



**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

**[EPA-R05-OAR-2020-0699; FRL-10754-01-R5]**

**Air Plan Approval; Indiana; ArcelorMittal and NIPSCO Sulfur Dioxide Revisions**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is proposing to approve revisions to the sulfur dioxide (SO<sub>2</sub>) portion of the Indiana State Implementation Plan (SIP). The state of Indiana is requesting revisions to emission limits at the Northern Indiana Public Service Company Bailly Station (NIPSCO) facility reflecting permanently shut down units. Indiana is also requesting SIP revisions for two facilities formerly owned by ArcelorMittal USA LLC and currently owned by Cleveland-Cliffs LLC (Indiana Harbor East and Indiana Harbor West). The Indiana Harbor East facility is required to demonstrate continuous compliance with final SO<sub>2</sub> emission limits as a daily (24-hour) average. These revisions will result in decreases in allowable SO<sub>2</sub> emissions at all three facilities, maintaining SO<sub>2</sub> attainment/unclassifiable designations for the 2010 1-hour SO<sub>2</sub> national ambient air quality standards (NAAQS).

**DATES:** Comments must be received on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Submit your comments, identified by Docket ID No.

EPA-R05-OAR-2020-0699 at <https://www.regulations.gov>, or via email to [arra.sarah@epa.gov](mailto:arra.sarah@epa.gov). For comments submitted at [Regulations.gov](https://www.regulations.gov), follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from [Regulations.gov](https://www.regulations.gov). For either manner of submission, EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (i.e., on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <https://www2.epa.gov/dockets/commenting-epa-dockets>.

**FOR FURTHER INFORMATION CONTACT:** Cecilia Magos, Life Scientist, Attainment Planning and Maintenance Section, Air Programs Branch (AR-18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886-7336, [magos.cecilia@epa.gov](mailto:magos.cecilia@epa.gov). The EPA Region 5 office is open from

8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays and facility closures due to COVID-19.

**SUPPLEMENTARY INFORMATION:** Throughout this document whenever “we,” “us,” or “our” is used, we mean EPA.

## **I. Background**

On March 31, 2021, the Indiana Department of Environmental Management (IDEM) submitted a site-specific SO<sub>2</sub> SIP revision request to EPA for the NIPSCO facility in Porter County, and SIP revision requests for Indiana Harbor West and Indiana Harbor East both located in Lake County. The revisions for NIPSCO and ArcelorMittal LLC (Indiana Harbor West) are administrative clean-up revisions removing limits that apply to permanently shut down units. The revisions for ArcelorMittal LLC (Indiana Harbor East) remove limits that apply to permanently shut down units and include a demonstration of continuous compliance with SO<sub>2</sub> emission limits as a daily (24-hour) average SO<sub>2</sub> pounds per hour (lbs/hr) emission limit.

## **II. Content in IDEM’s SIP Revision Request**

The revised rule 326 Indiana Administrative Code (IAC) 7-4-14(2) reduces the SO<sub>2</sub> emissions at the NIPSCO facility by removing boilers 7 and 8 and their limits of 6.0 pounds per million British thermal units (lbs/MMBtu) each, described in Table 1 below. These boilers have been permanently shut down.

Additionally, revisions to 326 IAC 7-4.1-10 update the name of the ISG Indiana Harbor Inc. facility to ArcelorMittal USA LLC (Indiana Harbor West). The revised rule changes language of

Utility Boilers 5, 6, 7 and 8 emission unit requirements from "shall" to "must" concerning total actual heat input from fuel oil usage at all boilers combined, the fuel boilers are fired on, and sulfur percentage and lb/MMBtu of fuel oil burned. For shut down units, the revision includes removal of the hot strip mill slab heat reheat furnaces 1, 2, and 3 with emission limits of 531.1 lbs/hr each, as well as removal of the sinter plant windbox with emission limits of 240 lbs/hour. Removal of emission units and limits results in a total of 19.67 lbs/hour sulfur emission limit reductions at the Indiana Harbor West facility.

