STATE OF NEW YORK: DEPARTMENT OF ENVIRONMENTAL CONSERVATION

In the Matter of the Implementation of Interim Corrective Measures for a Hazardous Waste Management Facility, Pursuant to Article 27, Titles 9 and 13; and Article 71, Title 27 of the Environmental Conservation Law of the State of New York by:

Tecumseh Redevelopment, Inc. 4020 Kinross Lakes Parkway Richfield, Ohio 44286

Former Coke Oven Gas Lines Interim Corrective Measures Order on Consent File No. 14-23

Respondent.

WHEREAS,

- 1. The New York State Department of Environmental Conservation ("Department") is responsible for enforcing the Environmental Conservation Laws of the State of New York ("ECL"). This Order is issued pursuant to the Department's authority under the ECL, including ECL Article 27, Titles 9 and 13; and ECL Article 71, Title 27.
- 2. **Tecumseh Redevelopment, Inc.** ("Respondent"), a subsidiary of ArcelorMittal USA, Inc., owns and operates property located along the west side of Route 5 in Lackawanna, New York, (the "Lackawanna Facility" or "the site") a portion of which is the subject of this Interim Corrective Measures Order on Consent (the "Order").
- 3. The property subject to this Order is the Former Coke Oven Gas Lines "Gas Lines" identified on Exhibit A, attached hereto, and also referred to as Solid Waste Management Unit P-76 (SWMU P-76).
- 4. Respondent's predecessor in interest, Bethlehem Steel Corporation ("Bethlehem"), conducted operations that subject a portion of the Lackawanna Facility, including SWMU P-76, to ECL Article 27, Titles 9 and 13, and the regulations found at 6 NYCRR that were promulgated pursuant thereto.

- 5. The area of the Lackawanna Facility that includes SWMU P-76 meets the definition of a "Hazardous Waste Management Facility", as that term is defined at 6 NYCRR 370.2(b)(89), and is subject to the New York State laws and regulations governing hazardous waste.
- 6. On November 18, 1980, a Part A hazardous waste RCRA application was submitted to the United States Environmental Protection Agency ("EPA") by Bethlehem. The Lackawanna Facility never received a Part B permit and is considered an interim status facility for the purposes of 6 NYCRR 373-1.3.
- 7. The portion of the Lackawanna Facility that includes SWMU P-76 is subject to interim status and corrective action pursuant to the Federal Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et seq., and the regulations promulgated thereunder. The Department received final delegation of RCRA authority from the EPA on May 29, 1986.
- 8. On August 13, 1990, the EPA issued Bethlehem an Administrative Order on Consent Docket No. II RCRA 90-3008(h)-0201, pursuant to Section 3008(h) of RCRA, that required Bethlehem and its successors to conduct a RCRA Facility Investigation ("RFI").
- 9. On October 15, 2001, Bethlehem filed for protection under the United States Bankruptcy Code and, pursuant to an Asset Purchase Agreement that was approved by the United States Bankruptcy Court for the Southern District of New York on April 23, 2003 (Case No. 01-15288 (Jointly Administered)), sold certain assets, including the Lackawanna Facility, to ISG Acquisition Inc. ISG Acquisition Inc. caused Bethlehem to convey the Lackawanna Facility to Respondent pursuant to a Bargain and Sale Deed with Covenants against Grantor's Acts dated May 6, 2003.
- 10. As part of its cleanup obligations, Respondent completed and submitted the RFI to the Department and the EPA on January 7, 2005. On August 21, 2006, the EPA notified Respondent

that its obligations under the RFI Order were terminated. The results of the RFI confirmed that there has been a release of hazardous waste or constituents into the environment and that a Corrective Measures Study must be performed.

