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STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY

IN THE MATTER OF:)
)
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY)
PUBLIC NOTICE)
PROPOSED ISSUANCE OF A PREVENTION OF)
SIGNIFICANT DETERIORATION PERMIT)
AND NOTICE OF PUBLIC HEARING FOR)
CORN BELT ENERGY CORPORATION, ELKHART.)

Hearing held, pursuant to Notice, on the 1st
day of August, 2002, at the hour of 7:00 p.m., at
Elkhart Elementary School, 206 North Gillette,
Elkhart, Illinois, before Mr. Bill Seltzer,
Hearing Officer.

TRANSCRIPT OF PROCEEDINGS

(217) 529-6167

1 APPEARANCES BY
2 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY:
3 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY, by
4 MR. BILL SELTZER
5 Hearing Officer
6 1021 North Grand Avenue East
7 P. O. Box 19276
8 Springfield, Illinois 62794-9276
9 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY, by
10 MR. SHASHI SHAH
11 Permit Engineer
12 Bureau of Air
13 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY, by
14 MR. CHRIS ROMAINE
15 Utilities Unit Manager
16 Bureau of Air
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1 HEARING OFFICER SELTZER: Good evening,
2 ladies and gentlemen.

3 This is a hearing in regard to the proposed
4 issuance of a prevention of significant
5 deterioration permit for Corn Belt Energy
6 Corporation in Elkhart, Illinois.

7 My name is Bill Seltzer. I'm an attorney
8 with the Illinois Environmental Protection Agency,
9 and I've been asked to be the hearing officer for
10 this evening's hearing.

11 And the way we'll proceed tonight is I will
12 have everybody that's present from the IEPA
13 introduce themselves then ask if there's anybody
14 present from the applicant or any consulting firm
15 working with the applicant, and I'll ask that they
16 stand up and introduce themselves. I'm also going
17 to ask that they spell their names for the record,
18 please.

19 After that, the IEPA will make a short
20 presentation, and then when the presentation is
21 done, we'll go out to the audience. And the
22 purpose for tonight's hearing is for you, out in
23 the public, to ask us questions or to make
24 comments for the record.

(217) 529-6167

1 The record in this matter will close
2 midnight, August 31st of this year. That means if
3 you wish to submit a written comment so long as
4 it's postmarked by August 31st of this year, that
5 comment will in total become part of the record of
6 these proceedings.

7 And as long as you've signed the registration
8 card and we have your name and address, we will
9 send you -- the written summary of this
10 proceeding.

11 And we're all a little warm today, so let me
12 just ask before we get started if there's any
13 questions about how we will proceed this evening?

14 There being none, then I'm going to the
15 individuals from the IEPA to introduce themselves
16 beginning with Mr. Romaine.

17 MR. ROMAINE: Good evening. My name is
18 Chris Romaine, and I'm manager of the Utility Unit
19 in the Air Permit Section.

20 MR. SHAH: My name is Shashi Shah. I
21 work with IEPA in the Permit Section.

22 HEARING OFFICER SELTZER: And the lady
23 at the entrance when you came in working with the
24 materials at the front is Tammy Mitchell.

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1 Would anybody present this evening from the
2 applicants please stand up to introduce
3 themselves, spell their name, and indicate what
4 their association with the applicant is?

5 MR. ZEBELL: I guess I'll start. My
6 name is Mike Zebell, Z-E-B-E-L-L, with MWH
7 Consulting, and we're the consulting engineers on
8 the project team.

9 HEARING OFFICER SELTZER: Thank you.

10 MR. GIELDA: My name's Jerry Gielda,
11 senior project engineer. I work for Babcock
12 Borsig Power Corporation, and we are the supplier
13 for the boiler and SCR system.

14 MR. TRENHOLM: My name is Steve
15 Trenholm, T-R-E-N-H-O-L-M. I'm with MWH
16 Consulting. We're working with the applicant on
17 the project.

18 HEARING OFFICER SELTZER: Thank you.

19 Is there anyone else present here this
20 evening representing or from the applicant?

21 MR. KOHLHASE: I'm Bob Kohlhase with
22 Farnsworth Group out of Bloomington, Illinois,
23 working with Corn Belt on water development for
24 the plant.

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1 HEARING OFFICER SELTZER: Spell your
2 last name, please.

