## IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

## **COUNTY OF ALLEGHENY,**

### **CIVIL DIVISION**

Plaintiff,

v.

# SHENANGO INCORPORATED,

Defendant.

No. GD-14-6299

JOINT MOTION TO AMEND CONSENT ORDER AND AGREEMENT DATED APRIL 8, 2014

**Counsel of Record for Plaintiff:** 

Michael A. Parker, Esq. PA ID No. 90979 Henry Miller II, Esq. PA ID No. 23862

Allegheny County Health Department 301 39th Street, Building #7 Pittsburgh, PA 15201 (412) 566-2565

**Counsel of Record for Defendant:** 

Chester R. Babst III, Esq. PA ID No. 17232

Babst Calland Clements and Zomnir, P.C. Firm No. 812 Two Gateway Center, 8th Floor 603 Stanwix St. Pittsburgh, PA 15222 (412) 394-5400



## IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

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CIVIL DIVISION Case No.: GD-14-6299

# JOINT MOTION TO AMEND CONSENT ORDER AND AGREEMENT DATED APRIL 8, 2014

The Plaintiff, the County of Allegheny, acting by and through the Allegheny County Health Department ("ACHD"), and the Defendant, Shenango Incorporated ("Shenango"), by and through their undersigned counsel, hereby file the following Joint Motion to Amend the "Consent Order and Agreement In the Matter of Neville Island Coke Plant, Shenango Incorporated, Neville Township, Allegheny County," approved and entered by the Court on April 8, 2014 (the "2014 COA"). The parties request that the Court approve and enter the First Amendment to the 2014 COA attached hereto:

1. The 2014 COA, attached to this motion as "Exhibit A," is intended in part to address sulfur compound emissions regulated under Article XXI Section 2105.21.h.3 (the "sulfur emissions standard") of the ACHD Rules and Regulations through the requirements of the Consent Order and Agreement entered on June 19, 2012 (the "2012 COA").

2. The ACHD continues to enforce the terms of the 2014 COA since its entry and approval by the Court.

3. The parties wish to clarify the scope of ACHD's enforcement authority and the

obligations Shenango is required to undertake under the 2014 COA regarding the sulfur emissions standard.

4. The parties also seek to modify the termination criteria for the 2014 COA to add an additional condition precedent to termination.

5. Pursuant to the First Amendment to the 2014 COA agreed to by the parties, the 2014 COA will be amended to expressly incorporate the entirety of the 2012 COA, to set forth applicable standards for the release of coke oven gas for purposes of operational safety, to express the procedure for determining compliance with pushing opacity standards, and to require the completion of the supplemental environmental project (SEP) as a condition for terminating the 2014 COA.

6. The parties recognize and agree that the First Amendment to the 2014 COA is a product of significant discussion and good faith negotiations, and is fair, reasonable and in the public interest.

WHEREFORE, the parties request the Court to approve and enter the First Amendment to the 2014 COA.

Dated: September 5, 2014

M.a. Panler

Michael A. Parker, Esq. PA ID No. 90979 Henry Miller III, Esq. PA ID No. 23862

Allegheny County Health Department 301 39<sup>th</sup> St, Building #7 Pittsburgh, PA 15201 (412) 566-2565

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Respectfully Submitted,

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Chester R. Babst III, Esq. PA ID No. 17232

Babst, Calland, Clements and Zomnir, P.C. Firm No. 812 Two Gateway Center, 8<sup>th</sup> Floor 603 Stanwix St Pittsburgh, PA 15222 (412) 394-5400

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# EXHIBIT A:

Original Consent Order and Agreement: In the Matter of Neville Island Coke Plant, Shenango Incorporated, Neville Township, Allegheny County, dated April 8, 2014.

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## IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

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COUNTY OF ALLEGHENY, a political subdivision of the Commonwealth of Pennsylvania,

Plaintiff,

vs.

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SHENANGO INCORPORATED

Defendant.

CIVIL DIVISION Case No.: <u>GD-14</u>-6299

# **CONSENT ORDER AND AGREEMENT**

WHEREAS, Plaintiff, the County of Allegheny, acting by and through the llegheny County Health Department ("ACHD"), has filed a complaint concurrently with this Consent Order and Agreement, alleging that Defendant, Shenango Incorporated (hereinafter "Shenango") violated certain provisions of the Clean Air Act (hereinafter "CAA"), 42 U.S.C. §§ 7401 *et seq.* and the ACHD's Rules and Regulations, Article XXI, Air Pollution Control (Allegheny County Ordinance No. 16782) (hereinafter "Article XXI").

#### RECITALS

WHEREAS, the ACHD has found and determined the following:

1. The Director of the ACHD has been delegated authority pursuant to the CAA, and the Pennsylvania Air Pollution Control Act, 35 P.S. §§ 4001-4014, and the ACHD is a local health agency organized under the Local Health Administration Law, 19 P.S. §§ 12001-12028, whose powers and duties include the enforcement of laws relating to public health within Allegheny County, including, but not limited to, Article XXI.

2. Shenango is a Pennsylvania corporation that maintains a mailing address within the Commonwealth of Pennsylvania at 200 Neville Road, Pittsburgh, PA 15225-1690.

3. Shenango's Neville Island Coke Plant (hereinafter "Coke Plant" or "Facility") located in Neville Township is a coke manufacturing and by-products recovery plant that

performs destructive distillation of coal to produce metallurgical coke and by-products such as tar, light oil, sodium phenolate, and ammonium sulfate. Coke oven gas (hereinafter "COG") fuel, which is used to underfire the coke battery and to fuel the boilers, is also produced. The Coke Plant includes one coke battery made up of 56 individual ovens that has a nominal rated capacity of 1,500 tons coal/day (hereinafter the "Battery S-1"), a coke by-products recovery plant, and environmental control units, including a wastewater treatment plant and a COG Desulfurization Plant.

4. On or about November 6, 2012, a Consent Decree executed by the United States of America, the Pennsylvania Department of Environmental Protection, the County of Allegheny and Shenango was entered in the United States District Court for the Western District of Pennsylvania (hereinafter "2012 Consent Decree").

5. The 2012 Consent Decree addressed, *inter alia*, compliance requirements covering the Facility's combustion stack.

6. On or about June 19, 2012, the Allegheny County Health Department and Shenango entered into a Consent Order and Agreement (hereinafter "2012 COA").

7. The 2012 COA addressed, *inter alia*, compliance requirements covering soaking and sulfur compound emissions.

8. On August 20, 2013, the ACHD issued to Shenango Notice of Violation No. 130706Rev1 (the original notice of violation, issued on July 31, 2013, was withdrawn due to an error and was corrected and reissued on August 20, 2013) (hereinafter "August 20<sup>th</sup> NOV"). The August 20<sup>th</sup> NOV alleged that, over the course of the first quarter of 2013, Shenango violated the following provisions of Article XXI:

a. Excess visible charging emissions at Battery S-1 in violation of Section 2105.21.a.1;

b. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.1;

c. Excess visible emissions from the offtake piping of Battery S-1 in violation of Section 2105.21.d.1; and

d. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4.

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9. The August 20<sup>th</sup> NOV also offered to settle the violations alleged therein through a civil penalty payment of \$16,250.00. Shenango accepted that settlement offer and paid the civil penalty of \$16,250.00 on or about September 13, 2013.

On September 25, 2013, the ACHD issued to Shenango Notice of Violation No.
 130903 (hereinafter "September 25<sup>th</sup> NOV"). The September 25<sup>th</sup> NOV alleged that, over the course of the second quarter of 2013, Shenango violated the following provisions of Article XXI:

a. Excess visible charging emissions at Battery S-1 in violation of Section 2105.21.a.1;

b. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.1;

c. Excess visible emissions from the offtake piping of Battery S-1 in violation of Section 2105.21.d.1;

d. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4;

e. Venting or flaring raw COG in violation of Section 2105.21.h.

11. The September 25<sup>th</sup> NOV also offered to settle the violations alleged therein through a civil penalty payment of \$25,475.00. Shenango accepted that settlement offer and paid the civil penalty of \$25,475.00 on or about January 23, 2014.

12. On December 5, 2013, the ACHD issued to Shenango Notice of Violation No. 131201 (hereinafter "December 5<sup>th</sup> NOV"). The December 5<sup>th</sup> NOV alleged that, over the course of the third quarter of 2013, Shenango violated the following provisions of Article XXI:

a. Excess visible charging emissions at Battery S-1 in violation of Section 2105.21.a.1;

b. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.1;

c. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.4 (40% opacity standard);

d. Excess visible emissions from the offtake piping of Battery S-1 in violation of Section 2105.21.d.1;

e. Excess visible soaking emissions at Battery S-1 in violation of Section 2105.21.i;

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f. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4; and

g. Venting or flaring raw COG in violation of Section 2105.21.h.

