

US EPA ARCHIVE DOCUMENT



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

WN-16J

REPLY TO THE ATTENTION OF:

SEP 09 2004

Mr. Richard Lanyon
Director of Research & Development
Metropolitan Water Reclamation District of Greater Chicago
P.O. Box 10654
Chicago, Illinois 60610-0654

Subject: Intent to Terminate Project XL Agreement

Dear Mr. Lanyon:

This is to inform you that the U.S. Environmental Protection Agency (USEPA) intends to terminate the XL Final Project Agreement (FPA) entered into with the Metropolitan Water Reclamation District of Greater Chicago (District), in collaboration with the Illinois Environmental Protection Agency (IEPA) on August 30, 2000, unless the District recommits to implementation of Toxic Reduction Action Plans (TRAPs) for nonregulated pollutants. To date, the District has not implemented this aspect of the XL Project, and, therefore, has failed to perform activities consistent with the expectations of the FPA.

Implementation of TRAPs is a critical component of the Final Project Agreement and is the primary reason USEPA and IEPA agreed to provide regulatory flexibility regarding the District's implementation of its Pretreatment Program. In the absence of these TRAPs, there is no justification for continuing to allow the District to implement an alternative Pretreatment Program.

USEPA and IEPA staff met with the District staff on March 22, 2004, to discuss our concerns. At the conclusion of that meeting, the District agreed to provide, within 30 days, a report that assesses its efforts regarding development of voluntary approaches for addressing each of the pollutants or groups of pollutants previously agreed upon for TRAP development, whether the District intends to pursue voluntary reduction strategies for those pollutants and if not, why not. The District also agreed to propose which pollutants, if any, it wished to address through TRAPs. As a general matter, the District agreed to assess whether revising the FPA with respect to TRAPs, as well as the other aspects of the project, would be worthwhile.

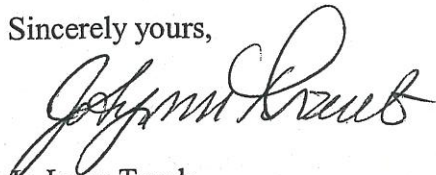
On July 20, 2004, we received a letter regarding the status of Project XL. The letter describes activities related to regulated pollutants, or in the case of nutrients, non-pollution prevention approaches. It does not indicate the District's intentions regarding implementation of TRAPs for either the group of pollutants previously agreed upon, or some other group of non-regulated pollutants, as the District had committed to do at the March meeting. Instead, the letter indicates

the District's intent to evaluate and assess the impact of Project XL and determine its future commitment by some unspecified date. If the District fails to submit a report that commits to TRAP implementation for non-regulated pollutants by November 1, 2004, we will consider this a failure to implement the project and this will be grounds for termination pursuant to Section XI of the FPA.

It is also our understanding that due to lack of industry response to the other flexibility aspects of the Project, the District has not received the resource savings needed to implement the environmental benefits aspects of the program. While it appears that the project has not worked out as planned, it was important that these concepts be tested. It is our hope that we can work together to determine the results of the project, so that they can be considered in determining whether the concepts should be pursued nationally.

Please contact Matt Gluckman, Pretreatment Program Manager, at (312) 886-6089 if you would like to discuss this matter.

Sincerely yours,



Lynn Traub
Director, Water Division

cc: Ron Burke, IEPA
Jay Patel, IEPA, Des Plaines District Office
Jerry Filbin, Acting Office Director for Innovation Pilots
Jan Pickrel, OWM-Permits