

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

NUCOR STEEL LOUISIANA LLC

AI # 157847

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

* Settlement Tracking No.
* SA-MM-20-0019
*
* Enforcement Tracking Nos.
* MM-CN-14-00430
* MM-CN-14-00430A
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SETTLEMENT

The following Settlement is hereby agreed to between Nucor Steel Louisiana 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 Direct Reduced Iron facility located in Convent, St. James Parish, Louisiana (“the Facility”).

II

On August 12, 2014, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. MM-CN-14-00430 (Exhibit 1).

On January 30, 2015, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. MM-CN-14-00430A (Exhibit 2).

The following violations, although not cited in the foregoing enforcement action(s), are included within the scope of this settlement:

According to 1st Half 2015 Semiannual Monitoring Report (9/30/2015) the Respondent

reported the following recordkeeping violations for EQT 0094 and EQT 0095 on 4/9/2015-4/10/2015 (24hrs). During the reporting period, there was one instance when the Equipment and operational data were not kept by hard copy or electronic copy. The equipment/operational data recordkeeping activities were resumed the following day. Specific Requirement No. 179, 191 of Title V Permit No. 3086-V3 states Equipment and operational data Filter vents: Equipment/operational data recordkeeping by electronic or hard copy. Each failure to maintain the required records is a violation of the applicable permit, any associated permit requirement listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the following recordkeeping violations for EQT 0109 on 7/1/2015-8/1/2015. During the reporting period, there were two (2) instances where records of a completed Method 9 form could not be located when visible emissions were observed from the stack. Consequently, the opacity related to the visible emission event noted above is unknown. Specific Requirement No. 349 of Title V Permit No. 3086-V3 states Baghouses: Equipment/operational data recordkeeping by electronic or hard copy upon each occurrence of inspection. Each failure to maintain the required records is a violation of the applicable permit, any associated permit requirement listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the following recordkeeping violations for EQT 0110 on 8/1/2015-8/6/2015. During the reporting period, there were two (2) instances where records of a completed Method 9 form could not be located when visible emissions were observed from the stack. Consequently, the opacity related to the visible emissions event noted above is unknown. Specific Requirement No. 360 of Title V Permit No. 3086-V3 states Baghouses: Equipment/operational data recordkeeping by

electronic or hard copy upon each occurrence of inspection. Each failure to maintain the required records is a violation of the applicable permit, any associated permit requirement listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the following recordkeeping violations for EQT 0078 on 2/2/2016. During the reporting period, there was an instance where records of a completed Method 9 form could not be located when visible emissions were observed from the stack. Consequently, the opacity related to the visible emissions event noted above is unknown. Specific Requirement No. 60 of Title V Permit No. 3086-V3 states Baghouses: Equipment/operational data recordkeeping by electronic or hard copy upon each occurrence of inspection. Each failure to maintain the required records is a violation of the applicable permit, any associated permit requirement listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 8/2/2015 (1 hr.). During this period, preventive maintenance was being performed on the SCR system. Once the maintenance was completed the unit returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017 the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 8/11/2015 (1 hr.).

During this period, ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 9/13/2015 (1 hr.). During this period, preventive maintenance was being performed on the SCR system. Once the maintenance was completed, the unit returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 9/16/2015 (6 hr.). The facility experienced equipment failure which led to the process to be placed on standby mode. The emission exceedance referenced was related to time period where the flue gas temperature was too low for the SCR to achieve the emission limits. Once the facility was taken out of standby mode, the flue gas temperature returned to normal specifications and the NO_x emissions were brought back to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4, La. R.S.

30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that the underling equipment failure was not preventable. The facility identified from this occurrence the need to maintain the burner temperature within the SCR operating range and adjusted the SOP to ensure the SCR stays in range while the burners are operating. This adjustment was made in 2Q 2016.

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 9/21/2015 (8 hr.). During this period, preventive maintenance was being performed on the SCR system. Once the maintenance was completed, the unit returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 10/5/2015 – 10/6/2015 (19 hrs.). The facility experienced equipment failure which led to the process to be placed on standby mode. The emission exceedance referenced was related to time period where the flue gas temperature was too low for the SCR to achieve the emission limits. Once the facility was taken out of standby mode, the flue gas temperature returned to normal specifications and the NO_x emissions were brought back to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that the underling equipment failure was not preventable. The facility identified from this occurrence

the need to maintain the burner temperature within the SCR operating range and adjusted the SOP to ensure the SCR stays in range while the burners are operating. This adjustment was made in 2Q 2016.

According to 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 10/9/2015 (3 hrs.). During this period, ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 3/30/2016 (3hrs). During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 4/4/2016 (2hrs).

During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 5/4/2016 - 5/8/2016 (57hrs). During this period Optimizing the flue gas temperature was not successful in prolonging the life of the catalyst. Several attempts were made to get the catalyst to perform according to the specifications with short term results. On 5/7/2016 after failing to sustain long term results, the facility began the shutdown procedure to change the catalyst. Each emission exceedance is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that a PGH failure in 2014 resulted in overheating of certain tubes resulting in chromium poisoning. The PGH failure was not preventable which resulted in the poisoning.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 6/9/2016 (3hrs). During this period the facility experienced equipment failure which lead to a fault of the process gas heater resulting in excess emissions. The facility resumed startup on 6/9/2016. Each emission exceedance due to operator error is a violation of LAC 33:III.501.C.4, LAC 33:III 905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that this

event was a preventable incident caused by operator error.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 6/9/2016 (3hrs). During this period the facility experienced equipment failure which lead to a fault of the process gas heater resulting in excess emissions. The facility resumed startup on 6/9/2016. Each emission exceedance due to operator error is a violation of LAC 33:III.501.C.4, LAC 33:III 905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that this event was a preventable incident caused by operator error.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 6/16/2016 (3hrs). During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 6/16/2016 (3hrs). During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some

issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 1st Half 2016 Semiannual Monitoring Report (9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 6/22/2016-6/23/2016 (24hrs). During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 1st Half 2016 Semiannual Monitoring Report 9/29/2016) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 6/22/2016-6/23/2016 (24hrs). During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 2nd Half 2016 Semiannual Monitoring Report 2/10/2017 the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 7/20/2016,

7/21/2016, 9/13/2016, 9/20/2016, 9/26/2016, 11/30/2016, 12/2/2016. During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to 2nd Half 2016 Semiannual Monitoring Report 2/10/2017 the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 7/20/2016, 7/21/2016, 9/13/2016, 9/20/2016, 9/26/2016, 11/30/2016, 12/2/2016. During this time, the ammonia flow to the SCR injection skid was impeded. Preventive maintenance was performed and the unit was returned to compliance. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 7/4/2017, the Respondent stated that during initial startup, there were some issues with corrosion of the ammonia tank before it became conditioned. The facility has installed filters and monitors to minimize clogging of the ammonia injector vaporizing nozzle. The Respondent stated that the initial plugging was likely preventable.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 1/7/2017 (3hrs) and 1/8-1/9-2017 (31hrs). During this time, the Respondent was experiencing problems with freezing instruments due to cold weather. Plant personnel initiated a plant wide shut down and NO_x emissions stabilized after shutdown was complete. Each emission exceedance is a

violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 12/4/2018, the Respondent stated that they installed heat tracing on most control components to prevent a recurrence.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 1/7/2017 (3hrs) and 1/8-1/9-2017 (31hrs). During this time, the Respondent was experiencing problems with freezing instruments due to cold weather. Plant personnel initiated a plant wide shut down and NO_x emissions stabilized after shutdown was complete. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 12/4/2018, the Respondent stated that they installed heat tracing on most control components to prevent a recurrence.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 1/7/2017 (3hrs) and 1/8-1/9-2017 (31hrs). During this time, the Respondent was experiencing problems with freezing instruments due to cold weather. Plant personnel initiated a plant wide shut down and NO_x emissions stabilized after shutdown was complete. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 12/4/2018, the Respondent stated that they installed heat tracing on most control components to prevent a recurrence.