13. The December 5<sup>th</sup> NOV also offered to settle the violations alleged therein through a civil penalty payment of \$24,725.00. Shenango accepted that settlement offer and paid the civil penalty of \$24,725.00 on or about January 17, 2014.

14. The Department alleges that between the date of lodging of the 2012 Consent Decree, July 26, 2012, and December 31, 2012, Shenango violated the following provisions of Article XXI:

a. Excess visible charging emissions at Battery S-1 in violation of Section 2105.21.a.1;

b. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b;

c. Excess visible emissions from the charging ports on Battery S-1 in violation of Article XXI Section 2105.21.c;

d. Excess visible emissions from the offtake piping on Battery S-1 in violation of Article XXI Section 2105.21.d;

e. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4; and

f. Venting or flaring raw COG in violation of Section 2105.21.h.

15. The ACHD alleges that, over the course of the fourth quarter of 2013, Shenango violated the following provisions of Article XXI:

a. Excess visible charging emissions at Battery S-1 in violation of Section 2105.21.a.1;

b. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.1;

c. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.4 (40% opacity standard);

d. Excess visible emissions from the offtake piping of Battery S-1 in violation of Section 2105.21.d;

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e. Excess visible soaking emissions at Battery S-1 in violation of Section
2105.21.i;

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f. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4; and

g. Venting or flaring raw COG in violation of Section 2105.21.h.
16. The ACHD alleges that from January 1, 2014 through the March 13, 2014,
Shenango violated the following provisions of Article XXI:

a. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b;

b. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4; and

c. Excess visible soaking emissions at Battery S-1 in violation of Section
 2105.21.i.

17. On February 6, 2014, the Group Against Smog and Pollution, Inc. (hereinafter "GASP"), a Pittsburgh-based nonprofit corporation, sent to Shenango a letter providing notice that GASP intends to sue Shenango for air quality violations at Battery S-1 (hereinafter "GASP Notice Letter"). The GASP Notice Letter was sent pursuant to the citizen suit provisions of the Clean Air Act and Article XXI, found at 42 U.S.C. § 7604(b) and Article XXI § 2109.11.d, respectively, and asserted the following violations:

a. Excess visible charging emissions at Battery S-1 in violation of Section 2105.21.a.1;

b. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.1;

c. Excess visible emissions from the door areas of Battery S-1 in violation of Section 2105.21.b.4 (40% opacity standard);

d. Excess visible pushing emissions at Battery S-1 in violation of Section 2105.21.e.4;

e. Excess visible emissions from the Battery S-1 combustion stack in violation of Article XXI Section 2105.21.f.3 (20% standard);

f. Excess visible emissions from the Battery S-1 combustion stack in violation of Article XXI Section 2105.21.f.4 (60% standard); and Page 5 of 20

g. Excess emissions of the hydrogen sulfide content of flared, mixed or combusted coke oven gas in violation of Article XXI Section 2105.21.h.3.

18. The following steps have been taken by Shenango to enhance the control of charging, soaking and coke oven door emissions:

a. Monthly inspections of flue walls are being conducted and maintenance work is being performed and prioritized based on these inspections.

b. Charging work practices have been modified to require pre-leveling coal charge height measurements on Nos. 1 and 3 charge holes in order to maintain desired coal heights and spacing.

c. Jamb cleaning equipment design has been modified to improve efficiency.

d. Door inspection procedures have been revised to include a door changeout program of 1 to 2 doors/week.

19. Compliance with requirements pertaining to the emission of sulfur compounds from the Facility are covered by the 2012 COA that remains in full force and effect.

20. Compliance with requirements pertaining to emissions from the Facility's battery combustion stack are covered by the 2012 Consent Decree that remains in full force and effect.

WHEREAS, after a full and complete negotiation of all matters set forth in this Agreement and upon mutual exchange of covenants contained herein, the Parties agree that this Agreement is in the best interest of the Parties and the public;

NOW, THEREFORE, without any final determination or admission of fact or law, intending to be legally bound hereby, and with the consent of the Parties, it is hereby ADJUDGED, ORDERED and DECREED as follows:

### I. APPLICABILITY

A. The provisions of this Agreement shall apply to, be binding upon, and inure to the benefit of the ACHD and Shenango and upon their respective officers, directors, agents, contractors, employees, servants, successors, and assigns.

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B. The duties and obligations under this Agreement shall not be modified, diminished, terminated, or otherwise altered by the transfer of any legal or equitable interest in the Coke Plant or any part thereof.

C. If Shenango proposes to transfer the Coke Plant to an unaffiliated entity, Shenango shall provide written notice to the ACHD of the proposed transfer at least thirty (30) days prior to the transfer. Shenango shall also provide a copy of this Agreement to any person or entity to which Shenango intends to make any such transfer at least thirty (30) days prior thereto except that this provision does not apply to a transfer to a lender or lenders taking a security interest in the Coke Plant.

D. The undersigned representative of Shenango certifies that he or she is fully authorized to execute this Agreement on behalf of Shenango, and to legally bind Shenango to this Agreement.

E. Nothing in this Agreement is intended to limit or alter the ACHD's or Shenango's obligations or rights under Article XXI with regard to the transfer of installation or operating permits.

F. This Agreement is neither a permit nor a modification of any existing permit and shall not be interpreted as such. This Agreement is not to be construed as creating rights or obligations in third parties. This Agreement constitutes a settlement of material factual and legal issues and shall not constitute an admission or adjudication of any issue of fact or law relating to the claims of the County of Allegheny or defenses of Shenango.

### II. GENERAL TERMS

A. This Agreement addresses and is intended to address the violations alleged by Allegheny County, through the ACHD, in the complaint filed concurrently with this Agreement.

B. Nothing contained herein is intended to limit the authority of the ACHD with respect to violations that may occur after the date of this Agreement or to limit the authority of the ACHD to seek further enforcement of this Agreement in the event that Shenango fails to successfully comply with its terms and conditions.

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C. The provisions of this Agreement are severable. If any provision or part thereof is declared invalid or unenforceable, or is set aside for any other reason, the remainder of the Agreement shall remain in full effect.

D. This Agreement shall constitute the entire integrated Agreement of the Parties. No prior or contemporaneous communications or prior drafts shall be relevant or admissible for purposes of determining the meaning or extent of any provisions herein in any litigation or any other proceeding.

E. No changes, additions, modifications or amendments to this Agreement shall be effective unless they are set forth in writing and signed by the Parties hereto.

G. A title used at the beginning of any paragraph of this Agreement shall not be considered to control but may be used to aid in the construction of the paragraph.

H. This Agreement shall become effective upon entry in the Court of Common Pleas of Allegheny County.

I. In the event that Shenango fails to comply with any provision of this Agreement, and the ACHD believes that such failure has created an emergency which may lead to immediate and irreparable harm to the environment or community, the ACHD may, in addition to the remedies prescribed herein, pursue any remedy available for a violation of an order of the ACHD, including an action to enforce this Agreement, or any other enforcement option available to it under the CAA, the Pennsylvania Air Pollution Control Act, the Local Health Administration Law, the Rules and Regulations of the ACHD, or other applicable statues or regulations. Shenango does not waive any defenses it may have to such action by the ACHD.

J. The ACHD reserves the right to attempt to require additional measures to achieve compliance with this Agreement. Shenango reserves the right to challenge any action that the ACHD may take to require such additional compliance measures.

K. Shenango shall be liable for any violations of this Agreement knowingly caused by, contributed to, or allowed by its officers, agents, or employees.

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L. All correspondence with the ACHD concerning this Agreement shall be addressed

to:

Enforcement Chief Allegheny County Health Department Air Quality Program 301 39<sup>th</sup> Street, Bldg. No. 7 Pittsburgh, PA 15201

M. All correspondence with Shenango concerning this Agreement shall be addressed

to:

Shenango Incorporated 414 South Main Street, Suite 600 Ann Arbor, MI 48104 Attn: Vice President, Steel

Copy to:

Shenango Incorporated 414 South Main Street, Suite 600 Ann Arbor, MI 48104 Attn: Legal Department

N. In the event of a change in a contact person's name, title, or address, the party with such a personnel change shall notify the other party within thirty (30) Working Days.

O. Service of any notice or legal process for any purpose under this Agreement, including its enforcement, may be made by mailing an original or true and correct copy by First Class mail to the above contacts and addresses.

### **III. DEFINITIONS**

A. Unless otherwise explicitly defined herein, any term used in this Agreement that is defined in the CAA, the regulations promulgated thereunder, or Article XXI shall have the meaning given it therein.

B. For purposes of this Agreement, the following words and phrases shall have the meaning stated:

1. "ACHD" or "Department" shall have the meaning set forth in the preamble.

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2. "Agreement" shall have mean this Consent Order and Agreement and all appendices hereto.

3. "CAA" or "the Act" shall have the meaning set forth in the Recitals.

4. "Charging" or "Charging Emissions" shall have the meaning set forth in Article XXI § 2101.20.

5. "Coke Plant" or "Facility" shall have the meaning set forth in the Recitals.

