



For Immediate Release

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MADIGAN: SETTLEMENT REQUIRES PEKIN ETHANOL PLANT TO UPGRADE POLLUTION CONTROLS, PAY PENALTY

Chicago - Attorney General Lisa Madigan today announced a proposed agreement with a Pekin ethanol producer that will require modifications and updated equipment which will help to ensure that emissions from the facility stay within acceptable levels.

The proposed agreement with MGP Ingredients of Illinois, formerly known as Midwest Grain Products, resolves allegations that the company violated provisions of the Clean Air Act that were contained in a 1997 lawsuit filed by the Attorney General on behalf of the Illinois Environmental Protection Agency (IEPA).

“My office wholeheartedly supports homegrown energy production,” Madigan said. “However, ethanol producers must comply with the laws that protect the air we breathe.”

Madigan said the 1997 lawsuit alleged that grain dryers and scrubbers installed by Midwest Grain at its 1301 S. Front St. facility failed to keep emissions of particulate matter (PM) within permitted levels. In addition, Midwest Grain continued to use the equipment without obtaining an operating permit from the IEPA.

Under the proposed settlement submitted to the Illinois Pollution Control Board (IPCB), MGP will remove the existing dryers and replace them with a state-of-the-art system designed to keep the plant in compliance with the Clean Air Act, the Illinois Environmental Protection Act and permits issued by the IEPA. The company projects the costs of the improvements at more than \$1 million. When completed, the projects will limit PM emissions to permitted levels for the Pekin facility. Madigan said under terms of the settlement, MGP will begin construction of the new system on or before January 26, 2007.

If the IPCB accepts the agreement, MGP also will pay a settlement amount totaling \$500,000, of which \$300,000 will be directed to the IEPA’s Special Projects Fund and \$200,000 to the Illinois Environmental Protection Trust Fund.

In December 2005, Madigan’s office joined the IEPA and the U.S. Department of Justice in another settlement with MGP to resolve additional claims, including the claim that MGP violated the Clean Air Act by failing to obtain a

Prevention of Significant Deterioration permit before the modifications were undertaken at the facility in the 1990s.

Senior Assistant Attorney General Jane McBride is handling the case for Madigan's Environmental Bureau.

-30-

[Return to November 2006 Press Releases](#)