rights to make this change. KCBX provides coal to its 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. **Episode Action Plan**
   Episode Action Plans under 35 IAC 244 Subpart C are not required because the emission sources combusting fuel oil at the facility do not exceed 10 mmbtu/hr (see 35 IAC 244.142(c)).


ENSPECT, INC.
KOBX TERMINALS
CHICAGO, ILLINOIS
SITE PLAN
SHIP LOADING AREA
BARGE UNLOADING AREA
STORAGE PILE
PORTABLE CONVEYORS
EXISTING TRUCK SCALE
EXISTING TRUCK WASH
EXISTING ACCESS ROAD
PROPERTY LINE
CALUMET RIVER
No Longer In Service Cannon 15
Cannon 13 No Longer In service
BARGE SLIP
DISCHARGE BASIN



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

RECEIVED
MAY 14 '
KCBX TERMINALS CO.

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Illinois Environmental Protection Agency 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62794-9276 ☑ Agent ☐ Addressee

B. Received by (Printed Name) Date of Delivery

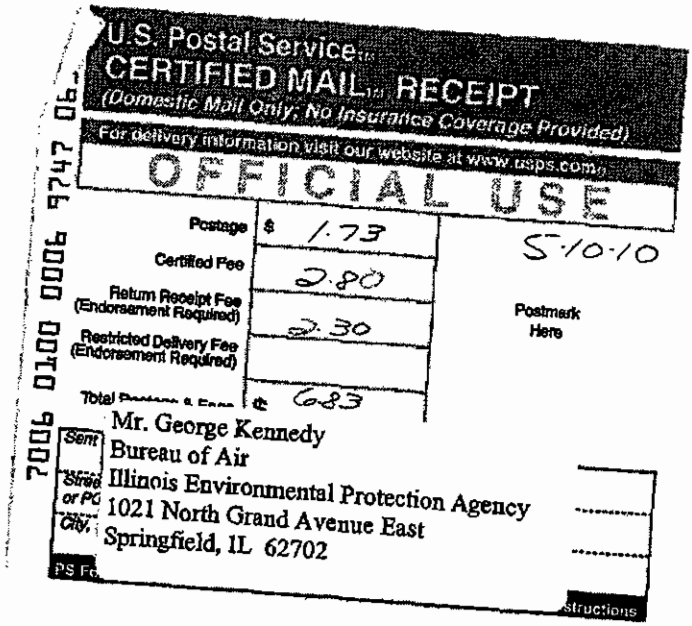
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☑ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7006 0100 0006 9747 0638

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540



U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com®
OFFICIAL USE

Postage	$ 1.73
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total	$ 6.83

5-10-10

Postmark Here

Sent To
Mr. George Kennedy
Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, IL 62702

PS Form

7006 0100 0006 9747 06