6. "Day" shall mean a calendar day unless expressly stated to be a Working Day.

7. "Effective Date" shall be the date on which this Agreement is entered by order of the Court of Common Pleas of Allegheny County.

8. "Notify" or "Submit" or other terms signifying an obligation to transmit or communicate documents or information shall mean, for the purpose of meeting any deadline for written communication set forth in this Agreement, the date that the communication is postmarked and sent by certified mail, return receipt requested or by a reputable delivery service that maintains a delivery tracking system. In the event the communication is sent by facsimile or e-mail, as mutually agreed upon by the Parties, the effective date is the date of receipt. Oral communications, where required or permitted by mutual agreement of the Parties, must be confirmed in writing within seven (7) days of the oral communication.

9. "Push" or "Pushing" shall have the meaning set forth in the definition of "Pushing" as found in Article XXI § 2101.20.

10. "Soaking" shall have the meaning set forth in the definition of "soaking emission from a standpipe cap" as found in Article XXI § 2101.20.

11. "Working Day" shall mean a day other than a Saturday, a Sunday, or a holiday recognized by the United States or Allegheny County. In computing any period of time under this Agreement, where the last Day would fall on a Saturday, a Sunday, or a holiday recognized by the United States or Allegheny County, the period shall run until the close of business of the next Working Day.

### IV. COMPLIANCE REQUIREMENTS

A. Shenango shall complete repairs to areas of the pushing emission control shed by June 30, 2014. The repairs will consist of replacing the steel sheeting of the shed that lies on the horizontal plane below the coke side collecting main.

B. On or before May 31, 2014, Shenango shall develop and submit a Baghouse Maintenance Plan to the ACHD for approval.

C. Shenango shall implement the Baghouse Maintenance Plan upon receipt of written approval by the ACHD.

D. On or before May 15, 2014, Shenango shall install a shed extension to minimize the opening between the quench tower and the main shed.

E. If Shenango determines that the shed extension is impractical or if a refabrication is required that will extend beyond May 15, 2014, for any reason, Shenango shall provide a written description and documentation to the ACHD by June 30, 2014, explaining why this shed extension was not feasible or why it needs extensive refabrications. Stipulated penalties pursuant to Paragraph VI.C shall not apply if Shenango completes the refabrication by May 15, 2014 or provides notice to the ACHD as herein set forth.

F. Beginning on the Monday following the Effective Date of this Agreement, Shenango and/or its contractor shall observe and record the opacity of fugitive emissions from a minimum of four (4) consecutive Pushes during each operating day and fifty-six (56) Pushes during each week which shall run from Monday through Sunday, using U.S. EPA Method 9, 40 CFR 63 Subpart CCCCC (hereinafter "Method 9"), provided, however, that solely for purposes of determining the rolling average Pushing compliance percentage pursuant to Paragraph IV.N, below, compliance shall be determined as set forth in Paragraph IV.N.1.

G. The ACHD may also observe and record the opacity of fugitive Pushing emissions. The ACHD will typically include groups of four (4) consecutive Pushes, however, it may observe and record groups of non-consecutive Pushes or consecutive Pushes containing less than four (4) Pushes provided it records the reason(s) for not following its standard inspection procedure. H. The ACHD readings shall be taken in accordance with Chapter 109 of the Allegheny County Source Testing Manual, entitled "Determination of Emissions from Coke Ovens" (hereinafter "Chapter 109").

I. Beginning on the Monday following the Effective Date of this Agreement, Shenango shall maintain records of the coking time for each oven Pushed for each day of operation.

J. For purposes of this Agreement, the calculation of coking time shall commence upon completion of the Charging process and shall end upon the initiation of the Pushing process.

K. For the purposes of this Agreement, the Designated Minimum Daily Coking Time shall apply to Pushes occurring from 7:00 A.M. – 7:00 A.M. the following day.

L. On and after the first Monday following the Effective Date of this Agreement, Shenango shall maintain the daily minimum coking time at or above the Designated Minimum Daily Coking Time.

M. Beginning on the first Monday following the effective date of this Agreement and continuing through Wednesday of that week (hereinafter "Initial 3-Day Cycle"), the Designated Minimum Daily Coking Time shall be 18:00 hours. Thereafter, the Designated Minimum Daily Coking Time will be adjusted on a daily basis as set forth below.

N. Within two (2) hours of the final submission of Pushing inspections taken on the third day of the Initial 3-day Cycle, and continuing on a daily basis thereafter, Shenango shall calculate a 3-day rolling average compliance percentage for Pushing observations. The rolling average Pushing compliance percentage shall be calculated using the total number of compliant Pushes observed and recorded by Shenango and the ACHD, according to Paragraphs IV.F, IV.G, and IV.H, above, during the prior 3-day period as the numerator and the total number of Pushing observations conducted and recorded in accordance Paragraphs IV.F, IV.G, and IV.H by Shenango and the ACHD for that same 3-day period as the denominator.

1. For purposes of determining compliance for readings taken by Shenango, or its contractor, each individual 15 second reading shall be compared to the opacity standards of Article XXI, 2105.21.e.4. If any 15-second reading equals or exceeds the standard of 20% opacity, the Push shall be considered to be out of compliance.

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2. Noncompliant observations shall not be included in either the numerator or the denominator if the ACHD determines that they are associated with shed repair activities required by Paragraph IV.A., above, or other compliance activities approved in writing as exempt by the ACHD.

3. No more than one observation per Push using Method 9 and one observation per Push using Chapter 109 shall be included in any calculation of Pushing compliance percentages conducted under Paragraphs IV and X or in determining liability for stipulated penalties under Paragraph VII. In the event of multiple readings of the same Push conducted in accordance with either Method 9 or Chapter 109 that produce inconsistent results, i.e. at least one compliant reading and one noncompliant reading, none of the inconsistent readings shall be used for purposes of Paragraph IV, VII and X.

O. If the 3-day rolling average compliance percentage for Pushing observations calculated as set forth in Paragraph IV.N above is below 90%, 15 minutes of coking time will be added to the Designated Minimum Daily Coking Time, beginning with the first Push conducted after 7:00 A.M. on the following day, provided however, that the Designated Minimum Daily Coking Time shall at no time exceed 24:00 hours.

P. If the 3-day rolling average compliance percentage for Pushing observations calculated as set forth in Paragraph IV.N above is 95% or greater, 15 minutes of coking time can be deducted from the Designated Minimum Daily Coking Time, beginning with the first Push conducted after 7:00 A.M. on the following day, provided, however, that the Designated Minimum Daily Coking Time shall at no time be less than 17:30 hours.

Q. Shenango shall submit a report detailing the last three days of Pushing inspections, the percentage of Pushing inspections in compliance, current coking time, and the calculated coking time for the next day within two hours after the final submission of pushing inspections each day to the ACHD.

R. On or before April 30, 2014, Shenango shall develop and submit to the ACHD a Charging Procedures Work Plan for approval.

S. Shenango shall implement the Charging Procedures Work Plan upon receipt of written approval by the ACHD.

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### V. CIVIL PENALTY

A. Shenango consents to the assessment of a civil penalty of THREE HUNDRED THOUSAND dollars (\$300,000.00) in full settlement of all issues and alleged violations arising under or related to those described in this Agreement, as of the Effective Date of this Agreement. Shenango shall pay the civil penalty within fifteen (15) Working Days of the Effective Date by corporate check, or the like, made payable to the "Allegheny County Clean Air Fund", and sent to the Program Manager, Air Quality Program, Allegheny County Health Department, 301 39th Street, Bldg. No. 7, Pittsburgh, Pennsylvania 15201.

B. The ACHD has determined the penalty amount stated above in accordance with Article XXI, § 2109.06.b, reflecting relevant factors including: the nature, severity and frequency of the alleged violations; the maximum amount of civil and criminal penalties authorized by law; the willfulness of such violations; the impact of such violations on the public and the environment; the actions taken by Shenango to minimize such violations and to prevent future violations; and Shenango's compliance history. The ACHD hereby releases and forever discharges Shenango from liability for any and all issues and alleged violations arising under or related to those described in this Agreement, including but not limited to those arising under Article XXI, Shenango's TVOP, or state and federal law.

### VI. SUPPLEMENTAL ENVIRONMENTAL PROJECT

A. Shenango shall spend THREE HUNDRED THOUSAND dollars (\$300,000.00) (hereinafter "SEP Expenditure Amount") as part of a Supplemental Environmental Project (hereinafter "SEP") designed to enhance particulate collection efficiency at the Battery S-1 quench tower.

B. The SEP Expenditure Amount required by Paragraph VI.A, above, shall be used to retain a consultant to conduct an engineering study to determine potential particulate collection enhancements to the quench tower (e.g. baffle upgrade, installation of a fogging system) and to implement some or all of the changes recommended as a result of that engineering study; provided, however, Shenango shall have no obligation to spend more than the SEP Expenditure Amount.

