

June 2008

## New Steel International *An Air Permitting Success Story*

### Project Description

In early 2005, New Steel International, Incorporated (MMK Americas) began investigating Ohio as a candidate state to build a new integrated steel mill in Franklin Furnace (near Portsmouth).

It would be a very large facility and the first integrated steel mill constructed in the United States since the late 1960s. The end product would be high-quality, high-strength rolled steel for the auto industry.

Key processes at the facility would include:

- six rotary hearth furnaces and waste heat boilers;
- two electric arc furnaces;
- a thin slab continuous casting and hot rolling mill;
- a push-pull pickling line;
- an annealing line;
- a pickling, cold rolling and galvanizing/galvannealing line; and
- associated material handling operations.

In order to move forward with the project, New Steel International (NSI) needed to obtain several environmental permits from Ohio EPA, including a final air permit to install.

Obtaining an air permit in Franklin Furnace was especially challenging because the area does not comply with federal air quality standards for fine particulates.

In such areas, called nonattainment areas, new sources must obtain offsetting emissions reductions from existing sources so there is a net reduction in emissions to the area in spite of the new source being installed.

### Improving the Permitting Process

NSI contacted Ohio EPA to discuss permit requirements in late 2006 and requested timely processing of the air permit to meet a construction start goal of mid-2008.

Ohio EPA's Division of Air Pollution Control (DAPC) responded to this major project proposal with a new approach.

First, it designated a team of key staff to work on the project. The team included representatives from the Portsmouth Local Health Department (the Portsmouth Local Health Department is under contract with Ohio EPA to do air related work in the Portsmouth area); Central Office permit staff; Central Office modeling staff; DAPC management; and the director's office. At various times, other key staff were also brought into the project.

Second, DAPC set up periodic calls to ensure good communication between Ohio EPA staff, NSI staff, NSI's consultants and the Ohio Department of Development.

Third, DAPC set goals for various parts of the project.

Meetings kicked off in December 2006 with a pre-application meeting. The purpose of this meeting was to introduce the project to all participants and discuss Ohio EPA's needs for the application.

From early January 2007 through the issuance of the final permit, weekly calls were held to discuss issues associated with the development of the permit and update everyone on the progress of the project.

Numerous issues were brought up and discussed in these calls so that resolutions could occur quickly. This limited issue-based delays.



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Detailed computer modeling was required to evaluate the potential impacts of toxic compounds, local impacts from expected pollutants and potential impacts to national parks.

As Ohio EPA/Portsmouth developed parts of the permit, it was routed to NSI consultants and staff for review. This was an ongoing process to allow for efficient use of resources on both sides.

Ohio EPA coordinated its reviews of the air and water permits (including wastewater treatment system installation and discharge permits) so that a combined public hearing could be held.

Once the draft permits were issued, Ohio EPA held a public hearing to gather comments. Ohio EPA's Public Interest Center staff coordinated the issuance of multiple notices and announcements and the public hearing.

More than 600 people attended the hearing. Many others provided comments for the director to consider before a final decision was made.

## Protecting the Environment

During the process of reviewing the air permit application, Ohio EPA worked with New Steel International to determine how the company could reduce the amount of airborne mercury estimated to be released.

NSI responded by adding a lignite injection system specifically designed to control mercury emissions.

As a result of adding this technology, the final air permit contains a significantly lower mercury emission limit at less than 100 pounds per year.

Ohio EPA believes this to be the most stringent air pollution technology for mercury to be used at an American steel mill and may set a new industry standard for cleaner air.

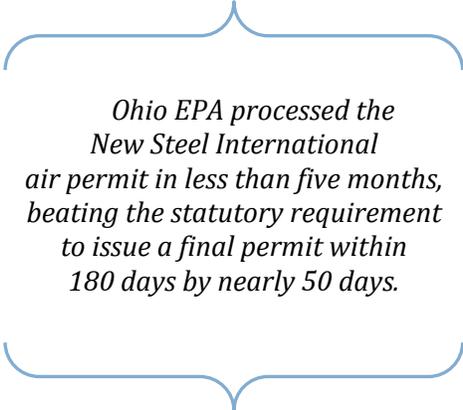
In addition to enhanced mercury controls, the facility updated the design of other control equipment which will significantly reduce the emissions of sulfur dioxide, nitrogen oxides, hydrofluoric acid, hydrogen chloride and sulfuric acid. All sources at the plant will use state-of-the-art controls for controlling air pollutants to meet emission limits.

## Beating the Clock

On May 6, 2008, Ohio EPA issued the final air permit containing detailed terms and conditions for 79 individual air pollution sources.

The 1,169-page air permit was issued 161 calendar days from the date the application was determined to be complete (November 27, 2007).

Since 29 days were spent waiting for additional information from the company, the actual permit processing time by the agency was 132 days. This beat the statutory requirement for the Agency to issue a final permit within 180 days by nearly 50 days.



*Ohio EPA processed the New Steel International air permit in less than five months, beating the statutory requirement to issue a final permit within 180 days by nearly 50 days.*

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*Overall, Ohio EPA attributes the success of this project to the following key factors*

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- *Using a team approach to write the permit, including staff from the local agency and Central Office.*
  - *Open and regular communication with company staff, consultants and others on permitting issues.*
  - *Commitment on both sides to quickly respond to information requests and resolve technical issues;*
  - *Continuous communication on permit processing time frames, needs and expectations.*
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This is a significant accomplishment, given the scope and complexity of this project. It is also significant because the project is a major source locating in one of Ohio's non-attainment areas.

Ohio EPA and Portsmouth staff worked very well with the Ohio Department of Development, NSI staff and their consultants. NSI's chairman/CEO expressed appreciation for the professionalism, commitment and courtesy Ohio EPA brought to the project.

If you have any questions or would like to talk in more detail about this project, contact Mike Hopkins, Assistant Chief of Permitting, Ohio EPA Division of Air Pollution Control, at (614) 644-3611.

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