

State of Ohio Environmental Protection Agency

STREET ADDRESS:

Lazarus Government Center 50 W. Town St., Suite 700 Columbus, Ohio 43215 TELE: (614) 644-3020 FAX: (614) 644-3184 www.epa.state.oh.us P.O. Box 1049 Columbus, OH 43216-1049

EXHIBIT 2

MAILING ADDRESS:

6/14/2010

Kevin Pierard U.S. Environmental Protection Agency – Region V 77 West Jackson Boulevard Chicago, IL 60604

Dear Mr. Pierard

ArcelorMittal Steel has submitted an NPDES modification requesting an increase in the allowable ammonia-nitrogen loading under their 301(g) variance. We believe that this requested increase meets the requirements of Section 301(g) of the Clean Water Act, and should be approved.

The company is requesting the increase because they have not been able to meet the limits in their current NPDES permit consistently since they restarted iron production last fall. The change in requested limits is shown below. The new limits meet BPT, the wasteload allocation for the Cuyahoga River, and the 'de minimis' requirements of Ohio's Antidegradation Rule.

Season	Current Ammonia Limits (kg/day)	Requested Ammonia Limits (kg/day)
Summer	62.4 (30-day) 85.6 (daily)	224 (30-day) 294 (daily)
Winter	81.6 (30-day) 211 (daily)	224 (30-day) 294 (daily)

A hard copy of the modification application is attached. We also sent an electronic copy to Sreedevi Yedavalli. If you concur with these changes, we would like to coordinate public notice of the variance approval with the NPDES modification.

If you have questions about the request, please contact Eric Nygaard at (614) 644-2024.

Sincerely

Geor Elmarsh

George Elmaraghy, P.E., Chief Division of Surface Water

Ted Strickland, Governor Lee Fisher, Lieutenant Governor Chris Korleski, Director



Ohio EPA is an Equal Opportunity Employer



REPLY TO THE ATTENTION OF

JUN 2 3 2011

BY CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Scott J. Nally, Director Ohio Environmental Protection Agency 50 West Town Street, Suite 700 Columbus, Ohio 43215

Dear Mr. Nally:

The U.S. Environmental Protection Agency has reviewed ArcelorMittal Cleveland Inc.'s permit modification request for "increased Section 301(g) variance effluent limits for ammonia-N at Outfall 604" in the National Pollutant Discharge Elimination System (NPDES) Permit issued for ArcelorMittal's plant located at 3060 Eggers Avenue, Cleveland, Ohio (NPDES permit OH0000957). As explained below, the request is denied as time-barred because ArcelorMittal did not file it in a timely fashion.

Section 301(b)(2)(A) of the Clean Water Act (CWA), 33 U.S.C. § 1311(b)(2)(A), requires point sources other than publicly-owned treatment works to comply with effluent limitations representing the degree of reduction attainable in discharges of pollutants by application of the best available technology economically achievable (BAT). Authority to grant or deny requests for modifications of BAT effluent limitations for ammonia and certain other nonconventional pollutants has been given to the EPA Administrator by CWA Section 301(g)(1), 33 U.S.C. § 1311(g)(1). The Administrator has delegated this authority to EPA Regional Administrators.

Applications under Section 301(g) for modified effluent limitations must be submitted not later than 270 days after the date of promulgation of an applicable effluent guideline (CWA Section 301(j)(1)(B), 33 U.S.C. § 1311(j)(1)(B)). In this case, the applicable effluent guidelines are the BAT effluent limitations for ammonia-nitrogen for iron blast furnaces in the iron and steel manufacturing point source category, which EPA promulgated on May 27, 1982 (47 *Fed. Reg.* 23284 (May 27, 1982)), as amended at 47 *Fed. Reg.* 41738 (September 22, 1982)) and codified at 40 C.F.R. § 420.33.

The Ohio Environmental Protection Agency received the request from ArcelorMittal in a letter dated April 13, 2010, and forwarded it to EPA in a letter dated June 14, 2010. Because ArcelorMittal filed its request more than 270 days after the promulgation of the applicable effluent guidelines on May 27, 1982, the request is not timely under CWA Section 301(j)(1)(B).

