



February 6, 2014

Department of Public Health
Attn: Environmental Permitting and Inspections
333 South State Street, Room 200
Chicago, IL 60604

Re: City of Chicago Department of Health – Rules and Regulations for Bulk Material Storage Piles Proposed December 19, 2013

Dear Sir or Madam,

Holcim (US) Inc. respectfully submits this letter to provide comments on the proposed City of Chicago Bulk Material Storage Pile rules. Holcim supports the City of Chicago's efforts for controlling fugitive dust and protecting public health. However, Holcim is concerned that a reactionary regulatory response to the petroleum coke (petcoke) dust issue has contributed to an overly broad proposed rule which includes industries that have not contributed to the recent fugitive dust issue and which, in general, does not appear to include an appropriate evaluation of the breadth of the impact and appropriate balancing of economic vitality and healthy communities.

Holcim (US) Inc. has owned and operated a cement grinding plant at 3020 East 103rd Street in Chicago, Illinois since 1996. Holcim operates the plant under Federally Enforceable State Operating Permit 031600FLD, most recently renewed on May 2, 2013. Our facility has many air pollution controls and practices in place to minimize point source and fugitive dust emissions. In addition, our air permit contains many stringent requirements that are protective of the environment and ambient air quality.

We see the promulgation of additional rules and regulations on our operation as unnecessary and in some cases counterproductive. For example, the moisture content in our raw material stockpile is generally sufficient to prevent fugitive dust emissions. A requirement to water the stockpile 24 hours a day would result in little difference to fugitive dust emissions, but would increase the amount of fuel needed for drying, increase combustion emissions (NO_x, SO₂, CO₂, etc.), increase the cost of operation, and likely result in a water discharge that does not currently exist.

The proposed rule specifically targets "airborne particulate matter from the storage, blending, handling, processing and transportation of bulk solid materials as defined herein, including but not limited to, ores, coal and coke, including petroleum coke and metallurgical coke." The proposed rule goes on to define bulk solid material to mean "any solid substance and material which can be used as fuel or as an *ingredient in a manufacturing process* that may become airborne or scattered by the wind." There are many industrial facilities, including our cement grinding plant, which do not handle ores, coal and coke including petcoke and metcoke, but may be immediately and significantly impacted by the new rules and regulations.

In the case of our facility, granulated (quenched with water) slag from a steel mill is trucked to our facility and stored in a small stockpile for use generally within a few days from the time put into storage. The proposed rules mistakenly treat all materials the same regardless of the potential for fugitive dust generation. The generation of fugitive dust depends on particle size, particle geometry, moisture

content, etc. which are material specific. Any additional regulations should be well-thought out to address the problem without creating collateral damage that hurts the economy with little or no benefit to the environment or public health.

There are many other classes of facilities covered by this overly broad proposed rule which support many vital Chicago communities with their direct and indirect jobs and taxes; support which in many instances may well evaporate due to the hasty promulgation of the proposed rule. Such harsh impact is likely to be the direct result of the City's failure to provide adequate notice and opportunity for the entire class of facilities covered by the proposed rule to work with the City to craft a healthy and economically balanced rule to further address fugitive dust issues in the city of Chicago. For full compliance with the proposed rules, Holcim estimates the initial capital costs and ongoing operating and maintenance costs would be in the millions of dollars and jeopardize future operations with little benefit to Public Health.

In light of the pet coke rules announced by Illinois Governor Quinn on January 13, 2014 that would be effective statewide, Holcim believes City specific rules will likely be unnecessary and redundant and asks that the City consider delaying action at this time.

Specific Comments on Proposed City Rules

1. Section 2.0 Definitions (2) Bulk Solid Material. Holcim requests that the City of Chicago rules be more narrowly constructed to apply to coke or coal bulk terminals only, i.e. to replace the definition of Bulk Solid Material in its entirety with the definition of "coke and coal bulk terminals" in Illinois EPA proposed Notice of Emergency Rules Part 213 Regulation of Coke or Coal Bulk Terminals, Section 213.115:

"Coke or coal bulk terminal" means a source, site, or facility where coke or coal is stored, handled, blended, processed, transported, or otherwise managed, other than the source, site, or facility that produces or consumes the coke or coal. A coke or coal bulk terminal typically receives coke or coal from one type of vehicle- such as a truck, railcar, barge, or lake vessel- and transfers the coke or coal to another type of vehicle, often while temporarily storing the coke or coal between receipt and transfer.

