



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



C. HEIDI GREYER
DIRECTOR

April 27, 2018

Ms. Alexis Piscitelli
United States Steel Corporation
Great Lakes Works
Environmental Department
No. 1 Quality Drive
Ecorse, Michigan 48229

Dear Ms. Piscitelli:

SUBJECT: Notice of Termination for Consent Order AQD No. 33-2015

Enclosed is the Notice of Termination for Stipulation for Entry of Final Order by Consent (Consent Order), AQD No. 33-2015. This is in response to the request made by your company to the Michigan Department of Environmental Quality (MDEQ).

If you have any questions regarding the enclosed Notice of Termination, please contact Ms. Rachel McLeod, Enforcement Unit, Air Quality Division, at 517-284-6770, mcleodr1@michigan.gov, or MDEQ, P.O. Box 30260, Lansing, Michigan 48909-7760; or you may contact me.

Sincerely,

Mary Ann Dolehanty, Acting Director
Air Quality Division
517-284-6773

Enclosure

cc/enc: Ms. Sarah Marshall, U.S. Environmental Protection Agency, Region 5
Mr. Neil Gordon, Michigan Department of Attorney General
Mr. Christopher Ethridge, MDEQ
Ms. Wilhemina McLemore, MDEQ
Mr. Malcolm Mead-O'Brien, MDEQ
Ms. Rachel McLeod, MDEQ

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION

In the matter of administrative proceedings
against **UNITED STATES STEEL
CORPORATION**, a corporation organized
under the laws of the State of Delaware and
doing business at No. 1 Quality Drive in the
City of Ecorse, County of Wayne, State of
Michigan

AQD No. 33-2015

SRN: A7809

NOTICE OF TERMINATION

This Notice is issued pursuant to a request for termination submitted by United States Steel Corporation, pursuant to paragraph 23 of the Stipulation for Entry of Final Order by Consent (Consent Order), AQD No. 33-2015. The request contained supporting information as required by paragraph 23 of AQD No. 33-2015. Review of this request and supporting information indicates that United States Steel Corporation has achieved compliance with the terms and requirements of the Consent Order.

THEREFORE, effective on the date signed below, AQD No. 33-2015 is terminated. The Michigan Department of Environmental Quality reserves the right to pursue administrative, civil and/or criminal proceedings, including the assessment of monetary fines, for any falsification of information submitted in support of United States Steel Corporation's request for termination of the Consent Order AQD No. 33-2015, or for any violation of the Michigan Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.5501 *et seq.*; and all other applicable laws.

By: Mary Ann Dolehanty
Mary Ann Dolehanty, Acting Director
Air Quality Division
Michigan Department of
Environmental Quality

Dated: 5/1/18

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF THE DIRECTOR

In the matter of administrative proceedings)
against **UNITED STATES STEEL**)
CORPORATION, a corporation organized)
under the laws of the State of Delaware and)
doing business at No. 1 Quality Drive, in the)
City of Ecorse, County of Wayne, State of)
Michigan)

AQD No. 33-2015
SRN: A7809

AMENDED STIPULATION FOR ENTRY OF FINAL ORDER
BY CONSENT

This Amended Administrative Consent Order supersedes the original Administrative Consent Order entered into by the parties on October 8, 2014 and identified as AQD No. 50-2014. This proceeding resulted from allegations by the Michigan Department of Environmental Quality (MDEQ) Air Quality Division (AQD) against United States Steel Corporation, (Company), a Delaware corporation doing business at No. 1 Quality Drive in the City of Detroit, County of Wayne, State of Michigan, with State Registration Number (SRN) A7809. The MDEQ alleges that the Company is in violation of Renewable Operating Permit (ROP) 199600132d. Specifically, the MDEQ alleges that the Company violated the permit limit for Particulate Matter (PM) during two recent test events from the No. 2 Baghouse and failed to operate and maintain the air pollution control equipment in a satisfactory manner to comply with applicable ROP conditions, at the No. 2 Baghouse and the Continuous Galvanizing Line (EG-CON-GALV-LINE), as cited herein and in the Violation Notices dated October 10, 2012, April 26, 2013, and June 18, 2013. The Company is also alleged to have exceeded nitrogen oxide limits from the Continuous Galvanizing Line associated with the annealing furnace and the annealing furnace and edge burners combined. These alleged violations were cited in the Violation Notice dated February 3, 2014. The Company and MDEQ stipulate to the termination of this proceeding by entry of this Stipulation for Entry of a Final Order by Consent (Consent Order).

The Company and MDEQ stipulate as follows:

1. The Natural Resources and Environmental Protection Act, 1994 PA 451 (Act 451), MCL 324.101 *et seq.* is an act that controls pollution to protect the environment and natural resources in this State.

