

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

BUREAU OF AIR, PERMIT SECTION

IN THE MATTER OF:

Proposed issuance of a construction  
permit to United States Steel  
Corporation in Granite City.

Public hearing held on Wednesday, the 7th day of  
November, 2007, at the hour of 7:00 p.m., at 4225  
Old Alton Road, Granite City, Illinois.

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PROCEEDINGS

HEARING OFFICER ROCCAFORTE: Good

evening. My name is Gina Roccaforte. I'm with the Illinois Environmental Protection Agency, and I've been designated this evening to serve as the hearing officer in this matter.

This is a public hearing

before the Illinois EPA in the matter of a construction permit approval for United States Steel Corporation. U.S. Steel has applied for an air pollution control construction permit from the Illinois EPA to construct a cogeneration boiler, flare and cooling tower at its steel mill in Granite City.

U.S. Steel plans to construct

the new boiler and cooling tower across Edwardsville Road from the existing blast furnace operations while the flare would be located near the blast furnaces. U.S. Steel's application shows that this project would not be a major modification under the federal rules for prevention of significant deterioration or the state rules for major stationary sources construction and modification. This is because the project would be accompanied by

1 contemporaneous decreases in emissions at certain  
2 existing units so that there will not be significant  
3 net increases in emissions.

4                               Based on its review of the  
5 application, the Illinois EPA has made a preliminary  
6 determination that this project is entitled to a  
7 construction permit. The Illinois EPA is holding a  
8 public comment period and a hearing to accept  
9 comments from the public on the proposed issuance of  
10 a permit for this project prior to making a final  
11 decision on the application.

12                              I would like to point out that  
13 Gateway Energy & Coke Company, in care of SunCoke  
14 Company, has applied for a permit from the Illinois  
15 EPA to construct a heat recovery coke plant on  
16 Edwardsville Road in Granite City, and the proposed  
17 plant is designed to produce coke for use at the  
18 neighboring U.S. Steel Granite City Works in the  
19 production of iron or sold for use at other sources.  
20 U.S. Steel, under a separate permit application, has  
21 applied for a coke conveyance system.

22                              The public hearing on the  
23 proposed issuance of the permits for those projects  
24 is tomorrow evening.

1                   If you are here tonight to  
2 comment on those projects and wish to have your  
3 comments be a part of that record, you need to be  
4 present tomorrow evening or file your written  
5 comments within the comment period set forth under  
6 that matter.

7                   It is now 7:06 p.m. on  
8 Wednesday, November 7, 2007. This hearing is being  
9 held for the purpose of explaining Illinois EPA's  
10 draft permit, to respond to questions, and to  
11 receive public comments on this draft permit for  
12 U.S. Steel to construct a cogeneration boiler,  
13 flare, and cooling tower.

14                   This hearing is being held  
15 under the provisions of the Illinois EPA's  
16 procedures for permit and closure plan hearings.  
17 Copies of these procedures can be obtained from  
18 myself upon request or they can be accessed on the  
19 Web site of the Illinois Pollution Control Board  
20 which is at [www.ipce.state.il.us](http://www.ipce.state.il.us).

21                   This evening, Illinois EPA  
22 staff members will introduce themselves and make  
23 presentations. U.S. Steel does not intend to make  
24 any statements or answer questions this evening.



1                   All speakers will have the  
2 option of directing questions to the Illinois EPA  
3 panel or you can make general comments or do both.

4                   Again, U.S. Steel will prepare  
5 and submit written answers during the comment period  
6 in response to questions that are asked of it at  
7 this hearing as appropriate.

8                   For the purpose of allowing  
9 everyone to have a chance to comment this evening,  
10 I'm asking that groups, organizations, and  
11 associations keep their questions and comments to  
12 approximately 15 minutes and that individuals keep  
13 their comments to approximately five minutes in the  
14 interest of time to give everyone who desires to  
15 speak that opportunity.

16                   Remember, all written  
17 comments, whether or not you say them outloud, will  
18 become part of the official hearing record and will  
19 be considered.

20                   After everyone has had an  
21 opportunity to speak and provided that time permits,  
22 we will allow those who either ran out of time  
23 during their initial comments or have additional  
24 comments to speak.

1                   There are registration cards  
2 on the table in the back that you can fill out to  
3 indicate that you would like to comment this  
4 evening. Anyone who fills out one of those cards  
5 will also receive a letter announcing the Illinois  
6 EPA's decision. That letter will also direct you to  
7 the Web site where you can retrieve all the details  
8 including the agency's responsiveness summary.

9                   The agency's responsiveness  
10 summary will attempt to answer all the relevant and  
11 significant questions raised at this hearing or  
12 submitted to me prior to the close of the comment  
13 period, and again, the written record in this matter  
14 will close on December 7, 2007. I will accept all  
15 written comments as long as they are postmarked by  
16 midnight December 7th.

17                   During the comment period, all  
18 relevant comments, documents or data will also be  
19 placed into the hearing record as exhibits. Please  
20 send all written documents or data to my attention  
21 at the following address, Gina Roccaforte,  
22 (R-o-c-c-a-f-o-r-t-e), Hearing Officer, Illinois  
23 EPA, 1021 North Grand Avenue East, P.O. Box 19276,  
24 Springfield, Illinois 62794. That address was also



1                                   Exhibit 3 is the draft  
2 construction permit.

3                                   Exhibit 4 are comments from  
4 Representative Thomas Holbrook.

5                                   Exhibit 5 are comments from  
6 representative Jay Hoffman.

7                                   Exhibit 6 are comments from  
8 Granite City Community Unit School District #9.

9                                   Exhibit 7 are comments from  
10 Representative Costello.

11                                   Exhibit 8 are comments from  
12 United Steel Workers.

13                                   Exhibit 9 are the comments  
14 from the Granite City Park District.

15                                   Exhibit 10 are comments from  
16 Lewis & Clark Marine, Inc.

17                                   Exhibit 11 are the comments  
18 from the Federal Credit Union.

19                                   Exhibit 12 are the comments of  
20 Mr. and Mrs. Frank Doss.

21                                   Exhibit 13 are the comments  
22 from the Leadership Council Southwestern Illinois.

23                                   Exhibit 14 are the comments  
24 from Juneau Associates.

1                   Exhibit 15 are the comments  
2 from Illinois Electric Works.

3                   Exhibit 16 are the comments  
4 from Magnesium Elektron.

5                   Exhibit 17 are the comments  
6 from Amsco Mechanical, Inc.

7                   And Exhibit 18 are the  
8 comments from Tri-City Regional Port District.

9                   Now I'll ask the Illinois EPA  
10 staff here this evening to introduce themselves and  
11 make their presentations.

