



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAR 5 2013

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James E. Earl
Manager, Environmental Engineering
Severstal Dearborn, LLC
14661 Rotunda Drive
P.O. Box 1699
Dearborn, Michigan 48120-1699

Re: Notice of Violation/Finding of Violation
Severstal Dearborn, LLC

Dear Mr. Earl:

The U.S. Environmental Protection Agency is issuing the enclosed Notice of Violation/Finding of Violation (NOV/FOV) to Severstal Dearborn, LLC (you). We find that you have violated the Michigan State Implementation Plan (SIP) and your Title V operating permit at your Dearborn, Michigan facility.

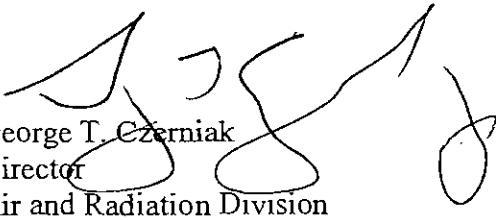
We have several enforcement options under Section 113(a)(1) and (a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(1) and (a)(3). These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific violations, the efforts you have taken to comply, and the steps you will take to prevent future violations.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Patrick Miller. You may call him at (312) 886-4044 to request a conference. You should make the request as soon as possible, but no later than 10 calendar days after you receive this letter. We should hold any conference within 30 calendar days of your receipt of this letter.

Sincerely yours,



George T. Czerniak
Director
Air and Radiation Division

Enclosure

cc: Christopher Ethridge, Acting District Supervisor
Michigan Department of Environmental Quality

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

Severstal Dearborn, LLC
Dearborn, Michigan

)
)
) Proceeding Pursuant to Section 113(a)(1)
) and (a)(3) of the Clean Air Act,
) 42 U.S.C. § 7413(a)(1) and (a)(3).
)
)
)
)
)

EPA-5-13-MI-06

NOTICE OF VIOLATION AND FINDING OF VIOLATION

The U.S. Environmental Protection Agency is issuing this Notice of Violation and Finding of Violation (NOV/FOV or Notice) to Severstal Dearborn, LLC (Severstal), for violations of the Clean Air Act (the Act or CAA), 42 U.S.C. § 7401 *et seq.*, at its facility located at 3001 Miller Road, Dearborn, Michigan.

This Notice is issued pursuant to Section 113(a)(1) and (a)(3) of the Act, 42 U.S.C. § 7413(a)(1) and (a)(3). The authority to issue this Notice has been delegated to the Director, Air and Radiation Division, Region 5.

STATUTORY AND REGULATORY BACKGROUND

Michigan State Implementation Plan

1. Section 110 of the Act, 42 U.S.C. § 7410, requires each state to adopt and submit to EPA a plan that provides for the implementation, maintenance, and enforcement of primary and secondary National Ambient Air Quality Standards in the state. Upon approval by EPA, the plan becomes part of the applicable State Implementation Plan (SIP) for the state.

2. EPA approved Rule 336.1301 as part of the federally enforceable SIP for Michigan on June 11, 1992. The rule became effective on July 13, 1992. 57 *Fed. Reg.* 24752. A revised Michigan Rule 336.1301 was approved by EPA on June 1, 2006 and became effective as a SIP revision on July 3, 2006. 71 *Fed. Reg.* 31093.

3. Rule 336.1301(1) provides 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: (a) a 6-minute average of 20% opacity, except for 1 6-minute average per hour of not more than 27% opacity; (b) a limit specified by an applicable federal new source performance standard; or (c) a limit specified as a condition of a permit-to-install or permit-to-operate.

Title V Requirements and Severstal's Title V Permit

4. Title V of the Act, 42 U.S.C §§ 7661a-7661f, establishes an operating permit program for certain sources, including "major sources." Pursuant to Section 502(b) of the Act, 42 U.S.C.

§ 7661a(b), on July 21, 1992, EPA promulgated regulations establishing the minimum elements of a permit program to be administered by any air pollution control agency. 57 Fed. Reg. 32295. These regulations are codified at 40 C.F.R. Part 70.

5. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), provides that, after the effective date of any permit program approved or promulgated under Title V of the Act, it shall be unlawful for any person to violate any requirement of a permit issued under Title V.

6. 40 C.F.R. § 70.2 defines “major source,” in part, as any stationary source belonging to a single major industrial grouping and that directly emits or has the potential to emit greater than 100 tons per year (tpy) of any criteria air pollutant, 10 tpy of a single hazardous air pollutant (HAP), or 25 tpy of all HAP combined.

7. 40 C.F.R. § 70.7(b) provides that no source subject to Title V may operate the source except in compliance with a Title V permit.

8. 40 C.F.R. § 70.6(b)(1) provides that Title V permits are federally enforceable and that all terms and conditions in a Title V permit are enforceable by EPA.

9. EPA granted interim approval of the Michigan Title V program on January 10, 1997. 62 Fed. Reg. 1387 (effective on February 10, 1997). EPA fully approved the Michigan Title V program on December 4, 2001. 66 Fed. Reg. 62949 (effective on November 30, 2001). The Michigan regulations governing the Title V permit program, also known as the “renewable operating permit program,” are codified at Rule 336.1210 through Rule 336.1219.