- 11. On June 29, 2009, Respondent signed Order on Consent, File No. 03-73 with the Department agreeing to undertake a Corrective Measures Study ("CMS") of the site.
- 12. At the time the CMS Order was executed the Gas Lines had not been discovered.
- 13. In the spring of 2013, Respondent reported to the Department that it had uncovered 30" Gas Lines from the former Coke Ovens.
- 14. On June 13, 2013, the Department notified Respondent that the newly discovered Gas Lines SWMU must be assessed in the CMS study in the same manner that other SWMU's in the CMS Order were addressed.
- 15. After further investigation Respondent determined that the Gas Lines, SWMU P-76, consisted of approximately 1,234 linear feet of piping and three associated concrete vaults that required corrective measures.
- 16. Pursuant to ECL Section 71-2727(3)(b), the Commissioner of the Department may issue orders requiring corrective measures, or such other measures as he deems necessary to protect human health and the environment, for all releases of hazardous waste or constituents from a Facility which has interim status according to regulations adopted pursuant to Title 7 or 9 of Article 27 of this chapter.
- 17. Respondent consents to the issuance of this Interim Corrective Measures Order to fulfill certain obligations under ECL Article 27, Titles 9 and 13, ECL 71-2727, and 6 NYCRR 373 relating to implementation of interim corrective measures for SWMU P-76.

- 18. The Department finds that resolution of issues relating to the implementation of interim corrective measures for SWMU P-76, undertaken in accordance with the terms of this Order, is in the public interest.
- 19. Respondent agrees to implement its "Work Plan", approved by the Department on June 4, 2014, entitled "Interim Corrective Measures (ICM) Work Plan for SWMU P-76 Former Coke Oven Gas Lines".
- 20. Respondent agrees to complete all work required by the Work Plan by October 31, 2015.
- 21. The approved Work Plan, all documents created thereunder, and all attachments thereto shall be incorporated into, and become an enforceable part of, this Order.
- 22. Respondent consents to the issuance and entry of this Order and agrees to be bound by its terms. Respondent reserves all rights and defenses it may have regarding liability or responsibility for SWMU P-76, except that Respondent consents to and agrees not to contest the authority or jurisdiction of the Department to issue or enforce this Order, except as provided in Section VII, and agrees not to contest the validity of this Order or its terms.
- 23. Respondent consents to the issuance of this Order in good faith without trial or adjudication of any issue of fact or law.

NOW, having considered this matter and being duly advised, IT IS ORDERED THAT:

I. <u>Corrective Action</u>

Respondent shall implement interim corrective measures consistent with the approved Interim Corrective Measures (ICM) Work Plan for SWMU P-76.

Respondent shall submit for Department approval an overall schedule for implementation of the Work Plan. Nothing in this Order shall be construed to require Respondent to conduct any work, or to take any action, that is inconsistent with the Work Plan.

II. Financial Assurances

- A. Providing Financial Assurances:
- 1. Respondent must provide the Department with a line item estimate of the costs associated with the interim corrective measures contained in the Work Plan.
- 2. If the estimate renders the amount of financial assurance already associated with the terms of Order 03-73 inadequate, then Respondent must increase its financial assurances in accordance with the terms of Order 03-73.

B. Liability Requirements:

1. Pursuant to the terms of Order 03-73, Respondent must have and maintain liability coverage for the SWMU-P-76 in accordance with 6 NYCRR Section 373-3.8 et seq.

III. Submittals

- A. All reports and submissions required by this Order shall be made to the Regional Engineer, Division of Environmental Remediation (South) and the Director, Division of Environmental Remediation at the respective addresses provided in Section XI. Respondent shall be responsible for the content of any submissions made pursuant to this Order.
- B. All documents that Respondent submits are subject to Department approval. The Department shall review each of the submissions Respondent makes pursuant to this Order to determine whether it was prepared, and whether the work done to generate the data and other information in the submission was done in accordance with: the Work Plan; this Order, including plans and reports approved pursuant to this Order; and with generally accepted technical/scientific principles. The Department shall notify Respondent in writing of its approval or disapproval of each submission. All Department-approved submissions shall be incorporated

into and become an enforceable part of this Order. Approval by the Department shall not be unreasonably withheld or delayed by the Department.