12                   MR. ROMAINE: Good evening. My  
13 name is Christopher Romaine. I'm manager of the  
14 construction unit in the Air Permit Section. With  
15 me tonight I have Jason Schnepf.

16                   MR. SCHNEPP: Good evening. Again,  
17 my name is Jason Schnepf. I'm a permit engineer  
18 with the Bureau of Air. I'll be giving you a brief  
19 description of the air pollution control aspects of  
20 the proposed project.

21                   U.S. Steel has submitted an  
22 application to construct a cogeneration boiler at  
23 its Granite City Works. The Granite City Works is  
24 an integrated iron and steel mill producing flat



1 operations at the mill that use steam.

2                               The primary fuel for this  
3 boiler would be blast furnace gas which is a  
4 byproduct of the two existing blast furnaces at the  
5 Granite City Works. Blast furnace gas is a low heat  
6 content fuel that is composed primarily of nitrogen,  
7 carbon monoxide, carbon dioxide and hydrogen.  
8 Natural gas would be used in the boiler as an  
9 auxiliary fuel making up less than ten percent of  
10 the fuel energy input to the boiler on an annual  
11 basis. The boiler would not be designed to fire  
12 fuel oil or coke oven gas.

13                              The new cogeneration boiler  
14 would replace the steam generating capability of ten  
15 existing boilers at the Granite City Works that  
16 currently fire blast furnace gas. These existing  
17 boilers which were built during the 1920s do not  
18 produce high-pressure steam as needed for  
19 cogeneration of electricity. They will be  
20 permanently shut down after the shakedown of the  
21 cogeneration boiler is completed.

22                              To support the operation of  
23 the new cogeneration boiler, U.S. Steel would also  
24 install a new cooling tower and a second flare for





1 source of particulate emissions due to mineral  
2 material contained in the water circulated in the  
3 cooling tower.

4                                   The project would be  
5 accompanied by decreases in emissions from existing  
6 emission units so that it would not result in a  
7 significant increase in emissions of New Source  
8 Review pollutants.

9                                   In addition to the shutdown of  
10 ten existing boilers, there will be several other  
11 contemporaneous emissions decreases at the mill that  
12 compensate for the emissions of the new emission  
13 units.

14                                   In particular, U.S. Steel  
15 would install a desulfurization system to begin  
16 processing coke oven gas which is produced by the  
17 existing byproduct recovery coke ovens at the  
18 Granite City Works. The desulfurization system will  
19 remove sulfur compounds from the coke oven gas  
20 producing a fuel gas that will have lower emissions  
21 when it is burned.

22                                   Desulfurization of coke oven  
23 gas to remove sulfur compounds will result in a  
24 substantial reduction in the sulfur dioxide

1 emissions of Granite City Works.

2                               Low NOx burners will be  
3 installed in the existing slab furnaces to reduce  
4 emissions of nitrogen oxides. An electric pump  
5 would be installed to replace the natural  
6 gas-powered engine that currently powers the No. 4  
7 booster pump at the existing coke oven battery at  
8 the mill, eliminating emissions of that unit.

9                               Overall, these changes mean  
10 that the proposed cogeneration project will not  
11 result in significant net increase in emissions of  
12 any New Source Review pollutants.

13                              In closing, the Illinois EPA  
14 has reviewed materials submitted by U.S. Steel and  
15 has determined that the application for this project  
16 complies with applicable state and federal  
17 standards. The Illinois EPA is proposing to grant a  
18 construction permit for installation of the proposed  
19 cogeneration boiler at U.S. Steel.

20                              We welcome any comments or  
21 questions on our proposed action.

22                              Thank you.

23                              HEARING OFFICER ROCCAFORTE: I'd  
24 like to now call on those who have indicated they

1 wish to comment this evening.

2 Mayor Ed Hagnauer?

3 MAYOR HAGNAUER: Thank you. My  
4 name is Mayor Ed Hagnauer (H-a-g-n-a-u-e-r).

5 As mayor of Granite City, I am  
6 committed to doing everything I can to help our  
7 community grow and prosper so this generation and  
8 future generations can live and raise their families  
9 in a safe and vibrant area they are proud to call  
10 home.

11 I recognize this is not  
12 something that I or any one person can accomplish  
13 alone. It takes dedication and vision from all  
14 corners of our region including elected officials,  
15 the business community, our churches, our schools,  
16 and other important stakeholders.

17 That is why I, like many other  
18 citizens, are strongly supporting two important  
19 projects: one proposed by U.S. Steel and the other  
20 by Gateway Energy & Coke, LLC, a subsidiary of Sun  
21 Coal & Coke Company. These projects include a  
22 cogeneration boiler project that will replace  
23 outdated boilers with a modern boiler and a steam  
24 turbine electric generator at U.S. Steel Granite

1 City Works and a heat recovery plant located  
2 adjacent to the U.S. Steel Granite City Works. These  
3 related projects will both provide a significant  
4 economic boost to our region.

5 U.S. Steel's cogeneration  
6 boiler and Gateway Energy & Coke's heat recovery  
7 plant project will translate into approximately  
8 1,100 good-paying skilled construction jobs at peak  
9 development using local building and construction  
10 trade workers. It also means approximately 70 new  
11 full-time manufacturing jobs.

