I. Purpose

This document establishes the basis for decisions made regarding the applicable requirements, emission factors, monitoring plan and compliance status of emission units covered by the renewed Operating Permit for the EVRAZ Rocky Mountain Steel Utilities (herein, Source). The previous Operating Permit for this facility was issued on May 1, 2004 and expired on May 1, 2009. However, since a timely and complete renewal application was submitted, under Colorado Regulation No. 3, Part C, Section IV.C all of the terms and conditions of the existing permit shall not expire until the renewal Operating Permit is issued and any previously extended permit shield continues in full force and operation.

This document is designed for reference during the review of the proposed permit by the EPA, the public, and other interested parties. The conclusions made in this report are based on information provided in the original application submitted on March 21, 2008, comments on the draft permit submitted on September 7, 2018, previous inspection reports and various email correspondence, as well as telephone conversations with the applicant. Please note that copies of the Technical Review Document for the original permit and any Technical Review Documents associated with subsequent modifications of the original Operating Permit may be found in the Division files as well as on the Division website at www.colorado.gov/cdphe/airTitleV. This narrative is intended only as an adjunct for the reviewer and has no legal standing.

Any revisions made to the underlying construction permits associated with this facility made in conjunction with the processing of this operating permit application have been reviewed in accordance with the requirements of Regulation No. 3, Part B, Construction Permits, and have been found to meet all applicable substantive and procedural requirements. This operating permit incorporates and shall be considered to be a combined construction/operating permit for any such revision, and the permittee shall be allowed to operate under the revised conditions upon issuance of this operating permit without applying for a revision to this permit or for an additional or revised construction permit.
II. Description of Source

The EVRAZ Rocky Mountain Steel (herein, Source) facility at this site is a steel manufacturing plant. The sources addressed in this operating permit are those related to the portion of the plant dedicated to the utilities required to support the various production operations. The utility operations include the cooling towers, plant-wide solvent usage, gasoline fueling operation, and various material storage piles.

The facility is located adjacent to Interstate 25 on the south side of Pueblo, Colorado at 2100 South Freeway. The area in which the plant operates is designated as attainment for all criteria pollutants.

There are no affected states within 50 miles of the plant. The Great Sand Dunes National Monument is a Federal Class I designated area within 100 kilometers of the facility. Florissant Fossil Beds National Monument is a Federal land area within 100 kilometers of the facility. Florissant Fossil Beds National Monument has been designated by the State to have the same sulfur dioxide increment as a Federal Class I area.

This facility is located in an area designated as attainment for all pollutants. This facility is categorized as a PSD major stationary source (potential to emit (PTE) > 100 tons per year (tpy)) for PM, NOx, and CO. Future modifications at this facility resulting in a significant net emissions increase (see Colorado Regulation No. 3, Part D, Sections II.A.27 and 44) or a modification which is major by itself (PTE > 100 tpy) for any pollutant listed in Colorado Regulation No. 3, Part D, Section II.A.44 for which the area is in attainment or attainment/maintenance may result in the application of the PSD review requirements.

There are five other Operating Permits which are collocated with this one and are considered associated for the purposes of determining PSD applicability. These are the Rail Mill, Seamless Mill, Steelmaking, Rod/Bar Mill, and Harsco Metals (95OPOB086, 95OPPB089, 95OPPB097, 95OPPB088, 09OPPB341).

Potential and actual emissions from the Source facility and the total emissions from all collocated sources are as follows:

<table>
<thead>
<tr>
<th>Equipment</th>
<th>AIRS ID</th>
<th>PM</th>
<th>PM$_{10}$</th>
<th>PM$_{2.5}$</th>
<th>NOx</th>
<th>CO</th>
<th>SO$_2$</th>
<th>VOC</th>
<th>HAPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solvent Use</td>
<td>81</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14.9</td>
<td></td>
</tr>
<tr>
<td>Fueling Station</td>
<td>82</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.12</td>
<td>0.16</td>
</tr>
<tr>
<td>Cooling Tower BOF</td>
<td>98</td>
<td>7.77</td>
<td>7.77</td>
<td>7.77</td>
<td></td>
<td></td>
<td></td>
<td>0.17</td>
<td>0.17</td>
</tr>
<tr>
<td>Cooling Tower EAF</td>
<td>98</td>
<td>10.45</td>
<td>10.45</td>
<td>10.45</td>
<td></td>
<td></td>
<td></td>
<td>0.25</td>
<td>0.25</td>
</tr>
<tr>
<td>Cooling Tower Demag</td>
<td>98</td>
<td>2.81</td>
<td>2.81</td>
<td>2.81</td>
<td></td>
<td></td>
<td></td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td>Haul Roads</td>
<td>100</td>
<td>24.9</td>
<td>24.9</td>
<td>24.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storage Piles</td>
<td>101</td>
<td>0.12</td>
<td>0.12</td>
<td>0.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
III. Applicable Requirements

