

Exhibit 7

**IN THE UNITED STATES DISTRICT COURT FOR
THE WESTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA, and the
ALLEGHENY COUNTY HEALTH
DEPARTMENT,

Plaintiffs,

v.

UNITED STATES STEEL CORPORATION,

Defendant.

Civil Action No. 2:22-cv-00729-CRE

**DECLARATION OF BRUCE AUGUSTINE IN SUPPORT OF THE
UNITED STATES' MOTION TO ENTER CONSENT DECREE**

I, Bruce Augustine, based on my personal knowledge and review of the relevant records in this case, declare and state the following:

1. I am an Environmental Scientist in Region III of the United States Environmental Protection Agency (EPA), assigned to the Enforcement and Compliance Assurance Division in the Air Section.

2. I have a Bachelor of Science Degree in Marine Science from Richard Stockton College in New Jersey.

3. I have been employed by EPA for over 24 years, including over 24 years working in air enforcement with the Enforcement and Compliance Assurance Division and its predecessor divisions.

4. I have completed all required training and am credentialed as a Clean Air Act Stationary Source Inspector, and receive annual inspector refresher training, both for inspector and media specific training, as required by EPA Order 3500.1 Inspector Training Requirements.

I am therefore readily familiar with identifying potential non-compliance with federal environmental regulations at complex industrial processes such as those at issue in this matter.

5. As an Environmental Scientist within the Enforcement and Compliance Assurance Division, I conduct compliance investigations under the Clean Air Act (“CAA”). My duties include conducting inspections, gathering data, and preparing reports to make compliance determinations. Based on inspection reports and other data, I identify CAA violations and develop cases for prosecution. For cases involved in settlement discussions, I participate in settlement negotiations, review proposed injunctive relief to ensure compliance with applicable requirements, and develop penalty calculations using the EPA Penalty Policy. Part of my role is also to make recommendations to senior management on various matters, including whether the Region should enter into a proposed settlement.

BACKGROUND ON SETTLEMENT

6. I am assigned to the CAA compliance matter involving United States Steel (“Defendant”) at the Edgar Thomson steel plant (“Facility”) at issue in this case. I began working on the Edgar Thomson matter in 2020, and am familiar with the work performed by other EPA staff to investigate the Facility and develop and negotiate the terms of the settlement of the Clean Air Act claims at issue. In addition to myself, other EPA Region III staff and managers, as well as staff and managers from the Allegheny County Health Department (“ACHD”) and an expert technical consultant with extensive experience in the steel industry, assisted in gathering and analyzing data and developing and reviewing the injunctive relief contained in the Consent Decree.

7. The Edgar Thomson Facility is an integrated iron and steel facility that produces steel slabs from raw iron.

8. The Facility uses two blast furnaces to produce iron. Iron ore and coke are added to the blast furnace in layers and as the iron melts, it sinks to the bottom of the blast furnace where it is tapped in a casthouse. The less dense slag is skimmed off the top, while the molten iron flows through a trough in the floor and into a torpedo car, which is a refractory lined rail car designed specifically to transport molten iron. Emissions from the blast furnace tap holes are captured by a collection hood combined with an air curtain before being routed through a positive pressure casthouse baghouse.

9. The molten iron is dumped from the torpedo cars into a hot metal mixer in the Facility's Basic Oxygen Process ("BOP") Shop, before being transferred to a ladle. Emissions from the metal mixer are captured by a hood and routed through a negative-pressure baghouse. The molten iron is desulfurized with a magnesium-lime mixture while in the ladle, and then charged into BOP furnaces on top of scrap steel where it is converted to molten steel by lowering a lance into the furnace that injects high purity oxygen. Emissions from the charging phase are controlled through a primary control system that includes a water-cooled collection hood that routes emissions to a venturi scrubber, and a secondary collection system comprised of collection hoods that route emissions through a positive pressure baghouse. After the BOP Shop furnace, the molten steel is sent either to a vacuum degasser or a Ladle Metallurgy Furnace for further refinement, with emissions captured by a hood and routed through another baghouse.

