

**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

August 15, 2011

**PERMIT TO INSTALL
84-11**

**ISSUED TO
Severstal Dearborn, LLC**

**LOCATED AT
4001 Miller Road
Dearborn, Michigan**

**IN THE COUNTY OF
Wayne**

**STATE REGISTRATION NUMBER
A8640**

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environmental Quality. This permit is hereby issued in accordance with and subject to Section 5505(1) of Article II, Chapter I, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Pursuant to Air Pollution Control Rule 336.1201(1), this permit constitutes the permittee's authority to install the identified emission unit(s) in accordance with all administrative rules of the Department and the attached conditions. Operation of the emission unit(s) identified in this Permit to Install is allowed pursuant to Rule 336.1201(6).

DATE OF RECEIPT OF ALL INFORMATION REQUIRED BY RULE 203:

July 22, 2011

DATE PERMIT TO INSTALL APPROVED:

August 15, 2011

SIGNATURE:

DATE PERMIT VOIDED:

SIGNATURE:

DATE PERMIT REVOKED:

SIGNATURE:

PERMIT TO INSTALL

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Common Abbreviations / Acronyms

Common Acronyms		Pollutant/Measurement Abbreviations	
AQD	Air Quality Division	BTU	British Thermal Unit
BACT	Best Available Control Technology	°C	Degrees Celsius
CAA	Clean Air Act	CO	Carbon Monoxide
CEM	Continuous Emission Monitoring	dscf	Dry standard cubic foot
CFR	Code of Federal Regulations	dscm	Dry standard cubic meter
COM	Continuous Opacity Monitoring	°F	Degrees Fahrenheit
EPA	Environmental Protection Agency	gr	Grains
EU	Emission Unit	Hg	Mercury
FG	Flexible Group	hr	Hour
GACS	Gallon of Applied Coating Solids	H ₂ S	Hydrogen Sulfide
GC	General Condition	hp	Horsepower
HAP	Hazardous Air Pollutant	lb	Pound
HVLP	High Volume Low Pressure *	m	Meter
ID	Identification	mg	Milligram
LAER	Lowest Achievable Emission Rate	mm	Millimeter
MACT	Maximum Achievable Control Technology	MM	Million
MAERS	Michigan Air Emissions Reporting System	MW	Megawatts
MAP	Malfunction Abatement Plan	ng	Nanogram
MDEQ	Michigan Department of Environmental Quality (Department)	NO _x	Oxides of Nitrogen
MSDS	Material Safety Data Sheet	PM	Particulate Matter
NESHAP	National Emission Standard for Hazardous Air Pollutants	PM10	PM less than 10 microns diameter
NSPS	New Source Performance Standards	PM2.5	PM less than 2.5 microns diameter
NSR	New Source Review	pph	Pound per hour
PS	Performance Specification	ppm	Parts per million
PSD	Prevention of Significant Deterioration	ppmv	Parts per million by volume
PTE	Permanent Total Enclosure	ppmw	Parts per million by weight
PTI	Permit to Install	psia	Pounds per square inch absolute
RACT	Reasonably Available Control Technology	psig	Pounds per square inch gauge
ROP	Renewable Operating Permit	scf	Standard cubic feet
SC	Special Condition	sec	Seconds
SCR	Selective Catalytic Reduction	SO ₂	Sulfur Dioxide
SRN	State Registration Number	THC	Total Hydrocarbons
TAC	Toxic Air Contaminant	tpy	Tons per year
TEQ	Toxicity Equivalence Quotient	µg	Microgram
VE	Visible Emissions	VOC	Volatile Organic Compounds
		yr	Year

* For High Volume Low Pressure (HVLP) applicators, the pressure measured at the HVLP gun air cap shall not exceed ten (10) pounds per square inch gauge (psig).