12 Importantly, the projects will  
13 also improve the market competitiveness of Granite  
14 City Works and the employee stability of the current  
15 2,245 employees.

16 Additionally, the projects  
17 will not only produce extensive economic benefits  
18 but they will do so in an environmentally  
19 responsible manner using the latest technology.  
20 Both projects will meet strict state and federal  
21 guidelines to build and operate the facility.

22 I would like now to ask our  
23 Granite City aldermen to stand. I'm proud that our  
24 Granite City council has unanimously endorsed these

1 projects and passed resolutions allowing them to  
2 move forward. I want to thank you.

3 Thank you.

4 (Applause)

5 HEARING OFFICER ROCCAFORTE: Thank  
6 you.

7 Kim Hess?

8 MS. HESS: I'll waive the floor.  
9 Mayor Haganauer has spoke on behalf of all the  
10 elected officials on the city council.

11 HEARING OFFICER ROCCAFORTE: Thank  
12 you.

13 Representative Tom Holbrook?

14 REPRESENTATIVE HOLBROOK: Thank  
15 you. I'd like to start out by thanking the IEPA for  
16 issuing the permits that have already been issued on  
17 this project. I supported those along with all of  
18 my colleagues in the General Assembly that represent  
19 this area.

20 The production facility, both  
21 the blast furnace and rolling mill, are in my  
22 district. I've represented that district now for  
23 seven terms. I'm in my 14th year. I can tell you  
24 that I have never seen such a great consensus on a

1 need for a project as we have this, and here's why  
2 we support this.

3                   We think it's environmentally  
4 sound, and I can tell you also as chairman of the  
5 House Energy and Environment Committee that we know  
6 our grid is on a weak grid. We need the power that  
7 this is going to generate.

8                   We also feel that with this  
9 infrastructure, it will improve this facility for  
10 decades to make it a viable, competitive entity in  
11 the steel industry. The boilers go back to the  
12 1920s. They're the Achille's heel of this facility  
13 and must be taken care of.

14                   I'm in full support of this  
15 project both tonight and tomorrow night. I have  
16 filed written statements dated October 25th in a  
17 letter, and these comments I'm making tonight are  
18 additional both for this hearing and for tomorrow  
19 night's hearing, and I can tell you our committee  
20 needs this. We thank you for considering this, and  
21 I can tell you you have my full support in  
22 permitting this because it is needed for our  
23 community. They're good citizens and the citizens  
24 of this community want it, the vast majority. I've

1 heard no one in opposition to it at this time.

2 Thank you.

3 (Applause)

4 HEARING OFFICER ROCCAFORTE: Thank  
5 you.

6 Kathy Andria?

7 MS. ANDRIA: Good evening. My name  
8 is Kathy Andria, K-a-t-h-y A-n-d-r-i-a. I am  
9 president of the American Bottom Conservancy, a  
10 member of the Sierra Club Clean Air Campaign, and a  
11 member of the Illinois State Environmental Justice  
12 Advisory Committee.

13 I have just a few brief  
14 comments.

15 I was born and raised in  
16 Granite City. My father worked for decades at a  
17 Granite City Steel mill which closed as he neared  
18 retirement age, so I very much appreciate the jobs  
19 and the economic benefits that have come from  
20 Granite City Steel through its various owners over  
21 the years including the money for the city, for the  
22 school district, the library district, and the park  
23 district.

24 I also know many of the bad



1 other parts of the area that you're from Granite  
2 City or where you grew up, they usually wince and  
3 say something nasty about the smells or the  
4 pollution.

5 Granite City officials are  
6 looking to the rebuild of McKinley Bridge to bring  
7 new residents and economic growth to the city but  
8 people do not want to live and businesses do not  
9 want to relocate to one of the most polluted cities  
10 in the Midwest.

11 The monitors that register  
12 fine particulate matter in Granite City are the  
13 highest in the state and one of the highest in the  
14 Midwest, and it is because of Granite City Steel.

15 It is not my determination.  
16 That is your determination, Illinois EPA, U.S.  
17 Environmental Protection Agency, the Missouri  
18 Department of Natural Resources which is asking  
19 (inaudible) the Bi-State Regional Air designation  
20 saying that it's U.S. Steel that is responsible for  
21 the entire St. Louis region not meeting federal air  
22 quality standards.

23 The lung association  
24 continually gives Madison County an "F" for air

1 quality. On a list they have on their Web site, the  
2 area is one of the most polluted, the tenth most  
3 polluted in particle pollution.

4                                 Fine particulates known as PM  
5 2.5 are deadly. According to the lung association,  
6 particle pollution is the deadliest of widespread  
7 air pollutants. Unlike coarse pollutants, coarse  
8 particles, PM10, we filter that out, but the PM 2.5  
9 goes down deep into our lungs and passes into the  
10 bloodstream. Fine particles trigger asthma attacks,  
11 heart attacks, and even premature death.

12                                 According to the USEPA,  
13 thousands of Americans are dying prematurely even  
14 when breathing levels of pollution that are  
15 considered legal today, but U.S. Steel is not  
16 currently operating within its legal limits.

17                                 The Illinois Attorney General  
18 has filed suit against the company for violations of  
19 the Clean Air Act. The company has been in  
20 violation for many years.

21                                 We hope with this new coke  
22 plant things will be better because what we are in  
23 is called a nonattainment area. U.S. Steel must  
24 offset its emissions showing actual reduction in

1 emissions.

2 U.S. Steel has actually  
3 proposed using street sweeping as an offset to the  
4 fine particle pollution that comes from the  
5 steel-making process.

6 The difference in PM 2.5 and  
7 of course PM10 has been described as putting marbles  
8 and fine flour in a sieve and then shaking. The  
9 marbles stay up; the flour goes down.