3 MR. KOHLHASE: K-O-H-L-H-A-S-E.

4 HEARING OFFICER SELTZER: Thank you.

5 MR. CAMPBELL: My name's Tony Campbell.
6 I'm vice-president of Corn Belt Energy
7 Corporation, C-A-M-P-B-E-L-L.

8 HEARING OFFICER SELTZER: Thank you
9 much.

10 MR. REEVES: Jeff Reeves, R-E-E-V-E-S.
11 I'm president and CEO of Corn Belt Energy.

12 HEARING OFFICER SELTZER: Thank you.

13 Is that it?

14 Okay. Mr. Shah.

15 MR. SHAH: Good evening, ladies and
16 gentlemen.

17 My name is Shashi Shah. I am a permit
18 engineer in the Bureau of Air.

19 I would like to give you a brief description
20 of the project.

21 Corn Belt Energy Corporation based in
22 Bloomington has requested a permit from Illinois
23 EPA to construct a coal-fired power plant with a
24 nominal capacity of 91 megawatt at the existing

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1 Turriss Coal mine. The new plant would be designed
2 to burn coal and coal tailings.

3 The proposed plant would initially be a part
4 of the United States Department of Energy Test
5 Program. The overall objective of -- of the
6 Department of Energy is to develop relatively
7 near-term technologies to produce low-emission
8 coal-fired boilers for power plants. This plant
9 would have a u-tube boiler.

10 A u-shaped combustor in a boiler consists of
11 two firing chambers firing downward into a
12 refractory-lined combustion chamber. This
13 increases the retention time and provide for more
14 complete combustion, inherently minimizing
15 nitrogen oxide formation.

16 The Illinois EPA has determined that the
17 proposed plant would use best available control
18 technology as required by the Federal Prevention
19 of Significant Deterioration or what we call PSD
20 rules.

21 Boiler emissions would be further controlled
22 by an electrostatic precipitator system for
23 particulate matter, wet scrubber for sulfur
24 dioxide, good combustion practices for carbon

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1 monoxide, staged combustion, and a selective
2 catalytic reduction system for nitrogen oxides.

3 For major projects, such as the proposed
4 plant, the PSD rules require an air quality study
5 to determine the air quality impacts from the
6 project.

7 The result of air quality impact study
8 performed by Corn Belt's consultant for this
9 project indicates that air quality would readily
10 comply with National Ambient Air Quality
11 standards.

12 In summary, the Illinois EPA has reviewed the
13 application submitted by Corn Belt and has
14 determined that it will comply with applicable
15 state and federal standards.

16 The Agency has prepared a draft construction
17 permit that sets out the requirements that would
18 apply to the project. For example, continuous
19 emission monitors, including continuous opacity
20 monitor would be required on the boiler. As a
21 power plant, these monitors must be operated in
22 accordance with the protocols of the Federal Acid
23 Rain Program.

24 In closing, the Agency is proposing to grant

(217) 529-6167

1 the construction permit, and we welcome any
2 comments from the public.

3 HEARING OFFICER SELTZER: Thank you very
4 much.

5 Let me ask now if the applicant wishes to
6 make a presentation before we go any further?

7 MR. ZEBELL: Yes.

8 HEARING OFFICER SELTZER: Please
9 identify yourself.

10 MR. ZEBELL: My name is Mike Zebell.
11 I'm with MWH Consulting, and I just want to give a
12 brief statement about the project.

13 As Shashi mentioned, it's a 91-megawatt
14 coal-fired power plant that is being partly funded
15 through the United States Department of Energy
16 Clean Coal Program as well as the Illinois
17 Department of Commerce and Community Affairs.

18 The -- there's some individuals that I
19 brought with me tonight that can answer specific
20 questions if they come up in areas of expertise or
21 general questions about the project. They've
22 introduced themselves before, but I'll name them
23 again. Tony Campbell of Corn Belt Energy, Steve
24 Trenholm of MWH Consulting, Jerry Gielda of BB

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1 Power, the boiler manufacturer, and then Bob
2 Kohlhase of Farnsworth Group.

3 And so with that, I will turn it over to you,
4 Bill.

5 HEARING OFFICER SELTZER: Okay. Thank
6 you.

7 MR. ZEBELL: Thank you.

8 HEARING OFFICER SELTZER: What we'll do
9 then is we'll go right to the audience, and I'm
10 going to ask that you come forward. It's hard for
11 the court reporter to hear with the fans going.
12 And it is important that we make a good record for
13 tonight's proceeding. So, as you speak, if you'll
14 come forward and identify yourself and spell your
15 last name, it will help.

