TITLE 326 AIR POLLUTION CONTROL BOARD

FIRST NOTICE OF COMMENT PERIOD

LSA Document #07-88

DEVELOPMENT OF AMENDMENTS TO RULES CONCERNING OPERATIONS AT ISG BURNS HARBOR LLC/MITTAL STEEL USA BURNS HARBOR

PURPOSE OF NOTICE

The Indiana Department of Environmental Management (IDEM) is soliciting public comment on amendments to <u>326 IAC 6-6-5</u>, concerning ISG Burns Harbor LLC / Mittal Steel USA Burns Harbor's (Mittal Steel Burns Harbor) fugitive particulate matter emission control plan, and to <u>326 IAC 7-4-14</u>, concerning sulfur dioxide (SO₂) emission limits for Mittal Steel Burns Harbor's blast furnace flare. IDEM seeks comment on the affected citations listed and on any other provisions of Title 326 that may be affected by this rulemaking.

CITATIONS AFFECTED: <u>326 IAC 6-6-5</u>; <u>326 IAC 7-4-14</u>.

AUTHORITY: <u>IC 13-14-8</u>; <u>IC 13-17-3-4</u>; <u>IC 13-17-3-11</u>.

SUBJECT MATTER AND BASIC PURPOSE OF RULEMAKING Basic Purpose and Background

The Mittal Steel Burns Harbor plant operates two blast furnaces and is capable of producing 4.7 million tons of raw steel annually. Hot-rolled, cold-rolled, and coated-sheet products are made at the site. Operations include a 160" plate mill and a 110" plate mill capable of producing a combined one million tons of plate each year. Mittal Steel Burns Harbor was formerly a Bethlehem Steel plant and is located on Lake Michigan in Northwestern Indiana.

In two separate letters dated May 25, 2006, Mittal Steel Burns Harbor formally requested that IDEM propose to the Air Pollution Control Board amendments to <u>326 IAC 6-6-5</u> and <u>326 IAC 7-4-14</u>. This rulemaking will address whether and how to develop amendments to two separate rules concerning fugitive particulate matter and sulfur dioxide emissions at Mittal Steel Burns Harbor.

<u>326 IAC 6-6-5</u> Bethlehem Steel Corporation fugitive dust control strategy

The fugitive dust control strategy outlined in <u>326 IAC 6-6-5</u> has been effective since 1984 and addresses fugitive dust emission from roads and coal storage piles at the Mittal Steel Burns Harbor steelmaking plant. The rule imposes requirements for controlling fugitive particulate matter emissions by prescribing the specific roads that are to be treated, the specific amount of dust suppressant, and the frequencies those roads are to be treated. <u>326 IAC 6-6-5</u> also specifies the use of a tractor mounted broom for controlling fugitive particulate matter.

On May 4, 2006, Mittal Steel Burns Harbor requested a variance from the requirements of <u>326 IAC 6-6-5</u> on the grounds that the rule does not permit the company the operational flexibility to reconfigure roads at the plant or to use alternative dust suppressant equipment or application frequencies, as these details are specified in the rule. Mittal Steel Burns Harbor claimed that the specific control strategies required by <u>326 IAC 6-6-5</u> do not permit alternative control strategies that may be more efficient, effective, and less costly.

On November 17, 2006, IDEM granted a variance from the requirements of <u>326 IAC 6-6-5</u> to Mittal Steel USA Burns Harbor, on the condition that the company implement an approved alternative fugitive particulate matter emissions control plan in lieu of the requirements outlined in <u>326 IAC 6-6-5</u>. The variance is effective through December 5, 2007. The approved fugitive particulate matter emissions control plan is modeled after control plan requirements from <u>326 IAC 6-5-3</u> through 9. <u>326 IAC 6-5-3</u> through 9 outlines the control requirements for particulate matter emissions, the contents of an appropriate fugitive particulate matter control plan, and the process for plan approval by IDEM.

