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VIA HAND DELIVERY

July 15, 2010

Ms. Tamara Ohl
U.S. Environmental Protection Agency – Region V
77 West Jackson Blvd. (LU-9J)
Chicago, IL 60604

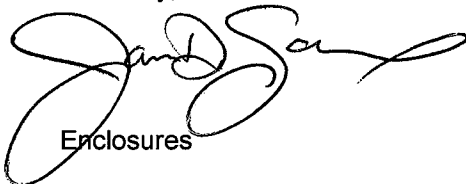
**RE: Monthly Progress Report
RCRA Corrective Action
U. S. Steel – Gary Works
IND 005 444 062**

Dear Ms. Ohl:

In accordance with Section XV, Paragraph 1 and Attachment II of the RCRA 3008(h) Administrative Order on Consent (Order), enclosed are five (5) copies of Monthly Progress **Report No. 138** for the project period of **June 1, 2010** through **June 30, 2010**. If you should have any comments or require additional information, please call Mark Rupnow at (219) 888-3449.

I certify that this Monthly Report was prepared under my direction or supervision in accordance with a system designed to evaluate the information submitted. I certify that the information contained in or accompanying this submittal is true, accurate, and complete. As to those identified portion(s) of this submittal for which I cannot personally verify the accuracy, I certify that this submittal and all attachments were prepared in accordance with procedures designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those directly responsible for gathering the information, or the immediate supervisor of such person(s), the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,



Enclosures

cc: F. T. Harnack - w/enc.
D. L. Smiga - "
R. L. Menozzi - "
R. H. Lange - "
M. R. Rupnow - "
S. West - w/ enc. (2) – via Federal Express

bcc: D. C. Behrens - w/enc.
R. F. Casselberry - "
M. Knight - "
S. Quadri - "
D. P. Boyea - "
J. L. Rey - "
M. Soto - "
C. Read (STD) - "
D. Carey (City of Gary) - "
W. Faatz (IDNR) - "
D. Sparks (DOI/USFWS) - "
R. Daum (NPS) - "
H. Kuss (IDEM-NW) - "
K. Nelson (NWI Forum) - "

MONTHLY PROGRESS REPORT NO. 138

June 1, 2010 through June 30, 2010

U. S. STEEL GARY WORKS

GARY, INDIANA

RCRA ADMINISTRATIVE ORDER ON CONSENT

IND 005 444 062

This monthly progress report (Report) is submitted in compliance with Section XV, Paragraph 1 and Attachment II of the above referenced Consent Order. As specified in the Consent Order, progress reports will be submitted monthly. This Report includes the period from June 1, 2010 through June 30, 2010. The next Report (August 16, 2010) will include the period from July 1, 2010 through July 31, 2010.

A. ACTIVITIES INITIATED, UNDERTAKEN AND COMPLETED

- **Vessel Slip Turning Basin – Retaining Wall**

- USS continues to perform daily inspections of the silt curtain to verify it is in working order and whether oil sheens or blooms are present within the curtain.
- Continued survey of new and existing wells for DNAPL level and potential recovery / recharge.

- **Agency Involvement**

- Gary Works was inspected ten (10) times by environmental agencies during the month. No solid waste compliance issues were identified during the inspections.
- On June 3rd a group of USEPA staff primarily representing the Office of Air and Radiation from Washington and Region 5 as well as the Region 5 Deputy Regional Administrator toured Gary Works. The tour included a presentation of Gary Work's steelmaking capability, Environmental Performance and stewardship initiatives as well as a driving tour of the East Side operations, tour of the Q BOP steel making shop and a description of the Gary Works Coke making facilities and operations.

- **Public Involvement**

- On June 3rd participated in the monthly Northwest Indiana Forum Environmental Committee meeting. Agenda topics included a discussion of the status of the Indiana antidegradation rulemaking, local NPDES permits that are under development by IDEM, Asian Carp issue, Great Lakes Compact/Conservation Guidance, RDA

