



Granite City Works
United States Steel
20th & State Street
Granite City, IL 62040
(618) 451-3456

PC#37

January 20, 2014

Mr. John Therriault
Clerk, Illinois Pollution Control Board
100 W. Randolph Street
Suite 11-500
Chicago, IL 60601

Certified Mail No. 7011-3500-0000-1969-1405

RE: Consideration of IEPA Proposal and Motion to Seek Emergency Rules under Section 27(c) of the Illinois Environmental Protection Act (R14-20)

Dear Mr. Therriault:

United States Steel Corporation (U. S. Steel) is an integrated steel producer with operations in Granite City, Illinois employing approximately 2,200 employees. The facility utilizes coal to produce coke on-site, and iron ore and fluxes as raw materials in the blast furnace to produce molten iron that is further refined into steel through the addition of scrap and oxygen injection at the Basic Oxygen Furnace. The molten steel is then solidified and cut into slabs for further processing or sale to customers. The steel slabs are rolled into coils and can be further processed and coated in on-site finishing facilities. In addition to the approximately 2,200 U. S. Steel employs on-site, a significant number of contracted employees work at the facility on a daily basis, and various capital projects employee additional workers for extended time periods.

U. S. Steel recently learned of the Illinois Environmental Protection Agency's (IEPA) filing of a proposal and motion for emergency rulemaking pursuant to Section 27(c) of the Environmental Protection Act, Section 5-45 of the Illinois Administrative Procedure Act, and Section 106.612 of the Illinois Pollution Control Board's (IPCB) rules.

U. S. Steel strongly urges the IPCB to reject the designation of "emergency" for the rules proposed by the IEPA involving operators of petroleum coke, metallurgical coke, coal, and bulk material storage facilities based upon two principles.

First, Section 27(c) of the Illinois Environmental Protection Act (Act) clearly states that the IPCB may only permit administrative emergency rulemaking when one or more of the following conditions exists: an emergency exists when the IPCB finds that a severe public health emergency exists, or when the IPCB finds that a situation exists which reasonably constitutes a threat to the public interest, safety, or welfare. Here, the IEPA's proposed rules clearly do not rise to the level of an "emergency" under Illinois law. In its motion, IEPA, in generalities, refers to complaints of bulk terminal facilities in Cook County. However, IEPA has not identified any complaints or risks outside of the isolated events in Cook County, but it merely states that "[o]ther statewide coke or coal bulk terminals *could* [emphasis added] encounter problems similar to those at Cook County bulk terminals and *should* be subject to the emergency rule to ensure consistent regulation throughout Illinois and to prevent a localized problem from simply relocating to otherwise unregulated parts of the State." Here, IEPA concedes that the alleged problem is localized and not statewide. The IEPA states that the rule is necessary to prevent the "problem" to relocate to "otherwise unregulated parts of the State." However, coke and coal bulk terminals have existed in other

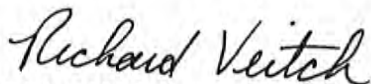
parts of the State for decades, with no such allegations being raised. Preventing the relocation of facilities to other parts of the State, something that is not done overnight, certainly does not meet the criteria needed to promulgate an emergency rule. The costly immediate impacts to coke and coal bulk terminals throughout the state from the proposed emergency rule could cause irreparable harm to them and their customers. The allegations regarding the facilities in Cook County are being addressed locally. In addition, the Illinois EPA, as it points out in the proposed rule, already has fugitive dust regulations – so the Illinois EPA’s reference elsewhere in the proposed rule to “unregulated parts of the State” is not entirely accurate. Furthermore, Illinois EPA already has significant authority in permitting and enforcement under the existing regulations. Since the issues raised at a few local facilities (as conceded by Illinois EPA) have not been identified beyond those few facilities, Illinois EPA should be using its existing permitting and enforcement authority to address such concerns at the localized facilities. It should not be pursuing an emergency rule that is much too broad in scope with the potential to cause unnecessary, significant impacts to facilities to which no issues have been raised.

Second, the emergency rulemaking places unintended consequences on the producers and end users of coal and coke that supposedly are not to be impacted by the rule. There are many indirect impacts on producers and end users. In the case of U. S. Steel, should unnecessary restrictions be placed on the material storage facilities, the impacts could be severe to U. S. Steel. If the supply of coal is restricted due to the rule, a trickle-down effect occurs where iron and steel cannot be produced and supplied to our customers. Coal is an essential ingredient in the coking process. Coal is shipped via barge on the Mississippi River and unloaded in Venice, Illinois. The coal must be then transported from the bulk storage facility in Venice to U. S. Steel Granite City Works for consumption in the coking process.

Thus, U. S. Steel believes that the rule should be rejected due to the fact that the current situation does not consist of an “emergency” and it will place significant unintended consequences on the end users and other entities.

Thank you for your time and consideration. Should you have any questions, please contact Bryan Kresak of my staff at 618-451-3391 or via email at BMKresak@uss.com.

Sincerely,



Richard Veitch
General Manager
Granite City Works
United States Steel Corporation

cc: IPCB Board Members:

Ms. Deanna Glosser, Chairperson – Certified Mail No. 7011-3500-0000-1969-1412
Ms. Carrie Zalewski – Certified Mail No. 7011-3500-0000-1969-1429
Ms. Jennifer Burke – Certified Mail No. 7011-3500-0000-1969-1436
Mr. Jerome D. O’Leary – Certified Mail No. 7011-3500-0000-1969-1443