According to Revised 1st Half 2017, Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 2/5/2017 (4hrs) and 2/6/2017 (6hrs). During this time periods when natural gas was not flowing to the process heater caused emissions exceedances. The cause of the exceedance is unknown. Each

emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent reported in correspondence dated 12/4/2018 that the Respondent is studying the control programming to ascertain the cause of the error and to repair any errors in the programming to prevent reoccurrence.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NOx (0.007 lb./MMBTU) for EQT 0069 on 2/5/2017 (4hrs) and 2/6/2017 (6hrs). During this time periods when natural gas was not flowing to the process heater caused emissions exceedances. The cause of the exceedance is unknown. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent reported in correspondence dated 12/4/2018 that the Respondent is studying the control programming to ascertain the cause of the error and to repair any errors in the programming to prevent reoccurrence.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NOx (0.007 lb./MMBTU) for EQT 0069 on 4/4/2017 (2hrs). The exceedance occurred due to ammonia not flowing to the SCR unit. The Respondent promptly undertook system review, identified where the impediment to flow was occurring, and removed the impediment, restoring ammonia flow and proper operation of the system. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 12/4/2018, the Respondent stated the issued appeared to be related to rust in the tank. The tank has been lined and a nitrogen blanket has been placed over the tank to prevent rusting. The Respondent also installed a filter to prevent reoccurrence.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the

Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 4/4/2017 (2hrs). The exceedance occurred due to ammonia not flowing to the SCR unit. The Respondent promptly undertook system review, identified where the impediment to flow was occurring, and removed the impediment, restoring ammonia flow and proper operation of the system. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 12/4/2018, the Respondent stated the issued appeared to be related to rust in the tank. The tank has been lined and a nitrogen blanket has been placed over the tank to prevent rusting. The Respondent also installed a filter to prevent reoccurrence.

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 4/4 - 4/6/2017 (39hrs). The exceedance occurred due to the pocket belt ripping. Specifically, once emissions began to rise, plant operation determined the pocket belt was ripped. A plantwide shutdown, including the process gas heater was down and no gas was being fed to the burners, the process gas heater continued to generate declining quantities of "thermal NO_x" until the innards cooled below the threshold temperature. Once the plant was restarted and the SCR bed reached working temperatures, emissions returned to normal. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

According to Revised 1st Half 2017 Semiannual Monitoring Report (3/29/2018) the Respondent reported the emission exceedance of NO_x (0.007 lb./MMBTU) for EQT 0069 on 4/4 - 4/6/2017 (39hrs). The exceedance occurred due to the pocket belt ripping. Specifically, once emissions began to rise, plant operation determined the pocket belt was ripped. A plantwide shutdown, including the process gas heater was down and no gas was being fed to the burners, the

process gas heater continued to generate declining quantities of "thermal NO_x" until the innards cooled below the threshold temperature. Once the plant was restarted and the SCR bed reached working temperatures, emissions returned to normal. Each emission exceedance is a violation of LAC 33:III.501.C.4 and LAC 33:III905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

According to 1st Half 2014 Semiannual Monitoring Report (9/25/2014)the Respondent reported the following violations from permitted operating parameters from 1/1/2014 to 5/12/2014 and from 7/1/2014 to 8/12/2014 for EQT 0078, EQT 0093, EQT 0094, EQT 0095, EQT 0100, EQT 0101, EQT 0102, EQT 0103, EQT 0104, EQT 0105, EQT 0106, EQT 0107, EQT 0108 EQT 0109, EQT 0110, EQT 0111, EQT 0112, EQT 0113: During this reporting period, there were 841 (660 and 181 instances per respective timeframe)instances in which the differential pressure of the baghouse were operating outside of the permitted range > 3.5 and < 11.0 inches w.c. These deviations were as a result of the built baghouses containing different bags than those originally permitted. The Respondent self-reported these exceedances to the Department on 5/29/2014. The respondent got in to interim limit agreements on 8/12/2014. Filter vents: Differential Pressure > 3.5 and < 11.0 inches w.c. Each failure to operate according to permitted requirements is a violation of any applicable permit, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

According to the 2014 Annual Compliance Certification (3/31/2015) the Respondent reported the following violations from permitted operating parameters from 8/12/2014-12/31/2014 for EQT 0078, EQT 0093, EQT 0094, EQT 0095, EQT 0101, EQT 0109, EQT0110, EQT0112 & DC-20 and from 4/21/2015 to 4/29/2015 and 5/7/2015 to 5/16/2015 for EQT 0095. During this reporting period, there were 49 (34 and 15 instances per respective timeframe) instances in which the differential pressure of the baghouse were operating outside of the permitted range > 1 and < 11.0 inches w.c. established in the Compliance Order dated 8/12/2014. These incidents were as a result of a routing

pulse jet cleaning, during which the differential pressure will occasionally drop below 1 inch. Filter vents: Differential Pressure > 1 and < 11.0 inches w.c. Each failure to operate according to permitted requirements is a violation of any applicable permit, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

According to the 1st Half 2015 Semiannual Monitoring Report (9/30/2015) the Respondent reported the following violations from permitted operating parameters for EQT 0078, EQT 0093, EQT 0094, EQT 0095, EQT 0100, EQT 0101, EQT 0102, EQT 0103, EQT 0104, EQT 0105, EQT 0106, EQT 0107, EQT 0108, EQT 0109, EQT 0110, EQT 0111, EQT 0112, EQT 0113 and DC20 on 4/9/2015-4/10/2015: During this reporting period there was one instance of visual emission check not being performed. The visual emission checks for all the affected sources were completed the following day. The visual inspection revealed no abnormalities. Filter Vents: Visible emissions monitored by visual inspection or determination daily. Each failure to operate according to permitted requirements is a violation of any applicable permit, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

According to the 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the following violations from permitted operating parameters for EQT 0101 from 10/12/2015 to 10/13/2015. During the reporting period (24 hrs.). The Respondent performed maintenance and repairs to the affected source when the deviation was discovered and the source was returned to compliance as quickly as possible. Filter vents: Differential Pressure > 1 and < 11.0 inches w.c. Each failure to operate according to permitted requirements is a violation of any applicable permit, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

According to the 2nd Half 2015 Semiannual Monitoring Report (3/31/2016) the Respondent reported the following violations from permitted operating parameters for EQT 0115 and EQT 0070

The Respondent is required to submit report due within 60days after performance or emission test. As soon as the oversight was discovered, the emissions test results were submitted. The package boiler re-test reports were submitted to the agency on 12/28/2015 and the process gas heater stack test was submitted on 12/21/2015. Each failure to operate according to permitted requirements is a violation of any applicable permit, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

According to the 2014 Annual Compliance Certification dated March 31, 2015, the Respondent reported that, during the commission of the facility from July 1, 2014 through December 31, 2014, the facility experienced a process upset which resulted in the byproducts to be produced in larger quantities than anticipated. The storage piles were created as a last resort to store the byproducts, the facility stated that emissions from this storage piles were not included in the current Permit No. 3086-V2. The failure to submit a timely and complete permit application to the Department prior to any construction, reconstruction, or modification is a violation of LAC 33.III.501.C.1, LAC 33:III.501.C.2 and La R.S. 30.2057(A)(2). A permit modification application was submitted on December 15, 2014, and requests the storage piles be added. Settlement offer 4/18/2017 states that incident occurred from 7/1/2014-4/21/2015.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from January 1, 2015, through September 1, 2015, the facility experienced a process upset which cause DRI Fines to be produced in large quantities than anticipated. The DRI Fines which is typically sent to the briquetting mill to be reclaimed and sold as product was stored onsite; the facility stated that emissions from these piles were not included in the Permit Nos. 3086-V2 and 3086-V3. The failure to submit a timely and complete permit application to the Department prior to any construction, reconstruction, or modification is a violation of LAC 33.III.501.C.1, LAC 33:III.501.C.2 and La R.S. 30.2057(A)(2).