- Marquette Implementation Coordinator selection, the City of Hammond Air Department duplicate air source permitting issue and the Indiana Water Resources Task Force.
- On June 9th conducted the Indiana Dunes Environmental Learning Center Finance Committee meeting. Status of audit items was discussed as well as other financial issues. The 2010 – 2011 budget was discussed in light of possible NPS funding cuts in the upcoming year.
 - On June 10th participated in the Marquette Park Lakefront East Conservancy Subcommittee meeting. The purpose, roles, responsibilities, and authority of the conservancy were discussed along with several alternative options for the organization structure. The Aquatorium Society will be approached to investigate unifying the existing and proposed organizations.
 - On June 14th attended and participated in the Indiana Dunes Environmental Learning Center Board of Directors meeting. The Learning Center provides an in-depth exploration of the relationship between people and their environments using the natural and cultural resources of the Indiana dunes region where nature and society co-exist. Gary Works and the Learning Center together provide outdoor environmental education opportunities for students in Northwest Indiana.
 - On June 14th participated in the Marquette Park Lakefront East board meeting. General board business was conducted as well as a discussion of the Conservancy subcommittee actions to date and the status of a construction manager position being filled for the upcoming park renovation projects.
 - On June 15th attended the City of Gary's CARE Level II project meeting. The Level II Grant application notification was reviewed. It was noted that the Gary grant application was very highly ranked nationally. The final application must now be formally submitted. CARE organization training was conducted by the USEPA and the national conversation on Public Health and Toxic Chemical exposure was discussed.
 - On June 17th attended the Gary CASP environmental stakeholder meeting to discuss the CASP air permit. Six stakeholders attended the meeting. The CASP video was shown and brief air and water presentations were made. Presenters responded to questions on the process and project, and attendees were generally supportive of the project and the emerging technology which appears more environmentally friendly.
 - On June 18th presented a Grand Calumet River Case Study to the Gary Brownfields Job Training program. Approximately 25 students participated in the class and attended the presentation.
 - On June 23rd attended the Partners for Clean Air planning meeting. A recap of the 2010 Partners for Clean Air kick off breakfast was held, as well as planning for the 2011 event was begun. The group also continued planning for the annual Asthma Awareness event at the Gary Railcats Stadium scheduled for August 31st.

- **Miscellaneous**
 - Submitted monthly (May) progress report.
- **Facility-Wide RCRA Facility Investigation (RFI)**
 - Continued work on closure related activities for HWT-2, HWD-5 landfill and TTP Disposal Area. Bid were received on proposals for the closure of the three units.
 - Received approval from IDEM for the proposed closure plan at the TTP Area.
 - Continued operation of the groundwater recirculation treatment system for the East Side Groundwater SISM.
 - Continued with field activities for the East Side SAP.
 - Continued with the utility clearances for the proposed Perimeter Monitoring wells and East Side SAP.
 - Assisted EPA on data compilation issues associated with the implementation of the East Breakwater Area sampling.
 - Installed and sampled 10 additional monitoring wells near the East Side Groundwater SISM area.
 - Submitted a revised East Side SAP Addendum report and an Interim Stabilization Measure Work Plan.

The following activities are required in accordance with Attachment I: Statement of Work – Grand Calumet River Sediment Remediation:

- **USCOE Section 404/10 Dredge Permit Application**
 - Submitted to NRD Trustees, 6/07/05, revised implementation schedule.
 - Continued restoration activities, in accordance with the approved Workplan.
 - USCOE and IDNR continue their review of a contractor work platform installation for stabilization measures / GCR bank repair along 2nd Ave and Ambridge Park.
- **NPDES Permit Application**
 - Submitted to IDEM, 6/11/10, Discharge Monitoring Report for May 2010.
 - Effective 11/30/09, discontinued operation of PSWTP.
 - Consistent with our letter of 3/18/10, USS resumed operation of the pilot spray evaporation system on 4/6/10 for the management of leachate from CAMU Unit 1.
 - Submitted to IDEM, 5/17/10, response to their questions of 4/29/10 regarding the operation of the pilot evaporation spray system at the CAMU.

- Discontinued operation, following 90 days of operation, of pilot evaporation spray system, 6/30/10 in accordance with the plan as described in our letter dated 3/18/10.
- **TSCA PCB Alternate Disposal Method Approval**
 - Submitted to EPA, 4/20/09, a request to extend the effective date of the TSCA Approval by five (5) years.
 - Received from EPA, 12/18/09, *draft* of Modification to TSCA Permit.
 - Submitted to EPA, 1/13/10, comments to EPA’s 12/18/09 *draft* of Modification to TSCA Permit.
- **CAMU Groundwater Monitoring**
 - Validated data from the semi annual CAMU groundwater-sampling event has been received and is filed in the Project Repository.
- **Air Quality Monitoring Plan**
 - Submitted to EPA, 6/30/08, *Revised Air Monitoring and Operations Plan (AMOP)* for air monitoring as remediation wastes are placed into the CAMU.
 - Continued air monitoring, 3 times per week, at both the CAMU and residential air monitoring stations.
 - Received from EPA, 6/2/09, additional draft comments on *Revised Air Monitoring and Operations Plan (AMOP)*.
 - Submitted to EPA, 6/16/10, a red-lined version of the *Revised AMOP* that incorporates USS’ response to EPA comments.
 - Initiated, week of 5/31/10, air monitoring for ammonia at CAMU.
 - Effective 7/2/10, following the discontinuation of the pilot evaporation spray system, increased the “turn around time” for receipt of the air monitoring analytical results from 24 hours to 5 days.
 - Effective 6/11/10, following a verbal confrontation with an individual at the residential monitoring station between 3rd and 4th Avenues along Ellsworth St, USS informed both EPA and the City of Gary that residential monitoring will be discontinued until the safety of our contractors can be ensured.
 - No notification level or action level exceedances were recorded at the CAMU or residential monitoring stations during this reporting period.
- **CAMU – Operation and Maintenance Plan**
 - Routine Operation and Maintenance continues.
 - Validated data from the semi annual leak detection monitoring event has been received and is filed in the Project repository.

