

STATE OF MICHIGAN

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

JACKSON DISTRICT OFFICE



September 25, 2019

<u>CERTIFIED MAIL-7015 0920 0002 3516 7840</u> RETURN RECEIPT

Mr. Craig Metzger, Regional Environmental Manager Gerdau Special Steel North America 3000 E. Front Street Monroe, MI 48161

SRN: B4306, Jackson County

Dear Mr. Metzger:

VIOLATION NOTICE

On September 5, 2019, the Michigan Department of Environment, Great Lakes and Energy, Air Quality Division (AQD), conducted an inspection of Gerdau Special Steel North America — Jackson Mill (Company) located at 3100 Brooklyn Road, Jackson, Michigan. The purpose of this inspection was to determine the Company's compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451) and the associated Air Pollution Control Rules and your Renewable Operating Permit (ROP) No: MI-ROP-B4306-2015.

During the inspection, AQD staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Waste slag pile.	Rule 310	Wooden pallets and other trash are being added to slag inside the Mill and continue to burn when the slag is placed on the ground to cool prior to processing. This is a repeat violation from June 13, 2018.
Castor oil mist system.	Rule 301	Opacity in excess of 20% was observed on the roof coming from a small vent pipe above the Caster process. The Company reported on September 24, 2019, that the vent pipe has

been removed and emissions are now evacuated into the Castor
baghouse instead resolving the opacity issue.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by October 16, 2019. The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; 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; and what steps are being taken to prevent a reoccurrence.

Please submit written response to the AQD Jackson District, at 301 East Louis B Glick Highway Jackson, Michigan 49201 and submit copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at AQD P.O. Box 30260, Lansing, Michigan 48909-7760.

If the Company believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of this Company. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,

Mike Kovalchick

Senior Environmental Engineer

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Air Quality Division

517-416-5025

cc/via e-mail: Ms. Mary Ann Dolehanty, EGLE

Mr. Jay Olaguer, EGLE

Mr. Chris Ethridge, EGLE

Ms. Jenine Camilleri, EGLE

Mr. Scott Miller, EGLE