



Pennsylvania Department of Environmental Protection

400 Waterfront Drive
Pittsburgh, PA 15222-4745

March 7, 2002

Southwest Regional Office

412-442-4000

Thaddeus Zalenski, Esquire
LTV Steel Company, Inc.
6801 Brecksville Road
Independence, OH 44131

The Bankruptcy Estate of LTV Steel
Company, Inc.
c/o David G. Heiman, Esquire
Jones, Day, Reavis & Pogue
North Point
901 Lakeside Avenue
Cleveland, OH 44114

RE: Banning Mine Clyde Mine
Russellton Mine and Coal Refuse Pile Nemaocolin Coal Refuse Pile
Pittsburgh Works - Hazelwood Coke Plant Midland Facility - East Mills Disposal Area
Aliquippa Works

Dear Messrs. Zalenski and Heiman:

Enclosed are two Administrative Orders issued by the Pennsylvania Department of Environmental Protection concerning LTV's environmental liabilities in Pennsylvania. One Order concerns the liabilities associated with LTV's coal mining facilities and the second Order concerns the liabilities associated with LTV's steel making facilities.

The Department is prepared to discuss with you the various issues which are addressed in the two orders. If you are interested in scheduling a meeting to discuss these matters, please contact either Gail A. Myers or Diana J. Stares, the Department's attorneys who are handling these matters. They can be reached at 412-442-4262.

Sincerely,

Charles A. Duritsa / *095*

Charles A. Duritsa
Regional Director

Enclosures

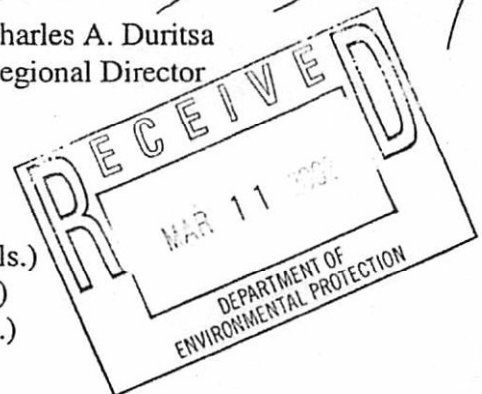
CAD:thh

cc: Michael Terretti (w/ encls.) William Plassio (w/ encls.)
James Brahosky (w/ encls.) John Matviya (w/ encls.)
Zelda Curtiss (w/ encls.) Gail A. Myers (w/ encls.)
Diana J. Stares (w/ encls.)

(LTV01.ltr)

*cc: M Hall
B King
C R Greene
H D Dimont*

*P. Brayson
D. Walter
C. Schen
T. Moin*
www.dep.state.pa.us



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

In The Matter Of:

| | | |
|--------------------------|---|----------------------------------|
| LTV Steel Company, Inc. | : | Banning Mine |
| and | : | Clyde Mine |
| The Bankruptcy Estate of | : | Russellton Mine/Coal Refuse Pile |
| LTV Steel Company, Inc. | : | Nemacolin Coal Refuse Pile |

ORDER

AND NOW, 7th day of March, 2002, the Commonwealth of Pennsylvania, Department of Environmental Protection ("Department"), has determined the following findings of fact:

Background

A. The Department is the agency with the duty and authority to administer and enforce The Clean Streams Law, Act of June 22, 1937, P.L. 1987, *as amended*, 35 P.S. §§ 691.1-691-1001 ("Clean Streams Law"); the Surface Mining Conservation and Reclamation Act, Act of May 31, 1945, P.L. 1198, *as amended*, 52 P.S. §§ 1396.1-1396.19a ("Surface Mining Act"); the Coal Refuse Disposal Control Act, Act of September 24, 1968, P.L. 1040, *as amended*, 52 P.S. §§ 30.51-30.206 ("Coal Refuse Disposal Act"); the Bituminous Mine Subsidence and Land Conservation Act, Act of April 27, 1966, P.L. 31, *as amended*, 52 P.S. §§ 1406.1-1406.21 ("Mine Subsidence Act"); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929,

P.L. 177, as amended, 71 P.S. § 510-17 ("Administrative Code") and the Rules and Regulations of the Environmental Quality Board promulgated thereunder ("Rules and Regulations").