Rule revisions to 326 IAC 7-4.1-11 update the name of the Ispat Inland Inc. facility to ArcelorMittal USA LLC (Indiana Harbor East). The revisions include removal of a series of shut down emission units and listings including: No. 1 blast furnace stove; No. 2 blast furnace stove; No. 5 and No. 6 blast furnace stoves; No. 2AC boilers 207, 208, 209, and 210; No. 2AC boilers 211, 212, and 213; No. 4AC boilers 401, 402, 403, 404, and 405; stack 1 (boilers 401 and 402); stack 2 (boilers 403 and 404); stack 3 (boiler 405); anneal 3, 4. In regard to the boilers that feed into stacks 1, 2, and 3 being shut down, the SIP revision removes the requirements to operate continuous emission monitoring systems on those stacks. The SIP revision also removes the equations to calculate sulfur dioxide emissions in units of pounds per MMBtu of the aforementioned units.

For the Indiana Harbor East facility, the revised rule at

326 IAC 7-4.1-11 combines the No. 7 Blast Furnace Canopy and No. 7 Blast Furnace Baghouse into a combined No. 7 Blast Furnace West Baghouse and East Baghouse which must demonstrate compliance with an SO<sub>2</sub> emission limit of 432 lbs/hr. The SIP revision also removes the EAF shop ladle metal baghouse and its emission limits.

The revised rule 326 IAC 7-4.1-11 requires continuous compliance with final SO<sub>2</sub> emissions limits as a daily (24-hr) average SO<sub>2</sub> emission limit at the Indiana Harbor East facility. Hourly SO<sub>2</sub> emission rates (in pounds of SO<sub>2</sub> per MMBtu or ton) will be calculated by dividing total daily SO<sub>2</sub> emissions in pounds per day by total heat input per day in MMBtu or ton, respectively, for emission units with pounds of SO<sub>2</sub> per MMBtu limit. Table 1 shows the emission limit changes at all three facilities.

**Table 1. - Emission Limit Changes and Closures at NIPSCO facility, Indiana Harbor West facility, and Indiana Harbor East facility.**

<b>Unit Name</b>	<b>Former limit</b>	<b>Revised limit</b>
<b>North Indiana Public Service Company Bailly Station (NIPSCO)</b>		
Boilers 7 and 8	6.00 lbs/MMBtu each	<b>0.0 lb/hr</b>
<b>ArcelorMittal USA LLC (Indiana Harbor West)</b>		
Hot Strip Mill Slab Heat Reheat Furnaces 1, 2, and 3	535.1 lbs/hr each	<b>0.0 lbs/hr each</b>
Sinter Plant Windbox	240 lbs/hr	<b>0.0 lbs/hr</b>
<b>ArcelorMittal USA LLC (Indiana Harbor East)</b>		
No. 1 Blast Furnace Stoves	11.92 lbs/hr total	<b>0.0 lbs/hr</b>
No. 2 Blast Furnace Stoves	12.4 lbs/hr total	<b>0.0 lbs/hr</b>
No. 5 and 6 Blast Furnace Stoves	41.02 lbs/hr each	<b>0.0 lbs/hr</b>
No. 2AC Boilers 207, 208, 209, and	15.873 lbs/hr total	<b>0.0 lbs/hr</b>

210		
No. 2AC Boilers 211, 212, and 213	168.0 lbs/hr total	<b>0.0 lbs/hr</b>
No. 4AC Boilers 401, 402, 403, 404, and 405	890.23 lbs/hr total	<b>0.0 lbs/hr</b>
Anneal 3, 4	0.0 lbs/hr	<b>0.0 lbs/hr</b>
EAF Shop Ladle Metal Baghouse	13.90 lbs/hr	<b>0.0 lbs/hr</b>
<b>No.7 Blast Furnace West Baghouse and East Baghouse</b>	<b>50.400 lbs/hr</b>	<b>432 lbs/hr total</b>
No. 7 BF Casthouse Baghouse	50.400 lbs/hr	<b>0.0 lbs/hr</b>

