STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES
& ENVIRONMENTAL CONTROL
DIVISION OF AIR & WASTE MANAGEMENT

AIR QUALITY MANAGEMENT
SECTION

156 S. STATE STREET
DOVER, DELAWARE 19901

TELEPHONE: (302) 739 - 9402
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July 2, 2008

Permit: APC-81/0363-OPERATION(Amendment 4)(NO_x RACT)(PTE)

Evraz Claymont Steel
Electric Arc Furnace & Plate Mill Slab Furnace

Evraz Claymont Steel
4001 Philadelphia Pike
Claymont, Delaware 19703

ATTENTION: Victor Clark
Manager of Operations

Dear Mr. Clark:

Pursuant to the State of Delaware Regulation No. 1102 Section 2 and Section 11, approval by the Department of Natural Resources and Environmental Control is hereby granted for the operation of one (1) Electric Arc Furnace (EAF), rated at 165 tons per heat, a 4 MegaWatt Oxy-fuel EAF door burner, capture system with an associated Cadre Baghouse, and one (1) Plate Mill Slab Furnace, fired only with Natural Gas, with a rated input of 242 mmBTU/hr located at the Evraz Claymont Steel facility in Claymont, Delaware, in accordance with the applications submitted on Form Nos. [AQM-1] and [AQM-3.1, AQM-4.6, AQM-5, and attachments] dated July 26, 2007 signed by Jeff Bradley, Chairman & CEO, and letter dated July 26, 2007 signed by Jeff Bradley, Chairman & CEO.

This permit is issued subject to the following conditions all of which are federally enforceable except Condition 6.1.2 and 2.2:

1. General Provisions

1.1 Upon presentation of identification, the Company shall authorize officials of the Department to:

1.1.1 Enter upon the Company's premises where a source is located or an emissions-related activity is conducted, or where records that must be kept under the terms and conditions of this permit are located. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(2)(i) dated 12/11/00]*

1.1.2 Have access to and copy, at reasonable times, any record(s) that must be kept under the terms and conditions of this permit. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(2)(ii) dated 12/11/00]*

1.1.3 Inspect, at reasonable times, any record(s) that must be kept under the terms and conditions of this permit. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(2)(iii) dated 12/11/00]*

1.1.4 Sample or monitor, at reasonable times, any substance or parameter for the purposes of assuring compliance with this permit or any applicable requirement. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(2)(iv) dated 12/11/00]*

1.2 This permit may not be transferred to another location or to another piece of equipment or process. *[Reference Regulation No. 1102 Section 7.1 dated 6/1/97]*

1.3 This permit may not be transferred to another person, owner, or operator unless the transfer has been approved in advance by the Department. A request for a permit transfer shall be received by the Department at least thirty (30) days before the date of the requested permit transfer. This request shall include:

1.3.1 Signed letters from each person stating the permit transfer is agreeable to each person; and

1.3.2 An Applicant Background Information Questionnaire pursuant to 7 Del. C., Chapter 79 if the person receiving the permit has not been issued any permits by the Department in the previous five (5) years.

Approval (or disapproval) of the permit transfer will be provided by the Department in writing. *[Reference Regulation No. 1102 Section 7.1 dated 6/1/97 and 7 Del. C., Chapter 79]*

1.4 The owner or operator shall not initiate construction, install, or alter any equipment or facility or air contaminant control device which will emit or prevent the emission of an air contaminant prior to submitting an application to the Department pursuant to Regulation No. 1102, and, when applicable, Regulation No. 1125, and receiving approval of such application from the Department; except as exempted in State of Delaware Regulation No. 1102 Section 2.2. *[Reference Regulation No. 1102 Section 2.1 dated 6/1/97]*

1.5 If, in the future, Evraz Claymont Steel requests an increase in PTE greater than 250 tons per year per visibility impairing pollutant, then they shall be subject to the Best Available Retrofit Technology (BART) provisions of the Environmental Protection Agency's (EPA) Regional Haze Program Requirements (40 Code of Federal Regulations, Part 51, Section 308).

1.6 The conditions of this permit shall not contravene the requirements outlined in the October 23, 2006 Notice of Conciliation and Secretary's Order No. 2006-A-0048, issued for fugitive dust and particulate matter from the slag and other operations and activities associated with the Claymont Steel Facility.

