IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

UNITED STATES OF AMERICA, STATE OF INDIANA, MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY, and STATE OF ILLINOIS, Plaintiffs, v. UNITED STATES STEEL CORPORATION, Defendant.	Case No. 2:12-cv-304 Judge Philip Simon Magistrate Judge Andrew P. Rodovich

CONSENT DECREE

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WHEREAS, the United States of America ("United States"), on behalf of the United States Environmental Protection Agency ("EPA"), the State of Indiana ("Indiana"), on behalf of the Indiana Department of Environmental Management ("IDEM"), the Michigan Department of Environmental Quality ("MDEQ"), and the State of Illinois ("Illinois"), on behalf of the Illinois Environmental Protection Agency ("Illinois EPA") (collectively, "Plaintiffs"), filed a Complaint on August 1, 2012 in this action pursuant to Sections 113(b), 167 and 304(a)(1) of the Clean Air Act ("CAA" or the "Act"), 42 U.S.C. §§ 7413(b), 7477 and 7604(a)(1), and pursuant to the laws of Indiana, Michigan, and Illinois, alleging in relevant part that Defendant United States Steel Corporation ("U. S. Steel" or "Defendant") violated: (1) the National Emission Standards for Hazardous Air Pollutants ("NESHAP") provisions of the Act, 42 U.S.C. § 7412, and the NESHAP regulations codified at 40 C.F.R. Part 61, Subpart L, 40 C.F.R. Part 63, and 40 C.F.R. Part 63, Subpart FFFFF; (2) the Prevention of Significant Deterioration ("PSD") provisions of the CAA, 42 U.S.C. §§ 7470-92, and the federal PSD regulations set forth at 40 C.F.R. § 52.21; (3) the Non-Attainment New Source Review ("NA NSR") provisions of the CAA, 42 U.S.C. §§ 7501-15 and the implementing federal regulations codified at 40 C.F.R. §§ 52.24, 51.165 and Part 51, Appendix S; (4) the provisions of the federally-enforceable state implementation plans ("SIPs") for Indiana, Michigan and Illinois that incorporate the relevant requirements of the NESHAP, PSD, and/or NA NSR; (5) the provisions of the federally-enforceable state implementation plans ("SIPs") for Indiana, Michigan, and Illinois that incorporate the relevant requirements of the NESHAP; (6) CAA Title V, 42 U.S.C. §§ 7661–7661f and the implementing regulations for CAA Title V set forth at 40 C.F.R. Parts 70 and 71; (7) the Indiana Title V Clean Air Act Permit Program, 326 Indiana Administrative Code ("IAC") 2-7; (8) the Michigan Renewable Operating Permit Program, Michigan Administrative Code, R 336.1201 through 1218; (9) the Illinois Title V Clean

Air Act Permit Program (the "CAAPP"), 415 Illinois Compiled Statutes ("ILCS") 5/39.5; (10) U. S. Steel's Title V operating permits: Michigan Title V permit No. 199600132d, Indiana Title V permit T089-7663-00121, and Illinois Title V permit No. 96030056; and (11) U. S. Steel's Illinois operating permits Nos. 80070016, 95010001, 80050010, 82060043, 85030039.

WHEREAS, the Complaint alleges that the violations described above occurred at the following iron and steel making facilities that at all times relevant to this Complaint have been owned and operated by U. S. Steel: the iron and steel making facility located at One North Broadway in Gary, Lake County, Indiana (the "Gary Works Facility"); the iron and steel making facility located at No. 1 Quality Drive in Ecorse, Wayne County, Michigan (the "Great Lakes Works Facility"); and the iron and steel making facility located at 20th and State Street in Granite City, Madison County, Illinois (the "Granite City Works Facility").

WHEREAS, Plaintiffs' claims alleging violations of: (1) the PSD provisions of the CAA, 42 U.S.C. §§ 7470-96, and the federal PSD regulations set forth at 40 C.F.R. § 52.21; (2) the NA NSR provisions of the CAA, 42 U.S.C. §§ 7501-15 and the implementing federal regulations codified at 40 C.F.R. §§ 52.24, 51.165 and Part 51, Appendix S; and (3) CAA Title V, 42 U.S.C. §§ 7661–7661f, the implementing regulations for CAA Title V set forth at 40 C.F.R. Parts 70 and 71, and the provisions of the federally-enforceable state implementation plan ("SIP") for Indiana that incorporate relevant requirements of PSD and/or NA NSR, were dismissed pursuant to Orders entered by this Court on August 21, 2013 and April 18, 2014 (Docket Nos. 54 and 89, respectively).

WHEREAS, no injunctive relief is necessary to resolve Illinois state-only claims (Claim Nos. 9, 10, 13, 14, 15, 16) regarding the Granite City Works Facility coke plant inasmuch as U. S.

Steel permanently shut down Batteries A and B and associated operations for business and economic reasons in March 2015.

WHEREAS, no injunctive relief is necessary to resolve claims for Nos. 2, 5 and 7 Coke Oven Batteries at the Gary Works Facility inasmuch as U. S. Steel permanently shut down those batteries for business and economic reasons in March 2015, October 2013 and December 2013, respectively.

WHEREAS, U. S. Steel has denied and continues to deny the violations alleged in this matter; maintains that it is not liable for civil penalties or injunctive relief; and states that it is agreeing to the obligations imposed by this Consent Decree solely to settle disputed claims without incurring the time and expense of contested litigation; and

WHEREAS, the Parties recognize, and the Court by entering this Decree finds, that the Parties negotiated this Consent Decree in good faith, that the Consent Decree will avoid prolonged and complex litigation among the parties, and that this Consent Decree is fair, reasonable, and in the public interest.

NOW, THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law except as provided in Section I, and with the consent of the Parties,

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, 1355, and 1367, and Sections 113(b) and 304(a)(1) of the Act, 42 U.S.C. §§ 7413(b) and 7604(a)(1), and over the Parties. Venue lies in this District pursuant to Section 113(b) of the Act, 42 U.S.C. § 7413(b), and 28 U.S.C. §§ 1391(b) and (c) and 1395(a), because the

violations alleged in the Complaint are alleged to have occurred in this judicial district, as well as the Southern District of Illinois and the Eastern District of Michigan.

2. U. S. Steel consents to this Court's jurisdiction over this Consent Decree and any action to enforce this Consent Decree, and to venue in this judicial district. For purposes of this Consent Decree, U. S. Steel agrees that the Complaint states claims upon which relief may be granted pursuant to Section 113 of the Act, 42 U.S.C. § 7413.

II. APPLICABILITY

3. The obligations of this Consent Decree apply to and are binding upon the United States, the State of Indiana, the State of Illinois, the Michigan Department of Environmental Quality, and U. S. Steel, and their officers, employees, agents, successors, assigns, and other entities or persons otherwise bound by law. Any change in ownership, corporate status, or other legal status of U. S. Steel shall in no way alter U. S. Steel's responsibilities under this Consent Decree.

4. U. S. Steel shall condition any transfer, in whole or in part, of ownership of, operation of, or other interest (exclusive of any non-controlling, non-operational shareholder interest) in the Gary Works Facility, Great Lakes Works Facility, or Granite City Works Facility upon the execution by the transferee of a modification to this Consent Decree, which makes the terms and conditions of the Consent Decree that apply to the respective Facility applicable to the transferee. In the event of such transfer, U. S. Steel shall notify the United States and, in the case of the Gary Works Facility, the State of Indiana, in the case of the Great Lakes Works Facility, the Michigan Department of Environmental Quality, and, in the case of the Granite City Works Facility, the State of Illinois. By no later than 30 Days after such notice, U. S. Steel may file a motion to modify this Consent Decree with the Court to make the terms and conditions of the Consent Decree applicable to the transferee. U. S. Steel shall be released from the obligations and

liabilities of this Consent Decree with respect to the transferred Facility unless the United States, in consultation with the affected State or State agency, opposes the motion and the Court finds the transferee does not have the financial and technical ability to assume the obligations and liabilities under the Consent Decree.

5. U. S. Steel shall provide a copy of this Consent Decree to all officers, employees, and agents whose duties include compliance with any provision of this Consent Decree, as well as to any contractor(s) retained to perform work required under this Consent Decree. U. S. Steel shall condition any contract upon performance of the work in conformity with the terms of this Consent Decree.

III. DEFINITIONS

6. Terms used in this Consent Decree that are defined in the Act or in federal and state regulations promulgated pursuant to the Act shall have the meaning assigned to them in the Act or such regulations, unless otherwise provided in this Consent Decree. Whenever the terms set forth below are used in this Consent Decree, including attached appendices, the following definitions shall apply:

a. "Basic Oxygen Process Furnace (BOPF or BOF)" shall mean a refractory-lined vessel in which high-purity oxygen is blown under pressure through a bath of molten iron, scrap metal, and fluxes to produce steel. This definition includes both top and bottom blown furnaces, but does not include argon oxygen decarburization furnaces. *See* 40 C.F.R. § 63.7852.

b. "BOP Shop" means the place where steel making operations occur, beginning with the transfer of molten iron (hot metal) from the torpedo car and ending just prior to casting the molten steel, including hot metal transfer, desulfurization, slag skimming, refining in a basic oxygen process furnace, and ladle metallurgy. *See* 40 C.F.R. § 63.7852.

c. "BOP Shop Roof Monitor" means the openings along the length of the Great Lakes Works No. 2 BOP Shop roof.

d. "BOPF Baghouse" means the fabric filter for the control of particulate emissions from charging and tapping, constructed and installed at the Granite City Works.

e. "BOPF Baghouse System" means the control system for the control of particulate emissions from charging and tapping, including the capture hoods, ductwork and the BOPF Baghouse, installed at the Granite City Works.

f. "Consent Decree" or "Decree" means this Consent Decree, any modification, and any attachments, or appendices, which are incorporated into the Consent Decree.

g. "Date of Lodging" means the date on which this Consent Decree is filed for lodging with the Clerk of the Court for the Northern District of Indiana.

h. "Day" means a calendar day unless expressly stated to be a business day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next business day.

i. "Defendant" or "U. S. Steel" means United States Steel Corporation.

j. "Effective Date" means the date of entry of this Consent Decree by the Court, after satisfaction of the public notice and comment procedures set forth in Section XXII (Public Participation) of this Consent Decree and 28 C.F.R. § 50.7: (1) as recorded on the Court docket or; (2) if the Court instead issues an order approving this Consent Decree, the date such order is recorded on the Court docket.

k. "EPA" means the United States Environmental Protection Agency.

l. "Exceedance" means a reading in excess of an applicable opacity or emission limitation.

m. "Gary Works Facility" means the iron and steel making facility located at One North Broadway in Gary, Lake County, Indiana.

n. "Gary Works Title V Permit" means the permit originally issued by IDEM on August 18, 2006 as T089-7663-00121, renewed on December 20, 2013 as T089-29907-00121, and any extensions, modifications, amendments, or renewals thereof, when effective.

o. "Granite City Works Facility" means the iron and steel making facility located at 20th and State Street in Granite City, Madison County, Illinois.

p. "Granite City Works' Title V Permit" means the CAAPP permit issued by the Illinois EPA pursuant to Section 39.5 of the Illinois Environmental Protection Act and last revised March 4, 2013, and any extensions, modifications, amendments, or renewals thereof, when effective.

q. "Great Lakes Works Facility" means the iron and steel making facility located at No. 1 Quality Drive in Ecorse, Wayne County, Michigan.

r. "Great Lakes Works Title V Permit" means Renewable Operating Permit Number 199600132d issued by MDEQ on March 1, 2005, and last revised March 6, 2007, and any extensions, modifications, amendments, or renewals thereof, when effective.

s. "Idle" or "Idled" means the cessation of production at any of the blast furnaces at the Gary Works Facility, the Granite City Works Facility, and/or the Great Lakes Works Facility or any of the BOP Shops at the Granite City Works Facility and/or the Great Lakes Works Facility for a period of 30 days or more, excluding periods for planned maintenance and planned upgrades.

t. "Illinois" means the State of Illinois, acting on behalf of the Illinois EPA.

u. "Illinois EPA" means the Illinois Environmental Protection Agency and any successor agency.

v. "Indiana" means the State of Indiana, acting on behalf of Indiana Department of Environmental Management.

w. "IDEM" means the Indiana Department of Environmental Management and any successor agency.

x. "Malfunction" means any sudden, infrequent, and not reasonably preventable failure of air pollution control and/or monitoring equipment, process equipment, or a process to operate in a normal or usual manner which causes, or has the potential to cause, an emission limitation in this Consent Decree to be exceeded. Failures that are caused in part or in whole by poor maintenance or by careless operation are not malfunctions.

y. "MDEQ" means the Michigan Department of Environmental Quality and any successor agency.

z. "Paragraph" means a portion of this Consent Decree identified by an Arabic numeral.

aa. "Parties" means the United States of America, the State of Indiana, the State of Illinois, Michigan Department of Environmental Quality, and U. S. Steel.

bb. "Plaintiffs" means the United States of America, the State of Indiana, the State of Illinois, and the Michigan Department of Environmental Quality.

cc. "PM" means particulate matter.

dd. "Section" means a portion of this Consent Decree identified by a Roman numeral.

ee. "Steel Production Cycle" means the operations conducted within the basic oxygen process furnace shop that are required to produce each batch of steel, including scrap charging, preheating, hot metal charging, primary oxygen blowing, sampling (vessel turndown and turnup), additional oxygen blowing, tapping, and deslagging. The steel production cycle begins when the scrap is charged to the furnace and ends three minutes after the slag is emptied from the vessel into the slag pot.

ff. "Subparagraph" means a portion of this Consent Decree identified by a lower-case letter or lower-case Roman numeral.

gg. "United States" means the United States of America, acting on behalf of EPA.

hh. "U. S. Steel" means United States Steel Corporation.