If you have further questions, please contact me at (312) 886-3000 or your staff may contact Tinka Hyde, Region 5 Water Division Director, at (312) 353-2147.

Sincerely,

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Susan Hedman Regional Administrator

cc: George Elmaraghy, P.E., Chief Division of Surface Water
Ohio Environmental Protection Agency

> Mr. R.M. Zavoda Environmental Manager ArcelorMittal Cleveland, Inc.

From: Sreedevi Yedavalli [mailto:Yedavalli.Sreedevi@epamail.epa.gov] Sent: Wednesday, July 27, 2011 8:47 AM To: Rihtar, Stan Subject: ArcelorMittal Cleveland - 301g Decision Document Dear Mr. Rihtar: Please find the enclosed decision document, the Regional Administrator signed on June 23, regarding the proposed modification request of the existing 301(g) Variance for ArcelorMittal Cleveland, NPDES Permit number: OH0000957. The Region 5 Regional Administrator signed the decision document on June 23, 2011. The Regional Administrator's office forwarded the signed document within Region 5 for mailing on June 23 or shortly thereafter, but it was misplaced before it was mailed and was not found until yesterday. A certified hard copy of the signed letter will be mailed to Mr. Elmaraghy and Mr. Zavoda shortly. Sincerely, Sreedevi Yedavalli, WN-16J US EPA, Region 5 77 West Jackson Blvd. Chicago, IL 60604 Phone: 312-353-7314 Fax: 312-408-2282 (See attached file: FinalDenialLetter.06-23-2011.pdf) From: "Rihtar, Stan" <Stan.Rihtar@arcelormittal.com> Sreedevi Yedavalli/R5/USEPA/US@EPA To: Date: 07/26/2011 11:21 AM Subject: RE: ArcelorMittal Cleveland - 301g Request Sreedevi, what is the status of EPA's review of ArcelorMittal's 301g request? In our meeting on March 16 it was stated that we should expect approval by June, 2011. Stan Rihtar | Environmental Manager ArcelorMittal Cleveland Environmental | 3060 Eggers Avenue, Cleveland, Ohio 44105-1012 T +1 216 429 6396 | F +1 216 429 6631 | www.arcelormittal.com



August 4, 2011

Via Certified Mail and Federal Express

Ms. Susan Hedman Regional Administrator United States Environmental Protection Agency Region V 77 West Jackson Boulevard Chicago, IL 60604-3590

Dear Administrator Hedman:

Re: ArcelorMittal Cleveland Inc. NPDES No. 3ID00003*OD (OH0000957) Application for Modified Section 301(g) Variance (Ammonia-N, Outfall 604)

On behalf of ArcelorMittal Cleveland Inc. ("ArcelorMittal") this letter responds to your June 23, 2011 letter to Ohio EPA Director Scott J. Nally denying ArcelorMittal's April 13, 2010 application to modify its Section 301(g) variance for ammonia-N at Outfall 604 at its steel facility located at 3060 Eggers Avenue, Cleveland ("the Cleveland plant"). Although your letter is dated June 23, 2011, ArcelorMittal did not receive your letter until last week, on July 27, 2011. After inquiring on July 26, 2011 about the status of EPA's action on the pending variance modification application, Sreedevi Yedavalli transmitted your letter to ArcelorMittal via email on July 27, 2011. Ms. Yedavalli noted that your June 23, 2011 letter was "misplaced before it was mailed and was not found until [July 26, 2011]."

According to your letter, ArcelorMittal's Section 301(g) variance modification application is denied "as time-barred because ArcelorMittal did not file it in a timely fashion." The denial is, however, based upon the misguided premise that a timely filing of the application was not made within 270 days of the May 27, 1982 promulgation date of the applicable effluent limitations for ammonia-nitrogen, codified at 40 CFR Part 420. As described more fully, below, the premise for your denial is incorrect because *a Section 301(g) variance was timely submitted by the Cleveland plant on February 17, 1983*, well within 270 days of the May 27, 1982 promulgation date of 40 CFR Part 420. Accordingly, ArcelorMittal requests that you reconsider your June 23, 2011 decision and issue a letter approving ArcelorMittal's Section 301(g) variance modification application.