A permit modification application was submitted on July 24, 2015, and requested emissions from DRI Fines piles be added.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from January 1, 2015, through June 28, 2015, the facility installed and operated a stationary emergency generator (EG-2 Radio Emergency Generator) prior to the issuance of a regulatory permit. The unauthorized operation of EG-2 Radio Emergency Generator until a permit has been issued by the Department is a violation of LAC 33:III.501.C.1, LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent reported that, on May 29, 2015, the regulatory permit was issued. A permit modification application was submitted on July 24, 2015, and requests the EG-2 Radio Emergency Generator be added.

According to the 1st Half 2015 Semiannual Monitoring Report (9/30/2015) the Respondent reported the following violations from permitted operating parameters for EQT 0017 on 7/1/2014-6/30/2015. During the reporting period, the facility failed to install BACT controls determined to be water sprays in addition to the installed enclosed transfer points on the affected sources. Upon discovery immediate measures were taken to install water sprays as needed to control emissions. Specific Requirement No. 8 states BACT for material handling conveyors is determined to be enclosed conveyors. Water spray and partial enclosures are determined as work practice BACT. The failure to operate according to permitted requirements and the failure to install controls is a violation of any applicable permit, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

According to the 1st Half 2015 Semiannual Monitoring Report (9/30/2015) the Respondent reported the following violations from permitted operating parameters for FUG0011, FUG0012, FUG0013, FUG0014 on 7/1/2014-6/30/2015. During the reporting period, the facility failed to

reinstall BACT controls determined to be water sprays of the affected sources. Specific Requirement No's 426, 428, 430, & 432 states BACT is selected to be implementation of wet suppression of dust generating sources by water sprays at each storage pile site. Each failure to operate according to permitted requirements and the failure to install controls is a violation of any applicable permit, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from January 1, 2015, through December 31, 2015, the facility experienced a failure with the collapsing of the storage domes, the large generation of iron oxides fines from ore yard was stored in a pile onsite until they were sold to a third party. The facility stated that emissions from the iron oxides piles were not included in the Permit Nos. 3086-V2 and 3086-V3. The failure to submit a timely and complete permit application to the Department prior to any construction, reconstruction, or modification is a violation of LAC 33:III.501.C.1, LAC 33:III.501.C.2 and La R.S. 30:2057(A)(2). A permit modification application was submitted on July 24, 2015, and requested emissions from iron oxides piles be added.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from January 1, 2015, through June 30, 2015, the facility experienced a process upset which required additional storage of DRI Fines. The facility ordered additional DRI Fines Silo No. 2 to serve the briquetting mill. The facility stated that emissions from the DRI Fines Silo No. 2 were not included in the Permit Nos. 3086-V2 and 3086-V3. The failure to submit a timely and complete permit application to the Department prior to any construction, reconstruction, or modification is a violation of LAC 33:III.501.C.1, LAC 33:III.501.C.2 and La R.S. 30:2057(A)(2). A permit modification application was submitted on July 24, 2015, and requested the DRI Fines Silo No. 2 be added.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from April 4, 2015, through June 30, 2015, the facility operated an emergency dump (DC-19) for 2112 hours prior to permit modification. The unauthorized operation of DC-19 until a permit has been issued by the Department is a violation of LAC 33.III.501.C.1, LAC 33.III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). A permit modification application was submitted on July 24, 2015, and requests the DC-19 be added. Settlement offer 4/18/2017 states that incident occurred from 1/1/2015- 6/30/2015.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from January 1, 2015, through June 30, 2015, the facility installed and operated an oversized pellet chute (DC-5 Reject Pellet Chute) for 4344 hours prior to permit modification application. The unauthorized operation of DC-5 Reject Pellet Chute until a permit has been issued by the Department is a violation of LAC 33.III.501.C.1, LAC 33.III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). A permit modification application was submitted on July 24, 2015, and requests the DC-5 Reject Pellet Chute be added.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from April 7, 2015, through April 10, 2015, the facility operated an unpermitted mobile baghouse unit (MDC-01) for 72 hours prior to permit modification application. The unauthorized operation of MDC-01 until a permit has been issued by the Department is a violation of LAC 33.III.501.C.1, LAC 33.III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The MDC-01 unit was permitted as an emission control in Permit No. 3086-V3.

In the 1st Half 2015 Semiannual Monitoring Report dated September 30, 2015, the Respondent reported that, during the reported period from April 21, 2015, through June 30, 2015, the facility operated an emergency dump (DC-11) for 1704 hours prior to permit modification. The

unauthorized operation of DC-11 until a permit has been issued by the Department is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). A permit modification application was submitted on July 24, 2015, and requests the DC-11 be added.

In the 1st Half 2016 Semiannual Monitoring Report dated September 29, 2016, the Respondent reported that, during the reported period from January 24, 2016 the facility operated an emergency dump (DC-11) prior to permit modification. The unauthorized operation of DC-11 until a permit has been issued by the Department is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). A permit modification application was submitted on July 24, 2015, and requests the DC-11 be added.

On 5/19/2015, 8/24/2015, 4/5/2016, 6/8/2016 and 6/20/2016 during routine maintenance of the facility (DRI Reactor) interpreted data it was receiving as an emergency condition which caused the plant to trip and release the pressurized gas in the reactor to the atmosphere as a safety precaution. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In correspondence dated 1/19/2018, the Respondent stated that the reactor holds 20,000 nm³ of gas which contains Hydrogen, Nitrogen, Oxygen, Steam, Carbon monoxide, Methane and trace amounts of Hydrogen sulfide. The Respondent stated that DRI Reactor is not currently a permitted source. The Respondent stated that a permit modification application will be submitted to address emissions from the reactor. The Respondent stated in settlement offer dated 4/18/2017 that emissions did not exceed the MER or RQ.

In the 1st Half 2016 Semiannual Monitoring Report dated September 29, 2016, the Respondent reported that, the result of the stack test for the period of January 11, 2016, through June 30, 2016 revealed that the emissions of Cobalt, Manganese and Sulfuric acid were over the permitted levels. Each emission exceedance is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and

30:2057(A)(2). In correspondence dated 1/19/2018, the Respondent stated that the permitted emission rate for Cobalt, Manganese is less than 0.001 lb./hr. The stack test showed emissions of 0.0019 lb./hr. for Cobalt, 0.0018 lb./hr. for Manganese and 1.05 lb./hr. of Sulfuric acid. The Respondent stated that Sulfuric acid is currently not permitted and a permit application will be submitted on 3/15/2018 to account for the emissions exceedance found during the stack test.

In the Revised 1st Half 2017 Semiannual Monitoring Report dated March 29, 2018, the Respondent reported differential pressure out of range on EQT0095. Specifically, the Respondent observed the pressure dropped on May 19, 2017, for approximately one hour. Once the below pressure was observed, maintenance was called and adjusted the damper to get the differential pressure within limits. The failure to maintain differential pressure is a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

In the Revised 1st Half 2017 Semiannual Monitoring Report dated March 29, 2018, and 1st Half 2018 Semiannual Monitoring Report dated September 26, 2018, the Respondent reported the failure to perform ambient air quality monitoring. Specifically, the air quality monitoring station was inadvertently shut down and remained down throughout the year due to confusion over whether it was required or still voluntary on 1/1/2017 through 6/21/2018, 77 incidents. The failure to continuously monitor the ambient air quality is a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). On March 23, 2018, the Respondent applied to modify the Fugitive Dust Management plan to eliminate the ambient air quality monitoring. This was approved in Title V Air Permit No. 3086-V5 issued on 6/22/2018.

