Executive Summary – Enforcement Matter – Case No. 67037
Steel Dynamics Southwest, LLC
RN110750965
Docket No. 2024-1841-AIR-E

Order Type:
1660 Agreed Order
Findings Order Justification:
N/A
Media:
AIR
Small Business:
No
Location(s) Where Violation(s) Occurred:
Steel Dynamics Southwest, 8534 Highway 89, Sinton, San Patricio County
Type of Operation:
steel mill
Other Significant Matters:
Additional Pending Enforcement Actions: No
Past-Due Penalties: No
Past-Due Fees: No
Other: N/A
Interested Third-Parties: None
Texas Register Publication Date: July 31, 2026
Comments Received: No

Penalty Information

Total Penalty Assessed: $25,000
Amount Deferred for Expedited Settlement: $5,000
Total Paid to General Revenue: $20,000
Total Due to General Revenue: $0
Payment Plan: N/A
Compliance History Classifications:
Person/CN - Satisfactory
Site/RN - Satisfactory
Major Source: Yes
Statutory Limit Adjustment: N/A
Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: March 29, 2024 through April 1, 2024
Date(s) of NOE(s): November 14, 2024

Executive Summary – Enforcement Matter – Case No. 67037
Steel Dynamics Southwest, LLC
RN110750965
Docket No. 2024-1841-AIR-E

Violation Information

Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, during a stack test conducted on January 12, 2023, the Respondent exceeded the volatile organic compound ("VOC") MAER of 18.37 pounds per hour ("lbs/hr") by 8.9 lbs/hr for the Reverse Air Fabric Filter Baghouse 2 Stack, Emissions Point Number ("EPN") BHST-2, resulting in approximately 20,950.6 pounds of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 156458, Special Conditions No. 1, Federal Operating Permit No. O4234, General Terms and Conditions and Special Terms and Conditions No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On April 26, 2023, the Respondent conducted a stack test demonstrating compliance with the VOC MAER for the Reverse Air Fabric Filter Baghouse 2 Stack, EPN BHST-2 at the Plant.

Technical Requirements:

N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Katie Phillips, Enforcement Division, Enforcement Backlog Team, MC R-12, (713) 767-3628; Michael Parrish, Enforcement Division, MC R-12, (512) 239-2548
Respondent: Jeff Rickman, General Manager, Steel Dynamics Southwest, LLC, 8534 Highway 89, Sinton, Texas 78387
Respondent's Attorney: N/A

Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021) — *PCW Revision February 11, 2021*

DATES						
Assigned	20-Nov-2024					
PCW	12-Dec-2024	**Screening**	20-Nov-2024	**EPA Due**		

RESPONDENT/FACILITY INFORMATION

Respondent	Steel Dynamics Southwest, LLC		
Reg. Ent. Ref. No.	RN110750965		
Facility/Site Region	14-Corpus Christi	**Major/Minor Source**	Major

CASE INFORMATION

Enf./Case ID No.	67037	**No. of Violations**	1
Docket No.	2024-1841-AIR-E	**Order Type**	1660
Media Program(s)	Air	**Government/Non-Profit**	No
Multi-Media		**Enf. Coordinator**	Katie Phillips
		EC's Team	Enforcement Team BB

Admin. Penalty $ Limit Minimum $0 Maximum $25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — ***Subtotal 1*** **$25,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **25.0%** Adjustment — ***Subtotals 2, 3, & 7*** **$6,250**

Notes: Enhancement for 1 NOV with similar violations, and 10 NOVs with dissimilar violations.

Culpability No **0.0%** Enhancement — ***Subtotal 4*** **$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments — ***Subtotal 5*** **-$6,250**

Economic Benefit **0.0%** Enhancement* — ***Subtotal 6*** **$0**

Total EB Amounts $114
Estimated Cost of Compliance $8,000

**Capped at the Total EB $ Amount*

$25,000

0.0% — ***Adjustment*** **$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **$25,000**

$25,000

DEFERRAL **20.0%** Reduction — ***Adjustment*** **-$5,000**

Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **$20,000**

Screening Date	20-Nov-2024	**Docket No.** 2024-1841-AIR-E	**PCW**
Respondent	Steel Dynamics Southwest, LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	67037		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN110750965		
Media	Air		
Enf. Coordinator	Katie Phillips		

Compliance History Worksheet

>> Compliance History *Site* Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (*number of NOVs meeting criteria*)	1	5%
	Other written NOVs	10	20%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (*number of judgments or consent decrees meeting criteria*)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (*number of counts*)	0	0%
Emissions	Chronic excessive emissions events (*number of events*)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were submitted)*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 25%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for 1 NOV with similar violations, and 10 NOVs with dissimilar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 25%