IV. BACKGROUND

7. Pre-Settlement Remedial Measures, Other Actions and State Violation Notices at Granite City Works

a. U. S. Steel has completed the following activities at the blast furnaces and BOP Shop:

i. In late 2008, U. S. Steel installed additional sheeting above the taphole area of B Furnace at the Granite City Works Facility that reduces emissions escaping the casthouse and will be included in its updated Iron and Steel MACT Operations and Maintenance Plan. A description of the sheeting will be included in the Operations and Maintenance Plan and a photograph of that sheeting will be maintained at the facility separately from the Operations and Maintenance Plan.

ii. From 2008 to 2011, U. S. Steel completed repairs to the Granite City Works Facility's BOP Shop Electro-Static Precipitators (ESPs) including rebuilds of ESPs and

related ductwork to reduce air infiltration and increased capture efficiency of the hoods at the BOP Shop. On March 24, 2011, U. S. Steel submitted a compliance report and certification detailing the compliance demonstration which consisted of EPA Method 9 readings conducted for three one-hour periods per day, two days per week for four weeks.

iii. U. S. Steel has installed a secondary baghouse for controlling particulate emissions from charging and tapping at the Granite City Works Facility BOP Shop.

iv. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Seventeenth Claim for Relief in the Complaint. U. S. Steel has completed the repairs to building sheeting at the Granite City Works Facility's BOP Shop that required use of the emergency reladling station.

v. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Eighteenth Claim for Relief in the Complaint. On March 19, 2010, U. S. Steel amended its slag wetting practices and inspection records at the Granite City Works Facility's blast furnaces to minimize the release of fugitive particulate emissions to the atmosphere.

b. U. S. Steel has completed the following activities at the Coke Plant, By-Products Plant, and Coal Handling Area, including the permanent shutdown of Coke Batteries A and B in March of 2015:

i. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Ninth Claim for Relief in the Complaint. On April 27, 2012, U. S. Steel commenced operation of a new Low Emission Quench Tower (LEQT) as the primary quench tower at the Granite City Works Facility's Coke Plant. On April 12, 2011, U. S. Steel commenced operation of a new secondary quench tower. Both the LEQT and the

secondary quench tower are designed to automatically wash at least half the baffles after each quench, resulting in a full wash cycle after every other quench.

ii. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Tenth Claim of Relief in the Complaint. On July 1, 2014, U. S. Steel provided Illinois EPA with a Subpart V Master Component List and related Piping and Instrumentation Diagrams for the Benzol Plant at the Granite City Works Facility. The Master List identifies which components are difficult to monitor and why. On July 1, 2014, U. S. Steel also provided Illinois EPA with Piping and Instrumentation Diagrams for the Byproducts Leak Detection and Repair Program at the Granite City Works Facility's Coke By-Products Recovery Plant. On July 31, 2014, U. S. Steel provided Illinois EPA with a current schematic, design specifications, piping and instrumentation diagrams for the steam blanketing, negative pressure and gas blanketing systems used on emission units at the Granite City Works Facility's Coke By-Products Recovery Plant, and has had subsequent correspondence and communications with Illinois EPA.

iii. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Thirteenth Claim for Relief in the Complaint. On December 24, 2008, U. S. Steel repaired the damaged rail that resulted in charging off the collector main at the Granite City Works Facility. Further, U. S. Steel has implemented the inspection protocol for hot car running rails, which includes performing a daily cleaning, a monthly visual inspection of the rails, and documenting the condition and required maintenance to be performed on rail inspection forms.

iv. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Fourteenth Claim for Relief in the Complaint. Prior to

March 31, 2011, U. S. Steel addressed the underlying causes of leaks of visible emissions from coke oven doors at Battery B at the Coke Plant at the Granite City Works Facility that are detailed in the Complaint, including improvements to the valves and replacement of coke oven doors, buckstays and door jambs.

v. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Fifteenth Claim for Relief in the Complaint. Prior to March 31, 2011, U. S. Steel addressed the underlying causes of leaks of visible emissions from coke oven doors at Battery A of the Coke Plant at Granite City Works that are detailed in the Complaint, including improvements to the valves and replacement of coke oven doors, buckstays and door jambs.

vi. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Sixteenth Claim for Relief in the Complaint. U. S. Steel has conducted a root cause analysis regarding the stack testing results of the Enclosed Quench Car-Pushing Control System ("EQC-PCS") #4 at the Granite City Works Facility's Coke Plant.

vii. On March 2, 2015, the last coke was pushed from Granite City Works Facility's Coke Oven Batteries A and B. Batteries A and B were then placed on cold-idle. Coke-making and associated operations have now ceased and the coke oven batteries are permanently shut down.

viii. U. S. Steel has implemented an electronic monitoring and tracking system to ensure that inspections are conducted as required by applicable air laws, regulations, and permits. In particular, U. S. Steel's electronic tracking and monitoring system monitors and tracks inspections associated with the Integrated Iron and Steel Manufacturing NESHAP,

40 C.F.R. Part 63, Subpart FFFFF. U. S. Steel certifies that it is maintaining records of each inspection which are retained on site and available for inspection.

ix. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Eleventh Claim for Relief in the Complaint. On July 15, 2014, U. S. Steel provided Illinois EPA with revisions of updated maps identifying paved and unpaved roads in iron making, waste water treatment facility, steel works, co-gen facility and the north plant of the Granite City Works Facility. On October 1, 2014, U. S. Steel provided Illinois EPA with further revisions designed to show the changes to the Fugitive PM Operating Program related to the Coal Handling Area of the Granite City Works Facility that includes a description of the sweeping, watering and road treatments it conducts as well as other measures it is undertaking to limit fugitive dust emissions at the Granite City Works Facility. Coal-handling operations in the Coal Handling Area are no longer operating. U. S. Steel has submitted a revised Fugitive PM Operating Program to handle coke storage in the former Coal Handling Area.

x. U. S. Steel has undertaken certain compliance activities at the Granite City Works Facility relevant to the Twelfth Claim for Relief in the Complaint. U. S. Steel has implemented the use of daily record sheets, which are maintained pursuant to 35 Ill. Admin. Code 212.316(g)(2)(D-F), and has identified each application of a control measure including water and dust suppressant application, and sweeping or flushing of the roadways and normal trafficked areas at the facility. U. S. Steel has retrained operators on correct recordkeeping procedures for the daily record sheets which are maintained pursuant to 35 Ill. Admin. Code 212.316(g)(2)(D-F), and has identified each application of a control measure including water

and dust suppressant application, and sweeping or flushing of the roadways and normal trafficked areas at the facility.

c. On September 29, 2011, Illinois EPA issued Violation Notice L-2011-01342 to U. S. Steel. The allegations in Violation Notice L-2011-01342 have been addressed by U. S. Steel's completing the applicable hazardous waste inspection form.

d. On May 23, 2014, Illinois EPA issued Violation Notice A-2014-00009 to U. S. Steel. Condition 7.6.6(c) of Clean Air Act Permit Program (CAAPP) permit 96030056 cited in the violation notice was stayed by order of the Illinois Pollution Control Board, May 2, 2013. As provided in U. S. Steel's July 10, 2014 response to Violation Notice A-2014-00009, on June 16, 2014, U. S. Steel demonstrated compliance via stack testing with the emissions limit of 0.00852 lbs. of particulate matter/ton of steel at the #2 caster spray chamber. Illinois EPA's allegations in paragraph 1 of Violation Notice A-2014-00009 were addressed through this compliance demonstration and the compliance certification that was subsequently provided to Illinois EPA. U. S. Steel's projects and undertakings identified in connection with the Sixteenth Claim for Relief in the Complaint above address Illinois EPA's allegations in paragraph 2 of Violation Notice A-2014-00009.

8. <u>Pre-Settlement Remedial Measures at Great Lakes Works</u>

a. U. S. Steel has replaced the No. 26 Basic Oxygen Furnace Vessel at the Facility's BOP Shop with a new vessel designed to reduce slopping (and potential particulate matter emissions generated from slopping) through increased freeboard.

b. U. S. Steel has replaced the lock-hopper top on the Facility's D4 furnace in November 2014, which improves furnace operation, and has replaced the two-bell top on the

Facility's B2 furnace twice, once in December 2009 and a second time in March 2013. U. S. Steel also made repairs to the B2 furnace bell rod bushing in June 2016.

c. U. S. Steel replaced the downcomer and portions of the dirty gas main on the No. 26 Vessel on or around June 2014.

d. U. S. Steel has implemented an electronic monitoring and tracking system to ensure that inspections are conducted as required by applicable air laws, regulations, and permits. In particular, U. S. Steel's electronic tracking and monitoring system monitors and tracks inspections associated with the Integrated Iron and Steel Manufacturing NESHAP, 40 C.F.R. Part 63, Subpart FFFFF. U. S. Steel certifies that it is maintaining records of each inspection which are retained on site and available for inspection.

9. Pre-Settlement Remedial Measures and Other Actions at Gary Works

a. U. S. Steel implemented various programs related to Coke Oven Battery Nos. 2, 5, and 7 including, but not limited to, a door inspection program that includes routine inspections of doors in need of repair and/or replacement, repair and replacement of refractory, endflues, buckstays and door frames as necessary and appropriate, installing improved extractor heads on door machines, retraining of operators, and implementing an offtake inspection program to identify offtakes in need of repair and/or replacement.

b. Coke Oven Battery Nos. 2, 5, and 7 were placed on cold-idle on or about March 30, 2015, October 5, 2013, and November 30, 2013, respectively. Coke-making and associated operations have ceased and the coke oven batteries are now permanently shut down.

c. During the fourth quarter of 2015, U. S. Steel replaced the double bell charging system on Blast Furnace #4 at the Gary Works Facility with a bell-less charging system,

valued at $27.5 million. The project reduces the potential release of emissions from the blast furnace.

V. COMPLIANCE REQUIREMENTS

A. Great Lakes Works' B2 Blast Furnace

10. Quarterly Inspections of the Large Bell Seal. Beginning first quarter of 2017 (i.e., January 1 through March 31, 2017), and conducted quarterly thereafter, U. S. Steel shall conduct quarterly visual inspections of the large bell seal and record them. The inspections shall include:

a. An integrity inspection of the large bell for visible holes, gouges, cracks, or excessive wear; and

b. An alignment check to ensure the bell is seated properly.

11. As part of the semi-annual reporting required under Section X (Reporting Requirements), U. S. Steel shall submit the findings of the quarterly large bell seal inspection to EPA and MDEQ describing any concerns or problems such as visible holes, gouges, cracks, excessive wear and/or misalignment identified in Paragraph 10 (a) and (b) above, and a description of how the concern or problem was or will be timely and adequately addressed. The above requirements of Paragraphs 10 through 11 shall no longer be applicable if and when U. S. Steel replaces the B2 Blast Furnace top with a bell-less top or lock-hopper top.

12. Repair and Inspection of the Large Bell on Great Lakes Works' B2 Blast Furnace

a. No later than December 15, 2016, U. S. Steel shall inspect the large bell seal (i.e., conduct an inspection in accordance with the provisions of Paragraph 10(a) and (b)) and complete the installation of a new bell seal ring as an interim repair on the large bell on the Great Lakes Works' B2 Blast Furnace.

b. No later than 30 Days following completion of the installation described in subparagraph a above, or 30 Days after the Effective Date, whichever is later, U.S.

Steel shall submit to EPA and MDEQ a report in accordance with Section IX of the Decree. Such report shall include:

i. A detailed description of all of the work that was performed to repair the large bell;

ii. A certification that the interim repair is complete and operational; and

iii. The findings of the quarterly large bell seal inspection in accordance with Paragraph 11.

c. Following the interim repair and report described in subparagraphs (a) and (b), but no later than December 31, 2017, U. S. Steel shall install an in-kind replacement of the two-bell top on the Great Lakes Works' B2 Blast Furnace.

d. No later than 30 Days following completion of the installation of the in-kind replacement top described in subparagraph (c) above, U.S. Steel shall submit to EPA and MDEQ a report in accordance with Section IX of the Decree. Such report shall include:

i. A detailed description of all of the work that was performed to install the in-kind replacement of the two-bell top; and

ii. A certification that installation is complete and operational.

B. Enclosing Openings in Blast Furnace No. 6 at Gary Works Facility

13. No later than 180 Days after the Effective Date, U. S. Steel shall fully enclose the openings in Blast Furnace No. 6 at the Gary Works Facility (openings depicted in the photograph of Appendix C of this Consent Decree). Specifically, U. S. Steel shall replace the sheeting that is missing from the second tier of the furnace-shroud portion of the Blast Furnace No. 6.

a. Within 30 Days of completion, or 30 Days after the Effective Date, whichever is later, U. S. Steel shall submit a notice to EPA and IDEM confirming that U. S. Steel has enclosed the openings in Blast Furnace No. 6 in accordance with this Paragraph.

C. Granite City Works and Great Lakes Works Blast Furnace Runner Covers

14. Applicability. The following requirements under Paragraphs 15 through 18 of this Consent Decree apply to Blast Furnaces A and B at the Granite City Works Facility, and B2 and D4 at the Great Lakes Works Facility.

15. No later than 90 Days after the Effective Date of the Consent Decree, U. S. Steel shall prepare and submit to EPA, the State of Illinois (for Granite City Works), and MDEQ (for Great Lakes Works) for review and approval in accordance with Section IX (Review and Approval of Submittals), Runner Cover Plans (RCPs) that include plan-view drawings showing the location of iron and slag runner covers at Granite City Works A and B Blast Furnaces and Great Lakes Works B2 and D4 Blast Furnaces. The RCPs shall provide that the runner covers shall be in designated locations as shown on the plan-view drawings unless necessary to remove the covers temporarily during periods in which the operators are responding to situations including, but not limited to, maintenance, operational requirements (e.g., to ensure the flow of iron or slag), safety, and risk minimization. The exceptions list for removing runner covers shall be described in detail in each RCP.

16. U. S. Steel shall implement the RCP as approved by no later than 30 Days after receipt of written notice of approval under Section IX (Review and Approval of Submittals), subject to invoking the dispute resolution provisions under Sections IX and XIV (Dispute Resolution).

