



September 14, 2015

ATTORNEY GENERAL ANNOUNCES MACOUPIN ENERGY, LLC SETTLEMENT FOR GROUNDWATER CONTAMINATION

Chicago — Attorney General Lisa Madigan today filed a consent order to resolve groundwater contamination issues at the Shay No. 1 Coal Mine (Shay Mine) in Macoupin County.

The consent order filed today and entered by the court in Macoupin County will resolve groundwater quality violations at Shay Mine, which is owned by Macoupin Energy, LLC. Under the terms of the consent order, the company is required to prevent the spread of mining waste contaminants from two refuse disposal areas into groundwater. The company is also required to submit a corrective action plan to the Illinois Environmental Protection Agency (IEPA), Illinois Department of Natural Resources (IDNR) and the U.S. Office of Surface Mining Reclamation and Enforcement. The plan must detail how the company will prevent the spread of mining waste, and ensure the safe disposal and treatment of future waste.

The major components of the corrective action plan include:

- the design and installation of groundwater collection trenches along the perimeter of the two refuse disposal areas through which contaminated groundwater will be collected, circulated to the mine's wastewater treatment system and discharged in compliance with an IEPA permit;
- the installation of wick drains into the disposal areas to promote the removal of contaminated water so that it can be treated before being discharged in compliance with an IEPA permit; and
- the use of coal-combustion byproduct (CCB) in accordance with Illinois law as an additional fill material for the disposal areas. Using CCB will help reduce the potential for contamination to spread from the disposal areas into groundwater.

"This consent decree will require Macoupin Energy to address the contamination issues that jeopardized the public's water supply," Madigan said. "This agreement will support ongoing cleanup efforts and help prevent future contamination."

"Shay Mine, which is located near Carlinville, IL was owned by ExxonMobil until 2009, when Macoupin Energy LLC took over and began to address groundwater contamination issues. The IEPA referred the case to the Attorney General's office in 2013 for ongoing violations of state groundwater quality standards.

"Under today's order, Macoupin Energy will also pay a civil penalty of \$100,000, and provide funding for two Supplemental Environmental Projects. Macoupin Energy will pay \$100,000 to the Macoupin County Soil & Water Conservation District to help fund its Partners for Conservation Cost-Share Program, which helps landowners reduce soil erosion, sedimentation and nutrient runoff that can impact the county's water supply. The company will also pay \$97,500 to the village of New Haven to fund needed upgrades to its public water supply infrastructure.

"The Macoupin County Soil & Water Conservation District is excited to receive this extra funding, which will allow us to assist landowners with implementation of a variety of best management practices," said Soil and Water Conservation District Executive Director Rhonda Koehne. "By focusing the funds within the watersheds of our county's public drinking supply lakes, we will be helping to improve the quality of our drinking water."

"Assistant Attorney General Eric Lohrenz handled the case for Madigan's Environmental Bureau.

