

In the Matter of:
United States Steel Corporation— Mon Valley Works
400 State Street
Clairton, PA 15025
Order #190601

FIRST AMENDMENT TO SETTLEMENT AGREEMENT AND ORDER

The Amendment No. 1 (“Amendment”) is entered into and effective on this 5th day of February, 2020, by and between the Allegheny County Health Department (“ACHD”) and United States Steel Corporation (“U.S. Steel”).

WITNESSETH:

WHEREAS, ACHD and U.S. Steel are (hereinafter collectively referred to as the “Parties”) to the Settlement Agreement and Order, entered June 27, 2019 (hereinafter “Settlement Agreement”);

WHEREAS, the Parties recognized and acknowledged in the Settlement Agreement that said agreement would be placed onto the ACHD website for a 30-day public comment period and further acknowledged that the Settlement Agreement may be modified to address comments the Parties determine necessitate modification of the Settlement Agreement;

WHEREAS, following the thirty (30) days afforded for public comment, the Parties conferred and agreed that an amendment was appropriate to provide clarity as to the Parties intention and address several of the public comments, and;

WHEREAS, seeking to be bound by the modifications agreed upon herein, the Parties set forth the following:

1. INTRODUCTION

The Parties, in accordance with Section X, Paragraph 23 of the Settlement Agreement desire and intend to amend said Settlement Agreement.

2. SETTLEMENT AGREEMENT AND ORDER MODIFICATIONS:

- (a) Section IV, Paragraph 8(A) is hereby revised to expressly state that “By November 1, 2019, U.S. Steel shall install mechanisms to close or alarm doors situated on the B Battery shed. By May 1, 2020, U.S. Steel shall install a cover and/or air curtains at the south side of the B Battery shed. These projects will reduce fugitive emissions from the B Battery shed. No later than 60 days after completion of each improvement to the B Battery shed or 10 days after the effective date of the Amendment, whichever occurs later, U.S. Steel shall submit to the Department a report certifying that installation of the mechanism to close or alarm doors on the B Battery shed and the cover and/or air curtains at the south side of the B Battery shed has been completed.”
- (b) Section IV, Paragraph 8(D) is hereby revised to expressly state that “By July 1, 2020, U.S. Steel shall have completed the first of 5 annual environmental air compliance audits at the Facility. U.S. Steel shall retain, subject to approval by the ACHD, an independent third-party consultant with substantial experience with coke batteries and air pollution control requirements, to conduct the audits. U.S. Steel shall submit a final report of each audit to the ACHD no later than 60 days after completion of each audit. No later than 90 days after submittal of an audit report, U.S. Steel shall submit a corrective action plan to the ACHD with technically and economically feasible measures it will implement to address audit findings. The ACHD will review and either approve or disapprove the corrective action

plan. In the event that the proposed corrective action plan is disapproved by the ACHD, the ACHD shall provide a written basis to U.S. Steel for the disapproval. U.S. Steel shall then submit a revised corrective action plan no later than 30 days from the date of receipt of ACHD's disapproval. The ACHD shall either approve the revised corrective action plan or disapprove the revised corrective action plan and continue to require subsequent proposal(s) for approval until such time as the ACHD issues its approval. U.S. Steel shall begin implementation of the approved corrective action plan no later than 30 days after receipt of the ACHD's approval. However, if the ACHD disapproves any corrective action plan, U.S. Steel may invoke dispute resolution under Section XI as to the basis of that disapproval."

(c) Section IV, Paragraph 8(E) is hereby revised to expressly state that "By May 1, 2020, U.S. Steel shall upgrade all filter bags and filter bag cages on all PEC baghouses situated at the Facility. No later than July 1, 2020, U.S. Steel shall submit an application for an installation permit for replacement PEC baghouses for Batteries 13-15 and 19-20 for improved capture and control of particulate matter. No later than 28 months after issuance of an installation permit or other air permitting authorization (plus the amount of time any permit or authorization remains under appeal), U.S. Steel shall have installed replacement PEC baghouses for Batteries 13-15 and 19-20 for improved capture and control. No later than 60 days after completion, U.S. Steel shall submit to the Department a report certifying that installation of the replacement PEC baghouses for Batteries 13-15 and 19-20 for improved capture and control is complete."

(d) Section IV, Paragraph 8(G) is hereby revised to expressly state that "No later than November 1, 2021, or upon returning Battery 15 to coke production from hot idle,

whichever occurs later, U.S. Steel shall have installed a stack to replace the existing stack for Battery 15. No later than 60 days after completion, U.S. Steel shall submit to the Department a report certifying that installation of the replacement stack for Battery 15 is complete.”

(e) Section IV, Paragraph 8 is hereby revised to add a new subparagraph K to expressly state:

“K. Alternative Projects: In the event that U.S. Steel does not complete any of the projects described in subparagraphs A – H above, U.S. Steel shall propose an alternative project that achieves equivalent or better environmental performance. The ACHD will approve any such alternative project provided the project is demonstrated to achieve equivalent or better environmental performance.”