17. In the event U. S. Steel proposes to change the RCP, U. S. Steel shall submit a revision to EPA, the State of Illinois, and MDEQ, as applicable, and shall provide the reason(s) for the change, for review and approval in accordance with Section IX (Review and Approval of Submittals). If the proposed revision(s) requires expeditious execution to protect the safety of U. S. Steel's employees, following submittal of the proposed RCP revision(s) U. S. Steel may implement the proposed revision(s) during the interim period prior to receiving approval.

18. Nothing in Paragraphs 15, 16 and 17 is intended to supersede any applicable Clean Air Act work practice requirements for Granite City Works or Great Lakes Works.

D. Great Lakes Works Facility BOP Shop

19. Applicability. The requirements in Paragraphs 20 through 28 apply to the Great Lakes Works Facility's No. 2 BOP Shop.

20. Administrative Consent Order. The administrative consent order entered by MDEQ and U. S. Steel on February14, 2005 (AQD No. 1-2005, SRN A7809 "Stipulation for Entry of Final Order by Consent") and all its requirements regarding the Great Lakes Works Facility shall terminate upon the Effective Date of this Consent Decree. Upon the Effective Date of this Consent Decree and until commencement of enhanced visible emissions observations pursuant to Paragraph 22, U. S. Steel shall conduct, at least once every two weeks, a Method 9C visible emissions observation at the BOP Shop roof monitor for a duration not less than one full Steel Production Cycle, using an independent certified Method 9 observer to verify compliance. U. S. Steel shall make a record of each visible emissions observation (using a field data sheet as specified in Method 9) and identify the BOF vessels in operation during the visible emissions observation. U. S. Steel shall submit copies of all records required under this Paragraph as part of the Semi-Annual Report to EPA and MDEQ in accordance with Section X (Reporting Requirements).

21. Third-Party Study. No later than 30 Days after the Effective Date, U. S. Steel shall retain an independent third party with experience in evaluating air pollution control compliance at BOP Shops to conduct a third-party study of the capture and control systems at the No. 2 BOP Shop, including, but not limited to, the Nos. 1 and 2 baghouses, the ESP and the BOP Shop vessel operations, to identify technically feasible improvements to those systems and operations designed to achieve compliance with applicable opacity requirements for the BOP Shop Roof Monitor. The third-party study shall include increased visible emissions observations of the No. 2 BOP Shop Roof Monitor sufficient to effectively evaluate air pollution control compliance at the BOP Shop.

a. The third-party study shall be commenced no later than 60 Days after the Effective Date and completed no later than 150 Days after the Effective Date.

b. U. S. Steel shall submit to EPA and MDEQ a copy of the third-party study no later than 180 Days after the Effective Date. The third-party study shall contain a description of the methodology, observations, data and other information reviewed, and the study's findings.

c. Within 270 Days after the Effective Date, U. S. Steel shall submit to EPA and MDEQ a report which includes:

i. Proposed improvements to the capture and control systems and/or BOP Shop vessel operations to ensure compliance with applicable opacity requirements for the BOP Shop Roof Monitor, including an evaluation of the potential improvements identified by the third-party study and justifications for including or excluding them from the proposed action(s);

ii. Estimated costs of the proposed action(s); and

iii. A schedule for completing the proposed action(s), which includes a schedule for implementation and for the shakedown period, including, if applicable, interim and final completion dates.

d. EPA shall review and approve the report, in consultation with MDEQ and in accordance with the procedures outlined in Section IX (Review and Approval of Submittals), and U. S. Steel shall implement the proposed action(s) in accordance with the schedule in the approved report.

e. U. S. Steel may submit revisions to the approved report to EPA and MDEQ for review and approval pursuant to Section IX (Review and Approval of Submittals).

f. Within 30 Days after completion of the proposed action(s), U. S. Steel shall submit a notice of completion to EPA and MDEQ that certifies that the proposed actions were implemented in accordance with the approved report.

22. Enhanced Visible Emissions Observations of the No. 2 BOP Roof Monitor. No later than 30 Days after U. S. Steel's submittal of the notice of completion pursuant to Paragraph 21(f) above, U. S. Steel shall commence Method 9C certified visible emissions observations of the BOP Shop Roof Monitor when equipment is operating. Visible emissions from hot metal transfer, desulfurization operations, and slag skimming, if occurring, shall be included in the visible emissions observations during the Steel Production Cycle. The visible emissions observations shall include at least one full Steel Production Cycle for each vessel every week. Method 9C certified emissions observations shall occur four Days a week and each visible emissions observation shall last a minimum of two hours using an independent certified Method 9 observer and include at least two full Steel Production Cycles. For any week in which there is less than eight hours of potential reading time due to a one blast furnace operation and/or planned or

unplanned outages, U. S. Steel shall complete as many of the required visible emissions observations as available daylight weekday operating hours will allow during the week.

23. Reduction in Visible Emissions Monitoring Frequency.

a. Following commencement of the visible emissions observations in Paragraph 22, if less than five BOP Shop Roof Monitor Exceedances occur within any 30-day rolling period for 120 consecutive Days, U. S. Steel may reduce its monitoring of visible emissions from the BOP Shop Roof Monitors to three Days per week (all other provisions of Paragraph 22 above shall apply, except that where "four Days" is referenced, "three Days" shall apply instead).

b. If the conditions of subparagraph (a) above have been met and less than five BOP Shop Roof Monitor Exceedances occur within any 30-day rolling period for an additional 120 consecutive Days, U. S. Steel may reduce its monitoring of visible emissions from the BOP Shop Roof Monitor to two Days per week (all other provisions of Paragraph 22 above shall apply, except that where "four Days" is referenced, "two Days" shall apply instead).

24. If the conditions of Paragraph 23(a) and (b) have been met and less than five BOP Shop Roof Monitor Exceedances occur within any 30-day rolling period for an additional 90 consecutive Days, U. S. Steel may reduce its monitoring of visible emissions from the BOP Shop Roof Monitor to its required frequency under the Great Lakes Works Title V Permit.

25. No. 2 BOP Shop Roof Monitor Opacity Limit. Visible emissions from the No. 2 BOP Shop Roof Monitor shall not exceed 20% opacity on a three-minute average; however, stipulated penalties shall not accrue for failure to meet this standard until such time as U. S. Steel submits notice of completion to EPA and MDEQ in accordance with Paragraph 21(f) above.

26. Procedures for Inspection and Maintenance of BOP Shop Dirty Gas Main. By no later than 60 Days after the Effective Date, U. S. Steel shall submit to EPA for approval a BOP Shop Dirty Gas Main Plan that provides written procedures for inspection and maintenance of the BOP Shop Dirty Gas Main ductwork and support structures at the Great Lakes Works facility. The BOP Shop Dirty Gas Main Plan submitted pursuant to this Paragraph shall be reviewed and approved by EPA, in consultation with MDEQ, in accordance with Section IX (Review and Approval of Submittals). The BOP Shop Dirty Gas Main Plan shall include the following:

a. A diagram identifying locations within the duct system where particulate may accumulate;

b. Standard operating procedures and protocols for inspection and monitoring of structural integrity (including evidence of cracks, holes, and other degradation), material buildup, whether there is moisture or not, structural deflection, and duct system cleaning;

c. Identification of the specific locations along and within the duct structure where such inspection and monitoring shall be done;

d. Establishment of inspection and monitoring frequencies to assure timely identification of issues with ductwork and support structures;

e. Identification of action levels for cleaning and repairing the dirty gas main duct system to avoid excessive particulate build-up; and

f. Procedures for assuring timely identification and implementation of corrective actions.

27. U. S. Steel shall implement the BOP Shop Dirty Gas Main Plan as approved by EPA, by no later than 30 Days after receipt of written notice of EPA's approval.

28. Retention of BOP Shop Dirty Gas Main Inspection Records. U. S. Steel shall retain BOP Shop Dirty Gas Main inspection records in accordance with Section XV. Inspection records shall include the dates, observations, and results of each inspection, including at a minimum:

a. Information obtained in the inspection used to evaluate structural integrity (including evidence of cracks, holes, and other degradation), material buildup, structural deflection, presence of moisture, and duct cleaning;

b. Notation if any action levels were triggered; and

c. Corrective action(s) taken, if any, including descriptions and dates.

E. Granite City Works Facility BOP Shop

29. Applicability. The following requirements under Paragraphs 30 through 32 of this Consent Decree apply to the BOP Shop at the Granite City Works Facility.

30. Steam Rings at the Oxygen Lances

a. U. S. Steel shall continue to use the steam rings installed at the oxygen lances at all times of refining operation at the BOPF, except during times of Malfunction of the steam rings or associated systems necessary for operation of the steam rings.

b. Upon occurrence of a Malfunction, repairs shall be conducted at the next routine outage to the extent practicable. If repairs cannot be completed within fourteen Days from the date of occurrence, U. S. Steel shall notify the Illinois EPA in writing including a complete description of the Malfunction, the reasons the repairs cannot be completed within fourteen Days, and a schedule for completion. If a repair cannot be done at the next routine outage, it shall be done by no later than the next extended outage.

31. Within 60 Days of the Effective Date of this Consent Decree, U. S. Steel shall submit an application to modify Construction Permit Number 10080021 to provide that U. S. Steel

shall continue to use the steam rings at all times of the refining operation, except during times of Malfunction of steam rings or associated systems necessary for operation of the steam rings, and U. S. Steel shall report any such Malfunction as provided for in its permit.

32. U. S. Steel shall operate and maintain the BOPF Baghouse System for charging and tapping at either vessel. U. S. Steel shall keep records for periods when charging or tapping of a BOPF is not controlled by this system, including a description of the event, the probable cause(s) of the event, the remedial action(s) taken, including measures to minimize emissions, and any measure(s) taken to prevent similar events in the future.

F. Electronic Tracking and Management System

33. U. S. Steel shall continue to utilize an electronic tracking and monitoring system at Granite City Works, Gary Works, and Great Lakes Works to ensure that inspections are conducted and the records are maintained as required by applicable laws, regulations, and permits, including but not limited to those required by the Integrated Iron and Steel NESHAP, at 40 C.F.R. Part 63, Subpart FFFFF. The records shall be available for inspection.

G. Affirmative Relief for Illinois State-Only Claims of the Complaint

34. The following paragraphs, Paragraphs 35 through 37, address the Illinois State-Only claims in the Complaint and apply to the Granite City Works.

35. Fugitive PM Operating Program. U. S. Steel shall continue to utilize daily record sheets, which are maintained pursuant to 35 Ill. Admin. Code 212.316(g)(2)(D-F), and identify each application of a control measure including water and dust suppressant application, and sweeping or flushing of the roadways and normal trafficked areas at the Facility.

36. BOP Shop Emergency Reladling Station.

a. U. S. Steel shall continue to maintain the BOP Shop building to minimize use of the emergency reladling station.

b. U. S. Steel shall only utilize the emergency reladling station at times of Malfunction and breakdown of the primary reladling station or necessary ancillary equipment.

37. Blast Furnace Slag Pit. U. S. Steel shall continue to utilize slag wetting practices to minimize the release of fugitive PM emissions to the atmosphere, including inspecting the slag pit's spray systems on a once per shift basis, documenting the condition of the slag prior to load-out, and maintaining associated records pursuant to its Ironmaking operations and maintenance plan.

VI. CIVIL PENALTY

38. Payment to the United States. Within 30 Days after the Effective Date, U. S. Steel shall pay the sum of $1 million as a civil penalty to the United States by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice in accordance with written instructions to be provided to U. S. Steel following entry of the Consent Decree, by the Financial Litigation Unit of the U.S. Attorney's Office for the Northern District of Indiana. At the time of the payment, U. S. Steel shall send a copy of the EFT authorization form and the EFT transaction record, together with a transmittal letter, which shall state that the payment is for the civil penalty owed to the United States pursuant to the Decree in *United States et al. v. United States Steel Corporation*, and reference the above-captioned civil action number and DOJ case number 90-5-2-1-06476/1 to the United States in the manner set forth in Section XVIII (Notices), by email to acctsreceivable.CINWD@epa.gov, and by mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

39. Payment to the State of Indiana. Within 30 Days after the Effective Date, U. S. Steel shall pay a civil penalty of $400,000 to the State of Indiana. Payment shall be wired through an EFT to Indiana. To receive wire instructions, U. S. Steel shall call or email the following point of contact:

Kathleen Hurst
Accounts Receivable Manager
Indiana Department of Environmental Management
Phone: 317-233-2394
Email: khurst1@idem.in.gov

U. S. Steel shall also notify the same point of contact within 2 business days after the transfer occurs to confirm receipt.

40. Payment to the State of Illinois. Within 30 Days after the Effective Date, U. S. Steel shall pay a civil penalty of $364,000 to the State of Illinois by certified check payable to the Illinois EPA for deposit into the Environmental Protection Trust Fund ("EPTF"). Payment shall be sent by first class mail and delivered to:

Illinois Environmental Protection Agency
Fiscal Services
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

Within 30 Days after the Effective Date, U. S. Steel shall make a payment of $36,000 to the State of Illinois by certified check payable to the Illinois Attorney General's Office for deposit into the State Projects and Court Ordered Distribution Fund for subsequent expenditure as authorized by the Attorney General. Payment shall be sent by first class mail and delivered to:

Josiah E. Small, Accounting Director
Illinois Attorney General's Office
500 South Second Street
Springfield, Illinois 62706

A copy of all certified checks and any transmittal letters shall be sent to:

Rebecca A. Burlingham
Supervising Attorney
Illinois Attorney General's Office
Environmental Bureau
69 West Washington Street, 18th Floor
Chicago, IL 60602

41. Payment to MDEQ. Within 30 Days after the Effective Date of this Consent Decree, U. S. Steel shall pay a civil penalty of $400,000 to MDEQ. Payment shall be made in the form of a certified check or cashier's check, and made payable to the "State of Michigan." Payment shall be sent to:

Michigan Department of Environmental Quality
Accounting Services Division, Cashier's Office
P.O. Box 30657
Lansing, MI 48909-8157

To ensure proper credit, the check must reference *United States et al v. United States Steel Corporation*, Case No. 2:12-cv-304, and Air Quality Division Payment Identification Number AQD60002.

