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ATTORNEY GENERAL MADIGAN ANNOUNCES ADDITIONAL SETTLEMENT WITH PETROLEUM COKE SITE FOR ALLEGED AIR POLLUTION

Chicago — Attorney General Lisa Madigan today announced a second settlement with KCBX Terminals Company over alleged air pollution violations at the company's south location along the Calumet River in Chicago.

The settlement entered this week requires KCBX Terminals Company (KCBX), which manages coal and petroleum coke, to continue directly transferring petcoke and coal and not store it outdoors at the bulk loading facility located at 10730 S. Burley Ave. on Chicago's southeast side. The settlement is the second reached by Madigan with KCBX over its maintenance of petroleum coke and coal storage piles that posed both air and water pollution concerns that could jeopardize residents' health.

Previously, Madigan reached a separate settlement with KCBX for alleged water pollution and open dumping violations at its north terminal, located at 3259 E. 100th St. As a result of the settlement, KCBX ceased operations at the north site and removed all petcoke and coal piles from that site. KCBX is working to decommission its sedimentation basin and complete other closure activities in accordance with that consent order.

Following Madigan's lawsuit, the city of Chicago implemented new regulations concerning outdoor storage piles of petcoke and coal. In 2016, KCBX began operating a direct transfer facility to eliminate its outdoor piles of petcoke and coal at its south site. With this direct transfer facility, KCBX moves the petcoke and coal by transferring it directly from railcars or barges to other barges or vessels. KCBX also removed any remaining outdoor storage piles of petcoke and coal.

The settlement requires that KCBX continue the direct transfer of petcoke and coal and not store it at the facility in the future. Also under the settlement, KCBX will pay a civil penalty of \$27,500 and make a \$50,000 contribution to the Friends of the Forest Preserves to fund its Conservation Corps program.

"This settlement ensures that KCBX must contain petcoke and coal by directly transferring it away from the surrounding community to better protect people's health and the environment," Madigan said.

Also referred to as "petcoke," petroleum coke is the byproduct of the refining process and generally contains high concentrations of carbon and some amounts of sulfur. Petcoke also may include trace elements of metals such as vanadium, nickel, chromium and lead. Petcoke can be used to fuel coal-fired power plants and cement kilns. Inhaling petcoke can contribute to respiratory health problems, particularly for individuals who suffer from heart and lung disease and asthma.

The Friends of the Forest Preserves' Conservation Corps program provides summer conservation jobs to high school students, young adults and adults from underserved Chicago communities. The contribution will fund conservation work in the Eggers Grove Forest Preserve, which is located near the KCBX facility.

Assistant Attorney General Kathryn Pamerter handled both cases for Madigan's Environmental Enforcement Bureau.

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