



State of Ohio Environmental Protection Agency

Northwest District Office

347 North Dunbridge Rd.
Bowling Green, OH 43402-9398

TELE: (419) 352-8461 FAX: (419) 352-8468
www.epa.state.oh.us

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

Re: Marion County
0351010017
Stack Test
HPV-GC8
Notice of Violation

January 16, 2009

CERTIFIED MAIL

Ms. Becky Kabat, Environmental Engineer
Nucor Steel Marion, Inc.
912 Cheney Avenue
Marion, Ohio 43302

Dear Ms. Kabat:

The stack tests conducted on November 5-6, 2008, on Ohio EPA emissions unit No. P903, has been reviewed. The testing was conducted in conformance with Ohio EPA methods and procedures. Our review confirms the following reported data is accurate:

**Critical Test Data
(In Three Run Averages)**

Pollutant	Actual Emission Rate	Allowable Emission Rate	Source Operating Rate ₁	Maximum Source Operating Rate ₂
PM	0.0021 gr/dscf	0.005 gr/dscf	77.4 TPH	70 TPH
Pb	0.101 lb/hr	0.25 lb/hr	77.4 TPH	70 TPH
Hg	0.034 lb/hr	0.063 lb/hr	77.4 TPH	70 TPH
NOx	16.84 lbs/hr	27.72 lbs/hr	76.6 TPH	70 TPH
CO	118.74 lbs/hr	284.2 lbs/hr	76.6 TPH	70 TPH
SO ₂	4.9 lbs/hr	17.5 lbs/hr	76.6 TPH	70 TPH
VOC	20.5 lbs/hr	20.02 lbs/hr	76.6 TPH	70 TPH

1. This represents the hourly charge rate during the test.
2. The permit restricts the company from exceeding 70 TPH based on a daily average.

The electric arc furnace was being operated in violation of its allowable emissions rate for volatile organic compounds (VOC). This is a violation of the company's Title V and Permit to Install (PTI) terms and conditions for this emissions unit and Ohio Revised Code 3704.05. It will therefore be necessary to submit a compliance plan to reduce VOC emissions and retest this unit to demonstrate compliance with the limit.

Also, the company reported in its 3rd quarter deviation report that it operated this emissions unit on August 29, 2008, at a daily average production rate of 71 TPH. This is a violation of the company's Title V and PTI terms and conditions for this emissions unit and Ohio Revised Code 3704.05. At this point, we believe the installation of the static var compensator, as the final step in the upgrade of the electrical input system for the furnace, does constitute, at a minimum, a "modification" of the emissions unit. As such, upon the expiration of the Director's discretionary exemption letter issued on August 4, 2008, the company must cease the use of the SVC until appropriate permit modifications are issued.

In a matter dealing with emissions unit P009, Reheat Furnace, PTI No. 03-17377 was issued on October 30, 2007, and required the company to install NO_x and CO CEMS on the unit. The company complied with the permit condition of submitting an installation schedule with its "Reheat Furnace Continuous Emission Monitor Compliance Plan" submitted on November 29, 2007. The schedules, which were acceptable to us, showed both CEMS would be installed and certified before the end of 2008.

On January 29, 2008, the company submitted a letter to us indicating some problems it was having with the installation of the CEM's and that it was too aggressive in its originally proposed schedule. Since that time we have met with the company on two occasions and discussed the matter, but still do not have a revised schedule. As the permit is currently structured, the company must either submit an acceptable revised installation schedule for the CEMS or request an administrative modification of the permit.

If it's the company's position that it is impossible to install the CEMS (or PEMS), then it must submit a detailed explanation of why it is so. This explanation must also include a detailed analysis of why the stacks cannot be reconfigured to accommodate their installation. If we accept this position, the permit will need to be administratively modified to include appropriate emission restrictions, compliance methods, and natural gas usage restrictions, if warranted.

This office is requesting that Nucor Steel submit a written response to this letter that includes, at a minimum, the compliance plan and schedule for emissions unit P903 and the company's intentions for resolving the CEMS issue for emissions unit P009. We ask that the company submit this response by no later than February 23, 2009. Please note that the submission of the requested information to respond to this letter does not constitute a waiver of the Ohio EPA's authority to seek civil penalties pursuant to ORC section 3704.06. The Ohio EPA will make the decision on whether to pursue or decline to pursue such penalties regarding the violations cited above at a later date.

Ms. Becky Kabat
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If you have any questions concerning the above mentioned, please contact me at (419) 373-4110 or Don Waltermeyer at 419-373-3121.

Sincerely,

Don Waltermeyer for

Erin Shalabe
 Division of Air Pollution Control

/llr

pc: Don Waltermeyer, DAPC-NWDO
 Jim Orlemann, DAPC-CO
 Erin Shalabe, DAPC-NWDO
 Tom Kalman, DAPC-CO
 Robert Teer, DAPC-NWDO
 Tom Sattler, DAPC-NWDO
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 ec: Wendy Licht, DAPC-NWDO

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Signature: *Don Waltermeyer*
 Date: *1/16/09*
 Address: *912 Ch... Avenue*
 City: *Marion, OH*

PS Form 3800, August 2006 See Reverse for Instructions

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