42. Interest. If any portion of the civil penalty due to the United States is not paid when due, U. S. Steel shall pay interest on the amount past due, accruing from the Effective Date through the date of payment, at the rate specified in 28 U.S.C. § 1961. If any portion of the civil penalty due to MDEQ is not paid when due, U. S. Steel shall pay interest on the amount past due, accruing from the Effective Date through the date of payment, at the rate specified in 28 U.S.C. § 1961. If any portion of the civil penalty due to the State of Indiana is not paid when due, U. S. Steel shall pay interest on the amount past due, accruing from the Effective Date through the date

of payment, at the rate specified in 28 U.S.C. § 1961. If any portion of the civil penalty due to the State of Illinois is not paid when due, pursuant to Section 42(g) of the Illinois Environmental Protection Act, 415 ILCS 5/42(g), interest shall accrue on any penalty amount owed by U. S. Steel not paid within the time prescribed herein. Interest on unpaid penalties shall begin to accrue from the date such are due and continue to accrue to the date full payment is received. Where partial payment is made on any penalty amount that is due, such partial payment shall be first applied to any interest on unpaid penalties then owing.

43. U. S. Steel shall not deduct any penalties paid under this Consent Decree pursuant to this Section or Section XI (Stipulated Penalties) in calculating its federal or state or local income tax.

VII. SUPPLEMENTAL ENVIRONMENTAL PROJECTS

44. Joint Supplemental Environmental Projects (SEPs). U. S. Steel shall complete the joint state and federal supplemental environmental projects ("Joint SEPs") in accordance with this Section and all provisions of Appendix A.

45. U. S. Steel is responsible for the satisfactory completion of the Joint SEPs in accordance with the requirements of this Decree. If U. S. Steel elects to complete any SEP by third party contracting, the funds used to pay for the third party contracting services shall be included in the entire amount allotted to spend on the project so long as U. S. Steel demonstrates that the funds have been actually spent by either U. S. Steel or the person or instrumentality receiving them in carrying out the project, and that such expenditures met all requirements of this Consent Decree. When utilizing a third party to implement a Joint SEP, U. S. Steel shall expend no more than 10% of the total required expenditure for that SEP on administrative costs of the third party to implement the SEP.

46. Certification. For each Joint SEP, U. S. Steel certifies as follows:

a. That all cost information provided to EPA in connection with EPA's approval (upon consultation with the relevant State) is complete and accurate and that U. S. Steel in good faith estimates that the cost to implement the Joint SEPs is as set forth in Appendix A.

b. That, as of the date of executing this Decree, U. S. Steel is not required to perform or develop any of the Joint SEPs by any federal, state, or local law or regulation and is not required to perform or develop any of the SEPs by agreement, grant, or as injunctive relief awarded in any other action in any forum.

c. That none of the Joint SEPs is a project that U. S. Steel was planning or intending to construct, perform, or implement other than in settlement of the claims resolved in this Decree.

d. That U. S. Steel has not received and will not receive credit for the Joint SEP in any other enforcement action.

e. That U. S. Steel will not receive reimbursement for any portion of the Joint SEP from another person or entity.

f. That for federal income tax purposes, U. S. Steel agrees that it will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the Joint SEP.

g. That U. S. Steel is not a party to any open federal financial assistance transaction that is funding or could be used to fund the same activity as the Joint SEP.

h. That, to the best of U. S. Steel's knowledge and belief after reasonable inquiry, there is no open federal financial transaction that is funding or could be used to fund the same activity as the Joint SEP, nor has the same activity been described in an unsuccessful federal financial assistance transaction proposal submitted to EPA within two years of the date that U. S.

Steel is signing this Consent Decree (unless the project was barred from funding as statutorily ineligible). For purposes of this certification, the term "open federal financial assistance transaction" refers to a grant, cooperative agreement, loan, federally-guaranteed loan guarantee or other mechanism for providing federal financial assistance whose performance period has not expired.

47. For all Joint SEPs, U. S. Steel shall submit to the Plaintiffs in accordance with Section XVIII (Notices) a final Joint SEP Completion Report no later than thirty (30) days from the date of such Joint SEP's completion. Each Joint SEP Completion Report must be certified by an appropriate corporate official and shall contain, at a minimum:

a. A detailed description of the Joint SEP as implemented;

b. A description of any problems encountered in completing the Joint SEP and solutions thereto;

c. An itemized list of all Joint SEP costs expended, and documentation of all expenditures;

d. Evidence of the Joint SEP completion (which may include, but is not limited to, photos, vendor invoices or receipts, correspondence from Joint SEP recipients, etc.);

e. To the extent possible, documentation supporting the quantification of benefits associated with each Joint SEP and an explanation of how such benefits were measured or estimated; and

f. A certificate stating:

I certify that the project has been fully implemented pursuant to the provisions of the consent decree entered in *United States et al. v. United States Steel Corporation*, 2:12-cv-304 (N.D. Ind.), that I am familiar with the information in this document, and that, based on my inquiry of those individuals responsible for obtaining the information, it is true and complete to

the best of my knowledge. I know that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

48. Following receipt of any Joint SEP Completion Report described in the preceding Paragraph, EPA, upon consultation with the relevant State, will notify U. S. Steel in writing that:

a. U. S. Steel has satisfactorily completed the Joint SEP and the Joint SEP Completion Report; or

b. U. S. Steel has not satisfactorily completed the Joint SEP and/or the Joint SEP Completion Report and EPA will seek stipulated penalties under Paragraphs 70 and/or 72, as applicable.

49. Any public statement, oral or written in print, film, or other media, made by Defendant making reference to any Joint SEP under this Decree from the date of its execution shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action, *United States et al. v. U. S. Steel Corp.*, taken on behalf of U.S. EPA, Michigan Department of Environmental Quality, State of Illinois, and State of Indiana, to enforce federal and state laws."

50. State-Only SEPs. U. S. Steel shall complete State supplemental environmental projects ("State-Only SEPs") in accordance with this Paragraph and the provisions of Appendix B.

a. Certification. For each State-Only SEP, U. S. Steel certifies as follows:

i. That, as of the date of executing this Decree, U. S. Steel is not required to perform or develop any of the State-Only SEPs by any federal, state, or local law or regulation and is not required to perform or develop any of the SEPs by agreement, grant, or as injunctive relief awarded in any other action in any forum.

ii. That none of the State-Only SEPs is a project that U. S. Steel was planning or intending to construct, perform, or implement other than in settlement of the claims resolved in this Decree.

iii. U. S. Steel has not received and will not receive credit for the State-Only SEPs in any other enforcement action.

iv. U. S. Steel will not receive reimbursement for any portion of the State-Only SEPs from another person or entity.

b. U.S. Steel shall submit a final State-Only SEP Completion Report, including a summary of all expenditures, to the relevant State no later than thirty (30) days from the date of such SEP's completion. Each State-Only SEP Completion Report must be certified by an appropriate corporate official and shall contain, at a minimum:

i. Evidence of the State-Only SEP completion (which may include, but is not limited to, photos, vendor invoices or receipts, correspondence from State-Only SEP recipients, etc.) and document all State-Only SEP expenditures.

ii. A certificate stating:

> I certify that the project has been fully implemented pursuant to the provisions of the consent decree entered in *United States et al. v. United States Steel Corporation*, 2:12-cv-304 (N.D. Ind.), that I am familiar with the information in this document and that, based on my inquiry of those individuals responsible for obtaining the information, it is true and complete to the best of my knowledge. I know that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

c. Following receipt of any State-Only SEP Completion Report described in the preceding Paragraph, the relevant State will notify U. S. Steel in writing that:

i. U. S. Steel has satisfactorily completed the SEP and the SEP Completion Report; or

ii. U.S. Steel has not satisfactorily completed the SEP and/or the SEP Completion Report and the relevant State may seek stipulated penalties under Paragraphs 70 and/or 72, as applicable.

d. Any public statement, oral or written in print, film, or other media, made by Defendant making reference to any State-Only SEP under this Decree from the date of its execution shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action, *United States et al. v. U. S. Steel Corp.*, taken on behalf of U.S. EPA, Michigan Department of Environmental Quality, Illinois Environmental Protection Agency, and Indiana Department of Environmental Management to enforce federal and state laws."

VIII. ENVIRONMENTALLY BENEFICIAL PROJECT

51. No later than two years following the Effective Date, U. S. Steel shall conduct and complete an Environmentally Beneficial Project, to wit: U. S. Steel shall remove transformers that contain polychlorinated biphenyls (PCBs) at the Gary Works Facility and the Great Lakes Works Facility and replace them with transformers that do not contain PCBs.

52. U. S. Steel shall spend no less than $400,000 at each Facility, for a total of at least $800,000, on the removal and replacement of the PCB-containing transformers.

53. U. S. Steel shall comply with all state and federal laws that are applicable to the disposal of PCBs, including but not limited to 40 C.F.R. Part 761 and all applicable rules and regulations under the laws of Michigan, Indiana, and any state in which PCBs are disposed or that is otherwise affected by the disposal of the PCBs from the transformers at issue.

54. In the first semi-annual report required under Section X (Reporting Requirements) that is due following the completion of each removal and replacement described in this Section, U. S. Steel shall state that the project has been completed and include the following information:

a. Identification of removed transformer(s) and replacement transformer(s);

b. Description of the location of removed transformer(s) and replacement transformer(s);

c. Amount of oil and other fluid(s) contained in each removed transformer(s);

d. A calculation of the total pounds of PCBs contained in the removed transformer(s);

e. Date(s) of the removal and the replacement;

f. Copies of documents describing disposal of PCBs, including a description of the location of fluids containing PCBs; and

g. A description of all costs incurred in implementing the Environmentally Beneficial Project.

IX. REVIEW AND APPROVAL OF SUBMITTALS

55. Initial Submissions. Whenever a document is required to be submitted for review or approval pursuant to this Consent Decree, U. S. Steel shall submit each plan, report, or other submission required by this Consent Decree to the United States; to Illinois for submissions relevant to the Granite City Works Facility; to Indiana for submissions relevant to the Gary Works Facility; and to MDEQ for submissions relevant to the Great Lakes Works Facility. EPA, after consultation with the relevant State(s) and/or MDEQ, shall, in writing: (a) approve, in whole or in part, the submission; (b) approve, in whole or in part, the submission upon specified conditions; (c) disapprove, in whole or in part, the submission, requiring U. S. Steel to correct the deficiencies; or (d) any combination of the foregoing.

56. Resubmissions. Upon receipt of a notice of approval in part; approval, in whole or in part, upon specified conditions; disapproval in whole or in part; or any combination of the foregoing, U. S. Steel shall, within 30 Days or such longer time as specified by EPA in such notice, either correct the deficiencies and resubmit the plan, report, or other deliverable for approval, or submit the matter for dispute resolution, including the period of informal negotiations, under Section XIV (Dispute Resolution) of this Consent Decree. After review of the resubmitted plan, report, or other deliverable, EPA, in consultation with the relevant State(s) and/or MDEQ, shall: (a) approve, in whole or in part, the resubmission; (b) approve the resubmission upon specified conditions; (c) disapprove, in whole or in part, the resubmission, requiring U. S. Steel to correct the deficiencies; or (d) any combination of the foregoing. Upon receipt of a notice of approval in whole or in part, approval upon specified conditions, disapproval in whole or in part, or any combination of the foregoing, of the resubmission under this Paragraph, U. S. Steel shall, within 30 Days or such longer time as specified by EPA in such notice, either correct the deficiencies and resubmit the plan, report, or other deliverable for approval, or submit the matter for dispute resolution, including the period of informal negotiations, under Section XIV (Dispute Resolution) of this Consent Decree.

57. Any stipulated penalties applicable to a deficient or late submission, as provided in Section XI (Stipulated Penalties), shall accrue during the thirty (30) Day period or other specified period for the resubmission, but shall not be payable unless the resubmission is untimely or is disapproved in whole or in part; provided that, if the Parties dispute whether the original or resubmitted submission was deficient and the dispute is submitted for dispute resolution under Section XIV (Dispute Resolution), Paragraph 79 (Disputes over Stipulated Penalties) and Section XIV (Dispute Resolution) shall govern the payment of stipulated penalties.

58. Implementation. Upon approval by EPA under Paragraph 55 (Initial Submissions) or Paragraph 56 (Resubmissions), of any plan, report, or other submittal, or any portion thereof: (a) such plan, report, or other deliverable, or portion thereof, shall be incorporated into and enforceable under this Consent Decree; and (b) U. S. Steel shall take any action required by such plan, report, or other deliverable, or portion thereof in accordance with the schedules and requirements specified therein.

59. EPA, Illinois EPA, IDEM, and MDEQ do not, by their agreement to the entry of this Consent Decree or by their failure to object to any submittal for review and approval under this Consent Decree, warrant or aver in any manner that any of U. S. Steel's actions specified to be undertaken in such submittals will result in compliance with the provisions of the Act, the Illinois Environmental Protection Act, Title 13 of the Indiana Code, Part 55 of the Michigan Natural Resources and Environmental Protection Act, MCL §§ 324.5501 *et seq.* ("NREPA"), or their implementing regulations. Notwithstanding EPA's, Illinois EPA's, IDEM's, and MDEQ's review of any plans, reports, corrective actions, or procedures under this Section (Review and Approval of Submittals), U. S. Steel remains solely responsible for compliance with the Act, the Illinois Environmental Protection Act, Title 13 of the Indiana Code, Part 55 of NREPA, and their implementing regulations. Nothing in this Paragraph shall be construed as a waiver of EPA's, Illinois EPA's, IDEM's, or MDEQ's rights under the CAA, the Illinois Environmental Protection Act, Title 13 of the Indiana Code, Part 55 of NREPA, or their regulations for future violations of the CAA or its regulations.

