John R. Kasich, Governor
Mary Taylor, Lt. Governor
Craig W. Butler, Director

CERTIFIED MAIL

June 17, 2014

Worthington Steel of Ohio
c/o Elaine Veth
6303 County Road 10
Delta, Ohio 43515

Re: Worthington Steel of Ohio
Non-Permit Related Variance
Approval
RCRA-C Hazardous Waste
Fulton
OHR000017897

Dear Sir or Madam:

On June 17, 2014, the director of Ohio EPA issued to Worthington Steel of Ohio a final variance from classification as a waste. This variance allows the Worthington Steel of Ohio Delta facility located at 6303 County Road 10, Delta, Ohio 43515 in Fulton County, to ship spent pickle liquor for reclamation without a hazardous waste manifest.

On April 9, 2014, the director of Ohio EPA provided a public notice of his decision to tentatively grant the variance from classification as a waste. No public comments were received during the comment period. Enclosed are the final Variance from Classification as a Waste and the Response to Comments.

If you have any questions concerning this variance, please contact Annette De Havilland of Ohio EPA's Central Office, Division of Materials and Waste Management, at (614) 644-2621.

Sincerely,

Brian Dearth, Administrative Officer 1
Division of Materials and Waste Management

Enclosures

cc: Kara Reynolds, DMWM NWDO

file

OHIO E.P.A.
JUN 17 2014
ENTERED DIRECTOR'S JOURNAL

BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Worthington Steel of Ohio
c/o Elaine Veth
6303 County Road 10
Delta, OH 43515

Applicant

Variance from Classification as a Waste

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: 6-17-14

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

This Variance from Classification as a Waste (Variance) is issued to Worthington Steel of Ohio (Applicant) pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency (Ohio EPA) under Ohio Revised Code (ORC) §§ 3734.02, 3734.14, 3745.01 and Ohio Administrative Code (OAC) rule 3745-50-23.

II. PARTIES BOUND

This Variance shall apply only to the Applicant. No change in ownership of the Applicant or of a Facility shall in any way alter the Applicant's obligations under this Variance.

III. DEFINITIONS

Unless otherwise stated, all terms used in the Variance shall have the same meaning as defined in ORC Chapter 3734. and the rules promulgated thereunder. Whenever the terms listed below are used in this Variance, the following definitions shall apply:

1. "Acceptance by a Reclaimer" means when Spent Pickle Liquor (SPL) is placed into Reclaimer's storage unit.

2. "Application" means the responses to the criteria listed in OAC rule 3745-50-24(B) for a Variance submitted by the Applicant on October 3, 2013 and amended on February 10, 2014 which is attached hereto and incorporated herein.

3. "Facility" means the Worthington Steel of Ohio facility at the following location:

   Worthington Steel – Delta
   6303 County Road 10
   Delta, OH 43515

4. "Ferrous Chloride Solution" or "FCS" means SPL generated by Applicant and shipped to a Reclaimer.

5. "Spent Pickle Liquor" or "SPL" means hydrochloric acid that has been used in the surface treatment or pickling of steel by Applicant, and has become depleted or contaminated to the point that it is no longer usable for this production process. SPL includes hazardous waste classified as D002 as defined in OAC rule 3745-51-22 or as K062 as defined in OAC rule 3745-51-32(A).

6. "Reclaimer" is a person who processes FCS to Regenerated Hydrochloric Acid (RHA) and iron oxide product.

7. "Regenerated Hydrochloric Acid" or "RHA" means hydrochloric acid reclaimed by a Reclaimer from FCS or SPL. RHA has a hydrochloric acid concentration of approximately 18%.

IV. FINDINGS

The Director of Ohio EPA has determined the following findings:

1. Applicant is a person as defined in ORC section 3734.01(G) and OAC rule 3745-50-10(A).

2. On October 3, 2013, Applicant submitted an Application to the Director for a variance from classification as a waste for FCS offered for transport by Applicant to a Reclaimer; in particular, Applicant is seeking relief from compliance with the manifest requirements of OAC rule 3745-52-20.