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C. The engineering study required by Paragraph VI.B, above, shall be completed within 90 days of the Effective Date of this Agreement and be submitted to the ACHD for review and approval of any project(s) that may require an installation permit.

D. The particulate collection efficiency enhancements to the quench tower required by the SEP shall be completed by June 30, 2015.

E. If Shenango does not expend at least 95% of the \$300,000.00 on the SEP, the difference between the amount spent on the SEP and \$300,000.00 shall be paid as a civil penalty according to the procedures established in Paragraph VII.A, above.

### VII. STIPULATED PENALTY

A. <u>Pushing</u>. On and after the Effective Date, for any exceedance of the limits set forth in Article XXI § 2105.21.e.4, Shenango shall be liable for a \$1000 per Push stipulated penalty per non-compliant inspection, conducted by Shenango, its contractor, and the ACHD. For purposes of this paragraph, compliance with an inspection will be determined on the basis of the test method used by the reader conducting the inspection, as described in Paragraphs IV.F or IV.G, above.

B. <u>Coking Time</u>. Should Shenango fail to operate at, or above, the Designated Minimum Daily Coking Time pursuant to the requirements of Paragraphs IV.M, IV.N, IV.O, or IV. P above, Shenango shall pay stipulated penalties of \$25,000 for each day during which any required coking time adjustments were not completed.

C. <u>Improvement and Maintenance</u>. Should Shenango fail to meet any deadlines detailed in Paragraphs IV.A, IV.C, IV.D, and IV.S, above, Shenango shall be liable for a stipulated penalty per each Day that the deadlines are not met, in accordance with the following schedule:

Number of Days Behind Dea	Daily Stipulated Penalty
1-7	\$1,500
 8 or more	\$3,000

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D. <u>Report and Calculations</u>. For Shenango's failure to submit any report or calculation pursuant to the requirements of Paragraphs IV.B, IV.Q, and IV.R, above, on or before the date required in this Agreement, or for Shenango's failure to submit any such report or calculation in accordance with the specific requirements of this Agreement, Shenango shall pay a stipulated penalty of \$1000 per Day for each Day that such required report or calculation remains unsubmitted.

<u>E</u>. <u>Payment</u>. All Stipulated Penalties incurred under this Agreement shall be due and owed automatically 30 Days after the close of each calendar quarter. Stipulated Penalty payments shall be paid by corporate check, or the like, made payable to the "Allegheny County Clean Air Fund", and sent to the Program Manager, Air Quality Program, Allegheny County Health Department, 301 39th Street, Bldg. No. 7, Pittsburgh, Pennsylvania 15201.

#### VIII. FORCE MAJEURE

A. <u>Force Majeure Event</u>. For the purpose of this Agreement, "Force Majeure" as applied to Shenango or to any person or entity controlled by Shenango, is defined as any event arising from circumstances or causes beyond the control of Shenango, or any person or entity controlled by Shenango, including, but not limited to, its officers, directors, employees, agents, representatives, contractors, subcontractors, or consultants, that may delay or prevent performance of an obligation under this Agreement, despite Shenango's diligent efforts to fulfill the obligation. Such Force Majeure events include, but are not limited to, events such as floods, fires, tornadoes, other natural disasters, labor disputes, and unavailability of necessary equipment beyond the reasonable control of Shenango. The requirement to exercise "diligent efforts to fulfill the obligation" includes using diligent efforts to mitigate any delay caused by a Force Majeure event, as that event is occurring and/or following such an event, so that the delay or non-performance is minimized to the greatest extent reasonably possible.

B. <u>Notice of Event</u>. If Shenango is prevented from complying with any requirement of this Agreement due to a potential Force Majeure event, Shenango may claim that such an event constitutes Force Majeure and may petition the ACHD for relief by notifying the ACHD in the following manner:

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1. By telephone within one hundred-twenty (120) hours, and by U.S. Mail, or the equivalent, within ten (10) Working Days of the date that Shenango becomes aware, or with reasonable care should have become aware, of the potential Force Majeure event impeding performance.

2. Written notice of a potential Force Majeure event shall include the following:

a. A description of the event and a rationale for attributing the event to Force Majeure;

b. A description of the efforts that have been made to prevent, and efforts being made to mitigate, the effects of the event and to minimize the length of delay or non-performance;

c. An estimate of the duration of the delay or non-performance;

d. A description of a proposed timetable for implementing measures to bring Shenango back into compliance with this Agreement; and

e. Available documentation, which, to the best knowledge and belief of Shenango, supports Shenango's claim that the delay or non-performance was attributable to a Force Majeure event.

#### IX. REOPENING

A. In the event that any condition contained in this Agreement is modified or declared void by the presiding court so as to create a substantial burden on Shenango to comply with the timeframes set forth in this Agreement, such timeframes may be extended for a time as agreed to by the Parties.

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#### X. EFFECTIVE DATE AND TERMINATION

A. It is the intention of the parties that they will move jointly to terminate this Agreement after Shenango is able to demonstrate three (3) consecutive 30 Day periods with an average compliance percentage for Pushing observations at or above 95% or three (3) years after the Effective Date, whichever is sooner. For purposes of this paragraph, compliance with an

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inspection will be determined on the basis of the test method used by the reader conducting the inspection, i.e. Paragraphs IV.F or IV.G.

#### XI. SIGNATORIES

A. The Parties hereto have caused this Agreement to be executed by their duly authorized representatives. The undersigned representative(s) of Shenango certify under penalty of law, as provided by 18 Pa.C.S. § 4909, that he is authorized to execute this Agreement on behalf of Shenango; that Shenango consents to the entry of this Agreement as a final Order of the Court of Common Pleas of Allegheny County; and that, except as otherwise provided herein, Shenango hereby knowingly waives its rights to challenge this Agreement and to challenge its content or validity under any applicable provision of law. Signature by Shenango's attorney certifies only that this Agreement has been signed after consulting with counsel.

#### XII. FINAL JUDGMENT

A. Upon approval and entry of this COA by the Court, this COA shall constitute a final judgment of the Court in this action as to the ACHD and Shenango. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment.

DATED this gth day of Qpi, ], 2014

Judge Christine A. Ward

Allegheny County Court of Common Pleas

ALLEGHENY COUNTY HEALTH DEPARTMENT

Karen Hacker, M.D. Dr Director

Henry Miller, III, Esq.

Solicitor

Michael A. Parker, Esq. Assistant Solicitor

4/7/14 Date 4/7/14

Date

14

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For:

SHENANGO INCORPORATED

Mark Rigby Vice President

4/7/14 Date

Chester R. Babst Counsel for Shenango Incorporated

<u>4-7-14</u> Date

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### IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

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COUNTY OF ALLEGHENY, a political subdivision of the Commonwealth of Pennsylvania,
Plaintiff,
vs.
SHENANGO INCORPORATED
Defendant.

CIVIL DIVISION Case No.: GD-14-6299

### FIRST AMENDMENT TO CONSENT ORDER AND AGREEMENT DATED APRIL 8, 2014

WHEREAS, Plaintiff, the County of Allegheny, acting by and through the Allegheny County Health Department ("ACHD") and Defendant, Shenango Incorporated ("Shenango"), have entered into a Consent Order and Agreement approved by the Court on April 8, 2014 (hereinafter the "2014 COA") to address and require compliance with several emission standards pursuant to Article XXI of the ACHD's Rules and Regulations (hereinafter the "ACHD Rules") and the Clean Air Act (hereinafter "CAA"), 42 U.S.C. Sections 7401 et seq;

WHEREAS, Paragraph 19 of the 2014 COA refers to compliance requirements regarding the emission of sulfurous compounds as contained within the Consent Order and Agreement dated June 19, 2012 (hereinafter the "2012 COA"), and intended to require Shenango to comply with such requirements;

WHEREAS, the emission of sulfurous compounds through a bypass bleeder stack flaring system operated at Shenango's coke oven battery ("facility") is regulated by Section 2105.21.h.3 and 2104.08 of the ACHD Rules, including by reference 40 C.F.R 63.300, and 40 C.F.R 63.307(a) and (b);

WHEREAS, Paragraph VI of the 2014 COA requires Shenango to spend \$300,000 as part of

a Supplemental Environmental Project (hereinafter "SEP");

WHEREAS, Paragraph X.A of the 2014 COA, which provides for the termination of the 2014 COA upon joint motion following the sooner of (1) demonstration by Shenango of three consecutive 30 Day periods with an average compliance percentage for Pushing observations at or above 95%, or (2) the passage of three years after the Effective Date of the 2014 COA, was intended to include performance of the SEP as a condition precedent;

WHEREAS, the parties agree that amendment of the 2014 COA is necessary to clarify its incorporation of the above provisions consistent with the original intent of the parties entering the 2014 COA or to reflect current facility conditions;

WHEREAS, after full and complete negotiation of all matters set forth in this First Amendment to the 2014 COA (hereinafter "First Amendment"), the parties concur that this First Amendment represents a mutually agreeable amendment to the 2014 COA and is in the best interest of the parties and the public;

NOW, THEREFORE, without any final determination or admission of fact or law, intending to be legally bound hereby, and with the consent of the parties, it is hereby ADJUDGED, ORDERED and DECREED as follows:

### I. APPLICABILITY AND GENERAL TERMS

A. The provisions of this First Amendment shall apply to, be binding upon, and inure to the benefit of the ACHD and Shenango and upon their respective officers, directors, agents, contractors, employees, servants, successors, and assigns.