X. REPORTING REQUIREMENTS

60. U. S. Steel shall submit a semi-annual progress report no later than March 15 and September 15 of each year, with the first semi-annual report due on the first March 15 or September 15 that occurs more than 90 Days after the Effective Date. Each semi-annual report

shall contain the following information with respect to, respectively, the half-year between July 1 and December 31, or the half-year between January 1 and June 30, commencing on the date of Entry of the Consent Decree:

a. Identification of work performed and progress made toward implementing the requirements of Section V (Compliance Requirements), Section VII (Supplemental Environmental Projects) and Section VIII (Environmentally Beneficial Project), including a narrative description of activities undertaken, the status of any construction or compliance measures, and the completion of any milestones. This information includes, but is not limited to:

i. All information required in Paragraph 10 regarding quarterly large bell seal inspections;

ii. All information required in Paragraph 22 regarding visible emissions monitoring for the Great Lakes Works Facility No. 2 BOP Shop; and

iii. Any Exceedances of the opacity limits identified in Paragraph 25 for the Great Lakes Works Facility No. 2 BOP Shop, including copies of associated Visible Emissions Observation Field Data Sheets that include the visible emissions observations taken during the Steel Production Cycle during which the Exceedance occurred.

b. Any significant problems encountered or anticipated in complying with the requirements of Section V (Compliance Requirements), Section VII (Supplemental Environmental Projects) and Section VIII (Environmentally Beneficial Project), including implemented or proposed solutions;

c. Identification and description of all non-compliance with any of the requirements under Section V (Compliance Requirements), including description of the likely

cause and of the remedial steps taken, or to be taken, to prevent or minimize such noncompliance; and

d. Identification and description of any non-compliance with any of the requirements under Section VII (Supplemental Environmental Projects) and Section VIII (Environmentally Beneficial Project).

61. Whenever any violation of this Consent Decree or of any applicable permits or any other event affecting U. S. Steel's performance under this Decree may pose an immediate threat to the public health or welfare or the environment, U. S. Steel shall notify EPA and the appropriate State agencies, orally or electronically as soon as possible, but no later than 24 hours after U. S. Steel first knew of the violation or event. This procedure is in addition to the requirements set forth in the preceding Paragraph and any other state or federal reporting requirement that may be applicable.

62. All reports required under this Consent Decree shall be submitted to the persons and in the manner designated in Section XVIII (Notices).

63. Each report submitted by U. S. Steel under this Section shall be signed by an official of the submitting party and include the following certification:

> I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. This certification requirement does not apply to emergency or similar notifications where compliance would be impractical.

64. The reporting requirements of this Consent Decree do not relieve U. S. Steel of any reporting obligations required by the Act or implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement.

65. Any information provided pursuant to this Section and any other Section of the Consent Decree may be used by the United States, the State of Indiana, MDEQ, or the State of Illinois in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law. All information and documents submitted by U. S. Steel to the United States, Indiana, MDEQ, or Illinois shall be subject to public inspection unless identified and supported as confidential business information (CBI). As to any information that U. S. Steel seeks to protect as CBI pursuant to 40 C.F.R. Part 2, U. S. Steel shall follow the procedures set forth in 40 C.F.R. Part 2. Under no circumstances shall emissions data be identified or considered CBI.

XI. STIPULATED PENALTIES

66. U. S. Steel shall be liable for stipulated penalties to the United States, and to the State of Illinois (for the Granite City Works Facility), MDEQ (for the Great Lakes Works Facility), and the State of Indiana (for the Gary Works Facility) for violations of this Consent Decree as specified below, unless excused under Section XII (Force Majeure). A violation includes failing to perform any obligation required by the terms of this Decree, including any work plan or schedule approved under this Decree, according to all applicable requirements of this Decree and within the specified time schedules established by or approved under this Decree. No stipulated penalties shall accrue or become payable prior to the Effective Date of this Consent Decree.

67. Late Payment of Civil Penalty. If U. S. Steel fails to pay any part of the civil penalty required to be paid under this Decree when due, a stipulated penalty of $1,000 per Day, per Plaintiff not fully paid, shall accrue against U. S. Steel.

68. Review and Submittal of Plans and Applications. Subject to Sections IX (Review and Approval of Submittals) and XIV (Dispute Resolution), for failure to submit plans as required by Paragraphs 15 (runner cover plan), 21(c) (BOP Shop report), 26 (BOP Shop dirty gas main plan), and 31 (steam ring application) of the Consent Decree, stipulated penalties shall accrue as follows:

Period of Noncompliance	Penalty Per Day of Violation
1st through 14th Day	$750
15th through 30th Day	$1,500
31st Day and beyond	$3,250

69. Compliance Requirements. For failure to implement the following compliance requirements (except those reporting and recordkeeping requirements which are set out separately in Paragraph 70) in accordance with the requirements of the Decree, including a) failure to complete the installation of a new bell seal ring as an interim repair on the large bell on the Great Lakes Works' B2 Furnace by or before December 15, 2016, in accordance with Paragraph 12(a) of the Decree; b) failure to complete the installation of an in-kind replacement of the two-bell top on the Great Lakes Works' B2 Furnace by or before December 31, 2017, in accordance with Paragraph 12(c) of the Decree; c) failure to conduct the Great Lakes Works BOP Shop Third-Party Study, in accordance with Paragraph 21 of the Decree; d) failure to implement plans and studies and take corrective action as part of such plans and studies, in accordance with Paragraphs 21(d) (BOP Shop Monitor Report) and 27 (BOP Shop Dirty Gas Main Plan) of the Decree; e) failure to perform enhanced visible emissions observations of the BOP Shop Roof Monitor in accordance with Paragraphs 22, 23 and 24 of the Decree; f) failure to enclose openings in Blast Furnace No. 6 at Gary Works in accordance with Paragraph 13 of the Decree; g) failure to continue to utilize and/or maintain equipment (including making needed repairs) and continue to utilize work

practices, in accordance with Paragraphs 30(a) (Steam Rings), 32 (BOPF Baghouse System), 33 (Electronic Tracking and Monitoring System), 35 (Fugitive PM Operating Program) and 37 (Blast Furnace Slag Pit) of the Decree; and h) failure to conduct quarterly inspections of the Great Lakes Works Large Bell Seal, in accordance with Paragraph 10 of the Decree; the following stipulated penalties shall accrue provided, however, that stipulated penalties shall not accrue under items d) and e) of this Paragraph on any Day or Days or period of time in which the Great Lakes Works No. 2 BOP Shop or Great Lakes Works' Blast Furnace B2, as applicable, is not operating:

Period of Noncompliance	Penalty Per Day of Violation
1st through 14th Day	$ 1,250
15th through 30th Day	$ 2,500
31st Day and beyond	$ 4,500

70. Reporting and Recordkeeping Requirements.

a. For failure to meet the notice and reporting requirements of the Consent Decree in accordance with Paragraphs 12(b) (installation of a new bell seal ring as an interim repair of the large bell on the Great Lakes Works' B2 Furnace), 12(d) (installation of an in-kind replacement of the two-bell top on the Great Lakes Works' B2 Furnace), 13(a) (enclosing openings in Blast Furnace No. 6 at Gary Works Facility), 21(b) (BOP Shop third-party study), 21(f) (BOP Shop improvements), 47 (Joint SEP), 50(b) (State-Only SEP), 60 (general reporting requirements) and 61 (immediate threat to the public health or welfare or the environment) of the Decree, the following stipulated penalties shall apply for each failure:

Period of Noncompliance	Penalty Per Day of Violation
1st through 14th Day	$500
15th through 30th Day	$1,000
31st Day and beyond	$2,000

b. For failure to make a record required under Paragraphs 10 (Large Bell Seal inspection records); 22, 23 and 24 (BOP Shop visible emission observations records); 28 (BOP Shop Dirty Gas Main Inspection records); 32 (GCW Baghouse records); 35 (Fugitive PM Operation records); and 37 (Blast Furnace Slag Pit records) of this Decree, stipulated penalties for such failure shall not accrue beyond the first day that the record was due, but repeated violations over the course of the Consent Decree shall be assessed as follows:

Number of Per Day Violations	Penalty Per Day of Violation
1st through 14th	$500
15th through 30th	$1,000
31st and beyond	$2,000

71. Emission Limit at Great Lakes Works No. 2 BOP Shop. For failure to meet the emission requirement in Paragraph 25 (No. 2 BOP Shop Roof Monitor Opacity Limit) of this Consent Decree, stipulated penalties shall accrue as follows. Stipulated penalties shall not accrue on any Day or Days or period of time in which the Great Lakes Works No. 2 BOP Shop is not operating:

Penalty Per Day of Violation	Number of Exceedances
$1,500/Day	1-5 Exceedances/day
$3,000/day	6-10 Exceedances/day
$4,500/day	11+ Exceedances/day

72. Stipulated Penalties for Supplemental Environmental Projects and Environmentally Beneficial Project.

a. Subject to subparagraph (b) below, if U. S. Steel fails to satisfactorily complete any Supplemental Environmental Project or Environmentally Beneficial Project by the

applicable deadlines set forth in Sections VII and VIII and Appendices A and B, as applicable, U. S. Steel shall pay stipulated penalties in the following amounts for each Day after the deadline:

Penalty per Violation per Day	Period of Violation
1st through 14th Day	$1,000
15th through 30th Day	$2,000
31st Day and beyond	$4,000

b. If U. S. Steel fails to expend the entire amount of the required expenditure for any of the projects identified in Appendices A and B and Section VII and Section VIII but otherwise has satisfactorily completed the project, U. S. Steel shall pay a stipulated penalty equal to 125% of the difference between the required expenditure for the project and any eligible project dollar amounts expended to implement the project in accordance with Sections VII and VIII and Appendices A and B as applicable, unless the failure to expend the entire amount is caused by a force majeure event as determined in accordance with Section XII (Force Majeure), in which case U. S. Steel shall pay a stipulated penalty equal to 100% of the difference between the required expenditure and any eligible project dollar amounts expended to implement the project.

73. Demand for Stipulated Penalties. A written demand by the United States, Illinois, MDEQ, or Indiana for the payment of stipulated penalties will identify the particular violation(s) to which the stipulated penalty relates; the stipulated penalty amount (as can be best estimated) that the United States, Illinois, MDEQ, and/or Indiana is demanding for each violation; the calculation method underlying the demand; and the grounds upon which the demand is based. The Party making a demand for payment of a stipulated penalty shall simultaneously send a copy of the demand to the other applicable Party.

74. Stipulated Penalties' Accrual. If the approved report submitted under Paragraph 21(c) (BOP Shop) contains a compliance schedule with interim compliance dates, stipulated penalties for deviations from interim compliance dates shall accrue but not be owed if the final compliance date is met. Stipulated penalties for failure to comply with notice, reporting, retention of records or recordkeeping requirements shall not accrue if the action to be noticed, reported, or recorded has not occurred. Stipulated penalties will begin to accrue on the Day after performance is due or the Day a violation occurs, whichever is applicable, and will continue to accrue until performance is satisfactorily completed or the violation ceases, whichever is applicable. Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

75. Stipulated Penalties Payment Due Date. Stipulated penalties shall be paid no later than 30 Days after receipt of a written demand by the United States, Illinois, MDEQ, or Indiana, unless the demand is subject to Section XIV (Dispute Resolution).

76. Manner of Payment of Stipulated Penalties. Stipulated penalties owing to the United States of under $10,000 will be paid by check and made payable to "U.S. Department of Justice," referencing DJ# 90-5-2-1-06476/1, and delivered to the Financial Litigation Unit of the U.S. Attorney's Office for the Northern District of Indiana. Stipulated penalties owing to the United States of $10,000 or more will be paid in the manner set forth in Section VI (Civil Penalty). For the Granite City Works Facility, U. S. Steel shall pay fifty percent of the total stipulated penalty amount due to the United States and fifty percent to the State of Illinois, except for violations related to Paragraphs 34-37 (the Illinois State-Only claims), in which case U. S. Steel shall pay the total stipulated penalty amount to the State of Illinois; for the Great Lakes Works Facility, U. S. Steel shall pay fifty percent of the total stipulated penalty amount due to the United States and fifty percent to MDEQ; and for the Gary Works Facility, U. S. Steel shall pay fifty

percent of the total stipulated penalty amount due to the United States and fifty percent to the State of Indiana. For violations relating to the Granite City Works Facility, the Great Lakes Works Facility, and the Gary Works Facility together, the stipulated penalty amount shall be split evenly between the United States, Illinois, MDEQ, and Indiana.

77. All stipulated penalties owing to the State of Indiana shall be paid in the manner set forth in Section VI (Civil Penalty). Stipulated penalties owing to MDEQ shall be paid in the manner set forth in Section VI (Civil Penalty). All stipulated penalties owing to the State of Illinois shall be paid by certified check payable to the Illinois EPA for deposit into the Environmental Protection Trust Fund ("EPTF"). Payments shall be sent by first class mail and delivered to:

Illinois Environmental Protection Agency
Fiscal Services
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

All transmittal correspondence shall state that the payment is for stipulated penalties, shall identify the violations to which the payment relates, and shall include the same identifying information required by this Section.

78. Waiver of Payment. The United States, Illinois, MDEQ, or Indiana may, in its unreviewable discretion, waive payment of any portion or all of the stipulated penalties that may be due to it under this Consent Decree. Where only one Plaintiff demands stipulated penalties for a violation, and the other Plaintiff or Plaintiffs do not join in the demand within ten Days of receiving the demand, or timely join(s) the demand but subsequently elect(s) to waive or reduce stipulated penalties for that violation, U. S. Steel shall pay the full stipulated penalties due for the violation to the Plaintiff(s) making the demand less any amount paid to the other Plaintiff(s).

