



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
DETROIT FIELD OFFICE



DAN WYANT
DIRECTOR

April 15, 2014

Mr. Ron Kostyo, Vice President and General Manager
Severstal Dearborn, LLC
14661 Rotunda Dr.
P.O. Box 1699
Dearborn, MI 48120-1699

SRN: A8640, Wayne County

Dear Mr. Kostyo:

VIOLATION NOTICE

On March 15, 2014 the Department of Environmental Quality (DEQ), Air Quality Division (AQD), received the semi annual and annual Title V deviation and Integrated Iron and Steel MACT compliance reports for July – December 2013 and January – December 2013 for Severstal Dearborn LLC located at 4001 Miller Road, Dearborn, MI. AQD staff subsequently reviewed the reports. The purpose of this review was to determine Severstal's compliance status with the requirements of the Federal Clean Air Act; Article II, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the administrative rules; and the conditions of ROP No. 199700004.

Based on the review, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
No. 1 Ladle Refining Facility (EGLADLEREFINE1)	Table E-01.05, Condition III.A.2, ROP No. 199700004, Section 1	Failure to initiate appropriate maintenance activity when baghouse pressure drop falls outside of the normal operating range.
No. 2 Ladle Refining Facility (EGLADLEREFINE2)	Table E-01.11, Condition III.A.2, ROP No. 199700004, Section 1	Failure to initiate appropriate maintenance activity when baghouse pressure drop falls outside of the normal operating range.
C Blast Furnace Casthouse (EGCBFCASTHOUSE)	Table F-01.01, Condition III.A.2.2, ROP No. 199700004, Section 1 40 CFR 63.7830(b), 40 CFR 63.7834(a)	Failure to perform all required inspections and preventative maintenance on the C furnace baghouse and associated capture system as prescribed in the Integrated Iron and Steel

		MACT (40 CFR Part 63 Subpart FFFFF) for January – December 2013.
C Blast Furnace Casthouse (EGCBFCASTHOUSE)	Table E-01.02, Condition VI.1, ROP No. 199700004, Section 1 40 CFR 63.7834(a), 40 CFR 63.7842(d), 40 CFR 63.7843(a)	Failure to maintain records to demonstrate continuous compliance with the operation and maintenance requirements in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF) for January – December 2013.
C Blast Furnace Casthouse (EGCBFCASTHOUSE)	Rule 336.1910	Failure to properly maintain and operate the C furnace baghouse and associated capture system based on failure to perform preventative maintenance and inspections at the frequencies required in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF) for January – December 2013.
C Blast Furnace Casthouse (EGCBFCASTHOUSE)	40 CFR 63.7800(b)(3) 40 CFR 63.7833(b)(1)	Failure to meet operating limits for the C furnace baghouse capture system for the dampers and fan amps as specified in the MACT O&M plan for January – December 2013.
Basic Oxygen Furnace – Electrostatic Precipitator (EGBOF)	Table E-01.04, Condition III.A.3.6, ROP No. 199700004, Section 1 Table E-01.04, Condition V.11, ROP No. 199700004, Section 1 40 CFR 63.7800(b), 40 CFR 63.7834(a)	Failure to perform all required inspections and preventative maintenance on the ESP and associated capture system as prescribed in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF) for July – December 2013.