GENERAL CONDITIONS

1. The process or process equipment covered by this permit shall not be reconstructed, relocated, or modified, unless a Permit to Install authorizing such action is issued by the Department, except to the extent such action is exempt from the Permit to Install requirements by any applicable rule. **(R 336.1201(1))**
2. If the installation, construction, reconstruction, relocation, or modification of the equipment for which this permit has been approved has not commenced within 18 months, or has been interrupted for 18 months, this permit shall become void unless otherwise authorized by the Department. Furthermore, the permittee or the designated authorized agent shall notify the Department via the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environmental Quality, P.O. Box 30260, Lansing, Michigan 48909-7760, if it is decided not to pursue the installation, construction, reconstruction, relocation, or modification of the equipment allowed by this Permit to Install. **(R 336.1201(4))**
3. If this Permit to Install is issued for a process or process equipment located at a stationary source that is not subject to the Renewable Operating Permit program requirements pursuant to R 336.1210, operation of the process or process equipment is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install. **(R 336.1201(6)(b))**
4. The Department may, after notice and opportunity for a hearing, revoke this Permit to Install if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of this permit or is violating the Department's rules or the Clean Air Act. **(R 336.1201(8), Section 5510 of Act 451, PA 1994)**
5. The terms and conditions of this Permit to Install shall apply to any person or legal entity that now or hereafter owns or operates the process or process equipment at the location authorized by this Permit to Install. If the new owner or operator submits a written request to the Department pursuant to R 336.1219 and the Department approves the request, this permit will be amended to reflect the change of ownership or operational control. The request must include all of the information required by subrules (1)(a), (b), and (c) of R 336.1219 and shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environmental Quality. **(R 336.1219)**
6. Operation of this equipment shall not result in the emission of an air contaminant which causes injurious effects to human health or safety, animal life, plant life of significant economic value, or property, or which causes unreasonable interference with the comfortable enjoyment of life and property. **(R 336.1901)**
7. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the Department. The notice shall be provided not later than two business days after start-up, shutdown, or discovery of the abnormal condition or malfunction. Written reports, if required, must be filed with the Department within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal conditions or malfunction has been corrected, or within 30 days of discovery of the abnormal condition or malfunction, whichever is first. The written reports shall include all of the information required in Rule 912(5). **(R 336.1912)**
8. Approval of this permit does not exempt the permittee from complying with any future applicable requirements which may be promulgated under Part 55 of 1994 PA 451, as amended or the Federal Clean Air Act.
9. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
10. Operation of this equipment may be subject to other requirements of Part 55 of 1994 PA 451, as amended and the rules promulgated thereunder.

11. Except as provided in subrules (2) and (3) or unless the special conditions of the Permit to Install include an alternate opacity limit established pursuant to subrule (4) of R 336.1301, the permittee shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of density greater than the most stringent of the following. The grading of visible emissions shall be determined in accordance with R 336.1303. **(R 336.1301)**
 - a) A six-minute average of 20 percent opacity, except for one six-minute average per hour of not more than 27 percent opacity.
 - b) A visible emission limit specified by an applicable federal new source performance standard.
 - c) A visible emission limit specified as a condition of this Permit to Install.
12. Collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in R 336.1370(2). **(R 336.1370)**
13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with R 336.2001 and R 336.2003, under any of the conditions listed in R 336.2001. **(R 336.2001)**

SPECIAL CONDITIONS

EMISSION UNIT SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Emission Unit ID	Emission Unit Description (Process Equipment & Control Devices)	Installation Date / Modification Date	Flexible Group ID
EU-ENGSH	A 1,750 kilowatts (kW) diesel-fueled emergency engine manufactured in 2006.	February, 2008	FG-CI RICE MACT
Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1290.			

The following conditions apply to: EU-ENGSH

DESCRIPTION: A 1,750 kilowatts (kW) diesel-fueled emergency engine manufactured in 2006. This engine is located near the Screen House building.

Flexible Group ID: FG-CI RICE MACT

POLLUTION CONTROL EQUIPMENT:

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. NOx	9.2 g/kW-hr	Test Protocol	EU-ENGSH	SC V.1 SC VI.2	40 CFR 60.4205(a)
2. HC	1.3 g/kW-hr	Test Protocol	EU-ENGSH	SC V.1 SC VI.2	40 CFR 60.4205(a)
3. CO	11.4 g/kW-hr	Test Protocol	EU-ENGSH	SC V.1 SC VI.2	40 CFR 60.4205(a)
4. PM	0.54 g/kW-hr	Test Protocol	EU-ENGSH	SC V.1 SC VI.2	40 CFR 60.4205(a)

II. MATERIAL LIMITS

1. The permittee shall burn only diesel fuel, in EU-ENGSH with the maximum sulfur content of 15 ppm (0.0015 percent) by weight. **(R 336.1205(1)(a), R 336.1402(1), 40 CFR 60.4207(b), 40 CFR 80.510(b))**