2. Emission Limitations

Electric Arc Furnace and Reheat Furnace

2.1 Air contaminant emissions shall not exceed 250 tons per year on a twelve month rolling basis for each visibility impairing pollutant (PM_{10}, NO_X, and SO_2) for both the Electric Arc Furnace and Reheat Furnace combined and those Specified in the State of Delaware **"Regulations Governing the Control of Air Pollution"**. **(This condition will be transferred to Permit: AQM-003/00063).**

2.2 Odor from this source shall not be detectable beyond the plant property line in sufficient quantities to cause or create a condition of air pollution.). **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No.19, Section 2.1 dated 2/1/81]* (State Enforceable Only)

Electric Arc Furnace

2.3 Particulate matter emissions from the Cadre Baghouse shall not be greater than 0.0052 grains per dry standard cubic foot (gr/dscf). **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 4, Section 2.1 dated 2/1/81]>*

2.4 Visible emissions from the Cadre Baghouse shall be less than three percent (3%) opacity which shall be determined in accordance with Method 9, Appendix A of 40 CFR Part 60. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 23 Section 3, paragraph 3.1(b) dated 4/18/83]*

2.5 Shop opacity shall be less than twenty percent (20%) during charging periods. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 23 Section 3, paragraph 3.1(C)1) dated 4/18/83]*

2.6 Shop opacity shall be less than forty percent (40%) during tapping periods for no longer than thirteen (13) minutes, with an additional three (3) minute period of less than ten percent (10%) opacity. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 23 Section 3, paragraph 3.1(c)(2) dated 4/18/83]*

2.7 Equipment used to handle and/or dispose of the dust collected in the Cadre Baghouse shall not discharge into the atmosphere emissions which exhibit ten percent (10%) opacity of greater. This equipment includes but is not limited to the conveying system, the dust silo and the truck into which it empties. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 23 Section 3, paragraph 3.2 dated 4/18/83]*

Reheat Furnace (Plate Mill Slab Furnace)

2.8 Air contaminant emission levels shall not exceed 0.3 pound of particulate matter per million BTU heat input and those specified in the State of Delaware **"Regulations Governing the Control of Air Pollution."** **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 19 Section 2.1 dated 2/1/81]*

2.9 The maximum allow emission rate of nitrogen oxides shall not exceed 0.25 pound per million BTU heat input in any twenty-four (24) hour rolling average period. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 12 Section 3.2, paragraph (b) and Table 1 dated 11/24/93]*

2.10 Natural gas shall be the only fuel oil fired in this unit. **(This condition will be transferred to Permit: AQM-003/00063).** *[Reference Regulation No. 30 Section 6(a)(3) dated 11/15/93]*

2.11 No person shall cause or allow the emission of visible air contaminants and/or smoke from a stationary or mobile source, the shade or appearance of which is greater than twenty percent (20%) opacity for an aggregate of more than three (3) minutes in any one (1) hour or more than fifteen (15) minutes in any twenty-four (24) hour period. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 14 Section 2.1 dated 7/17/84]*

3. Operational Limitations

Electric Arc Furnace and Reheat Furnace (Plate Mill Slab Furnace)

3.1 At all times, including periods of startup, shutdown, and malfunction, the owner or operator shall, to the extent practicable, maintain and operate the facility, including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determinations of whether acceptable operating procedures are being used will be based on information available to the Department, which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. **(This condition will be transferred to Permit: AQM-003/00063)** *[Reference Regulation No. 1 Section 3 dated 2/1/81 and Regulation No. 2 Section 11.6 dated 6/1/97]*

Electric Arc Furnace

3.2 Proper operation and maintenance of a differential pressure gauge indicating the pressure drop across each compartment shall be considered a necessary part of proper operation of the baghouse. **(This condition was taken from Permit: AQM-003/00063).** *[Reference Regulation No. 1, Section 3 dated 2/1/83]*

3.3 The total charge per heat shall not exceed 185 tons plus an additional 3.7 ton allowance to accommodate the scrap metal control/collection methodology. **(This condition will be transferred to Permit: AQM-003/00063).** *[Reference Permit: APC-81/0363 dated 1/8/2002]*

3.4 Annual operating hours shall not exceed 8400 hours on a twelve (12) month rolling basis. **(This condition was taken from Permit: AQM-003/00063).**

3.5 The owner and operator shall control the emissions of Nitrogen Oxides (NO_x) by the proper operation and maintenance of the Electric Arc Furnace. **(This condition**

will be transferred to Permit: AQM-003/00063). *[Reference Permit: APC-81/0363 dated 1/8/2002]*

3.6 The annual production of steel shall not exceed 540,000 tons on a twelve (12) month rolling basis. **(This condition was taken from Permit: AQM-003/00063).**

Reheat Furnace (Plate Mill Slab Furnace)