ArcelorMittal Cleveland Inc. 3060 Eggers Avenue Cleveland, Ohio 44105 T +1 216 429 6396 F +1 216 429 6631 www.arcelormittal.com

A. A Section 301(g) Variance Application Was Timely Submitted By the Cleveland Plant on February 17, 1983.

Republic Steel Corporation, the former owner of the Cleveland plant, filed a notice of intent to apply for a Section 301(g) variance for its facility on September 21, 1978.¹ Republic Steel then formally applied for the Section 301(g) variance for NPDES Permit No. OH0000957 on February 17, 1983, which is within 270 days of the promulgation date of May 27, 1982 for 40 CFR Part 420.² Indeed, its February 17, 1983 application stated that EPA advised that the variance application was due by February 21, 1983 and therefore Republic Steel submitted its Section 301(g) application for ammonia and phenol prior to that date -- on February 17, 1983. The September 21, 1978 and February 21, 1983 submittals to EPA are enclosed and clearly demonstrate that the Cleveland plant timely filed its variance application pursuant to Section 301(j)(1)(B) of the Clean Water Act, 33 U.S.C. §1311(j)(1)(B).

B. There Have Been Numerous Communications with U.S. EPA Regarding the Cleveland Plant's Timely Section 301(g) Variance Application Submittal.

Republic Steel and LTV Steel, another former owner of the Cleveland plant, provided supplemental information to both Ohio EPA and U.S. EPA Region V on numerous occasions following the February 17, 1983 Section 301(g) variance application. The Section 301(g) variance for ammonia-N at Outfall 604 was ultimately approved by Ohio EPA, granted by U.S. EPA, and incorporated into the NPDES permit for the Cleveland plant.

Subsequently, on April 13, 2010, ArcelorMittal submitted to Ohio EPA an application to modify the existing Section 301(g) variance for ammonia-N at Outfall 604. Several communications and discussions were held between ArcelorMittal, Ohio EPA and U.S. EPA regarding the Section 301(g) variance modification application. Indeed, in a meeting on March 16, 2011, EPA noted it anticipated issuance of an action on the variance by June 2011. At no time during these meetings or in these communications did EPA ever inquire as to the date of submittal of the original Section 301(g) variance application. Had the issue been raised, ArcelorMittal would have immediately provided EPA with the enclosed February 17, 1983 variance application, which would have obviated the need for your June 23, 2011 letter.

¹ <u>See</u> enclosed Sept. 21, 1978 Letter from D.H. Clark, Republic Steel to Regional Administrator, U.S. EPA Region V.

² <u>See</u> enclosed Feb. 17, 1983 Letter from W. West, Republic Steel to Regional Administrator, U.S. EPA Region V.

Ms. Susan Hedman August 4, 2011 Page 3 of 4

C. ArcelorMittal Requests U.S. EPA Promptly Reconsider Its Decision and Approve the Modified Variance Application.

ArcelorMittal respectfully requests that you reconsider your June 23, 2011 decision because a Section 301(g) variance was timely submitted by the Cleveland plant. ArcelorMittal further believes that its April 13, 2010 variance modification application meets all applicable regulatory requirements and fully conforms to EPA guidance regarding Section 301(g) variances. Ohio EPA has recommended approval of the Section 301(g) variance modification application (attached) and ArcelorMittal requests that U.S. EPA do the same.

Because our application has been pending for more than one year, and to avoid the need for preparation and filing of an appeal with respect to your June 23, 2011 decision, ArcelorMittal respectfully requests a response to this letter as soon as possible.

Thank you for your attention to this matter. Should you have any questions or need any additional information, please don't hesitate to contact me at 216.429-6396.

Sincerely,

1 tu Stan Rihtar

Environmental Manager ArcelorMittal Cleveland Inc.

Enclosures

cc: Scott J. Nally, Director, Ohio EPA George Elmaraghy, P.E., Chief, Division of Surface Water, Ohio EPA Tinka Hyde, Water Division Director, U.S. EPA Region V Sreedevi Yedavalli, U.S. EPA Region V

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