### III. Clean Air Act Section 110 (1)

Section 110(1) of the Clean Air Act (CAA) provides that state submissions cannot be approved as SIP revisions if they interfere with applicable requirements concerning attainment and maintenance of the NAAQS, reasonable further progress, or any other applicable requirement of the CAA. The relevant NIPSCO facility is located in Porter County which was designated as attainment/unclassifiable during Round 4 designations for the 2010 SO<sub>2</sub> standard (86 FR 16055, March 26, 2021). The ArcelorMittal USA LLC facilities, Indiana Harbor East and Indiana Harbor West, are located in Lake County which was designated attainment/unclassifiable during Round 3 designations for the 2010 SO<sub>2</sub> standard (83 FR 1098, January 9, 2018). EPA finds that Indiana's revision to the rules at 326 IAC 7-4-14(2) (NIPSCO), 326 IAC 7-4.1-10 (Indiana Harbor West), and 326 IAC 7-4.1-11 (Indiana Harbor East), reflecting SO<sub>2</sub> emission limits revisions and emission unit removals, will not interfere with attainment and maintenance of the NAAQS, reasonable further progress, or any other applicable requirement of the CAA, nor

pose a risk to the permanence and compliance with SO<sub>2</sub> attainment/unclassifiable designations in Porter and Lake Counties.

EPA is proposing that the overall revisions in allowable SO<sub>2</sub> emissions in IDEM's March 31, 2021, revised rule 326 IAC 7-4-14(2) further reduces SO<sub>2</sub> emissions in Porter County by removal of Boilers 7 and 8 at the NIPSCO facility, resulting in a total of 12 lbs/MMBtu emission limit reduction.

Revisions to the 326 IAC 7-4.1-10 rule applicable to the Indiana Harbor West facility in Lake County also reduces SO<sub>2</sub> emissions by a total 19.67 lbs/hr by removal of hot strip mill slab heat reheat furnace 1,2, and 3 and the removal of the sinter plant windbox at the facility, further strengthening the SIP.

EPA's analysis found that revisions to 326 IAC 7-4.1-11 applicable to the Indiana Harbor East facility in Lake County will reduce SO<sub>2</sub> emissions by 770.13 lbs/hr of SO<sub>2</sub> (see *Indiana-ArcelorMittal USA LLC.xlsx, sheet IHE* in the docket for this action). The No. 7 blast furnace previous emission limit was set to 50.400 lbs/hour and was revised by the State to 432.00 lbs/hr as shown in Table 1. As a result, the revisions to the now combined No. 7 blast furnace west baghouse and east baghouse increased emissions by 381.60 lbs/hr total in relation to the original permitted amount. The summation of the facility's existing units daily (24-hour) averaged SO<sub>2</sub> emission limits is 1,236.00 SO<sub>2</sub> lbs/hr. To calculate a comparatively stringent 1-

hour emission rate for the longer-term averaged units at the facility, EPA is utilizing a 99<sup>th</sup> percentile 24-hour average SO<sub>2</sub> emission adjustment of 0.93 listed in EPA's April 2014 *Guidance for 1-hour SO<sub>2</sub> Nonattainment Area SIP Submissions*<sup>1</sup> for uncontrolled units averaged over a 24-hour basis. The existing limit rate of 1,236.00 SO<sub>2</sub> lbs/hr over a 24-hour average results in a comparably stringent 1-hour emission rate of 1,329.03 SO<sub>2</sub> lbs/hr after application of the 0.93 adjustment factor, an increase of 93.03 lbs/hr. The sum of the increase of emission limits at the facility equals 474.63 SO<sub>2</sub> lbs/hr and the sum of the decrease of emission limits at the facility equals 1,244.76 SO<sub>2</sub> lbs/hr. Therefore, the revisions result in an overall 770.13 SO<sub>2</sub> lbs/hr net reduction in SO<sub>2</sub> emission limits at the facility. Based on the above, EPA proposes to find that IDEM's March 31, 2021, submittal is consistent with CAA section 110(1).

