



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
DETROIT



DAN WYANT
DIRECTOR

September 2, 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 August 14, 2014, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an investigation into complaints of fugitive emissions attributed to operations at Severstal located at 4001 Miller Road, Dearborn, Michigan. The purpose of this investigation was to determine Severstal's compliance with the requirements of the federal Clean Air Act; 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 the conditions of Renewable Operating Permit (ROP) number 199700004.

During the investigation, it was determined that the emissions were produced as a result of the beaching of molten iron, causing large plumes of particulate emissions to be released, uncontrolled, into the ambient air. Based on this information, AQD staff is citing the following violation:

Process Description	Rule/Permit Condition Violated	Comments
Integrated Iron and Steel Manufacturing	R 336.1912 (1)	Failure to use good air pollution control practices to minimize emissions during the beaching of molten iron.

R 336.1912 (1) states the following:

“R 336.1912 Abnormal conditions, start-up, shutdown, and malfunction of a source, process, or process equipment, operating, notification, and reporting requirements.

Rule 912. (1) The owner or operator of a source, process, or process equipment shall, to the extent reasonably possible, operate a source, process, or process equipment in a manner consistent with good air pollution control practices for minimizing emissions during periods of abnormal conditions, start-up, shutdown, A source, process, or process equipment that complies with all applicable emission standards and limitations during periods of abnormal conditions, start-up, shutdown, and malfunction shall be presumed to have been operated in a manner consistent with good air pollution control practices for minimizing emissions.”

Based on the explanation provided by Severstal and photographic evidence of the incident, AQD has determined that Severstal failed to adequately minimize emissions during this beaching event, as required per Rule 912(1).

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by September 23, 2014 (which coincides with 21 calendar days from the date of this letter). The written response should include, at a minimum, the following information:

1. Reason or cause of the beaching
2. Location of the beaching
3. Amount of metal beached
4. The time the beaching occurred (start and end times)
5. If visible readings were taken, please provide copies. If readings were not taken, provide an explanation why visible emission readings were not performed.
6. Summary of actions taken to reduce emissions during beaching and actions taken to prevent or reduce reoccurrence of beaching events.

In addition, AQD is requesting that Severstal to submit a Malfunction Abatement Plan to include procedures for beaching to minimize emissions, per R 336.1911, which reads:

"R 336.1911 Malfunction abatement plans.

Rule 911.

(1) Upon request of the department, a person responsible for the operation of a source of an air contaminant shall prepare a malfunction abatement plan to prevent, detect, and correct malfunctions or equipment failures resulting in emissions exceeding any applicable emission limitation.

(2) A malfunction abatement plan required by subrule (1) of this rule shall be in writing and shall, at a minimum, specify all of the following:

(a) A complete preventative maintenance program, including identification of the supervisory personnel responsible for overseeing the inspection, maintenance, and repair of air-cleaning devices, a description of the items or conditions that shall be inspected, the frequency of the inspections or repairs, and an identification of the major replacement parts that shall be maintained in inventory for quick replacement.

(b) An identification of the source and air-cleaning device operating variables that shall be monitored to detect a malfunction or failure, the normal operating range of these variables, and a description of the method of monitoring or surveillance procedures.

(c) A description of the corrective procedures or operational changes that shall be taken in the event of a malfunction or failure to achieve compliance with the applicable emission limits.

Mr. Ron Kostyo
Page 3
September 2, 2014

(3) A malfunction abatement plan required by subrule (1) of this rule shall be submitted to the department and shall be subject to review and approval by the department. If, in the opinion of the commission, the plan does not adequately carry out the objectives as set forth in subrules (1) and (2) of this rule, then the department may disapprove the plan, state its reasons for disapproval, and order the preparation of an amended plan within the time period specified in the order. If, within the time period specified in the order, an amended plan is submitted which, in the opinion of the department, fails to meet the objective, then the department, on its own initiative, may act to cause it to meet the objective.

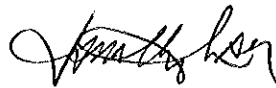
(4) Within 180 days after the department approves a malfunction abatement plan, a person responsible for the preparation of a malfunction abatement plan shall implement the malfunction abatement plan required by subrule (1) of this rule."

Please submit this Malfunction Abatement Plan for AQD District Supervisor approval by October 17, 2014, which coincides with 45 days from the date of this letter.

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 violation cited above. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Jonathan Lamb
Senior Environmental Quality Analyst
Air Quality Division
313-456-4683

cc: Mr. James Earl, Severstal
Mr. Jason Dearth, Severstal
Mr. Marty Szymanski, Severstal
Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ
Ms. Wilhemina McLemore, DEQ
Mr. Jeff Korniski, DEQ
Ms. Katherine Koster, DEQ
Mr. Mike Kovalchick, DEQ
Mr. Neil Gordon, AG