326 IAC 7-4-14 Porter County sulfur dioxide emission limitations

Blast furnace gas is a byproduct of the steelmaking process generated at the blast furnace. Mittal Steel Burns Harbor cleans the blast furnace gas generated at their facility and uses it as a fuel in the blast furnace stoves, coke ovens, and the power station boilers. The blast furnace gas flare is a control device used to prevent excess pressure from forming in the blast furnace gas supply line. The blast furnace gas flare is used when excess gas is produced beyond the capacity of the blast furnace and other combustion sources to consume it. <u>326 IAC 7-4-14</u> establishes a 0.07 lbs/MMBtu SO₂ emission limit for Mittal Steel Burns Harbor's blast furnace flare.

On May 4, 2006, Mittal Steel Burns Harbor requested a variance from the <u>326 IAC 7-4-14</u> SO₂ emission limit set for the blast furnace flare, on the grounds that air quality modeling performed to establish the SO₂ emission limit for emission points at the steelmaking plant attribute 100% of the available blast furnace gas as being used in the blast furnace stoves, coke ovens, and the power station boilers. Mittal Steel Burns Harbor claimed that compliance with the SO₂ emission limits established for the processes using the blast furnace gas assures protection of the National Ambient Air Quality Standard for SO₂, regardless of the presence of, or compliance

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with, an SO₂ emission limit for the blast furnace gas flare. In addition, Mittal Steel Burns Harbor states that the sulfur content present in raw materials processed at the blast furnaces is highly variable. Because the nature of the steelmaking process requires a continuous addition of raw materials to the blast furnace, it is technically infeasible to manage the sulfur content of materials charged in the blast furnace to achieve compliance with the blast furnace flare SO₂ emission limit. Finally, Mittal Steel Burns Harbor notes in the May 4, 2006 variance request that the blast furnace gas flare is necessary for the safe operation of the blast furnace gas distribution system, SO₂ emission limits are not imposed on flares for any other steelmaking operations or for any other flares in Indiana, and that add-on control technologies do not currently exist for SO₂ emission control at blast furnace gas flares.

On November 17, 2006, IDEM granted a variance from the blast furnace gas flare SO₂ emission limit established in <u>326 IAC 7-4-14</u> to Mittal Steel Burns Harbor. This variance is effective through December 5, 2007. Alternatives To Be Considered Within the Rulemaking

<u>Alternative 1.</u> Replace the fugitive dust control strategy required under <u>326 IAC 6-6-5</u> with the alternative particulate matter emissions control plan approved by IDEM under the variance approval issued on November 17, 2006.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? This alternative is not imposed by federal law and there is no comparable federal law. It is a "state-only" requirement.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

<u>Alternative 2.</u> Replace the fugitive dust control strategy required under <u>326 IAC 6-6-5</u> with a requirement that Mittal Steel Burns Harbor submit to IDEM for approval a fugitive particulate matter emissions control plan meeting the requirements modeled after <u>326 IAC 6-5</u>, sections 3 through 9.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? This alternative is not imposed by federal law and there is no comparable federal law. It is a "state-only" requirement.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

<u>Alternative 3.</u> Remove SO₂ emission limit requirement for the blast furnace flare from <u>326 IAC 7-4-14</u>.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? This alternative is not
 imposed by federal law, however, <u>326 IAC 7-4-14</u> is part of Indiana's State Implementation Plan (SIP) and is
 federally enforceable. This alternative will require the revised rule to be submitted for approval to U.S. EPA
 as a SIP revision.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

Alternative 4. A combination of the above alternatives.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? This alternative is not imposed by federal law, however, <u>326 IAC 7-4-14</u> is part of Indiana's State Implementation Plan (SIP) and is federally enforceable. This alternative will require the revised rule to be submitted for approval to U.S. EPA as a SIP revision.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.
- Alternative 5. No action.
- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? This alternative is not imposed by federal law and there is no comparable federal law.
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

Potential Fiscal Impact

<u>Potential Fiscal Impact of Alternative 1.</u> The fiscal impact of this alternative is an undetermined cost savings to Mittal Steel Burns Harbor if the approved alternative particulate matter emission control plan is more efficient and offers more operational flexibility as the company has reported.

<u>Potential Fiscal Impact of Alternative 2.</u> The fiscal impact of this alternative is an undetermined cost savings to Mittal Steel Burns Harbor if the approved alternative particulate matter emission control plan is more efficient and offers more operational flexibility as the company has reported.