B. The duties and obligations under this First Amendment shall not be modified, diminished, terminated, or otherwise altered by the transfer of any legal or equitable interest in the Coke Plant or any part thereof.

C. The undersigned representative of Shenango certifies that he or she is fully authorized to execute this First Amendment on behalf of Shenango, and to legally bind Shenango to this First Amendment.

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D. Nothing contained within this First Amendment is intended to limit the authority of the ACHD with respect to violations that may occur after the date of this First Amendment or to limit the authority of the ACHD to seek further enforcement of this First Amendment or the 2014 COA in the event Shenango fails to successfully comply with its terms and conditions.

E. The provisions of this First Amendment are severable. If any provision or part thereof is declared invalid or unenforceable, or is set aside for any other reason, the remainder of this First Amendment and the 2014 COA shall remain in full effect.

F. No subsequent changes, additions, modifications or amendments to this First Amendment shall be effective unless they are set forth in writing and signed by the Parties hereto.

G. This First Amendment shall become effective immediately upon entry in the Court of Common Pleas of Allegheny County.

H. The ACHD reserves the right to attempt to require additional measures to achieve compliance with this First Amendment and the 2014 COA. Shenango reserves the right to challenge any action that the ACHD may take to require such additional compliance measures.

I. All provisions of the 2014 COA not herein amended in this First Amendment shall remain unchanged and continue to operate in full force and effect. In addition, all provisions of the 2012 COA shall remain in full force and effect following entry of this First Amendment.

#### II. AMENDMENTS TO THE 2014 COA

A. Paragraph IV of the 2014 COA, entitled "Compliance Requirements," is amended to add a new subparagraph 'T'. Subparagraph T shall read as follows:

T. The Consent Order and Agreement between the Allegheny County Health Department and Shenango Incorporated, dated June 19, 2012 and attached as "Attachment 1," is hereby incorporated in its entirety into this Agreement. Shenango shall be required to undertake and comply with all requirements contained in the above paragraphs to the 2012 COA that are not otherwise required under the remainder of Paragraph IV of this Agreement. Failure to comply with such

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requirements of the 2012 COA shall be deemed a violation of this Agreement and subject to applicable enforcement measures or stipulated penalties as provided for in Paragraph IX of the 2012 COA, unless such measures or penalties are otherwise expressly specified in this Agreement.

B. The 2014 COA is amended to add the contents of Attachment 1 of this First Amendment to the 2014 COA as "Attachment 1 to the 2014 COA."

C. Paragraph IV of the 2014 COA is amended to add a new subparagraph 'U'. Subparagraph U shall read as follows:

U. Any release of coke oven gas from the bleeder stacks required for operational safety shall be combusted by the bypass bleeder stack flare system in a manner pursuant to 40 CFR 63.300 and 63.307, and shall be reported to the ACHD pursuant to Article XXI, Section 2108.01.c.

D. Paragraph IV.N.3 of the 2014 COA is amended to read as follows:

3. No more than one observation per Push using Method 9 and one observation per Push using Chapter 109 shall be included in any calculation of Pushing compliance percentages conducted under Paragraphs IV and X or in determining liability for stipulated penalties under Paragraph VII. Notwithstanding the above, in the event that multiple readings of the same Push are both conducted in accordance with either Method 9 or Chapter 109 and produce inconsistent results, i.e. one compliant reading and one noncompliant reading each using the same reading method, both of the inconsistent readings shall be included for purposes of determining compliance under Paragraph IV, and for purposes of Paragraphs VII and X.

E. Paragraph X.A of the 2014 COA is amended to read as follows:

A. It is the intention of the parties that they will move jointly to terminate this Agreement after Shenango is able to demonstrate completion of each of the

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requirements pertaining to the SEP within Paragraph VI of this Agreement, and either: (1) three (3) consecutive 30 Day periods with an average compliance percentage for Pushing observations at or above 95%; or (2) the passage of three (3) years after the Effective Date of April 8, 2014, whichever is sooner. For purposes of this paragraph, compliance with an inspection will be determined on the basis of the test method used by the reader conducting the inspection, i.e. Paragraphs IV.F or IV.G.

#### **III. SIGNATORIES**

A. The parties hereto have caused this First Amendment to be executed by their duly authorized representatives. The undersigned representative(s) of Shenango certify under penalty of law, as provided by 18 Pa. C.S. Section 4909, that he or she is authorized to execute this First Amendment on behalf of Shenango; and that Shenango consents to the entry of this First Amendment as an Order of the Court of Common Pleas of Allegheny County. Signature by Shenango's attorney certifies only that this First Amendment has been signed after consulting with counsel.

#### **IV. FINAL JUDGMENT**

A. Upon approval and entry of this First Amendment to the 2014 COA by the Court, this First Amendment shall constitute a final judgment of the Court in this action as to the ACHD and Shenango. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment.

DATED this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 2014

Judge

Allegheny County Court of Common Pleas

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Allegheny County Health Department

James E Thompson Deputy Director for Environmental Health

9/5/2014 Date

Michael A. Parker, Esq. Assistant Solicitor

For:

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2014 9 5 Date

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For:

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Shenango Incorporated

Marc 10 Mark Rigby Vice President

September 5, 2014 Date

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Chester R. Babst III, Esq. Counsel for Shenango Incorporated

<u>9-5-14</u> Date

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# ATTACHMENT 1:

Consent Order and Agreement Dated June 19, 2012 between Allegheny County Health Department and Shenango Incorporated.

### ALLEGHENY COUNTY HEALTH DEPARTMENT AIR QUALITY PROGRAM

In the Matter of:

Neville Island Coke Plant Shenango Incorporated Neville Township Allegheny County

#### **CONSENT ORDER AND AGREEMENT**

This Consent Order and Agreement is entered into this  $19^{\tau t}$  day of  $3^{\tau t}$ , 2012 (hereinafter "Effective Date") by and between the Allegheny County Health Department (hereinafter "ACHD" or "Department") and Shenango Incorporated (hereinafter "Shenango"), collectively referred to as "Parties."

#### RECITALS

WHEREAS, the ACHD has found and determined the following:

1. The Director of the ACHD has been delegated authority pursuant to the federal Clean Air Act, 42 U.S.C. §§ 7401-7671q (hereinafter "CAA"), and the Pennsylvania Air Pollution Control Act, 35 P.S. §§ 4001-4014, and the ACHD is a local health agency organized under the Local Health Administration Law, 19 P.S. §§ 12001-12028, whose powers and duties include the enforcement of laws relating to public health within Allegheny County, including, but not limited to, the ACHD's Rules and Regulations, Article XXI, Air Pollution Control (Allegheny County Ordinance No. 16782) (hereinafter "Article XXI").

2. Shenango is a Pennsylvania corporation that maintains a mailing address within the Commonwealth of Pennsylvania at 200 Neville Road, Pittsburgh, PA 15225-1690.

3. Shenango's Neville Island Coke Plant (hereinafter "Coke Plant" or "Facility") located in Neville Township is a coke manufacturing and by-products recovery plant that performs destructive distillation of coal to produce metallurgical coke and by-products such as

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June 13, 2012

tar, light oil, sodium phenolate, and ammonium sulfate. Coke oven gas ("COG") fuel, which is used to underfire the coke battery and to fuel the boilers, is also produced. The Coke Plant includes one coke battery made up of 56 individual ovens that has a nominal rated capacity of 1,500 tons coal/day (the "Coke Oven Battery"), a coke by-products recovery plant, and environmental control units, including a wastewater treatment plant and a COG Desulfurization Plant.

4. In 2000, Shenango, the ACHD, the U.S. Environmental Protection Agency, and the U.S. Department of Justice, entered into a Consent Decree (hereinafter "2000 Consent Decree") to resolve certain alleged violations relating to the Desulfurization Plant. The 2000 Consent Decree granted Shenango relief from stipulated penalties for Scheduled Annual Repair and Maintenance and Unscheduled Repair and Maintenance when its Desulfurization Plant was offline. Pursuant to the 2000 Consent Decree, which was incorporated by reference at paragraph 28 of the Title V Permit No. 0025, issued March 21, 2006 (hereinafter "TVOP"), Shenango was permitted 336 consecutive hours in each calendar year for a scheduled maintenance outage at the Desulfurization Plant to provide preventative and scheduled maintenance. Furthermore, in the event of an upset condition at the Desulfurization Plant, Shenango was also permitted two hundred forty (240) hours of unscheduled repair and maintenance for each calendar year.

