

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection

N167536983

FACILITY: Tube City IMS, LLC		SRN / ID: N1675
LOCATION: 3000 E FRONT ST, MONROE		DISTRICT: Jackson
CITY: MONROE		COUNTY: MONROE
CONTACT: Neal Halle , Site Manager, Mill Services Group		ACTIVITY DATE: 09/26/2016
STAFF: Eric Grinstern	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: Unannounced Inspection		
RESOLVED COMPLAINTS:		

AQD Staff consisting of Scott Miller and Eric Grinstern, along with Craig Metzger, Environmental Manager-Gerdau Monroe Mill met with the Site Manager, Neal Halle and Ty Reynolds.

TC is located adjacent to Gerdau on property owned by Gerdau. TC processes Gerdau's slag, busts up skulls, and torch cuts non-spec. metal bundles, bars and billets. Last year it was determined that TC and Gerdau meet the criteria for being one stationary source. In the current Proposed ROP, TC's operations are addressed in Section 2.

TC processes the slag received from Gerdau through a metal recovery plant that removes the metal and sorts the slag into three sizes. The slag is sorted via shaker screens and conveyed to storage piles. TC does not conduct any slag crushing. The slag is sold as aggregate as well as some being used for the onsite roadways. The recovered metal goes back to Gerdau for re-melting. At the time of the inspection, no slag processing was being conducted since Gerdau was not operating due to the furnace being shut down.

The slag processing operation is permitted via PTI No. 537-89A. The permit conditions limit VE from the process and roads as well as storage piles. Additionally, the permit requires a program for fugitive dust control. No fugitive dust issues were observed while onsite, however it had been raining most of the day.

Skull busting is conducted with a crane and ball drop system to reduce the skull into pieces small enough to be charged into Gerdau's furnace. Staff did not observe skull busting while on-site.

TC conducts torch cutting of non-spec. metal bundles, bars, billets, as well as large skulls from Gerdau. TC operates hand held portable torches and one rail mounted torch cutter. The non-spec. metal is cut into pieces small enough to be recharged to the EAF at Gerdau. The only torch cutting being conducted at the time of the inspection was with a hand held portable torch. The rail mounted cutter had been installed since the last inspection. The facility previously had two small rail mounted units. The new unit has four large steel beds that are 43 inches off the ground on which the material to be cut is placed. The unit has four cutting torches that are remotely controlled. The facility explained that the new system improves safety and reduces smoke.

The previous rail mounted torch cutting processes had been determined by a previous AQD inspector to be exempt from permitting under Rule 285(I)(vi)(A):

(vi) Equipment for carving, cutting, routing, turning, drilling, machining, sawing, surface grinding, sanding, planing, buffing, sand blast cleaning, shot blasting, shot peening, or polishing ceramic artwork, leather, metals, graphite, plastics, concrete, rubber, paper stock, wood, or wood products which meets any of the following:

(A) Equipment used on a nonproduction basis.

Since Tube City and Gerdau are now classified as one stationary source, staff re-evaluated the torch cutting process, and whether it is used on a "nonproduction basis". Tube City cuts the non-spec. metal bundles, bars, billets, as well as large skulls produced by Gerdau Monroe on a regular basis. Gerdau produces the material, Tube City cuts the material and then Gerdau charges the arc furnace with the material to produce steel. Therefore, based on the two companies being one stationary source, the frequency that the torch cutting process is used, and the torch cutting

processes direct link to the production of steel at Gerdau, the process does not appear to meet the portion of the exemption of being used on a nonproduction basis. Tube City has been instructed to apply for a permit to install for the process.

NAME Scott Miller for Eric Ginstern

DATE 9/29/16

SUPERVISOR [Signature]