



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 • (217) 782-2829
James R. Thompson Center, 100 West Randolph, Suite 11-300, Chicago, IL 60601 • (312) 814-6026

October 20, 2011

PAT QUINN, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

John Therriault
Assistant Clerk
Illinois Pollution Control Board
100 West Randolph St., Suite 11-500
Chicago, IL 60601

RECEIVED
CLERK'S OFFICE
OCT 24 2011
STATE OF ILLINOIS
Pollution Control Board

Re: Grant of Provisional Variance with Conditions for Natural Gas Usage at
Power Boiler #1 and BFG Flare #2, Permit No. 96030056, Source ID: 119813AAI

Dear Mr. Therriault:

Attached please find a copy of a provisional variance that the Illinois Environmental Protection Agency ("Illinois EPA") granted to United States Steel Corporation- Granite City Works, Granite City, Illinois. As you may know, the Illinois Environmental Protection Act requires the Illinois EPA to promptly file a copy of its provisional variance decisions with the Illinois Pollution Control Board. See, 415 ILCS 5/37(b). This letter and attachment fulfills the Illinois EPA's statutory obligation.

Sincerely,

Rachel Doctors
Assistant Counsel

ORIGINAL



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PAT QUINN, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

October 20, 2011

Richard Veitch
General Manager
United States Steel Corporation- Granite City Works
20th & State Street
Granite City, IL 62040

Certified Mail #
7004 2510 0001 8588 4441

Re: Grant of Provisional Variance with Conditions for Natural Gas Usage at
Power Boiler #1 and BFG Flare #2, Permit No. 96030056, Source ID: 119813AAI

Dear Mr. Veitch:

On September 26, 2011, the Illinois Environmental Protection Agency ("Illinois EPA") received from United States Steel Corporation- Granite City Works ("Granite City Works"), a request for a provisional variance from the natural gas usage limit for Power Boiler #1 and BFG Flare #2 under Permit No. 96030056, issued May 2, 2011, while the Gateway Energy and Coke facility will be conducting an unexpected outage for up to seven days commencing no later than October 27, 2011. The request was accepted for review pursuant to the applicable requirements of the Illinois Environmental Protection Act ("Act") and applicable regulations.

The Illinois EPA has evaluated the request in accordance with the requirements of Sections 35, 36, and 37 of the Act and the Illinois EPA's regulations set forth at 35 Ill. Adm. Code Part 180. The Illinois EPA is granting Granite City Works' request for provisional variance, subject to the conditions delineated below, due to the short-term nature of the relief and because the request and supporting documentation have demonstrated that an arbitrary and unreasonable hardship would result in the event of a denial.

The Illinois EPA is granting Granite City Works relief in part from Condition 7.10.6(a)(iii)(A) of Permit No. 96030056 for up to seven days, as requested by Granite City Works. Specifically, this relief is granted for seven days that shall begin no later than October 27, 2011, and conclude no later than November 3, 2011, at which time this grant and its terms expire. This action affording relief is based, in principal part, upon Granite City Works' representation that no significant adverse environmental effect is expected as a result of the requested relief. The requested relief extends to Granite City Works' Power Boiler #1 and BFG Flare #2, subject to the following terms and conditions:

- 1) Granite City Works shall notify the Illinois EPA in writing before the start of the outage at Gateway Energy and Coke facility and within 7 days after the conclusion of this outage. The report the conclusion of the outage shall provide the dates and times of the start and the conclusion of this outage.

- 2) This provisional variance only provides relief from Condition 7.10.6(a)(iii)(A) in Permit No. 96030056. The provisional variances does not provide relief from any other term and condition in Permit No. 96030056, including the total fuel usage limitation in Condition 7.10.6(a)(iii)(B), the short-term lbs/mmBtu limitations at Condition 7.10.6(a)(v)(A), the monthly and annual emissions limitations in Condition 7.10.6(a)(v)(C), or the provision addressing the NOx emission standard of 40 CFR 60, Subpart Db in Condition 7.10.4(c)(iv).
- 3) Condition 7.10.6(a)(iii)(A) requires that Granite City Works limit natural gas usage at Power Boiler #1 and BFG flare #2 to 314,666 mmBtu/ year, as determine on a 12-month rolling basis. Granite City Works may exclude the usage of natural gas by Power Boiler #1 in excess of 31.4 mmBtu per hour for up to 168 hours but only during the outage at the Gateway Energy and Coke Facility and the term of the Provisional Variance.
- 4) Granite City Works shall maintain and submit to the Illinois EPA records of actual natural gas usage by Power Boiler #1 and BFG flare #2 during the term of the provisional variance.
- 5) Reports and information required under paragraph 4 shall be submitted within 30 days after the term of the provisional variance to:

Bureau of Air Compliance Unit
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Il 62794-9276

- 6) Following the receipt of this provisional variance, Granite City Works shall submit a certification to the Illinois EPA signifying its acceptance of the terms and conditions expressed herein. The certification shall be mailed to the Illinois EPA within 10 days of the date of this provisional variance and must be signed by the owner or operator, as follows:

Certification

I(We) _____, read the terms and conditions of the Illinois EPA's provisional variance, dated October 20, 2011, and, I (we) hereby accept and agree to abide by the terms and conditions expressed therein.

The certification should be mailed, by certified mail, to the undersigned:

John J. Kim
Chief Legal Counsel
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Il 62794-9276.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Kim', with a large, sweeping flourish extending to the right.

John J. Kim
Chief Legal Counsel