

AK Steel Corporation

4001 Miller Road
Dearborn, MI 48121-1699

TELEPHONE (313) 845-3217

James E. Earl

Environmental Affairs Manager
Dearborn Works

May 24, 2017

Ms. Katherine Koster
Senior Environmental Engineer
Air Quality Division
Detroit District Office
Cadillac Place, Suite 2-300
3058 West Grand Blvd
Detroit, MI 48202



Subject: Response of Violation Notice dated May 5, 2017
AK Steel Dearborn Facility
4001 Miller Road
Dearborn, Michigan 48120-1699
SRN: A8640, Wayne County

Dear Ms. Koster:

AK Steel Dearborn Works (AK Steel) provides this response letter to address the alleged violation identified in MDEQ's violation notice dated May 5, 2017. Set forth below is a response to the information required by the Violation Notice.



The Violation Notice requested a response on the following items:

The dates the violation occurred.

Water was not used when runway slag was placed outside on the temporary stockpile on the following dates:

November 7, 2016 – 1 occurrence
November 30, 2016 – 3 occurrences
December 5, 2016 – 1 occurrence
December 15, 2016 – 1 occurrence
January 13, 2017 – 1 occurrence
January 16, 2017 – 2 occurrences

An explanation of the causes and duration of the violation.

The root cause of these activities was that our slag contractor, Edw. C. Levy Co. (Levy), that performs the runway slag digging, did not follow their Runway Slag Fugitive Dust Control Procedure. The procedure states that water must be used every time runway slag is placed on the outside temporary pile or transferred from the outside pile to a storage pile that is inside the BOF building. Each runway slag digging event includes approximately 5 minutes of actual time of placing slag in the temporary slag pile. For the 9 occurrences, the total duration of the violation was approximately 45 minutes. There have been no further incidents of not using water since January 16, 2017.

Whether the violation is ongoing.

The alleged violation is not ongoing.

A summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place.

As noted above, the alleged violation is not ongoing, thus it has already been "corrected."

What steps are being taken to prevent a reoccurrence.

Levy was asked to provide a response as to why these events took place. They stated that "the incidents occurred due to a conflicting interpretation by the contractor employees (Levy) to adhere to strict compliance with the runway slag procedure versus safe operation of the equipment, in winter conditions." AK Steel acknowledges that safety concerns were a factor for some of the violations. However, AK Steel believes that the primary root cause was simply Levy's failure to follow and enforce their own work practices.

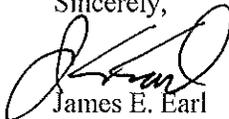
Levy's procedure, which was in place during all nine occurrences, stated that "*The runway slag temporary stockpile Dust Bosses shall be turned on prior to the placing or removing any runway slag from the temporary stockpile, and shall remain on until all activity at the stockpile has ceased. If the dust bosses are not operating properly, the loader operator shall immediately notify the Melt Shop supervisor and Levy's Plant Manager, and implement Alternate Runway Slag Digging Procedure 4.2.3, see below.*" On all nine occasions, the Levy operator notified neither the Melt Shop supervisor nor the Levy Plant Manager.

As corrective action, an environmental contact was issued to Levy management and employees immediately after the violations were identified that explained the precise steps to take if the atomized mist technology could not be used. The contact was signed off on by Levy management and all Levy employees involved with runway slag digging activities. Levy finalized modifications to its Runway Slag Fugitive Dust Control Procedure on January 24, 2017. The modified procedure clarified the steps to be taken when the atomized mist system is not operating properly. The steps included an immediate notification to Levy and AK Steel Environmental Affairs. In addition, a requirement to review the runway slag digging logs on a weekly basis has been incorporated into the modified Levy procedure to ensure that instances such as these are identified and corrected in a timely manner.

AK Steel has also updated its internal procedures on runway slag handling to ensure that BOF management is aware of the options available to Levy when digging the runway slag. In addition, refresher training was conducted with BOF Management on all aspects of the 2015 Consent Decree affecting the BOF.

If you have any questions regarding the provided information or require additional information, please contact me at 313-845-3217.

Sincerely,



James E. Earl
Environmental Affairs Manager
AK Steel Dearborn Works

cc. N. Kohlhas
E. Marshall
D. Miracle
D. Pate