10 U.S. Steel wants to sweep up  
11 marbles when our children are breathing in tiny  
12 particles and people are dying prematurely.

13 We are not asking that U.S.  
14 Steel close. We are not asking SunCoke to locate  
15 the new plant in another city. Indeed, we are  
16 pleased, we are very happy that they are shutting  
17 down ten ancient boilers.

18 We are asking you to require  
19 honest offsets in a real reduction in emissions.  
20 That can be done by using newer technology and  
21 better controls.

22 We are fortunate to have the  
23 Washington University Interdisciplinary  
24 Environmental Clinic reviewing the permit and making

1 comments on our behalf. We will be submitting  
2 questions. They will have questions and comments.

3                               New standards for  
4 particulates, fine particulates, are coming. With  
5 the new modern facility operating in compliance with  
6 environmental protection laws and the new standards  
7 that are being developed, our children and our  
8 families and the workers who work at Granite City  
9 Steel should be healthier, the company will be  
10 healthier, the workers will be healthier, and the  
11 city should prosper.

12                               I think that's what we all  
13 want.

14                               Thank you.

15                               (Applause)

16                               HEARING OFFICER ROCCAFORTE: Thank  
17 you.

18                               Chris Duncan?

19                               MR. DUNCAN: Hi. My name is Chris  
20 Duncan (D-u-n-c-a-n), and I'm a third year law  
21 student at Washington University with the  
22 Environmental Clinic representing American Bottom  
23 Conservancy.

24                               I have two questions.

1                   The first question is what is  
2 the current status of the air pollution enforcement  
3 actions brought by the Illinois Attorney General's  
4 office against Granite City Works?

5                   MR. ROMAINE: Those enforcement  
6 actions are ongoing. Beyond that, I'm not in a  
7 position to comment on their status.

8                   MR. DUNCAN: Okay. So no  
9 settlement agreement has been reached there?

10                  MR. ROMAINE: No, there has not  
11 been a settlement agreement that I'm aware of.

12                  MR. DUNCAN: Okay.

13                         My second question is the  
14 project summaries for both the coke plant and the  
15 coke conveyor system state that any compliance  
16 schedule that might be developed will be  
17 incorporated into the coke conveyance system  
18 construction permit.

19                         Will the public have an  
20 additional opportunity to comment on this change as  
21 it happens since it will be after the public hearing  
22 that's tomorrow night?

23                         MR. ROMAINE: I think the public  
24 will have an opportunity to comment as they have an

1 opportunity to comment on any consent agreement that  
2 is reached. That's part of the court proceedings  
3 when a consent agreement is entered.

4 MR. DUNCAN: So will there be  
5 another public hearing similar to this?

6 MR. ROMAINE: We were not proposing  
7 to do that because the court's procedure  
8 automatically or directly provides for opportunity  
9 for public input into resolution of the enforcement.

10 MR. DUNCAN: So this will be a  
11 written comment? Written comments will be allowed?

12 MR. ROMAINE: It will be comments  
13 to the judge consistent with the procedures that  
14 apply when a consent decree is filed with an  
15 appropriate court or the Pollution Control Board.

16 CHRIS DUNCAN: Okay. Thank you.

17 HEARING OFFICER ROCCAFORTE: Thank  
18 you.

19 Erica Gorman?

20 MS. GORMAN: Hi. I'm Erica Gorman.  
21 I am also a student with Washington University  
22 Environmental Clinic representing American Bottom  
23 Conservancy. My last name is spelled G-o-r-m-a-n.

24 It's our understanding that

1 for the nonattainment pollutants from Boilers 1  
2 through 10, the baseline period was the 24-month  
3 period ending December '03.

4                               However, the baseline  
5 emissions were calculated using stack tests on  
6 Boiler No. 12 from 1992.

7                               Can you confirm that this is  
8 correct?

9                               MR. SCHNEPP: That is correct.

10                              MS. GORMAN: If recent operations  
11 at GCW have fluctuated so much in the past 15 years,  
12 what is your basis that the 1992 data is  
13 representative of the baseline period ending in  
14 2003?

15                              Were there any evaluations to  
16 determine the similarities in the years?

17                              MR. SCHNEPP: I don't think I  
18 understand your question. Could you repeat it?

19                              MS. GORMAN: If the data is based  
20 on two different years, how can you say that the  
21 emissions during those years were the same?

22                              MR. SCHNEPP: Well, the stack test  
23 data is more representative than standard emission  
24 factors. We use that emission data along with the

1 amount of fuel used to calculate emissions.

2 MS. GORMAN: Is Boiler No. 12 the  
3 same age as Boilers 1 through 10?

4 MR. SCHNEPP: Boiler 12 is not the  
5 same age as any of Boilers 1 through 10.

6 MS. DUNCAN: And what about the  
7 size?

8 MR. SCHNEPP: It's also not the  
9 same size.

10 MS. DUNCAN: So was there an  
11 evaluation to determine if the emissions from these  
12 boilers were the same?

13 MR. SCHNEPP: We did not do a  
14 formal evaluation.

15 MS. GORMAN: Okay. For many of the  
16 baseline emission calculations, the applicant has  
17 chosen to use AB 42 emission factors, and for many  
18 of these equations, the input values of some  
19 variables are open to determination by the  
20 calculator.

21 What is your basis for the  
22 emission variables you have chosen, specifically  
23 wind speed or moisture content of the sulfur coal?  
24 Where is this documented?

1                   MR. ROMAINÉ: I guess I'm unclear.  
2 What are you asking? What emission are you  
3 addressing with this comment?

4                   MS. GORMAN: What are the emission  
5 variables that were chosen? They can be over a  
6 range of values, so where is the documentation for  
7 how these values were chosen where the input value  
8 was chosen by the calculator?

9                   MR. ROMAINÉ: But which emission  
10 units are you referring to?

11                  MS. GORMAN: For aggregate handling  
12 and storage piles and fugitive emission calculations  
13 which are present in the emission reductions  
14 calculation.

