



DEPARTMENT OF PUBLIC HEALTH  
CITY OF CHICAGO

January 26, 2015

Frank McNicholas, Manager  
Calumet River Terminal  
10740 S. Burley Avenue  
Chicago, IL 60617

RE: Calumet River Terminal  
10740 S. Burley Avenue  
Request for Variances from Air Pollution Control Rules and Regulations  
for Control of Emissions from Handling and Storage of Bulk Material Piles

Dear Mr. McNicholas,

On behalf of the Commissioner of the Chicago Department of Public Health ("CDPH"), I am writing in response to the June 12, 2014 request from Calumet River Terminal, (hereafter "CRT"), for variances from certain of the above-referenced Rules and Regulations (hereafter "Bulk Material Rules" or "Rules"). Under Section 8.0 of the Bulk Material Rules, the burden of proof is upon the applicant for the variance to demonstrate that issuance of the requested variance will not create a public nuisance or adversely affect the surrounding area, the surrounding environment, or surrounding property uses. In the event that the applicant does not meet this burden, the variance request will be denied.

At this time, CDPH finds that CRT's application is incomplete, and provides an additional 30 days from the date of this letter to provide additional information needed to complete our review of your request, as specified below.

- 1) First, please note that Section 8.0(2)(b) of the Bulk Material Rules requires each request for a variance to set forth, in detail, "A description of the process or activity for which the variance is requested, including pertinent data on location, size, and the population and geographic area affected by, or potentially affected by, the process or activity." While CRT states that the facility is within an industrial region with the nearest residential properties being over 400 feet east of the facility, CDPH requires additional detail regarding the specific location and description of each activity for which a variance is requested (e.g. storage areas, conveyors, etc.), as well as specific information about the surrounding area.

Accordingly, please provide detailed information as required by Section 8.0(2)(b) of the Bulk Material Rules, including maps, diagrams, and any other pertinent supporting information.

- 2) Secondly, with respect to fugitive dust monitoring, CRT states that installing monitors would pose “an unreasonable hardship of excessive cost and resource commitment;” however, no cost information is provided. In addition, the request states that establishing a background level will be impractical because of a neighboring major source of fugitive dust, and that application of best management practices is a more reasonable approach. However, the request does not include documentation to demonstrate that CRT’s current dust control program is effective to prevent off-site fugitive dust.

Please provide additional details to support CRT’s request not to install a dust monitoring network, including evidence of the effectiveness of CRT’s current Fugitive Dust Plan. If available, please include any scientific studies or reports and any site-specific technical evaluations. Please also be sure to include citations and supporting calculations for all of the sources of emissions data and other information upon which you rely. In addition, please provide detailed evidence that installing the monitors would cause an unreasonable hardship.

- 3) With respect to Blast Furnace Iron (BFI), Hot Briquetted Iron (HBI), and Direct Reduced Iron (DRI), Exhibit A of the variance request states that “amounts managed are below de minimis amounts.” CRT further states that these materials are not susceptible to becoming windborne and that a variance will not create a public nuisance or adverse impacts. However, the request also notes that oxide particles form at the surface of these materials and may “slough or scale off” during handling.

Please provide additional information quantifying the exact amount, in cubic yards, of BFI, HBI, and DRI that are stored at the facility at any one time. Please also provide detailed information demonstrating that particulates that slough off of these materials will not create a public nuisance or adversely impact the surrounding area, surrounding environment, or surrounding property uses.

- 4) With respect to Section 3.0(7) regarding transfer points, CRT requests an exemption from the requirement to transfer only moist material, noting that most of the materials handled are ferroalloys that present a significant safety hazard if they become wet. The request also mentions that these items are stored inside a building and transferred in and out of covered conveyors. Notably, Section 3.0(7) provides four options for controlling dust at transfer points, including total enclosure and venting to air pollution control equipment. The variance request does not discuss whether or not transfer of ferroalloys may comply with these other options. In addition, the request does not specify how the transfer of manganese ore and other non-ferroalloys is conducted in a manner that ensures no adverse impacts, and why such transfers cannot comply with Section 3.0(7).

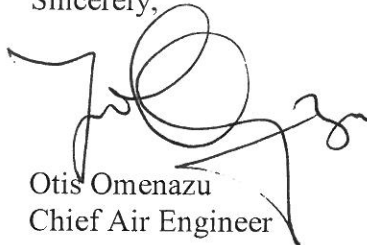
Accordingly, please provide a detailed response, for each type of material handled at the facility, explaining why compliance with one of the four options for controlling dust at transfer points is not feasible. In addition, please provide a description, and evidence of the effectiveness of, the proposed alternative measures.

- 5) With respect to Section 3.0(8)(d), CRT requests a variance from the requirement to install a wheel wash station and rumble strips. However, Section 3.0(8)(d) of the Bulk Material Rules allows the approved Fugitive Dust Plan to specify other measures to ensure that the trucks will not cause any track-out of materials onto the public way. We note that CRT's June 12, 2014 Fugitive Dust Plan, which is pending approval by CDPH, includes a discussion of truck inspections and roadway cleaning. Thus, if CRT believes that the materials submitted adequately demonstrate that the current measures are effective to ensure that trucks do not cause track-out from the facility onto the public way, then please withdraw this variance request. If CDPH determines that additional measures are required, these may be addressed in the Fugitive Dust Plan.

Finally, if there is any further information that CRT believes is relevant to meeting its burden of proof in connection with its variance request, or which it would like to make part of the record for the City's consideration of this issue, it is invited to do so. (CDPH notes that on page 2 of the variance request letter CRT stated that variances were being requested from regulations set forth in Parts B, D, and E of the Rules. However, the letter then went on to request variances from requirements set forth in Part B only.) In addition, if CRT wishes to respond to any public comments regarding its variance request, it is also invited to do so. The public comments are posted on the City's website at [www.cityofchicago.org/environmentalrules](http://www.cityofchicago.org/environmentalrules).

Please submit the above-requested information to my attention within thirty (30) days. If you have any questions, please call me at (312) 745-7206.

Sincerely,



Otis Omenazu  
Chief Air Engineer