3.7 The operating schedule for this unit shall not exceed twenty-four (24) hours per day, seven (7) days per week and fifty one (51) weeks per year. **(This condition will be transferred to Permit: AQM-003/00063).**

4. Testing and Monitoring Requirements

Electric Arc Furnace

4.1 The Company shall monitor and maintain records of the following information:

4.1.1 The baghouse fan amperage meter readings recorded continuously or at 15 minute intervals.
4.1.2 Annual particulate emission calculations and supporting documentation.
4.1.3 Daily time and duration of each tap and charge.
4.1.4 Pressure data for the pressure in the free space inside the Electric Arc Furnace (EAF) at 15 minute integrated averages.
4.1.5 Shop opacity during tapping and charging, visible emissions from the baghouse, and visible emissions from dust handling equipment (conveying system, the dust silo and the truck) shall be inspected daily and be monitored and recorded semi-annually and during the period when excess visible emissions are detected or observed. A certified EPA Method 9 observer shall be contacted to perform a Method 9 reading is a problem or abnormal emission is observed during the daily inspection.
4.1.6 Checklist form documenting the daily qualitative visible emissions observation of the dust handling equipment (conveying system, the dust silo, and the truck) were performed. The checklist shall include the shop visible emissions observations during charge and tap, baghouse, EAF process, capture and control system, and dust handling equipment visible emissions observations.
4.1.7 Daily, monthly, and rolling twelve (12) month hours of operation of the EAF.
4.1.8 The annual production of steel on a twelve (12) month rolling basis.
4.1.9 The total charge (in tons) per heat for each EAF batch.

Reheat Furnace (Plate Mill Slab Furnace)

4.2 Compliance with the NO_x emission limitation listed under Condition 2.9 of this permit shall be based on a twenty-four (24) hour rolling average period and shall be demonstrated using a Continuous Emission Monitoring System (CEMS) for NO_x and diluent as approved by the Department. The CEMS must satisfy the

applicable performance specification of 40 CFR Part 60, Appendix B. The Quality Assurance Program shall be implemented using 40 CFR Part 60, Appendix F.

4.3 In addition to the requirements listed under Condition 4.5 of this permit, the Department maintains the right to require compliance testing of the subject source. Upon written request of the Department, the owner or operator shall, at the Company's expense, sample the emissions of, or fuel used by, an air contaminant emission source, maintain records and submit reports to the Department on the result of such sampling. Upon request of the Company to conduct compliance testing the Company shall comply with the following: **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 17 Section 2.2 dated 7/17/84]*

4.3.1 One (1) original and two (2) copies of the test protocol shall be submitted a minimum of forty-five (45) days in advance of the tentative test date to the address in Condition 6.3. The tests shall be conducted in accordance with the State of Delaware and Federal Requirements. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 17 Section 2.2 dated 7/17/84]*

4.3.2 The test protocol shall be approved by the Department prior to initiating any testing. Upon approval of the test protocol, the Department will notify the owner or operator and the Company shall schedule a test date with the Air Surveillance and Engineering & Compliance Branches. The Department must observe the test for the results to be considered for acceptance. *[Reference Regulation No. 1102 Section 11.7 dated 6/1/97]*

4.3.3 The final results of the testing shall be submitted to the Department within sixty (60) days of the test completion. One (1) original and two (2) copies of the test report shall be submitted to the addresses below:

Original and One (1) Copy to:	One (1) Copy to:
Engineering & Compliance Branch	Air Surveillance Branch
Attn: E&C Engineer	Attn: A/S
156 South State Street	715 Grantham Lane
Dover, DE 19901	New Castle, DE 19720

4.3.4 The final report of the results must meet the following requirements to be considered valid:

4.3.4.1 The full report shall include the emissions test report (including raw data from the test) as well as a summary of the results and statement of compliance or non-compliance with permit conditions; *[Reference Regulation No. 17 Section 2.6 dated 7/17/84]*

4.3.4.2 Summary of Results and Statement of Compliance or Non-Compliance
The owner or operator shall supplement the report from the emissions testing firm with a summary of results that includes the following information:

4.3.4.2.1 A statement that the owner or operator has reviewed the report from the emissions testing firm and agrees with the findings. *[Reference Regulation No. 17 Section 2.6 dated 7/17/84]*

4.3.4.2.2 Permit number(s) and condition(s) which are the basis for the compliance evaluation. *[Reference Regulation No. 17 Section 2.6 dated 7/17/84]*

4.3.4.2.3 Summary of results with respect to each permit condition. *[Reference Regulation No. 17 Section 2.6 dated 7/17/84]*

