UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

SOUTH DEARBORN ENVIRONMENTAL IMPROVEMENT ASSOCIATION, Plaintiff, v. SEVERSTAL DEARBORN, LLC, Defendant.	)	Civil Action No. _____

COMPLAINT

Plaintiff South Dearborn Environmental Improvement Association ("SDEIA"), by and through its undersigned counsel, submits the following as its complaint:

INTRODUCTION

1. Plaintiff brings this civil action against Defendant Severstal Dearborn, LLC, under the citizen suit provisions of the Clean Air Act ("CAA" or "Act"), 42 U.S.C. §§ 7401-7671q, and under the laws and regulations that comprise Michigan's federally-enforceable CAA State Implementation Plan ("SIP"). Severstal's steel production facility in Dearborn, Michigan has violated the pollution control standards of the CAA and Michigan SIP on thousands of occasions since the start of 2010. Plaintiff seeks civil penalties, declaratory and injunctive relief, and an award of litigation costs under the CAA and Michigan SIP.

2. Severstal's violations of the CAA and Michigan SIP include many instances of excess "opacity" (i.e., visible smokestack emissions); repeated "fallout" events (i.e., the

widespread deposit of soot and particulate matter throughout the surrounding residential neighborhoods); a host of monitoring, reporting, recordkeeping, and maintenance requirement violations; and thousands of daily violations of permit limitations for the emission of mercury, lead, manganese, ammonia, sulfur dioxide ("SO_2"), carbon monoxide ("CO"), and multiple forms of particulate matter.

PARTIES

1. Defendant Severstal Dearborn, LLC, is a subsidiary of the Russian steel and mining company known simply as Severstal.

2. Defendant, hereinafter referred to as "Severstal", is organized under the laws of the State of Delaware.

3. Severstal owns and operates a steel production facility located at 4001 Miller Road in Dearborn, Michigan (State Registration Number A8640).

4. Plaintiff SDEIA is a not-for-profit corporation, organized under the laws of the State of Michigan.

5. SDEIA's members primarily consist of individuals who reside and work in the South End neighborhood of Dearborn, in Wayne County.

6. The South End neighborhood of Dearborn is immediately adjacent to, and downwind from, the Severstal facility.

7. The South End neighborhood of Dearborn is a predominantly low-income, Arab-American neighborhood classified by the U.S. Environmental Protection Agency ("EPA") as an Environmental Justice Community.

8. Many of SDEIA's members have children, grandchildren, and other minor relatives who attend the Salina Elementary and Salina Intermediate schools, both of which are located approximately 1000 feet from Severstal's facility.

9. The health, property, recreational, and aesthetic interests of SDEIA's members are adversely impacted by the air pollution emissions allowed by the Permit.

10. SDEIA's members and their relatives regularly breathe, and are regularly exposed to, the ambient air surrounding Severstal's steel production facility.

11. SDEIA's members and their relatives are adversely impacted by pollution and odors in the ambient air surrounding Severstal's facility.

12. Many of SDEIA's members own property that has been impacted by repeated fallout events caused by operations at Severstal's facility.

13. SDEIA's mission includes undertaking activities to further the improvement of environmental conditions in the South End.

JURISDICTION

14. This Court has jurisdiction over Plaintiff's claims under 42 U.S.C. § 7604 and 28 U.S.C. §§ 1331, 1355, and 2201.

15. The relief requested by Plaintiff is authorized by 42 U.S.C. § 7604 and 28 U.S.C. §§ 2201-2202.

16. As required by 42 U.S.C. § 7604(c)(3), Plaintiff has served a copy of this complaint on the United States Attorney General and the EPA Administrator.

VENUE

17. This Court is a proper venue for Plaintiff's claims under 42 U.S.C. § 7604(c)(1) and 28 U.S.C. § 1395(a) because the source of the air emissions that have violated and continue

to violate the CAA and the Michigan SIP – Severstal's facility – is located in the Eastern District of Michigan.

18. This Court is also a proper venue for Plaintiff's claims under 28 U.S.C. § 1391(b) because the events and omissions giving rise to those claims occurred in, and because Defendant resides in, the Eastern District of Michigan.

NOTICE

19. As required by 42 U.S.C. § 7604(b) and by 40 C.F.R. §§ 54.1-54.3, Plaintiff previously provided notice to Severstal, the EPA Administrator, and the State of Michigan of the violations alleged in this complaint, and of Plaintiff's intent to commence a civil action for declaratory and injunctive relief as well as civil penalties. See **Exhibit A** (Notice of Intent).

20. Plaintiff provided notice by certified mail postmarked April 9, 2014. More than 60 days have elapsed since the postmark date of Plaintiff's notice of intent to sue.

21. Neither the EPA Administrator nor the State of Michigan has commenced a civil action in a court of the United States to require compliance with the standards, limitations, and orders that Plaintiff alleges to have been violated by Severstal. As such, neither the EPA Administrator nor the State of Michigan is diligently prosecuting such an action.

GENERAL ALLEGATIONS

The Clean Air Act

22. Congress enacted the CAA "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of the population," 42 U.S.C. § 7401(b)(1), and a "primary goal" of the CAA is to encourage federal, state, and local actions designed to prevent air pollution, 42 U.S.C. § 7401(c).

23. With these goals in mind, the EPA is required to establish National Ambient Air Quality Standards ("NAAQS") for certain "criteria pollutants" – including CO, SO_2, lead, and particulate matter – that must be attained and maintained in order to protect public health with an adequate margin of safety. *See generally* 42 U.S.C. § 7409.

24. The CAA also requires the EPA to establish National Emission Standards for Hazardous Air Pollutants (NESHAPs) designed to protect against adverse public health and environmental impacts from the emission of "air toxics" such as mercury and manganese. *See generally* 42 U.S.C. § 7412.

25. Permitting requirements for major stationary sources of air pollution, like Severstal, are a primary means of ensuring compliance with CAA standards and advancing the Act's goals.

26. Title I of the CAA requires any major emitting facility to obtain a permit before modifying a source or facility if the modification will increase existing pollution or result in the emission of any new pollutant. 42 U.S.C. §§ 7411, 7475, 7479. The requirements and prohibitions contained in a Title I permit are federally-enforceable. 42 U.S.C. § 7413.

27. Title V of the Act requires major sources to obtain a single operating permit encompassing all standards, limitations, and conditions applicable to the source under the CAA, as well as a compliance plan and monitoring, recordkeeping, and reporting procedures. 42 U.S.C. § 7661.[1]

28. No source subject to the permitting requirements of Title V may operate unless subject to, and in compliance with, a Title V permit. 42 U.S.C. § 7661a(a); 40 C.F.R. § 70.7(b).

[1] *See also* 57 Fed. Reg. 32250, 32251 (July 21, 1992) (EPA notice of regulations implementing Title V of CAA) ("While title V generally does not impose substantive new requirements, it does require that fees be imposed on sources and that certain procedural measures be followed, especially with respect to determining compliance with underlying applicable requirements. The program will generally clarify, in a single document, which requirements apply to a source and, thus, should enhance compliance with the requirements of the Act.")

29. The requirements and prohibitions contained in a Title V permit are federally-enforceable. 42 U.S.C. §§ 7413, 7661a; Mich. Admin. Code R. 336.1213(1)(a).

The Michigan SIP

30. Section 110 of the CAA requires each state to establish a SIP that provides for the attainment and maintenance of the NAAQS and that otherwise effectively provides for implementation and enforcement of the Act. 42 U.S.C. § 7410.

31. The EPA-approved Michigan SIP is generally codified by Chapter 336 of the Michigan Administrative Code. Mich. Admin. Code R. 336.202-2908; s*ee also* 40 C.F.R. § 52.1170(c) (listing EPA-approved Michigan regulations, statutes, and executive orders).

32. The Michigan SIP provisions regarding pre-construction permits under Title I of the Clean Air Act are codified at Mich. Admin. Code R. 336.1201-1209 (Permits to Install), 336.2801-2823 (Prevention of Significant Deterioration of Air Quality), and 336.2901-2908 (New Source Review For Major Sources Impacting Nonattainment Areas). The EPA approved these Michigan SIP provisions in 1980, 2010, and 2013, respectively. 40 C.F.R. § 52.1170(c).