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall not operate EU-ENGSH for more than 250 hours per year on a 12-month rolling time period basis as determined at the end of each calendar month. **(R 336.1205(1)(a) & (3), R 336.1225, R 336.1702(a), R 336.2803, R 336.2804, 40 CFR 52.21 (c) & (d))**
2. The permittee shall comply with the emission standards listed in 40 CFR Part 60, Subpart IIII as applicable. The permittee shall do the following over the life of the engine except as allowed under 40 CFR 60.4211(g):
 - a. Operate and maintain the stationary CI internal combustion engine and control device according to the manufacturer's emission-related written instructions;
 - b. Change only those emission-related settings that are permitted by the manufacturer; and
 - c. Meet the requirements of 40 CFR parts 89, 94 and/or 1068, as they apply. **(40 CFR 60.4211 (a))**
3. The permittee may operate EU-ENGSH for no more than 100 hours per 12-month rolling time period as determined at the end of each calendar month for the purpose of necessary maintenance checks and readiness testing, provided that the tests are recommended by Federal, State, or local government, the manufacturer, the vendor, or the insurance company associated with the engine. Permittee may petition the Department for approval of additional hours to be used for maintenance checks and readiness testing. A petition is not required if the owner or operator maintains records indicating that Federal, State, or local standards require maintenance and testing of emergency internal combustion engines beyond 100 hours

per year. Emergency stationary ICE may operate up to 50 hours per year in non-emergency situations, but those 50 hours are counted towards the hours per year provided for maintenance and testing. The 50 hours per year for non-emergency situations cannot be used for peak shaving or to generate income for a facility to supply power to an electric grid or otherwise supply non-emergency power as part of a financial arrangement with another entity. **(40 CFR 60.4211(f))**

4. The permittee shall install and configure EU-ENGSH according to the manufacturer's emission-related specifications and written instructions. The permittee shall operate and maintain EU-ENGSH to achieve the emission standards as required in 40 CFR 60.4205, over the entire life of the engine. **(R 336.1205(1)(a) & (3), R 336.1225, R 336.1911, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d), 40 CFR 60.4205, 40 CFR 60.4206)**

IV. DESIGN/EQUIPMENT PARAMETERS

1. The permittee shall equip and maintain EU-ENGSH with non-resettable hours meters to track the operating hours. **(R 336.1205(1)(a) & (3), R 336.1225)**
2. The nameplate capacity of EU-ENGSH shall not exceed 1,750 kW-hr, as certified by the equipment manufacturer. **(R 336.1205(1)(a) & (3))**

V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. **(R 336.1201(3))**

1. The permittee shall demonstrate compliance with NO_x, HC, CO and PM emissions standards by providing manufacturer certification that EU-ENGSH meets the emissions standards in SC I.1, I.2, I.3, and I.4, or, if the permittee does not install, configure, operate and maintain the engine and control device according to the manufacturer's emission-related written instructions, or changes emission-related settings in a way that is not permitted by the manufacturer, then the permittee shall demonstrate compliance as follows:
 - a. The permittee shall keep a maintenance plan and records of conducted maintenance and must, to the extent practicable, maintain and operate the engine in a manner consistent with good air pollution control practice for minimizing emissions.
 - b. The permittee shall conduct an initial performance test to demonstrate compliance with the applicable emission standards within 1 year of startup, or within 1 year after an engine and control device is no longer installed, configured, operated, and maintained in accordance with the manufacturer's emission-related written instructions, or within 1 year after the permittee changes emission-related settings in a way that is not permitted by the manufacturer. The permittee shall conduct subsequent performance testing every 8,760 hours of engine operation or 3 years, whichever comes first, thereafter to demonstrate compliance with the applicable emission standards.

If testing is required, no less than 60 days prior to testing, the permittee must submit a complete stack-testing plan to the AQD. The AQD must approve the final plan prior to testing. Verification of emission rates includes the submittal of a complete report of the test results to the AQD within 60 days following the last date of the test. **((R 336.2001, R 336.2003, R 336.2004, 40 CFR 60.4211(g)(3))**

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. **(R 336.1201(3))**

1. The permittee shall complete all required calculations in a format acceptable to the AQD District Supervisor by the last day of the calendar month, for the previous calendar month, unless otherwise specified in any monitoring/recordkeeping special condition. **(R 336.1205(1)(a) & (3), R 336.2803, R 336.2804, 40 CFR 52.21 (c) & (d))**