In the Revised 1st Half 2017 Semiannual Monitoring Report dated March 29, 2018, the Respondent reported the failure to identify that the ambient air quality monitoring station was inadvertently shutdown prior, first half semiannual monitoring report on September 30, 2017. The

Respondent submitted an updated 2017 1st half semiannual monitoring report with the 2nd half semiannual monitoring report. This is a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2)

III

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

IV

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 EIGHTY-NINE THOUSAND SEVEN HUNDRED SIXTY AND 32/100 DOLLARS (\$89,760.32), of which Three Thousand Two Hundred Thirty-Nine and 55/100 Dollars (\$3,239.55) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. 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).

V

Respondent further agrees that the Department may consider the inspection reports (s), permit record(s), the Consolidated Compliance Order & Notice of Potential Penalty, Amended Consolidated Compliance Order & Notice of Potential Penalty, and any responses thereto, 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.

VI

This agreement 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 agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VII

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.

VIII

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. James Parish, Louisiana. The advertisement, in form and wording 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 Agreement 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 Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

NUCOR STEEL LOUISIANA LLC

BY: [Signature]
(Signature)

Colin Hart
(Printed)

TITLE: General Manager

THUS DONE AND SIGNED in duplicate original before me this 3rd day of June, 20 21, at Convent, Louisiana St-James Parish

Jackie M. McCreary
NOTARY PUBLIC (ID # _____)

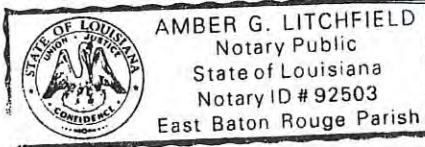
Jackie M. McCreary
State of Louisiana - Bar No. 28676
My commission is issued for life
(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 30th day of December, 20 21, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)


AMBER G. LITCHFIELD
Notary Public
State of Louisiana
Notary ID # 92503
East Baton Rouge Parish

(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary



BOBBY JINDAL
GOVERNOR

PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

August 12, 2014

CERTIFIED MAIL (7004 2510 0006 3852 6164)
RETURN RECEIPT REQUESTED

NUCOR STEEL LOUISIANA LLC
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Boulevard, Suite 400B
Baton Rouge, Louisiana 70808

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-CN-14-00430
AGENCY INTEREST NO. 157847**

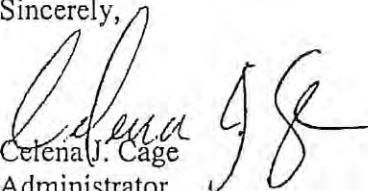
Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **NUCOR STEEL LOUISIANA LLC (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Sarah Acosta at (225) 219-3704.

Sincerely,


Celenia J. Cage
Administrator
Enforcement Division

CJC/SEA/sea
Alt ID Nos. 2560-00281 & LA0123857
Attachment



c: Nucor Steel Louisiana LLC
9101 Louisiana Highway 3125
Convent, Louisiana 70723

STATE OF LOUISIANA
 DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

NUCOR STEEL LOUISIANA LLC
 ST. JAMES PARISH
 ALT ID NOS. 2560-00281 & LA0123587

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

*
 *
 * ENFORCEMENT TRACKING NO.
 *
 * MM-CN-14-00430
 *
 * AGENCY INTEREST NO.
 *
 * 157847
 *

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **NUCOR STEEL LOUISIANA LLC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates a Direct Reduced Iron (DRI) manufacturing facility (the facility) located in Convent, St. James Parish, Louisiana. The facility currently operates under the following air permits:

Permit No.	Issue Date
PSD-LA-751(M-2)	November 26, 2013
3086-V2	November 26, 2013

The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0123587 on July 23, 2010, with an effective date of September 1, 2010, which was modified effective October 11, 2010. LPDES permit LA0123587 was revoked and reissued on July 18, 2013,

with an effective date of August 1, 2013. The permit will expire on July 31, 2018. Under the terms and conditions of LPDES permit LA0123587, the Respondent is authorized to discharge process wastewater including cooling tower, scrubber, and boiler blow downs and reverse osmosis wastewater via Outfall 001 to the Mississippi River, waters of the state. Under the terms and conditions of LPDES permit LA0123587, the Respondent is also authorized to discharge industrial storm water runoff and previously monitored (Outfall 102) treated sanitary wastewater via Outfall 002 to the Blind River via local drainage, St. James Canal, and Maurepas Swamp, waters of the state.

II.

On May 29, 2014, the Respondent's representatives met with the Department and submitted a permit exceedance notification and request for interim emission limits. In this notification, the Respondent stated the following: "Nucor has run into unanticipated and significant problems with commissioning the HYL process reactor. These problems are significant enough that HYL has not tendered, and Nucor has not accepted, the reactor from HYL due to the failure to operate as anticipated. The fundamental problem is that the direct reduction reaction is not occurring thoroughly and homogenously throughout the reaction zone, resulting in excessive emissions being generated, overpressure conditions, excessive natural gas demand, and problems with the final product meeting specifications consistently. Based on these problems, HYL and Nucor have determined that it is necessary to take the reactor down for an extended period to re-engineer its configuration to address the problems with direct reduction process homogeneity."

III.

On or about June 24, 2014, and July 9, 2014, the Department conducted file reviews of the Respondent's facility to determine the degree of compliance with the Act and the Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the file reviews:

- A. The Respondent failed to submit the following reports by the required deadlines:

Report	Deadline	Submittal Date
2012 Annual Compliance Certification for Permit Nos. 3086-V0 and 3086-V1	3/31/2013	3/31/2014
2012 2 nd Semiannual Monitoring Report for Permit No. 3086-V1	3/31/2013	3/31/2014

Report	Deadline	Submittal Date
2013 1 st Semiannual Monitoring Report for Permit No. 3086-V1	9/30/2013	3/31/2014

Each incident of the Respondent's failure to submit a report by the deadline is a violation of LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

B. In the Respondent's 2013 2nd Semiannual Monitoring Report dated March 31, 2014, the Respondent reported the following:

Emission Source	Specific Requirement (SR) from Permit No. 3086-V2	Description	Corrective Action
EQT0107	SR 336	Visual emissions inspection was not documented for the affected baghouse on 12/25/2013	Visual inspections were resumed the following day
EQT0107	SR 337	Pressure drop was not recorded for the affected baghouse on 12/25/2013	Pressure drop recordings were resumed the following day
FUG0011	SR 425 and 426	All reasonable precautions were not taken to ensure that particulate matter would not become airborne. Water sprays were not installed on the storage piles until 2014. BACT was selected to be implementation of wet suppression of dust generating sources by water sprays at each storage pile site.	Water sprays have been installed on the affected sources
FUG0012	SR 427 and 428		
FUG0013	SR 429 and 430		
FUG0014	SR 431 and 432		

Each incident of the Respondent's failure to comply with the permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The failure to install water sprays is also a violation PSD-LA-751(M-2), LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

C. In the Respondent's 2013 2nd Semiannual Monitoring Report dated March 31, 2014, the Respondent reported the differential pressure was not maintained between >3.5 and <11 inches w.c. for the periods and emissions sources specified in the table below.