10. EPA and ACHD inspected the Facility several times, and documented exceedances of the Facility's visible emissions limitations on approximately sixteen days in 2016 and 2017, as set forth in Count One of the Complaint in this matter. These visible emission limitations, also known as opacity limits, are numerical standards set forth in federally enforceable air pollution control regulations promulgated by ACHD, codified in Article XXI of

ACHD's Rules and Regulations, and are also incorporated into the Facility's Clean Air Act Title V operating permit. The Facility's non-compliance with these limits was documented pursuant to visual observations recorded by EPA and ACHD inspectors using "Method 9," an EPA-approved method for measuring the opacity of emissions from stationary sources.

11. EPA's and ACHD's inspections also documented three occasions where Defendant failed to take actions to prevent fugitive air contaminants from becoming air-borne (Complaint Count Two), two instances in which Defendant failed to maintain, repair, and notify ACHD of an inoperable rotary valve necessary for the proper operation of a baghouse (Complaint Count Three), and two instances where Defendant had failed to timely address pollution control device performance problems that had been identified in monthly inspections, as required by the Facility's CAA-mandated Operations and Maintenance ("O&M") Plan (Complaint Count Four).

12. EPA consulted with ACHD in identifying the above the violations, and worked closely with ACHD to develop proposed injunctive relief in an effort to resolve this matter through negotiations with Defendant. Settlement negotiations in this matter took place for several years prior to lodging of the Consent Decree, and consistently included EPA technical staff represented by EPA and Department of Justice attorneys, ACHD technical staff and attorneys, and Defendant's technical and environmental compliance representatives and attorneys. The parties exchanged multiple rounds of term sheets, technical information, and consent decree drafts, and met numerous times in an effort to resolve their disagreements, both virtually and in person.

13. The Consent Decree that resulted from those negotiations requires Defendant to perform a number of actions to ensure the Facility complies with these CAA requirements,

through various evaluations and improvements of the Facility's emission control systems, enhanced monitoring requirements, and more robust maintenance practices.

14. Paragraphs 15 through 36 of the Consent Decree require Defendant to retain third party contractors to perform engineering studies of the Facility's blast furnace casthouse baghouse system, BOP Shop roof capture and control system, and BOP Shop scrubber system. The goal of the studies, which will be subject to review and approval by EPA and ACHD, is to identify the root cause of any visible emissions and any necessary improvements to ensure USS can maintain compliance with the applicable regulations. EPA has used such studies in other CAA enforcement matters, and they can be particularly useful in cases such as this, to determine whether additional measures may be necessary to improve existing emissions controls.

15. Paragraphs 37 to 39 of the Consent Decree require Defendant to install and operate a video camera system that will consist of strategically located cameras to record areas of the plant where emissions issues could occur. The video camera system will send a live feed to USS operators, who will use the video as a tool for minimizing emissions and ensuring processes are optimized. ACHD will also be able to access the video recordings to investigate potential compliance issues.

16. Paragraphs 40 to 44 of the Consent Decree require Defendant to implement an enhanced schedule of EPA Method 9 visible emissions observations, which will help ensure the Facility is complying with the opacity limitations that apply to the Facility, which are set forth in ACHD regulations and the Facility's Title V air permit. Method 9 is an EPA-approved method for surveying and identifying the opacity of emissions from stationary sources like the Edgar Thomson Facility, and the requirements for conducting Method 9 readings are set forth in EPA regulations promulgated at 40 C.F.R. Part 60, App. A-4 (Method 9—Visual Determination of the

Opacity of Emissions from Stationary Sources). Among other requirements, Method 9 readings require a certified observer to momentarily (at 15 second intervals) visually observe the opacity of a plume at the point of its greatest opacity where no condensed water vapor is present, while standing with a clear view of the emissions with the sun oriented in the 140° sector to the inspector's back, and while observing from a position such that the line of vision is approximately perpendicular to the plume direction. The observer must also contemporaneously document variables such as the angle of the observer with respect to the plume, the angle of the observer with respect to the sun, wind speed and direction, sky condition, and other observations.

