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MAWILA

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection

B211636051

FACILITY: DETROIT STEEL CO TRENTON		SRN / ID: B2116
LOCATION: 1491 W JEFFERSON AVE, TRENTON		DISTRICT: Detroit
CITY: TRENTON		COUNTY: WAYNE
CONTACT: Mark Wilkinson , Site Manager		ACTIVITY DATE: 07/14/2016
STAFF: Stephen Weis	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MAJOR
SUBJECT: Compliance inspection of the Detroit Steel Company (DSC) Trenton Plant facility. The DSC facility is scheduled for inspection in FY 2016.		
RESOLVED COMPLAINTS:		

Location:

Detroit Steel Company
Trenton Plant (SRN B2116)
1491 West Jefferson Avenue
Trenton

Date of Activity:

Thursday, July 14, 2016

Personnel Present:

Steve Weis, DEQ-AQD Detroit Office
Mark Wilkinson, Vice-President, Detroit Steel Company

Purpose of Activity

A self-initiated inspection of the Detroit Steel Company's Trenton facility (hereinafter "DSC") was conducted on Thursday, July 14, 2016. The DSC facility was on my list of sources targeted for an inspection during FY 2016. The purpose of this inspection was to determine compliance of operations at the DSC facility with applicable rules, regulations and standards as promulgated by Public Act 451 of 1994 (NREPA, Part 55 Air Pollution Control) and with applicable Federal standards. The facility is also subject to the terms and conditions of Renewable Operating Permit MI-ROP-B2116-2015.

Facility Site Description

DSC owns the former McLouth Steel Company property, which is located in the north part of Trenton on the east side of Jefferson Avenue, and extends along the west bank of the Detroit River's Trenton Channel for just over one mile across from Grosse Ile. McLouth operated an integrated steel mill on the property from 1954 until they sold the property in 1996. Per Wikipedia, an integrated steel mill is classified as such by having all of the functions for primary steel production – iron making, steel making, steel casting, roughing rolling and product rolling. The facility utilized blast furnaces, basic oxygen furnaces, electric arc furnaces, a hot strip rolling mill, soaking pits and pickle lines. This equipment is no longer operating, and some of it, and its associated building structures, has been permanently removed from the site. The property covers 200 acres, and according to DSC staff, there are approximately one million square feet of building space still standing.

The DSC property is bounded by West Jefferson Avenue to the west; the Detroit River/Trenton Channel to the east; Edward C. Levy Company's Plant 4&5 facility to the south; and property owned by Riverview-Trenton Railroad Company to the north. Much of the area surrounding the DSC property consists of industrial and commercial properties. The west side of Jefferson between King and Sibley Roads consists of various commercial properties, which back up to a railroad right of way, which in turn backs up to the Sibley Quarry property, a parcel that stretches to the west all the way to Fort Street and is owned by DTE Energy. The Trenton Channel of the Detroit River is approximately ¼ mile wide adjacent to the DSC property, and the properties on Grosse Ile across the channel are residential. The closest residence is located over 500 yards (over ¼ mile) to the northwest of the pickle building at the facility in the North Trenton neighborhood, which is located south of Sibley Road west of the railroad right of way.

Facility Operations

As mentioned in the previous section of this report, the property that DSC currently owns used to be the site of the McLouth Steel Company's Trenton Plant. McLouth operated an integrated steel mill at the site from 1954 until 1996.

In the time since McLouth ceased operations at the site, all of the steel production-related operations have been idle on the site aside from the pickling operation. Some of the process equipment and building structures on the property that were part of McLouth's operations have been dismantled/demolished and permanently removed from the site. Most recently, according to the ROP application for the current ROP, the power house boilers, which were designated as boilers 1, 2, 3, 4, 5 and A, were dismantled in 2012. During my site visit, I asked Mark Wilkinson how much building space was still left on the site. Mark brought in Jerry Brown from DSC, who told me that there is currently about one million square feet of building space on the property.

DSC operated the steel coil pickling operation after taking over the facility. The current ROP, No. MI-ROP-B2116-2015, was issued to address the operation of the pickling operation, designated as EUPICKLING in the ROP. The Emission Unit description in the ROP describes the pickle line as follows:

"The Pickle Line includes the entry conveyor, the uncoiler, a welder, a looping pit, five acid tanks, one rinse tank, a dryer, an oil applicator, a recoiler and small gas fired boiler. This process is necessary to remove oxides from the steel and then oil it to prevent oxidation. The steel is dipped through a series of hydrochloric acid tanks, rinsed with water, dried, and oiled. The Pickle Line was temporarily shut down on June 20, 2003."