(f) Section V, Paragraph 9 is hereby revised to expressly state that “The ACHD calculated a civil penalty of Two Million Seven Hundred Thirty-Two Thousand, Five Hundred Four dollars (\$2,732,504) for the violations alleged in the ACHD Orders. This amount equates to the civil penalties calculated and imposed by the ACHD in the Orders, minus \$18,400 that the Department acknowledges was included in error based on evidence proffered at the hearing on the appeal of Enforcement Order #180601.”

(g) Section V, Paragraph 9(A) is hereby revised to expressly state that “The Parties agree that supplemental projects benefitting the local communities or environment are a preferred mechanism for offsetting a significant portion of the civil penalty amount calculated by the ACHD. Accordingly, the Parties agree that U.S. Steel shall establish a Community Benefit Trust having the Adjacent Communities as beneficiaries of that trust. The corpus of said trust shall be provided by a payment from U.S. Steel of Two Million Four Hundred Fifty-Nine, Two Hundred Fifty-Three Dollars and Sixty Cents (\$2,459,253.60) which represents

90% of the amount calculated by the ACHD in Paragraph 9 above. In addition, 90% of any stipulated penalties under this Settlement Agreement shall be offset by payment of the same amount to the Community Benefit Trust. The Adjacent Communities shall consist of at least the following: Clairton, Glassport, Liberty, Lincoln, and Port Vue. Additional communities may be considered Adjacent Communities upon agreement of both the Department and U.S. Steel. Payments made to the Community Benefit Trust under this Paragraph 9(A) shall not be considered as penalties, fines or funds received by the County under Article XXI for the purposes of §§2109.07 and 2109.09.

- (h) Section V, Paragraph 9(B) is hereby revised to expressly state that “The remaining 10% of the civil penalty amount calculated by the ACHD in Paragraph 9 above, along with 10% of any stipulated penalties under this Settlement Agreement, shall be paid to the Clean Air Fund as penalties or funds received by the County pursuant to §§2109.07 and 2109.09.
- (i) Section VII, Paragraph 13 is hereby revised to expressly state that “The Parties agree that this Settlement Agreement should address the concerns of the community and that in order to accomplish this, agree further to the establishment of a Community Advisory Panel (CAP). The panel shall be composed of, at least, one representative from U.S. Steel, and a local citizen and government official from each of Liberty, Lincoln, Port Vue, Glassport Boroughs and the City of Clairton, if willing to serve.

The purpose of the CAP is to ensure open and transparent communications between the parties and the nearby communities. This panel shall convene no fewer than once per calendar quarter. U.S. Steel shall determine what company information will be provided at each of the meetings. The panel may offer suggestions to U.S. Steel. While the terms of this Settlement Agreement and Order do not impose an obligation to accept the panel's

suggestions, in the event it decides not to accept the suggestions, U.S. Steel shall provide an explanation for its decision. Meetings shall be held privately, at a minimum four times each year. Meeting minutes will be taken by U.S. Steel staff and provided to the panel for revision (if necessary and appropriate) and approval. The panel shall decide the location of the meetings, but any meetings at U. S. Steel require prior approval by U. S. Steel. The panel may, in its discretion, set or change policies or operations of the CAP by majority vote.

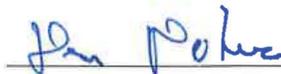
3. **RIGHTS AND OBLIGATIONS**

Nothing in this Amendment shall alter the rights or obligations of the Parties, except as specifically provided for in Section 2, above.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to the Settlement Agreement to be executed by their duly authorized representatives. The undersigned representatives of U.S. Steel certify under penalty of law, as provided by 18 Pa.C.S. § 4909 that they are authorized to execute this Amendment on behalf of U.S. Steel; that U.S. Steel consents to the entry of this Amendment to the Settlement Agreement as a final ORDER of ACHD; and that, except as otherwise provided in the Settlement Agreement, U.S. Steel knowingly waives its rights to appeal this Amendment to the Settlement Agreement and to challenge its contents or validity, which rights may be available under Article XI, and Pennsylvania Administrative Agency Law, 2 Pa.C.S. § 103(a), or any other applicable provision of law. Signatures by the Parties' attorneys certifies only that this Amendment to the Settlement Agreement has been signed after consultation with counsel.

FOR THE ALLEGHENY COUNTY HEALTH DEPARTMENT

Date: February 5, 2020



Dean DeLuca
Air Quality Program Manager



Jason K. Willis, Esquire
Assistant Solicitor

FOR THE UNITED STATES STEEL CORPORATION

Date: February 3, 2020



Scott D. Buckiso, Senior Vice President and Chief
Manufacturing Officer, North American Flat-Rolled



David W. Hacker, Esquire
Counsel for The United States Steel Corporation

ALLEGHENY COUNTY HEARING OFFICER

Date: February 10, 2020



Max Slater, Hearing Officer