- If the Department disapproves a submission, it shall so notify Respondent in C. writing and specify the reasons for its disapproval. Within sixty (60) days after receiving written notice that Respondent's submission has been disapproved, Respondent shall make a revised submission to the Department that addresses all of the Department's stated reasons for disapproving the first submission. After receipt of the revised submission, the Department shall notify Respondent in writing of its approval or disapproval. If the Department approves the revised submission, it shall be incorporated into and become an enforceable part of this Order. If the Department disapproves the revised submission, the Department and Respondent will conduct good faith negotiations to resolve the issues between them during the course of the next twenty-one (21) days. If the issues are not resolved to the Department's satisfaction, the Department shall so notify Respondent in writing within five days of the end of such twenty-one (21) day period. Respondent will thereafter be in violation of this Order unless, within thirty (30) days of receipt of the Department's written notice stating that issues regarding the submission have not been resolved, it invokes the dispute resolution mechanism set forth in Section VII of this Order.
- D. Respondent shall modify and/or amplify and expand a submission upon the Department's direction to do so if the Department reasonably determines, as a result of reviewing data generated by an activity required under this Order or as a result of reviewing other relevant data or facts, that further work is necessary.
- E. Respondent shall provide copies of all submissions in electronic format, in a form acceptable to the Department. In the event the Department establishes provisions for submission

of electronic data deliverables for environmental sampling, Respondent shall, within ninety (90) days of receipt of such notice, provide all future data submissions in the form prescribed by the Department.

F. All approved work plans, reports, and remedial activities submitted under this Order shall be deemed to have fulfilled the corresponding requirements of 6 NYCRR Part 375.

IV. Stipulated Penalties

- 1. Respondent's failure to comply with any term of this Order constitutes a violation of this Order and the ECL. If the Department determines that Respondent has failed to comply with this Order, the Department shall notify Respondent in writing. Payment of any penalty shall not in any way alter Respondent's obligation to comply with any term of this Order or to complete performance under the terms of this Order. The payment of stipulated penalties as set forth below shall not limit the Department's right to seek such other relief as may be authorized by law.
- 2. If Respondent fails to comply with the terms of this Order, Respondent shall be liable for payment to the Department of the sums set forth below as stipulated penalties for each day, or part thereof, that Respondent is in violation of the terms of this Order. All penalties begin to accrue on the first day Respondent is in violation of the terms of this Order and continue to accrue through the final day of correction of any violation. Unless disputed pursuant to the terms of Section VII, such sums shall be due and payable within fifteen (15) days after receipt of notification from the Department assessing the penalties. If such payment is not received within fifteen (15) days after Respondent receives such notification from the Department, interest shall be payable at the rate specified by the New York Civil Practice Laws and Rules for interest on a judgment on the overdue amount from the day on which it was due

through, and including, date of payment. Penalties shall be paid by certified check or money order, made payable to "New York State Department of Environmental Conservation" and shall be delivered personally or by certified mail, return receipt requested, to the Regional Attorney, Office of General Counsel, NYS DEC, 270 Michigan Avenue, Buffalo, New York 14203-2999. Payment of the penalties shall not in any way alter Respondent's obligation to complete performance under the terms of this Order. Stipulated penalties shall be due and payable pursuant to the following schedule:

Period of Non-Compliance	Penalty per Day
First through 15th day	\$250.
16th through 30th day	\$1,000.
31st day and thereafter	\$5,000.

V. Entry Upon Site

Respondent hereby consents to entry upon the Site to areas associated with SWMU P-76 that are under the control of Respondent, upon reasonable notice and at times reasonable under the circumstances, by any duly designated employee, consultant, contractor, or agent of the Department or any State agency for purposes of inspecting, sampling, and testing and to ensure Respondent's compliance with this Order. The Department shall abide by the health and safety rules in effect at the Site. The Department may be accompanied by an employee, consultant, contractor, or agent of Respondent. Upon request, Respondent shall provide the Department with full access to all non-privileged records relating to matters addressed by this Order and to job meetings held in connection with work performed under this Order.