33. The Michigan SIP provisions regarding operating permits under Title V of the Clean Air Act are codified at Mich. Admin. Code R. 336.1210-1218 (Renewable Operating Permits). The EPA granted final approval to Michigan's Title V permitting program in 2001. 40 C.F.R. § 70, Appx. A; *see also* Clean Air Act Final Full Approval of Operating Permit Program; Michigan, 66 Fed. Reg. 62949 (Dec. 4, 2001) (approving program).

34. Other EPA-approved provisions of the Michigan SIP are listed at 40 C.F.R. § 52.1170(c).

35. The requirements and prohibitions of EPA-approved state SIP provisions, including Michigan's, are federally-enforceable. 42 U.S.C. §7413.

Enforcement of the CAA and Michigan SIP

36. The CAA authorizes "any person" to commence a civil action against any other person for alleged violations of emission standards and limitations, including conditions and requirements of a permit issued under Title I of the Act, any other standard, limitation, or schedule included in a permit issued under Title V of the Act, and any additional requirement or limitation otherwise established by a state SIP. 42 U.S.C. § 7604; *see also* Mich. Admin. Code R. 336.1213(1)(a) (federally enforceable provisions of ROPs issued under Michigan SIP are enforceable by EPA or by citizens under CAA).

37. A person who violates any provision of the CAA after January 12, 2009 may be assessed a civil penalty of up to $37,500 per day of violation. 40 C.F.R. §§ 19.1-19.4; *see also* EPA Civil Monetary Penalty Inflation Adjustment Rule, 78 Fed. Reg. 66643, 66648 (November 6, 2013) (promulgating new penalty schedule).

38. The CAA provides that, where a pollution control agency (such as MDEQ or EPA) has notified a facility's owner or operator of a violation, and where a plaintiff in an enforcement suit subsequently "makes a prima facie showing that the conduct or events giving rise to the violation are likely to have continued or recurred past the date of notice, the days of violation shall be presumed to include the date of such notice and each and every day thereafter until the violator establishes that continuous compliance has been achieved," unless the violator demonstrates by a preponderance of the evidence that "there were intervening days during which no violation occurred or that the violation was not continuing in nature." 42 U.S.C. § 7413(e)(2).

Severstal's Permitting History

39. Severstal's Dearborn steel plant is an approximately 350-acre complex containing numerous buildings, processes, and components. These components include, most importantly, a

Basic Oxygen Furnace and two Blast Furnaces. (The "C Blast Furnace" is currently operational, while the "B Blast Furnace" has not operated since 2008).

40. Severstal's Dearborn steel production facility is a "major emitting facility," as defined by 42 U.S.C. § 7479, and it is therefore subject to the preconstruction permitting requirements of Title I of the CAA.

41. At all times relevant to the claims alleged in this complaint, Severstal's facility has been subject to at least one Permit to Install ("PTI") issued by the Michigan Department of Environmental Quality ("MDEQ") under Section 5505 of the Michigan Natural Resources and Environmental Protection Act ("NREPA"), MCL § 324.5505, and governed by the associated preconstruction permitting requirements of the Michigan SIP.

42. From January 31, 2006 until July 5, 2006, the core majority of Severstal's steel production facility – including its Blast Furnaces and Basic Oxygen Furnace – was governed by PTI No. 182-05. On July 6, 2006, PTI No. 182-05 was replaced by PTI No. 182-05A. On April 19, 2007, PTI No. 182-05A was replaced by PTI No. 182-05B. On May 12, 2014, MDEQ issued PTI No. 182-05C, which purports to replace PTI No. 182-05B.[2]

43. Other portions of Severstal's Dearborn facility – including its pickling and galvanizing operations – are subject to PTI No. 8-08, which was issued by MDEQ on February 4, 2008.

44. Severstal's Dearborn steel production facility is also subject to the operating permit requirements of Title V of the CAA.

45. At all times relevant to the claims alleged in this complaint, Severstal's facility has been governed by a Renewable Operating Permit ("ROP") issued under Section 5506 of the

[2] Plaintiff does not concede the legal validity of PTI No. 182-05C, which purports to significantly relax the standards and limitations of PTI No. 182-05B, and it will separately challenge the newly-issued PTI elsewhere. Regardless, the allegations in this complaint primarily relate to violations of PTI No. 182-05B.

Michigan NREPA, MCL § 324.5506, and governed by the associated operating permit requirements of the Michigan SIP. As of the date of this complaint, Severstal's facility is governed by ROP No. 199700004.[3]

46. Severstal's PTI and ROP each contain a number of general and specific conditions that govern operations – and emissions – at the Dearborn facility. The company's ROP, as a Title V permit, incorporates the requirements and conditions of the PTIs identified above.

47. Independent of these permits, Severstal's facility is also subject to a variety of federally-enforceable statutory and regulatory requirements under the CAA and Michigan SIP.

Severstal's Compliance History

48. Severstal acquired its Dearborn facility – the former Rouge Steel Complex, and before that the steel division of the Ford Motor Company – in 2004.

49. In 2004, a group of residents of Dearborn's South End neighborhood sued Severstal in Michigan state court, on behalf of themselves and a class of similarly situated residents of the South End, seeking relief from uncontrolled particulate emissions and fallout at the Severstal facility.[4]

50. In 2005, Severstal sought to upgrade its C Blast Furnace in order to increase the Dearborn facility's production capacity. To obtain authority for this upgrade, Severstal applied for a PTI from the MDEQ under the New Source Review ("NSR") and Prevention of Significant Deterioration ("PSD") standards of the CAA and Michigan SIP.

[3] Plaintiff expects that MDEQ will soon issue a new ROP to Severstal, in part because ROP No. 199700004 was supposed to have expired in 2009, and in part because the relaxed standards and limitations of PTI No. 182-05C must be incorporated into a new Title V permit. Just as Plaintiff disputes the validity of PTI No. 182-05C, it will seek to challenge the validity of any resulting new ROP. Regardless, the allegations in this complaint relate to violations of ROP No. 199700004.

[4] One of the individual lead plaintiffs in the 2004 lawsuit, Mohammed Ahmed, is also a member of SDEIA.

51. As part of the proposed production capacity upgrade, Severstal agreed to install a new air filtration system, known as a "baghouse," on the C Blast Furnace. Severstal also agreed to install baghouses on its Basic Oxygen Furnace, designed to capture fugitive particulate emissions not being controlled by the Basic Oxygen Furnace Electrostatic Precipitator ("ESP"), and, if the B Blast Furnace was to be operated following upgrades to the C Blast Furnace, on the B Blast Furnace as well.

52. In 2006, in exchange for Severstal's commitments to install various environmental controls at its facility, the plaintiffs in the class action lawsuit agreed to settle their claims.

53. Between 2006 and 2007, Residents of the South End submitted a number of comments, through counsel, on a series of three PTIs issued to Severstal by MDEQ as part of its facility upgrades (PTI Nos. 182-05, 182-05A, and 182-05B).

54. Commenting on a draft of PTI No. 182-05, notably, South End residents warned that the proposed PTI did not adequately account for likely emissions of condensable particulate matter, and that the permit would not adequately protect surrounding communities from manganese emissions.

55. Later, commenting on a draft of PTI No. 182-05B, South End residents noted that the proposed permit revision improperly evaluated emissions of particulate matter, employed a flawed emissions factor for CO, and insufficiently considered emissions and controls for SO_2.

56. In October 2007, Severstal completed the modification of its C Blast Furnace as well as installation of the baghouses on the C Blast Furnace and Basic Oxygen Permit.

57. In January 2008, a catastrophic explosion destroyed the B Blast Furnace, which has not since operated.

58. From January 2008 to June 2010, MDEQ received at least 52 complaints concerning fallout events, excess opacity, and odors associated with Severstal's Dearborn facility.

59. Between September and December 2008, stack testing at various "emission units" – i.e., individual sources of emissions at Severstal's facility – showed non-compliance with permitted levels of emissions for CO, particulate matter, coarse particulate matter ("PM_{10}")[5], SO_2, lead, manganese, and mercury.