B. LTV Steel Company, Inc. ("LTV") is a corporation with a business address of 6801 Brecksville Road, Independence, Ohio 44131. In December 2000, LTV and its related companies filed for Chapter 11 protection in the U.S. Bankruptcy Court for the Eastern District of Ohio (Youngstown). Since that time, LTV has been operating as a debtor in possession. The name and address of debtor's counsel is David G. Heiman, Esquire, Jones, Day, Reavis and Pogue, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114. Hereinafter, LTV Steel Company, Inc. and the Bankruptcy Estate of LTV Steel Company, Inc. shall be referred to collectively as "LTV."

C. LTV owns and operated several coal mining facilities in Pennsylvania, including the Banning Mine, an underground mine located in Westmoreland County, the Clyde Mine, an underground mine located in Washington County, the Russellton Mine, an underground mine and related coal refuse disposal pile located in Allegheny County, and the Nemaquin Refuse Pile, a coal refuse pile located in Greene County.

Three Underground Coal Mines

D. LTV ceased coal production at each of the three underground mines, the Banning Mine, the Clyde Mine and the Russellton Mine, in the 1980s and performed the necessary surface reclamation work at each one. However, at each of the underground mines, groundwater has been flowing into and forming a pool in the large underground

voids remaining at each mine. Each mine pool continuously rises and, if allowed to rise without restraint, ultimately will break out at the surface discharging millions of gallons of acid mine drainage.

E. In order to prevent any surface break outs of acid mine drainage and to keep each mine pool at a safe level, each pool must be pumped and the pumped mine drainage must be treated before it is discharged to the receiving stream.

F. LTV has been performing this pumping and treatment at each of the three underground mines since the point in time when each pool rose to a significant level.

G. LTV has been pumping and treating 8-9 million gallons of mine drainage each day from the Banning Mine since 1982 in order to maintain the mine pool at an elevation of 735 feet mean sea level ("msl"). LTV discharges the treated mine drainage to an unnamed tributary to the Youghiogheny River. LTV performs this work under authorization of Post Mining Activity Permit # 65981701.

H. LTV has been pumping and treating 1.5 million gallons of mine drainage each day from the Clyde Mine since 1998 in order to maintain the pool at an elevation of 730 feet msl. LTV discharges this treated mine drainage to Ten Mile Creek. LTV performs this work under authorization of Post Mining Activity Permit # 63971701.

I. LTV has been pumping and treating 2 million gallons of mine drainage each day since 1994 from the Russellton Mine in order to maintain the pool at an elevation of 889 feet msl. LTV discharges the treated mine drainage to Dawson Run, a

tributary to Deer Creek. LTV performs this work under authorization of Underground Mine Permit # 02841301 and NPDES Permit #PA0014346.

J. If the pumping and treatment ceases at any one of the three underground mines, the pools will rise to the breakout level. It will take approximately six months from the cessation of pumping at each mine in order for the mine pool to reach the breakout level.

K. The Banning Mine will break out when it reaches the elevation of 750-760 feet msl; the Clyde Mine will break out when it reaches the elevation of 760-770 feet msl; the Russellton Mine will break out when it reaches the elevation of 900 feet msl.

L. If any one of the three mine pools breaks out, it will create environmental and health and safety hazards.

M. The Banning Mine will break out at multiple locations within and adjacent to the Youghiogheny River near the river community of West Newton in Westmoreland County. Numerous private and community properties, including basements and parking lots, will be flooded. A section of the Youghiogheny River will turn orange and its water quality will be lowered. The heavy recreational uses made of the Youghiogheny River, including fishing, boating, and hiking on the Yough River Rails to Trails, will be adversely affected. The public water suppliers that draw from the Youghiogheny River will have to institute significant and costly additional treatment of the river water in order to provide water to the public.

N. The Clyde Mine will break out in or adjacent to Ten Mile Creek, approximately one mile upstream of the confluence of Ten Mile Creek with the Monongahela River. A section of Ten Mile Creek will turn orange and its water quality will be lowered. The heavy recreational uses made of the stream, including fishing and boating, will be adversely affected. At least one commercial establishment, a boat marina situated at the location of the expected breakout, will be flooded and may be forced to close business.