10. Rule 336.1210 provides that a person shall not operate any emission units located at a stationary source subject to Title V, except in compliance with all applicable terms and terms of a Title V permit.

11. Michigan Department of Environmental Quality (MDEQ) issued Renewable Operating Permit (Title V permit) No. 199700004 to Severstal with an effective date of October 18, 2004. On February 1, 2013, MDEQ and Severstal entered into an extension agreement, which required Severstal to submit a revised permit application to MDEQ. Under Rule 336.1217(1)(a) and General Condition 33 of Severstal’s Title V permit, Severstal’s existing Title V permit does not expire until MDEQ takes final action on Severstal’s revised permit application.

12. General Condition 2(a) of Severstal’s Title V permit establishes a 6-minute average opacity limit of 20%, except for one 6-minute average per hour of not more than 27% opacity, for the basic oxygen furnace (BOF) and the BOF electrostatic precipitator (ESP).

FACTUAL BACKGROUND

13. Severstal owns and operates an integrated steel mill at 3001 Miller Road, Dearborn, Wayne County, Michigan (facility).

14. Severstal emits or has the potential to emit greater than 100 tpy of criteria air pollutants, 10 tpy of a single HAP, or 25 tpy of all HAP combined, and is therefore a major source subject to Title V.

15. Severstal owns and operates, among other things, a BOF, an ESP for capturing and controlling emissions from the BOF, and a continuous opacity monitoring system (COMS) measuring the opacity of emissions exiting the BOF ESP stack.

16. The BOF and BOF ESP are process or process equipment subject to the limit of a 6-minute average of 20% opacity, except for 1 6-minute average per hour of not more than 27% opacity, at Michigan SIP Rule 336.1301.

17. On May 8, 2012, EPA issued a CAA Section 114 information request to Severstal. The information request required Severstal, using the COMS, to monitor, record and report six-minute average opacity emissions exiting the BOF ESP stack for a 90 day period. Severstal responded to EPA's request, providing six-minute opacity averages from the BOF ESP stack using the COMS. Severstal submitted the data in three monthly reports, which EPA received on the following dates: July 30, 2012; August 27, 2012; and October 10, 2012.

18. Based on the information Severstal submitted to EPA, from June 14, 2012 through September 12, 2012, there were 1,660 exceedances of the 20% opacity limit, as six-minute averages, excluding one six-minute average per hour of not more than 27% opacity, from emissions exiting the BOF ESP stack.

NOTICE AND FINDING OF VIOLATIONS

19. On 1,660 occasions from June 14, 2012 through September 12, 2012, Severstal caused or permitted to be discharged into the outer air from the BOF through the ESP stack, a visible emission of a density greater than a six-minute average of 20% opacity, excluding one six-minute average per hour of not more than 27% opacity, in violation of Michigan SIP Rule 336.1301 and General Condition 2(a) of Severstal's Title V permit.

ENFORCEMENT AUTHORITY

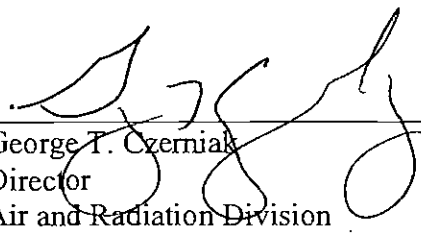
20. Sections 113(a)(1) and (a)(3) of the Act, 42 U.S.C. § 7413(a)(1) and (a)(3), provide that EPA may issue an administrative penalty order pursuant to Section 113(d), 42 U.S.C. § 7413(d), or bring a civil action pursuant to Section 113(b), 42 U.S.C. § 7413(b), for injunctive relief and/or civil penalties whenever, on the basis of any information available to EPA, EPA finds that any person has violated or is in violation of a requirement or prohibition of, among others, an applicable implementation plan or permit under Title I or Title V of the Act, or any rule promulgated, issued or approved under Title I or Title V of the Act.

ENVIRONMENTAL IMPACT OF VIOLATIONS

21. Violations of opacity standards increases public exposure to unhealthy particulate matter. Particulate matter, especially fine particulate, contributes to respiratory problems, lung damage and premature deaths.

Date

3/5/13


George T. Czerniak
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Notice of Violation, No. EPA-5-13-MI-06, by

Certified Mail, Return Receipt Requested, to:

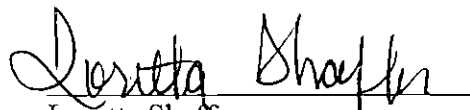
James E. Earl
Manager, Environmental Engineering
Severstal Dearborn, LLC
14661 Rotunda Drive
P.O. Box 1699
Dearborn, Michigan 48120-1699

I also certify that I sent copies of the Notice and Finding of Violation by first class mail to:

Thomas Hess
Enforcement Unit Chief
Michigan Department of Environmental Quality
Air Quality Division
P.O. Box 30260
Lansing, Michigan 48909

Christopher Ethridge
Acting District Supervisor
Michigan Department of Environmental Quality
Southeast Michigan District Office
Air Quality Division
27700 Donald Court
Warren, Michigan 48092-2793

on the 6 day of Mar, 2013.



Loretta Shaffer
Administrative Program Assistant
Planning and Administration Section

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7674 1156