



STATE OF MISSISSIPPI
PHIL BRYANT
GOVERNOR
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

TRUDY D. FISHER, EXECUTIVE DIRECTOR

May 21, 2014

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. Stan Adkins
Severstal Columbus
PO Box 1467
Columbus, MS 39703

**Re: Severstal Columbus
Agreed Order No. 6413 14**

Dear Mr. Adkins:

Enclosed you will find a copy of Agreed Order No. 6413 14, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Trudy Fisher, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Chris Wells at (601) 961-5545.

Sincerely,

A handwritten signature in blue ink that reads "Chris Sanders".

Chris Sanders, P.E.
Chief, Environmental Compliance and Enforcement Division

Enclosure
cc: Chris Wells

Agency Interest No. 20296
ENF20140002

OFFICE OF POLLUTION CONTROL

BEFORE THE MISSISSIPPI COMMISSION
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO.

6413 14

SEVERSTAL COLUMBUS, LLC
PO BOX 1467
COLUMBUS, MISSISSIPPI 39703

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Severstal Columbus, LLC, Respondent, in the above captioned cause and agree as follows:

1.

By correspondence dated June 28, 2013, and July 17, 2013, Respondent was contacted by Complainant and notified of the following violation(s) at its facility located at 1945 Airport Road, Columbus, Mississippi in Lowndes County:

- A. An apparent violation of air Title V Operating Permit No. 1680-00064 (the "Permit"), condition 5.B.1 which required that, for Emission Points AA-003 and AB-003, Respondent install and operate a Continuous Emissions Monitoring System (CEMS) for monitoring the emissions of NO_x, CO, SO₂, and VOCs. The CEMS was to be installed no later than 180 days from the initial startup of AB-003 and no more than three years from start of construction for AB-003. Respondent disclosed initial startup for the emission units was on June 1, 2011. The CEMS unit for AA-003 was installed in January 2011. CEMS unit for AB-003 was installed the week of July 18, 2011. The CEMS units were installed within the required time but have never properly operated.

B. An apparent violation of condition 5.A.5 of the Permit, which required that Respondent report all deviations from permit requirements, including those attributable to upsets, the probable cause of such deviations, and any corrective actions or preventive measures taken. Such reports are required to be made within five (5) days of the time the deviation began. Respondent failed to notify Complainant of CEMS unit malfunction since installation week of July 18, 2011.

2.

By a letter dated August 20, 2013, Respondent reported to Complainant the following additional violations of the Permit:

- A. Violation of Condition 5.C.10, which requires Respondent to submit to the MDEQ in writing the effective date of startup no later than 10 days after commencement of operation. Respondent reported to MDEQ that, although the date of startup was June 1, 2011, the required notification was not submitted until August 18, 2011.**
- B. Violation of Condition 5.B.16, which requires a pretest conference at least thirty (30) days prior to any scheduled performance/stack test to ensure that all test methods and procedures are acceptable to MDEQ. Also, Respondent is required to provide at least ten days' notice before any such performance/stack test so that an observer may be scheduled to witness the test. Respondent failed to submit a protocol for the initial performance test for AB-line 30 days prior to stack test and failed to notify MDEQ within 10 days prior to conducting the initial performance test.**
- C. Violation of Condition 5.B.11(a), which required, for Emission Points AA-003, AB-003, AA-004, and AB-004, Respondent to perform annual stack/ performance testing. Respondent failed to perform initial performance test for AB-002 and AB-003 within 180 days of start-up. Initial performance testing was conducted December 5 and 6, 2011, seven days late.**
- D. Violation of Condition 3.B.16, which provided, for Emission Points AA-003 and AB-003, nitrogen oxide (NO_x) emissions limitation 0.35 pounds per ton of steel produced, 122.5 pounds per hour, and 297.5 tons per year as determined for each consecutive 12-month period, utilizing the DEC System. Respondent exceeded the permitted NO_x emission limits for AB-003 during initial performance test conducted December 5 and 6,**

2011. The test result was 0.38 lb/ton of steel. The NOx limitation was met during a subsequent stack test conducted on September 12, 2012.

