

Subject: Steel Dynamics and NPDES/SDS Permit MN0067687

Date: Thursday, November 1, 2012 2:43:43 PM CT

From: Paula Maccabee

To: Kevin Pierard

CC: Holst.Linda@epamail.epa.gov, Pfeifer.david@epa.gov, Margaret Watkins, Nancy Schuldt, Kathryn Hoffman

Hello, Kevin:

I was pleased that we had a chance to speak briefly on the phone this afternoon. I would be interested in your thoughts regarding the MPCA's removal of Steel Dynamics, Inc. from the current proposed Mesabi Nugget Delaware, LLC NPDES/SDS permit MN0067687, despite the following history and information:

The most recent prior NPDES/SDS Permit MN0067687 for the facility, the February 24, 2011 permit modification, included the following Permittees: Mesabi Nugget Delaware, LLC and Steel Dynamics, Inc. [Copy Attached]

The Application for the current NPDES/SDS Permit MN0067687 and Proposed Variance dated June 2010 was prepared by Barr Engineering for the following permittees: Steel Dynamics, Inc. and Mesabi Nugget, LLC. [Copy Attached]

Persons speaking at the MPCA Board meeting on October 23, 2012 in favor of the proposed permit and variance identified themselves as representatives of Steel Dynamics, Inc. It appears from the record that Steel Dynamics has been actively involved at every stage of the permitting and variance proceedings.

The web site for Mesabi Nugget states as follows: "Mesabi Nugget is a joint venture between Steel Dynamics (81 percent) and Kobe Steel (19 percent)." <http://www.mesabinuggetmn.com/ourcompany.php>

The PowerPoint available on the Mesabi Nugget web site is entitled, "Welcome to Mesabi Nugget." The second slide of that PowerPoint describes "An American Business Success Story." It is the story of Steel Dynamics, Inc., including Steel Dynamics' net sales of \$6.3 billion in 2010, its 6,000 employees worldwide and its NASDAQ listing of STLD. <http://www.mesabinuggetmn.com/ourcompany.php>

Minnesota law supports including a joint venturer on a permit. *In the Matter of Hibbing Taconite Co.*, 431 N.W. 2d 885, 892 (Minn. Ct. App. 1988), the Court stated, "Under Minnesota law, the parties to a joint venture would be included as persons applying for the permit. Under joint venture law, any of the participants in the joint venture is subject to liability and obligations of the joint venture as a whole."

Particularly where the regulated party will not be complying with water quality standards during the term of the permit (if ever), it seems inappropriate to remove a joint venturer and joint permit applicant with apparent control of environmental matters from an NPDES/SDS permit.

We would welcome a further discussion of these issues.

Best regards,

Paula Maccabee, Esq.
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