Accidental Release Program – 112(r)

Section 112(r) of the Clean Air Act mandates a new federal focus on the prevention of chemical accidents. Sources subject to these provisions must develop and implement risk management programs that include hazard assessment, a prevention program, and an emergency response program. They must prepare and implement a Risk Management Plan (RMP) as specified in the Rule.

Based on the information provided by the Source, this facility is not subject to the provisions of Section 112(r) of the Federal Clean Air Act.

Hazardous Air Pollutants (HAP)

The utilities operations are a minor emissions source of HAP. However, due to its collocation with other Rocky Mountain Steel facilities, it is considered major for HAP. Note that this is a change from the previous issuance of the permit in which the facility was designated minor for HAP; however, since the previous issuance, the Source performed stack testing which showed that emissions of HAP were in exceedance of the major source HAP thresholds.

Compliance Assurance Monitoring

The CAM provisions of 40 CFR Part 64 do not apply to sources in this Operating Permit since there are no emission units with control devices used to achieve compliance with an emissions limitation or standard and have pre-control emissions over the major source threshold.
40 CFR Part 63, Subpart MMMM – National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products

The requirements of Subpart MMMM apply to surface coating of miscellaneous metal parts which use 250 or more gallons per year of coatings that contain HAP. There are various surface coating operations at the facility; however, they are not covered under this Operating Permit, therefore the requirements of Subpart MMMM do not apply.


The requirements of Subpart SSSS only apply to surface coating of metal coil as defined in §63.5110. The steel coated in this Operating Permit is not packaged in a roll or coil prior to coating thus it is not an affected source under Subpart SSSS.


The requirements of Subpart EEEEE only apply to “facilities or portions of a facility that melt scrap, ingot, and/or other forms of iron and/or steel and pours the resulting molten metal into molds to produce final or near final shape products…” (§63.7765). The facility as a whole is considered a foundry according to this definition; however, Subpart EEEEE only applies to “emissions from metal melting furnaces, scrap preheaters, pouring areas, pouring stations, automated conveyor and pallet cooling lines, automated shakeout lines, and mole and core making lines” (§63.7682(b)). Since none of the processes in this Operating Permit fit these unit designations for affected sources within the foundry, there are no associated requirements for this Operating Permit under Subpart EEEEE.


The requirements of Subpart FFFFF only apply to facilities which are “an establishment engaged in the production of steel from iron ore” (§63.7852). Since the facility only produces steel from scrap material, it is not an affected source under Subpart FFFFF.


The requirements of Subpart YYYYY only apply to those facilities which are considered area sources of HAP; i.e. non-major sources. Since the Source facility is a major source of HAP emissions, the requirements of Subpart YYYYY do not apply.

40 CFR Part 63, Subpart ZZZZZ – National Emission Standards for Hazardous Air Pollutants for Iron and Steel Foundries Area Sources

The requirements of Subpart ZZZZZ only apply to those facilities which are considered area sources of HAP; i.e. non-major sources. Since the Source facility is a major source of HAP emissions, the requirements of Subpart ZZZZZ do not apply.

The requirements of Subpart HHHHHH only apply to those facilities which are considered area sources of HAP; i.e. non-major sources. Since the Source facility is a major source of HAP emissions, the requirements of Subpart HHHHHH do not apply.


The requirements of Subpart XXXXXX only apply to those facilities which are considered area sources of HAP; i.e. non-major sources. Since the Source facility is a major source of HAP emissions, the requirements of Subpart XXXXXX do not apply.