<p>Basic Oxygen Furnace – Electrostatic Precipitator (EGBOF)</p>	<p>Table E-01.04, Condition III.A.3.7, ROP No. 199700004, Section 1</p> <p>40 CFR 63.7834(a), 40 CFR 63.7842(d)</p>	<p>Failure to maintain records to demonstrate continuous compliance with the operation and maintenance requirements in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF) for July – December 2013.</p>
<p>Basic Oxygen Furnace – Electrostatic Precipitator (EGBOF)</p>	<p>Table E-01.04, Condition V.1, ROP No. 199700004, Section 1</p> <p>Rule 336.1910</p>	<p>Failure to properly maintain and operate the ESP and associated capture system based on failure to perform preventative maintenance and inspections at the frequencies required in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF).</p>
<p>Basic Oxygen Furnace – Electrostatic Precipitator (EGBOF)</p>	<p>General Condition A-2, ROP No. 199700004, Section 1</p>	<p>ESP COMS data indicated 221 six minute average periods that exceeded 20% opacity that were not attributable to steam interference from January – December 2013.</p>
<p>Basic Oxygen Furnace – Secondary Baghouse (EGBOF)</p>	<p>Table E-01.04, Condition V.11, ROP No. 199700004, Section 1</p> <p>40 CFR 63.7830(b), 40 CFR 63.7834(a)</p>	<p>Failure to perform all required inspections and preventative maintenance on the BOF secondary baghouse and associated capture system as prescribed in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF) for January – December 2013.</p>
<p>Basic Oxygen Furnace – Electrostatic Precipitator (EGBOF)</p>	<p>Table E-01.04, Condition III.A.2.2, ROP No. 199700004, Section 1</p> <p>Table E-01.04, Condition V.7, ROP No. 199700004, Section 1</p>	<p>Failure to conduct COMS quarterly maintenance for the 3rd quarter of 2013.</p>

	40 CFR 63.7831(h)	
Basic Oxygen Furnace – Secondary Baghouse (EGBOF)	Table E-01.04, Condition III.A.3.7, ROP No. 199700004, Section 1 40 CFR 63.7834(a), 40 CFR 63.7842(d)	Failure to maintain records to demonstrate continuous compliance with the operation and maintenance requirements in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF) for January – December 2013.
Basic Oxygen Furnace – Secondary Baghouse (EGBOF)	Rule 336.1910	Failure to properly maintain and operate the BOF secondary baghouse and associated capture system based on failure to perform preventative maintenance and inspections at the frequencies required in the Integrated Iron and Steel MACT (40 CFR Part 63 Subpart FFFFF).
Basic Oxygen Furnace – Secondary Baghouse (EGBOF)	Table E-01.04, Condition V.11, ROP No. 199700004, Section 1 40 CFR 63.7800(b)(3) 40 CFR 63.7833(b)(1)	Failure to meet operating limits for the BOF secondary baghouse capture system for the dampers and fan speeds as specified in the MACT O&M plan.
Sourcewide Requirements	B-1 Sourcewide Conditions, II.B	Multiple exceedances of the 20% 3 minute average opacity limit for fugitive dust when beaching iron.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by May 6, 2014 (which coincides with 21 calendar days from the date of this letter). The written response should include: the date the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

Please provide updated MACT O&M plans for the BOF shop and the C Blast Furnace with your response. Also, the capture system operating limits set through the O&M plans for the BOF shop and C Blast Furnace seem to be in a constant state of flux. Please be reminded that the Integrated Iron and Steel MACT (40 CFR Part 63, Subpart

Mr. Ron Kostyo
Page 5
April 15, 2014

FFFFF), 40 CFR Part 63.7824(c), requires the following if the operating limits for a capture system are changed:

- "... (1) Submit a written notification to the Administrator of your request to conduct a new performance test to revise the operating limit.
- (2) Conduct a performance test to demonstrate compliance with the applicable emission limitation in Table 1 to this subpart.
- (3) Establish revised operating limits according to the applicable procedures in paragraphs (a) and (b) of this section for a control device or capture system."

As such, your response should include Severstal's plan to comply with this requirement.

As a matter of clarification, beaching is a fugitive dust emissions source and therefore regulated under Act 451, Section 324.5524. The associated visible emission limits are based on a 3 minute average, as opposed to a 6 minute average as reported in the deviation reports. Please include Severstal's SOP for beaching with your response.

If Severstal believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violations cited above. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Katherine Koster
Senior Environmental Engineer
Air Quality Division
313-456-4678

cc: Mr. Jason Pond, Severstal
Mr. James Earl, Severstal
Mr. Marty Szymanski, Severstal
cc via email: Ms. Lynn Fiedler, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ
Ms. Wilhemina McLemore, DEQ