60. On February 24, 2009, MDEQ issued a violation notice pertaining to these stack tests and initiated discussions with Severstal about options for bringing the facility into compliance.

61. On July 6, 2010, MDEQ referred Severstal to the agency's enforcement division as a result of its stack test violations and other opacity violations.

62. Between July 2010 and August 2012, MDEQ received at least 117 additional complaints related to fallout, opacity, and odor associated with Severstal's facility. During this time, MDEQ issued at least 20 additional violation notices to Severstal.

63. On June 15, 2012, the EPA issued a Notice of Violation to Severstal related to 24 violations of opacity and fallout standards.

64. MDEQ issued at least four additional violation notices to Severstal between September and November of 2012.

65. In 2013, MDEQ issued at least three additional violation notices to Severstal, and the EPA issued one additional Notice of Violation.

[5] PM_{10}, also known as "coarse particulate matter," refers to particulate matter that is between 2.5 and 10 microns in diameter. $PM_{2.5}$, also known as "fine particulate matter," refers to particulate matter that is less than 2.5 microns in diameter.

66. To date in 2014, MDEQ has issued at least one additional violation notice to Severstal.

67. Together, the MDEQ and EPA violation notices issued to Severstal between 2008 and 2013 identify thousands of specific violations of the CAA, Code of Federal Regulations, Michigan SIP, and conditions and prohibitions of the company's permits.

68. In an email to the MDEQ Air Quality Division Chief in August 2012, staff for the Air Quality Division stated that "Severstal was unable to demonstrate compliance with the limits in their 2008 permit," that the company's "equipment has not and currently cannot operate in compliance with either the rules of [MDEQ] or the Clean Air Act," and that Severstal's Dearborn facility was "by far the most egregious facility in the state."

CLEAN AIR ACT VIOLATIONS

Count One: Opacity Emissions Violations

69. Plaintiff re-alleges the preceding paragraphs.

70. Rule 301 of the Michigan SIP, Mich. Admin. Code R. 336.1301, prohibits the emission, from any source, of a "visible emission of a density greater than . . . [a] 6-minute average of 20% opacity, except for 1 6-minute average per hour of not more than 27% opacity." The EPA approved this rule for inclusion in the Michigan SIP in 2006, rendering it federally-enforceable. 40 C.F.R. § 52.1170(c).

71. The opacity standard of Rule 301 was also made applicable to all aspects of Severstal's Dearborn facility by General Condition 2 of ROP No. 199700004 and by General Condition 11 of PTI No. 182-05B; to Severstal's C Blast Furnace Bleeder Stack by Table E-01.03(II)(B) of ROP No. 199700004; and to Severstal's C Blast Furnace roof monitors, casthouse openings, and blast furnace housing by Table E-01.02(II)(B) of ROP No. 199700004.

72. Rule 364 of the Michigan SIP, Mich. Admin. Code R. 336.1364, prohibits the emission, from any "basic oxygen furnace secondary control devise" or "basic oxygen furnace shop roof monitor," of any visible emission "with a density of more than 20% opacity." The EPA approved this rule for inclusion in the Michigan SIP in 2006, rendering it federally enforceable. 40 C.F.R. § 52.1170(c).

73. The opacity standards of Rule 364 were also made applicable to Severstal's Basic Oxygen Furnace by Table E.01-04(II)(B)(2) of ROP No. 199700004 and by Table E-01.08(II)(B)(3)-(4) of PTI No. 182-05B, both of which further incorporate the standards of 40 C.F.R. § 63.7790.

74. 40 C.F.R. § 63.7790(b)(3) prohibits the emission, from electrostatic precipitators ("ESP") installed on basic oxygen furnaces, of any visible emission with an hourly average opacity of greater than 10%. This standard was also made applicable to Severstal's Basic Oxygen Furnace by Table E.01-04(II)(B)(4) of ROP No. 199700004 and by Table E-01.08(II)(B)(5) of PTI No. 182-05B.

75. Section 5524(2) of Michigan's NREPA, as well as Table B-1(II)(B) of the Sourcewide Requirements of ROP No. 199700004, prohibit the emission of fugitive dust "from any road, lot, or storage pile, including any material handling activity at a storage pile," with an opacity of greater than 5%, and also prohibit the emission of fugitive dust "from any other fugitive dust source" with an opacity of greater than 20%.

76. On August 14, 2012, the MDEQ notified Severstal that the company had, on August 8, 2012, violated the 20% opacity standard for emissions from the Basic Oxygen Furnace rooftop monitor, established by Rule 364 of the Michigan SIP and also incorporated into Severstal's PTI and ROP.

77. On June 15, 2012, the EPA notified Severstal that the company had violated the 20% six-minute average opacity standards contained in Rules 301 and 364 of the Michigan SIP, and in Severstal's PTI and ROP, on the following dates:

- January 27, 2010
- October 21, 2010
- October 26, 2010
- Two occasions on April 13, 2011
- Two occasions on August 10, 2011
- Two occasions on March 19, 2012
- April 13, 2012
- May 3, 2012
- Two occasions on May 6, 2012

78. On September 13, 2012, the MDEQ notified Severstal that emissions from the company's Basic Oxygen Furnace ESP had violated the general 20% six-minute average opacity standard contained in Rule 301 the Michigan SIP, and in Severstal's PTI and ROP, at least once on August 25, 2012.

79. Also on September 13, 2012, the MDEQ notified Severstal that emissions from the company's desulfurization material handling activities had violated the 5% opacity standard for fugitive dust established by NREPA and Severstal's ROP on at least two occasions on September 5, 2012.

80. On November 14, 2012, the MDEQ notified Severstal that the company had violated the 20% opacity standards for basic oxygen furnace roof monitors contained in Michigan's SIP and in Severstal's PTI and ROP three times on July 10 and 11, 2012.

81. On January 30, 2013, the MDEQ notified Severstal that the company had violated the 10% hourly average opacity standard for basic oxygen furnace ESPs contained in 40 C.F.R. 63.7790(b)(3) and in Severstal's PTI and ROP on "approximately 1,528" times between January and September 2012 – a number of violations that is equivalent to nearly 64 consecutive days of uninterrupted exceedances of this standard.

82. On March 5, 2013, the EPA notified Severstal that the company had violated the 20% six-minute average opacity standards contained in the Michigan SIP and in Severstal's PTI and ROP, as a result of emissions at the Basic Oxygen Furnace ESP, on 1,660 occasions from June 14, 2012 through September 12, 2012.

83. Between January and September of 2012, a period of 9 months, emissions at Severstal's Basic Oxygen Furnace ESP violated the federally-enforceable standards of the Michigan SIP and the company's permits at least 3,188 times.

84. On June 1, 2012, MDEQ staff noted that visible emissions from Severstal's Basic Oxygen Furnace ESP and rooftop were occurring "on a nearly daily basis" and that ""[s]ince March, it has been much more egregious – some days, we could probably cite them every hour or two . . . ." MDEQ staff also stated, in August of 2012, that "opacity issues at the [Basic Oxygen Furnace], including the ESP, are ongoing," and that "recent data obtained from the ESP continuous opacity monitor seems to indicate ongoing violations of the state and federal opacity regulations which were not/have not been reported or addressed by Severstal."

85. Given the frequency and regularity of the opacity violations cited at Severstal's Basic Oxygen Furnace ESP in 2012 – concerning the 10% hourly standard and the 20% six-minute average standard – it is likely violations of both standards continued to occur past the dates on which MDEQ and EPA notified the company of the violations.

86. Indeed, on April 15, 2014, MDEQ notified Severstal that the company had violated the 20% six-minute average opacity standards contained in the Michigan SIP and in Severstal's PTI and ROP, as a result of emissions at the Basic Oxygen Furnace ESP, on at least 221 additional occasions in 2013.

87. Also on April 15, 2014, MDEQ notified Severstal that, on "multiple" occasions in 2013, the company had violated the 20% opacity standards for non-storage pile fugitive dust emissions of Section 5524(2) of Michigan's NREPA, as well as Table B-1(II)(B) of the Sourcewide Requirements of ROP No. 199700004, as a result of emissions due to beaching iron.