VI. Enforcement and Force Majeure

Respondent shall neither suffer any penalty under this Order nor be subject to any proceeding or action, and shall not be deemed to be in violation of this Order, if it cannot comply with any requirement of this Order because of the action of a national, state, or local government body or court, an act of God, war, strike, riot, catastrophe, fire, or any other fact or circumstance beyond Respondent's reasonable control (a "Force Majeure Event"). Respondent shall, within fifteen (15) days of when it obtains knowledge that a Force Majeure Event will prevent or delay compliance with this Order, notify the Department in writing. Failure to give such notice within the fifteen (15) day period constitutes a waiver of any claim that Respondent's failure to comply is attributable to a Force Majeure Event. Written notification shall be sent to the Regional Engineer for the Division of Environmental Remediation (South) and the Director of the Division of Environmental Remediation, at the respective addresses provided in Section XI. Respondent shall include in such notice, to the extent known at the time, the measures taken and to be taken by Respondent to prevent or minimize any delays, and shall request an appropriate extension or modification of this Order. Respondent shall have the burden of demonstrating by a preponderance of the evidence, that a Force Majeure Event has occurred and, consequently that the event is a defense to compliance with this Order. The Department shall not unreasonably deny or delay acknowledgment of such demonstration.

VII. <u>Dispute Resolution</u>

- A. The Parties shall use their reasonable best effort and negotiate in good faith to resolve any disputes regarding this Order.
- B. If any dispute shall arise between Respondent and the Department regarding the implementation or interpretation of any provision of this Order, or any revised submittal, Respondent may invoke the dispute resolution procedures contained in this Section.

- C. To invoke these procedures, Respondent must, within thirty (30) days of receipt of notice of the Department's action or determination, submit a written request to meet with the Director of the Division Environmental Remediation (the "Director") to discuss the Department's action or determination. The Director or the Director's designated agent must contact Respondent to schedule a meeting, and Respondent must be available to meet within fourteen (14) days thereafter. At the meeting, Respondent shall be given an opportunity to present its response to the Department's action or determination, and the Director or the Director's designated agent shall have the authority to modify and/or withdraw such action or determination. The Director shall notify Respondent, in writing, of his or her specific comments as soon as reasonably practicable after the meeting.
- D. Upon receipt of the Director's or the Director's designated agent's specific comments on the disputed issue or issues, Respondent shall take whatever action is required under this Order as modified by the Director's comments (if any) pursuant to Section VII C. If Respondent fails to take the required action, Respondent shall be in violation of this Order and the Department may take any action or pursue whatever rights it has pursuant to any provision of statutory or common law.
- E. The invocation of dispute resolution procedures under this Section shall not, of itself, extend, postpone, or affect in any way any obligation of Respondent under this Order, except that payment of stipulated penalties with respect to the disputed matter shall be stayed pending resolution of the dispute pursuant to this Section. Notwithstanding the stay of payment set forth above, stipulated penalties shall accrue from the first day of noncompliance with any applicable provision of this Order. In the event Respondent does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section IV. The Director, in

his or her sole discretion, may waive stipulated penalties when Respondent does not prevail on the disputed issue, if the Director determines that Respondent had a reasonable basis for believing it would prevail on the disputed issue. If Respondent prevails on the disputed issue or issues, stipulated penalties shall not be assessed.

F. The Director's written specific comments shall be the Department's final decision. Nothing in this Order shall diminish or otherwise affect Respondent's statutory rights of appeal with respect to the Department's final decision.

VIII. Department Reservation of Rights

- A. Nothing contained in this Order shall be construed as barring, diminishing, adjudicating, or in any way affecting any of the Department's civil, criminal, or administrative rights or authorities including, but not limited to nor exemplified by, the right to recover natural resource damages against any party, including Respondent and Respondent's defense thereto.
- B. Nothing contained in this Order shall be construed to prohibit the Commissioner or his duly authorized representative from exercising any summary abatement powers pursuant to ECL 71-0301.
- C. Except as specifically set forth herein, nothing in this Order shall be construed as a waiver by Respondent of any rights, claims, defenses, or agreements it now has or may have in the future regarding SWMU P-76, including Respondent's defenses, if any, should the Department attempt to recover natural resource damages.

IX. Indemnification

To the fullest extent permitted by law, Respondent shall indemnify and hold the Department, the State of New York, and their representatives and employees harmless for all claims, suits, actions, damages, and costs of every name and description arising out of or

resulting from the fulfillment or attempted fulfillment of this Order by Respondent and/or any of Respondent's employees, servants, agents, successors, or assigns. This indemnification does not extend to claims or causes of action arising from or on account of grossly negligent acts or the intentional misconduct of any employee of the Department performing work associated with SWMU P-76.