2. In the absence of 1. above, Holcim requests that the Bulk Solid Material definition in Section 2.0 (2) be revised to insert a phrase shown below: "...but shall not include construction and demolition materials or materials that are handled or stored pursuant to a recycling, reprocessing, or waste handling Facility permit under Chapter 11-4 of the Code, or materials used in manufacturing cement at a facility that has obtained a construction permit and prevention of significant deterioration approval or has obtained a Federally Enforceable State Operating Permit from the Illinois Environmental Protection Agency." The Holcim facility is a cement plant that operates under Federally Enforceable State Operating Permit 031600FLD that contains multiple permit conditions that require control measures to prevent fugitive dust and point source dust emissions.
3. Section 3.0 (2) a) contains language that the Facility Owner shall not cause the discharge into the atmosphere of fugitive dust visible beyond the property line. Please note that the Holcim facility air permit condition 2.c. contains effectively the same language. The City rule is redundant and unnecessary given the facility's air permit condition.
4. Section 3.0 (2) b) contains language that the Facility Owner shall not cause the discharge into the atmosphere of fugitive dust within the property line at any Bulk Material storage pile,

Transfer Point, roadway or parking area that ... is equal to or greater than 10% opacity. Please note that Holcim air permit conditions 2.d, 2.f and 2.g contains effectively the same language. The City rule is redundant and unnecessary given the facility's air permit conditions.

5. Section 3.0 (3) requires a fugitive dust plan. The Holcim facility already has a fugitive dust plan as required by the facility's air permit conditions 6.f and 6.g. ("fugitive dust operating program"). The City rule is redundant and unnecessary given the facility's air permit conditions.
6. Section 3.0 (4) requires storage of "...Bulk Solid Materials in fully enclosed structures... on an impermeable base or pad." The capital investment needed to meet this City rule is significant and would provide little benefit to Public Health in the case of the Holcim facility.
7. Section 3.0 (5) a) "Five day quantity of materials received ... shall not exceed 10,000 tons" negates ability for outside storage in the case of our facility. The Holcim facility would have to restrict operations in order to stay below this threshold level. A threshold level of 20,000 tons would be reasonable.
8. Section 3.0 (5) c) iii Setbacks 100 feet from public ways would be impossible for the Holcim facility to meet if the Calumet River is considered a public way. Holcim's granule stockpile only contains enough raw material to operate for five days and the setback requirement would reduce the size of the stockpile roughly in half due to the small footprint of the site.
9. Section 3.0 (6) b) "Storage piles shall be situated on an impermeable base or pad" would require a significant capital investment and would provide little benefit to the Environment.
10. Section 3.0 (6) c) Requirement for a wind barrier is a large capital investment as well as ongoing maintenance, again for little benefit to public health.
11. Section 3.0 (6) c) iii 2. The minimum wind barrier height shall be greater than the maximum operating height of any conveyor. In the case of the Holcim facility there is a covered conveyor at a height of 120 feet. It is unnecessary to build a barrier for a covered conveyor since the conveyor is already covered.
12. Section 3.0 (6) c) iv. 5. v. A setback distance equal to barrier height would make the storage of raw material at the Holcim facility impossible due to size and narrow shape of the property. Without raw material the facility would shut down.
13. Section 3.0 (6) e) The requirement to shut down operations during high wind events would require suspension of operations a majority of the time. The definition of 15 mph per hour is too low. 25 mph is more typical in air permits. It is unclear from the proposed rules how long the time average period is or if the 15 mph threshold is instantaneous. The phrase "any other processing" essentially means all operations on site must be suspended, even those that have no potential to emit fugitive dust. Also, the requirement for every facility with a stockpile to install a wind monitor is excessive and unnecessary.
14. Section 3.0 (6) f) Fugitive dust monitoring requires capital investment to install PM monitors and controls. How do we distinguish our emissions from neighbors' emissions?
15. Section 3.0 (6) h) i. Dust suppressant at all times unless covered requires adding water at all time. This water in the material then must be driven off in the process causing increased energy

consumption and higher CO2 generation. In addition, creates water management issue to deal with run-off.

16. Section 3.0 (6) h iii. Chemical stabilizers when temperature below 32 degrees—requires capital to add a delivery system. It is unclear if the stabilizers would have an impact on Holcim's production process or on the chemistry of Holcim's product, and would likely not reduce fugitive emissions.
17. Section 3.0 (8) Railcar loading area must have overlapping flaps or sliding doors requires capital and safety concerns. This requirement is unnecessary given the highly effective and efficient dust collection system that is on the railcar loading process.
18. Section 3.0 (10) Paving a) and b) requires extensive capital investment for paving haul roads and storage pad, and would likely not reduce fugitive emissions.
19. Section 3.0 (11) b) Sweeping one time daily when facility is open for business is excessive. On many days, sweeping would be done even those there is no accumulation on roads. No exceptions for weather (rain/freezing conditions)?
20. Section 3.0 (15) d) wheel wash station requires capital investment that would have little to no Public Health benefit in the case of the Holcim facility. Cement trucks generally have little material on the vehicle due to our efficient loading and dust collection systems.
21. Section 6.0 (1) Immediate Implementation schedule—3.0(6)(b) cannot get impermeable pad installed "immediately" to meet Runoff Management requirement in 3.0(6)(i).

In closing, Holcim is greatly concerned that the proposed City of Chicago Bulk Material Rules will negatively affect the Holcim facility with little to no benefit to Public Health or to the Environment.

Respectfully submitted,



Andy Hixson
Plant Manager
Holcim (US) Inc.

Cc: Alderman John A. Pope / 10th Ward