88. Each of the numerous and repeated individual violations of the federally-enforceable opacity standards applicable to Severstal's Dearborn facility is a separate and distinct violation of the CAA and Michigan SIP that entitles Plaintiff to declaratory and injunctive relief as well as civil penalties.

Count Two: Sulfur Dioxide Emissions Violations

C Blast Furnace Cast House Baghouse Stack

89. Plaintiff re-alleges the preceding paragraphs.

90. PTI No. 182-05B limited SO_2 emissions from the baghouse stack at Severstal's C Blast Furnace cast house operations to 23.03 lb/hr.

91. SO_2 is a designated criteria pollutant for which the EPA has established a NAAQS. Severstal's Dearborn facility is located in Wayne County, which was recently designated as "a nonattainment area" for the current SO_2 NAAQS, meaning that the levels of SO_2 in the ambient air around Severstal's facility already exceed the requisite national standard established by the EPA for protection of public health.

92. Short-term exposure to SO_2 in the ambient air has numerous adverse human health effects, including narrowing of the airways and difficulty breathing, increased asthma symptoms, and more frequent emergency room visits and hospitalizations. SO_2 emissions are associated with emissions of other sulfur oxides (SOx), which also have adverse impacts on public health. In addition, SO_2 in the ambient air leads to the formation of fine sulfate particles, which have significant adverse public health impacts. SO_2 reacts with other compounds in the ambient air to create fine particulates that cause or worsen respiratory disease and aggravate existing heart disease.

93. Stack testing performed by Severstal in December 2008, shortly after PTI No. 182-05B was issued, measured SO_2 emissions at the C Blast Furnace cast house baghouse stack of 120.26 lb/hr.

94. The excess SO_2 emissions measured by Severstal at its C Blast Furnace cast house baghouse stack constituted a violation of the company's permits, the CAA, and the Michigan SIP.

95. In a report submitted to MDEQ after the stack test, Severstal stated that "the current emission limit" – i.e., the SO_2 limit in PTI No. 182-05B – "is set too low for Severstal's casthouse in order to attain continuous compliance."

96. On information and belief, following the violation measured in the stack test, Severstal has never demonstrated compliance with the SO_2 emissions limitation applicable to the C Blast Furnace cast house baghouse stack.

97. It is likely that SO_2 emissions at Severstal's C Blast Furnace cast house baghouse stack have exceeded the emission limitation in PTI No. 182-05B on a continuous basis since the date of the December 2008 stack test.[6]

98. As such, SO_2 emissions at Severstal's C Blast Furnace cast house baghouse stack have resulted in a violation of the CAA on each and every day between at least the date of the December 2008 stack test and the present.

Count Three: PM_{10} Emissions Violations

C Blast Furnace Cast House Baghouse Stack

99. Plaintiff re-alleges the preceding paragraphs.

100. PTI No. 182-05B limited PM_{10} emissions from the baghouse stack at Severstal's C Blast Furnace cast house operations to 0.0015 gr/dscf or 5.70 lb/hr.

101. Emissions of particulate matter into the ambient air, including $PM_{10,}$ causes premature death in people with heart or lung disease; nonfatal heart attacks; irregular heartbeat; aggravated asthma; decreased lung function; and increased respiratory symptoms, such as irritation of the airways, coughing or difficulty breathing.

102. Stack testing performed by Severstal between September 2008 and October 2009 measured PM_{10} emissions at the C Blast Furnace cast house baghouse stack of 0.00239 gr/dscf (September 2008); 0.00201 gr/dcsf and 7.41 lb/hr (August 2009); and 0.0017 gr/dcsf and 6.07 lb/hr (August 2009).

[6] As noted above, Plaintiff has challenged (or soon will challenge) the validity of PTI No. 182-05C in another forum. Among other things, MDEQ did not and does not have the authority to issue a new permit to a facility that is both out of compliance with its existing permits and located in an area that is out of attainment with any NAAQS. Thus Severstal's recurring violations of the conditions in PTI No. 182-05B will continue to occur until the company demonstrates compliance with the emission limits in that permit, or until a court approves alternative emission limits.

103. The excess PM_{10} emissions measured at Severstal's C Blast Furnace cast house baghouse stack in 2008 and 2009 constituted violations of the company's permits, the CAA, and the Michigan SIP.

104. In April 2013, stack testing performed at the C Blast Furnace cast house baghouse stack measured PM_{10} emissions of 0.00132 gr/dscf and 4.4 lb/hr.

105. It is likely PM_{10} emissions at the C Blast Furnace cast house baghouse stack exceeded the emissions limitation of PTI No. 182-05B on a continuous recurring basis between at least September 2008 and April 2013.

106. As such, PM_{10} emissions at Severstal's C Blast Furnace cast house baghouse stack have resulted in a violation of the CAA on each and every day from at least September 2008 to April 2013.

Basic Oxygen Furnace Baghouse

107. PTI No. 182-05B limited PM_{10} emissions from the baghouse stack at Severstal's Basic Oxygen Furnace to 0.00135 gr/dscf or 3.35 lb/hr.

108. Stack testing performed by Severstal between September 2008 and October 2009 measured PM_{10} emissions at the Basic Oxygen Furnace baghouse stack of 0.00256 gr/dscf (September 2008), 0.0018 gr/dcsf and 6.56 lb/hr (August 2009).

109. Stack testing performed by Severstal in April 2013 measured PM_{10} emissions at the Basic Oxygen Furnace baghouse stack of 0.00101 gr/dscf and 5.03 lb/hr.

110. The excess PM_{10} emissions measured in September 2008, August 2009, and April 2013 by Severstal at its Basic Oxygen Furnace baghouse stack constituted violations of the company's permits, the CAA, and the Michigan SIP.

111. Upon information and belief, following the violations measured in the stack tests, Severstal has never demonstrated compliance with the PM_{10} emission limitation applicable to the Basic Oxygen Furnace baghouse stack.

112. It is likely that PM_{10} emissions at Severstal's Basic Oxygen Furnace baghouse stack have exceeded the emissions limitation in PTI No. 182-05B on a continuous basis since September 2008.

113. As such, PM_{10} emissions at Severstal's Basic Oxygen Furnace baghouse stack have resulted in a violation of the CAA on each and every day from at least September 2008 to the present.

Count Four: Manganese Emissions Violations

C Blast Furnace Cast House Baghouse Stack

114. Plaintiff re-alleges the preceding paragraphs.

115. PTI No. 182-05B limited manganese emissions from the baghouse stack at Severstal's C Blast Furnace cast house to 0.00256 lb/hr.

116. Emissions of manganese into the ambient air can cause adverse health impacts in exposed humans, including adverse effects on the central nervous system and motor function, as well as an increased likelihood of developing respiratory and infectious lung diseases.

117. Stack testing performed by Severstal in December 2008 measured manganese emissions at the C Blast Furnace cast house baghouse stack of 0.0315 lb/hr.

118. Stack testing performed by Severstal in August 2010 measured manganese emissions at the C Blast Furnace cast house baghouse stack of between 0.00656 lb/hr and 0.01527 lb/hr.

119. Stack testing performed in January 2012 measured manganese emissions at the C Blast Furnace cast house baghouse stack of 0.00343 lb/hr.

120. Stack testing performed by Severstal on March 20, 2013, measured manganese emissions at the C Blast Furnace cast house baghouse stack of between 0.078 lb/hr and 0.0081 lb/hr.

121. Stack testing performed by Severstal on May 1, 2013, measured manganese emissions at the C Blast Furnace cast house baghouse stack of between 0.00563 lb/hr and 0.0060 lb/hr.

122. In 2014, MDEQ reported that stack tests had previously shown manganese emissions at the C Blast Furnace cast house baghouse stack of 0.0315 lb/hr and 0.01897 lb/hr.

123. These excess manganese emissions measured at Severstal's C Blast Furnace cast house baghouse stack constituted violations of the company's permits, the CAA, and the Michigan SIP.

124. Upon information and belief, following the violations measured in the stack tests, Severstal has never demonstrated compliance with the manganese emission limitation applicable to the C Blast Furnace cast house baghouse stack.

