



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
DETROIT DISTRICT OFFICE



LIESL EICHLER CLARK
DIRECTOR

January 5, 2021

Mr. LaDale Combs, General Manager
AK Steel Dearborn Works
4001 Miller Road
Dearborn, Michigan 48121-1699

SRN: A8640, Wayne County

Dear Mr. Combs:

VIOLATION NOTICE

On November 30, 2020, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), completed review of the quarterly continuous opacity monitoring system (COMS) opacity report for the basic oxygen furnace (BOF) electrostatic precipitator (ESP) for the 3rd quarter of 2020 for AK Steel Dearborn Works (AK Steel hereafter) located at 4001 Miller Road, Dearborn, Michigan. The report was received on October 30, 2020. Staff reviewed the report to determine AK Steel'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 Air Pollution Control Rules; and Renewable Operating Permit (ROP) number MI-ROP-A8640-2016a.

Based on the quarterly COMS opacity reports, including the 3rd quarter 2020 report, the following air pollution violations were observed:

| Process Description | Rule/Permit Condition Violated | Comments |
|---------------------|---|--|
| EUBOF | ROP No. MI-ROP-A8640-2016a, Section 1, General Condition (GC) 11; R 336.1301(1)(a) | The quarterly COMS opacity report for the 3 rd quarter of 2020 contained 29 exceedances of the 20% 6 minute average opacity limit at the ESP stack. |

| | | |
|-------|--|--|
| EUBOF | ROP No. MI-ROP-A8640-2016a, Section 1, EUBOF, SC IV.1; R 336.1910 | The ESP has ongoing exceedances of the 20% 6 minute average opacity limit as measured and recorded by the COMS. This is a failure to operate and maintain the air cleaning device in a satisfactory manner and in accordance with the rules and existing law. |
| EUBOF | ROP No. MI-ROP- A8640-2016a, Section 1, GCs 19, 21, and 23; R 336.1213(3)(c); R 336.1213(4)(c) | From the 4 th quarter of 2015 through the 1 st quarter of 2020, each quarterly COMS opacity report contains exceedances of the 20% 6-minute average opacity limit from the ESP stack yet these exceedances are not identified as deviations in the semi-annual and annual ROP certifications. This is a failure by the Responsible Official to accurately and completely report deviations which should have been reported. |

R 336.1301(1)(a) and ROP No. MI-ROP-A8640-2016a, Section 1, GC 11 state, in part, that a person “shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of a density greater than the most stringent of the following: a 6-minute average of 20% opacity, except for one 6-minute average per hour of not more than 27% opacity.”

AK Steel is required to maintain and operate a COMS in the ESP stack. Per Consent Decree Civil Action No. 15-cv-11804, VI.B.20, AK Steel is required to submit quarterly COMS data reports. Reports include each instance in which the 6-minute block average reading of opacity by the COMS exceeds 20%. For the 3rd quarter of 2020, after correcting for the exception allowed within R 336.1301(1)(a): “one 6 minute average per hour of not more than 27% opacity” and excluding calibration checks, there were 29 exceedances reported. Each of these exceedances is a violation of R 336.1301(1)(a) and ROP No. MI-ROP-A8640-2016a, Section 1, GC 11. It should be noted that the BOF and ESP were not in operation until July 27, 2020 of the third quarter.

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ROP No. MI-ROP-A8640-2016a, Section 1, EUBOF, SC IV.1 requires that the permittee shall not operate EUBOF unless the ESP is installed and operating properly. Similarly, R 336.1910 requires that an air-cleaning device be installed, maintained, and operated in a satisfactory manner and in accordance with the AQD rules and existing law. The ESP is an air-cleaning device. Based on the continuing opacity exceedances, the ESP is not being maintained and operated in a satisfactory manner. As such, AK Steel is in violation of MI-ROP-A8640-2016a, Section 1, EUBOF, SC IV.1, and R 336.1910.

Furthermore, COMS measurements are a direct compliance method for opacity as allowed in R 336.1303 and in the Integrated Iron and Steel MACT. As such, the opacity exceedances as measured by COMS represent violations which are deviations from the ROP requirements. AQD rules R 336.1213(3)(c) and R 336.1213(4)(c) require the reporting of deviations not less than once every 6 months, and annually, and the report to be certified by the facility's responsible official for its truth, accuracy, and completeness after reasonable inquiry. These requirements are also incorporated into the ROP at GCs 19, 21, and 23. None of the exceedances identified in the quarterly COMS reports, starting in the 4th quarter of 2015 through the 1st quarter of 2020 are included in the semi-annual or annual deviation reports. Therefore, the AQD concludes the Responsible Official failed to submit accurate and complete reports.

Notwithstanding this position, at a minimum, COMS opacity exceedances represent credible evidence and "any other material information" as referenced in 40 CFR 70.6(c)(5)(iii)(B) that are required to be assessed through reasonable inquiry when certifying compliance on a semi-annual and annual basis. However, in each instance where the COMS recorded an opacity exceedance and the facility subsequently determined that the exceedance was not cause by steam interference, the facility failed to take any further action to determine the BOF ESP's compliance with Rule 336.1301. Due to the failure to perform reasonable inquiry, each exceedance represents a violation of Rule 336.1301(1)(a) and should have been reported in the semi-annual and annual deviation reports. Therefore, in this scenario, the AQD also concludes that the Responsible Official failed to submit accurate and complete reports.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by January 26, 2021 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates 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.

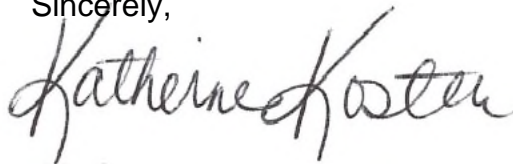
Please submit the written response to EGLE, AQD, Detroit District, at 3058 West Grand Boulevard, Suite 2-300, Detroit, Michigan 48202 and submit a copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

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If AK Steel 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,

A handwritten signature in black ink that reads "Katherine Koster". The signature is written in a cursive, flowing style.

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

cc: Ms. Mary Ann Dolehanty, EGLE
Dr. Eduardo Olaguer, EGLE
Mr. Christopher Ethridge, EGLE
Ms. Jenine Camilleri, EGLE
Dr. April Wendling, EGLE
Mr. Jeff Korniski, EGLE
Mr. Jonathan Lamb, EGLE