The requirements of MACT CCCCCC only apply to area sources of HAP. Although the Source operates gasoline dispensing facilities as defined under the rule, since the Source is a major source of HAP the requirements of MACT CCCCCC do not apply.

IV. Modifications Requested by the Source

Since the previous issuance of the Operating Permit, the Source requested the following modifications; unless otherwise noted, all requests were incorporated into the Operating Permit:

Section I – General Activities and Summary

- The Source requested that the facility contact person be updated to Craig West. This has been changed, as appropriate.

Section II – Specific Permit Terms

- The Source requested that references to S101 – Storage Piles be removed from the permit since the emissions now qualify to be classified as an insignificant activity. The Division agrees with the assessment that the storage pile emissions are such that they no longer require ongoing annual emissions limitations; however, since there are requirements for the storage piles associated with the fugitive dust control plan. Condition 3 has been modified such that the emission calculations no longer need to be performed for the storage piles, but the request to remove S101 from the condition as a whole has been denied.

Appendices

- The Source requested additional insignificant activities added to Appendix A. These include diesel fuel storage and dispensing, Freon use, replacement and recovery, wind erosion from storage piles, and remediation activities below APEN thresholds. These have been added, as appropriate.
V. Other Modifications

In addition to the source requested modifications, the Division has included changes to make the permit more consistent with recently issued permits, include comments made by EPA on other Operating Permits, as well as correct errors or omissions identified during inspections and/or discrepancies identified during review of this renewal. These changes are as follows:

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- It should be noted that the monitoring and compliance periods and report and certification due dates are shown as examples. The appropriate monitoring and compliance periods and report and certification due dates will be filled in after permit issuance and will be based on permit issuance date. Note that the source may request to keep the same monitoring and compliance periods and report and certification due dates as were provided in the original permit. However, it should be noted that with this option, depending on the permit issuance date, the first monitoring period and compliance period may be short (i.e. less than 6 months and less than 1 year).

- Modified the language concerning postmarked dates for report submittals to reflect the Division’s current standard language.

- Updated the responsible official and facility contact to Ben Lutze and James Rodacy, as appropriate.

Section I – General Activities and Summary

- The PSD language was updated to read that the facility is major with PTE > 100 tpy instead of the previously listed 250 tpy. This was an error in the previous Operating Permit. Steelmaking is a PSD listed source category so the major source PSD threshold is 100 tpy instead of the usual 250 tpy.

Section II – Specific Permit Terms

- Condition 1.1 was updated to better reflect current Division Title V Operating Permit structure and language; no requirements were changed as a result of these changes.

- Condition 1.2 and 1.3 – Colorado Regulation No. 1 opacity language was updated to reflect the current version of the rule. The 30% opacity requirement was added to the permit; compliance with this requirement is presumed.

- Condition 1.4 – The RACT condition from the previous issuance was removed as the requirements appear in Section III, General Condition 30.

- Condition 2 – The title of the condition was updated to reflect how many cooling towers are at the facility. The PM and PM10 emission limits were updated as the Bar Mill cooling towers have been cancelled from this Operating Permit because they are no longer in use at the facility.
Previous Condition 2.1 was split into three separate conditions; one for the water throughput, new Condition 2.2 for TDS monitoring, and new Condition 2.3 for monitoring compliance with the PM and PM10 limits. The table which outlined the TDS used to determine the emission limits was removed from the permit as it was not appropriate for inclusion. For reference, the removed table is as follows:

<table>
<thead>
<tr>
<th>Cooling Tower</th>
<th>Flow, gpm</th>
<th>TDS*, ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOF</td>
<td>12,000</td>
<td>1,450</td>
</tr>
<tr>
<td>EAF</td>
<td>18,000</td>
<td>1,300</td>
</tr>
<tr>
<td>Round Caster</td>
<td>4,000</td>
<td>1,575</td>
</tr>
<tr>
<td>Bar Mill</td>
<td>4,000</td>
<td>1,200</td>
</tr>
<tr>
<td>Total</td>
<td>2.0 X 10^10 gallons/year</td>
<td>Average 1381.3</td>
</tr>
</tbody>
</table>

*TDS = Total Dissolved Solids, parts per million

Condition 2.2 – A requirement was added which reads that the annual TDS sampling event must represent normal operation for the year during the sampling event.

