



ILLINOIS MARINE TOWING, INC.

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February 7, 2014

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

Re: Proposed Regulations for Handling
and Storage of Bulk Material Piles

Dear Sir or Madam:

Illinois Marine Towing (IMT) is a family-owned regional towing and fleet operator that provides services on the Illinois River waterway and throughout the greater Chicago area. IMT owns and operates hopper barges and towboats that move not only our own barges but also barges for a variety of different companies servicing facilities in and around Chicago. Overall, we employ 130 Illinoisans and we are proud to be part of the economic engine driving Chicagoland. IMT's parent company is Canal Barge Company, Inc. (CBC), a family-owned private company that has been in business for 80 years. CBC operates towboats and barges throughout the entire inland river system and employs almost 700 Americans. Together, IMT and CBC operate about 480 hopper barges carrying dry bulk cargo.

CBC and IMT are part of the inland waterways system that is a driver of the nation's economy. Part of our business involves CBC towboats moving hopper barges loaded with coal, petroleum coke (petcoke), and other dry bulk materials between the Gulf of Mexico and the Chicago area (and many other companies do the same). Within the greater Chicago area, IMT boats shift IMT barges, CBC barges, and other companies' barges that are brought there from elsewhere in the river system, servicing the facilities that handle commodities such as coal and petcoke. These products are the basic building blocks of our economy and our nation's energy infrastructure, and this system has been in place for decades.

Because CBC and IMT are strongly dedicated to protecting the environment, we welcome the City of Chicago's efforts to make it a healthier place for people such as IMT and CBC employees to live and work. However, the Proposed Regulations for Handling and Storage of Bulk Material Piles is a heavily flawed approach for reaching for this goal. The rule is written without a full understanding of how the industries that handle and transport these products work. Therefore, the rule imposes impractical, if not impossible, requirements that they would shift the entire way these industries operate, irreparably damaging the environment and economics of the Chicago area, with ripple effects into the rest of the Midwest and southern United States. Furthermore, it is unclear whether the City of Chicago

has the ability to regulate barge transportation, which is interstate commerce and under the purview of the U.S. Coast Guard.

Therefore, we request that the City of Chicago bring all stakeholders, including barge companies and the U.S. Coast Guard, to the table to discuss both the legality of any measures to regulate petcoke and coal operations and common-sense measures that could be practically implemented to improve the area's air quality without unintended negative consequences on the people who live and work in Chicago. Thank you very much for the opportunity to comment on the proposed rule, and as members of the American Waterways Operators, we endorse their comments to the docket.

- First, while we support efforts to reduce PM, the risks of this proposed rule to the environment and economics of the region don't match the risk posed by the current situation in Chicago. The U.S. Environmental Protection Agency states that petcoke is non-toxic and non-hazardous, and there are no known illnesses or health effects associated with petcoke dust.¹ As we describe below, complying with the requirement to unload these products from barges in an enclosed area and place tarps over barges is essentially impossible, which would force these products onto trucks and railcars. Truck transportation produces a whopping 171.83 tons of carbon dioxide per ton mile, and rail produces 21.35 tons, compared to only 16.41 tons produced by barge transportation.² Furthermore, barge transportation is 18 times safer than rail transportation and 132 times safer than truck transportation.³ Therefore, based only on the proposed rule's impact on barge transportation, public health and safety would decrease if this rule went into effect.
- The proposal to enclose barge loading and unloading operations is extremely problematic, especially unloading. While a number of different technologies are utilized to unload barges, it would be impractical, if not impossible, to enclose them. IMT and CBC do not operate facilities and so we will not comment in detail about the specific challenges in enclosing unloading operations, but we urge the City of Chicago to meet with facilities to discuss these difficulties and how different technologies might offer opportunities for reducing any negative impacts on the environment without creating impossible constraints.
- The proposed rule's provision requiring that barges be covered with tarps is based on a misunderstanding of how hopper barges work. Some barges have fiberglass or steel covers; these are used for grain and other cargo that must be protected from the elements. The rest of the hopper barges in the U.S. do not have covers, and they are used to transport rock, coal, petcoke, and other products that can be exposed to the elements. Placing tarps on barges is not possible. Hopper barges are large, about 200

¹ U.S. Environmental Protection Agency, *Screening Level Hazard Characterization: Petroleum Coke*, June 2011, http://www.epa.gov/chemrtk/hpvis/hazchar/Category_Petroleum%20Coke_June_2011.pdf.

² Texas Transportation Institute, *A Modal Comparison of Domestic Freight Transportation Effects on the General Public 2001-2009*, February 2012, <http://www.nationalwaterwaysfoundation.org/Research.html>.

³ Ibid.

feet long by 35 feet wide. It is unclear how such a massive tarp would be affixed to the barge without any risk that it would partially or fully blow away in inclement weather. Also, we own hundreds of barges; securing gigantic tarps to cover all of them while in the City of Chicago would be extremely difficult, if not impossible. Most importantly, if there were inclement weather, it is possible that the tarps could become unsecured and start flapping or blowing away, posing a huge safety risk to the deckhands working on the barge. It is wholly possible that a tarp could blow off a barge and knock a person into the water, where that person would be trapped underneath it in (likely very cold) water. Tarps are both infeasible and dangerous.

- Any future requirement to require covers on all hopper barges would also be extremely problematic. Dry bulk cargo like coal and petcoke is loaded above the coaming (or rim) of the barge. The fact that these large barges can be loaded with a lot of product and then many of them can be pushed together by one towboat is a major reason why our industry is so economical and environmentally friendly. Requiring covers on barges would drastically reduce the amount of product that can be carried in each barge. This would force more barges to be used and therefore more towboats, or this product would be moved onto truck and rail; both options would create more emissions than currently are produced. Furthermore, not enough covers exist in the industry to immediately put them on barges carrying coal, petcoke, or other products not normally protected from the elements. Building covers for a barge costs at least \$40,000, and the barge must be retrofitted to accept covers, which would cost an additional estimated \$30,000. IMT and CBC own only 10 covers for the 480 hopper barges we operate, so it would take many years and tens of millions of dollars to put covers on them. If cargo traditionally carried in open hoppers is immediately required to be moved to covered hoppers, it would drastically affect the market for covered hopper barges and the rates for products traditionally carried in them, namely grain.

The City of Chicago's proposed rule would have a powerful ripple effect on the economics of the barge industry and how it supports Chicagoland's economy and environment (as well as the nation's). This would, without a doubt, result in negative consequences for the city and its people. If the City of Chicago is not federally preempted from promulgating this type of regulation, then we urge it to meet with all affected stakeholders to understand the industries its proposed rule would impact and the ultimate effect on the health and safety of the people of Chicago. We would be happy to help in any way we can.

Again, thank you for the opportunity to comment on this proposed regulation.

Sincerely,



Robert Barnes
General Manager
Illinois Marine Towing, Inc.