125. It is likely that manganese emissions at Severstal's C Blast Furnace cast house baghouse stack have exceeded the emissions limitation of in PTI No. 182-05B on a continuous basis since at least December 2008.

126. As such, manganese emissions at Severstal's C Blast Furnace cast house baghouse stack have resulted in a violation of the CAA on each and every day from at least the date of the December 2008 stack test to the present.

Manganese – Basic Oxygen Furnace Desulfurization Operation

127. PTI No. 182-05B limited manganese emissions from the baghouse stack at Severstal's Basic Oxygen Furnace desulfurization operation to 0.00064 lb/hr.

128. Stack testing performed in January 2009 measured manganese emissions at the Basic Oxygen Furnace desulfurization operation baghouse stack of 0.0347.

129. Stack testing performed by Severstal between August 17 and August 19, 2010, measured manganese emissions at the Basic Oxygen Furnace desulfurization operation baghouse stack of 0.00593 lb/hr.

130. Between April 8 through April 13, 2013, Severstal performed stack testing on the Basic Oxygen Furnace desulfurization operation baghouse, which demonstrated the emissions source was in compliance with the manganese emissions levels in PTI 182-05B.

131. In 2014, MDEQ reported that stack tests had previously shown manganese emissions at the Basic Oxygen Furnace desulfurization operation baghouse of 0.0347 lbs/hr and 0.00395 lb/hr.

132. 127. It is likely that manganese emissions at Severstal's Basic Oxygen Furnace desulfurization baghouse exceeded the emissions limitation of PTI No. 182-05B on a continuous recurring basis between at least the date of the January 2009 stack test and April 8, 2013.

133. The excess manganese emissions measured at Severstal's Basic Oxygen Furnace desulfurization operation baghouse stack between at least the date of the January 2009 stack test and April 8, 2013 constituted continuous violations of the company's permits, the CAA, and the Michigan SIP.

134. As such, manganese emissions at Severstal's Basic Oxygen Furnace desulfurization operation baghouse stack resulted in a violation of the CAA on each and every day between at least the date of the January 2009 stack test and April 8, 2013.

Basic Oxygen Furnace Electrostatic Precipitator and Baghouse

135. PTI No. 182-05B limited total combined manganese emissions from the baghouse and ESP stack at Severstal's Basic Oxygen Furnace to 0.101 lb/hr.

136. Stack testing performed by Severstal between April 3 and April 5, 2012, measured manganese emissions at the Basic Oxygen Furnace ESP stack alone of 0.304 lb/hr.

137. Stack testing performed by Severstal in July 2012 measured total combined manganese emissions at the Basic Oxygen Furnace baghouse and ESP stacks of 0.175 lb/hr.

138. Between December 11 and December 13, 2012, Severstal performed stack testing on the Basic Oxygen Furnace baghouse and ESP stacks, which demonstrated the total combined emissions sources were in compliance with the manganese emissions levels in PTI 182-05B.

139. The excess total combined manganese emissions measured at Severstal's Basic Oxygen Furnace baghouse and ESP stacks between at least April 2012 and December 2012 constituted violations of the company's permits, the CAA, and the Michigan SIP.

140. It is likely that total combined manganese emissions at Severstal's Basic Oxygen Furnace baghouse and ESP stacks exceeded the emissions limitation of PTI No. 182-05B on a continuous basis between at least April 5, 2012, and December 11, 2012.

141. As such, manganese emissions at Severstal's Basic Oxygen Furnace baghouse and ESP stacks resulted in a violation of the CAA on each and every day from April 5, 2012, to December 11, 2012.

Count Five: Lead Emissions Violations

C Blast Furnace Cast House Baghouse

142. Plaintiff re-alleges the preceding paragraphs.

143. PTI No. 182-05B limited lead emissions from the baghouse stack at Severstal's C Blast Furnace cast house to 0.00015 lb/hr.

144. Human exposure to lead emissions in the ambient air can adversely affect the nervous system, kidney function, immune system, reproductive and developmental systems, the cardiovascular system, and the oxygen carrying capacity of the blood.

145. Exposure to lead in the air has neurological effects on children and cardiovascular effects, including high blood pressure and heart disease, in adults.

146. Infants and young children are especially sensitive to lead, even at low levels, and lead exposure can contribute to behavioral problems, learning deficits, and lowered IQ.

147. Stack testing performed by Severstal between September and December 2008, shortly after PTI No. 182-05B was issued, measured lead emissions at the C Blast Furnace cast house baghouse stack of 0.00062 lb/hr.

148. Stack testing performed by Severstal between August 17 and August 19, 2010, measured lead emissions at the C Blast Furnace cast house baghouse stack of between 0.00158 lb/hr and 0.01135 lb/hr.

149. Stack testing performed in January 2012 measured lead emissions at the C Blast Furnace cast house baghouse stack of 0.00113 lb/hr.

150. Stack testing performed by Severstal on March 20, 2013, measured lead emissions at the C-Blast Furnace caste house baghouse stack of between 0.0035 lb/hr and 0.00428 lb/hr.

151. Stack testing performed by Severstal on May 1, 2013, measured lead emissions at the C Blast Furnace cast house baghouse stack of between 0.00057 lb/hr and 0.0019 lb/hr.

152. In 2014, MDEQ reported that stack tests had previously shown lead emissions at the C Blast Furnace cast house baghouse stack of 0.00100 lb/hr.

153. These excess lead emissions measured at Severstal's C Blast Furnace cast house baghouse stack constituted violations of the company's permits, the CAA, and the Michigan SIP.

154. Upon information and belief, following the violations measured in the stack tests, Severstal has never demonstrated compliance with the lead emission limitation applicable to the C Blast Furnace cast house baghouse stack.

155. It is likely that lead emissions at Severstal's C Blast Furnace cast house baghouse stack have exceeded the emissions limitation of PTI No. 182-05B on a continuous basis since the date of the 2008 stack test.

156. As such, lead emissions at Severstal's C Blast Furnace cast house baghouse stack have resulted in a violation of the CAA on each and every day from the date of the 2008 stack test to the present.

Basic Oxygen Furnace Desulfurization Operation

157. PTI No. 182-05B limited lead emissions from the baghouse stack at Severstal's Basic Oxygen Furnace desulfurization operation to 0.000278 lb/hr.

158. Stack testing performed in January 2009 measured lead emissions at the Basic Oxygen Furnace desulfurization operation baghouse stack of 0.000345 lb/hr.

159. Stack testing performed by Severstal between August 17 and August 19, 2010, measured lead emissions at the Basic Oxygen Furnace desulfurization operation baghouse stack of between 0.000734 lb/hr and 0.0073 lb/hr.

160. Stack testing performed by Severstal in February 2012 and again between April 8 to April 13, 2013, demonstrated lead emissions at the Basic Oxygen Furnace desulfurization operation baghouse stack within the emissions limit in PTI 182-05B.

161. In 2014, MDEQ reported that stack tests had previously shown lead emissions at the Basic Oxygen Furnace desulfurization operation baghouse stack of 0.00539 lb/hr.

162. The excess lead emissions measured at Severstal's Basic Oxygen Furnace desulfurization operation baghouse stack between at least January 2009 and February 2012 constituted violations of the company's permits, the CAA, and the Michigan SIP.

163. It is likely that lead emissions at Severstal's Basic Oxygen Furnace desulfurization operation baghouse stack exceeded the emissions limitation of PTI No. 182-05B on a continuous basis between at least January 2009 and February 2012.

164. As such, lead emissions at Severstal's Basic Oxygen Furnace desulfurization operation baghouse stack resulted in a violation of the CAA on each and every day from at least January 2009 to February 2012.

Basic Oxygen Furnace Electrostatic Precipitator and Baghouse

165. PTI No. 182-05B limited total combined lead emissions from the baghouse and ESP stack at Severstal's Basic Oxygen Furnace to 0.067 lb/hr.

166. Stack testing performed by Severstal between July 10 and July 12, 2012, measured total combined lead emissions at the Basic Oxygen Furnace baghouse and ESP stacks of 0.102 lb/hr.

167. Between December 11 and December 13, 2012, Severstal performed stack testing on the Basic Oxygen Furnace baghouse and ESP stacks, which demonstrated the total combined emissions sources were in compliance with the lead emissions levels in PTI 182-05B.