2. Article II, Pollution Control, Part 55 of Act 451 (Part 55), MCL 324.5501 *et seq.* provides for air pollution control regulations in this State.

3. The MDEQ was created as a principal department within the Executive Branch of the State of Michigan pursuant to Executive Order 2011-1 and has all statutory authority, powers, duties, functions and responsibilities to administer and enforce all provisions of Part 55.

4. The Director has delegated authority to the Chief of the AQD (AQD Chief) to enter into this Consent Order.

5. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55 is proper and acceptable.

6. The Company and the MDEQ agree that the signing of this Consent Order is for settlement purposes only and does not constitute an admission by the Company that the law has been violated.

7. This Consent Order becomes effective on the date of execution (effective date of this Consent Order) by the AQD Chief.

8. The Company shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in this Consent Order.

COMPLIANCE PROGRAM AND IMPLEMENTATION SCHEDULE

9. A. Permit

1. No later than April 30, 2016 or 150 days after the issuance of Permit to Install 219-06B, whichever is later, the NO_x emissions from EG-CON-GALV-LINE shall not exceed the emission rates specified in the Company's ROP that is in effect.

B. Compliance Schedule

1. No later than April 30, 2016 or 150 days after the issuance of Permit to Install 219-06B, whichever is later, the Company shall have completed the installation of the appropriate equipment and notified the AQD Detroit District Supervisor in writing that the installation of the appropriate equipment has been completed and operation of the equipment has commenced in accordance with the provisions of Permit to Install 219-06B, as amended.

C. Monitoring and Recordkeeping

1. On and after the effective date of this Consent Order, the Company shall submit, on a quarterly basis, copies of all inspection reports of the No. 2 Baghouse to the AQD Detroit District Supervisor.

D. Emission Limits

1. On and after the effective date of this Consent Order, the PM emissions from the EG2BOP-HMT shall not exceed the emission rates specified in ROP conditions provided in Table E-E-01.16, Section II.B.1.A.1 and Table E-01.16, Section V.1 of ROP No. 199600132d, or as those conditions are incorporated into the ROP that is in effect.

GENERAL PROVISIONS

14. This Consent Order in no way affects the Company's responsibility to comply with any other applicable state and federal, or local laws or regulations, including without limitation, any amendments to the federal Clean Air Act, 42 USC 7401 *et seq.*, Act 451, Part 55 or their rules and regulations, or to the State Implementation Plan.

15. This Consent Order constitutes a civil settlement and satisfaction as to the resolution of the violations specifically addressed herein; however, it does not resolve any criminal action that may result from these same violations.

16. This Consent Order addresses and resolves only those violations, actions and omissions set forth specifically in the Violation Notices issued by the MDEQ dated October 10, 2012, April 26, 2013, June 18, 2013, and February 3, 2014, and no other violations, actions, or omissions by the Company. Nothing in this Consent Order resolves any of the claims, violations, actions, and omissions alleged by the MDEQ or the United States in *United States et al v. United States Steel Corporation*, No. 2:12cv034, U.S. District Court, Northern District Indiana.

17. Within thirty (30) days after the effective date of this Consent Order, the Company shall pay to the General Fund of the State of Michigan, in the form of a check made payable to the "State of Michigan" and delivered to the Michigan Department of Environmental Quality, Financial and Business Services Division, Revenue Control, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of \$43,000.00 which includes AQD costs for investigation and enforcement. This total settlement amount shall be paid within thirty (30) days of the effective date of this Consent Order. To ensure proper

credit, all payments made pursuant to this Consent Order shall include the Agreement Identification No. AQD40106 on the face of the check. This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

18. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 9.A.1, 9.B.1, 9.C.1, or 9.D.1 of this Consent Order, the Company is subject to a stipulated fine of up to \$5,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with any other provision of this Consent Order, the Company is subject to a stipulated fine of up to \$1,000.00 per violation. The amount of the stipulated fines imposed pursuant to this paragraph shall be within the discretion of the MDEQ. Stipulated fines submitted under this Consent Order shall be by check, payable to the State of Michigan within thirty (30) days of written demand and shall be delivered to the Michigan Department of Environmental Quality, Financial and Business Services Division, Revenue Control, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments shall include the Agreement Identification No. AQD40106-S on the face of the check. Payment of stipulated fines shall not alter or modify in any way the Company's obligation to comply with the terms and conditions of this Consent Order.

19. The AQD, at its discretion, may seek stipulated fines or statutory fines for any violation of this Consent Order which is also a violation of any provision of applicable federal and state law, rule, regulation, permit, or MDEQ administrative order. However, the AQD is precluded from seeking both a stipulated fine under this Consent Order and a statutory fine for the same violation.