<u>Potential Fiscal Impact of Alternative 3.</u> There is no anticipated fiscal impact associated with this alternative. <u>Potential Fiscal Impact of Alternative 4.</u> The fiscal impact of this alternative is an undetermined cost savings to Mittal Steel Burns Harbor if the alternative involves amendments to <u>326 IAC 6-6-5</u>, and if the approved alternative particulate matter emission control plan is more efficient and offers more operational flexibility as the company has reported. There is no anticipated fiscal impact associated with the removal of the SO₂ emission limit requirement for the blast furnace flare from <u>326 IAC 7-4-14</u>, if that action is taken under this alternative. <u>Potential Fiscal Impact of Alternative 5</u>. There is a potential fiscal impact associated with this alternative in the form of unidentified costs to Mittal Steel Burns Harbor to resume compliance with the provisions in <u>326 IAC 6-6-5</u> and <u>326 IAC 7-4-14</u>, if future variances are not issued and the company is required to resume compliance with the provisions of those rules.

Small Business Assistance Information

IDEM established a compliance and technical assistance (CTAP) program under <u>IC 13-28-3</u>. The program provides assistance to small businesses and information regarding compliance with environmental regulations. In accordance with <u>IC 13-28-3</u> and <u>IC 13-28-5</u>, there is a small business assistance program ombudsman to provide a point of contact for small businesses affected by environmental regulations. Information on the CTAP program, the monthly CTAP newsletter, and other resources available can be found at www.in.gov/idem/compliance/ctap/index.html

Small businesses affected by this rulemaking may contact the Small Business Regulatory Coordinator: Sandra El-Yusuf IDEM Compliance and Technical Assistance Program **OPPTA - MC60-04** 100 N. Senate Avenue W-041 Indianapolis, IN 46204-2251 (317) 232-8578 selyusuf@idem.in.gov The Small Business Assistance Program Ombudsman is: Stacey Pfeffer IDEM Office of Voluntary Compliance **OPPTA - MC60-04** 100 N. Senate Avenue, W-041 Indianapolis, IN 46204-2251 (317) 233-5624 spfeffer@idem.in.gov

Public Participation and Workgroup Information

At this time, no workgroup is planned for the rulemaking. If you feel that a workgroup or other informal discussion on the rule is appropriate, please contact Sean Gorman, Rules Development Section, Office of Air at (317) 234-3533 or (800) 451-6027 (in Indiana).

STATUTORY AND REGULATORY REQUIREMENTS

<u>IC 13-14-8-4</u> requires the board to consider the following factors in promulgating rules:

(1) All existing physical conditions and the character of the area affected.

(2) Past, present, and probable future uses of the area, including the character of the uses of surrounding areas.

(3) Zoning classifications.

(4) The nature of the existing air quality or existing water quality, as the case may be.

(5) Technical feasibility, including the quality conditions that could reasonably be achieved through coordinated control of all factors affecting the quality.

(6) Economic reasonableness of measuring or reducing any particular type of pollution.

(7) The right of all persons to an environment sufficiently uncontaminated as not to be injurious to human,

plant, animal, or aquatic life or to the reasonable enjoyment of life and property.

REQUEST FOR PUBLIC COMMENTS

At this time, IDEM solicits the following:

(1) The submission of alternative ways to achieve the purpose of the rule.

(2) The submission of suggestions for the development of draft rule language.

Mailed comments should be addressed to: #07-88(APCB) Mittal Steel Burns Harbor Sean Gorman Mail Code 61-50 c/o Administrative Assistant Rules Development Section Office of Air Quality Indiana Department of Environmental Management 100 North Senate Avenue Indianapolis, Indiana 46204. Hand delivered comments will be accepted by the IDEM receptionist on duty at the tenth floor reception desk, Office of Air Quality, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana.

Comments may be submitted by facsimile at the IDEM fax number: (317) 233-2342, Monday through Friday, between 8:15 a.m. and 4:45 p.m. Please confirm the timely receipt of faxed comments by calling the Rules Section at (317) 233-0426.

COMMENT PERIOD DEADLINE

Comments must be postmarked, faxed, or hand delivered by March 23, 2007. Additional information regarding this action may be obtained from Sean Gorman, Rules Development Section, Office of Air Quality, (317) 234-3533 or (800) 451-6027 (in Indiana).

Kathryn A. Watson, Chief Air Programs Branch Office of Air Quality

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