4.3.4.2.4 Statement of compliance or non-compliance with each permit condition. *[Reference Regulation No. 17 Section 2.6 dated 7/17/84]*

4.3.4.2.5 The Test Report shall be certified by a Responsible Official as to truth, accuracy, and completeness as required by Condition 6.4 of this permit. *[Reference Regulation No. 30 Section 5(f) dated 11/15/93 and 6(c)(1) dated 12/11/00]*

4.3.4.2.6 The results must demonstrate to the Department's satisfaction that the emission unit is operating in compliance with the applicable regulations and conditions of this permit; if the final report of the test results shows non-compliance the owner or operator shall propose corrective action(s). Failure to demonstrate compliance through the test may result in enforcement action. *[Reference Regulation No. 1102 Section 11.3 dated 6/11/06]*

Electric Arc Furnace and Reheat Furnace (Plate Mill Slab Furnace) Emission Limits Cap Monitoring

4.4 The company shall monitor the monthly EAF steel production rates, the monthly fuel usage in the platemill slab furnace. These records shall be used to calculate the monthly and rolling 12 month totals for the visibility-impairing pollutants via engineering calculations utilizing approved AP42 emission factors, valid stack test data, and approved CEMS data. Compliance with the emission limitations for the pollutants listed under Condition 2.1 shall be monitored as follows in Table No. 1 below: **(This condition will be transferred to Permit: AQM-003/00063).**

Table No. 1: Emissions Cap Pollutants

Pollutant	EAF Compliance Methodology	Plate Mill Slab Furnace Compliance Methodology
NO_X	Engineering Calculations utilizing rolling twelve month production rates and emission factors established during April 1996 source test (0.36 lb/ton) or subsequent emission factors to be established in any future stack test on the unit, whichever is greater.	Engineering Calculations utilizing fuel fired, annual throughput, and emission factors established from the 2006 average NO_X CEMS data (0.1567 lb/mmBTU) or most recent CEMS data, whichever is greater.
SO_2	Engineering Calculations utilizing rolling twelve month production rates and emission factors established during April 1996 source test (0.06 lb/ton) or subsequent emission factors to be established in future stack test, whichever is greater.	Engineering Calculations utilizing the annual natural gas throughput and AP-42 emissions factors.
PM_{10}	Engineering Calculations utilizing twelve month production rates and AP-42 emission factors or any source specific emissions factors established via emission testing for this unit, whichever is greater.	Engineering Calculations utilizing the annual natural gas throughput and AP-42 emissions factors.

4.5 Performance tests for the Electric Arc Furnace and Reheat Furnace shall be conducted a minimum of once every five (5) years to update source specific emission factors utilized in engineering calculations for the compliance methodologies listed in Condition 4.4 Table 1 above. Testing shall be conducted in accordance with the requirements outlined in Condition 4.3 of this permit.

5. Record Keeping Requirements

5.1 The Company shall maintain, at a minimum, all of the information required by this permit for a minimum of five (5) years from such information's date of record. **(This condition was modified from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(a)(3)(ii)(B) dated 12/11/00]*

5.2 Records of all test data shall be maintained. This data includes, but may not be limited to:

5.2.1 The date, place and time of sampling measurements;

5.2.2 The date(s) analyses were performed;

5.2.3 The Company or entity that performed the analyses;

5.2.4 The analytical techniques or methods used;

5.2.5 The results of such analyses; and

5.2.6 The operating conditions existing at the time of sampling or measurement. *[Reference Regulation No. 30 Section 6(a)(3)(ii) dated 12/11/00]*

6. Reporting Requirements

6.1 Emission in excess of any permit condition or emissions which create a condition of air pollution shall be reported to the Department:

6.1.1 Immediately upon discovery and after activating the appropriate site emergency plan to the Department's 24-hour complaint line (1-800-662-8802) any deviation that poses an imminent and substantial danger to public health, safety, or the environment. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(a)(3)(iii)(C)(bb) dated 12/11/00]*

6.1.2 Immediately upon discovery by calling the Environmental Emergency Notification and Compliant number, (800) 662-8802. (State Enforceable Only) **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(a)(3)(iii)(C)(cc) dated 12/11/00]*

6.2 Discharges to the atmosphere in excess of any quantity specified in the State of Delaware "**Reporting of a Discharge of a Pollutant or an Air Contaminant**" Regulation shall be reported, immediately upon discovery and after activating the appropriate site emergency plan, either in person or to the Department's 24-hour compliant line (1-800-662-8802). Discharges in compliance with this permit and excess emissions previously reported under Condition 6.1 of this permit are exempt from this reporting requirement. **(This condition was modified from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(a)(3)(iii)(C)(ee) dated 12/11/00 and 7 Del. C. Chapter 60, Section 6028]*