3. Applicant is currently operating under a Variance from Classification as a Waste, issued to Bailey-PVS Oxides in 1999. Due to changing business conditions and possible future opportunities, Applicant desires its own Variance.

4. Applicant addresses the standards and criteria set forth in OAC 3745-50-24(B) for issuing a variance from classification as a waste in the following manner:

a. **How economically viable the production process would be if it were to use virgin materials, rather than reclaimed materials;**

   Reclamation of FCS will result in annual cost savings which can be as high as 50% in comparison to the use of virgin material. The reduction in the cost of hydrochloric acid will in turn reduce the cost per ton of steel produced.

b. **The extent to which the material is handled before reclamation to minimize loss;**

   SPL storage tanks, foundations, and piping are designed to applicable standards adequate to prevent collapse, rupture, and failure of the system. The SPL loading areas are covered and have containment to prevent SPL from entering the environment. Loads will be placarded. Employees receive DOT HazMat training related to the shipment of hazardous materials, including SPL, every three years. Resource Conservation and Recovery Act (RCRA) training is conducted annually and addresses waste determination process and how SPL is managed within the hazardous waste rules.

c. **The time periods between generating the material and its reclamation, and between reclamation and return to the original primary production process;**

   Average storage time period at the Facility is generally two days. Using AMROX in Indiana as an example, production time from receipt of FCS to shipment of RHA to the Facility or other steel producers for use in the finishing process currently averages 2.5 days.

d. **The location of the reclamation operation in relation to the production process;**

   There are several reclamation facilities which may process FCS. Three are located from 178 to 348 miles of the Applicant's Facilities.

e. **Whether the reclaimed material is used for the purpose for which it was originally produced when it is returned to the original process, and whether it is returned to the process in substantially its original form;**

   Hydrochloric acid is used in the surface treatment or pickling of steel. When it has become depleted or contaminated to the point that it is no

longer usable for this production process, it becomes SPL. Using AMROX in Indiana as an example, a Reclaimer can produce 18%w/w RHA from FCS. The RHA produced is shipped to the steel industry for use in the finishing of steel.

f. **Whether the person who generates the material also reclaims it; and**

Reclamation of SPL will be conducted by an independent and physically separate business.

g. **Other relevant factors.**

The use of RHA produced from FCS eliminates the need for the disposal of SPL as hazardous waste, reduces the need to intentionally dissolve steel in hydrochloric acid to produce ferrous chloride to manufacture iron oxide, and reduces the need to manufacture virgin hydrochloric acid. These in turn result in cost savings for many industries, reduced labor and energy costs, and benefit to the environment.

5. Based upon the information submitted by the Applicant in the Application, the Director finds that FCS is not a waste when loaded into a transport container to be shipped to a Reclaimer provided the conditions of the Variance are met. When FCS is transported to a Reclaimer, Applicant is not required to comply with the manifest requirements of OAC rule 3745-52-20.

V. GENERAL CONDITIONS

1. All activities undertaken by Applicant pursuant to this Variance shall be performed in accordance with the requirements of all applicable federal, state, and local laws, regulations, and ordinances. Applicant shall continue to manage and handle FCS in accordance with all other applicable hazardous waste rules including but not limited to OAC rules 3745-66-90 to 3745-66-101. Applicant shall offer for transport all FCS to a Reclaimer in compliance with applicable DOT, PUCO, and other applicable federal and state transportation requirements.

