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NEWS

Dearborn steel plant to pay \$1.35M fine to settle alleged violations

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WASHINGTON – AK Steel will pay \$1.35 million to settle alleged air pollution violations at a Dearborn plant previously owned by the American subsidiary of Russia-based Severstal.

The Justice Department announced the agreement among the steelmaker, the federal government and the State of Michigan Wednesday, saying it settles 42 violations alleged by the state Department of Environmental Quality and two notices issued by the U.S. Environmental Protection Agency against Severstal North America.

AK Steel, based in Ohio, announced last summer its intention to purchase Severstal's Dearborn coke-making facility and other assets for \$700 million. Following the sale, completed in September of last year, AK Steel took responsibility for past violations.

"Settlement of this enforcement action is part of AK Steel's commitment to operate in an environmentally responsible manner, which, relative to the Dearborn plant, includes the resolution of issues related to operation of the plant by the previous owner," the company said. "AK Steel intends to be a good corporate citizen and good neighbor in Dearborn."

The settlement, which was contained in a consent decree filed in U.S. District Court in Detroit, also calls for the steelmaker to implement procedures to reduce potential future violations and install air filtration systems at the Salina Elementary and Salina Intermediate schools near the plant.

"People living in Dearborn and southwest Detroit have long been concerned about air pollution from this steel mill," said EPA Regional Administrator Susan Hedman. "The consent decree will result in improved air quality in these communities and help prevent future violations of the Clean Air Act."

"This is welcome news for residents who live near the steel mill," added Michigan DEQ Director Dan Wyant. "We are pleased to finally have the past environmental violations

addressed and resolved and we look forward to a strong working relationship with new plant owners AK Steel."

The consent decree requires the steelmaker to develop a process for managing environmental concerns at the plant, which includes outside auditing twice a year, as well as annual inspections of pollution control equipment.

AK Steel also must put in place a dust control policy to prevent what the Justice Department said were "large particulate emissions into the adjacent neighborhoods." The federal government said upon full implementation, particulate matter emissions, including metal hazardous air pollutants, should be reduced by approximately 100 tons per year.

The consent order is subject to a 30-day public comment period before final court approval.

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