168. The excess lead emissions measured at Severstal's Basic Oxygen Furnace desulfurization operation baghouse stack between July 12, 2012, and December 11, 2012, constituted a violation of the company's permits, the CAA, and the Michigan SIP.

169. It is likely that lead emissions at Severstal's Basic Oxygen Furnace baghouse and ESP stacks exceeded the emissions limitation of PTI No. 182-05B on a continuous basis from at least July 12, 2012, to December 11, 2012.

170. As such, lead emissions at Severstal's Basic Oxygen Furnace baghouse and ESP stacks resulted in a violation of the CAA on each and every day from at least July 12, 2012, to December 11, 2012.

Count Six: Carbon Monoxide Emissions Violations

Basic Oxygen Furnace Electrostatic Precipitator

171. Plaintiff re-alleges the preceding paragraphs.

172. PTI No. 182-05B limited CO emissions from the ESP stack at Severstal's Basic Oxygen Furnace to 3,057.4 lb/hr.

173. Emissions of CO into the ambient air cause numerous adverse health effects in exposed humans, including reduced oxygen delivery to the body's organs, including the heart and brain, and other tissues. Exposure to CO can exacerbate heart disease and cause chest pain, and, at high levels, exposure to CO can cause death.

174. Stack testing performed by Severstal between September and December 2008, shortly after PTI No. 182-05B was issued, measured CO emissions at the Basic Oxygen Furnace ESP stack of 3,237.2 lb/hr.

175. The excess CO emissions measured at Severstal's Basic Oxygen Furnace ESP during this stack test constituted a violation of the company's permits, the CAA, and the Michigan SIP.

176. Upon information and belief, following the violation measured in the stack test, Severstal has never demonstrated compliance with the CO emission limitation applicable to the Basic Oxygen Furnace ESP stack.

177. It is likely that CO emissions at Severstal's Basic Oxygen Furnace ESP stack have exceeded the emissions limitation of PTI No. 182-05B on a continuous basis since at least the date of the 2008 stack test.

178. As such, CO emissions at Severstal's Basic Oxygen Furnace ESP stack have resulted in a violation of the CAA on each and every day from the date of the 2008 stack test to the present.

Count Seven: Mercury Emissions Violations

C Blast Furnace Stoves

179. Plaintiff re-alleges the preceding paragraphs.

180. PTI No. 182-05B limited mercury emissions from the stove stack at Severstal's C Blast Furnace to 0.000414 lb/hr.

181. Mercury is a neurotoxin that causes severe adverse human health effects.

182. Stack testing performed by Severstal in December 2008, shortly after PTI No. 182-05B was issued, measured mercury emissions at the C Blast Furnace stove stack of .000929 lb/hr.

183. Stack testing performed in March 2012 measured mercury emissions at the C Blast Furnace stove stack of 0.0005 lb/hr.

184. The excess mercury emissions measured at Severstal's C Blast Furnace stove stack in 2008 and again in 2012 constituted a violation of the company's permits, the CAA, and the Michigan SIP.

185. Upon information and belief, following the violation measured in the stack tests, Severstal has never demonstrated compliance with the mercury emission limitation applicable to the C Blast Furnace stove stack.

186. It is likely that mercury emissions at Severstal's C Blast Furnace stove stack have exceeded the emissions limitation of PTI No. 182-05B on a continuous basis since at least the date of the December 2008 stack test.

187. As such, mercury emissions at Severstal's C Blast Furnace stove stack have resulted in a violation of the CAA on each and every day from the date of the December 2008 stack test to the present.

Count Eight: Particulate Matter Emissions Violations

Ladle Refining Facilities

188. Plaintiff re-alleges the preceding paragraphs.

189. PTI No. 182-05B limited PM emissions from the baghouse stack at Severstal's Ladle Refining Facility No. 1 to 0.005 gr/dscf or 6.8 lb/hr.

190. Stack testing performed by Severstal between July 17 and 24, 2012 measured PM emissions at the Ladle Refining Facility No. 1 baghouse stack of 0.0073 gr/dscf.

191. PTI No. 182-05B limited PM emissions from the baghouse stack at Severstal's Ladle Refining Facility No. 2 to 0.005 gr/dscf or 3.87 lb/hr.

192. Stack testing performed by Severstal in July 2012 measured PM emissions at the Ladle Refining Facility No. 2 baghouse stack of 0.039 gr/dscf and 15.99 lb/hr.

193. Stack testing performed by Severstal between September 25 and September 27, 2012 demonstrated compliance with the PM emission limits at both Ladle Refining Facilities.

194. The excess PM emissions measured at Severstal's Ladle Refining Facility baghouses between the July 7-24, 2012 stack tests and September 25-27, 2012, stack tests constituted violations of the company's permits, the CAA, and the Michigan SIP.

195. It is likely that PM emissions at Severstal's Ladle Refining Facility baghouse stacks exceeded the emissions limitation of PTI No. 182-05B continuously between the date of the July 7-24, 2012, stack tests and the date of the September 25-27, 2012, stack tests.

196. As such, PM emissions at Severstal's Ladle Refining Facility baghouse stacks have resulted in a violation of the CAA on each and every day between the date of the July 7-24, 2012, stack tests and the date of the September 25-27, 2012, stack tests.

Count Nine: Ammonia Emissions Violations

Hot Dip Galvanizing Line

197. Plaintiff re-alleges the preceding paragraphs.

198. PTI No. 8-08 limits ammonia emissions from Severstal's Hot Dip Galvanizing Line to 2.19 lbs/hr.

199. Stack testing performed by Severstal on December 6, 2012 measured ammonia emissions at the Hot Dip Galvanizing Line of 4.21 lb/hr.

200. The excess ammonia emissions measured at Severstal's Hot Dip Galvanizing Line on December 6, 2012 constituted a violation of the company's permits, the CAA, and the Michigan SIP.

201. Stack testing performed by Severstal on March 12, 2013 showed measured ammonia emissions at the Hot Dip Galvanizing Line that were incompliance with the limits in PTI No. 8-08.

202. It is likely that ammonia emissions at Severstal's Hot Dip Galvanizing Line exceeded the emissions limitation of PTI No. 8-08 on a recurring basis between December 6, 2012 and March 12, 2013.

203. As such, excess ammonia emissions at Severstal's Hot Dip Galvanizing Line resulted in a violation of the CAA on each and every day between December 6, 2012 and March 12, 2013.

Count Ten: Fallout Events

204. Plaintiff re-alleges the preceding paragraphs.

205. Rule 901 of the Michigan SIP, Mich. Admin. Code R. 336.1901, prohibits the emission, from any source, of "air contaminant[s] or water vapor in quantities that cause" either "injurious effects" to health or property, or "unreasonable interference with the comfortable enjoyment of life and property." The EPA approved this rule for inclusion in the Michigan SIP in 1980, rendering it federally-enforceable. 40 C.F.R. § 52.1170(c).

206. The standards of Rule 901 were also made applicable to all aspects of Severstal's Dearborn facility by General Condition 7 of ROP No. 199700004.

207. On June 15, 2012, the EPA notified Severstal that the company had violated this standard by causing fallout events offsite on the following dates:

- February 20, 2010
- March 8, 2010
- April 19, 2010
- October 7, 2010
- October 8, 2010
- October 13, 2010
- October 20, 2010
- October 22, 2010
- August 16, 2011

208. Each of these nine repeated individual violations of Rule 901 of the Michigan SIP is a separate and distinct violation of the CAA and Michigan SIP that entitles Plaintiff to declaratory and injunctive relief as well as civil penalties.

Count Eleven: Clean Air Act Violations Related to the Installation, Maintenance, and Operation of Pollution Control Equipment

209. Plaintiff re-alleges the preceding paragraphs.

210. Rule 910 of the Michigan SIP requires "air cleaning devices" – i.e., pollution control equipment – to be "installed, maintained, and operated in a satisfactory manner and in accordance with these rules and existing law." Mich. Admin. Code R. 336.1910. The EPA approved this rule for inclusion in the Michigan SIP in 1980, rendering it federally-enforceable. 40 C.F.R. § 52.1170(c).

