OHIO E.P.A.

DEC 30 2009

ENTERED DIRECTOR'S JOURNAL

BEFORE THE

OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Republic Engineered Products, Inc.	:	**Director's Final Findings**
1807 E. 28th Street	:	**and Orders**
Lorain, Ohio 44055	:	

I certify this to be a true and accurate copy of the official documents as filed in the records of the Ohio Environmental Protection Agency.

By: [signature] Date: 12/30/09

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Republic Engineered Products, Inc. ("Respondent") pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") § 3704.03 and 3745.01.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of the Respondent or of the Facility (as hereinafter defined) shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 3704 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA makes the following findings:

1. Respondent owns and operates an integrated steel plant located at 1807 E. 28th Street, Lorain, Lorain County, Ohio ("Facility"). On May 30, 2003, a Title V permit (02-47-08-0229) was issued to Respondent for the Facility pursuant to Ohio Administrative Code ("OAC") Chapter 3745-77. The Title V permit establishes terms and conditions under which the emissions units ("EUs") at the Facility are to be operated in order to ensure compliance with state and federal air pollution control laws and regulations. The Title V permit expired on June 20, 2008; however; its requirements remain in effect pursuant to OAC Rule 3745-77-08(E)(1) until a renewal Title V permit is issued by Ohio EPA. A renewal permit application was timely submitted by Respondent to Ohio EPA on December 20, 2007.

2. Respondent's Title V permit, in part, establishes emission limitations, operational controls and reporting requirements for the bloom reheat furnace, which is identified by Ohio EPA as EU P081 and has a heat input capacity 421.6 million British thermal units per hour ("MMBtu/hr"). Specifically, Part III.A.I.1. of the terms and conditions of the Title V permit establishes a nitrogen oxide ("NOx") emissions limitation of 0.132 pound of NOx per million British thermal units ("lb/MMBtu"). In addition, Part III.A.V.1.a. of the terms and conditions of the Title V permit requires Respondent to conduct an annual emission test for EU P081 in order to demonstrate compliance with allowable mass emission for NOx. EU P081 is an "air contaminant source" as defined in OAC Rule 3745-15-01(C) and (W). EU P081 is equipped with low NOx burners.

3. On November 13, 2007, Respondent conducted the 2007 annual emission test for EU P081. The average emissions of NOx based on these three, one-hour test runs was 0.141 lb/MMBtu, in violation of Part III.A.I.1. of the terms and conditions of the Title V permit and ORC § 3704.05(J)(2). On December 20, 2007 and February 6, 2008, Respondent tried to conduct retests of EU P081 but cancelled the retests both times because preliminary data indicated high emissions readings for NOx. On January 21, 2008, Respondent submitted, to Ohio EPA, a compliance plan. By letters dated January 2, 2008 and March 12, 2008, Ohio EPA notified Respondent of the continued violations of the NOx emission limitation for EU P081.

4. By April 8, 2008, Respondent made all necessary repairs to EU P081 and conducted and passed a retest. The average emissions of NOx based on these three, one-hour test runs was 0.044 lb/MMBtu. Respondent was in violation of Part III.A.I.1. of the terms and conditions of the Title V permit and ORC § 3704.05(J)(2) from November 13, 2007 until April 8, 2008. By letter dated June 17, 2008, Ohio EPA issued a return to compliance letter to Respondent for this Facility.

5. On November 12, 2008, Respondent conducted the 2008 annual emission test for EU P081. The average emissions of NOx based on these three, one-hour test runs was 0.230 lb/MMBtu, in violation of Part III.A.I.1. of the terms and conditions of the Title V permit and ORC § 3704.05(J)(2). By December 19, 2008, Respondent made all necessary repairs to EU P081 and conducted a retest. The results of the retest were 0.065, 0.068 and 0.056 lb/MMBtu. The average emissions of NOx based on these three, one-hour test runs was 0.063 lb/MMBtu. Respondent was in violation of Part III.A.I.1. of the terms and conditions of the Title V permit and ORC § 3704.05(J)(2) from November 12, 2008 until December 19, 2008. By letter dated April 17, 2009, Ohio EPA issued a return to compliance letter to Respondent for this Facility.

6. The Director has given consideration to, and based his determination on, evidence relating to the technical feasibility and economic reasonableness of complying with the following Orders and their relation to benefits to the people of the State to be derived from such compliance.

V. ORDERS

The Director hereby issues the following Orders:

1. Respondent shall pay the amount of thirty thousand six hundred dollars ($30,600) in settlement of Ohio EPA's claims for civil penalties, which may be assessed pursuant to ORC Chapter 3704. Within forty-five (45) days after the effective date of these Orders, payment to Ohio EPA shall be made by an official check made payable to "Treasurer, State of Ohio" for twenty-four thousand four hundred and eighty dollars ($24,480) of the total amount. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent, to:

Ohio EPA
Office of Fiscal Administration
P.O. Box 1049
Columbus, Ohio 43216-1049

2. In lieu of paying the remaining six thousand one hundred and twenty dollars ($6,120) of the civil penalty, Respondent shall, within forty-five (45) days of the effective date of these Orders, fund a Supplemental Environmental Project ("SEP") by making a contribution in the amount of $6,120 to the Ohio EPA's Clean Diesel School Bus Program Fund (Fund 5CD0). Respondent shall tender an official check made payable to "Treasurer, State of Ohio" for $6,120. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent and Fund 5CD0, to the above-stated address.

3. A copy of each of the above checks shall be sent to James A. Orlemann, Assistant Chief, SIP Development and Enforcement, or his successor, at the following address:

Ohio EPA
Division of Air Pollution Control
P.O. Box 1049
Columbus, Ohio 43216-1049

4. Should Respondent fail to fund the SEP within the required time frame set forth in Order 2, Respondent shall immediately pay to Ohio EPA $6,120 of the civil penalty in accordance with the procedures in Order 1.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate upon Ohio EPA's receipt of the official checks required by Section V of these Orders.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to, operations of Respondent.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

Ohio Environmental Protection Agency
2110 East Aurora Road
Twinsburg, Ohio 44087
Attn: Dennis Bush

and to:

Ohio Environmental Protection Agency
Division of Air Pollution Control
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Thomas Kalman

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency

Chris Korleski
Director

12/29/09
Date

IT IS SO AGREED:

Republic Engineered Products, Inc.

Signature

12/18/09
Date

Amar Bhatia
Printed or Typed Name

Director of Operations
Title