Condition 2.3 – The equation for calculating emissions was updated for clarity and to reflect current Title V Operating Permits

Conditions 2.4 and 2.5 – Colorado Regulation No. 1 opacity language was updated to reflect the current version of the rule. The 30% opacity requirement was added to the permit; compliance with this requirement is presumed.

Previous Condition 2.4 was removed from the Operating Permit. The APEN requirements are outlined in full detail in Section IV.

Condition 3.1 was updated to include the AP-42 chapters which are relevant for calculating emissions from the storage piles (13.2.4 for drop emissions and 13.2.5 for dumping and wind erosion). This condition was changed such that only emissions from the storage piles must be calculated and reported due to the Source requesting that the haul roads be considered insignificant activities. While the haul roads have insignificant emissions, they must remain in Section II of the permit due to requirements associated with the fugitive particulate emissions requirements which still apply.

Removed previous Condition 3.2 and added it as a note below the summary table. This was not an enforceable condition and only represented a reference for the reader. Note that the subsequent condition numbering has changed as a result of this removal.

Condition 3.2.3 was added. This was previously added below the visible emissions paragraph, but was moved to its own condition for clarity of applicable requirements. The citation to Colorado Regulation No. 1, Section III.D.1.e.(iii)., as appropriate.
• Condition 3.3 – The citation to Colorado Regulation no. 1, Section III.D. was added.

• Condition 4.1 – This condition was reformatted for clarity of recordkeeping requirements. Conditions 4.1.1 to 4.1.4 were updated to be consistent with the language in the other Operating Permits at the facility with regard to recordkeeping and updating MSDS. The frequency of updating these records was decreased from quarterly to annually as requested by the facility. The Division agrees with the Source that these records do not change enough to warrant more frequent than annual updates.

• Condition 4.2 – The VOC calculation language was updated to match the language in the seamless mill Operating Permit. Language was added to account for the recovery of materials. Additional recordkeeping requirements apply to the Source should they elect to take advantage of the reduction in emissions due to recovery.

• Condition 4.3 and 4.4 – Updated the language to read as it is in the regulation and to be consistent with more recent permits. The 30% opacity requirement from Colorado Regulation No. 1 was added to the permit. As with the 20% requirement, compliance can be presumed since the use of solvents precludes visible emissions.

• Previous Condition 4.5 was removed from the Operating Permit because it is contained in Section III, General Condition 30.

• Previous Condition 5 was removed from the permit. Insignificant activity tracking is most often reserved for sources for which emissions from insignificant activities may trigger additional permitting requirements; e.g., sources near a major source threshold. The Source is always obliged to verify that their insignificant activities are allowed to remain on the insignificant activities lies or if they should be included in the main body of the Operating Permit. As such, as was written, the Condition did not include any enforceable requirements or limitations and thus was removed.

• Previous Condition 6 was removed from the Operating Permit as it did not contain any enforceable requirements.

• Previous Condition 7 was removed from the Operating Permit because the reporting requirements are outlined in other Conditions and there are no additional requirements as a result of the inclusion of this condition.

Section III – Permit Shield

• The shield related to the requirements of Colorado Regulation No. 8 was removed as it was too broad for what the Division generally considers an appropriate shield.

• The shield related to Colorado Regulation No. 7 was updated to clarify that it only applies to those sections of the rule which only apply to those areas in
Colorado which are in the non-attainment area for ozone. The shield previously only listed Section V of the regulation; however, there are other sections of the rule which apply state-wide.

Section IV – General Permit Conditions

• The General Permit Conditions were updated to the most recent version (3/13/2018). The most significant change was the addition of new major source requirements in Condition 24.

Appendices

• The formatting of the Appendices was updated for consistency and clarity.

• The insignificant activities list was updated to reflect the Colorado Regulation No. 3, Part C, Section II.E. requirements to maintain records of certain insignificant activities to verify that they ought to remain on the list, as appropriate.

• The modifications listed in Appendix F were removed.

• Appendix G which contained the fugitive particulate emissions control plan was updated to contain the most current version of the plan. The plan is required to be updated and used in accordance with the requirements of Colorado Regulation No. 1, Section III.D. (Section II, Condition 3.3).