Emission Source	Date	Specific Requirement (SR) from Permit No. 3086- V2
EQT0093/DRI Unit No. 1 Transfer Tower No. 1 West Side	12/30-12/31/2013	SR 161
EQT0094/ DRI Unit No. 1 Transfer Tower No. 2 East Side	12/17-12/20/2013 12/30-12/31/2013	SR 173
EQT100/DRI Unit No. 1 Iron Ore Screen Tower East Side	12/19-12/22/2013 12/29-12/30/2013	SR 245
EQT101/DRI Unit No. 1 Iron Ore Screen Tower West Side	12/17-12/19/2013 12/20-12/22/2013	SR 257
EQT102/DRI Unit No. 1 Iron Ore Feed Bin Tower	12/16-12/17/2013 12/19-12/22/2013	SR 269
EQT103/DRI Unit No. 1 Coating/Transfer Station	12/21-12/24/2013 12/25-12/26/2013	SR 281
EQT104/DRI Unit No. 1 Iron Ore Surge Bin Tower	12/22-12/27/2013	SR 293
EQT105/DRI Unit No. 1 DRI Buffer Bin Emergency Bunker	12/16-12/17/2013 12/21-12/28/2013	SR 305
EQT106/DRI Unit No. 1 Cold DRI Screening Station	12/16-12/17/2013 12/21-12/22/2013 12/25-12/26/2013	SR 317
EQT107/DRI Unit No. 1 Cold DRI Fines/Dust Silo	12/18-12/19/2013 12/24-12/28/2013 12/30-12/31/2013	SR 329
EQT108/DRI Product Silos	12/16-12/17/2013 12/19-12/20/2013 12/22-12/26/2013	SR 341
EQT109/DRI Unit No. 1 Product Screen House West	12/18-12/19/2013 12/29-12/31/2013	SR 353
EQT110/DRI Unit No. 1 Product Screen House East	12/22-12/23/2013 12/30-12/31/2013	SR 365
EQT0111/DRI Unit No. 1 Cold DRI Fines Bin	12/16-12/17/2013 12/29-1/1/2014	SR 377
EQT0112/DRI Unit No. 1 DRI Metering Bin	12/16-12/17/2013 12/29-12/31/2013	SR 389
EQT0113/DRI Product Loadout	12/30-12/31/2013	SR 401

Each incident of the Respondent's failure to maintain the differential pressure as required is a violation of Title V Permit No. 3086-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- D. In the Respondent's 2013 2nd Semiannual Monitoring Report dated March 31, 2014, the Respondent reported the failure to prepare standby plans for the reduction of emissions during periods of Air Pollution Alert, Warning, and Emergency. This is a violation of Specific Requirement No. 469 of Title V Permit No. 3086-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). The report states the Respondent has begun to prepare the required standby plans.

- E. In the Respondent's 2013 2nd Semiannual Monitoring Report dated March 31, 2014, the Respondent reported installing more efficient baghouses in the place of the permitted scrubbers. In addition, two smaller, more efficient boilers were installed instead of a single large package boiler. The Respondent's failure to submit a permit application prior to construction of each source is a violation of LAC 33:III.501.C.1, LAC 33:III.517.A, and La. R.S. 30:2057(A)(2). On July 16, 2013, the Respondent submitted a permit application to account for these changes, and on November 26, 2013, a modified permit was issued.

- F. The Respondent's correspondence dated May 29, 2014, states the DRI Unit No. 1 Hot Flare (EQT0071) was utilized in an intermittent manner during the early months of 2014 in order to maintain appropriate pressure levels in the reducing furnace. On February 27, 2014, use of the flare for this purpose was restricted and control software was put in place to prevent intermittent use of the flare during normal operations. After intermittent use of the flare was curtailed, it was discovered that the control valve for the flare system was not seating properly and was not able to fully seal process gas from the flare system at full operating pressures. This resulted in intermittent releases of process gas to the flare system, where that gas was then controlled through combustion by the flare. In correspondence dated July 9, 2014, the Respondent reported the following permit limit exceedances for the time period of January 1 through July 1, 2014:

Emission Source	Pollutant	Actual Emissions (tons)	Permitted Emission Rates (tons)
DRI Unit No. 1 Hot Flare (EQT0071)	NO _x	2.58	2.28
	SO ₂	0.25	<0.01

In addition, the Respondent reported the maximum pounds per hour (lbs/hr) emission of SO₂ during this timeframe was 0.34 lbs/hr which is over the 0.04 maximum lbs/hr permit limit. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 3086-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- G. The Respondent's correspondence dated May 29, 2014, reported the amine scrubbing system designed to separate carbon dioxide from the

process gas system is performing differently than anticipated. The concentration of carbon monoxide (CO) leaving the system in the Acid Gas Vent (EQT0072) remains low but it is more adsorptive of CO from the process gas than was anticipated. This is resulting in more CO being expelled from the system from the Acid Gas Vent. The Respondent reported the actual emissions of CO for the time period of January 1 through May 28, 2014, to be 27.03 tons. The current CO permit limit for this emission source is 2.65 tons per year. The exceedance of a permitted emission limit is a violation of Title V Permit No. 3086-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- H. The Respondent's correspondence dated May 29, 2014, reported the Emergency DRI Bunker exceeded the quantity represented in the permit application as a General Condition XVII activity and exceeded the five tons per year limitation for these activities. The Emergency DRI Bunker receives material from the reduction furnace when it must be emptied for maintenance or repairs, or when a malfunction occurs which would prevent the safe use of existing conveyors for removing product from the furnace. Due to the commissioning challenges described in correspondence dated May 29, 2014, the Respondent reported it was necessary to evacuate the reduction furnace more frequently than anticipated. The Respondent reported the actual emissions during the time period of January 1 through May 28, 2014, to be 6.88 tons of PM₁₀ and 1.04 tons of PM_{2.5}. The unauthorized emissions of PM₁₀ and PM_{2.5} are in violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- I. The Respondent's correspondence dated May 29, 2014, reported the Process Gas Heater (EQT0069) exceeded the maximum hourly nitrogen oxide (NO_x) permit limit. The correspondence states an engineering study of the Process Gas Heater revealed higher NO_x concentrations than anticipated from its mixed fuel design. The Respondent's correspondence dated July 9, 2014, states the maximum lb/hr NO_x emissions from this source during commission has been determined to be 17.74 lb/hr which is in excess of the 7.93 maximum lb/hr permit limit. This is a violation of Title V Permit No. 3086-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- J. The Respondent's correspondence dated May 29, 2014, reported credible evidence exists that the cooling water Total Dissolved Solids (TDS) level has not yet met the 1,000 ppm TDS concentration requirement. The Respondent reported conductivity test of the cooling water indicates that the TDS level of the cooling water is likely above the 1,000 ppm level. The Respondent's failure to meet the 1,000 ppm

concentration requirement is a violation of PSD-LA-751(M-2), Title V Permit No. 3086-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(2).

IV.

A file review conducted by the Department on June 5, 2014, revealed the following permit limitation exceedances, as reported by the Respondent on Discharge Monitoring Reports (DMRs) and Noncompliance Reports (NCRs):

Date	Outfall	Parameter	Permit Limit	Sample Value
December 2013	001	pH min	6.0 s.u.	3.43 s.u.
		pH max	9.0 s.u.	13.92 s.u.
		pH range excursion, > 60 minutes	0 occurrences	9 occurrences
		pH range excursion, monthly total accumulated	446 minutes	1440 minutes

Each exceedance of an effluent limitation is a violation of LPDES permit LA0123587 (Permit Requirements, Page 4 and 6 of 8; Other Conditions, Section K; and Standard Conditions, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

V.

