



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUN 23 2005

REPLY TO THE ATTENTION OF

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

D. Jeannine Kelly, Environmental Attorney
Alton Steel Inc.
5 Cut Street
Alton, Illinois 62002

Re: Finding of Violation
Alton Steel Inc.
Alton, Illinois

Dear Ms. Kelly:

The United States Environmental Protection Agency (U.S. EPA) is issuing the enclosed Finding of Violation (FOV) to Alton Steel Inc. (you). We find that you are violating Section 111(e) of the Clean Air Act, 42 U.S.C. § 7411(e), at your Alton, Illinois facility.

We have several enforcement options under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3). These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action. The options we select may depend on, among other things, the length of time you take to achieve and demonstrate continuous compliance with the rules cited in the FOV.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you the opportunity to present information on the specific findings of violation, the efforts you have taken to comply, and the steps you will take to prevent future violations.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The U.S. EPA contact in this matter is Joseph Ulfing. You may call him at (312)353-8205 to request a conference. You should

make the request as soon as possible, but no later than 10 calendar days after you receive this letter. We should hold any conference within 30 calendar days of your receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Rothblatt". The signature is stylized with a large, sweeping initial "S" and several vertical strokes for the last name. There is a small mark above the signature that looks like "102".

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: Julie Armitage, Acting Manager
Compliance and Systems Management Section
Illinois Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)
)
Alton Steel, Inc.) **FINDING OF VIOLATION**
Alton, Illinois)
) **EPA-5-05-15-IL**
)
Proceedings Pursuant to)
the Clean Air Act,)
42 U.S.C. §§ 7401 et seq.)
)

FINDING OF VIOLATION

The United States Environmental Protection Agency finds that Alton Steel, Inc. (Alton Steel), is violating Section 111(e) of the Clean Air Act, 42 U.S.C. § 7411(e). Specifically, Alton Steel is violating the Standards of Performance (NSPS) for Electric Arc Furnaces (EAF) and Argon-Oxygen Decarburization Vessels Constructed After August 17, 1983, at 40 C.F.R. Part 60, Subpart AAa, and the NSPS General Provisions at 40 C.F.R. Part 60, Subpart A as follows:

Regulatory Authority

1. The NSPS Subpart AAa is applicable to any EAF that has been constructed, modified, or reconstructed after August 17, 1983.
2. "Existing facility" under the NSPS means, with reference to a stationary source, any apparatus of the type for which a standard is promulgated in this part, and the construction or modification of which was commenced before the date of the proposal of the standard; or any apparatus which could be altered in such a way as to be of that type. 40 C.F.R. § 60.2.
3. "Affected facility" under the NSPS means, with reference to a stationary source, any apparatus to which a standard is applicable. 40 C.F.R. § 60.2.
4. "Modification" under the NSPS means any physical change in, or change in the method of operation of, an existing facility that, among other things, increases the amount of

air pollutant (to which a standard applies) emitted into the atmosphere by that facility. 40 C.F.R. § 60.2. A modification includes any physical or operational change to an existing facility which results in an increase in the emission rate to atmosphere of any pollutant to which a standard applies. Upon modification, an existing facility shall become an affected facility for each pollutant to which a standard applies and for which there is an increase in the emission rate to the atmosphere. 40 C.F.R. § 60.14(a).

5. The NSPS, at 40 C.F.R. § 60.272a(a), requires that on and after the date of which the performance test required to be conducted by § 60.8 is completed, no owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from an EAF or an AOD vessel any gases which:
 - (1) Exit from a control device and contain particulate matter in excess of 12 mg/dscm (0.0052 gr/dscf);
 - (2) Exit from a control device and exhibit 3 percent opacity or greater; and
 - (3) Exit from a shop and, due solely to the operations of any affected EAF(s) or AOD vessel(s), exhibit 6 percent opacity or greater.
6. The NSPS, at 40 C.F.R. § 60.272a(b), requires that on and after the date on which the performance test required to be conducted by § 60.8 is completed, no owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from the dust-handling system any gases that exhibit 10 percent opacity or greater.
7. The NSPS, at 40 C.F.R. § 60.273a, requires that the owner or operator of an affected source monitor its emissions, as set forth at 40 C.F.R. § 60.273a(a) through (g).
8. The NSPS, at 40 C.F.R. § 60.274a, requires that the owner or operator of an affected source monitor operations, as set forth at 40 C.F.R. § 60.274a(a) through (h).
9. The NSPS, at 40 C.F.R. § 60.276a, requires that the owner or operator of an affected source meet various recordkeeping and reporting requirements, as set forth at 40 C.F.R. § 60.276a(a) through (g).

Alton Steel's Facility

10. Alton Steel owns and operates an electric arc furnace at 5 Cut Street, Alton, Illinois. The EAF was originally constructed in 1965.
11. The original EAF was an existing facility under 40 C.F.R. § 60.2.
12. During or after April of 2000, Laclede Steel, the former owner of Alton Steel's facility, replaced the capacitor bank and reactor between EAF #7 and its transformer.
13. After the installation of the capacitor bank and reactor in 2000, the heat time, or time required to produce a batch of steel, of EAF #7 decreased by 12 minutes, from 178 minutes to 166 minutes. This reduction in heat time produces an increase in emission rate.
14. The capacitor bank replacement for EAF #7 constitutes a modification of an existing facility under 40 C.F.R. § 60.2.
15. After the capacitor bank replacement, the EAF became an affected facility under 40 C.F.R. § 60.2.
16. On May 23, 2003, Alton Steel purchased the assets of Laclede Steel's Alton, Illinois facility.
17. Alton Steel's EAF #7 is subject to the requirements at 40 C.F.R. Part 60, Subpart A and Subpart AAa because this affected unit was modified after August 17, 1983.

Violations

18. Alton Steel's failure to monitor the facility's emissions, as required by 40 C.F.R. § 60.273a(a) through (g), violates Section 111(e) of the Act, 42 U.S.C. § 7411(e).
19. Alton Steel's failure to monitor the facility's operations, as required by 40 C.F.R. § 60.274a(a) through (h), violates Section 111(e) of the Act, 42 U.S.C. § 7411(e).

20. Alton Steel's failure to meet various recordkeeping and reporting requirements set forth at 40 C.F.R. § 60.276a(a) through (g), violates Section 111(e) of the Act, 42 U.S.C. § 7411(e).

6/23/2005
Date



Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Betty Williams, certify that I sent a Finding of Violation, No. EPA-5-05-15-IL, by Certified Mail, Return Receipt Requested, to:

D. Jeannine Kelly, Environmental Attorney
Alton Steel Inc.
5 Cut Street
Alton, Illinois 62002

I also certify that I sent copies of the Finding of Violation by first class mail to:

Julie Armitage, Acting Manager
Compliance and Enforcement Section, Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62702

on the 24th day of June, 2005.


Betty Williams, Secretary
AECAS, (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 70010320 00060295 3093