2. The permittee shall keep records to demonstrate compliance with emission standards as specified in 40 CFR 60.4205(a) according to one of the following methods:
 - a. Manufacturer certification documentation indicating that EU-ENGSH meets the applicable emission limitations contained in the federal Standards of Performance for New Stationary Sources 40 CFR Part 60 Subpart IIII. . The engine must be installed and configured according to the manufacturer's specifications.
 - b. Records of performance test results for each pollutant for a test conducted on a similar engine. The test must have been conducted using the same methods specified in this subpart and these methods must have been followed correctly.
 - c. Records of engine manufacturer data indicating compliance with the standards.
 - d. Records of control device vendor data indicating compliance with the standards.
 - e. Records of an initial performance test to demonstrate compliance with the emission standards according to the requirements specified in 40 CFR 60.4212, as applicable.

The permittee shall keep all records on file and make them available to the Department upon request.
(40 CFR 60.4211(b))

3. The permittee shall monitor and record the hours of operation of EU-ENGSH during emergencies and non-emergencies, on a monthly and 12-month rolling time period basis, in a manner acceptable to the District Supervisor, Air Quality Division. The permittee shall record the time of operation of EU-ENGSH and the reason it was in operation during that time. **(R 336.1205(1)(a) & (3), 40 CFR 60.4211(e), 40 CFR 60.4214(b))**
4. The permittee shall keep, in a satisfactory manner, fuel supplier certification records for EU-ENGSH for each delivery of the diesel fuel oil. The certification shall include the name of the oil supplier, sulfur content, and a statement that the fuel complies with the specifications under the definition of distillate oil in 40 CFR 60.41c. **(R 336.1205(1)(a) & (3), 40 CFR 80.510(b))**

VII. REPORTING

NA

VIII. STACK/VENT RESTRICTIONS

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

Stack & Vent ID	Maximum Exhaust Diameter/ Dimensions (inches)	Minimum Height Above Ground (feet)	Underlying Applicable Requirements
1. SV-ENGSH	14	9	R 336.1225, R 336.2803, R 336.2804, 40 CFR 52.21 (c) & (d)

IX. OTHER REQUIREMENTS

1. The permittee shall comply with all provisions of the federal Standards of Performance for New Stationary Sources as specified in 40 CFR Part 60 Subparts A and IIII, as they apply to EU-ENGSH. **(40 CFR Part 60 Subparts A & IIII, 40 CFR 63.6590(c)(1))**

Footnotes:

¹This condition is state only enforceable and was established pursuant to Rule 201(1)(b).

FLEXIBLE GROUP SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Flexible Group ID	Flexible Group Description	Associated Emission Unit IDs
FG-CI RICE MACT	A 1,750 kilowatts (kW) diesel-fueled emergency engine manufactured in 2006.	EU-ENGSH

FG-CI RICE MACT

FLEXIBLE GROUP CONDITIONS

New/Reconstructed CI Engines at a Major Source > 500 HP
Emergency and Limited Use

DESCRIPTION: New/Reconstructed CI Engines located at a Major Source > 500 HP, Emergency and Limited Use

Flexible Group ID: FG-CI RICE MACT

POLLUTION CONTROL EQUIPMENT: NA

I. EMISSION LIMITS

NA

II. MATERIAL LIMITS

NA

III. PROCESS/OPERATIONAL RESTRICTIONS

NA

IV. DESIGN/EQUIPMENT PARAMETERS

NA

V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. **(R 336.1201(3))**

NA

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. **(R 336.1201(3))**

NA

VII. REPORTING

1. The permittee shall submit all applicable notifications specified in 40 CFR 63.7(b) and (c), 63.8 (e), (f)(4), and (f)(6), and 63.9(b) through (e), (g), and (h) by the dates specified. **(40 CFR 63.6645(a)(3) and (f))**

VIII. STACK/VENT RESTRICTIONS

NA

IX. OTHER REQUIREMENTS

1. The permittee shall comply with all applicable provisions of the National Emission Standards for Hazardous Air Pollutants, as specified in 40 CFR, Part 63, Subpart A and Subpart ZZZZ, for Stationary Reciprocating Internal Combustion Engines. **(40 CFR 63.6595(a)(2), 40 CFR, Part 63, Subparts A and ZZZZ)**

Footnotes:

¹This condition is state only enforceable and was established pursuant to Rule 201(1)(b).

²This condition is federally enforceable and was established pursuant to Rule 201(1)(a).