The MAERS (Michigan Air Emissions Reporting System) database that was submitted for the 2015 calendar year shows no throughput associated with the pickle line, and the box is checked to indicate that the EUPICKLING Emission Unit did not operate in 2015. A check of past MAERS reports via the MAERS Report History tab in the MAERS system shows that the equipment has not operated since at least 2009, which is as far back as the MAERS Report History function goes. I was told during my site visit that the pickling operation has not operated for at least 12 years. I inquired about the future status of this equipment, asking if there are plans to operate the pickle line in the future, or lease/sell the equipment and/or the building that it is located in to another entity. Mark replied that DSC does not plan to ever operate the pickling operation again, and they do not plan to have another entity operate the process. DSC is planning to scrap the equipment associated with the pickling operation, and rehabilitate the building and upgrade the floors to utilize the building space for storage. Mark stated that DSC has no plans to perform any of the steel making operations that used to occur at the site ever again.

The DSC facility is currently being used as an intermodal terminal for the storage and transfer of bulk materials. The sign along West Jefferson near the entrance to the facility includes the names Detroit Steel Company and Trenton Marine Terminal (see attached picture). Materials are transferred to and from the facility via ship, utilizing the docks along the Detroit River, and via trucks. The material is stored inside of some of the buildings on the property. At the time of my site visit, steel, aluminum, salt and sugar were being stored on site. Mark told me that portions of the property are designated as a Foreign-Trade Zone, including some of the buildings on the site. I was told that, going forward, the future plans for the facility are to continue to operate the intermodal terminal.

Inspection Narrative

I arrived at the facility at 11:15am. I was met by Mark Wilkinson, and we met in a conference room in the facility's office building to begin the site visit. We discussed the facility operations. Mark told me that none of the steel making equipment has been operated on the site for some time. According to Mark, DSC has been operating at the site for over 17 years. At first, there were efforts to operate some portions of the steel making operations left by McLouth. The pickling operation was initially operated for some time to process/surface treat steel coils for customers. However, the pickle line has not been operated for about 12 years, and there are no plans to ever operate it again. I asked about the cold cleaners identified in the ROP, and was told that they also have not operated for many years. Mark showed me some pictures of the property to give me a perspective of the size of the facility, and to point out the locations of buildings at the site.

Mark told me that the facility is now being operated as an intermodal terminal, in which bulk materials are brought in and stored prior to being shipped to a customer, or the next location in the transport chain.

Mark and I drove around portions of the facility. We drove to the dock area along the Detroit River. Mark explained that some of the bulk product is transported to and from the facility via ship. Trucks transfer the

material between the dock area and the buildings inside of which the buildings are stored. Some of the roadways on the property are unpaved. Mark told me that DSC follows an on-site fugitive dust management plan. Fugitive dust from the unpaved surfaces and roadways is controlled by placing asphalt millings on these areas; by enforcing low speed limits throughout the property; and by utilizing water trucks to keep road surfaces clean. Mark and I drove by the Number 2 Storage Building (which appears as the Number 2 Finishing and Shipping Building on a map of the McLouth site in the facility office). Sugar and salt were being stored inside of this building, away from the opening. There was no observable material track out or dust near this building or on the roadway leading to and from the building. Mark and I drove to the southern part of the property. He pointed out the truck entrance from the portion of King Road that extends east of West Jefferson. The roadways leading into and out of the DSC facility had a covering of asphalt millings, and did not appear dusty.

After touring portions of the facility, Mark and I returned to the office, where we discussed the current status of the facility relative to air quality regulations. I told Mark that, by having a ROP, the DSC facility is classified as a major source of air contaminants, including hazardous air pollutants (in this case, hydrochloric acid, or HCl); the facility is considered as being subject to some Federal air pollution standards/regulations; and the facility is required to submit a yearly MAERS Report, and is subject to DEQ-AQD's air fee program. Mark said that the facility has kept renewing their ROP, keeping it active. I advised Mark that since DSC has no plans to operate the pickling operation, they should consider voiding their ROP. I told him that DSC would need to either remove the equipment associated with the pickle line, or render it permanently inoperable. Upon doing this, they can notify DEQ-AQD that the equipment addressed in the ROP has been permanently decommissioned, and request that the ROP be voided.

I left the facility at around 12:10pm.

Permits/Orders/Other

The DSC facility in Trenton is currently subject to the terms and conditions of Renewable Operating Permit (ROP) No. MI-ROP-B2116-2015, which became effective on July 2, 2015. The ROP addresses the operation of the Pickle Line (EUPICKLINGLINE) and two cold cleaners (FGCOLDCLEANERS), one identified as being located in the hot mill area, and the other identified as being located in a machine shop. During the course of the site visit, I was told that none of this equipment has operated in some time, and there are no plans to operate it in the future.

The Pickle Line is also subject to a couple of Federal regulations – 40 CFR Part 63, Subpart CCC (National Emission Standards for Hazardous Air Pollutants for Steel Pickling - HCl Process Facilities and Hydrochloric Acid Regeneration Plants), and, as identified in the Source-Wide Conditions portion of the ROP, 40 CFR Part 63, Subpart FFFFF (National Emission Standards for Hazardous Air Pollutants for Integrated Iron and Steel Manufacturing Facilities). It is assumed that Subpart FFFFF applies due to the presence of some of the steel making equipment from McLouth's former integrated steel mill operations on the DSC property. The remaining equipment has not operated for some time (most likely since 1996), and may be permanently inoperable due to not being operated and maintained for so long.