15                  MR. SCHNEPP: For the emission  
16 reduction permit?

17                  MS. GORMAN: Yes.

18                  MR. SCHNEPP: That information is  
19 in the permit application for the emission reduction  
20 project.

21                  MS. GORMAN: Okay. Those are all  
22 my questions.

23                  HEARING OFFICER ROCCAFORTE: Okay.

24 Thank you.

1 Leah Martin?

2 MS. MARTIN: I'm Leah Martin. I am  
3 an undergraduate environmental study student at  
4 Washington University with the Environmental Clinic  
5 representing American Bottom Conservancy.

6 I'm wondering, did U.S. Steel  
7 account for CO2 in the permit application?

8 MR. ROMAINE: No, they did not.

9 MS. MARTIN: Did you evaluate CO2  
10 emissions when reviewing the permit?

11 MR. ROMAINE: No, we did not.

12 MS. MARTIN: Is there a reason why  
13 not?

14 MR. ROMAINE: At this point, CO2 is  
15 not a pollutant regulated under the Clean Air Act.

16 MS. MARTIN: Is the new flare going  
17 to be a source of CO2?

18 MR. ROMAINE: Yes.

19 MS. MARTIN: Okay. Thanks.

20 HEARING OFFICER ROCCAFORTE: Thank  
21 you.

22 Amy Brewster?

23 MS. BREWSTER: Good evening. My  
24 name is Amy Brewster (B-r-e-w-s-t-e-r). I'm a third

1 year law student from the Environmental Clinic at  
2 Washington University representing American Bottom  
3 Conservancy, and I just have a few questions.

4 My first question is how did  
5 IEPA make the decision to allow the coke plant being  
6 built by SunCoke to net out of New Source Review by  
7 using reductions from the cogeneration boiler being  
8 built by U.S. Steel?

9 MR. ROMAINE: As has been discussed  
10 by a number of presenters here, the purpose of this  
11 Gateway Coke is to provide coke to Granite City  
12 Steel. There will be a contractual relationship  
13 presumably at some point between Granite City Steel  
14 and Gateway Coke.

15 Accordingly, the coke oven  
16 project and Granite City Steel satisfy the  
17 regulatory requirements and statutory requirements  
18 to be considered a single source.

19 As those two companies are  
20 engaged in a project at a single source, it is  
21 appropriate for SunCoke to be able to take credit  
22 for emission decreases that would occur at the  
23 Granite City Steel facility.

24 Now, your further comment

1 about whether there would be reductions from the  
2 cogeneration boiler project, I'm not sure, is that  
3 the way you look at it or do you look at it that  
4 there are further reductions available from the  
5 other projects that are going on that are sufficient  
6 to net out the coke plant project for pollutants  
7 other than particulate matter? I think that's the  
8 way we look at it.

9 MR. SCHNEPP: Right. We look at  
10 the cogeneration boiler as an increase, and we look  
11 at the boilers that are being shut down as a  
12 decrease.

13 MS. BREWSTER: Okay. And you had  
14 you said that there had been a single source  
15 determination between the coke plant and  
16 cogeneration boiler?

17 MR. ROMAINE: Between Granite City  
18 Steel, Granite City Works, and the project proposed  
19 by Gateway Energy/SunCoke project.

20 MS. BREWSTER: Okay. And is there  
21 any documentation about how you reached the  
22 conclusion that this is a single source?

23 MR. SCHNEPP: I don't think there  
24 is any documentation.

1                   MR. ROMAINE: There isn't. The  
2 criteria that you look at are the location. Clearly  
3 the project is located, the coke project is located  
4 on land that is currently owned by Granite City  
5 Steel. It is adjacent to Granite City Steel, so it  
6 satisfies the requirements for common location.

7                   The next criteria is whether  
8 it's in a common industrial grouping. Manufacturing  
9 of coke is something that Granite City Steel  
10 currently does on its own. Manufacture of coke is  
11 routinely part of an integrated steel mill, so it  
12 satisfies the requirement to be of a common  
13 industrial grouping.

14                   The third criteria to be  
15 considered a source is under common management or  
16 operational control. When we see a project of this  
17 sort with the investment that is involved in  
18 developing a coke oven, we routinely expect that  
19 there is a contractual relationship between the  
20 parties for exchange of material that would be  
21 sufficient to establish common control.

22                   We have dealt with a number of  
23 projects at other types of facilities, and be it a  
24 hydrogen plant next to a refinery or, in the case of

1 Granite City Steel, people handling scrap metal or  
2 slag products are located next to them, the routine  
3 conclusion when we examine it is that those  
4 facilities, in fact, are single sources with the  
5 larger host facility.

6 MS. BREWSTER: Okay. But even for  
7 the common control, there really wasn't any in  
8 writing. It's just something that's kind of...

9 MR. ROMAINE: Well, in fact, we  
10 could probably look at it the other way around.  
11 Expect that if SunCoke wants to escape Granite City  
12 Steel and not be considered a single source, it  
13 would have to prove that to us.

14 MS. BREWSTER: Okay.

15 And my other question is  
16 whether IEPA has done any sort of case by case MACT  
17 determination for the cogeneration boiler?

18 MR. ROMAINE: No, we have not.  
19 Case by case MACT determinations are done under  
20 112(j) of the Clean Air Act which provides that in  
21 general, those determinations are made as part of  
22 the processing of Title V operating permits, not as  
23 part of a construction permit.

24 We'd only have to make a case

1 by case determination of MACT for this boiler if  
2 this boiler was by itself a major source of  
3 hazardous waste, and it's not.

4 MS. BREWSTER: Okay. So you're  
5 going to be doing it in a Title V permit.

6 Do you have a time period for  
7 when that permit will be issued.

8 MR. ROMAINE: We're looking to get  
9 that permit issued. I don't believe at this point  
10 the version we're working on includes those  
11 determinations.

