Ohio EPA
40 years and moving forward
John R. Kasich, Governor
Mary Taylor, Lt. Governor
Scott J. Nally, Director

June 11, 2013

Robert F. Casselberry, Senior General Attorney
United States Steel Corporation
Law Department
600 Grant Street
Pittsburgh, PA 15219

Re: USS Lorain Works
OHD004222030 Lorain
Financial Record Review: Return to Compliance

Dear Mr. Casselberry:

On March 6, 2013, I completed a review of the financial assurance documentation file for the United States Steel Corporation (USS) facility referenced above. I evaluated your facility for compliance with post-closure cost estimate and post-closure financial assurance requirements set forth in the Ohio Administrative Code (OAC) rules 3745-55-44 and 3745-55-45.

To demonstrate post-closure financial assurance, USS submitted a Certificate of Insurance for Closure or Post-Closure Care for the USS Lorain Works facility on January 24, 2013. The policy (# CPCCI2013-OH) has a face value of $3,570,000.00 and an effective date of February 1, 2013. The policy was issued by Grant Assurance Corporation of Vermont. Grant Assurance Corporation is a subsidiary and captive insurance company of USS.

In a letter dated March 8, 2013, I cited the following violations of Ohio's hazardous waste laws:

- **OAC Rule 3745-55-44(E)**: A copy of the facility's current, detailed post-closure cost estimate prepared and maintained in accordance with paragraphs (A) and (B) of this rule must be submitted annually to the director.

- **OAC Rule 3745-55-45(E)(9):** The owner or operator of a facility may not reduce the value of the post-closure financial assurance mechanism without the permission of the director.

In response to the March 8, 2013 Notice of Violation (NOV) letter, you submitted an updated post-closure cost estimate and a request to reduce financial assurance (received by Ohio EPA on March 18, 2013). This submittal abates the violation of **OAC rule 3745-55-44(E)** cited in the NOV letter.

The annual Post-Closure Cost Estimate for 2013 is $595,000.00, based on actual costs. This equates to $3,570,000.00 for the remaining period of post-closure care. The 2012 Post-Closure Cost Estimate was $3,584,000.00.

You will receive a separate letter from the director, dated June 10, 2013, permitting you to reduce your Post-Closure financial assurance coverage. This returns you to compliance for the **OAC rule 3745-55-45(E)(9)** violation cited in the March 8, 2013 NOV letter.

Based upon review of the documentation noted above, USS Lorain is in compliance with Ohio's financial assurance requirements and has returned to compliance for the violations of OAC rules 3745-55-44(E) and 3745-55-45(E)(9) cited in the March 8, 2013 Notice of Violation Letter.

If you have any questions, or need further clarification of any matter mentioned in this letter, please feel free to contact me at (614) 644-3067 or melissa.cheung@epa.state.oh.us.

Sincerely,

Melissa Cheung
Engineering, Remediation, and Authorizations Section
Division of Materials and Waste Management

MC/ljm

ec: John Palmer, DERR, NEDO
Frank Popotnik, DMWM, NEDO

cc: Kimberly Whitcomb, Grant Assurance Corporation
100 Bank Street, Suite 610
Burlington, VT 05401

Notice:
Ohio EPA's failure to list specific deficiencies or violations in this letter does not relieve your company from having to comply with applicable regulations.