#### **IV. Environmental Justice Considerations**

EPA identified environmental burdens and susceptible populations in communities nearby, by performing a screening-level analysis using the EPA's environmental justice (EJ) screening and mapping tool ("EJSCREEN")<sup>2</sup>. The EJSCREEN analysis reports are included in the docket for this action for the NIPSCO and ArcelorMittal USA LLC (Indiana Harbor West and Indiana Harbor East) facilities located in Porter County and Lake County, respectively.

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<sup>1</sup> <https://www.epa.gov/so2-pollution/guidance-1-hour-sulfur-dioxide-so2-nonattainment-area-state-implementation-plans-sip> (pages 22-39)

<sup>2</sup> See documentation on EPA's Environmental Justice Screening and Mapping Tool at <https://www.epa.gov/ejscreen>, last accessed 1/18/2022.

EPA utilized the EJSCREEN tool to evaluate environmental and demographic indicators within a 1-mile and 3-mile radius of the NIPSCO facility in Porter County. The 1-mile buffer showed no census data within the area, indicating no individuals live within one mile of the facility. Thus, to further evaluate environmental and demographic indicators of the facility with available census data, an additional analysis was conducted at a 3-mile buffer. For the 3-mile buffer, EPA reviewed the EJSCREEN tool for the demographic indicators at the NIPSCO facility, specifically for the EJSCREEN "Demographic Index", which is the average of an area's percentage of people of color and percentage of low-income populations. EPA then compared the data to the national Demographic Index average. The results of this analysis are being provided for informational and transparency purposes. The results of the demographic analysis indicate that the Demographic Index at the NIPSCO location is lower than the national average. Additionally, the results indicate that these areas score below the 80th percentile (in comparison to the nation as a whole) in the twelve EJ Indexes established by EPA, which include a combination of environmental and demographic information. EPA has provided that if any of the EJ indexes for the areas under consideration are at or above the 80th percentile nationally, then further review may be appropriate. Based on the information presented, at a minimum, this action would not worsen any existing air quality and is expected to ensure the area is meeting requirements to attain

and/or maintain air quality standards. Further, there is no information in the record indicating that this action is expected to have disproportionately high or adverse human health or environmental effects on a particular group of people.

Indiana Harbor East and Indiana Harbor West are owned and operated by the same parent company, and the facilities share the same ArcelorMittal USA LLC administrative address. According to the census data available through EJSCREEN, comparing both facilities, the administrative address is closest in proximity to a higher total population center. EPA identified environmental burdens and susceptible populations in communities nearby, by performing a screening-level analysis using the EPA's EJSCREEN tool. EPA utilized the EJSCREEN tool to evaluate environmental and demographic indicators of the communities within a 1-mile radius of the ArcelorMittal USA LLC facilities' administrative address in Lake County. For the 1-mile buffer, EPA reviewed the EJSCREEN tool for the demographic indicators at the ArcelorMittal USA LLC facilities, specifically for the "Demographic Index", which is the average of an area's percent people of color and percent low-income populations. EPA then compared the data to the national Demographic Index average. The results of this analysis are being provided for informational and transparency purposes. The results of the demographic analysis indicate that, the Demographic Index at the ArcelorMittal USA LLC location is higher than the national average. Additionally, the results indicate that the area

scores above the 80<sup>th</sup> percentile (in comparison to the nation as whole) in all twelve EJ Indexes established by EPA, which include a combination of environmental and demographic information. At a state-level comparison in the 1-mile buffer to the ArcelorMittal USA LLC facilities, all EJ Indexes scored above the 80<sup>th</sup> percentile with one exception, the EJ Index for Ozone scored at a 76<sup>th</sup> percentile. This EJ Index considers the ozone summer seasonal average of daily maximum 8-hour concentration in the air.

EPA has provided that if any of the EJ indexes for the areas under consideration are at or above the 80th percentile nationally, then further review may be appropriate. As discussed in the EPA's EJ technical guidance, people of color and low-income populations often experience greater exposure and disease burdens than the general population, which can increase their susceptibility to adverse health effects from environmental stressors. Underserved communities can also experience reduced access to health care, nutritional, and fitness resources, further increasing their susceptibility.