A file review conducted by the Department on June 5, 2014, revealed that the Respondent failed to report the monthly average effluent concentration. Specifically, the Respondent failed to report the monthly average for Total Suspended Solids (TSS) on the January 2014 DMR. Each failure to report the monthly average effluent concentration is a violation of LPDES permit LA0123587 (Permit Requirements, Page 4 of 8 and Standard Conditions, Sections A.2 and D.4), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.L.4.d.

VI.

On or about May 27, 2014, the Enforcement Division received written correspondence from the Respondent requesting authorization to discharge wastewaters from Outfall 001 in accordance with interim limits for TSS. A recent request for a major modification of LPDES permit LA0123587 submitted to the Department on or about May 27, 2014, and follow-up communication between the Respondent and the Water Permits Division conducted on or about May 29, 2014, is the basis for this request. According to the Respondent, the discharge of cooling water and process wastewater will be increased to meet air permit compliance and operational concerns. The flow rate at Outfall 001 is expected to increase significantly as a result of these operational changes. The estimated 30-day maximum flow rate is 3.8 million gallons per day (MGD) and is associated with the discharge of the raw

water settling pond, which is also being added to the wastewater streams discharging from Outfall 001. There is no change in production rates, but the increase in the flow rate at Outfall 001 will make it difficult to comply with the existing TSS permit limits. The Permits Division is currently working on these proposed permit changes and has approved the interim limits established for TSS at Outfall 001 as described in the Order portion of the **COMPLIANCE ORDER**.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Air Quality Regulations including but not limited to Title V Permit No. 3086-V2 and PSD-LA-751(M-2).

II.

To address the issues/violations identified in Findings of Fact Paragraphs II.F, II.G, and II.H the Respondent shall comply with the following:

A. The Respondent shall comply with the following interim limitation(s):

Emission Source	Pollutant	Maximum Pounds per Hour	Tons per Year
Acid Gas Vent (EQT0072)	CO	15.03	92.87
DRI Unit No. 1 Hot Flare (EQT0071)	PM ₁₀	No change	0.19
	PM _{2.5}	No change	0.19
	NO _x	No change	4.83
	SO ₂	10.79	0.75
	CO	No change	14.51
	VOC	6.94	0.98
Emergency DRI Bunker	PM ₁₀	90.10	10.32
	PM _{2.5}	13.64	1.56

All emission limitations, monitoring requirements, and permit conditions of Title V Permit No. 3086-V2 and PSD-LA-751(M-2) shall remain in full force and effect and shall remain enforceable. The interim limitations shall remain in effect until the Department addresses these excess emissions in a new or modified permit, or unless notified by the Department in writing.

- B. The Respondent shall at all times properly operate and maintain all facilities and systems of control (and related appurtenances) which are installed or used by the Respondent to achieve compliance with the conditions of the interim limitations.
- C. The Respondent shall report any permit limit exceedances as set forth in Title V Permit No. 3086-V2 and PSD-LA-751(M-2) for the facility in the appropriate reports including, but not limited to, the Annual Compliance Certification and Title V Deviation Reports.

III.

The Respondent shall conduct performance testing on the Process Gas Heater and Acid Gas Vent within 180 days of achieving Stable Restart (defined as 96% metallization, 3% carbon and 312.5 tonnes/hr over a one week period, and meeting all quality standards set forth in the HYL Tenova vendor's performance guarantee). Furthermore, the Respondent has stated that the Process Gas Heater and Acid Gas vent will be re-tested within one hundred and eighty (180) days after first passing the performance test.

IV.

The Respondent shall perform TDS testing of the cooling water by October 15, 2014. The results of this test shall be submitted to the Department's Enforcement Division within thirty (30) days of completing the test.

V.

The Respondent shall, within seventy-five (75) days after the issuance of an Authorization to Construct or by September 15, 2014, whichever is later, install an enclosure with dust collection and baghouse control to control future reactor diversions, with an estimated removal efficiency of 99% or better. The Respondent shall notify the Department's Enforcement Division within five (5) days of completion of installation.

VI.

The Respondent shall operate a temporary screening facility to screen out rocks and debris from remet until such time as a permit is issued authorizing the permanent installation.

VII.

The Respondent shall operate the baghouses listed in the table below with a differential pressure between 1.0 to 11 inches water (except during pulse jet cleaning) until the applicable permit is modified.

EQT 0078	DC-19 – DRI Unit No. 1 Briquetting Mill
EQT 0093	DC-1 – DRI Unit No. 1 Transfer Tower No. 1 West Side
EQT 0094	DC-2 – DRI Unit No. 1 Transfer Tower No. 2 East Side
EQT 0095	DC-3 – DRI Unit No. 1 GTU Tower R3-C01
EQT 0096	DC-3A – DRI Dome No. 1 Head House
EQT 0097	DC-3B – DRI Dome No. 2 Head House
EQT 0098	DC-3C – DRI Dome No. 3 Head House
EQT 0099	DC-3D – DRI Dome No. 4 Head House
EQT 0100	DC-4 – DRI Unit No. 1 Iron Ore Screen Tower East Side
EQT 0101	DC-5 – DRI Unit No. 1 Iron Ore Screen Tower West Side
EQT 0102	DC-6 – DRI Unit No. 1 Iron Ore Feed Bin Tower
EQT 0103	DC-7 – DRI Unit No. 1 Coating/Transfer Station
EQT 0104	DC-8 – DRI Unit No. 1 Iron Ore Surge Bin Tower
EQT 0105	DC-11 – DRI Unit No. 1 DRI Buffer Bin Emergency Bunker
EQT 0106	DC-12 – DRI Unit No. 1 Cold DRI Screening Station
EQT 0107	DC-13 – DRI Unit No. 1 Cold DRI Fines/Dust Silo
EQT 0108	DC-14 – DRI Product Silos
EQT 0109	DC-15A – DRI Unit No. 1 DRI Product Screen House West
EQT 0110	DC-15B – DRI Unit No. 1 DRI Product Screen House East
EQT 0111	DC-16 – DRI Unit No. 1 Cold DRI Fines Bin – P10-B02
EQT 0112	DC-17 – DRI Unit No. 1 DRI Metering Bin
EQT 0113	DC-18 – DRI Product Loadout

VIII.

The Respondent shall comply with interim TDS limit of 2500 mg/L from initial startup until thirty (30) days after installation of new filters and a blowdown system to the Mississippi River.

IX.

The Respondent shall submit the permit application to the Department's Air Permits Division by no later than December 15, 2014, or sixty (60) days after initial post-restart performance test on the Process Gas Heater, Acid Gas Vent, and DRI Unit No. 1 Hot Flare, whichever is later. In addition, a copy of the application cover letter shall be submitted to the Enforcement Division. The permit application shall address the following:

1. Final CO, NO_x and CO₂ limits for the Process Gas Heater and Acid Gas Vent;
2. Final flaring operational and emission limits for DRI Unit No. 1 Hot Flare; and
3. Installation of permanent screen for remet material.

X.

The Respondent shall submit a letter to the Department's Enforcement Division notifying Stable Restart (as defined in Section III of the **COMPLIANCE ORDER**) within five (5) business days of achieving Stable Restart.

XI.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Water Quality Regulations and the permit limitations and conditions contained in LPDES permit LA0123587 including, but not limited to reporting required sample results on DMRs.

XII.