>> Final Compliance History Adjustment

Final Adjustment Percentage ****capped at 100%*** 25%

Screening Date	20-Nov-2024	**Docket No.** 2024-1841-AIR-E	**PCW**
Respondent	Steel Dynamics Southwest, LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	67037		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN110750965		
Media	Air		
Enf. Coordinator	Katie Phillips		

Violation Number 1

Rule Cite(s): 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 156458, Special Conditions No. 1, Federal Operating Permit No. O4234, General Terms and Conditions and Special Terms and Conditions No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description: Failed to comply with the maximum allowable emission rate ("MAER"). Specifically, during a stack test conducted on January 12, 2023, the Respondent exceeded the VOC MAER of 18.37 pounds per hour ("lbs/hr") by 8.9 lbs/hr for the Reverse Air Fabric Filter Baghouse 2 Stack, Emission Point Number ("EPN") BHST-2, resulting in approximately 20,950.6 pounds of unauthorized VOC emissions.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual		x	
Potential			

Percent 50.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment $12,500

$12,500

Violation Events

Number of Violation Events: 2 — 104 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $25,000

Two quarterly events are recommended.

Good Faith Efforts to Comply

25.0% Reduction $6,250

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

Notes: The Respondent completed the corrective measures on April 26, 2023, prior to the Notice of Enforcement ("NOE") dated November 14, 2024.

Violation Subtotal $18,750

Economic Benefit (EB) for this violation

Estimated EB Amount $114

Statutory Limit Test

Violation Final Penalty Total $25,000

This violation Final Assessed Penalty (adjusted for limits) $25,000

Economic Benefit Worksheet

Respondent Steel Dynamics Southwest, LLC
Case ID No. 67037
Reg. Ent. Reference No. RN110750965
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
Delayed Costs							
Equipment				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/Construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$8,000	12-Jan-2023	26-Apr-2023	0.28	$114	n/a	$114
Notes for DELAYED costs	Estimated cost to conduct a stack test demonstrating compliance with the VOC MAER for the Reverse Air Fabric Filter Baghouse 2 Stack, EPN BHST-2. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.						
Avoided Costs	**ANNUALIZE avoided costs before entering item (except for one-time avoided costs)**						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/Equipment				0.00	$0	$0	$0
Financial Assurance				0.00	$0	$0	$0
ONE-TIME avoided costs				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	$8,000	TOTAL	$114

The TCEQ is committed to accessibility.
To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.

Compliance History Report

Compliance History Report for CN605646041, RN110750965, Rating Year 2025 which includes Compliance History (CH) components from September 1, 2020, through August 31, 2025.

Customer, Respondent, or Owner/Operator: CN605646041, Steel Dynamics Southwest, LLC **Classification:** SATISFACTORY **Rating:** 1.89

Regulated Entity: RN110750965, STEEL DYNAMICS SOUTHWEST **Classification:** SATISFACTORY **Rating:** 1.89

Complexity Points: 25 **Repeat Violator:** NO

CH Group: 14 - Other

Location: 8534 HIGHWAY 89 SINTON, TX 78387-2148, SAN PATRICIO COUNTY

TCEQ Region: REGION 14 - CORPUS CHRISTI

ID Number(s):

AIR OPERATING PERMITS PERMIT 4324
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1562M1
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1562
AIR NEW SOURCE PERMITS PERMIT 156458
AIR NEW SOURCE PERMITS EPA PERMIT GHGPSDTX194
AIR NEW SOURCE PERMITS REGISTRATION 183282
AIR NEW SOURCE PERMITS AFS NUM 4840900250
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 91342
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 92014
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 92015
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 92082
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 92012
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 92013
UNDERGROUND INJECTION CONTROL PERMIT WDWG010007
WASTEWATER PERMIT WQ0005283000
WASTEWATER EPA ID TX0139629
WASTEWATER PERMIT 2E0000291
AIR EMISSIONS INVENTORY ACCOUNT NUMBER SDA019Q
POLLUTION PREVENTION PLANNING ID NUMBER P10907
INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000085550
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 97910
TAX RELIEF ID NUMBER 23746
TAX RELIEF ID NUMBER 23772
TAX RELIEF ID NUMBER 25849
TAX RELIEF ID NUMBER 27777
TAX RELIEF ID NUMBER 27778

Compliance History Period: September 01, 2020 to August 31, 2025 **Rating Year:** 2025 **Rating Date:** 09/01/2025

Date Compliance History Report Prepared: March 20, 2026

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 20, 2021 to March 20, 2026

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Katie Phillips **Phone:** (713) 767-3628

Site and Owner/Operator History:

1) Has the site been in existence and/or operation for the full five year compliance period? YES
2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:
N/A

B. Criminal convictions:
N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	October 20, 2021	(1772580)
Item 2	November 15, 2021	(1786145)
Item 3	December 27, 2021	(1793136)
Item 5	March 22, 2023	(1886624)
Item 9	June 19, 2024	(2006113)
Item 10	January 13, 2025	(2034699)
Item 12	July 18, 2025	(2095164)
Item 14	October 06, 2025	(2091088)
Item 15	January 27, 2026	(2106968)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 Date: 03/31/2025 (2074582)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

2 Date: 04/30/2025 (2080973)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

3 Date: 05/21/2025 (2062780)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.6(b)
Description: Failure to update the Notice of Registration with updated contact information.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.6
Description: During a records review conducted between September 16, 2025 and September 17, 2025, determined that this alleged violation remains unresolved. Specifically, the documentation submitted on June 18, 2025, demonstrated that the facility submitted the Notification Form for Recycling Hazardous or Industrial Waste (TCEQ-0525). However, a notification was transmitted to the facility notifying the regulated entity that the TCEQ-0525 cannot process the recycling notification form.

4 Date: 05/31/2025 (2088077)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

5 Date: 07/31/2025 (2101746)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

6 Date: 08/15/2025 (2078221)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
SC 13 PERMIT
STC 13 OP
Description: Failure to comply with permitted emissions rates for Emission Point Number

Compliance History Report for CN605646041, RN110750965, Rating Year 2025 which includes Compliance History (CH) components from March 20, 2021, through March 20, 2026.

(EPN) BHST-1.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
SC 47.B PERMIT
SC 5.D PERMIT
STC 13 OP
Description: Failure to maintain complete records of Method 9 observations.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
SC 48 PERMIT
STC 13 PERMIT
Description: Failure to conduct quarterly visible emissions determinations to demonstrate compliance with the opacity limitations specified in the permit.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
SC 50 PERMIT
STC 13 OP
Description: Failure to conduct quarterly visible fugitive emissions determinations to demonstrate compliance with the visible emissions limitations specified in the permit.

7 Date: 08/31/2025 (2113391)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

8 Date: 09/30/2025 (2113392)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

9 Date: 10/31/2025 (2120371)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

10 Date: 11/30/2025 (2127277)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

11 Date: 12/31/2025 (2133849)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

Compliance History Report for CN605646041, RN110750965, Rating Year 2025 which includes Compliance History (CH) components from March 20, 2021, through March 20, 2026.

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	**§**	**BEFORE THE**
ENFORCEMENT ACTION	**§**	
CONCERNING	**§**	**TEXAS COMMISSION ON**
STEEL DYNAMICS SOUTHWEST, LLC	**§**	
RN110750965	**§**	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2024-1841-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Steel Dynamics Southwest, LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a steel mill located at 8534 Highway 89 in Sinton, San Patricio County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).

2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.

3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

4. An administrative penalty in the amount of $25,000 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid $20,000 of the penalty and $5,000 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.

7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.

8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

9. The Executive Director recognizes that on April 26, 2023, the Respondent conducted a stack test demonstrating compliance with the volatile organic compound ("VOC") maximum allowable emissions rate ("MAER") for the Reverse Air Fabric Filter Baghouse 2 Stack, Emissions Point Number ("EPN") BHST-2 at the Plant.

II. ALLEGATIONS

During an investigation at the Plant conducted from March 29, 2024 through April 1, 2024, an investigator documented that the Respondent failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 156458, Special Conditions No. 1, Federal Operating Permit No. O4234, General Terms and Conditions and Special Terms and Conditions No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during a stack test conducted on January 12, 2023, the Respondent exceeded the VOC MAER of 18.37 pounds per hour ("lbs/hr") by 8.9 lbs/hr for the Reverse Air Fabric Filter Baghouse 2 Stack, EPN BHST-2, resulting in approximately 20,950.6 pounds of unauthorized VOC emissions.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Steel Dynamics Southwest, LLC, Docket No. 2024-1841-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. All relief not expressly granted in this Order is denied.

3. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.

4. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

5. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

6. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

7. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

_____ _____
For the Commission Date

Kristie Mello-Jurack 08/17/2026
_____ _____
For the Executive Director Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the OAG for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the OAG of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

_____ 6/29/26
Signature Date

Jeff Rickman GM
_____ _____
Name (Printed or typed) Title
Authorized Representative of
Steel Dynamics Southwest, LLC

☐ *If mailing address has changed, please check this box and provide the new address below:*

Instructions: Send the original, signed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Ordering Provision 1 of this Order.