2. Applicant shall comply with the following specific conditions:

a. **FCS Material Specifications:** FCS shall meet the FCS material specifications of the Reclaimer.

b. **Acceptance by a Reclaimer:** FCS shall be Accepted by a Reclaimer.

c. **Reclaimer meets Variance criteria:** Reclaimer meets the following

criteria:

i. Time period between generation of FCS and processing to produce RHA and iron oxide by the Reclaimer does not exceed ninety days.

ii. Location of the Reclaimer does not exceed a distance of one thousand miles from the Applicant's location.

iii. RHA is used in the steel making process.

d. **Notification of use of Reclaimer:** Applicant shall notify the Ohio EPA Northwest District Office at the address in Section XIII when any of the following occur:

i. First Shipment to a Reclaimer. Within 30 days of sending the first shipment of FCL to a Reclaimer, Applicant shall provide notification that includes the following information:

1. Reclaimer's name and address.

2. Distance from Applicant' Facility to Reclaimer's facility.

3. Time period between generation of FCS at Applicant's Facility and Acceptance by a Reclaimer.

4. A description of the reclamation process and products generated by the process.

5. Documentation that the Reclaimer is authorized by its state or tribal authority, or authorized by U.S. EPA, to receive SPL for processing to produce RHA and iron oxide.

6. Reclaimer's material specifications for FCS.

ii. Change in time period between generation of FCS and Acceptance by a Reclaimer. Notice shall be made not later than 30 days after the change.

iii. Change by Reclaimer to material specification for FCS. Notice shall be made not later than 30 days after the change.

e. **Rejection by a Reclaimer:** If the Reclaimer rejects the FCS, the terms of the Variance no longer apply. The FCS shall be manifested under Ohio's

hazardous waste rules as a hazardous waste and either returned to Applicant or sent to an alternate facility authorized to Accept SPL. Alternatively, the rejected FCS can be used as an effective commercial chemical product for water and wastewater treatment. Within 15 days of rejection, Applicant shall notify the Ohio EPA Northwest District Office at the address in Section XIII.

f. **Bill of Lading:** The bills of lading described in the application must be maintained by Applicant for a period of three years.

   If confirmation of Acceptance by a Reclaimer is not received, Applicant shall notify the Ohio EPA Northwest District Office at the address in Section XIII of the status of the FCS within 45 days after the FCS left Applicant's Facility.

g. **Reporting:** By March 1st of each year, whether FCS is reclaimed or not, Applicant shall prepare an annual report for the previous calendar year; the first report will be due March 1st 2015. Applicant shall submit the report to the Ohio EPA Northwest District Office at the address in Section XIII, in a paper report format of Applicant's choice or an electronic format agreed upon by the Applicant and Ohio EPA. The report shall include the following information:

   i. Total amount of FCS reused in water or wastewater treatment processes.

   ii. Total amount for the year of FCS shipped off-site for reclamation.

   iii. Identification of each Reclaimer and total amount for the year of FCS Accepted by each Reclaimer.

   iv. For each rejected load, the amount and date the FCS was shipped off site and either the date the rejected load was returned to Applicant, or the identification of the alternate facility (including any water or wastewater treatment facility) and date the rejected load was received by the alternate facility.

   v. Identification of each supplier of RHA and total amount for the year of RHA received by Applicant.

h. **Renewal of Variance:** In the event that this Variance expires prior to a final action of the Director to renew or reissue this Variance, Applicant may continue to operate in accordance with the terms and conditions of

the expired Variance until a new variance is issued or denied provided either of the following is applicable:

i. Applicant submits a complete application for a renewal variance at least one hundred eighty days before the expiration date of this Variance unless permission for a later submittal date has been authorized by the Director prior to the expiration date of this Variance.

ii. Through no fault of the Applicant a new variance has not been issued pursuant to OAC rule 3745-50-23 on or before the expiration date of this Variance.

i. **Notice Applicant no longer owns and/or operates the Facility:** Applicant shall provide a written notice to Ohio EPA, in accordance with Section XIII, within seven days after the date of the event described in Section XI, Paragraph 1. occurs.

VI. ACCESS TO INFORMATION

Applicant shall provide Ohio EPA, upon request and within 30 days unless an alternate time frame is agreed upon, in writing, by the Applicant and Ohio EPA, copies of all information relating to this Variance within its respective possession or control, or the possession or control of its respective contractors or agents, including but not limited to documents and information related to the issuance, use, and implementation of this Variance.

Applicant may assert a claim that documents and other information submitted to Ohio EPA pursuant to this Variance are confidential under the provisions of OAC rule 3745-50-30. If no such claim of confidentiality accompanies the documents and other information when submitted to Ohio EPA, the documents and other information may be made available to the public without notice to Applicant.

