



April 22, 2015

Ms. Katherine Koster
State of Michigan, Department of Environmental Quality
Air Quality Division, Southeast District
3058 W. Grand Blvd, Suite 2-300
Detroit, MI 48202

SENT VIA ELECTRONIC MAIL AND CERTIFIED MAIL

**SUBJECT: United States Steel Corporation – Great Lakes Works
No. 1 Argon Stir Station Baghouse
Violation Notice dated April 1, 2015**

Dear Ms. Koster,

On or about April 6, 2015, U. S. Steel – Great Lakes Works (U. S. Steel) received a violation notice (VN) dated April 1, 2015 from the Michigan Department of Environmental Quality (MDEQ) regarding the No. 1 Argon Stir Station Baghouse. In the notice, MDEQ acknowledges receipt of U. S. Steel's submittal of stack test results and alleges U. S. Steel violated conditions II.B.1.2 and II.B.2.1 of Title V Renewable Operating Permit No. 199600132d Table E-01.03 in addition to SIP CO No. 27-1993, Exhibit B, Paragraph 4. Please note U. S. Steel did not receive the VN until 5 days after the letter was dated. Within the letter, a response is requested 21 days from the date of issuance and thus is requesting a written reply on or before April 22, 2015.

U. S. Steel respectfully disagrees that any violation of condition E-01.03 II.B.2.1 occurred. An interoffice MDEQ communication included with the VN states that "BTEC calculated the lb/hr over the entire clock time, including non-operational, non sampling time. The permit limit seems to have been written for operating time." U. S. Steel disagrees with the statement that "the permit limit seems to have been written for operating time" and is unclear why this assumption would be made by the state. The Title V Renewable Operating Permit limit established in E-01.03 II.B.2.1 language states "1.4 pounds per hour". The limit does not imply pounds per operating hour. In addition, U. S. Steel has no information as to what information the Department is referring or how it "verified" the limit was not a "clock-hour" limit, as the Department at the time of the review, according to the memorandum, seems rather uncertain.

In the original permit to install, language does not reflect MDEQ's incorrect assumption that the permit limit is pounds per operating hour. Unless otherwise specified in the permit, an "hour" is the colloquial term which is a "clock hour." There is nothing in the permit itself or the permit history that would indicate that the "hour" was intended to be anything different. In a separate limit, the Department specified emissions per heat which is fundamentally different than a limit addressed as emissions per hour. Additionally, National Steel Corporation clearly identified the operation as "intermittent" in the permit application description. For this reason, since the application made it clear that the operation was intermittent, if the permit limit was intended to

Ms. Katherine Koster, MDEQ

February 23, 2015

Page 2

be per "operating hour," then the language in the permit would have so specified. However, the Department has instead used emissions that occurred in excess of an hour, to inappropriately determine compliance with an hourly limitation. The Department has not indicated why the limit expressed at E-01.03 II.B.2.1 is based on a "clock hour" and should be treated differently than the hourly limits that are otherwise throughout the permit. As such, the calculation methodology incorporated by BTEC is correct and U. S. Steel did not exceed the lb/hr limit promulgated under condition II.B.2.1 of Title V ROP 199600132d.

As MDEQ is aware, U. S. Steel reported the alleged violation of condition E-01.03 II.B.1.2 in both the semi-annual and annual reports as required under the Title V ROP reporting requirements. As stated in the semi-annual report,

"On 12/9/2014, U. S. Steel conducted a particulate matter compliance demonstration of the No. 1 Argon baghouse. Results from the compliance stack test demonstrated that emissions exiting through the No. 1 Argon baghouse stack reached 1.44 lbs/heat which is in excess of the 0.543 lbs/heat limit established by SIP No. 27-1993, Exhibit B, Paragraph 4.

Upon investigation, the cause of the compliance demonstration failure was due to two identified issues. 1.) Several baghouse bags no longer seated properly to the tube sheets and 2.) the pulse of nitrogen which is injected down each bag for cleaning purposes appeared to be weak within certain chambers. The diaphragm valve which controls the injection of the nitrogen pulse was not operating properly thus causing inefficient bag cleaning.

All diaphragm valves were rebuilt and all baghouse bags are scheduled to be replaced."

Replacement bags are on order and will be installed when received. As stated in the semi-annual report, the diaphragm valves have already been replaced.

We would be pleased to address any questions or concerns the MDEQ may have. If you have any questions regarding this matter or require additional information, please contact Alexis Piscitelli at 313-749-3900.

I certify that based off information and belief formed after reasonable inquiry, the information provided in this response is true and correct to the best of my knowledge and information.

Sincerely,



James Gray
General Manager
U. S. Steel – Great Lakes Works



Alexis Piscitelli
Director, Environmental Control
U. S. Steel – Great Lakes Works