



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

217-782-9861

June 16, 2022

CERTIFIED MAIL # 7011 1150 0001 0858 6624
RETURN RECEIPT REQUESTED

Sugar Camp Energy, LLC
11351 Thompsonville Road
Macedonia, IL 62860

Re: Notice of Non-Issuance of Compliance Commitment Agreement
Violation Notice: W-2022-50025
Sugar Camp Energy, LLC – IL0078565 – W0558010004

Dear Facility Owner:

The Illinois Environmental Protection Agency (“Illinois EPA”) has reviewed the proposed Compliance Commitment Agreement (“CCA”) terms submitted by **Sugar Camp Energy, LLC – IL0078565** in letters dated **April 21, 2022 and May 26, 2022**, in response to the Violation Notice dated **March 10, 2022**, and has decided not to issue a proposed CCA for these violations. Due to the nature and seriousness of the violations, the Illinois EPA has determined that these violations may not be able to be resolved without the involvement of the Office of the Attorney General or the State’s Attorney.

Because the violations remain the subject of disagreement between the Illinois EPA and **Sugar Camp Energy, LLC – IL0078565**, this matter will be considered for referral to the above-referenced prosecutorial authorities for formal enforcement action and the imposition of penalties.

Questions regarding this matter should be directed to Caleb Ruyle at 217/782-9861. Written communications should be directed to:

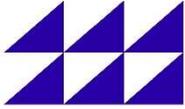
Illinois EPA – Division of Water Pollution Control
Attn: Caleb Ruyle/CAS #19
P.O. Box 19276
Springfield, IL 62794-9276

Sincerely,

Cathy Siders, Manager
Compliance Assurance Section
Bureau of Water, Division of Water Pollution Control

2125 S. First Street, Champaign, IL 61820 (217) 278-5800
1101 Eastport Plaza Dr., Suite 100, Collinsville, IL 62234 (618) 346-5120
9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000
595 S. State Street, Elgin, IL 60123 (847) 608-3131

2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200
412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022
4302 N. Main Street, Rockford, IL 61103 (815) 987-7760



Sugar Camp Energy, LLC
11525 N. Thompsonville Rd.
Macedonia, IL 62860

May 26, 2022

Illinois Environmental Protection Agency
Division of Water Pollution Control
Attn: Rob Yoggerst/ CAS #19
P.O. Box 19276
Springfield, IL 62794-9276
Robert.yoggerst@illinois.gov

Re: Violation Notice: Sugar Camp Energy, LLC
IL0078565 – W0558010004
Violation Notice No.: W-2022-50025

Dear Mr. Yoggerst:

Please find the following supplemental response to Violation Notice (“VN”) W-2022-50025 issued to Sugar Camp Energy, LLC (“Sugar Camp”) on March 10, 2022. Sugar Camp would like to request a meeting with representatives of the Illinois Environmental Protection Agency (“IEPA”) if the information detailed herein cannot be resolved from this written response.

The VN alleges certain violations for a water sample which exceeded the water quality standard for chloride, as well as discolored seeps entering a swale, which flows to an unnamed tributary to Akin Creek. The violation resulted from an IEPA inspection based on a citizen complaint which alleged that land subsidence attributable to Sugar Camp’s mining operations resulted in a release of contaminated wastewater onto the complainant’s property. Sugar Camp acknowledges the elevated chloride concentration in IEPA’s water sample, but has not determined that it is attributable to Sugar Camp’s mining operations or to NPDES Permit IL0078565.

Since the meeting between Sugar Camp and IEPA held on May 6, 2022, Sugar Camp has continued efforts to identify the source of the high chloride discolored water seeps addressed in the VN. Representatives from Sugar Camp conducted a site visit with former employee Gary Vancil regarding the situation on the ground. During the site visit, no seeps were observed on the property. Background discussion with Vancil accompanied the site visit and additional conversation ensued with IEPA inspectors Brian and Bruce Rodley. Sugar Camp has not identified any interim steps that would be beneficial at this stage. Based on its preliminary investigation, Sugar Camp has not identified a connection between Sugar Camp’s NPDES permit, its mining activities, and the alleged violations.

Sugar Camp therefore will agree to the following as proposed terms of a CCA.

1. Illinois EPA will study the source of high chloride water seeps, including pre-mining water quality data.
2. If and only if there is definitive evidence demonstrating that the chloride seeps were more likely than not caused by mining activities, then Sugar Camp will develop a plan for remediation and containment of any identified source of high chloride water seeps.
3. If and only if there is definitive evidence demonstrating that the chloride seeps were more likely than not caused by mining activities, Sugar Camp will take steps to coordinate with the landowner and landowner's attorney to facilitate any necessary inspection, testing or remediation of affected soil in the landowner's pasture.

If you have any questions or concerns, or if you wish to discuss this matter in any particular, please do not hesitate to contact me.

Respectfully,

A handwritten signature in blue ink that reads "James Mills". The signature is written in a cursive style with a large initial "J" and "M".

Authorized Person



Sugar Camp Energy, LLC
11525 N. Thompsonville Rd.
Macedonia, IL 62860

April 21, 2022

Illinois Environmental Protection Agency
Division of Water Pollution Control
Attn: Rob Yoggerst/ CAS #19
P.O. Box 19276
Springfield, IL 62794-9276
Robert.yoggerst@illinois.gov

RECEIVED

APR 26 2022

IEPA/CAS

Re: Violation Notice: Sugar Camp Energy, LLC
IL0078565 – W0558010004
Violation Notice No.: W-2022-50025

Dear Mr. Yoggerst:

Please find the following information in response to Violation Notice (“VN”) W-2022-50025 issued to Sugar Camp Energy, LLC (“Sugar Camp”) on March 10, 2022. Sugar Camp would like to request a meeting with representatives of the Illinois Environmental Protection Agency (“IEPA”).

The VN alleges certain violations for a water sample which exceeded the water quality standard for chloride, as well as discolored seeps entering a swale, which flows to an unnamed tributary to Akin Creek. The violation resulted from an IEPA inspection based on a citizen complaint which alleged that land subsidence attributable to Sugar Camp’s mining operations resulted in a release of contaminated wastewater onto the complainant’s property. Sugar Camp acknowledges the elevated chloride concentration in IEPA’s water sample, but has not determined that it is attributable to Sugar Camp’s mining operations or to NPDES Permit IL0078565. Sugar Camp intends to undertake an evaluation of the source of high chloride water seeps.

Sugar Camp requests to enter into a Compliance Commitment Agreement (“CCA”). Below are the proposed terms of a CCA.

1. Sugar Camp will study the source of high chloride water seeps and develop a plan for remediation and containment of any identified source of high chloride water seeps.
2. Sugar Camp will hire a third-party consultant to evaluate the source of high chloride water seeps and provide recommendations on remediation and containment of any identified source of high chloride water seeps.

3. Sugar Camp will take steps to coordinate with the landowner and landowner's attorney to facilitate any necessary inspection, testing or remediation of affected soil in the landowner's pasture.

If you have any questions or concerns, or if you wish to discuss this matter in any particular, please do not hesitate to contact me.

Respectfully,



Authorized Person