



September 15, 2015

**MADIGAN ANNOUNCES SETTLEMENT WITH KCBX FOR PETCOKE POLLUTION VIOLATIONS**

**Chicago** — Attorney General Lisa Madigan today announced a settlement with KCBX Terminals Company (KCBX) for alleged water pollution and open dumping violations at its north terminal located at 3259 E. 100th St.

Under the terms of the settlement, as of June 15, 2015, KCBX has ceased all operations at its north terminal and removed all petroleum coke (petcoke) and coal piles. The company is also required to submit a plan to close an onsite retention pond and to implement other closure activities required by its NPDES (National Pollutant Discharge Elimination System) permit. Additionally, the company will pay a civil penalty of \$35,000.

"KCBX's petcoke facilities are a serious concern for nearby residents," said Madigan. "The closing and cleaning of the north terminal is an important step to protect the health and environment for residents on Chicago's southeast side."

Madigan's lawsuit alleged that KCBX insufficiently maintained a narrow concrete walkway as a barrier to separate mounds of petcoke and coal from the Calumet River. The lawsuit noted that when inspectors from the Illinois Environmental Protection Agency (IEPA) visited the facility in November 2013, they discovered that the walkway was not tall enough to prevent storm water runoff into the river and contained substantial cracks and fissures. The company was using sandbags to create a higher barrier. But the inspectors noted several sections of the makeshift barrier had been removed, allowing for contaminated runoff into the river.

"Today's action is another step in our ongoing work with community leaders to protect the public health of some of our most vulnerable residents," said Mayor Rahm Emanuel. "Earlier this year my administration worked with local residents to shut down one facility and pass stringent new rules that require significant upgrades to the remaining facility. I applaud the work of Attorney General Madigan to further protect these communities by holding petcoke operators accountable for their actions."

Petcoke is a solid, carbon material that is a byproduct of the oil refining process. Inhaling petcoke can contribute to respiratory health problems, particularly for individuals who suffer from heart and lung diseases, and asthma.

The settlement resolves the second lawsuit Madigan filed against KCBX after previously suing the company in November 2013 alleging air pollution violations at its south terminal located on South Burley Avenue. Nearby residents had reported that mounting piles of petcoke and coal were sending clouds of black dust into the neighborhood. That case is still pending in Cook County Circuit Court.

Assistant Attorney General Kathryn Pamerter is handling this case for Madigan's Environmental Enforcement Bureau.

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