5. The 2000 Consent Decree is being terminated, and ACHD and Shenango have agreed to enter into this order to preserve the Scheduled Annual Repair and Maintenance and the Unscheduled Repair and Maintenance rights and obligations in the 2000 Consent Decree relating to downtime at the Desulfurization Plant, clarify these provisions, add provisions addressing soaking emissions, and eliminate obsolete provisions.

WHEREAS, after a full and complete negotiation of all matters set forth in this Agreement and upon mutual exchange of covenants contained herein, the Parties agree that this agreement is in the best interest of the Parties and the public;

NOW, THEREFORE, without any final determination or admission of fact or law, and intending to be legally bound hereby, the Parties hereto agree as follows:

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### I. JURISDICTION

Solely for the purposes of this Agreement, Shenango waives all objections and defenses that it may have to jurisdiction or venue. Shenango shall not challenge the ACHD's jurisdiction to enter into or to enforce this Agreement.

#### II. APPLICABILITY

A. The provisions of this Agreement shall apply to, be binding upon, and inure to the benefit of the ACHD and Shenango and upon their respective officers, directors, agents, contractors, employees, servants, successors, and assigns.

B. The duties and obligations under this Agreement shall not be modified, diminished, terminated, or otherwise altered by the transfer of any legal or equitable interest in the Coke Plant or any part thereof.

C. If Shenango proposes to transfer the Coke Plant to an unaffiliated entity, Shenango shall provide written notice to the ACHD of the proposed transfer at least thirty (30) Days prior to the transfer. Shenango shall also provide a copy of this Agreement to any person or entity to which Shenango intends to make any such transfer at least thirty (30) Days prior thereto except that this provision does not apply to a transfer to a lender or lenders taking a security interest in the Coke Plant.

D. The undersigned representative of Shenango certifies that he or she is fully authorized to execute this Agreement on behalf of Shenango, and to legally bind Shenango to this Agreement.

E. Nothing in this Agreement is intended to limit or alter the ACHD's or Shenango's obligations or rights under Article XXI with regard to the transfer of installation or operating permits.

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#### III. GENERAL TERMS

A. This Agreement addresses and is intended to preserve certain rights and obligations that would otherwise terminate upon the termination of the 2000 Consent Decree, to memorialize the continued and amended provisions for scheduled and unscheduled repair and maintenance outages, and to set soaking emission limits at the Facility.

B. Nothing contained herein is intended to limit the authority of the ACHD with respect to violations that may occur after the date of this Agreement or to limit the authority of the ACHD to seek further enforcement of this Agreement in the event that Shenango fails to successfully comply with its terms and conditions.

C. The provisions of this Agreement are severable. If any provision or part thereof is declared invalid or unenforceable, or is set aside for any other reason, the remainder of the Agreement shall remain in full effect.

D. This Agreement shall constitute the entire integrated Agreement of the Parties. No prior or contemporaneous communications or prior drafts shall be relevant or admissible for purposes of determining the meaning or extent of any provisions herein in any litigation or any other proceeding.

E. No changes, additions, modifications or amendments to this Agreement shall be effective unless they are set forth in writing and signed by the Parties hereto.

F. A title used at the beginning of any paragraph of this Agreement shall not be considered to control but may be used to aid in the construction of the paragraph.

G. This Agreement shall become effective upon signature by the Parties as of the Effective Date first noted above.

H. In the event that Shenango fails to comply with any provision of this Agreement, and the ACHD believes that such failure has created an emergency which may lead to immediate or irreparable harm to the environment or community, the ACHD may, in addition to the

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remedies prescribed herein, pursue any remedy available for a violation of an order of the ACHD, including an action to enforce this Agreement, or any other enforcement option available to it under the federal Clean Air Act, the Pennsylvania Air Pollution Control Act, the Local Health Administration Law, the Rules and Regulations of the ACHD, or other applicable statues or regulations. Shenango does not waive any defenses it may have to such action by ACHD.

L The ACHD reserves the right to attempt to require additional measures to achieve compliance with this Agreement. Shenango reserves the right to challenge any action that the ACHD may take to require such additional compliance measures.

J. Shenango shall be liable for any violations of this Agreement caused by, contributed to, or allowed by its officers, agents, or employees.

K. Except as otherwise specified in Section VIII.D (Reporting), all correspondence with the ACHD concerning this Agreement shall be addressed to:

Enforcement Chief Allegheny County Health Department Air Quality Program 301 39<sup>th</sup> Street, Bldg. No. 7 Pittsburgh, PA 15201 E-mail: eperesie@achd.net Tel.: 412-578-7963 Fax: 412-578-8144

L. All correspondence with Shenango concerning this Agreement shall be addressed

to:

Shenango Incorporated Inc. Attn: Plant Manager

200 Neville Road Pittsburgh, PA 15225 E-Mail: guzys@dteenergy.com Tel: 412-777-6655

Shenango Incorporated Attn: Assistant General Counsel

414 South Main Street, Suite 600 Ann Arbor, MI 48104 E-Mail: richardsta@dteenergy.com Tel: 734-302-5306

M. In the event of a change in a contact person's name, title, or address, the party with such a personnel change shall notify the other party within thirty (30) Days. 52066326.8

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N. Service of any notice or legal process for any purpose under this Agreement, including its enforcement, may be made by mailing an original or true and correct copy by First Class mail to the above contacts and addresses.

## **IV. DEFINITIONS**

Unless otherwise explicitly defined herein, any term used in this Agreement that is defined in the CAA, the regulations promulgated thereunder, or Article XXI shall have the meaning given it therein.

For purposes of this Agreement, the following words and phrases shall have the meaning stated:

1. "ACHD" shall have the meaning set forth in the preamble.

2. "Agreement" shall mean this Consent Order and Agreement and all appendices hereto.

3. "Allegheny County" shall mean the County of Allegheny, Commonwealth of Pennsylvania.

4. "CEM" or "CEMS" means continuous emission monitoring system or device.

5. "CAA" or "the Act" shall have the meaning set forth in the Recitals.

6. "Coke Plant" or "Facility" shall have the meaning set forth in the Recitals.

7. "Daily Average Sulfur Compounds" shall mean the arithmetic average of the sum of the hourly concentrations, for each Day, of hydrogen sulfide ( $H_2S$ ), carbon disulfide ( $CS_2$ ), carbonyl sulfide (COS) and sulfur dioxide ( $SO_2$ ) expressed as grains of  $H_2S$  per hundred dscf of COG, as calculated pursuant to this Agreement.

8. "Day" shall mean a calendar day unless expressly stated to be a Working Day. In computing any period of time for submitting reports or notices under this Agreement, where the

last Day would fall on a Saturday, a Sunday, or a holiday recognized by the United States or Allegheny County, the period shall run until the close of business of the next Working Day.

9. "Effective Date" shall have the meaning set forth in the preamble.

10. "Desulfurization Plant" means the Facility's Sulfiban unit, HCN Reactor, and Sulferox unit connected in series.

11. "dscf" means dry standard cubic feet.

12. "HCN Reactor" means the vessel containing catalysts used by Shenango for the destruction of cyanide and other compounds at the Desulfurization Plant.

13. "Monthly Average Sulfur Compounds" shall mean the arithmetic average of the hourly concentrations during each month that are used in the calculation of the Daily Average Sulfur Compounds pursuant to paragraph VI.D of this Agreement.

14. "Notify" or "Submit" or other terms signifying an obligation to transmit or communicate documents or information shall mean, for the purpose of meeting any deadline for written communication set forth in this Agreement, the date that the communication is postmarked and sent by certified mail, return receipt requested or by a reputable delivery service that maintains a delivery tracking system. In the event the communication is sent by facsimile or e-mail, as mutually agreed upon by the Parties, the effective date is the date of receipt. Oral communications, where required or permitted by mutual agreement of the Parties, must be confirmed in writing within seven (7) Days of the oral communication.

15. "SulFerox® unit" is defined as the air pollution control equipment, which is employed by Shenango to remove sulfur from the acid gas stream at the Desulfurization Plant by means of liquid reduction-oxidation chemical reactions.

16. "Sulfiban unit" is defined as that air pollution control equipment utilized by Shenango to remove sulfur compounds from the sour COG stream at the Desulfurization Plant which employs a two stage liquid absorption/steam stripping solution regenerating process to

remove sulfur species, hydrogen cyanide (HCN), ammonia (NH3), and some CO<sub>2</sub> from sour COG.

17. "Working Day" shall mean a Day other than a Saturday, a Sunday, or a holiday recognized by the United States or Allegheny County. In computing any period of time under this Agreement regarding submittal of reports or notices, where the last Day would fall on a Saturday, a Sunday, or a holiday recognized by the United States or Allegheny County, the period shall run until the close of business of the next Working Day.