X. Notification of Proposed Transfer

A. If Respondent proposes to convey the whole or any part of Respondent's ownership-interest in the area associated with SWMU P-76 during the term of this Order, Respondent shall, not fewer than sixty (60) days before the date of conveyance, notify the Department in writing of the identity of the transferee and of the nature and proposed date of the conveyance, and shall notify the transferee in writing, with a copy to the Department, of the applicability to them of this Order and all attachments, and 6 NYCRR Part 373-3. Respondent shall further advise the transferee in writing that SWMU P-76 will, in the future, be subject to an Environmental Easement.

B. Respondent, its successors and assigns, shall retain liability for fulfilling the terms of this Order throughout the duration of the Order, even if during the duration of the Order, Respondent, its successors and assigns, convey or transfer the whole or any part of their interest in SWMU P-76.

XI. Communications

A. All written communications required by this Order shall be transmitted by United States Postal Service, first class mail, by private courier service, or hand delivered as follows:

1. Communication from Respondent shall be sent to:

Regional Engineer
Division of Environmental Remediation (South)

New York State Department of Environmental Conservation 270 Michigan Avenue Buffalo, New York 14203-2999; and

Director, Division of Environmental Remediation New York State Department of Environmental Conservation 625 Broadway Albany, New York 12233-7258; and

Regional Attorney New York State Department of Environmental Conservation 270 Michigan Avenue Buffalo, New York 14203-2999

2. Communication to Respondent shall be sent to:

Mr. Keith A. Nagel Manager, Environmental Affairs Tecumseh Redevelopment, Inc. 4020 Kinross Lakes Parkway Richfield, Ohio 44286-9000; and

Mr. Paul H. Werthman TurnKey Environmental Restoration, LLC 2558 Hamburg Turnpike, Suite 300 Lackawanna, New York 14218; and

Mr. Dale E. Papajcik Squire, Sanders & Dempsey L.L.P. 4900 Key Tower 127 Public Square Cleveland, Ohio 44114

B. The Department and Respondent reserve the right to designate additional or different addresses for communication on written notice to the other given in accordance with this Section.

XII. Modifications

1. The terms of this Order constitute the complete and entire Order the Department issued to Respondent covering the Interim Corrective Measures for SWMU P-76, under ECL Article 27, Titles 9 and 13. No term, condition, understanding, or Order purporting to modify or

vary any term of this Order shall be binding unless made in writing and subscribed by the party to be bound. No informal advice, guidance, suggestion, or comment by the Department regarding any report, proposal, plan, specification, schedule, or any other submissions shall be construed as relieving Respondent of its obligation to obtain such formal approvals as may be required by this Order.

2. If Respondent desires that any provision of this Order be changed, Respondent shall make timely written application to the Department setting forth reasonable grounds for the relief sought. Copies of such written application shall be delivered or mailed to the New York State Department of Environmental Conservation at the addresses provided in Section XI. No change or modification to this Order shall become effective except as specifically set forth in writing and approved by the Commissioner or a duly authorized representative.

XIII. Termination and Satisfaction

Respondent's obligations under this Order shall be deemed satisfied and shall terminate upon (i) a determination by the Department that Respondent has satisfactorily completed the Interim Corrective Measures for SWMU P-76 specified in the Work Plan.

XIV. Miscellaneous

- A. Respondent hereby certifies that, to the best of its knowledge, it has fully and accurately disclosed or made available to the Department all relevant information known to Respondent and all relevant information known to be in the possession or control of its officers, directors, employees, contractors, and agents which relates to, identifies or describes contamination of SWMU P-76 soils and groundwater and any other environmental concerns.
- B. Respondent shall retain professional consultants, contractors, laboratories, quality assurance/quality control personnel, third party data validators, and ELAP Certified Analytical

Laboratories acceptable to the Department to perform the technical, engineering, and analytical obligations required by this Order. The experience, capabilities, and qualifications of the firms or individuals selected by Respondent shall be submitted to the Department within thirty (30) days after the Effective Date of this Order or their selection by Respondent, whichever is later. The Department's approval of these firms or individuals shall be obtained before the start of any activities for which Respondent and such firms or individuals will be responsible. Such approval shall not unreasonably be withheld, and shall be deemed granted if Respondent has not received from the Department a written notice of disapproval within fifteen (15) days of Respondent submitting the credentials of the firms or individuals selected. The responsibility for the performance of the professionals retained by Respondent shall rest solely with Respondent.

