

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

NORTHWESTERN STEEL AND WIRE  
COMPANY,

Defendant.

No. 00 C 3700

Judge Suzanne B. Conlon

**CONSENT DECREE**

**I. BACKGROUND**

WHEREAS, Plaintiff, the United States of America, on behalf of the Administrator of the United States Environmental Protection Agency (hereinafter "EPA") is filing a Complaint in this action concurrently with the lodging of this Consent Decree, asserting claims against Northwestern Steel and Wire Company (hereinafter "Defendant" or "NWSW") pursuant to the Clean Air Act, as amended, ("CAA"), 42 U.S.C. §§7401 et seq.; and

WHEREAS, the Complaint alleges, *inter alia*, that Defendant violated the requirements of the CAA and the regulations promulgated thereunder applicable to Defendant's electric arc furnace ("EAF") shop at Defendant's plant located at 121 Wallace Street, Sterling, Illinois 61081 (" Facility"); and

WHEREAS, by their respective undersigned representatives, Plaintiff and Defendant, having agreed that settlement of this action has been negotiated by the parties in good faith and that this Consent Decree is fair, adequate, reasonable, consistent with applicable law and in the public

interest, and that entry of this Consent Decree without further litigation is the most appropriate means of resolving this action; and

WHEREAS, Plaintiff and Defendant having asked this Court to enter this Consent Decree; and

WHEREAS, the Court having determined that this Consent Decree is fair, adequate, reasonable, consistent with applicable law and in the public interest;

NOW, THEREFORE, before taking any testimony, upon the pleadings, without adjudication of any issues of fact or law except as provided in Section II below, and upon consent and agreement of the parties to this Consent Decree, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

## II. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§1331, 1345 and 1355; Section 113(b) of the CAA, 42 U.S.C. §7413(b); and over the parties to this action. The Complaint states claims upon which the Court can grant relief against Defendant, 42 U.S.C. §7413 and 28 U.S.C. §1355. In addition, venue is proper in this judicial district pursuant to 28 U.S.C. §1391(b) and 42 U.S.C. §7413(b).

2. Solely for the purposes of this Consent Decree and the underlying Complaint, Defendant waives all objections and defenses that it may have to the jurisdiction of the Court or to venue in this District. Defendant shall not challenge the terms of this Consent Decree or this Court's jurisdiction to enter and enforce this Consent Decree.

### III. PARTIES BOUND

3. This Consent Decree shall apply to and be binding upon the United States and upon Defendant and its successors and assigns, and upon all persons, firms, divisions and entities acting under, through, or for Defendant, or in concert or participation with them in carrying out this Consent Decree.

4. No change in ownership of the Facility or any portion thereof shall in any way alter Defendant's responsibilities under this Consent Decree; nor shall any change in corporate status or ownership affect Defendant's obligations under this Consent Decree. At least thirty (30) days prior to transferring ownership or operation of any part of the Facility affected by the terms of this Consent Decree, Defendant shall give notice of the terms of this Consent Decree to the prospective successor owner or operator of the Facility or portion thereof, and shall simultaneously verify to EPA in writing, in the manner set forth in Section XII (Notice) that such notice has been given. No such sale or transfer shall relieve Defendant of any obligation set forth herein unless agreed to in writing by the United States and approved by the Court.

### IV. DEFINITIONS

5. Unless otherwise expressly stated, the terms used in this Consent Decree that are defined in 42 U.S.C. §7401 et seq., or in regulations promulgated thereunder shall have the meanings set forth in such definitions.

6. Whenever the terms listed below are used in this Consent Decree or any Attachments hereto, the following definitions shall apply:

"CAA" means the Clean Air Act, as amended, 42 U.S.C. §§7401 *et seq.*

"Consent Decree" shall mean this Consent Decree and all attachments hereto, and all modifications of this Consent Decree.

"Day" shall mean a calendar day unless expressly stated to be a working day. "Working Day" shall mean a day other than a Saturday, Sunday or federal holiday. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday or federal holiday, the period will run until the close of business of the next Working Day.

"EPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies of the United States.

"Facility" and "Plant" shall mean the facility currently owned or operated by Defendant at 121 Wallace Street, Sterling, Illinois currently used for the production of steel and shall not include vacant land not used for such purpose.

"Paragraph" shall mean a portion of this Consent Decree identified by an Arabic number or upper case letter.

"Parties" shall mean the United States of America and Northwestern Steel and Wire Company.

"Section" shall mean a portion of this Consent Decree identified by a Roman numeral.

"United States" shall mean the United States of America, including the United States Environmental Protection Agency.

"Work" shall mean all activities Defendant is required to perform under this Consent Decree.

## V. COMPLIANCE

7. It is the express purpose of the Parties in entering into this Consent Decree to further the goals of the CAA. Defendant shall achieve, demonstrate, and thereafter maintain compliance

with the CAA and applicable regulations promulgated thereunder, including 40 C.F.R. Part 60, subparts A and AA, in accordance with the provisions and schedules set forth in Paragraphs 7-13 of this Consent Decree.

A. Defendant upgraded EAF No. 8 at the Plant as follows. Defendant removed the existing wet scrubber from service and routed the primary emissions from the upgraded EAF No. 8 to the existing baghouse. Defendant also added four additional compartments to the baghouse, each of which is at least equal to existing compartments in capacity and efficacy. The existing canopy hood over upgraded EAF No. 8 was maintained, and new walls were installed enclosing the upgraded EAF No. 8 in an "elephant house." Defendant replaced or upgraded certain equipment associated with EAF No. 8, including the shell, furnace roof, some ductwork, and instrumentation and controls. Defendant shall complete emission testing in accordance with the test methods and procedures established in Paragraph 8, below, and submit the results of all emissions tests to U.S. EPA, by January 1, 2001.

