



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
HPV-GC1
Notice of Violation

March 26, 2009

CERTIFIED MAIL

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

Dear Ms. Kabat:

This Notice of Violation (NOV) is being issued to address the outstanding New Source Review permitting requirements for emissions unit P903- Electric Arc Furnace (EAF), as discussed during our February 5, 2009 meeting. Based on the meeting, more recent discussions and a review of pertinent information, it is our contention that the upgrade of the power supply system to the EAF constitutes a "Major Modification" as defined in OAC rule 3745-31-01(JJJ). With the installation of a new transformer and the static var compensator (SVC), as the final step in the upgrade, Nucor is able to increase power to the EAF which will result in increased efficiencies and production capabilities. Consequently, Nucor Steel Marion, Inc.'s (Nucor) failure to first obtain the necessary permit modification is a violation of Ohio Administrative Code §3745-31-02 and ORC 3704.05.

As the company indicated during the meeting, because of issues not anticipated and yet to be resolved, the SVC is currently not working as well as expected. However, the expectation is these matters will soon be corrected. Although the upgrades have caused the EAF's production potential to be above currently permitted limits, the company has indicated it will maintain current production levels at rates that do not violate current permit production restrictions and emission limitations until a revised permit is issued.

In response to this letter, Nucor must submit a compliance plan for emissions unit P903 by April 24, 2009. The plan should indicate the date a complete PSD PTI application will be submitted. Please note that it is advisable that we meet to discuss the preliminary and technical completeness of the application, with the company and its consultant, before the submittal occurs.

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 violations cited above at a later date.

Ms. Becky Kabat, Environmental Manager
 March 26, 2009
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If the company has any questions and/or comments concerning this letter, please contact this writer at the above address or call (419) 373-4110.

Sincerely,

Erin Shalabe

Erin Shalabe
 Division of Air Pollution Control

/l/r

pc: Don Waltermeyer, DAPC-NWDO
 Jan Tredway, DAPC-NWDO
 Bryan Zima, Legal-CO
 Jim Orleman, DAPC-CO
 Tom Kalman, DAPC-CO
 Mike Hopkins, DAPC-CO
 Lisa Holscher, US EPA
 DAPC-NWDO-Follow-up File
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 Recipient - Wood Steel
 Street Address
 912 MARKET AVENUE
 MARION, OH 43302

PS Form 3800, June 2002 See Reverse for Instructions

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