To protect water quality in the event of a discharge at Outfall 001, which under this **COMPLIANCE ORDER** is now designated as the discharge of process wastewater including cooling tower, scrubber, and boiler blow downs, reverse osmosis wastewater and effluent from the raw water settling pond, the Respondent shall comply with all terms and conditions of LPDES Permit LA0123587 associated with Outfall 001, except that the Respondent shall monitor and report TSS under the following interim effluent limitations and monitoring requirements until a final modification or a revocation and reissuance of LPDES permit LA0123587 is issued by the Department, or until the Respondent is otherwise notified in writing by the Department:

INTERIM EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS FOR TSS AT OUTFALL 001 – THE DISCHARGE OF PROCESS WASTEWATER INCLUDING COOLING TOWER BLOWDOWN, SCRUBBER WATER BLOWDOWN, BOILER BLOWDOWN, REVERSE OSMOSIS WASTEWATER, AND EFFLUENT FROM THE RAW WATER SETTLING POND

Parameter	Mass Limitations (lb/day)		Concentration Limitations (mg/l unless stated)		Measurement Frequency	Sample Type
	Monthly Avg.	Daily Max	Monthly Avg.	Daily Max		
TSS	324	658	---	---	Weekly	24-hr Composite

TSS – The current permit established monthly average and daily maximum TSS limitations based on 40 CFR 420.13(a) using a production rate of 15,100 Klbs/day presented in the February 27, 2013 application and similar non-process wastewater discharges from industrial facilities. The production rate has not changed. However, mass limitations for non-process wastewater discharges have increased based on an increase in the flow of non-process wastewater from the facility. TSS mass loadings for non-process wastewater discharges have been recalculated based on the estimated 30-day maximum flow rate of

3.039 MGD for non-process wastewater submitted in an email from Doug LaBar on May 29, 2014. Anti-backsliding does not apply because the increase in flow is new information that was not available at the time of permit issuance (LAC 33:IX.2707.L.2.a). TSS shall be monitored weekly by 24-hr composite sample.

40 CFR 420.13(a)

Daily Maximum – 15,100.00 Klbs/day X 0.00998 lbs/100 lbs = 150.698 lbs/day

Monthly Average – 15,100.00 Klbs/day X 0.00465 lbs/100 lbs = 70.215 lbs/day

Non-Process Wastewater Discharges

Daily Maximum – 3.039 MGD X 20 mg/L TSS X 8.34 = 506.905 lbs/day

Monthly Average – 3.039 MGD X 10 mg/L TSS X 8.34 = 253.453 lbs/day

Total TSS

Daily Maximum – 150.698 lbs/day + 506.905 lbs/day = 658 lbs/day (after rounding)

Monthly Average – 70.215 lbs/day + 253.453 lbs/day = 324 lbs/day (after rounding)

The Respondent shall comply with the General Criteria for water quality standards listed in LAC 33:IX.1113.B.

XIII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance

Post Office Box 4312

Baton Rouge, Louisiana 70821-4312

Attn: Sarah Acosta

Re: Enforcement Tracking No. MM-CN-14-00430

Agency Interest No. 157847

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. MM-CN-14-00430
Agency Interest No. 157847

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Sarah Acosta at (225) 219-3704 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

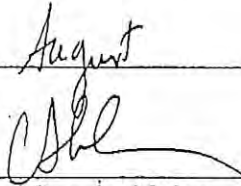
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you

utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 12 day of August, 2014.


Cheryl Sonnier Nolan
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Sarah Acosta

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

January 30, 2015

CERTIFIED MAIL (7005 1820 0002 2095 9321)
RETURN RECEIPT REQUESTED

NUCOR STEEL LOUISIANA LLC
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Boulevard, Suite 400B
Baton Rouge, LA 70808

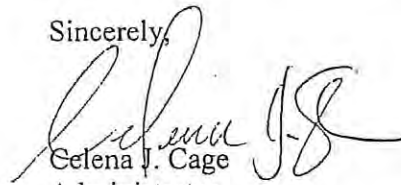
**RE: AMENDED CONSOLIDATED COMPLIANCE ORDER &
NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-CN-14-00430A
AGENCY INTEREST NO. 157847**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **NUCOR STEEL LOUISIANA LLC (RESPONDENT)** for the violations described therein.

Any questions concerning this action should be directed to Sarah Acosta at (225) 219-3704.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division

CJC/SEA/sbp
Alt ID Nos. 2560-00281 & LA0123587
Attachment

c: Nucor Steel Louisiana LLC
9101 Louisiana Highway 3125
Convent, Louisiana 70723



**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE**

<p>IN THE MATTER OF</p> <p>NUCOR STEEL LOUISIANA LLC ST. JAMES PARISH ALT ID NOS. 2560-00281 & LA0123587</p> <p>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p>ENFORCEMENT TRACKING NO.</p> <p style="text-align: center;">MM-CN-14-00430A</p> <p>AGENCY INTEREST NO.</p> <p style="text-align: center;">157847</p>
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**AMENDED CONSOLIDATED COMPLIANCE ORDER &
NOTICE OF POTENTIAL PENALTY**

The Louisiana Department of Environmental Quality (the Department) hereby amends the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. MM-CN-14-00430** issued to **NUCOR STEEL LOUISIANA LLC (RESPONDENT)** on August 12, 2014, in the above-captioned matter as follows:

I.

The Department hereby amends paragraph II.B and II.C of the Findings of Fact portion of Enforcement Tracking No. MM-CN-14-00430 to read as follows:

“B. In the Respondent’s 2013 2nd Semiannual Monitoring Report dated March 31, 2014, the Respondent reported the following:

Emission Source	Specific Requirement (SR) from Permit No. 3086-V2	Description	Corrective Action
EQT0107	SR 336	Visual emissions inspection was not documented for the affected baghouse on 12/25/2013	Visual inspections were resumed the following day

Emission Source	Specific Requirement (SR) from Permit No. 3086-V2	Description	Corrective Action
FUG0011	SR 425 and 426	All reasonable precautions were not taken to ensure that particulate matter would not become airborne. Water sprays were not installed on the storage piles until 2014. BACT was selected to be implementation of wet suppression of dust generating sources by water sprays at each storage pile site.	Water sprays have been installed on the affected sources
FUG0012	SR 427 and 428		
FUG0013	SR 429 and 430		
FUG0014	SR 431 and 432		

Each incident of the Respondent's failure to comply with the permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The failure to install water sprays is also a violation PSD-LA-751(M-2), LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

C. In the Respondent's 2013 2nd Semiannual Monitoring Report dated March 31, 2014, the Respondent reported the differential pressure was not maintained between >3.5 and <11 inches w.c. for the periods and emissions sources specified in the table below.

Emission Source	Date	Specific Requirement (SR) from Permit No. 3086- V2
EQT0093/DRI Unit No. 1 Transfer Tower No. 1 West Side	12/30-12/31/2013	SR 161
EQT0094/ DRI Unit No. 1 Transfer Tower No. 2 East Side	12/17-12/20/2013 12/30-12/31/2013	SR 173
EQT100/DRI Unit No. 1 Iron Ore Screen Tower East Side	12/19-12/22/2013 12/29-12/30/2013	SR 245
EQT101/DRI Unit No. 1 Iron Ore Screen Tower West Side	12/17-12/19/2013 12/20-12/22/2013	SR 257
EQT102/DRI Unit No. 1 Iron Ore Feed Bin Tower	12/16-12/17/2013 12/19-12/22/2013	SR 269
EQT103/DRI Unit No. 1 Coating/Transfer Station	12/21-12/24/2013	SR 281
EQT104/DRI Unit No. 1 Iron Ore Surge Bin Tower	12/22-12/27/2013	SR 293
EQT105/DRI Unit No. 1 DRI Buffer Bin Emergency Bunker	12/16-12/17/2013 12/21-12/28/2013	SR 305