16 First is Dale Eldredge.

17 PRESIDENT ELDREDGE: My name is Dayle
18 Eldredge, E-L-D-R-E-D-G-E, D-A-Y-L-E. I'm the
19 Village president for Elkhart.

20 And on behalf of the Village and our Board of
21 Trustees, we fully support the endeavors of Corn
22 Belt Energy for the low emissions boiler system
23 power plant.

24 We have met with Corn Belt on several

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1 instances and with some of their consultants, and
2 we feel very confident that the construction will
3 be done in accordance with all of the rules and
4 regulations; that once the power plant is in place
5 and operable that all inspections will be held on
6 a timely manner; and that they will continue their
7 excellent record as far as being responsive to the
8 needs of the community and the environment as
9 well.

10 From an economic standpoint, we feel that
11 it's very vital to the Village. We anticipate
12 that we would be able to have new residents come
13 in to the Village during the construction process,
14 and hopefully they would remain. We do expect
15 that there will be additional employees on a
16 full-time basis out at the power plant that might
17 also become permanent residents of the Village.

18 And the Village is, again, in total support
19 of this project.

20 HEARING OFFICER SELTZER: Thank you very
21 much.

22 PRESIDENT ELDRIDGE: Thank you.

23 HEARING OFFICER SELTZER: Next is Dick
24 Logan.

(217) 529-6167

1 MR. LOGAN: Good evening. My name is
2 Dick Logan, L-O-G-A-N. I'm the chairman of the
3 Logan County Board.

4 Mr. Campbell has been to our Board and kept
5 us informed of everything going on out here, and
6 we're in full support. We have 13 members, a
7 cross-section of the entire county. We're in full
8 support of this project. They've been nothing but
9 cooperative.

10 And I agreed with Mayor Eldridge.
11 Economically, we need it in Logan County, so we
12 are in full support.

13 HEARING OFFICER SELTZER: Thank you.

14 Next is Michael Zebell.

15 MR. ZEBELL: That was me, and I made the
16 presentation for the permit.

17 HEARING OFFICER SELTZER: Okay. Thank
18 you.

19 Roger Dennison.

20 MR. DENNISON: Roger Dennison,
21 R-O-G-E-R, D-E-N-N-I-S-O-N. I'm president and
22 general manager out here at Turris Coal.

23 And kind of backing up a little bit, we've
24 been working on this project since the early '90s

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1 looking for folks that would not only come and
2 just do the power plant but would be good
3 neighbors and work with us and kind of fit in with
4 the values that we have, and I think we've really
5 found that with Corn Belt. They're actually folks
6 born and raised here, and Tony Campbell right up
7 the road here in Williamsville, so just really had
8 some good synergies with Corn Belt.

9 They've participated in the planning here for
10 Elkhart I think to make sure that we were aware of
11 what it would take to come and do the power plant
12 here in town. But we've had excellent support
13 from the Mayor, the Board here in Elkhart, the
14 County Board. We've worked all along the way with
15 the Illinois EPA to make sure that everybody was
16 aware of each of the steps we were taking and we
17 were making the right decisions. And Jeff Reeves
18 and all the folks at Corn Belt and the other
19 partners that we have are just excellent, so --

20 Again, for the mine, what we should see is at
21 least a 22 percent growth in the tons at the mine,
22 some permanent jobs. Naturally, that's what we're
23 interested in, being in the coal business.

24 But we support the project. I've been with

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1 these folks night and day and month after month.

2 And we've spent a lot of time at meetings.

3 MWH folks were selected because of their
4 expertise in the field there in Chicago, so I
5 think we've just got a superb team.

6 And again, this is not the end of it. This
7 meeting here is just one step in -- we're really
8 looking to try to complete this project, so -- and
9 I encourage anybody -- if you've got any questions
10 this evening, we've brought all the folks that can
11 answer all of them.

12 Again, naturally, we support the project.
13 We're looking for jobs and being partners with
14 these folks. We're real excited about the
15 project.

16 Thanks a lot.

17 HEARING OFFICER SELTZER: Thank you.

18 Thomas Cash.

19 MR. CASH: My name's Tom Cash, C-A-S-H.
20 I'm a member of the Logan County Board. I'm also
21 on the Regional Planning Commission and have been
22 since March of '95.