211. The standards of Rule 910 are incorporated into ROP No. 199700004, at Table E-01.04(V)(1), and were incorporated into PTI No. 182-05B, at Table E-01.08(V)(1); the language of both permits specifically prohibits Severstal from operating its Basic Oxygen Furnace unless the ESP is operating properly.

212. In August 2012, MDEQ staff observed that "[i]t is clear, and the facility has openly admitted, that there has been a total disregard for the maintenance of the ESP and for the air quality requirements. With proper operation and maintenance, the refurbishing of the ESP now underway would never have been needed."

213. On September 13, 2012, MDEQ notified Severstal that it had failed to comply with Rule 910 of the Michigan SIP, and the corresponding permit requirements, as a result of a failure to properly install, maintain, and operate its Basic Oxygen Furnace ESP on August 25, 2012. This violation of Rule 910 was triggered by an opacity violation on the same date.

214. Each individual instance of an opacity violation caused by emissions at Severstal's Basic Oxygen Furnace ESP, including the 3,204 violations identified above, also constitutes a violation of Rule 910 of the Michigan SIP and the corresponding provisions of ROP No. 199700004 and PTI No. 182-05B applicable to the ESP.

215. On November 14, 2012, MDEQ notified Severstal that it had failed to comply with Rule 910 of the Michigan SIP, and the corresponding permit requirements, as a result of a failure to properly install, maintain, and operate its Basic Oxygen Furnace ESP in July 2012.

216. This violation of Rule 910 was triggered by a violation of the lead and manganese emission limits applicable to the Basic Oxygen Furnace ESP discovered during stack testing performed on that date.

217. On information and belief, this stack testing was performed between July 10 and July 12, 2012.

218. Each individual instance of excess lead and manganese emissions at the combined Basic Oxygen Furnace baghouse and ESP stacks, including the daily violations of such standards between April 5, 2012 and December 11, 2012, also constituted a violation of Rule 910 of the Michigan SIP and the corresponding provisions of ROP No. 199700004 and PTI No. 182-05B applicable to the ESP.

219. On January 30, 2013, MDEQ again notified Severstal that it had failed to comply with Rule 910 of the Michigan SIP, and the corresponding permit requirements, as a result of a failure to properly install, maintain, and operate its Basic Oxygen Furnace ESP by failing to perform preventative maintenance and inspections of the ESP at the intervals required by the federal regulations for integrated iron and steel manufacturing found at 40 C.F.R. § 63, Subpart FFFFF.

220. Rule 910 of the Michigan SIP is also incorporated into ROP No. 199700004 and PTI No. 182-05B in regard to pollution control equipment at Severstal's facility other than the Basic Oxygen Furnace ESP.

221. On September 27, 2012, MDEQ notified Severstal that the Company had violated Rule 910 of the Michigan SIP, as well as corresponding standards of ROP No. 199700004, PTI No. 8-08, and the Code of Federal Regulations, by repeatedly failing to inspect its pickle line scrubber (four violations) and pickle line tank farm scrubber (two violations) between August 2011 and August 2012.

222. Also on September 27, 2012, MDEQ notified Severstal that the Company had violated Rule 910 of the Michigan SIP, as well as corresponding standards of ROP No. 199700004 and PTI No. 182-05B, by failing to properly maintain its scale breaker baghouse.

223. On November 14, 2012, MDEQ also notified Severstal that it had failed to comply with Rule 910 of the Michigan SIP, and the corresponding permit requirements, as a result of a failure to properly install, maintain, and operate the baghouses installed at the company's Ladle Refining Facilities from July 7-24, 2012 to the date of the subsequent September 25-27, 2012 stack tests showing compliance. This violation of Rule 910 was triggered by a violation of the PM emission limits applicable to the Ladle Refining Facilities discovered during stack testing performed on that date.

224. Each individual instance of excess PM emissions at the Ladle Refining Facilities, including the daily violations of such standards between July 7-24, 2012 and the date of the subsequent September 25-27, 2012 stack tests showing compliance, also constituted a violation of Rule 910 of the Michigan SIP and the corresponding provisions of ROP No. 199700004 and PTI No. 182-05B applicable baghouses on the Ladle Refining Facility.

225. On May 13, 2013, MDEQ notified Severstal that the company had violated Rule 910 of the Michigan SIP, as well as corresponding standards of ROP No. 199700004 and PTI No. 182-05B, by failing to properly maintain and operate its C Blast Furnace baghouse and associated capture system throughout 2012.

226. On April 15, 2014, MDEQ notified Severstal that the company had violated Rule 910 of the Michigan SIP by failing to properly maintain and operate its C Blast Furnace baghouse and associated capture system, and specifically by failing to perform preventative maintenance and inspections at legally required intervals, throughout 2013.

227. Also on April 15, 2014, MDEQ notified Severstal that the company had violated Rule 910 of the Michigan SIP, as well as corresponding standards of ROP No. 199700004, by failing to properly maintain and operate its Basic Oxygen Furnace ESP, and specifically by failing to perform preventative maintenance and inspections at legally required intervals, during 2013.

228. Also on April 15, 2014, MDEQ notified Severstal that the company had violated Rule 910 of the Michigan SIP by failing to properly maintain and operate its Basic Oxygen Furnace secondary baghouse, and specifically by failing to perform preventative maintenance and inspections at legally required intervals, during 2013.

229. Also on April 15, 2014, MDEQ notified Severstal that the company had violated the maintenance standards applicable to its two Ladle Refining Facilities in 2013 by failing to initiate appropriate maintenance activities when the baghouse pressure drop falls outside of the normal operating range.

230. Also on April 15, 2014, MDEQ notified Severstal that the company had violated the inspection and maintenance requirements of its ROP and federal regulations by failing to perform all required inspections and maintenance on its C Blast Furnace baghouse and associated capture system, and by failing to meet operating limits for the baghouse dampers and fan amps as specified in the company's operation and maintenance plan, throughout 2013.

231. Also on April 15, 2014, MDEQ notified Severstal that the company had violated the inspection and maintenance requirements of its ROP and federal regulations by failing to perform all required inspections and preventative maintenance on its Basic Oxygen Furnace ESP and associated capture system from July to December of 2013, and by failing to conduct

Continuous Opacity Monitoring System ("COMS") quarterly maintenance at the ESP for the 3rd quarter of 2013.

232. Also on April 15, 2014, MDEQ notified Severstal that the company had violated the inspection and maintenance requirements of its ROP and federal regulations by failing to perform all required inspections and preventative maintenance on its Basic Oxygen Furnace secondary baghouse and associated capture system, and by failing to meet operating limits for the secondary baghouse dampers and fan amps as specified in the company's operation and maintenance plan, throughout 2013.

233. Each of the numerous and repeated individual violations of the installation, maintenance, and operation requirements applicable to Severstal's pollution control equipment and contained in ROP No. 199700004, PTI No. 182-05B, PTI No. 8-08, the Michigan SIP, and the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations is a separate and distinct violation of the CAA and Michigan SIP that entitles Plaintiff to declaratory and injunctive relief as well as civil penalties.

Count Twelve: Clean Air Act Violations Related to

Monitoring, Recordkeeping, Reporting, and Testing

234. Plaintiff re-alleges the preceding paragraphs.

235. On September 27, 2012, MDEQ notified Severstal that the company had violated a number of the inspection, monitoring, and recordkeeping provisions of PTI No. 8-08, and associated provisions of the Code of Federal Regulations, with respect to its pickling operation.

236. Specifically, he company failed to inspect its New Pickle Line Scrubber at the required intervals (four violations) or in the correct fashion (at least one violation), failed to calibrate associated monitoring devices (at least one violation), and, for more than a year

between August 2011 and September 2012, Severstal failed to record water flow and pressure drop data for its New Pickle Line Scrubber at the required interval, which is once per shift (one violation per day for each shift).

237. Similarly, Severstal failed to inspect its New Pickle Line Tank Farm and New Pickle Line Tank Farm Scrubber at the required intervals (two violations) or in the correct fashion (at least one violation), and, for more than year between August 2011 and September 2012, failed to keep proper records of the New Pickle Line Tank Farm liquid flow (one violation per day) and pressure drop (one violation per day for each shift).