79. Disputes over Stipulated Penalties. By no later than 30 Days after receipt of a written demand for stipulated penalties, U. S. Steel may dispute liability for any or all stipulated penalties demanded by invoking the dispute resolution procedures of Section XIV of this Decree (Dispute Resolution). In the event of a dispute over stipulated penalties, stipulated penalties shall continue to accrue as provided in Paragraphs 66-72 during any Dispute Resolution, but need not be paid until the following:

a. If the dispute is resolved by agreement or a decision of EPA, or Illinois in the case of a dispute involving an Illinois State-Only claim, that is not appealed to the Court, U. S. Steel shall pay accrued penalties determined to be owing, together with interest, to the United States, or Illinois in the case of a dispute involving an Illinois State-Only claim, within 30 Days of the effective date of the agreement or the receipt of EPA's or Illinois' decision or order.

b. If the dispute is appealed to the Court and the United States, or Illinois in the case of a dispute involving an Illinois State-Only claim, prevails in whole or in part, U. S. Steel shall pay all accrued penalties determined by the Court to be owing, together with interest, within 60 Days of receiving the Court's decision or order, except as provided in subparagraph c, below.

c. If any Party appeals the District Court's decision, U. S. Steel shall pay all accrued penalties determined to be owing, together with interest, within 15 Days of receiving the final appellate court decision.

80. No amount of the stipulated penalties paid by U. S. Steel shall be used to reduce its federal or state tax obligations.

81. Interest. If U. S. Steel fails to pay stipulated penalties required by this Consent Decree, U. S. Steel shall be liable for interest on such penalties at the rates specified in Paragraph

42, accruing as of the date payment became due. Nothing in this Paragraph shall be construed to limit the United States or Illinois, in the case of a dispute involving an Illinois State-Only claim, from seeking any remedy otherwise provided by law for U. S. Steel's failure to pay any stipulated penalties.

82. Reservation of Rights. Subject to the provisions of Section XVI (Effect of Settlement/Reservation of Rights), the stipulated penalties provided for in this Consent Decree shall be in addition to any other rights, remedies, or sanctions available to the United Sates, Illinois, MDEQ, or Indiana (including, but not limited to, statutory penalties, additional injunctive relief, mitigation or offset measures, and contempt) for U. S. Steel's violation of this Consent Decree or applicable law. Where a violation of this Consent Decree is also a violation of the Clean Air Act, U. S. Steel shall be allowed a credit for any stipulated penalties paid, against any statutory penalties imposed for such violation.

XII. FORCE MAJEURE

83. "Force Majeure," for purposes of this Consent Decree, is defined as any event arising from the causes beyond the control of U. S. Steel, any entity controlled by U. S. Steel, or of U. S. Steel's contractors that delays or prevents the performance of any obligation under this Consent Decree despite U. S. Steel's best efforts to fulfill the obligation. The requirement that U. S. Steel exercises "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential force majeure event and best efforts to address the effects of any such event (a) as it is occurring and (b) after it has occurred to prevent or minimize any resulting delay to the greatest extent possible. "Force Majeure" does not include U. S. Steel's financial inability to perform any obligation under this Consent Decree.

84. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree, whether or not caused by a force majeure event, U. S. Steel shall provide written notice to EPA, and, for events relating to the Granite City Works Facility, Illinois EPA; for events relating to the Great Lakes Works Facility, MDEQ; and, for events related to the Gary Works Facility, IDEM, within seven (7) Days of when U. S. Steel first knew that the event might cause a delay. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree relating to the Illinois State-Only claims in Paragraphs 35-37, whether or not caused by a force majeure event, U. S. Steel shall provide written notice to Illinois within seven (7) Days of when U. S. Steel first knew that the event might cause a delay. The notice shall include an explanation and description of the reasons for the delay; the anticipated duration of the delay; all actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; U. S. Steel's rationale for attributing such delay to a force majeure event; and a statement as to whether, in the opinion of U. S. Steel, such event may cause or contribute to an endangerment to public health, welfare, or the environment. U. S. Steel shall include with any notice all available documentation supporting the claim that the delay was attributable to a force majeure event. Failure to comply with the above requirements shall preclude U. S. Steel from asserting any claim of force majeure for that event for the period of time of such failure to comply, and for any additional delay caused by such failures. U. S. Steel shall be deemed to know of any circumstance of which U. S. Steel, any entity controlled by U. S. Steel, or U. S. Steel's contractors knew or should have known.

85. If EPA, after reasonable opportunity for review and comment by Illinois, MDEQ, or Indiana, as applicable, or Illinois in the case of an Illinois-only notification, agrees that the delay or

anticipated delay is attributable to a force majeure event, the time for performance of the obligations under this Consent Decree that are affected by the force majeure event will be extended by EPA, after a reasonable opportunity for review and comment by Illinois, MDEQ, or Indiana, as applicable, for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the force majeure event shall not, of itself, extend the time for performance of any other obligation. EPA or Illinois as applicable will notify U. S. Steel in writing of the length of the extension, if any, for performance of the obligations affected by the force majeure event.

86. If EPA, or Illinois in the case of an Illinois-only notification, after a reasonable opportunity for review and comment by Illinois, MDEQ, or Indiana, as applicable, does not agree that the delay or anticipated delay has been or will be caused by a force majeure event, EPA or Illinois as applicable will notify U. S. Steel in writing of its decision.

87. If U. S. Steel elects to invoke the dispute resolution procedures set forth in Section XIV (Dispute Resolution), it shall do so no later than 15 Days after receipt of EPA's or Illinois' notice. In any such proceeding, U. S. Steel shall have the burden of demonstrating by a preponderance of the evidence that the delay or anticipated delay has been or will be caused by a force majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate the effects of the delay, and that U. S. Steel complied with the requirements of Paragraphs 83 and 84 above. If U. S. Steel carries this burden, the delay at issue shall be deemed not to be a violation by U. S. Steel of the affected obligation of this Consent Decree identified to EPA or Illinois, as applicable, and the Court.

88. Permits. Where any compliance obligation under this Section requires U. S. Steel to obtain a federal, state, or local permit or approval, U. S. Steel shall submit timely and complete applications and take all other actions necessary to obtain all such permits or approvals. U. S. Steel may seek relief under the provisions of this Section (Force Majeure) for any delay in the performance of any such obligation resulting from a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation, if U. S. Steel submitted timely and complete applications and has taken all other actions necessary to obtain all such permits or approvals.

XIII. IDLING OF OPERATIONS

89. In the event U. S. Steel Idles a BOP Shop or a blast furnace at the Gary Works Facility, Granite City Works Facility, or Great Lakes Works Facility, U. S. Steel may postpone performing the compliance requirements in Section V (Compliance Requirements), as applicable to the BOP Shop or blast furnace that is Idled, and avoid the stipulated penalties that would otherwise accrue from those provisions, by notifying Plaintiffs at least 20 Days or the same Day that notice under the Worker Adjustment and Retraining Notification (WARN) Act, 29 U.S.C. § 2102(a)(1), (if applicable) is provided, whichever comes first, before any such Idle begins, and at least 5 Days before the Idle ends; provided, however, that U. S. Steel may postpone performing the compliance requirement in Paragraph 13 (enclosing openings in Blast Furnace No. 6 at Gary Works Facility) only if all of the blast furnaces at the Gary Works Facility are Idled. Any such postponement shall extend the applicable compliance requirements by one Day for every one Day that the BOP Shop or blast furnace was Idled, except for the requirements in Paragraphs 30 (Steam Rings/Granite City); 32 (Baghouse System/Granite City); 33 (Electronic Tracking and Management System/all facilities); 35 (Daily Record Sheets/Granite City); 36 (BOP Shop

Bldg/Granite City); and 37 (Blast Furnace Slag Pit/Granite City), which shall be complied with immediately upon restart of the BOP Shop or blast furnace.

XIV. DISPUTE RESOLUTION

90. Informal Dispute Resolution. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree. Any dispute subject to Dispute Resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when U. S. Steel sends the United States a written Notice of Dispute, or, in the case of a dispute regarding an Illinois State-Only claim, when U. S. Steel sends the State of Illinois a written Notice of Dispute. The period of informal negotiations shall not exceed 20 Days from the date the dispute arises, unless that period is modified by written agreement. If the Parties cannot resolve a dispute by informal negotiations, then the United States, or Illinois in the case of a dispute involving an Illinois State-Only claim, shall provide U. S. Steel with a written summary of its position regarding the dispute. The position advanced by the United States, or Illinois in the case of dispute involving an Illinois State-Only claim, shall be considered binding unless, within 30 Days after the conclusion of the informal negotiation period, U. S. Steel invokes formal dispute resolution procedures as set forth below.

91. Formal Dispute Resolution. U. S. Steel shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on EPA, or Illinois in the case of a dispute involving an Illinois State-Only claim, a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting U. S. Steel's position and any supporting documentation relied upon by U. S. Steel.

92. The United States, or Illinois in the case of a dispute involving an Illinois State-Only claim, shall serve its Statement of Position within 45 Days of receipt of U. S. Steel's Statement of Position. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting that position and any supporting documentation relied upon by the United States or Illinois in the case of a dispute involving an Illinois State-Only claim. The Statement of Position shall be binding on U. S. Steel, unless U. S. Steel files a motion for judicial review of the dispute in accordance with the following Paragraph.

93. U. S. Steel may seek judicial review of the dispute by filing with the Court and serving on the United States or Illinois in the case of a dispute involving an Illinois State-Only claim, in accordance with Section XVIII (Notices), a motion requesting judicial resolution of the dispute. The motion must be filed within 30 Days of receipt of the Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of U. S. Steel's position on the matter in dispute, including any supporting factual data, analysis, opinion, or documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

94. The United States, or Illinois in the case of a dispute involving an Illinois State-Only claim, shall respond to U. S. Steel's motion within the time period allowed by the Local Rules of this Court. U. S. Steel may file a reply memorandum, to the extent permitted by the Local Rules.

95. Standard of Review. In any dispute brought under this Section (Dispute Resolution), U. S. Steel shall bear the burden of proof pursuant to applicable principles of law.

96. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of U. S. Steel under this Consent

Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first Day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 79. If U. S. Steel does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section XI (Stipulated Penalties).

XV. INFORMATION COLLECTION AND RETENTION

97. The United States, Illinois, Indiana, and MDEQ, and their representatives, including attorneys, contractors, and consultants, shall have the right of entry into any facility covered by this Consent Decree, at all reasonable times, upon presentation of credentials, to:

a. Monitor the progress of activities required under this Consent Decree;

b. Verify any data or information submitted to the United States in accordance with the terms of this Consent Decree;

c. Obtain samples, and, upon request, splits of any samples taken by U. S. Steel or its representatives, contractors, or consultants;

d. Obtain documentary evidence, including photographs and similar data; and

e. Assess U. S. Steel's compliance with this Consent Decree.

98. In conducting such information collection, the United States, Illinois, Indiana, and MDEQ, and their representatives, including attorneys, contractors, and consultants, shall comply with all of U. S. Steel's safety requirements for all personnel entering U. S. Steel's facility.

99. Until five years after the termination of this Consent Decree, U. S. Steel shall retain, and shall instruct its contractors and agents to preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, and that relate in any manner to U. S. Steel's

performance of its obligations under this Consent Decree. This information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. At any time during this information-retention period, upon request by the United States, Illinois, Indiana, or MDEQ, U. S. Steel shall provide copies of any documents, records, or other information required to be maintained under this Paragraph. U. S. Steel may assert that certain documents, records, or other information is privileged under the attorney-client privilege or any other privilege recognized by federal law. If U. S. Steel asserts such a privilege, it shall provide the following: (a) the title of the document, record, or information; (b) the date of the document, record, or information; (c) the name and title of each author of the document, record, or information; (d) the name and title of each addressee and recipient; (e) a description of the subject of the document, record, or information; and (f) the privilege asserted by U. S. Steel.

100. At the conclusion of the information-retention period provided in the preceding Paragraph, U. S. Steel shall notify the United States, Illinois, Indiana, and MDEQ at least 90 Days prior to the destruction of any documents, records, or other information subject to the requirements of the preceding Paragraph and, upon request by the United States, Illinois, Indiana, or MDEQ, U. S. Steel shall deliver any such documents, records, or other information to EPA, Illinois, Indiana, or MDEQ. U. S. Steel may assert that certain documents, records, or other information is privileged under the attorney-client privilege or any other privilege recognized by federal law. If U. S. Steel asserts such a privilege, it shall provide the following: (a) the title of the document, record, or information; (b) the date of the document, record, or information; (c) the name and title of each author of the document, record, or information; (d) the name and title of each addressee and recipient; (e) a description of the subject of the document, record, or information; and (f) the privilege asserted by U. S. Steel.

101. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States, Illinois, Indiana, or MDEQ, pursuant to applicable federal or state laws, regulations, or permits, nor does it limit or affect any duty or obligation of U. S. Steel to maintain documents, records, or other information imposed by applicable federal or state laws, regulations, or permits.

XVI. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

102. This Consent Decree resolves the civil claims of the United States, the State of Illinois, the State of Indiana, MDEQ, and Illinois EPA for the violations alleged in the Complaint filed in this action and IEPA Violation Notices A-2014-00009 and L-2011-01342, US EPA Notice of Violation and Finding of Violation EPA-05-14-MI-07, and MDEQ Violation Notice dated April 14, 2014 (violations alleged regarding the No. 26 Vessel downcomer and the dirty gas main at the No. 2 BOP Shop at the Great Lakes Works Facility) through the Date of Lodging.

103. The United States, the State of Illinois, State of Indiana, and MDEQ reserve all legal and equitable remedies available to enforce the provisions of this Consent Decree, except as expressly stated in Paragraph 102. This Consent Decree shall not be construed to limit the rights of the United States, Indiana, Illinois, and MDEQ to obtain penalties or injunctive relief under the Act, its implementing regulations, or regulations authorized by the Act, or under other federal or state laws, regulations, or permit conditions except as specifically stated in Paragraph 102. The United States, Illinois, Indiana, and MDEQ further reserve all legal and equitable remedies to address any imminent and substantial endangerment to the public health or the environment arising at, or posed by, the Gary Works Facility, the Great Lakes Works Facility and the Granite City Works Facility, whether or not related to the violations addressed in this Consent Decree or otherwise.

