

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

ARCELORMITTAL LAPLACE, LLC

AI # 3401

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-AE-11-0002
*
* Enforcement Tracking No.
* AE-CN-08-0103
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*
* Docket No. 2010-0459-EQ
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SETTLEMENT

The following Settlement is hereby agreed to between ArcelorMittal LaPlace, LLC formerly known as Bayou Steel, LLC (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a limited liability company that owns and/or operates a steel mill facility located in or near LaPlace, St. John the Baptist Parish, Louisiana (“the Facility”).

II

On October 29, 2008, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-08-0103, which was based upon the following findings of fact:

The Respondent owns and/or operates the LaPlace Facility, a steel mill located at 138 Louisiana Highway 3217 in or near LaPlace, St. John the Baptist Parish, Louisiana. The

Facility currently operates under Title V Permit No. 2580-00017-V0 issued on March 27, 2006. On or about June 2, 2008, the Respondent applied for a Title V minor modification to reconcile the emissions at the Facility.

On or about June 13, 2008, a file review of the Facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violations were noted during the course of the file review:

According to an email dated June 11, 2008, the Respondent reported the following emissions for particulate matter (PM₁₀), sulfur dioxide (SO₂), nitrogen oxides (NO_x), carbon monoxide (CO), volatile organic compounds (VOCs), copper, lead, manganese, and zinc in tons per year (tpy) for the Ladle Metallurgical Facility (LMF), Emission Point No. EQT005 during the 2007 calendar year:

Pollutant	Permitted Limits (TPY)	Actual Emissions (TPY)
PM ₁₀	0.27	0.8
SO ₂	1.34	5.9
NO _x	0.67	3.0
CO	13.38	59.1
VOCs	2.34	10.3
Copper	<0.001	0.002
Lead	<0.001	0.001
Manganese	0.046	0.131
Zinc	0.002	0.007

According to General Condition III of Title V Permit No. 2580-00017-V0, each exceedance of permitted emission limits for Emission Point No. EQT005 is a violation of Title V Permit No. 2580-00017-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

On or about June 13, 2008, the Respondent requested interim limitations to operate the LMF at the Facility until such time that Air Permit No. 2580-00017-V0 is modified by the Department to incorporate the new proposed emission rates.

Respondent responded to the Consolidated Compliance Order & Notice of Potential Penalty by letter dated November 13, 2008, stating that ArcelorMittal had acquired the Facility from Bayou Steel, LLC on July 31, 2008 and was in the process of reviewing the Facility's operations. Respondent indicated that the emission limitations contained in the March 27, 2006 Title V Permit contained understated emission limits for the LMF that were not representative of actual operations and Respondent subsequently submitted several Title V permit amendment requests to DEQ. A revised Title V Permit No. 2580-00017-V1 was issued on April 9, 2009, with emission rates based on actual operation.

In addition to the findings stated in the Consolidated Compliance Order & Notice of Potential Penalty, the Department also finds that Respondent operated the facility without authorization from the Department from August 1, 2008 through April 9, 2009, when the Title V permit was re-issued and transferred to ArcelorMittal.

On March 4, 2009, the company name, Bayou Steel, LLC, was officially changed to ArcelorMittal LaPlace, LLC with the Delaware Secretary of State. The Department received the Name/Ownership Change Form from ArcelorMittal on March 23, 2009.

III

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), of which Ninety-Four and 98/100 Dollars (\$94.98) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VI

The actions taken in response to the Consolidated Compliance Order & Notice of Potential Penalty and herein by Respondent are made solely for the purpose of settlement and shall not be used for any other purpose except the Department may consider the inspection report(s), the Consolidated Compliance Order & Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VII

This Settlement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this Settlement, except such review as may

be required for interpretation of this Settlement in any action by the Department to enforce this Settlement.

VIII

This Settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. John the Baptist Parish, Louisiana. The advertisement, in form, wording, and size approved by the Department, announced the availability of this Settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

X

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XI

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

ARCELORMITTAL LAPLACE, LLC

BY: Alton W. Davis
(Signature)

ALTON W. DAVIS
(Printed)

TITLE: COO - LCNA

THUS DONE AND SIGNED in duplicate original before me this 2nd day of June, 20 11, at St. John the Baptist Parish

[Signature]
NOTARY PUBLIC (ID # 81887)

Michael E. Soileau, Jr.
(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

Peggy M. Hatch Secretary

BY: [Signature]
Cheryl Sonnier Nolan, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 29th day of July, 20 11, at Baton Rouge, Louisiana.

Dwana King
NOTARY PUBLIC (ID # 20590)

Bar roll #
Life commission

Dwana King
(stamped or printed)

Approved: [Signature]
Cheryl Sonnier Nolan, Assistant Secretary



JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
P.O. BOX 94005
BATON ROUGE
70804-9005

June 27, 2011

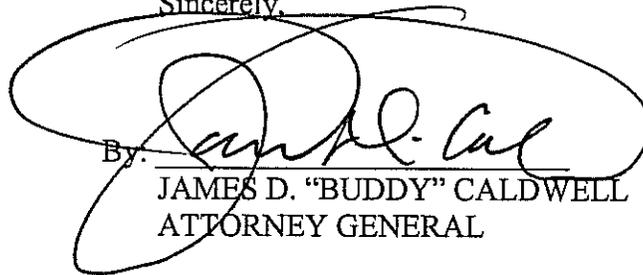
Mr. Herman Robinson, Executive Counsel
La. Department of Environmental Quality
Legal Affairs Division
P.O. Box 4302
Baton Rouge, LA 70821-4302

Re: AG Review of DEQ Settlement;
Arcelormittal LaPlace, LLC
Settlement No. SA-AE-11-0002

Dear Mr. Robinson:

Pursuant to the authority granted to me by Art. IV, Sec. 8 of the state constitution and R.S. 30:2050.7, I approve the above referenced settlement.

Sincerely,

By: 
JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

JDC/MKT/tp