238. Severstal also failed to implement an Operation and Maintenance Plan for either its New Pickle Line or New Pickle Line Tank Farm (two violations per day).

239. Given the frequency and regularity of the inspection, monitoring, and recordkeeping violations cited at the pickling operation in 2012, it is likely that violations of these standards continued to occur past the date on which MDEQ notified the company of the violations.

240. On November 14, 2012, MDEQ notified Severstal that the company had violated a number of the inspection, monitoring, recordkeeping, and reporting provisions of ROP No. 199700004, PTI No. 182-05B, and the Code of Federal Regulations at its Ladle Refining Facility.

241. Specifically, Severstal failed to inspect the Ladle Refining Facility baghouses and baghouse components at the required intervals, and failed to maintain required records necessary to demonstrate continuous compliance with emissions limits applicable to the Ladle Refining Facility.

242. In addition, Severstal failed to properly install, operate, and maintain a bag leak detection system; MDEQ noted that increases in particulate loadings above a preset detection level did not trigger alarms as designed, and, when alarms were triggered, Severstal failed to keep records of corrective actions taken in response.

243. For nearly two years – from January 2011 to November 2012 – Severstal failed to disclose these violations of the requirements of its ROP permit as part of its annual Title V deviation report.

244. Given the frequency and regularity of the inspection, monitoring, and recordkeeping, and reporting violations cited at the Ladle Refining Facility in 2012, it is likely that violations of these standards continued to occur past the date on which MDEQ notified the company of the violations.

245. On November 14, 2012, MDEQ notified Severstal that the company had violated a number of the inspection, monitoring, recordkeeping, and reporting provisions of ROP No. 199700004, PTI No. 182-05B, and the Code of Federal Regulations applicable to its Basic Oxygen Furnace ESP, and, more generally, to its overall integrated iron and steel manufacturing processes.

246. Specifically, for more than two and a half years, spanning from January 2010 to August 2012, Severstal failed to perform required inspections and preventative maintenance on its Basic Oxygen Furnace ESP, as required by the company's ROP, PTI, and by the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations (40 C.F.R. Part 63, Subpart FFFFF).

247. Over this same period, Severstal also failed to maintain proper records related to operation and maintenance of its Basic Oxygen Furnace ESP, or to report its lack of preventative

maintenance and other deviations from the company's ROP, PTI, and Integrated Iron and Steel MACT requirements.

248. Severstal failed to report its missed inspections and lack of required preventative maintenance in its semi-annual Title V deviation reports or Integrated Iron and Steel MACT reports submitted during this period, and, as of November 14, 2012, the company had failed to submit any Title V deviation report covering the period of January to June 2012, and failed to submit complete Integrated Iron and Steel MACT report covering the two-year period of January 2010 to December 2011.

249. During the same period, Severstal also failed to properly report opacity exceedances at its Basic Oxygen Furnace ESP stack in the relevant semi-annual Title V report, as required by the Code of Federal Regulations and the company's Title V report; nor did Severstal report an opacity exceedance at the Basic Oxygen Furnace roof monitor within 14 days of the violation, as required by a 2006 Consent Order with MDEQ.

250. Severstal also failed to establish proper operating parameters for its secondary baghouse, having left the relevant portion of its Operation and Maintenance Plan for that baghouse blank, and the company therefore failed to meet one requirement for demonstrating continuous compliance with the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations.

251. Given the frequency and regularity of the inspection, monitoring, and recordkeeping, and reporting violations cited at the Basic Oxygen Furnace and Basic Oxygen Furnace ESP from January 2010 through late 2012, it is likely that violations of these standards continued to occur past the date on which MDEQ notified the company of the violations.

252. Indeed, on April 15, 2014, MDEQ notified Severstal that the company had violated the recordkeeping requirements of its ROP and federal regulations by failing to maintain records to demonstrate continuous compliance at the Basic Oxygen Furnace ESP with the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations from July through December of 2013, and by failing to maintain records to demonstrate continuous compliance at the Basic Oxygen Furnace secondary baghouse with the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations throughout 2013.

253. On March 8, 2013, MDEQ notified Severstal that the company had violated Rule 2001(1)(c) of the Michigan SIP by failing to complete nitrogen oxides (NOx) emissions testing by the January 3, 2013 deadline granted to Severstal by MDEQ.

254. On May 13, 2013, MDEQ notified Severstal that it had violated several of the inspection and recordkeeping provisions of ROP No. 199700004, PTI No. 182-05B, and the Code of Federal Regulations applicable to its C Blast Furnace Casthouse.

255. Specifically, Severstal failed to perform required inspections and preventative maintenance on the C Blast Furnace baghouse and the associated capture system, for the duration of 2012, as required by the company's ROP and the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations.

256. Severstal also failed to maintain records necessary to show continuous compliance with those standards (itself a violation of the ROP, PTI, and Code of Federal Regulations), and it failed to continuously monitor and record the damper position and fan amps for the C Blast Furnace baghouse and capture system as required by the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations.

257. Given the frequency and regularity of the inspection, maintenance, and recordkeeping violations cited at the C Blast Furnace baghouse during 2012, it is likely that violations of these standards continued to occur past the date on which MDEQ notified the company of the violations.

258. Indeed, on April 15, 2014, MDEQ notified Severstal that the company had violated the recordkeeping requirements of its ROP and federal regulations by failing to maintain records to demonstrate continuous compliance with the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations throughout 2013.

259. Each of the numerous and repeated individual violations of the maintenance, monitoring, inspection, recordkeeping, reporting, and testing requirements contained in ROP No. 199700004, PTI No. 182-05B, PTI No. 8-08, the Michigan SIP, and the Integrated Iron and Steel MACT provisions of the Code of Federal Regulations is a separate and distinct violation of the CAA and Michigan SIP that entitles Plaintiff to declaratory and injunctive relief as well as civil penalties.

Count Thirteen:

Unpermitted Installation of Emergency Engines

260. Plaintiff re-alleges the preceding paragraphs.

261. In 2007, Severstal installed six large, natural gas-fired emergency engines at its Dearborn facility.

262. Before installing these emergency engines, Severstal did not obtain a PTI under Title I of the CAA and the Michigan SIP.

263. Nor did Severstal obtain an ROP under Title V of the CAA and Michigan SIP that authorized and governed the operation of its six emergency engines.

264. Severstal's failure to obtain a PTI to cover its installation of six emergency engines in 2007 has constituted a violation of the pre-construction permitting requirements of the CAA and Michigan SIP on each and every day between the installation of those emergency engines and their inclusion in a valid new PTI.

265. Severstal's failure to obtain an ROP to cover its operation of six emergency engines as part of its Dearborn facility since 2007 has constituted a violation of the operating permit requirements of the CAA and Michigan SIP on each and every day since the company completed installation of those emergency engines.

266. Each day on which Severstal has been in violation of the pre-construction and operating permit requirements of the CAA and Michigan SIP, as a result of its installation and operation of six unpermitted emergency engines at the company's Dearborn facility, is a separate and distinct violation of the CAA and Michigan SIP that entitles Plaintiff to declaratory and injunctive relief as well as civil penalties.

REQUESTS FOR RELIEF

For the reasons set forth above, Plaintiff respectfully requests that this Court:

1. Declare Severstal's civil liability for each and every one of its discrete violations of the CAA and Michigan SIP between January 1, 2010 and the present;
2. Impose on Severstal, for each of these discrete violations, the maximum civil penalty available under the CAA and Code of Federal Regulations;
3. Order Severstal to take whatever actions are necessary, by whatever means are necessary (including, but not limited to, a reduction in plant production, if necessary) to immediately bring its emissions and operations into compliance with the CAA and Michigan SIP;

4. Appoint an independent monitor to ensure Severstal's full and ongoing compliance with the CAA and Michigan SIP for a period of no less than 10 years; and
5. Award Plaintiff its costs of litigation, including its reasonable attorney and expert witness fees, as allowed under the CAA.

Respectfully Submitted,

/s/ Christopher M. Bzdok

Date: June 18, 2014

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