12 We have 18 months under the  
13 Clean Air Act to make our case by case  
14 determinations of maximum achievable control  
15 technology for boilers.

16 Again, I'm not in the Clean  
17 Air Act permit program, the Title 5 group. I can't  
18 speak on how they're doing for timing.

19 If you're here tomorrow night,  
20 I believe the gentleman who is responsible will  
21 probably be in the audience, and you can find him  
22 before the presentation.

23 MS. BREWSTER: Excellent.

24 Thank you very much for your

1 time.

2 HEARING OFFICER ROCCAFORTE: Peter  
3 Goode?

4 MR. GOODE: Hi. My name is Peter  
5 Goode. Last name spelled G-o-o-d-e. I'm also with  
6 Washington University, the Interdisciplinary  
7 Environmental Clinic representing American Bottom  
8 Conservancy.

9 Just one quick question. Will  
10 any of the electricity that's being generated by the  
11 cogeneration facility be used anywhere outside or  
12 moved to the grid or used outside of the Granite  
13 City works facility?

14 MR. ROMAINE: I can't say that  
15 absolutely no electricity would go in the grid, but  
16 it would be incidental or trivial amounts that would  
17 not be sufficient to make this an electrical  
18 generating unit.

19 When you have a power  
20 generating boiler, there can be periods of time with  
21 shutdowns, transition of operations when there is a  
22 slight surplus of power, so I don't believe that  
23 there's provision to say that absolutely no  
24 electricity could go through the grid but it would

1 be trivial.

2 MR. GOODE: Has there been a  
3 determination, something in writing that says that  
4 much?

5 MR. ROMAINE: I believe that the  
6 permit includes provisions requiring that the  
7 cogeneration boiler not operate as electrical  
8 generating unit. If it does, then it's something  
9 that is readily included in the permit for the  
10 cogeneration boiler.

11 MR. GOODE: Okay. Thank you.

12 HEARING OFFICER ROCCAFORTE: Thank  
13 you.

14 Dale Stewart?

15 MR. STEWART: My name is Dale  
16 Stewart (S-t-e-w-a-r-t). I'm Executive  
17 Secretary-Treasurer of Southwestern Illinois  
18 Building & Construction Trades. My job is to  
19 represent the Southwestern Illinois Building and  
20 Construction Trades Council to voice their concerns  
21 and/or support issues concerning new or existing  
22 construction in our twelve-county jurisdiction.

23 The Building Trades Council  
24 consists of approximately 15 international unions



1 you.

2 I just want to enter the  
3 comments of Mr. Stewart into the record as Exhibit  
4 No. 19.

5 Harry Briggs?

6 MR. BRIGGS: I'm Dr. Harry Briggs  
7 (B-r-i-g-g-s). I'm superintendent of schools with  
8 Granite City School District, and I would like to  
9 enter into the public record a letter that was  
10 previously presented to the IEPA.

11 As superintendent of schools  
12 for the Granite City School District, I am writing  
13 to voice my support for the proposed cogeneration  
14 boiler project and the heat recovery coke plant  
15 project.

16 The U.S. Steel Granite City  
17 Works plant, commonly referred to as the mill, has  
18 been an integral part of the Granite City community  
19 for over 100 years. As such, it has contributed to  
20 the growth and the development of the quad cities  
21 area. Without the mill, the quad cities area would  
22 certainly suffer economically.

23 The ability of the U.S. Steel  
24 Granite City Works to develop this project is vital



1 area rests with the viability of the U.S. Steel  
2 Granite City Works plant. We have worked together  
3 for over 100 years and we look to the future. We  
4 proudly remain a partner with U.S. Steel Granite  
5 City Works.

6 Respectfully submitted, Harry  
7 Briggs.

8 Thank you.

9 (Applause)

10 HEARING OFFICER ROCCAFORTE: Thank  
11 you.

12 Terrence Kelahan?

13 MR. KELAHAN: I really just checked  
14 the box so I didn't really have a lot to say but I  
15 was writing down notes as other people spoke.

16 Let me say turn blast furnaces  
17 off-gasses into electrical power instead of wasting  
18 it, using it inefficiently, or releasing it into the  
19 atmosphere. Seems like a no-brainer to me. Saves  
20 oil, wastes not, and reduces air emissions, and it  
21 creates jobs. What's not to like.

22 We have no rolling hills. We  
23 have no ocean. We have no mountains. We're flat.  
24 We're located in an old floodplain. We're a steel

1 town, and I'm damn proud of it.

2 I see foreign and imported  
3 coke, steel, etc. coming in our country. I've seen  
4 steel plants here in Chicago, Indiana, Pennsylvania  
5 and beyond shut down. Here we have a chance to  
6 strengthen a survivor, improve efficiency, reduce  
7 air pollution, provide jobs, and make our community  
8 and our country stronger. I say let's do it.

9 (Applause)

10 HEARING OFFICER ROCCAFORTE: Thank  
11 you.

12 Dennis Wilmsmeyer?

13 MR. WILMSMEYER: Thank you.

14 My name is Dennis Wilmsmeyer  
15 (W-i-l-m-s-m-e-y-e-r) with the Tri-City Regional  
16 Port District.

17 The Tri-City Port strongly  
18 supports this project and recommends approval of the  
19 draft air permit. The project has numerous  
20 environmental benefits including the use of low  
21 emissions technology and replacement of outdated  
22 boilers among other positive environmental  
23 attributes.

24 Granite City Works and the



1 exhibit higher unemployment than the county, the  
2 state, and the nation. We ask, we urge all  
3 businesses, residents, and even those nonresidents  
4 here this evening to join us in strongly supporting  
5 this project.

6 Thank you.

7 (Applause)

8 HEARING OFFICER ROCCAFORTE: Thank  
9 you.

10 I'd like to record as Exhibit  
11 No. 20 Mayor Hagnauer's comments and Exhibit No. 21  
12 Terrence Kalahan's comments.