104. In any subsequent administrative or judicial proceeding initiated by the United States, Illinois, Indiana, or MDEQ for injunctive relief, civil penalties, or other appropriate relief relating to the Gary Works Facility, the Great Lakes Works Facility and the Granite City Works Facility, U. S. Steel shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States, Illinois, Indiana, or MDEQ in the subsequent proceeding were or should have been brought in the instant case, except with respect to claims that have been resolved pursuant to Paragraph 102. This Consent Decree is not a permit, or a modification of any permit, under any federal, State, or local laws or regulations. U. S. Steel is responsible for achieving and maintaining complete compliance with all applicable federal, State, and local laws, regulations, and permits; and U. S. Steel's compliance with this Consent Decree shall be no defense to any action commenced pursuant to any such laws, regulations, or permits, except as set forth herein. The United States, Illinois, Indiana, and MDEQ do not, by their consent to the entry of this Consent Decree, warrant or aver in any manner that U. S. Steel's compliance with any aspect of this Consent Decree will result in compliance with the provisions of the Act, or with any other provisions of federal, State, or local laws, regulations, or permits.

105. This Decree does not limit or affect the rights of the United States, Illinois, Indiana, and MDEQ against any third parties not party to this Consent Decree nor does it limit the rights of third parties not party to this Consent Decree against U. S. Steel, except as otherwise provided by law.

106. This Decree shall not be construed to create any rights in, or grant any cause of action to, any third party not party to this Consent Decree.

XVII. COSTS

107. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States, Illinois, Indiana, and MDEQ shall be entitled to collect the costs (including attorneys' fees) incurred in any action necessary to collect any portion of the civil penalty or any stipulated penalties due but not paid by U. S. Steel.

XVIII. NOTICES

108. Unless otherwise specified in this Decree, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and addressed to:

The United States

U.S. Department of Justice by email:

Eescdcopy.enrd@usdoj.gov
Re: DJ # 90-5-2-1-06476/1

U.S. Department of Justice by mail:

EES Case Management Unit
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611
Washington, D.C., 20044-7611
Re: DJ # 90-5-2-1-06476/1

EPA:

Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency
Region 5
77 West Jackson Blvd.
Chicago, IL 60604

and

Eric Cohen
Office of Regional Counsel, C-14J
US EPA, Region 5
77 West Jackson Blvd.
Chicago, IL 60604

State of Illinois:

Rebecca A. Burlingham
Supervising Attorney
Illinois Attorney General's Office
Environmental Bureau
69 West Washington Street, 18th Floor
Chicago, IL 60602

312-814-3776

rburlingham@atg.state.il.us

Chris Pressnall
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276
217-524-3003
Chris.pressnall@illinois.gov

Manager, Compliance Unit
Illinois EPA – Bureau of Air
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

Manager, Bureau of Air - Field Operations Section
Collinsville Regional Office
2009 Mall Street
Collinsville, IL 62234

State of Indiana:

Phil Perry
Indiana Department of Environmental Management
Chief, Air Compliance Branch
100 North Senate Avenue
MC-61-53, IGCN 1003
Indianapolis, IN 46204-2251

MDEQ by mail:

Neil D. Gordon
Michigan Department of Attorney General
Environment, Natural Resources, and
Agriculture Division
P.O. Box 30755
Lansing, MI 48909

and

Wilhemina McLemore
Michigan Department of Environmental Quality
Air Quality Division
Cadillac Place, Suite 2-300
3058 West Grand Boulevard
Detroit, MI 48202-6058

MDEQ by email:
mclemorew@michigan.gov (MDEQ Air Quality Division Detroit Office Supervisor)

MDEQ by telephone:
313-456-4685 (MDEQ Air Quality Division Detroit Office Supervisor)

MDEQ by telephone for notice orally of an event that may pose an immediate threat to the public health or welfare or the environment:

1-800-292-4706 (MDEQ Pollution Emergency Alert System)

U. S. Steel:

General Manager, Environmental Affairs
United States Steel Corporation
Penn Liberty Plaza I
1350 Penn Avenue, Suite 200
Pittsburgh, PA 15222-4211

Assistant General Counsel, Environmental
United States Steel Corporation
600 Grant Street - Suite 1500
Pittsburgh, PA 15219

General Manager
U. S. Steel – Gary Works
One North Broadway
Gary, Indiana 46402

General Manager
U. S. Steel – Great Lakes Works
No. 1 Quality Drive
Ecorse, Michigan 48229

General Manager
U. S. Steel – Granite City Works
20th & State Streets
Granite City, IL 62040

109. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.

110. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XIX. RETENTION OF JURISDICTION

111. The Court shall retain jurisdiction over this case until termination of this Consent Decree, for the purpose of resolving disputes arising under this Decree or entering orders modifying this Decree, pursuant to Sections XIV (Dispute Resolution) and XX (Modification), or effectuating or enforcing compliance with the terms of this Decree.

XX. MODIFICATION

112. The terms of this Consent Decree, including any attached appendices, may be modified only by a subsequent written agreement signed by all of the Parties. Where a modification by the Parties constitutes a material change to this Decree, it shall be effective only upon approval by the Court.

113. Any disputes concerning modification of this Decree shall be resolved pursuant to Section XIV (Dispute Resolution), provided, however, that, instead of the burden of proof provided by Paragraph 95, the Party seeking the modification bears the burden of demonstrating

that it is entitled to the requested modification in accordance with Federal Rule of Civil Procedure 60(b).

XXI. TERMINATION

114. After U. S. Steel has completed all of the requirements of Section V (Compliance Requirements), has thereafter maintained satisfactory compliance with this Consent Decree for a period of at least 24 months, has complied with all other requirements of this Consent Decree, including those relating to the Supplemental Environmental Projects required by Section VII and the Environmentally Beneficial Project required by Section VIII, and has paid the civil penalty and any accrued stipulated penalties as required by this Consent Decree, U. S. Steel may serve upon the United States, Illinois, Indiana, and MDEQ a Request for Termination, stating that U. S. Steel has satisfied those requirements, together with all necessary supporting documentation.

115. Partial Termination

a. Partial Termination for the Gary Works Facility. After U. S. Steel has completed the requirements in Section V (Compliance Requirements), has thereafter maintained satisfactory compliance with those requirements for a period of at least 12 months (excluding periods of Idling, as defined above), has demonstrated that it has completed the SEPs and Environmentally Beneficial Project for the Gary Works Facility, has paid the civil penalty to the United States and all three States, and has paid any accrued stipulated penalties applicable to the Gary Works Facility as required by Section XI of this Consent Decree, unless waived or reduced by Plaintiffs pursuant to Paragraph 78, U. S. Steel may serve upon Plaintiffs a Request for Partial Termination for the Gary Works Facility. The Request for Partial Termination shall include a detailed statement describing the basis(es) for U. S. Steel's determination that it has satisfied the requirements for that facility under this Consent Decree, and all necessary supporting documentation.

b. Partial Termination for the Great Lakes Works Facility. After U. S. Steel has completed the requirements in Section V (Compliance Requirements) for the Great Lakes Works Facility, including meeting all of the conditions in Paragraphs 23 and 24 for reduction in visible emissions monitoring frequency to the frequency specified in the Great Lakes Works Title V Permit, and has thereafter maintained satisfactory compliance with those requirements for a period of at least 24 months, has demonstrated that it has completed the SEPs and Environmentally Beneficial Project for the Great Lakes Works Facility, has paid the civil penalty to the United States and all three States, and has paid any accrued stipulated penalties as required by Section XI of this Consent Decree, unless waived or reduced by Plaintiffs pursuant to Paragraph 78, U. S. Steel may serve upon Plaintiffs a Request for Partial Termination for the Great Lakes Works Facility. The Request for Partial Termination shall include a detailed statement describing the basis(es) for U. S. Steel's determination that it has satisfied the requirements for that facility under this Consent Decree, and all necessary supporting documentation.

c. Partial Termination for the Granite City Works Facility. After U. S. Steel has completed the requirements in Section V (Compliance Requirements) for the Granite City Works Facility, has thereafter maintained satisfactory compliance with those requirements for a period of at least 24 months, has demonstrated that it has completed the SEPs for the Granite City Works Facility, has paid the civil penalty to the United States and all three States, and has paid any accrued stipulated penalties as required by Section XI of this Consent Decree, unless waived or reduced by Plaintiffs pursuant to Paragraph 78, U. S. Steel may serve upon Plaintiffs a Request for Partial Termination for the Granite City Works Facility. The Request for Partial Termination shall include a detailed statement describing the basis(es) for U. S. Steel's determination that it

has satisfied the requirements for that facility under this Consent Decree, and all necessary supporting documentation.

116. Following receipt by the United States, Illinois, Indiana, and MDEQ of Defendant's Request for Termination or Partial Termination (if applicable), the Parties shall confer informally concerning the Request and any disagreement that the Parties may have as to whether Defendant has satisfactorily complied with the requirements for termination or partial termination of this Consent Decree. If the United States, after consultation with Illinois, Indiana, and MDEQ, agrees that the Decree may be terminated, or partially terminated with respect to one or more Facilities, the Parties shall submit, for the Court's approval, a joint stipulation terminating or partially terminating the Decree.

117. If the United States, after consultation with Illinois, Indiana, and MDEQ, does not agree that the Decree may be terminated, or partially terminated with respect to one or more Facilities, Defendant may invoke Dispute Resolution under Section XIV (Dispute Resolution). However, Defendant shall not seek Dispute Resolution of any dispute regarding termination until 45 Days after service of its Request for Termination or Partial Termination.

XXII. PUBLIC PARTICIPATION

118. This Consent Decree shall be lodged with the Court for a period of not less than 30 Days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States, after consultation with Indiana, Illinois and MDEQ, reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. U. S. Steel consents to entry of this Consent Decree without further notice and agrees not to withdraw from or oppose entry of this Consent Decree by the Court or to challenge any provision of the Decree, unless the United States has notified U. S. Steel in writing that it no longer supports entry of the Decree.

XXIII. SIGNATORIES / SERVICE

119. Each undersigned representative of U. S. Steel, the State of Illinois, the State of Indiana, MDEQ, EPA, and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice (or his or her designee) certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind the Party he or she represents to this document.

120. This Decree may be signed in parts, and its validity shall not be challenged on that basis. U. S. Steel agrees to accept service of process by mail with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons.

XXIV. INTEGRATION

121. This Consent Decree constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in the Decree and supersedes all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. Other than deliverables that are subsequently submitted and approved pursuant to this Decree, no other document, nor any representation, inducement, agreement, understanding, or promise, constitutes any part of this Decree or the settlement it represents, nor shall it be used in construing the terms of this Decree.

XXV. FINAL JUDGMENT

122. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court as to the United States, the State of Illinois, the State of Indiana, MDEQ, and U. S. Steel. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

XXVI. APPENDICIES

123. The following Appendices are attached to and part of this Consent Decree:

"Appendix A" – Joint Federal/State Supplemental Environmental Projects.

"Appendix B" – State-Only Supplemental Environmental Projects.

"Appendix C" - Photograph of the openings in Blast Furnace No. 6 at the Gary Works Facility that need to be enclosed pursuant to Paragraph 13.

Dated and entered this 30th Day of March, 2017

HON. PHILIP P. SIMON
UNITED STATES DISTRICT JUDGE
NORTHERN DISTRICT OF INDIANA

FOR THE UNITED STATES OF AMERICA:

11/22/16
Date

JOHN C. CRUDEN
Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice

ARNOLD S. ROSENTHAL
Senior Attorney
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Washington, DC 20044-7611

Iva Ziza / by AR
IVA ZIZA
Trial Attorney
Environmental Enforcement Section
Environment and Natural Resources Division
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Washington, DC 20044-7611

FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

11/21/16
Date

ROBERT A. KAPLAN
Acting Regional Administrator
U.S. Environmental Protection Agency
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77 West Jackson Boulevard
Chicago, IL 60604

acting for

T. LEVERETT NELSON
Regional Counsel
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77 West Jackson Boulevard
Chicago, IL 60604

MARK PALERMO
Associate Regional Counsel
U.S. Environmental Protection Agency
Region 5 (C-14J)
77 West Jackson Boulevard
Chicago, IL 60604

FOR THE STATE OF ILLINOIS:

11/17/16
Date

LISA MADIGAN, Attorney General
of the State of Illinois

MATTHEW J. DUNN, Chief
Environmental Enforcement/
Asbestos Litigation Division

Elizabeth Wallace

ELIZABETH WALLACE, Chief
Assistant Attorney General
Environmental Bureau
69 West Washington Street, Suite 1800
Chicago, Illinois 60602

THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

ALEC MESSINA, Acting Director
Illinois Environmental Protection Agency

9/21/16
Date

JOHN J. KIM
Chief Legal Counsel
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Springfield, IL 62794-9276

FOR THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

November 17, 2016
Date

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FOR THE STATE OF INDIANA

ON BEHALF OF THE INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT:

Nov 16, 2016
Date

CAROL S. COMER
Commissioner
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, IN 46204

As to form and legality:

GREGORY F. ZOELLER
Indiana Attorney General

PATRICIA ORLOFF ERDMANN
Chief Counsel of Litigation
Office of the Indiana Attorney General
Indiana Government Center South
5th Floor
302 West Washington Street
Indianapolis, IN 46204

FOR UNITED STATES STEEL CORPORATION:

Nov. 21, 2016

DAVID L. SMIGA
Secretary and Assistant General Counsel - Environmental
United States Steel Corporation
600 Grant Street - Suite 1500
Pittsburgh, PA 15219

Date

APPENDIX A

JOINT STATE AND FEDERAL SUPPLEMENTAL ENVIRONMENTAL PROJECTS

U. S. Steel shall comply with the requirements of this Appendix in fulfilling its obligations under Section VII of the Consent Decree with regard to joint state and federal supplemental environmental projects ("Joint SEPs").