- C. The Department shall have the right to obtain split samples, duplicate samples, or both, of all substances and materials sampled by Respondent pursuant to this Order, and the Department also shall have the right to take its own samples at SWMU P-76. Respondent shall make available to the Department the results of all sampling and/or tests or other data generated by Respondent with respect to implementation of this Order and shall submit these results in the progress reports required by this Order. Respondent shall have the right to obtain split samples, duplicate samples, or both of all substances and materials sampled by the Department, and the Department shall promptly make available to Respondent the results of all sampling, tests or other data generated by the Department with respect to this Order.
- D. Respondent shall notify the Department at least ten (10) working days in advance of any field activities to be conducted pursuant to this Order.
- E. Respondent shall obtain all permits, easements, rights-of-way, rights-of-entry, approvals, or authorizations necessary to perform Respondent's obligations under this Order.

- F. Respondent, its successors and assigns, shall be bound by this Order. Any change in ownership including, but not limited to, any transfer of assets or real or personal property relating to SWMU P-76 shall in no way alter Respondent's responsibilities under this Order.
- G. Respondent shall be responsible for ensuring that its contractors and subcontractors perform the work in satisfaction of the requirements of this Order.
- H. Respondent shall submit a monthly progress report by the last Friday of each month outlining the work performed since the last report.
- I. All references to "days" in this Order are to calendar days unless otherwise specified. If a deadline falls on a weekend or holiday, such deadline shall automatically be extended to the next business day.
- J. The Section headings set forth in this Order are included for convenience of reference only and shall be disregarded in the construction and interpretation of any of the provisions of this Order.
- K. The Effective Date of this Order shall be the date that the Commissioner or his designee signs this Order. The Department will provide Respondent (or Respondent's counsel) with a fully executed copy of this Order as soon as practicable after the Commissioner or his designee signs it.
- L. In the event of an inconsistency between the provisions of any attachment or appendix of this Order and any term, condition, or provision contained in Sections I through XIV of this Order, the term, condition, or provision contained in that Section, and not that in any attachment or appendix of this Order, shall control.
- M. Respondent and Respondent's corporate successors and assigns hereby affirmatively waive any right they had, have, or may have to make a claim against New York

State pursuant to Article 12 of the Navigation Law with respect to SWMU P-76, and further release and hold harmless the New York State Environmental Protection and Spill Compensation Fund from any and all legal or equitable claims, suits, causes of action, or demands whatsoever that any of the same has, or may have, with respect to SWMU P-76.

The terms of any other Orders on Consent Respondent has entered into with the N. Department pertaining to the Lackawanna Facility shall continue in full force and effect unless they conflict with, or are otherwise addressed by, the terms of this Order, in which case the terms of this Order shall control.

DATED: June 29, 2015 Buffalo, New York

Joseph J. Marten Commissioner New York State Department of Environmental Conservation

By: Abby M. Snyder

Regional Director

CONSENT BY RESPONDENT

Respondent hereby consents to the issuance and entry of the foregoing Order, without further notice, waives its right to a hearing herein as provided by law, and agrees to be bound by the provisions, terms and conditions contained herein. The undersigned represents and affirms that he or she has the legal authority to bind Respondent to the terms and conditions of this Order. By: Keith A Nagel Title: Dia. Favia. AFFAIR <u>ACKNOWLEDGEMENT</u> On the 18 day of June in the year 2015, before me, the undersigned, personally appeared Keith Nagel, personally known to me who, being (Keith A. Nagel) duly sworn, did depose and say that he or she resides at: 4020 Kirnoss Lakes Parkuay Richfield Ohio 44286

(Full mailing address)
and that he or she is the Director Environmental Affairs

(President or other officer or director or attorney in fact duly appointed) of the Tecunseh Redevelopment, Irc. (Full legal name of corporation) the corporation described in and which executed the above instrument; and that he or she signed