Emission Source	Date	Specific Requirement (SR) from Permit No. 3086- V2
EQT106/DRI Unit No. 1 Cold DRI Screening Station	12/16-12/17/2013 12/21/-12/22/2013 12/25-12/26/2013	SR 317
EQT107/DRI Unit No. 1 Cold DRI Fines/Dust Silo	12/18-12/19/2013 12/24-12/28/2013 12/30-12/31/2013	SR 329
EQT108/DRI Product Silos	12/16-12/17/2013 12/19-12/20/2013 12/22-12/26/2013	SR 341
EQT109/DRI Unit No. 1 Product Screen House West	12/18-12/19/2013 12/29-12/31/2013	SR 353
EQT110/DRI Unit No. 1 Product Screen House East	12/22-12/23/2013 12/30-12/31/2013	SR 365
EQT0111/DRI Unit No. 1 Cold DRI Fines Bin	12/16-12/17/2013 12/29-1/1/2014	SR 377
EQT0112/DRI Unit No. 1 DRI Metering Bin	12/16-12/17/2013 12/29-12/31/2013	SR 389
EQT0113/DRI Product Loadout	12/30-12/31/2013	SR 401

The Respondent's 2014 1st Semiannual Monitoring Report dated September 25, 2014, states there were 660 instances in which the differential pressure was not maintained between >3.5 and <11 inches w.c. for the following emissions points: EQT0078, EQ0093, EQT0094, EQT0095, EQT0100, EQT0101, EQT0102, EQT0103, EQT0104, EQT0105, EQT0106, EQT0107, EQT0108, EQT0109, EQT0110, EQT0111, EQT0112, and EQT0113. Each incident of the Respondent's failure to maintain the differential pressure as required is a violation of Title V Permit No. 3086-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2)."

II.

The Department hereby amends paragraph XII of the Order portion of Enforcement Tracking No. MM-CN-14-00430 to read as follows:

"To protect water quality in the event of a discharge at Outfall 001, which under this **COMPLIANCE ORDER** is now designated as the discharge of process wastewater including cooling tower, scrubber, and boiler blow downs, reverse osmosis wastewater and effluent from the raw water

settling pond, the Respondent shall comply with all terms and conditions of LPDES Permit LA0123587 associated with Outfall 001, except that the Respondent shall monitor and report TSS under the following interim effluent limitations and monitoring requirements until a final modification or a revoke and reissuance of LPDES permit LA0123587 is issued by the Department, or until the Respondent is otherwise notified in writing by the Department:

INTERIM EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS FOR TSS AT OUTFALL 001 - THE CONTINUOUS DISCHARGE OF PROCESS WASTEWATER INCLUDING SCRUBBER WATER BLOWDOWN AND NON-PROCESS WASTEWATER, INCLUDING BUT NOT LIMITED TO, COOLING WATER BLOWDOWN, BOILER BLOWDOWN, WATER SOFTENER REGENERATION WASTEWATER, REVERSE OSMOSIS WASTEWATER, AND EFFLUENT FROM THE RAW WATER SETTLING POND

Parameter	Mass Limitations (lb/day)		Concentration Limitations (mg/l unless stated)		Measurement Frequency	Sample Type
	Monthly Avg.	Daily Max	Monthly Avg.	Daily Max		
TSS	324	658	---	---	Weekly	24-hr Composite

TSS – The current permit established monthly average and daily maximum TSS limitations based on 40 CFR 420.13(a) using a production rate of 15,100 Klbs/day presented in the February 27, 2013 application and similar non-process wastewater discharges from industrial facilities. The production rate has not changed. However, mass limitations for non-process wastewater discharges have increased based on an increase in the flow of non-process wastewater from the facility. TSS mass loadings for non-process wastewater discharges have been recalculated based on the estimated 30-day maximum flow rate of 3.039 MGD for non-process wastewater submitted by the Respondent on May 29, 2014. Anti-backsliding does not apply because the increase in flow is new information that was not available at the time of permit issuance (LAC 33:IX.2707.L.2.a). TSS shall be monitored weekly by 24-hr composite sample.

40 CFR 420.13(a)

Daily Maximum – 15,100.00 Klbs/day X 0.00998 lbs/100 lbs = 150.698 lbs/day

Monthly Average – 15,100.00 Klbs/day X 0.00465 lbs/100 lbs = 70.215 lbs/day

Non-Process Wastewater Discharges

Daily Maximum – 3.039 MGD X 20 mg/L TSS X 8.34 = 506.905 lbs/day

Monthly Average – 3.039 MGD X 10 mg/L TSS X 8.34 = 253.453 lbs/day

Total TSS

Daily Maximum – 150.698 lbs/day + 506.905 lbs/day = **658 lbs/day** (after rounding)

Monthly Average – 70.215 lbs/day + 253.453 lbs/day = **324 lbs/day** (after rounding)

The Respondent shall comply with the General Criteria for water quality standards listed in LAC 33:IX.1113.B.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the discharge point(s) prior to mixing with other waters.

Laboratory procedures and analyses shall be conducted by a commercial laboratory that has been certified by the Department in accordance with the requirements set forth under LAC 33:I.Subpart 3, Chapters 49-55. A list of laboratories that have received accreditation is available on the Department's website located at: <http://www.deq.louisiana.gov/portal/DIVISIONS/PublicParticipationandPermitSupport/LouisianaLaboratoryAccreditationProgram/AccreditedLaboratories.aspx>. Questions concerning the program may be directed to (225) 219-3247.

Samples and measurements shall be representative of the volume and nature of the discharge and collected and analyzed according to the requirements of LAC 33:IX.2701.J. Monitoring results from all sample analyses shall be reported on Discharge Monitoring Reports (DMRs) (EPA Form 3320-1) and forwarded to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attention: Permit Compliance Unit

DMRs shall be submitted no later than the twenty-eighth (28) day of the month following the monitoring period specified in this **COMPLIANCE ORDER**. The Respondent shall continue the submission of DMRs by the twenty-eighth (28) day of the month following each monitoring period until the Respondent is authorized under a LPDES permit or until otherwise notified in writing by this Department. **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY MM-CN-14-00430A, AI# 157847, and LA0123857** should be referenced on all DMRs submitted in accordance with this **COMPLIANCE ORDER**. Instructions for the proper completion of DMRs and examples of properly completed DMRs may be found on the Department's website at <http://www.deq.louisiana.gov/portal/DIVISIONS/Enforcement/WaterEnforcement.aspx>. Blank DMR forms may also be downloaded from this website.

The Respondent shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Respondent to achieve compliance with the conditions of these interim limitations and monitoring requirements. Proper operation and maintenance also includes adequate laboratory controls and appropriate quality assurance procedures. This provision requires the operation of back-up auxiliary facilities or similar systems, which are installed by a facility only when the operation is necessary to achieve compliance with the conditions of these interim limitations and monitoring requirements.

These interim limitations and monitoring requirements do not convey any property rights of any sort.

If the Daily Maximum limitation on any parameter is exceeded, the Respondent shall report said exceedance(s) in writing to the Office of Environmental Compliance, within five (5) working days after becoming aware of the violations. **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY MM-CN-14-00430A, AI# 157847, and LA0123587** should be referenced on all such reports submitted in accordance with this **COMPLIANCE ORDER**. The report should include the date, time, and duration of the noncompliance; the details of the circumstances and events leading to the noncompliance; the corrective actions taken or to be taken to correct the noncompliance and if not corrected, the anticipated time the noncompliance is expected to continue; the procedures or measures taken or to be taken to prevent recurrence of the noncompliance; and a determination of whether or not the noncompliance was preventable.”

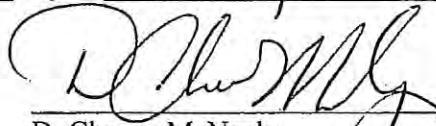
III.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. MM-CN-14-00430** and **AGENCY INTEREST NO. 157847** as if reiterated herein.

IV.

This **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 30 day of January, 2015.



D. Chance McNeely
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
Post Office Box 4312
Baton Rouge, LA 70821-4312
Attention: Sarah Acosta