23 We've been in touch for a long time with Tony
24 working on this and with Roger. We've had several

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1 meetings.

2 We've run an Enterprise Zone with Lincoln
3 down here to this. It's enabled them to be able
4 to finance just a little less costly. Enterprise
5 Zones allow the person to skip sales tax, not
6 property tax. We don't want anybody to get
7 misconstrued on this. This County has been very
8 fortunate that when they got the Enterprise Zone
9 that the County and the City of Lincoln went
10 together on it. And we can run it anywhere in the
11 County to enable anybody with a business.

12 And I think that this system will be a great
13 benefit to the County and to the Elkhart community
14 and to Roger's business out there getting a little
15 coal burnt real close to home. We just hope that
16 this hearing will find it all favorable, and we
17 get some good support and continue on with this
18 project and for the Enterprise.

19 HEARING OFFICER SELTZER: Thank you.

20 MR. CASH: Thank you.

21 HEARING OFFICER SELTZER: David Riva.

22 MR. RIVA: I'm Dave Riva. I'm a
23 pipefitter.

24 I just came up here to see what was going on

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1 and, you know, find out who is the contractor
2 that's going to be working on this project, so I
3 might get a job with them.

4 That's all. Thanks.

5 HEARING OFFICER SELTZER: Okay. Thank
6 you. Your last name is spelled R-I-V-A; is that
7 correct?

8 MR. RIVA: Yes.

9 HEARING OFFICER SELTZER: Okay. Thank
10 you much.

11 I don't have any other cards with anybody
12 indicating they wish to ask questions or make
13 comments, so let me just throw it out to the
14 audience. Would you just raise your hand if you
15 have any comments or questions?

16 Yes, ma'am. Could you come forward, please,
17 and identify yourself?

18 MS. OLSON: Hello. My name's Angela
19 Olson, O-L-S-O-N.

20 And I just want to further voice our support.
21 I've been working with Elkhart through the mapping
22 program that we did and was head of the Business
23 Development Committee that was established out of
24 the mapping program. We, as a group, had numerous

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1 meetings with Tony and Roger, being a part of
2 that. They've been very open and up front with
3 us, answered any questions that we had, and made
4 us feel very comfortable as well as confident
5 about what they're doing.

6 And I want to voice our support as the
7 Business Development Committee for this project.

8 Thank you.

9 HEARING OFFICER SELTZER: Thank you
10 much.

11 Anybody else?

12 Could you identify yourself for the record,
13 please?

14 MR. SMITH: Raymond Smith, S-M-I-T-H.

15 Basically my question is once all these
16 meetings are cleared and the word go is given,
17 when will this start?

18 MR. ZEBELL: Construction schedule.

19 Steve, do you have --

20 MR. CAMPBELL: (Difficult to hear.) I
21 think right now, with any luck, we have another
22 public meeting with the federal government on the
23 environmental impact statement, and we're not
24 really anticipating we'll have that in our hand

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1 before probably the 1st of December at the
2 earliest, maybe mid-December, it could be. That's
3 what they're giving us as feedback. And we can't
4 start any construction until we get that in our
5 hand too, so I would say it will be after the
6 first of the year, and then it depends on
7 weather.

8 MR. SMITH: Sure.

9 MR. CAMPBELL: And it might be spring
10 before we start construction.

11 MR. SMITH: And if you get it kicked
12 off, what's the construction time span that you
13 anticipate?

14 MR. CAMPBELL: Most of the contractors
15 that are going to be bidding this in the next
16 month or so are saying somewhere between 28 to 32
17 months to build it.

18 MR. SMITH: It will be on line, ready.

19 MR. CAMPBELL: Right.

20 HEARING OFFICER SELTZER: Thank you,
21 sir.

22 Is there anybody else that has any comments
23 or questions?

24 I indicate there are none.

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1 STATE OF ILLINOIS)
) SS
2 COUNTY OF SANGAMON)

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CERTIFICATE

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I, Robbin J. Sterr, affiliated with Capitol Reporting Service, Inc., do hereby certify that I reported in shorthand the foregoing proceedings; and that the foregoing is a true and correct transcript of my shorthand notes so taken as aforesaid.

I further certify that I am in no way associated with or related to any of the parties or attorneys involved herein, nor am I financially interested in the action.

Certified Shorthand Reporter
and Notary Public
CSR License No. 084-004076

Dated this 7th day of
August, A.D., 2002,
at Springfield, Illinois.

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