April 10, 1996

Mr. Jerry M. Balbo Senior Manager CHAPARRAL STEEL 300 Ward Road Midlothian, Texas 76065-9651

Re: Alternate Location Midlothian, Ellis County Account ID No. ED-0011-D

Dear Mr. Balbo:

This is in response to your letter dated March 22, 1996 concerning the proposed alternate ladle metallurgical station for electric arc furnace "B" which will operate only when the existing ladle metallurgical station is not operating and there will be no increase in steel melt production above the current permit allowables. After evaluation of the information which you have furnished, we have determined that your project is exempt from the permit procedures under Standard Exemption 106 if constructed and operated as described in your letter.

This standard exemption was authorized by the Executive Director of the Texas Natural Resource Conservation Commission (TNRCC) pursuant to 30 TAC Section 116.211(a) (Regulation VI). A copy of the exemption in effect at the time of this determination is enclosed. You must operate in accordance with all requirements of the enclosed standard exemption.

You are reminded that regardless of whether a permit is required, these facilities must be in compliance with all air quality rules and regulations of the TNRCC and of the U.S. Environmental Protection Agency at all times.

If you have any questions concerning this exemption, please contact Mr. Earl Jones of our Office of Air Quality, New Source Review Division at (512) 239-1351.

Sincerely,

Gary I. Wallin, P.E. Manager, Mechanical Section New Source Review Division

GW/EJ/jw

Enclosures

cc: Mr. Jesse Macias, Air Program Manager, Arlington

Record No. 42399

Office of Air Quality - New Source Review Division - 7200/MC162/MLC1

MR JERRY M BALBO SENIOR MANAGER CHAPARRAL STEEL 300 WARD RD MIDLOTHIAN TX 76065 9651