B. On and after entry of this Consent Decree, emissions from upgraded EAF No. 8 shall comply with applicable particulate emission limits and opacity standards specified 40 C.F.R. § 60.272 at all times, except as specified in 40 C.F.R. § 60.8(c).

C. On and after entry of this Consent Decree, emissions from EAF No. 7 shall comply with applicable particulate emission limits and opacity standards specified in 35 Ill. Adm. Code, Subtitle B, Chapter 1, Section 212.448, at all times, except as specified in its operating or CAA Permit.

D. In the event that NWSW does not complete the emission testing specified by the date in paragraph 7(a) above, NWSW shall pay the stipulated penalty of \$5,000 per day for each day the emission testing is late.

E. EAF No. 6 at the Facility shall not operate after October 8, 2000, unless and until NWSW installs air pollution capture and control equipment for EAF No. 6 which meets all applicable federal and state regulations as a new source, and obtains permission to do so through a construction or operating permit issued by the Illinois Environmental Protection Agency.

F. NWSW shall implement a furnace static pressure monitoring plan on the upgraded EAF No. 8 as described at 40 C.F.R. Part 60, Subpart AA, as amended, 64 Fed. Reg. 10,105-10,111 (1999), within 60 days of the effective date of this Consent Decree. NWSW shall pay a stipulated penalty of \$2,000 per day for each day that NWSW fails to implement the monitoring options contained at 40 C.F.R. Part 60, Subpart AA.

8. All stack tests required by this Consent Decree shall be conducted in accordance with U.S. EPA test methods found at 40 C.F.R. Part 60, Appendix A.

A. Each stack test shall consist of 3 test runs, and each test run shall be of a duration sufficient to cover an integral number of heats over a period of at least 4 hours.

B. U.S. EPA Methods 1-5 shall be used to test for particulate matter.

C. Visible emission readings of the control device and EAF shop shall be conducted during each test run in accordance with U.S. EPA Method 9.

D. The upgraded EAF No. 8 shall operate at maximum demonstrated capacity range during each test run. If NWSW later wishes to run at a higher capacity, it will conduct additional testing to demonstrate compliance at that level.

E. All operating parameters shall be monitored and recorded during each test run, including, but not limited to, start and stop times of each heat, weight and description of all raw materials added to the furnace during testing, the total weight of steel tapped from the furnace, and all fan motor amperes, damper positions, pressure drops, and volumetric flow rates associated with the primary and secondary collection and control system.

F. A stack test protocol shall be submitted at least 45 days prior to each stack test. It shall outline the testing and monitoring procedures to be employed during the test runs, and include the dates of the stack test.

G. Within 30 days of completion of each stack test, NWSW shall submit a stack test report that contains field results for all test runs, including incomplete test runs, all operational data listed in this paragraph, all raw test data, and all visible emission readings.

9. Unless NWSW installs applicable controls and demonstrates compliance with Paragraph 7(e) prior to October 8, 2000, NWSW shall render EAF No. 6 inoperable by October 8, 2000, by pulling and locking out the disconnects that control electrical power to EAF No. 6. Certification of completion of these shutdown procedures shall be sent to the U.S. EPA within 5 days of completion. Shutdown shall be monitored by NWSW through monthly reading and recording of the kilowatt-hour meter that is dedicated solely to EAF No. 6. Any indication of electrical current flow through the meter shall be explained. NWSW shall maintain these records for at least 3 years, and make its records of these readings available to EPA upon demand.

10. Upon reactivation of EAF No. 6 for any business reason after October 8, 2000, EAF No. 6 will constitute a new source under applicable federal regulations including new source review regulations.

11. In the event that NWSW fails to comply with Paragraph 7(e), 8, or 9 above after the entry of this Decree, NWSW shall pay the United States the following stipulated penalties, which shall begin to accrue on the day after performance is due, and shall continue to accrue through the final day of the completion of the activity:

Penalty Per Day Per Violation

Days 1-14	\$ 2,500
Days 15-30	\$ 5,000
Days 30-60	\$ 7,500
Day 61 plus	\$10,000

12. Notwithstanding payment of any stipulated penalties pursuant to Paragraph 11, the United States retains its right to seek other relief in the event that NWSW fails to comply with Paragraph 7(e).

13. The agreements regarding shutdown of EAF No. 6 described in this Consent Decree shall be binding on all successors in interest to NWSW.

VI. CIVIL PENALTY

14. Defendant shall pay a civil penalty in the amount of \$434,460.00 (FOUR-HUNDRED THIRTY-FOUR THOUSAND, FOUR-HUNDRED SIXTY DOLLARS) to the United States of America within thirty (30) days of the effective date of this Consent Decree. The payment shall be made by Federal Wire Electronic Funds Transfer ("EFT") to the Department of Justice Lockbox Bank in accordance with specific instructions to be timely provided to Defendant upon entry of this Consent Decree and shall reference DOJ Case No. 90-5-2-1-2173 and United States Attorney, Northern District of Illinois, File No. 1998V00398. Any funds received at the Lockbox Bank after 11:00 A.M. (Eastern Time) shall be credited on the next business day. Defendant shall advise the