



2600 WEST BIG BEAVER ROAD, SUITE 300
TROY, MI 48084-3312
TELEPHONE: 248-433-7200
FACSIMILE: 844-670-6009
<http://www.dickinsonwright.com>

ANNMARIE SANFORD
ASanford@dickinsonwright.com
248-205-3246

February 2, 2024

VIA EMAIL

Jeremy Howe
Technical Programs Unit Supervisor
Air Quality Division
Michigan Department of Environment, Great Lakes, and Energy
P.O. Box 30260
Lansing, Michigan 48909 -7760
HoweJ1@Michigan.gov

Re: Gerdau MacSteel Monroe Mill; SRN: B7061; Monroe County
January 18, 2024 Violation Notice

Dear Mr. Howe:

This letter is in response to the January 18, 2024 Violation Notice (“Notice”) sent by the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”) to our client Gerdau Macsteel (“Gerdau”) regarding its Monroe facility. According to the Notice, the relative accuracy testing audit (“RATA”) report submitted by Gerdau for testing that was conducted on November 16, 2023, indicated that the CO - CERMS had a relative accuracy (“RA”) higher than the limits specified by the applicable regulations at 40 CFR Part 60, Appendix B, Performance Specification 6. As requested by EGLE, we are providing the following information regarding this matter.

Violation Date: November 16, 2023 at approximately 3:30 pm

Cause and Duration of the Violation: During the completion of the annual RATA test, a “drift” alarm was sent from the analyzer and received by personnel on-site. The CO analyzers were observed to go out of calibration. Test rules prevented Gerdau staff from responding to the alarms or implementing any corrective measures while the test was being conducted.

An investigation of the analyzer determined that the pre-amplifier boards on the analyzer were failing, or had failed, and this resulted in the loss of calibration during the test. After the test, the service provider (Cemtek) ran a series of trials and determined that the make-up air for the system may have had elevated levels of CO, which would have biased the instrument calibration, in addition to electronic issues with the analyzer.

Jeremy Howe
February 2, 2024
Page 2

On-going Nature of the Violation: The violation is not on-going. Actions were taken upon completion of the test to bring the analyzers back into compliance, and the root cause of the failure was determined the night of the test. On the day of the test, Gerdau initiated long-term, corrective actions.

Actions Taken to Correct the Violation and Dates: Upon completion of the test on November 16, 2023, the system was purged, internal scrubbers were replaced, and a used back-up pre-amp board was installed to bring the system back into compliance. Preventative maintenance was conducted on the make-up air train to eliminate any sources of excess CO. New pre-amplifier boards were purchased in the following days and have been installed in the analyzers. System monitoring for uptime since the RATA test was conducted and was submitted to EGLE on January 31, 2024 in Gerdau's 2023 Q4 CEMS report. West stack downtime for the CO analyzer was 1.04% and east stack downtime was 1.82% in Q4 2023. Gerdau proposes to conduct a make-up RATA test on February 15, 2024. A test plan for this make-up RATA test was submitted to EGLE by RWDI on January 13, 2024. Gerdau is awaiting EGLE's acceptance of the test plan and confirmation of the make-up test date.

Prevention of a Reoccurrence: The Gerdau Monroe CEMs system is monitored and maintained daily by on-site staff electrical technicians. Any system malfunctions and alarms are sent to the operation and maintenance pulpits, as well as delivered via email to parties responsible for system monitoring and maintenance. In this case, those alarms functioned properly as the notifications were made. In addition, an authorized service provider (Cemtek [Ocean City, NJ]) is under contract to perform monthly, quarterly, and annual system checks and maintenance. Further, Gerdau is evaluating its on-site spare parts inventory, including evaluating potential equipment failure rates and incidence of failure, and any required lead times to acquire replacement parts, to ensure its spare parts inventory is adequate to address any equipment failures. Based on that evaluation, Gerdau will determine which, if any, spare parts to add to its existing inventory to prevent any re-occurrence of this matter and to timely address any future equipment needs. Finally, Gerdau site management also is determining best management practices to coordinate an analyzer swap in compliance with State of Michigan rules regarding analyzer changes. In the unlikely event a similar event were to occur in the future during routine operations, Gerdau staff would receive the system alarms, respond, troubleshoot the root cause for the event, and implement corrective actions to minimize analyzer downtime consistent with our QAP plan for the CEMS.

Gerdau remains committed to working cooperatively with EGLE to meet its regulatory obligations. If you need any additional information or have any questions regarding this matter, please contact Chris Hessler at christopher.hessler@gerdau.com.

Very truly yours,



AnnMarie Sanford

Jeremy Howe
February 2, 2024
Page 3

AS

cc: Jenine Camilleri, EGLE (via email CamilleriJ@Michigan.gov)
Daniel Mussap, Gerdau MacSteel
Chris Hessler, Gerdau MacSteel