13 Rosemarie Brown.

14 MS. BROWN: Good evening. My name  
15 is Rosemarie Brown. I'm the executive director of  
16 the Chamber of Commerce, Southwestern Madison  
17 County.

18 On behalf of the board of  
19 directors and over 250 members of the Chamber of  
20 Commerce, I have been asked to voice our support for  
21 the proposed cogeneration boiler project at the  
22 Granite City Division of U.S. Steel. We understand  
23 that this project will not move forward until all  
24 environmental requirements are addressed as required

1 by the permitting process.

2 We on the Chamber of Commerce  
3 are in agreement that this project is of extreme  
4 importance to the future employment stability and to  
5 the economic viability of the entire region.

6 Thank you.

7 (Applause)

8 HEARING OFFICER ROCCAFORTE: Thank  
9 you.

10 Don Ogle?

11 MR. OGLE: My name is Don Ogle  
12 (O-g-l-e). I'm a ten-year resident of Granite City,  
13 35-year employee at what is now the Granite City  
14 Works, and I'm on the safety committee and have been  
15 for 30 years wherein the environment is one of our  
16 issues that we've contended with, and I believe that  
17 over the years we've seen improvements in controls  
18 of pollutants from the manufacturing process. I  
19 believe that with new construction that new  
20 facilities present better controls of pollutants,  
21 and it's the workers who are first to see the  
22 effects of pollutants, and as a resident of the  
23 community, we see it secondly.

24 We are very interested in

1 control of these pollutants. I believe that we have  
2 reached that point at this stage to usher in these  
3 new facilities, and I so support that.

4 (Applause)

5 HEARING OFFICER ROCCAFORTE: Thank  
6 you.

7 Leo Mushill?

8 MR. MUSHILL: Leo Mushill. My  
9 views have been expressed by the others in support  
10 of it.

11 HEARING OFFICER ROCCAFORTE: Thank  
12 you.

13 Russ Saltsgaver.

14 MR. SALTSGAVER: Thank you.

15 My name is Russ Saltsgaver.  
16 That's S-a-l-t-s-g-a-v-e-r. I'm president of the  
17 United Steel Workers Local 1899, and as president, I  
18 stand in full support of this cogeneration boiler  
19 project flare and cooling tower along with the new  
20 coking plant and the conveyance system which we will  
21 talk more about tomorrow evening.

22 The project comes at a very  
23 critical time for manufacturing. Just in the month  
24 of September, manufacturing has lost over 19,000

1 jobs, and this cogeneration boiler project will in  
2 the long run save U.S. Steel money and make them  
3 more competitive in the global steel industry.

4                   And for those of you that  
5 don't know or haven't read the paper, it's no longer  
6 competing against just the U.S. Steel plants. It's  
7 global. We compete against China, Russia, Brazil,  
8 Korea, Japan, you name it, that's who we're  
9 competing with.

10                   So if we can lower our cost,  
11 it will only make it better for southwestern  
12 Illinois and the payroll would continue in this  
13 location. I consider the 1,100 construction and  
14 trade jobs this will put to work very important to  
15 this area in order to build these projects and also  
16 the 70 full-time jobs that we will have here at U.S.  
17 Steel or in steel making will be jobs with benefits,  
18 jobs that provide health care and 401Ks and  
19 pensions, and that's something you don't hear about  
20 today.

21                   So there's a lot of good  
22 things that can come from this, and emissions will  
23 be lowered by this project as has been stated here  
24 tonight. I don't know how we can stand in the way

1 of a project this important. These projects will  
2 improve our competitiveness in the steel industry  
3 and the stability for the 2,200 or over 2,200  
4 employees at U.S. Steel and also all the vendor and  
5 service jobs which is many thousands more that  
6 service that plant on a daily, weekly, monthly, and  
7 yearly basis.

8 United Steel Workers, we want  
9 to improve the quality of life for our members, and  
10 we believe it's vitally important that the steel  
11 industry is stabilized for security not only of our  
12 members but this community, their families, and our  
13 nation.

14 Steel is necessary in order  
15 for us to protect our national defenses and also our  
16 infrastructure, so I believe U.S. Steel's  
17 cogeneration boiler project will be a great  
18 development for Granite City and its industry.

19 I applaud the Granite City  
20 council, the school board, the state  
21 representatives, the U.S. representatives, and most  
22 of all the Illinois EPA tonight. Thank you.

23 (Applause)

24 HEARING OFFICER ROCCAFORTE: Thank

1 you.

2 Jeff Bettorf?

3 MR. BETTORF: Thank you.

4 My name is Jeff Bettorf  
5 (B-e-t-t-o-r-f). I'm the contract coordinator for  
6 Local 50 USW. I'm also a maintenance technician at  
7 the blast furnace complex, and I've often been  
8 required to work on one of ten floors, and I can  
9 assure the board and the community that these  
10 boilers have reached the end of their useful life.

11 I think it is essential that  
12 they're replaced with a modern system, not only to  
13 continue the production of iron at the blast furnace  
14 facility but also for the safety of my employees.

15 So I'd like to go on record  
16 saying that Local 50 is in strong support of this  
17 project.

18 Thank you.

19 (Applause)

20 HEARING OFFICER ROCCAFORTE: Thank  
21 you.

22 Norman Martinez? Is Norman  
23 Martinez here?

24 Okay. Patrick McKeenan?



1 again, Norman Martinez?

2 All right. I've gotten  
3 through all of the registration cards.

4 Is there anyone else that  
5 would like to comment?

6 Okay. Seeing no more members  
7 of the public with comments or questions...

8 MS. ANDRIA: I was wondering, Chris  
9 Romaine said something about being one source, that  
10 you determined it was one source, a single source,  
11 and I'm wondering why there are three permits and  
12 two nights.