O. The Russellton Mine will break out at multiple locations, most likely from old mine openings and into Bull Creek and Little Deer Creek, streams which eventually flow into the Allegheny River. The water quality and uses of these streams will be adversely affected. In addition, an existing surface discharge from the adjacent and closed Indianola Mine ("Indianola Discharge") will increase in flow. The Indianola Discharge flows to Deer Creek upstream of where an annual trout stocking program occurs.

P. A breakout of untreated mine drainage from an underground mine constitutes violations of the Clean Streams Law, the Surface Mining Act, the Bituminous Mine Subsidence Act, the Rules and Regulations, and the permits authorizing pumping and treatment activities at that mine. In addition, any such breakout constitutes a public nuisance. Finally, any such breakout constitutes an immediate and identifiable hazard to the public health and safety.

Q. In order to prevent the conditions described above in Paragraphs M, N, an O, and to prevent the creation of violations of law, public nuisances and public health and safety endangerments, the pumping and treatment operations at the Banning Mine, the Clyde Mine and the Russellton Mine must be continuously maintained.

Russellton Refuse Pile

R. The Russellton Mine includes an associated refuse pile. There are surface seeps of acidic drainage flowing from the base of the refuse pile. If they were not collected, these acidic seeps would flow directly to and pollute Little Deer Creek.

S. LTV collects and treats the acidic seeps at the surface of the Russellton Mine and then channels the seeps into an underground mine pool at the Russellton Mine. LTV performs this work under authorization of Coal Refuse Disposal Permit #0274703.

T. The discharge of untreated seeps from a refuse pile constitutes violations of the Clean Streams Law, the Surface Mining Act, the Coal Refuse Disposal Act, the Rules and Regulations and the terms and conditions of the permit authorizing the collection, treatment, and discharge of such seeps. In addition, such discharges constitute a public nuisance. Finally, such discharges constitute an immediate and identifiable hazard to the public health and safety.

U. In order to prevent the discharge of untreated seeps from the Russellton Refuse Pile to the receiving stream, the seeps must continue to be collected and treated at the surface facilities.

Nemacolin Refuse Pile

V. The Nemacolin Refuse Pile is a 187 acre facility consisting of a large pile of coal refuse generated by underground mining and coal preparation activities which occurred many years ago at the site and a large coal slurry pond. Neither the refuse pile nor the coal slurry pond has been reclaimed. A portion of the refuse pile has been burning for a number of years. In addition, there are seeps of acidic drainage flowing from the base of the refuse pile at the rate of .3 million gallons per day.

W. The fire burning in the Nemacolin Refuse Pile causes air pollution and causes the pile to be unstable. The unreclaimed condition of the pile causes it to be unstable and allows surface water flowing over the pile to infiltrate the pile. The infiltration of surface waters make the pile more unstable and causes the surface seeps of contaminated drainage.

X. LTV has been collecting and treating the seeps from the Nemacolin Refuse Pile prior to discharging them to the Monongahela River. LTV conducts these activities under authorization of Coal Refuse Disposal Permit # 30743701.

Y. The conditions at the Nemacolin Refuse Pile which are described above in Paragraphs V and W constitute violations of the Clean Streams Law, the Surface Mining Act, the Coal Refuse Act, the Rules and Regulations, and the terms and conditions of Coal Refuse Disposal Permit # 30743701. In addition, such conditions constitute a public nuisance. Finally, such conditions constitute immediate and identifiable hazards to the public health and safety.

Z. In order to ensure compliance with the applicable statutes, regulations, and the permit for the Nemaquin Refuse Pile, LTV must extinguish the fire in the pile, reclaim the pile, and continue to collect and treat the seeps from the pile.

NOW, THEREFORE, pursuant to Sections 5, 316, 402 and 610 of the Clean Streams Law, 35 Pa. Code §§ 691.5, 691.316, 691.402 and 691.610; Sections 4.2 and 4.3 of the Surface Mining Act, 52 P.S. §§ 1396.4b and 1396.4c; Section 9 of the Coal Refuse Disposal Act, 52 P.S. § 30.59; Section 9 of the Mine Subsidence Act, 52 P.S. § 1406.9; and Section 1917-A of the Administrative Code, 71 P.S. § 510-17; it is hereby ORDERED:

1. a. LTV shall continuously maintain the mine pools in the Banning Mine, the Clyde Mine, and the Russellton Mine to prevent a break out from each mine. Specifically, LTV shall maintain the Banning Mine pool at the level of 735 feet msl; LTV shall maintain the Clyde Mine pool at the level of 730 feet msl; and LTV shall maintain the Russellton Mine pool at the level of 889 feet msl. LTV shall accomplish this by maintaining such pumping and treatment operations at each mine as are authorized by the terms and conditions of Post Mining Activity Permit # 65981701 (Banning Mine), Post Mining Activity Permit # 63971701 (Clyde Mine), and Underground Mine Permit # 02841301 and NPDES Permit #PA0014346 (Russellton Mine).

b. In the alternative, LTV shall create another remedy, satisfactory to the Department, that provides for perpetually maintaining the mine pools in the Banning Mine, the Clyde Mine and the Russellton Mine at levels necessary to prevent a surface breakout.

c. By April 5, 2002, LTV shall advise the Department in writing of which alternative it will implement and of how it will accomplish this.

2. a. LTV shall continue to provide for the collection and treatment of the surface seeps from the Russellton Coal Refuse Pile in such a manner as complies with all requirements of the Clean Streams Law, the Coal Refuse Disposal Act, the Surface Mining Act, the Rules and Regulations promulgated thereunder, and the provisions of Coal Refuse Disposal Permit # 0274703.

b. In the alternative, LTV shall create another remedy, satisfactory to the Department, that provides for the collection and treatment of the surface seeps from the Russellton Mine.

c. By April 5, 2002, LTV shall advise the Department in writing of which alternative it will implement and of how it will accomplish this.

3. By April 5, 2002, LTV shall commence action to extinguish the fire burning in the Nemaquin Coal Refuse Pile and shall extinguish the fire by August 30, 2002. On or before March 22, 2002, LTV shall notify the Department in writing of the date on which it proposes to commence this work and, at that time, shall provide the Department with a written description of what it plans to do. LTV shall take

all such measures as are necessary to prevent the creation of air or water pollution while performing this work.

4. By April 5, 2002, LTV shall commence reclamation of the Nemaocolin Refuse Pile and shall complete reclamation by September 1, 2003. LTV shall reclaim the Nemaocolin Refuse Pile in accordance with all provisions of the reclamation plan identified as the Abandonment Plan/Aerial Team Refuse Pile/Nemaocolin Mine/Greene County, Pennsylvania and submitted to the Department by LTV in January 1992, and the provisions of the Clean Streams Law, the Coal Refuse Disposal Act, the Surface Mining Act, and the Rules and Regulations.

5. a. LTV shall continue to provide for the collection and treatment of the surface seeps from the Nemaocolin Refuse Pile in such a manner as complies with all requirements of the Clean Streams Law, the Coal Refuse Disposal Act, the Surface Mining Act, the Rules and Regulations, and the provisions of Coal Refuse Disposal Permit # 30744701.

b. In the alternative, LTV shall create another remedy, satisfactory to the Department, that provides for the collection and treatment of the surface seeps from the Nemaocolin Refuse Pile.

c. By April 5, 2002, LTV shall advise the Department in writing of which alternative it will implement and of how it will accomplish this.


Any person aggrieved by this action may appeal, pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa. C.S., Chapter 5A, to the Environmental Hearing Board, Second Floor, Rachel Carson State Office Building, 400 Market Street, P. O. Box 8457, Harrisburg, Pennsylvania 17105-8457, 717-787-3483. TDD users may contact the Board through the Pennsylvania Relay Service, 800-654-5984. Appeals must be filed with the Environmental Hearing Board within 30 days of receipt of written notice of this action unless the appropriate statute provides a different time period. Copies of the appeal form and the Board's rules of practice and procedure may be obtained from the Board. The appeal form and the Board's rules of practice and procedure are also available in braille or on audiotape from the Secretary to the Board at 717-787-3483. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST REACH THE BOARD WITHIN 30 DAYS. YOU DO NOT NEED A LAWYER TO FILE AN APPEAL WITH THE BOARD.

IMPORTANT LEGAL RIGHTS ARE AT STAKE, HOWEVER, SO YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU

CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO
REPRESENTATION. CALL THE SECRETARY TO THE BOARD (717-787-3483)
FOR MORE INFORMATION.

FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION



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Date: 3/7/02