- Submitted to EPA, 6/30/10, CAMU Operations and Maintenance Annual (2009) Report.
- **Dredge Completion Report**
 - Received from EPA, letter dated 3/4/10, confirmation that the objectives of Section VII the CWA Consent Decree (GCR Sediment Remediation) have been satisfied. Furthermore EPA stated that section VII of the Decree shall terminate upon motion of USS, to the Court, pursuant to Section XII of the Decree.
- **GCR Sediment Remediation Program (Initial Dredge Effort)**
 - Completed, Dec 12, 2003, the removal (dredging) of **788,433 cu yds** of non native sediment, including 800 cubic yards removed from USS Outfall 033 and the headwater's culvert.
- **Dredging – Phase II**
 - Completed, Dec 6, 2007, the removal (dredging) of an additional **40,400 cu yds** of non native sediments from GCR Station 12+50 to Station 75+00.

B. ACTIVITIES PLANNED FOR JULY 2010

- **Vessel Slip Turning Basin**
 - Continue daily monitoring at the VSTB for oil sheens and blooms.
 - Continue survey of new and existing wells for DNAPL level and potential recovery / recharge.
- **Facility Wide RFI**
 - Review bids for HWD-5/TTP and HWT-2 closure activities.
 - Continue operation of the groundwater recirculation treatment system for the East Side Groundwater SISM.
 - Continue utility clearance for proposed Perimeter Groundwater well installations.
 - Continue field activities for the East Side SAP.
 - Continue field activities on the East Breakwater Area Sediment Sampling Plan.
 - Conduct sampling of the 10 new monitoring wells in the area of the East Side Groundwater SISM.
 - Submit a final revision to the request to dispose of material from HWT-2 into the CAMU.

- **GCR Sediment Remediation Program**

- Continue air monitoring at the CAMU and resume monitoring at the residential locations.
- Continue baseline PM₁₀ monitoring at CAMU.
- Continue ammonia air monitoring (weekly/monthly) at CAMU.

C. DEVIATIONS IN REPLY TO: PLANNED ACTIVITIES MADE DURING REPORT PERIOD

- None.

D. USS CAMU DISPOSAL REQUESTS & AGENCY RESPONSE

- Continue to address comments from USEPA on a request to dispose of material from the closure of HWT-2 at the CAMU. Resubmit revised request in October.
- Submitted a request to dispose of Investigation Derived Waste (IDW) from on-going RCRA Corrective Action activities at Gary Works.

E. SUMMARY OF ENVIRONMENTAL EVENTS

None.

F. NPDES EXCEEDANCE

F (1) Current Reporting Month (June) – Outfall 015 Foam Discharge

DATE: June 3, 2010

EVENT: At 8:30 AM on June 3, 2010 foam was observed at the Outfall 015 discharge into the Grand Calumet River.

Outfall 015 contains treated process wastewater from the SWD-1 Landfill Leachate Treatment Plant, Noncontact Cooling Water (NCCW) from the Sinter Plant and PCI, and stormwater.

CAUSE: In the Sinter Plant burner building, at the HL 2 through 4 conveyor systems, a dust suppression surfactant product had been trialed for industrial hygiene and safety purposes. The system consists of a tote and a portable pump skid system that pumps into the spray system via a service water carrier.

After investigation, U. S. Steel personnel discovered that the flapper check valve on the dust suppression portable pump skid system did not prevent surfactant material from being pumped back into the main service water system that feeds the pump skid system. This main service

water system discharges directly to the Outfall 015 NCCW sewer system to the Grand Calumet River.

It is estimated that approximately 20 gallons of the surfactant product was introduced to the service water system. Boom was immediately deployed on the Grand Calumet River, and the affected area of the river was approximately 200 sq ft. The foaming subsided and the incident ended at approximately 1330 hours.

The root cause of this incident is the existing flapper check-valve failed to prevent the surfactant from entering the service water system. A spring-loaded ball check valve (or other positive shut off valve) will be used for this type of application in the future.

FUTHER ACTION: In order to prevent a similar occurrence, the following actions will be taken, or have been taken:

- The portable pump skid system was shut down and locked out immediately upon discovery.
- On 6/4/2010, the portable pump skid system was completely severed from the service water system and spray nozzle system, and it was removed from the plant on 6/7/2010.
- Key vendors that utilize pump skids across the Complex were contacted on 6/7/2010 to require all pump skids associated with service water systems be equipped with proper check valve configurations (i.e. spring-loaded ball check valve, or other positive shut off valve).