

US EPA ARCHIVE DOCUMENT

voestalpine Texas, LLC
Portland DRI/HBI Production Plant
Prevention of Significant Deterioration Permit for Greenhouse Gas Emissions
PSD-TX-1344-GHG

Basis of Decision for Issuance of PSD-TX-1344-GHG

Supplement to the Statement of Basis

U.S. Environmental Protection Agency
June 13, 2014

Summary of the Formal Public Participation Process

The U.S. Environmental Protection Agency, Region 6 (EPA) proposed to issue a Prevention of Significant Deterioration (PSD) permit to voestalpine Texas LLC on April 22, 2014. The public comment period on the draft permit began April 24, 2014 and closed on May 27, 2014. EPA announced the public comment period through a public notice published in the *Portland Times* on March 24, 2014 and on Region 6's website. EPA also notified agencies and municipalities on March 24, 2014 in accordance with 40 CFR Part 124.

The Administrative Record for the draft permit was made available at EPA Region 6's office. EPA also made the draft permit, Statement of Basis and other supporting documentation available on Region 6's website, and available for viewing at the Bell Whittington Public Library in Portland, TX

EPA's public notice for the draft permit also provided the public with notice of the public hearing. The public notice stated that "Any request for a public hearing must be received by the EPA either by email or mail by May 16, 2014, and must state the nature of the issues proposed to be raised in the hearing...EPA maintains the right to cancel a public hearing if no request for a public hearing is received by May 16, 2014, or the EPA determines that there is not a significant interest. If the public hearing is cancelled, notification of the cancellation will be posted by May 19, 2014 on the EPA's Website <http://yosemite.epa.gov/r6/Apermit.nsf/AirP>. Individuals may also call the EPA at the contact number listed above to determine if the public hearing has been cancelled." EPA did not receive any written comments concerning the draft permit during the comment period, and did not receive any written requests for a public hearing. EPA posted its announcement that there would not be a hearing on May 19, 2014.

Revisions in Final Permit

The following is a list of administrative and clarifying changes for the *voestalpine Texas, LLC (PSD-TX-1344-GHG) Prevention of Significant Deterioration Permit, Final Permit Conditions*.

1) Cover Sheet

The cover sheet titled "Prevention of Significant Deterioration Permit for Greenhouse Gas Emissions Issued Pursuant to the Requirements at 40 CFR §52.21" has been modified to state the following:

~~In accordance with 40 CFR §124.15(b)(3), this PSD Permit becomes effective 30 days after the service of notice of this final decision unless review is requested on the permit pursuant to 40 CFR §124.19 immediately upon issuance of this final decision.~~

This administrative change is made as a result of not receiving any comments during the comment period related to this action.

2) Permit pages. The 'draft' watermark was removed, and the term "draft" when used to describe the version of the permit was removed. The footer on each page was changed from:

"voestalpine Proposed Draft PSD GHG Permit Page x April 24, 2014 "

to

"PSD GHG Permit Page x PSD-TX-1344-GHG"

These administrative change were made for clarity.

3) The first sentence in the Project Description was changed for clarity:

Original: "The proposed GHG PSD permit, if finalized, will allow voestalpine to construct a 360 ton...."

Revised: "This GHG PSD permit authorizes voestalpine to construct a 360 ton..."

National Historic Preservation Act (NHPA)

EPA determined that, while there are cultural materials of historic or prehistoric age identified within the 1.0-mile radius of the Area of Potential Effect (APE) for voelstalpine's new direct reduced iron (DRI)/hot-briquetted iron (HBI) production facility, the potential for intact archaeological resources is low within the construction footprint of the project itself. There are no historic properties located within the APE, and while there is an archaeological resource within the APE, it was recommended to be not eligible for listing on the National Register. EPA has therefore determined that issuance of the permit to voelstalpine will not affect properties on or potentially eligible for listing on the National Register.

On April 21, 2014, EPA sent a letter to the State Historic Preservation Officer (SHPO) requesting concurrence on EPA findings for voelstalpine's cultural survey. The SHPO sent a letter with concurrence to the EPA on May 22, 2014.

EPA also sent letters on February 13, 2014 to 27 Indian tribes identified by the Texas Historical Commission as having historical interests in Texas to inquire if any of the tribes have historical interest in the particular location of the project and to inquire whether any of the tribes wished to consult with EPA in the Section 106 process. EPA did not receive any requests from tribes to be consulting parties.

Endangered Species Act (ESA) (Update)

EPA has determined that issuance of the proposed permit to voelstalpine for a new DRI/HBI production facility will have no effect on thirteen (13) of the twenty-three (23) federally-listed species, specifically the the red wolf (*Canis rufus*), slender rush-pea (*Hoffmannseggia tenella*), Gulf coast jaguarundi (*Herpailurus yagouaroundi cacomitli*), ocelot (*Leopardus pardalis*), eskimo curlew (*Numenius borealis*), South Texas ambrosia (*Ambrosia cheiranthifolia*), smalltooth sawfish (*Pristis pectinata*), blue whale (*Balaenoptera musculus*), finback whale (*Balaenoptera physalus*), humpback whale (*Megaptera novaeangliae*), sei whale (*Balaenoptera borealis*), sperm whale (*Physeter macrocephalus*) and leatherback sea turtle (*Dermochelys coriacea*). These species are either thought to be extirpated from Nueces and San Patricio Counties or Texas, or are not present in the Action Area.

Six (6) of the twenty-three (23) federally-listed species are species that may be present in the Action Area and are under the jurisdiction of USFWS. As a result of this potential occurrence and based on the information provided in the draft BA, the issuance of the permit may affect, but is not likely to adversely affect the following species: red knot (*Calidris canutus rufa*), yellow-billed cuckoo (*Coccyzus americanus*), northern aplomado falcon (*Falco femoralis septentrionalis*), piping plover (*Charadrius melodus*), whooping crane (*Grus americana*), and West Indian manatee (*Trichechus manatus*).

On April 3, 2014, EPA submitted the final draft BA to the Southwest Region, Corpus Christi, Texas Ecological Services Field Office of the USFWS for its concurrence that issuance of the permit may affect, but is not likely to adversely affect these six federally-listed species. FWS Corpus Christi Field Office agreed with EPA's assessment and provided concurrence by letter on May 7, 2014.

Additionally, four (4) of the twenty-three federally-listed species identified are marine species that may be present in the Action Area and are under the jurisdiction of NOAA: green sea turtle (*Chelonia mydas*), Kemp's ridley sea turtle (*Lepidochelys kempii*), loggerhead sea turtle (*Caretta caretta*), and hawksbill sea turtle (*Eretmochelys imbricate*). As a result of their potential occurrence and based on the information provided in the BA, EPA determined that the issuance of the permit may affect, but is not likely to adversely affect these species. By letter dated February 21, 2014, EPA requested concurrence with these determinations from the National Marine Fisheries Service (NMFS), Southeast Regional Office, Protected Resources Division, St. Petersburg, Florida. NMFS agreed with EPA's determinations and provided concurrence by letter on June 13, 2014.

Magnuson-Stevens Act

EPA determined that issuance of the proposed permit to voelstalpine for a new DRI/HBI production facility will have no adverse impacts on listed marine and fish habitats. Based on the information provided in voelstalpine's Essential Fish Habitat (EFH) report, air modeling indicates that pollutant levels will be below *de minimis* levels over the water, and all wastewater and stormwater discharges that will be generated as a result of the project will be pretreated onsite, resulting in negligible impacts on the water quality of the tidally-influenced La Quinta Channel that adjoins to the Corpus Christi Bay leading to the Gulf of Mexico.