

November 17, 2009

Mr. Bud E. Smith
Severstal Wheeling Inc.
1134 Market Street
Wheeling, WV. 26003

William E. Marsteller
Gearmar Properties, Inc.
PO Box 209
Portersville, PA 16051

Re: Former Brainard Strapping Facility
OHD004205589
Financial Assurance

Dear Sirs:

On November 13, 2009, I completed a review of the financial assurance documentation on file for the former Brainard Strapping facility referenced above. I evaluated your facility for compliance with financial assurance for post-closure as set forth in the Ohio Administrative Code (OAC) rules 3745-55-44 and 3745-55-45. I spoke with both of you previously concerning the sale of the former Brainard Strapping/Coil Coating (BSCC) facility located in Warren, Trumbull County, Ohio. The property was sold by Wheeling Pittsburgh Steel Corp. (WPSC) to Gearmar Properties, Inc. (GPI) on January 6, 2005.

When WPSC purchased the BSCC facility from Sharon Steel, WPSC assumed responsibility for post-closure care of a former gravel covered RCRA storage area. The storage area was covered with an asphalt cap as part of the modified closure plan for the facility. The post-closure care consists of: annual inspections and reporting; cap repair and replacement; and sealing of the cap every five years. The post closure care began on April 4, 2000. At that time the cost of post-closure care for the 30 year period was estimated to be \$42,750.

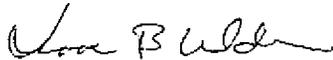
To demonstrate compliance with financial assurance for post-closure care, WPSC uses a Letter of Credit with a value of \$46,000.00 from Wachovia Bank, issued September 10, 2004. WPSC also maintains a standby trust agreement with PNC Bank. A post-closure care cost estimate was last submitted by Gearmar Properties on September 17, 2008. I have calculated the post-closure cost estimate for 2009 and the current post closure cost is \$46,162.80. This exceeds the value of Letter of Credit #SM209963WI.

Therefore you are in violation of OAC 3745-55-44(B) and OAC 3745-55-45(D)(6) & (7).

On September 29, 2009, Wachovia Bank issued a Notice of non-Extension of Letter of Credit #SM209963WI. The notice was not received by Ohio EPA until October 8, 2009. Wachovia Bank will not extend the Letter of Credit beyond September 10, 2010. **OAC rule 3745-55-44(D)(10) requires that the Ohio EPA draw on this letter of credit if alternate financial assurance is not established within 90 days of notification by the bank. The 90 days will expire on January 6, 2010.** I spoke with Ms. Shana Kellogg Sr. Corporate Counsel for Severstal on November 11, 2009. She indicated that WPSC does not intend to maintain financial assurance for the post-closure care at the facility. The financial assurance established by WPSC must remain in place until such time as a new financial instrument has been established.

If you have any questions, or need further clarification of any matter mentioned in this letter, please do not hesitate to call me at (614) 644-3067. I will be happy to assist you in any way possible.

Sincerely,



Isaac B. Wilder
Compliance Assurance Section
Division of Hazardous Waste Management

cc: John Palmer, DHWM, NEDO
Kristina Durnell, DHWM, RISS