20. To ensure timely payment of the settlement amount assessed in paragraph 17 and any stipulated fines assessed pursuant to paragraph 18 of this Consent Order, the Company shall pay an interest penalty to the State of Michigan each time it fails to make a complete or timely payment under this Consent Order. The interest penalty shall be determined at a rate of twelve percent (12%) per year compounded annually, using the full increment of amount due as principal, calculated from the due date specified in this Consent Order until the date that delinquent payment is finally paid in full. Payment of an interest penalty by the Company shall be made to the State of Michigan in accordance with paragraph 18 of this Consent Order. Interest payments shall be applied first towards the most overdue amount or outstanding interest penalty owed by the Company before any remaining balance is applied to subsequent payment amount or interest penalty.

21. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 17. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 18 of this Consent Order, but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by MDEQ of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by the MDEQ pursuant to Section 5529 of Part 55 and therefore are not reviewable under Section 5529 of Part 55.

22. This compliance program is not a variance subject to the 12 month limitation specified in Section 5538 of Part 55.

23. This Consent Order shall remain in full force and effect for a period of at least two (2) years. Thereafter, the Consent Order shall terminate only upon written notice of termination issued by the AQD Chief. Prior to issuance of a written notice of termination, the Company shall submit a request, to the AQD Chief at the Michigan Department of Environmental Quality, Air Quality Division, P.O. Box 30260, Lansing, Michigan 48909-7760, consisting of a written certification that the Company has fully complied with all the requirements of this Consent Order and has made all payments including all stipulated fines required by this Consent Order. Specifically, this certification shall include: (i) the date of compliance with each provision of the compliance program and the date any payments or stipulated fines were paid; (ii) a statement that all required information has been reported to the AQD Detroit District Office District Supervisor; (iii) confirmation that all records required to be maintained pursuant to this Consent Order are being maintained at the facility; and, (iv) such information as may be requested by the AQD Chief. Termination of this Consent Order shall be executed upon completion of the terms and conditions of this contract and will not be unreasonably withheld.

24. In the event United States Steel Corporation sells or transfers the facility, with SRN A7809, it shall advise any purchaser or transferee of the existence of this Consent Order in connection with such sale or transfer. Within thirty (30) calendar days, the Company shall also notify the AQD Detroit District Office District Supervisor, in writing, of such sale or transfer, the identity and address of any purchaser or transferee, and confirm the fact that notice of this Consent Order has been given to the purchaser and/or transferee. As a condition of the sale, the United States Steel Corporation must obtain the consent of the purchaser and/or transferee, in writing, to assume all of the obligations of this Consent Order. A copy of that agreement shall be forwarded to the AQD Detroit District Office District Supervisor within thirty (30) days of assuming the obligations of this Consent Order.

25. Prior to the effective date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

26. Section 5530 of Part 55 may serve as a source of authority but not a limitation under which the Consent Order may be enforced. Further, Part 17 of Act 451 and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

27. The Company hereby stipulates that entry of this Consent Order is a result of an action by MDEQ to resolve alleged violations of its facility located at No. 1 Quality Drive, Detroit, Michigan. The Company further stipulates that it will take all lawful actions necessary to fully comply with this Consent Order, even if the Company files for bankruptcy in the future. The Company will not seek discharge of the settlement amount and any stipulated fines imposed hereunder in any future bankruptcy proceedings, and the Company will take necessary steps to ensure that the settlement amount and any future stipulated fines are not discharged. The Company, during and after any future bankruptcy proceedings, will ensure that the settlement amount and any future stipulated fines remain an obligation to be paid in full by the Company to the extent allowed by applicable bankruptcy law.

The undersigned certifies that he/she is fully authorized by the Company to enter into this Consent Order and to execute and legally bind the Company to it. Signature by United States Steel Corporation's counsel certifies only that this Consent Order has been signed after consulting with counsel.

UNITED STATES STEEL CORPORATION

Print Name and Title

_____ Date: _____
Signature

The above signatory subscribed and sworn to before me this ___ day of _____, 20__.

Notary Public

Print Name - Counsel for United States Steel Corporation

_____ Date: _____
Signature

Approved as to Content:

Approved as to Form:

Lynn Fielder, Chief
AIR QUALITY DIVISION
DEPARTMENT OF
ENVIRONMENTAL QUALITY

Neil Gordon, Section Head
ENVIRONMENTAL REGULATION SECTION
ENVIRONMENT, NATURAL RESOURCES,
AND AGRICULTURE DIVISION
DEPARTMENT OF ATTORNEY GENERAL

Dated: _____

Dated: _____

FINAL ORDER

The Chief of the Air Quality Division having had opportunity to review the Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environmental Quality pursuant to the provisions of Part 55 of Act 451 and otherwise being fully advised on the premises,

HAS HEREBY ORDERED that the Consent Order is approved and shall be entered in the record of the MDEQ as a Final Order.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Lynn Fielder, Chief
Air Quality Division

Effective Date: _____