AK Steel Corporation

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James E. Earl

Environmental Affairs Manager Dearborn Works

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Air Quality Division Detroit Office

December 16, 2019

Mr. Jonathon Lamb EGLE, AQD Detroit District 3058 West Grand Boulevard Suite 2-300 Detroit, Michigan 48202

RE:

Response to Violation Notice Dated November 25, 2019

AK Steel – Dearborn Works SRN: A8640, Wayne County

Dear Mr. Lamb:

I am writing on behalf of AK Steel Corporation in response to the Violation Notice dated November 25, 2019. In the Violation Notice, EGLE alleges that AK Steel has violated General Condition 12(b) of its Renewable Operating Permit due to complaints of particulate matter fallout. As discussed below, AK Steel questions the factual basis for the allegation, and even if factually correct, does not agree it forms the basis for noncompliance with General Condition 12(b).

According to the Violation Notice, EGLE received complaints of particulate matter fallout on October 20 and 21, 2019. During the time period of when the fallout is believed to have occurred, AK Steel reported that the C Blast Furnace was going through start-up after an extended shutdown. Due to the start-up of C Blast Furnace, wind direction, and a lab analysis of the particulate matter, EGLE concluded that AK Steel "was the most likely source" of the fallout.

Based on that conclusion, EGLE alleged that AK Steel was in violation of General Condition 12(b), which states that: "The permittee shall not cause or permit the emission of an air contaminant or water vapor in quantities that cause, alone or in reaction with other air contaminants . . . Unreasonable interference with the comfortable enjoyment of life and property." This term essentially prohibits the source from being a "nuisance." AK Steel disagrees with two aspects of EGLE's allegation.

First, AK Steel questions the conclusion of the lab analysis. The lab describes the particles observed as "consistent with steel making." However, the basis of this conclusion appears to be that many particles respond to a magnet and that ~15% of the particles show the optical characteristics of calcite. Nothing in the lab report indicated that carbonaceous material was present. In addition, nothing in the lab report indicates that the magnetic material contains iron. The material could easily be non-iron magnetic material. The use of Wikipedia as a primary source on what raw materials are used in the steel making process further makes AK Steel question the lab's qualifications to describe particles as they relate to steel making in general. It is therefore unclear the basis for the lab to conclude that the material was "consistent with steel manufacturing."

Second, even if the particulate matter is from the C Blast Furnace start up, AK Steel disagrees that complaints from residents for particulate matter falling onto their property constitutes "unreasonable interference with the comfortable enjoyment of life and property." EGLE does not identify any specific interference with life or property, let alone an unreasonable one, and instead only references the professional judgment of AQD staff. AK Steel understands that citizens lodged complaints with EGLE due to apparent particulate matter on their property. But the mere existence of particulate matter on a citizen's property does not necessarily mean that a source is operating in violation of the prohibition on not causing a nuisance.

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The Violation Notice requested that AK Steel provide certain information. However, due to AK Steel questioning the accuracy of the lab results and objecting to the characterization of this event as a nuisance, we are unable to respond to the request to provide "the dates the violation occurred," "an explanation of the causes and duration of the violation," "whether the violation is ongoing" and "a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place."

The Violation Notice also requests a response regarding "what steps are being taken to prevent a reoccurrence." It should be noted that the C Blast Furnace was starting up after a 19 day maintenance outage during the time period of the fallout complaints. This type of a start-up is an extremely rare occurrence with the last similar startup occurring in 2007. An email to EGLE dated October 21, 2019 specified some of the unique occurrences related to the start-up including beaching iron at the BF slag pits and at the BOF. Precautions were taken during the beaching events which included the use of dust bosses and the digging out of pits as slow as possible to reduce the amount of emissions generated. AK Steel is in the process of reviewing its beaching procedures to incorporate lessons learned during the event for the benefit of future extended outages of this type. However, it must be emphasized that this type of startup is in no way indicative of normal startups or of normal operation in general.

If you have any questions on this response, please contact me at 313-845-3217.

Sincerely,

James E. Earl

Environmental Affairs Manager

AK Steel Dearborn Works

Cc: Ms. Jenine Camilleri

EGLE, AQD