Considering these results, we expect that this action and resulting emissions reductions will be neutral or contribute to reduced environmental and health impacts on all populations in Lake County, Indiana, including people of color and low-income populations. This proposed rule, if finalized, will further improve local air quality by reducing SO<sub>2</sub> emissions in Lake County that was designated attainment/unclassifiable during

Round 3 designations for the 2010 SO<sub>2</sub> standard (83 FR 1098, January 9, 2018). Based on the information presented, at a minimum, this action would not worsen any existing air quality and is expected to ensure the area is meeting requirements to attain and/or maintain the SO<sub>2</sub> air quality standard.

Further, in this action, EPA is proposing to approve the revisions to SO<sub>2</sub> emission limits and removal of emission units at the NIPSCO, ArcelorMittal USA LLC (Indiana Harbor West) and ArcelorMittal USA LLC (Indiana Harbor East) facilities into the Indiana SIP. Thus, EPA believes that finalizing this action will help to reduce potential disproportionate health, environmental, economic, and climate impacts on disadvantaged communities in the area surrounding the ArcelorMittal USA LLC facilities and that this action will not have disproportionately high and adverse human health or environmental effects on minority populations, low-income populations and/or indigenous peoples.

#### **V. What Action is EPA Proposing?**

EPA proposes approval of the March 31, 2021, SIP revision request for Indiana's SO<sub>2</sub> rules for NIPSCO (326 IAC 7-4-14(2)), ArcelorMittal USA LLC (Indiana Harbor West) (326 IAC 7-4.1-10), and ArcelorMittal USA LLC (Indiana Harbor East) (326 IAC 7-4.1-11). This will strengthen the Indiana SO<sub>2</sub> SIP by lowering SO<sub>2</sub> emission limits overall and update monitoring compliance requirements to the Indiana Harbor East facility.

#### **VI. Incorporation by Reference**

In this rule, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference Indiana rules 326 IAC 7-4-14(2), 326 IAC 7-4.1-10, and 326 IAC 7-4.1-11, effective March 31, 2021, discussed in section II. of this preamble. EPA has made, and will continue to make, these documents generally available through *www.regulations.gov* and at the EPA Region 5 Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information).

#### **VII. Statutory and Executive Order Reviews**

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 14094 (88 FR 21879, April 11, 2023);
- Does not impose an information collection burden under the

provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);

- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it approves a state program;
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001); and
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act.

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

Executive Order 12898 (Federal Actions to Address

Environmental Justice in Minority Populations and Low-Income Populations, 59 FR 7629, February 16, 1994) directs Federal agencies to identify and address "disproportionately high and adverse human health or environmental effects" of their actions on minority populations and low-income populations to the greatest extent practicable and permitted by law. EPA defines environmental justice (EJ) as "the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies." EPA further defines the term fair treatment to mean that "no group of people should bear a disproportionate burden of environmental harms and risks, including those resulting from the negative environmental consequences of industrial, governmental, and commercial operations or programs and policies."

IDEM did not evaluate environmental justice considerations as part of its SIP submittal; the CAA and applicable implementing regulations neither prohibit nor require such an evaluation. EPA performed an environmental justice analysis, as is described in section IV of this preamble titled, "Environmental Justice Considerations." The analysis was done for the purpose of providing additional context and information about this rulemaking to the public, not as a basis of the action. Due to the nature of the action being taken here, this action is expected to have a neutral to positive impact on the

air quality of the affected area. In addition, there is no information in the record upon which this decision is based inconsistent with the stated goal of E.O. 12898 of achieving environmental justice for minority, low-income populations, and Indigenous peoples.

**List of Subjects in 40 CFR Part 52**

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Reporting and recordkeeping requirements, Sulfur oxides.

Dated: June 20, 2023.

Debra Shore,  
*Regional Administrator, Region 5.*

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