DSC has been complying with the reporting requirements of the ROP; the annual and semi-annual compliance reports have been submitted for every reporting cycle. In addition, MAERS reports have been submitted for the facility. As long as the ROP is active, these reports will still need to be submitted, and the MAERS report will need to be submitted. I advised DSC that when they determine and can demonstrate that the pickling operation has been permanently rendered inoperable, they can request that the ROP be voided. Similarly, if a determination and demonstration can be made showing that the steel making equipment will not be used in the future, and that it has been rendered inoperable, then 40 CFR Part 63, Subpart FFFFF should no longer be considered as applicable at this facility. As previously mentioned, Subpart FFFFF seems to be applicable strictly due to the presence of the remnants of the former steel making equipment.

The DSC facility is also subject to a site-specific fugitive dust management plan. The Source-Wide Conditions section of DSC's ROP cites one of Michigan's fugitive dust regulations (Section 5524 of Act 451) as an applicable requirement, as well as **Consent Order SIP No. 23-1993**. The Consent Order is part of the State of Michigan's State Implementation Plan (SIP); this part of the SIP was submitted by the State of Michigan as part of the attainment demonstration for PM-10. The Michigan Department of Natural Resources submitted the PM-10 SIP to EPA on June 11, 1993, and, after a couple of revisions, the nonattainment area PM SIP for Wayne County, Michigan was approved and became effective on February 16, 1995. One element of the SIP was the requirement that facilities with designated standard industrial classifications that are located in the area designated in Table 36 of Michigan Administrative Rule 371 "...develop and implement an approved fugitive dust

control operating program and to have the program embodied in a legally enforceable order..." (this quote was taken from the preamble to the Consent Order). Many of the larger facilities in the portion of Wayne County designated in Table 36 were issued Orders as part of the SIP.

The Consent Order referred to as SIP No. 23-1993 was issued to McLouth Steel Company. A copy of Consent Order Sip No. 23-1993 is attached to this report for reference. Paragraph 15 of the Consent Order describes how the compliance responsibilities of the Order transfer to another entity in the event that McLouth sells or transfers the Trenton Plant to that entity. Thus, when DSC purchased the McLouth facility, they also assumed responsibility for complying with the requirements of Consent Order SIP No. 23-1993. Although current operations at the DSC facility do not have the same standard industrial classification (SIC) as McLouth Steel did, the SIC that seems most appropriate for the current operations at the facility - General Warehousing and Storage, SIC group 4225 - also appears to have been subject to the requirement to obtain a fugitive dust-related/SIP-based Consent Order.

In the Source-Wide Conditions section of the ROP, the Emission Limits table contains two opacity limits - a 5 percent limit for "...any road, lot or storage pile, including any material handling activity at a storage pile. This shall not apply to storage pile material handling activities when wind speeds are in excess of 25 miles per hour"; and a 20 percent limit for sources other than roads, lots or storage piles (it is assumed that the 20% limit applied to the various processes involved in the steel making operations). At this time, there are no outside storage piles at the facility; all of the bulk materials stored on site are kept inside of buildings. According to Mark, this is how DSC plans to store bulk materials going forward. DSC places asphalt millings on the unpaved surfaces and roadways, along with utilizing water trucks, to control dust from these areas. The facility also enforces the speed limit on the property. I am satisfied that fugitive dust is being adequately addressed and controlled by DSC, but Consent Order SIP No. 23-1993 may need to be revised in order to accurately reflect the current methods being used to control fugitive dust, while also removing the obsolete requirements related to the former steel making operations at the facility.

Compliance Determination

Based upon the results of the July 14, 2016 site visit, the Detroit Steel Company facility in Trenton (SRN B2116) appears to be **in compliance** with all of the terms and conditions of their ROP, as well as applicable state and federal regulations. The facility is not operating the emission units that are addressed by the ROP, and there is no plan to ever operate them again. The facility has continued to submit the annual and semi-annual ROP compliance reports, and has continued to submit their annual MAERS report. The facility is currently operating as an intermodal terminal for bulk products. DSC/Trenton Marine Terminal is actively managing potential sources of fugitive dust on their property. I will work with staff in DEQ-AQD's SIP Unit to check the status of the particulate matter/fugitive dust SIP Consent Order for this facility, verifying whether an Order is still required for this facility given the change in operations at the site, and I will work with DSC staff to instruct them as to the procedures for submitting a Control Plan Revision to Consent Order SIP No. 23-1993, if necessary.



Image 1(DSC Trenton Plant) : DSC Trenton Plant/Trenton Marine Terminal front entrance.

NAME Steve Wes

DATE 8/19/16

SUPERVISOR JK