13 MR. ROMAINE: There are a number of  
14 different permits because even though it is one  
15 source, there are separate projects, and the  
16 cogeneration project is distinct from the coke oven  
17 project.

18 We were willing to hold a  
19 single public hearing for the projects, but at the  
20 request of the permit applicants, we decided to hold  
21 two public hearings because it was believed that  
22 that would help reinforce the fact that these are,  
23 in fact, separate permits.

24 There are different regulatory

1 requirements. One is a minor project; one is a  
2 major project. One is being undertaken simply by  
3 U.S. Steel. The other is a joint venture by U.S.  
4 Steel and Gateway Energy.

5 MS. ANDRIA: A lot of people are  
6 confused as to which night they can come, which  
7 night they could comment.

8 Ms. Roccaforte said that the  
9 people, if they want to comment on the coke plant,  
10 should come back tomorrow, and since a lot of people  
11 can't come both nights and thought they were maybe  
12 commenting, I was wondering if there is some way  
13 that you could just take the transcript of this  
14 hearing and also apply it to the permit for tomorrow  
15 night since those people who said what they said  
16 tonight would want to be heard again.

17 HEARING OFFICER ROCCA FORTE: I'm  
18 not sure if I can do that, but if you send me a  
19 letter indicating that comments that you made this  
20 evening also are applicable to tomorrow evening, I  
21 would include that in the record, or you could  
22 submit written comments possibly to both, but  
23 tonight's hearing is for the cogeneration boiler  
24 project, and tomorrow evening is for the coke

1 conveyance system project.

2 MS. ANDRIA: And I also wanted to  
3 ask, in past hearings, public hearings, we've not  
4 had often the opportunity to review the answers to  
5 our questions at a public hearing and sometimes we  
6 don't get a transcript until very close to the  
7 deadline for public comments, and I wondered if you  
8 could please allow us, although it's not a very long  
9 hearing so we should get the transcript earlier, but  
10 I wanted to ask the possibility that we might have  
11 to ask for an extension if there's not enough time  
12 to review the answers to our questions that we've  
13 asked tonight and tomorrow night too.

14 HEARING OFFICER ROCCAFORTE: If you  
15 wish to make a request for extended comment period,  
16 please send that to me in writing and I will can  
17 consider it, and I will request that the transcript  
18 for this hearing be expedited.

19 MS. ANDRIA: Thank you very much.

20 HEARING OFFICER ROCCAFORTE: You're  
21 welcome.

22 Are there any questions other  
23 questions or comments?

24 MS. ANDRIA: Could you tell us when

1 we will be getting the answers to our questions?

2 I think either you or Chris  
3 had said something about that they would not be,  
4 that they perhaps would not be answered until the  
5 responsiveness summary.

6 Is there a way that we can get  
7 the answers to our questions so that we could use  
8 them in preparing our final public written comment?

9 HEARING OFFICER ROCCAFORTE: Well,  
10 I believe the agency has a time frame with which to  
11 complete the responsiveness summary, and off the top  
12 of my head, I'm not sure what that time frame is.

13 MS. ANDRIA: What about U.S.  
14 Steel's answers?

15 HEARING OFFICER ROCCAFORTE: U.S.  
16 Steel indicated that they would respond to any  
17 questions directed to U.S. Steel within the comment  
18 period.

19 MS. ANDRIA: So that we would have  
20 an opportunity to view those, read them, and then  
21 comment on them?

22 HEARING OFFICER ROCCAFORTE: Review  
23 questions that others submit?

24 MS. ANDRIA: No.

1 HEARING OFFICER ROCCAFORTE: I'm  
2 sorry.

3 MS. ANDRIA: You indicated that  
4 U.S. Steel would be submitting the answers during  
5 the public comment period.

6 Will we have an opportunity to  
7 see them and review them so that we can use them in  
8 our --

9 HEARING OFFICER ROCCAFORTE: I  
10 believe those were questions that were presented  
11 this evening to U.S. Steel, and I think the  
12 questions that I heard were directed to the EPA  
13 panel here.

14 Do you have questions directed  
15 for U.S. Steel?

16 MS. ANDRIA: U.S. Steel will answer  
17 questions tomorrow night too, right, because they're  
18 one of the permittees for tomorrow night?

19 HEARING OFFICER ROCCAFORTE: I  
20 believe that they will be handling the hearing  
21 tomorrow the same way as this evening's hearing but  
22 you may wish to confirm that with the hearing  
23 officer for tomorrow night's hearing, but I believe  
24 they will be handling it the same way, responding

1 within the comment period to any questions presented  
2 to it during the hearing tomorrow night.

3 MS. ANDRIA: Might U.S. Steel want  
4 to answer our questions without the formal process?  
5 We would invite them to do so.

6 HEARING OFFICER ROCCAFORTE: I  
7 believe you're free to attempt to discuss any issues  
8 with them but within the context of the hearing.

9 I believe any questions at  
10 hearing presented to U.S. Steel they would respond  
11 to within the comment period.

12 MS. ANDRIA: Thank you.

13 HEARING OFFICER ROCCAFORTE: You're  
14 welcome.

15 Any other questions or  
16 comments?

17 Okay. I just want to remind  
18 everyone that the comment period for this matter  
19 closes on December 7, 2007, so any written comments  
20 must be postmarked for midnight on December 7th to  
21 be accepted as part of the record.

22 Copies of the exhibits are  
23 available upon request.

24 The time is now approximately

1 8:13 and this hearing is adjourned.

2 Thank you for your  
3 participation this evening.

4 (Which were all of the  
5 proceedings held at this time.)

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

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CERTIFICATE

5

I, Laurel A. Patkes, Certified Shorthand

6

Reporter in and for said County and State, do hereby

7

certify that I reported in shorthand the foregoing

8

proceedings and that the foregoing is a true and

9

correct transcript of my shorthand notes so taken as

10

aforesaid.

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Dated this 10th day of November 2007.

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Certified Shorthand Reporter

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