## **V. COMPLIANCE REQUIREMENTS**

A. <u>Soaking Emissions.</u> Beginning sixty (60) calendar days after the Effective Date of this Agreement, at no time shall soaking emissions from a standpipe cap opening exceed twenty (20%) opacity. An exclusion for this opacity limit shall be allowed for two (2) minutes after a standpipe cap is opened. Soaking emission from a standpipe cap shall be defined as uncombusted emissions from an open standpipe which has been dampered off in preparation of pushing the coke mass out of the oven and shall end when pushing begins, i.e., when the coke side door is removed. Compliance with this standard shall be determined through observing the standpipe from a position where the observer can note the time the oven is dampered off and, following the two minute exclusion, read the uncombusted emissions from the open standpipe in accordance with Method 9.

1. Shenango shall perform two (2) soaking observations on the Coke Oven Battery per calendar day, in accordance with Method 9, except that if it is an overcast day or if the plume is in a shadow, the reader need not position himself with his back to the sun. Within seven (7) Days, Shenango shall give written notification to the ACHD in the event that the two daily soaking observations could not be obtained in the event of an outage, malfunction, breakdown, unacceptable conditions to conduct observations or other extraordinary circumstances as supported by appropriate justification.

2. It is the intention of the Parties that the soaking emissions standard established in paragraph V.A, above, shall be superseded and automatically terminate when the

Department promulgates a soaking emissions standard rule pursuant to its rulemaking authority and such rule becomes effective.

B. <u>Daily Average Sulfur Compounds</u>. From the Effective Date of this Agreement, Shenango shall neither operate, nor allow to be operated, any source at the Coke Plant in such manner that unburned COG is emitted into the open air. Except as permitted under paragraphs V.C and V.D, Shenango shall not flare or combust COG, or allow such gas to be flared or combusted, unless the Daily Average Sulfur Compounds, measured as hydrogen sulfide, in such gas is less than or equal to 34 grains per hundred dscf of COG.

C. <u>Scheduled Annual Repair and Unscheduled Repair and Maintenance</u>. Shenango shall be permitted the Scheduled Annual Repair and Maintenance and Unscheduled Repair and Maintenance outage hours to provide preventative and unscheduled maintenance at its Desulfurization Plant, as outlined in paragraphs IX.K and IX.L of this Agreement, which outage hours need not, in Shenango's discretion, be counted in calculating the Daily Average Sulfur Compounds. Shenango may submit a written notice to ACHD every month for up to four (4) hours of planned maintenance, if such planned maintenance is necessary in its judgment, and these hours will be accounted for as Unscheduled Maintenance hours.

D. <u>Unscheduled Repair and Maintenance</u>. Shenango will use a minimum of one (1) hour for the first increment of claimed unscheduled maintenance hours used on the COG Daily Average Sulfur Compounds Monthly Report (attached hereto as Appendix 1), then use hours in increments of one half hour (0.5) for additional unscheduled maintenance. Pursuant to Article XXI § 2108.01.c, in the event that an outage for Unscheduled Repair becomes necessary, Shenango shall notify ACHD orally of the condition requiring the shutdown within sixty (60) minutes and shall confirm such notification in writing within seven (7) Days.

## VI. EMISSIONS MONITORING REQUIREMENTS

A. <u>Continuous Emissions Monitoring</u>. Shenango, as of the Effective Date, operates a CEM, Applied Automation Gas Chromatograph, or other CEM such as, but not limited to, laser technology, to determine the sulfur compound concentrations in the treated COG. Shenango

shall maintain, calibrate and operate the CEM device to monitor the sulfur content of the desulfurized COG in accordance with the Continuous Emission Monitoring Quality Assurance/Quality Control Manual, attached hereto and incorporated herein as Appendix 2. The CEM device may be replaced with another CEM approved by ACHD and in such case the Parties agree to update Appendix 2 to only include the Continuous Emission Monitoring Quality Assurance/Quality Control Manual applicable to the new ACHD approved CEM.

B. <u>Monitoring in the Event of a CEM Failure</u>. In the event that the CEM becomes non-operational or otherwise fails to provide certifiably accurate monitoring results, then Shenango shall:

1. within three (3) Working Days of the CEM becoming non-operational, repair, adjust and recalibrate the CEM and place the CEM back into continuous operation, or

2. if the CEM cannot be repaired and must be replaced, then, (i) within six (6) months of the CEM becoming non-operational, subject to timely receiving from ACHD any necessary approvals, replace the non-operational CEM with a similar new CEM of equal or greater technical accuracy and capabilities, adjust and recalibrate the CEM and place it into operation, and (ii) within fourteen (14) calendar days of the CEM becoming non-operational, substitute the Alternate CEM Method identified in Appendix 3.

3. In the event that the CEM becomes inoperative or otherwise fails to provide certifiably accurate monitoring results for more than three (3) hours:

a. Shenango shall utilize a laboratory based gas chromatograph to analyze COG samples to be collected at the meter building at approximately 8 a.m., 10 a.m., 12 p.m. and 2 p.m. until the CEM returns to operation. The analyses will be conducted by qualified personnel and recorded. The analyses will provide concentrations of  $H_2S$ , COS and  $CS_2$ , which will be combined with the grains of  $SO_2$  as determined in paragraph VI.C and utilized in the calculation of the Daily

Average Sulfur Compounds. The samples will be averaged to provide the sulfur compounds concentration of the COG for the period during which the CEM is non-operational.

b. In the event that the laboratory based gas chromatograph becomes inoperative, or qualified personnel are not available to operate the chromatograph, Shenango shall analyze the samples required by VI.B.3.a above using the Tutweiller procedure. Shenango shall analyze and report the H<sub>2</sub>S concentration of the clean COG from this procedure. Shenango shall estimate the COS and CS<sub>2</sub>, concentrations of the clean COG stream using the average results for each component as reported for the calendar month immediately preceding the unavailability of the CEM. Shenango shall sum the H<sub>2</sub>S concentrations with the average COS and CS<sub>2</sub> concentrations identified in this section and with the grains of SO<sub>2</sub> as determined in paragraph VI.C.

c. In the event that the CEM is operating properly but the data processing system becomes inoperative for more than six (6) hours, Shenango shall record the hourly instantaneous CEM readings manually and use them in the average to compute the Daily Average Sulfur Compounds.

C. <u>Monitoring to be Provided</u>. Shenango shall monitor the blend of: (i) treated COG from the Sulfiban unit, and (ii) treated acid gas from the SulFerox® unit, downstream from the point where the desulfurized acid gas is introduced back into the desulfurized COG stream at a location identified as the "meter building." The following sulfur compounds shall be continuously monitored:  $H_2S$ ,  $CS_2$ , and COS. The sum of the actual measurements of  $H_2S$ ,  $CS_2$  and COS shall be combined with 0.04 grains of SO<sub>2</sub>, expressed as grains per hundred dscf of  $H_2S$ , and shall be considered the concentration of sulfur compounds in the COG. The compound SO<sub>2</sub> may be monitored by a quarterly grab sample, and the value for the concentration of SO<sub>2</sub> may be adjusted quarterly upon Agreement of the parties based upon grab sample results.

D. <u>Daily Average Sulfur Compounds</u>. For purposes of this Agreement, the calculation of the Daily Average Sulfur Compounds will be based on a nominal 24-hour average. 52066326.8 -11-

The data used for the calculation of the averages will be uninterrupted hours of CEM hourly data, with one hour per Day being omitted for CEM calibrations. If CEM data is unavailable for the reasons identified in paragraph VI.B, the data acquired under paragraph VI.B. will be used to calculate Daily Average Sulfur Compounds. For purposes of measuring Daily Average Sulfur Compounds, Shenango in its discretion may also eliminate from the Daily Average Sulfur Compounds calculation any Desulfurization Plant downtime taken for scheduled or unscheduled maintenance pursuant to paragraphs V.C or V.D of this Agreement, provided, however, that Shenango may eliminate downtime only to the maximum extent of scheduled and unscheduled maintenance hours permitted for maintenance pursuant to paragraphs IX.K and L. To the extent Desulfurization Plant downtime exceeds the maintenance hours identified in paragraphs IX.K and L, below, or in the event Shenango elects not to utilize maintenance hours on the occasion of a Desulfurization Plant outage, for such period of Desulfurization Plant downtime or outage, Shenango shall calculate Daily Average Sulfur Compounds based on a concentration of sulfur compounds of 325 grains per 100 dscf of COG. For purposes of this Agreement, the Monthly Average Sulfur Compounds shall be calculated as an arithmetic average using the hourly data during such month that are used in the calculation of the Daily Average Sulfur Compounds.