I. Street Sweeper with Enhanced Particulate Collection for Granite City, Illinois

A. U. S. Steel shall provide for the acquisition by the City of Granite City, Illinois of a new street sweeper, estimated to cost between $260,000 and $275,000, equipped with enhanced particulate collection capability for use by the City of Granite City ("Granite City Street Sweeper SEP"). The new sweeper shall substantially improve street particulate collection (and thereby reduce fugitive dust emissions) from existing street sweeper operations in Granite City.

B. The new sweeper shall be a "Pelican 3-Wheel Broom Sweepes" model manufactured by Elgin Sweeper Co. (or equivalent approved by EPA and the State of Illinois), and it shall replace a sweeper currently used by Granite City and include skirting around the brooms and sweeper perimeter, new waterless filter technology, and improved technology for capturing particulate matter.

C. The Granite City Street Sweeper SEP shall be completed within one year after the Effective Date, provided that this date may be extended by mutual agreement of U. S. Steel, the United States, and the State of Illinois in writing.

II. Replacement of Lighting Ballasts and Light Bulbs in Public Schools in Gary, Indiana and Detroit/Ecorse/River Rouge, Michigan

A. U. S. Steel shall provide for the removal and proper disposal of fluorescent lighting ballasts that may contain polychlorinated biphenyls (PCBs) and the replacement and installation of new energy-efficient, PCB-free replacement lighting ballasts and light bulbs for public schools within the Gary Community Schools Corporation, in Gary, Indiana, and public schools in Ecorse, River Rouge, and Southwest Detroit in Michigan ("School Lighting Replacement SEP"). The focus of the School Lighting Replacement SEP is to protect the environment and public health by facilitating the safe identification, removal, and disposal of energy-inefficient lighting ballasts that may contain PCBs, and their replacement with energy efficient, non-toxic alternative lighting fixtures. The School Lighting Replacement SEP shall: seek to reduce the use of lighting ballasts that may contain PCBs in schools housing children (persons under the age of 18), including day-care centers and early childhood centers; ensure that equipment that may contain PCBs that is removed in this project is handled and disposed (removed from commerce) in accordance with applicable federal regulations under 40 C.F.R. Part 761; and reduce energy demand through installation of energy-efficient lighting that contributes towards reduction in compounded toxics in the energy sector.

B. U. S. Steel shall expend $500,000 to implement this SEP for public schools in Gary, Indiana, and $500,000 to implement this SEP for public schools in Ecorse, River Rouge, and Southwest Detroit.

C. U. S. Steel shall consult with the Gary Community Schools Corporation with respect to public schools in Gary, Indiana, and the Michigan Agency for Energy with respect

to public schools in Ecorse, River Rouge, and Southwest Detroit, Michigan to identify and prioritize schools that will receive lighting ballast replacements due to the presence at such schools of lighting ballasts that may contain PCBs (likely for schools built before 1979 that have not had extensive lighting retrofits since 1979 and are using T-12 magnetic lighting ballasts). Priority for lighting ballast replacement should be given to those schools with a significant number of students who qualify for a reduced or free lunch program.

D. All replacement lighting ballasts and light bulbs shall be electronic and shall have an energy efficiency that is equivalent to or better than T-8 (based on energy efficiency standards set by the U. S. Department of Energy) with preference given to LED light fixtures, if feasible.

E. Lighting ballasts removed under this SEP shall be assumed to have PCB waste and shall be properly disposed of in accordance with 40 C.F.R. Part 761, unless such ballasts are clearly marked or labeled to have no PCBs.

F. The School Lighting Replacement SEP shall be completed within two years after the Effective Date, provided that this date may be extended by mutual agreement of U. S. Steel, the United States, Indiana, and the Michigan Department of Environmental Quality in writing.

G. In addition to the information specified in Paragraph 47 of the Decree, U. S. Steel shall provide in the School Lighting Replacement SEP Completion Report:

i. A detailed description of the School Lighting Replacement SEP as completed, including the identification of the schools addressed under this Joint SEP along with the number of students and locations of the schools, a list of the expenditures of funds, and the number of fixtures with replaced lighting at each school;

ii. A description of the replacement lighting, including information on expected energy savings, if available; and

iii. Records demonstrating that the lighting ballasts were properly disposed of in accordance with 40 C.F.R. Part 761.

III. City of Detroit Roadside Vegetative Particulate Buffer Project

A. U. S. Steel shall provide for the installation of roadside vegetative buffers on public land adjacent to high-traffic roadways in Southwest Detroit designed to reduce transport of particulate matter emissions from such traffic to improve downwind air quality ("Roadside Vegetative Particulate Buffer SEP"). Roadside vegetation has been shown to reduce a population's exposure to air pollution through the interception of airborne particles or through the uptake of gaseous air pollution via leaf stomata on the plant surface in addition to affecting pollutant transport and dispersion.

B. U. S. Steel shall provide for the design and implementation of the vegetative particulate buffers at locations in Southwest Detroit identified by the City of Detroit and Greening of Detroit.

C. Vegetation design and planting considerations. U. S. Steel shall provide for the design and implementation of the vegetative particulate buffers identified by the City of Detroit and Greening of Detroit to take into consideration use of plant species and planting locations to achieve particulate reductions. Where possible, the vegetation chosen for a buffer shall not be subject to significant changes in characteristics and integrity during changing seasons.

D. U. S. Steel shall expend $400,000 to implement this Joint SEP. Such costs may include the purchase of trees, bushes, shrubs, other vegetation, soil, mulch, fertilizer, watering services, landscape design services, and installation labor.

E. The Roadside Vegetative Particulate Buffer SEP shall be completed within two years after the Effective Date, provided that this date may be extended by mutual agreement of U. S. Steel, the United States, and the Michigan Department of Environmental Quality in writing.

F. In addition to the information specified in Paragraph 47 of the Decree, U. S. Steel shall provide in the Roadside Vegetative Particulate Buffer SEP Completion Report:

i. a description of the areas where the vegetative particulate buffers were installed;

ii. a copy of the planting plan that was implemented under the Joint SEP;

iii. a list of the expenditures of funds; and

iv. an identification and quantity of the tree species and other vegetation planted.

APPENDIX B

U. S. Steel shall comply with the requirements of this Appendix in fulfilling its obligations under Section VII of the Consent Decree with regard to State supplemental environmental projects ("State-Only SEPs").

I. INDIANA - Waste Tire Removal and Disposal Project in Gary, Indiana

A. The Waste Tire Removal and Disposal Project is designed to protect the environment and public health by identifying, removing, and properly disposing of waste tires that have been improperly or illegally deposited at sites located in Gary, Indiana.

B. U. S. Steel shall spend $70,000 to implement the Waste Tire Removal and Disposal Project within the City of Gary.

C. U. S. Steel shall consult with the City of Gary's Director of Green Urbanism, Brenda Scott-Henry or other Green Urbanism designee and Cheryl Wiseman of IDEM's Northwest Regional Office or other IDEM designee to implement the Waste Tire Removal and Disposal Project as follows:

1. The City has agreed to identify and compile a list of illegal waste tire sites within the City of Gary (the "Waste Tire Priority List") and consult with IDEM to prioritize the list with respect to the order of the waste tire removal, and to provide that list to U. S. Steel.
2. U. S. Steel or its third party contractor ("Contractor") shall remove and properly dispose of tires in order of priority according to the Waste Tire Priority List.

3. U. S. Steel or its Contractor shall ensure that the waste tires that are removed from sites pursuant to the Waste Tire Priority List are disposed of in compliance with all of the requirements of local, state and federal law.

4. The Project shall be completed no later than one year from the Effective Date, provided that this date may be extended by mutual agreement of the City, U. S. Steel and the State of Indiana in writing.

5. In addition to the information and documentation submitted in accordance with the State-Only SEP requirements in Paragraph 50, as part of U. S. Steel's Completion Report for this Project, U. S. Steel shall provide sufficient information and documentation to IDEM to demonstrate that the Waste Tire Removal and Disposal Project has been completed in accordance with the Consent Decree, including:

i. the approximate number of tires removed from sites within the City of Gary and the location of those sites;

ii. the location of the site(s) where the tires were properly disposed; and

iii. information demonstrating compliance with the disposal requirements of local, state and federal law.

D. U. S. Steel shall have the option to consult with IDEM and Green Urbanism to implement the recycling of tires into the Waste Tire Removal and Disposal Project.

II. ILLINOIS - Granite City School Doors Replacement Project

A. U. S. Steel shall provide funding for the replacement of exterior doors at schools that are part of the Granite City Community School District with LEED-certified, insulated, vinyl-clad doors for the purpose of improving energy efficiency at such schools (Granite City School Doors Replacement Project).

B. U. S. Steel shall expend $110,000 on the implementation of this Project.

C. U. S. Steel shall make the funding contingent on:

i. the funds being spent by no later than two years from the Effective Date, which date may be extended by Illinois EPA in its sole discretion; and

ii. the recipients providing sufficient documentation to demonstrate that the funds were spent on replacing exterior doors at schools that are part of the Granite City Community School District with LEED-certified, insulated, vinyl-clad doors.

D. U. S. Steel's Completion Report for this Project shall include, in addition to the requirements of Paragraph 50:

i. identification of the schools where the doors were replaced and the number of doors replaced at each school; and

ii. to the extent possible, a description of the benefits associated with the Project and an explanation of how such benefits were measured or estimated.

E. The Granite City School Doors Replacement Project shall be complete upon the State's approval of the Completion Report for this Project and U. S. Steel's meeting all other conditions of Paragraph 50.

III. ILLINOIS – Granite City Greenway Project

A. U. S. Steel shall provide funding to the City of Granite City Parks and Recreation Department for the creation of a greenway consisting of tree planting and other landscaping along the Nameoki Ditch and other areas, if appropriate, within Granite City, and the creation and maintenance of a transit bike trail as part of the greenway (Granite City Greenway Project).

B. U. S. Steel shall expend $50,000 on the implementation of this Project.

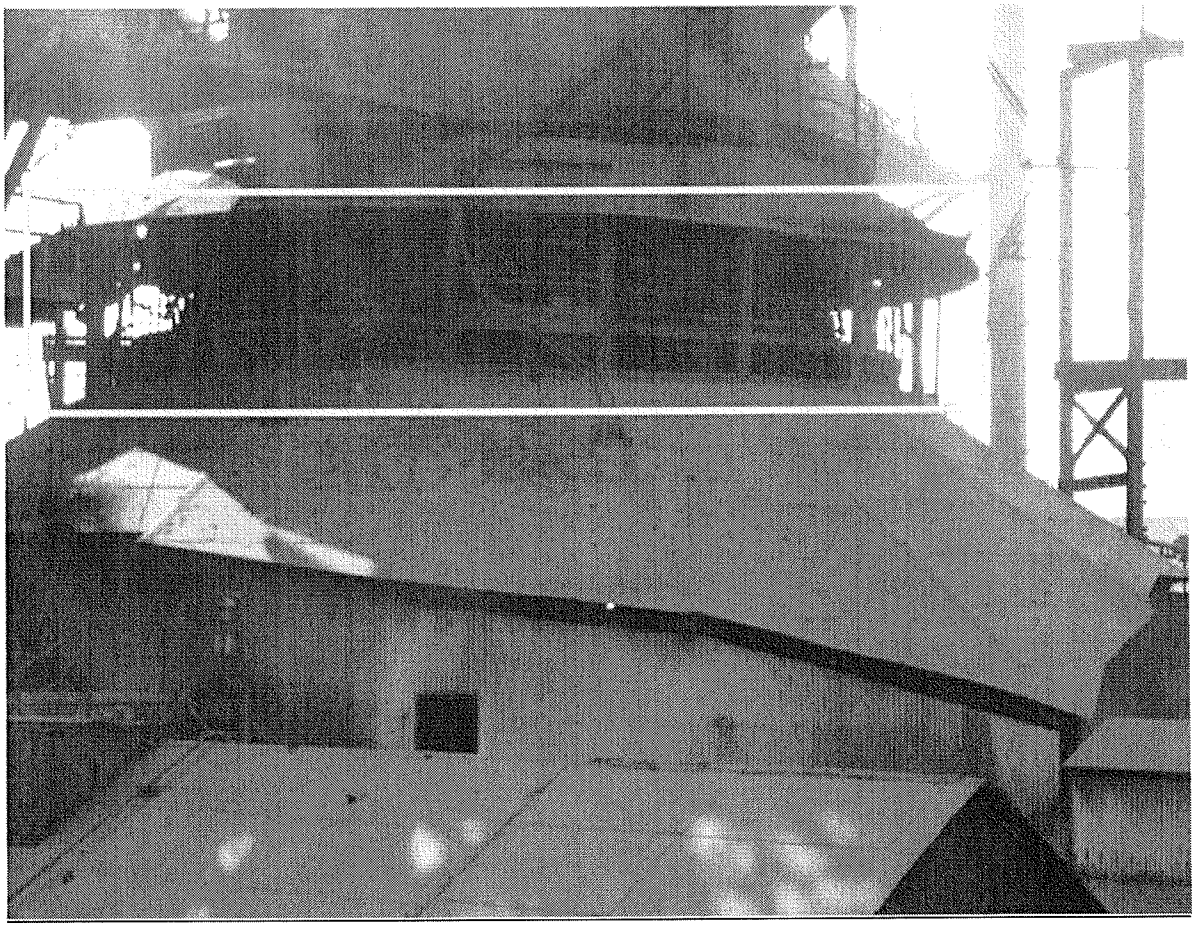
C. U. S. Steel shall make the funding contingent on:

i. the funds being spent by no later than two years from the Effective Date; and

ii. the recipient providing sufficient documentation to identify the locations and contents of all activities associated with the greenway.

D. The Granite City Greenway Project shall be complete upon the State's approval of the Completion Report for this Project and U. S. Steel's meeting all other conditions of Paragraph 50.

APPENDIX C



Area to be enclosed in Blast Furnace No. 6 at Gary Works Facility (see Paragraph 13)