- E. Violation of Condition 5.A.4, which required Respondent to submit reports of any required monitoring by July 31 and January 31 for the preceding six-month period. All instances of deviations from permit requirements must be clearly identified in such reports and all required reports must be certified by a responsible official. Respondent submitted incomplete semi-annual reports for 2011 and first half of 2012. Emissions for AA and AB lines were combined. Deviations and downtimes for CEMS units for AA and AB lines were not submitted. Amended reports were submitted August 21, 2013.
- F. Violation of Condition 4.2, which required Respondent to submit to the Permit Board and to the Administrator of EPA Region IV an annual certification of compliance with permit terms and conditions, including emission limitations, standards, or work practices. Respondent submitted incomplete annual certification of compliance reports for 2011 and 2012. The non-compliance status for CEMS units for AA and AB lines were not noted in the initial reports. Amended reports were submitted August 21, 2013.
- G. Violation of Condition 5.B.2, which required for Emission Points AA-002 and AA-003 annual stack/ performance testing. Respondent failed to conduct the 2012 annual stack test for AA-002 and AA-003.
- H. Violation of Condition 5.B.3, which required, for emission points AA-005b, AB-005b, AA-015b, AB-015b, AA-017d, and AB-017d, a stack/performance test once every five years for demonstrating compliance with the NOx and CO BACT limits. Respondent failed to perform the required initial performance test for AB-015B within 180 days of initial startup. Initial start-up was on January 2, 2012 and initial performance test was performed on July 26, 2012, 205 days after initial startup.

3.

On January 28, 2014, Respondent reported to Complainant the following additional Permit violation: Violation of Condition 5.B.1, which required annual stack/performance testing for a combined BACT Limit at Emission Point AA-002 and AB-002, for demonstrating compliance with the individual NOx, CO, SO2, and VOC, BACT Limits at AA-003, AB-003, AA-004, and AB-004. In September 2013, Respondent performed stack tests that were not initially reported to

MDEQ. During these stack tests, Respondent exceeded the pounds-per-ton NOx emission limitation for emission point AA-002 (Melt Shop Baghouse). The permitted NOx limit is 0.37 lb/ton and the stack test result was 0.485 lb/ton. The lb/hr emission limit was not met. Subsequently, Respondent performed stack tests in November 2013 that demonstrated compliance with the above-referenced emission requirements.

4.

In lieu of a formal enforcement hearing concerning the violations listed above, Complainant and Respondent agree to settle this matter as follows:

- A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$135,000.00. Respondent shall pay this penalty to MDEQ within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality
Attn: Jennifer Parish
P.O. Box 2339
Jackson, MS 39225
- B. Respondent has engaged the services of a CEMS consultant and provided a report of preliminary findings. On or before July 1, 2014, Respondent shall submit an engineering report to Complaint, for review and comment. The report shall, at a minimum, identify the causes (or possible causes) of the previous failure of Respondent's CEMS units to operate properly, as well as a description of all repairs, upgrades and/or remedial actions to be taken to come into compliance with the Permit requirements regarding CEMS. The engineering report shall contain a schedule for completion of all such repairs, upgrades and/or remedial actions, which shall not extend beyond December 31, 2014. Upon approval by MDEQ, that schedule shall be incorporated into this Agreed Order by reference.
- C. Until such at time the CEMS units are properly operating Respondent shall conduct bi-monthly stack tests, in accordance with the procedural requirements of the Permit, for Emission Points AA-003 and AB-003 for all pollutants for which

the Permit requires CEMS.

- D. Until such at time the CEMS units are properly operating, Respondent shall submit quarterly progress reports to Complainant, beginning October 1, 2014, which shall describe activities conducted during the previous quarter toward attaining compliance with the Permit.

5.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

6.


Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

7.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

ORDERED, this the 19 day of May, 2014.

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

BY: 
TRUDY D. FISHER
EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT
OF ENVIRONMENTAL QUALITY

AGREED, this the 12th day of May, 2014.

SEVERSTAL COLUMBUS, LLC

BY: Madhu Ranade

TITLE: VP/GM Severstal Columbus

STATE OF Mississippi

COUNTY OF Monroe

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Madhu Ranade who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the VP/GM of Severstal Columbus, LLC and is authorized to sign and enter this Agreement.

SWORN AND SUBSCRIBED BEFORE ME, this the 12 day of May, 2014.

Tammy Jones
NOTARY PUBLIC

My Commission expires: June 13, 2016