17. The Method 9 readings required by the Consent Decree will focus on the areas of the Facility where opacity emissions are most likely to occur based on the information gathered during EPA's and ACHD's inspections, including the Casthouse Roof Monitors, BOP Shop Roof Monitor, and BOP Shop Scrubber Stacks. The enhanced readings will phase out within twelve months after completion of the third party engineering evaluation process required by Paragraphs 15 through 36 of the Consent Decree, with the ability to phase out even sooner if Defendant demonstrates 100 percent compliance for four consecutive months following completion of actions required by the studies.

18. Paragraphs 45 to 46 of the Consent Decree require improvements to emission controls at the Facility's slag pits, which can be a significant source of fugitive emissions as well as foul-smelling hydrogen sulfide emissions. The Consent Decree requires Defendant to use slag-wetting practices to minimize fugitive emissions, and to install and operate a new spray system that employs a chemical additive to suppress hydrogen sulfide emissions.

19. Paragraph 47 of the Consent Decree requires Defendant to install sulfur dioxide Continuous Emissions Monitors to improve monitoring of sulfur dioxide emissions from the

Facility's boilers.

20. Paragraphs 48 to 56 of the Consent Decree impose third party audit provisions that will evaluate the Facility's operations and maintenance practices, as well as the adequacy of its existing O&M plan and the implementation of that plan, in order to help ensure compliance with the Facility's O&M plan. After an initial third-party audit, USS must thereafter perform annual self-audits, in accordance with the same scope and procedures. Such enhanced auditing procedures are a common tool in CAA enforcement matters such as this.

21. Section IV of the Consent Decree requires Defendant to pay a civil penalty of \$1,500,000 for the violations alleged in the Complaint, with \$750,000 paid to the United States and \$750,000 paid to ACHD.¹ EPA agreed to its civil penalty after taking into account the statutory factors listed in the CAA at 42 U.S.C. § 7413(e): the size of the business, the economic impact of the penalty, the history of violations and good faith efforts to comply, the duration of the violations, the economic benefit of noncompliance, and the seriousness of the violations. In light of these factors, as well the importance of the remedial measures and EPA's assessment of litigation risk, EPA believes that the penalty amount in the proposed Decree is fair and reasonable.

22. The United States' civil penalty captures the economic benefit Defendant received as a result of the alleged violations. More specifically, EPA used its BEN computer model, which is a publicly-available methodology developed by EPA that calculates the after-tax net present value of delayed compliance for enforcement purposes, to calculate the economic benefit Defendant derived from its violations. EPA's BEN Model uses various inputs to estimate

¹ ACHD agreed pursuant to Paragraph 12 of the Consent Decree that its portion of the civil penalty will be used to help fund a project developed by the Allegheny County Department of Economic Development.

avoided or delayed costs, both capital and operational, resulting from non-compliance. Some of the BEN inputs used are default values, and some are case-specific and require reasonable assumptions based on EPA's best professional and technical experience. The overall penalty in this case also reflects the gravity of the violations and is consistent with EPA's Clean Air Act Stationary Source Civil Penalty Policy, dated October 25, 1991.

CONCLUSION

23. After careful review and consideration of the comments received, EPA continues to believe that the proposed Consent Decree is fair and reasonable, includes robust injunctive relief that will ensure compliance with the Clean Air Act and significantly benefit the air quality in the area surrounding the Facility, and includes an appropriate civil penalty.

I declare under penalty of perjury that the foregoing is true and correct, to the best of my knowledge and belief.

Executed on this 6th day of October, 2022 in Philadelphia, PA.

**BRUCE
AUGUSTINE**
Bruce Augustine
Senior Environmental Scientist
U.S EPA Region III
Enforcement & Compliance Assurance
Division

Digitally signed by
BRUCE AUGUSTINE
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