6.3 In addition to complying with Condition 6.1 and 6.2 of this permit, any reporting required by the "**Reporting of a Discharge of a Pollutant or an Air Contaminant**" Regulation and any other reporting requirements mandated by the State of Delaware, the owner or operator shall for each occurrence of excess emissions, within thirty (30) calendar days of becoming aware of such occurrence, supply the Department in writing with the following information:

6.3.1 The name and location of the facility;

6.3.2 The subject source(s) that caused the excess emissions;

6.3.3 The time and date of first observation of the excess emissions;

6.3.4 The cause and expected duration of the excess emissions;

6.3.5 For sources subject to numerical emission limitations, the estimated rate of emissions (expressed in the units of the applicable emission limitation) and the operating data and calculations used in determining the magnitude of the excess emissions; and

6.3.6 The proposed corrective actions and schedule to correct the conditions causing the excess emissions. **(This condition was modified from and will be transferred to Permit: AQM-003/00063)** *[Reference Regulation No. 12 Section 7.3 paragraphs a, b, c, d, and f dated 11/24/93]*

6.4 Each document submitted to the Department/EPA pursuant to this permit shall be certified by a Responsible Official as to truth, accuracy, and completeness. Such certification shall be signed by a Responsible Official and shall contain the language: "I certify, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete." **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 5(f) dated 11/15/93 and 6(c)(1) dated 12/11/00]*

6.5 Each document submitted to the Department/EPA pursuant to this permit shall be sent to the following addresses: **(This condition was taken from Permit: AQM-003/0063)**

State of Delaware – DNREC Division of Air and Waste Management Air Quality Management Section 156 South State Street Dover, DE 19901 Attn: Program Administrator	United States Environmental Protection Agency Associate Director of Enforcement (3AP12) 1650 Arch Street Philadelphia, PA 19103
No. of Originals: 1 No. of Copies: 2	No. of Copies: 1

7. Compliance Certification

7.1 Compliance with the terms and conditions of this permit shall be certified to the Department not later than the first day of February of each year unless the terms and conditions require Compliance Certifications to be submitted more frequently. Such certifications shall cover the previous calendar year and shall be submitted on Form AQM-1001BB. The Compliance Certification shall include the following information: **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iii)(A) dated 12/11/00]*

7.1.1 The identification of each term or condition of the permit that is the basis of the certification. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iii)(A) dated 12/11/00]*

7.1.2 The Company's current compliance status, as shown by monitoring data and other information reasonably available to the Company. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iii)(B) dated 12/11/00]*

7.1.3 Such certification shall indicate whether compliance was continuous or intermittent during the covered period. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iii)(C) dated 12/11/00]*

7.1.4 The method(s) used for determining the compliance status of the Company, currently and over the reporting period as required by the monitoring, record keeping, and reporting required under Conditions 4, 5, and 6. **(This condition was modified from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iii)(D) dated 12/11/00]*

7.1.5 Such other facts that the Department may require to determine the compliance status of the source. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iii)(E) dated 12/11/00]*

7.2 Each compliance certification shall be submitted to the Department and EPA and shall be certified in accordance with Condition 6.4 of this permit. **(This condition was modified from Permit: AQM-003/00063)** *[Reference Regulation No. 30 Section 6(c)(5)(iv) dated 12/11/00]*

7.3 Any additional information possessed by the Company that demonstrates noncompliance with any applicable requirement must also be used as the basis for Compliance Certifications. **(This condition was taken from Permit: AQM-003/00063)** *[Reference 62 FR 8314 dated 2/24/97]*

8. Administrative Conditions

8.1 The Company shall have available at the facility at all times a copy of this permit and shall provide a copy of this permit to the Department upon request. **(This condition was taken from Permit: AQM-003/00063)** *[Reference Regulation No. 1102 Section 8.1 dated 6/1/97]*

8.2 Failure to comply with the provisions of this permit may be grounds for suspension or revocation. *[Reference Regulation No. 1102 Section 6 dated 6/1/97]*

8.3 This permit *supercedes* **Permits: APC-81/0363-OPERATION (Amendment 3)** and **APC-82-1175 OPERATION (Amendment 1)(NO_x RACT)** issued January 8, 2002 and September 2, 2994, respectfully.

Sincerely,

Paul E. Foster, P.E.
Program Manager
Engineering & Compliance Branch

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pc: Dover (Title V) File