Nothing in this Section shall be construed as in any way limiting Ohio EPA's access, inspection, and information-gathering rights and authorities, including enforcement authorities related thereto, under any applicable statute or regulation.

VII. ACCESS TO SITE

Applicant shall provide Ohio EPA with access, at reasonable times, including during normal business hours, to its Facility. Access under this Variance shall be for the purpose of conducting any activity related to this Variance or Ohio EPA's regulatory

responsibilities, including but not limited to, the following:

1. Monitoring the implementation or use of this Variance.

2. Conducting sampling.

3. Inspecting and copying records, contracts, and other documents and information related to the implementation or use of this Variance.

4. Verifying any data and other information submitted to Ohio EPA.

Nothing in this Section shall be construed as in any way limiting Ohio EPA's access, inspection, and information-gathering rights and authorities, including enforcement authorities related thereto, under any applicable statute or regulation.

VIII. OTHER APPLICABLE LAWS

All actions taken pursuant to this Variance shall be undertaken in accordance with the requirements of all applicable local, state, and federal laws and regulations. This Variance does not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Applicant.

IX. OTHER CLAIMS

Nothing in this Variance 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 this Variance, for any liability arising from, or related to, the operation of Applicant's Facility.

X. REVOCATION

The following are causes for revoking this Variance during its term:

1. Noncompliance by the Applicant with any condition of this Variance.

2. The Applicant's failure in the Application or during the Variance issuance process to disclose fully all relevant facts, or the Applicant's misrepresentation of any relevant facts at any time.

3. A determination by Ohio EPA that the SPL or FCS is managed at the Facility in a manner that endangers human health or the environment.

XI. TERMINATION

Unless otherwise terminated by the Director, this Variance shall terminate ten years after the effective date of this Variance, or when either of the following events occurs:

1. Applicant no longer owns and/or operates the Facility.

2. Director revokes the Variance.

XII. MODIFICATIONS

This Variance 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. Modifications that are of the nature of a Class 1 permit modification, as described in OAC rule 3745-50-51, may be authorized by letter from the Chief of the Division of Materials and Waste Management and are not a final action of the Director nor are entered in the journal of the Director of Ohio EPA.

XIII. NOTICE

All documents required to be submitted by Applicant pursuant to this Variance shall be addressed to:

Ohio Environmental Protection Agency
Northwest District Office
Division of Materials and Waste Management
347 N. Dunbridge Road
Bowling Green, Ohio 43402
Attn: DMWM Manager

and Ohio EPA Central Office at the following address:

For mailings	For deliveries
Ohio Environmental Protection Agency Lazarus Government Center Division of Materials and Waste Management P.O. Box 1049 Columbus, Ohio 43216-1049	Ohio Environmental Protection Agency Lazarus Government Center Division of Materials and Waste Management 50 West Town Street, Suite 700 Columbus, Ohio 43215

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

XIV. RESERVATION OF RIGHTS

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

XV. WAIVER

Without admission of any of the findings made under this Variance, Applicant agrees that this Variance is lawful and reasonable and agrees to comply with the terms and conditions of this Variance.

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

Notwithstanding the preceding, Ohio EPA and Applicant agree that if this Variance is appealed by any other party to the Environmental Review Appeals Commission, or any court, Applicant retains the right to intervene and participate in such appeal. In such an event, Applicant shall continue to comply with the terms and conditions of this Variance notwithstanding such appeal and intervention unless this Variance is stayed, vacated, or modified.

XVI. EFFECTIVE DATE

The effective date of this Variance is the date this Variance is entered into the Ohio EPA Director's journal.

XVII. SIGNATORY AUTHORITY

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

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency

Craig W. Butler
Director

6/12/14
Date

IT IS SO AGREED:

Worthington Steel of Ohio

Signature

5/27/14
Date

JEFF J. LESSER
Printed or Typed Name

OPERATIONS MANAGER
Title