E. <u>Records</u>. Shenango shall keep and maintain the following records of the measurements conducted under this paragraph pursuant to the requirements of Section VII (Recordkeeping & Record Retention):

1. an identification of calibrations, zero and span drift checks, and other quality assurance procedures;

2. an identification of each period during which the CEM is non-operational or otherwise fails to provide certifiably accurate monitoring results;

3. the nature of repairs or adjustments performed;

4. an identification of Days during the reporting period that the Daily Average Sulfur Compounds of COG obtained from the CEM exceeded 34 grains per 100

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dscf (determined in accordance with paragraphs VI.C and VI.D and except as permitted under paragraph V.C or V.D);

5. an identification of the quantity of COG treated at Shenango's Desulfurization Plant and the quantity of sulfur produced at the SulFerox® unit;

6. all Daily Average Sulfur Compounds and Monthly Average Sulfur Compounds measured by the CEM (or appropriate alternative methods); and

7. any additional gas sampling and analysis required to be taken as provided in paragraph VI.B.3.

F. <u>Reporting</u>. In each Quarterly Report that Shenango is required to submit to the ACHD in accordance with the requirements of Section VIII (Reporting Requirements), Shenango shall report the results of its monitoring in the form of the COG Daily Average Sulfur Compounds Monthly Report a blank sample of which are attached hereto as Appendix 1.

# VII. RECORDKEEPING AND RECORD RETENTION

A. <u>Specific Records</u>. Shenango shall keep and maintain at the Coke Plant:

1. The records and information required by paragraph IX.K (Scheduled Annual Repair and Maintenance), and all forms, reports and specific information requirements of each of the Appendices to this Agreement; and

2. Copies of all reports submitted to the ACHD under Section VIII and any document or printed data generated by Shenango or in Shenango's possession that is relied upon in such reports.

B. <u>Monitoring Data</u>. Shenango shall keep and maintain records of any COG sampling records and analytical results taken pursuant to paragraph VI.B.3.

C. <u>Retention Requirements</u>. Any and all records that Shenango is required to keep and maintain pursuant to this Section VII shall be made available to ACHD, upon request, for

inspection and copying. Shenango shall preserve such records for a minimum of five (5) years after initial creation. Nothing in this Agreement in any way limits Shenango's obligations, under any federal, state or local law, regulation or permit, to preserve any record, log or document for more than five (5) years.

### VIII. REPORTING REQUIREMENTS

A. <u>Quarterly Reports</u>. Within thirty (30) Days of the end of the first full calendar quarter ending in March, June, September, or December following the date of entry of this Agreement, and thereafter within thirty (30) Days of the end of each succeeding calendar quarter through the termination of this Agreement, Shenango shall submit a COG Daily Average Sulfur Compounds Monthly Report containing the information required pursuant to paragraph VI.F (Reporting) in the form provided in Appendix 1 during the preceding calendar quarter (the "Quarterly Report"). Except as otherwise specifically provided herein, during the term of this Agreement, ACHD agrees to accept the Quarterly Reports in full satisfaction of any periodic reporting requirements under Article XXI relating to COG Daily Average Sulfur Compounds. The Quarterly Reports shall include the following reports:

B. <u>Certification</u>. Each Quarterly Report that is submitted by Shenango shall be certified by a responsible corporate officer of Shenango, as follows:

I certify to the best of my knowledge, information and belief that the information contained in and accompanying this report is true and accurate With respect to any portions of this report and its attachments for which I cannot personally verify truth and accuracy, I certify that such portions were prepared in the ordinary course of business by qualified personnel and I further certify that this information is true and accurate to the best of my knowledge, information and belief formed after inquiry reasonable under the circumstances. I am aware that there may be significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature:	
Name:	
Title:	

Shenango's failure to include the above certification with any such Quarterly Report shall render such submission incomplete and, therefore, deficient and shall subject Shenango to stipulated penalties pursuant to paragraph IX.B of this Agreement.

C. <u>Delivery of Submittals</u>. All submittals required of Shenango pursuant to this Agreement shall be sent either through certified US Mail, return receipt requested, via a reputable delivery service that maintains a delivery tracking system, or, if mutually agreed upon by the Parties by facsimile or e-mail. All certified mail return receipts, overnight or other mail destination tracking documents (including facsimile receipt confirmations) shall be obtained and retained by Shenango in its administrative files for at least five (5) years from the date of initial submission.

D. <u>Persons to Receive Submittals</u>. Any submission by Shenango in satisfaction of a requirement of this Agreement shall be submitted to:

Manager, Air Quality Program Allegheny County Health Department 301 Thirty-ninth Street Pittsburgh, PA 15201 Telephone. (412)578-8103 Telecopier: (412)578-8144

## IX. STIPULATED PENALTY

A. <u>Daily Average Sulfur Compounds</u>. On and after the Effective Date, for any exceedance of the limits set forth below for the Daily Average Sulfur Compounds (determined in accordance with paragraphs VI.C and VI.D and except as permitted under paragraph V.C or V.D), Shenango shall be liable for a stipulated penalty per calendar day for each calendar day of such exceedance, in accordance with the following schedule.

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<u>Daily Average Sulfur Compounds as</u> grains per 100 dscf	Stipulated Penalty Per Calendar Day
Equal to, or greater than, 40 but not greater than 50	\$ 500
Equal to, or greater than, 50 but not greater than 60	\$1,000
Equal to, or greater than, 60 but not greater than 150	\$2,500
Equal to, or greater than 150	\$5,000

B. <u>Reports</u>. For Shenango's failure to submit the report required in Section VIII (hereinafter called a "Report") on or before the date required in this Agreement, or as extended by Agreement of the ACHD, or for Shenango's failure to submit any such Report in accord with the specific requirements of this Agreement, Shenango shall pay a stipulated penalty of \$500 per Day for each Day that such required Report remains unsubmitted. For purposes of stipulated penalties, the submission of a Report containing materially inadequate, incomplete or inaccurate data or other information, shall be deemed a failure to submit such Report, subject to the penalty provided for herein, unless such deficiency is corrected within five (5) Days of the applicable due date for the Report.

C. <u>Monitoring Equipment</u>. For Shenango's unexcused failure to operate, maintain, and/or properly calibrate the CEM required in paragraph VI.A of this Agreement, Shenango shall pay a stipulated penalty of \$1,000 per calendar day for each calendar day of such noncompliance However, Shenango shall not be required to pay stipulated penalties as a result of any instance where the CEM required in paragraph VI.A of this Agreement is removed from service as the result of an operational malfunction, so long as Shenango reports the malfunction to ACHD within forty-eight (48) hours of its occurrence and Shenango complies with the provisions of paragraph VI.B.

D. <u>Recordkeeping and Other Requirements</u>. For any material failure on the part of Shenango to comply with any of the recordkeeping or record retention requirements of Section

VII (Recordkeeping & Record Retention), Shenango shall pay a penalty of \$1,000 for each such material failure.

E. <u>Soaking Emissions</u>. On and after the Effective Date, for any exceedance of the soaking emission standard set forth above in paragraph V.A, Shenango shall be liable for a stipulated penalty of \$600 per calendar day for each calendar day that such exceedance(s) occurred.

1. It is the intention of the Parties that stipulated penalty liability for violations of the soaking emissions standard set forth in paragraph V.A, above, shall automatically terminate when the Department promulgates a soaking emissions standard rule pursuant to its rulemaking authority and such rule becomes effective.

F. <u>Effect of Stipulated Penalties</u>. If a stipulated penalty is defined in this Section IX for a violation by Shenango of this Agreement, which violation is also a violation of the CAA, rules and regulations thereunder, or of Article XXI, and if Shenango pays a stipulated penalty, ACHD shall not seek, in any civil action under the CAA or Article XXI, any additional civil penalty assessment for such violations.

G. <u>Method of Payment</u>. Stipulated penalties required under this Section IX shall be paid by corporate check or the like made payable to the "Allegheny County Clean Air Fund" and shall be addressed to the Program Manager, Allegheny County Health Department, 301 39<sup>th</sup> Street, Bldg. No. 7, Pittsburgh, Pennsylvania 15201. Subject to Shenango's rights to administrative and judicial review in accordance with paragraph IX.J of this Agreement, Shenango shall place its payment for stipulated penalties in U.S. First Class Mail, or any equivalent or faster delivery method, within thirty (30) Days after the close of each calendar quarter in which the violation occurred.

H. <u>Date of Accrual</u>. All stipulated penalties shall be automatically owed and due within thirty (30) Days after the close of each calendar quarter in which the violation occurred. Stipulated penalties shall accrue from the date of the violation and shall be cumulative.

I. <u>Interest</u>. If Shenango fails to pay stipulated penalties when due, ACHD also may institute proceedings to collect the penalties, as well as interest. Shenango shall pay interest on the unpaid penalties at the rate established by the Secretary of Treasury pursuant to Article XXI, § 2109.06(a)(4), beginning on the date penalties are due, and shall continue to accrue at the rate specified through the date of Shenango's full payment.

J. <u>Reservation of Right to Appeal</u>. Notwithstanding any other provision of this Agreement, nothing herein shall waive Shenango's right to appeal a final action of the Department with respect to this Agreement under Article XI § 1103 (relating to right to appeal) and to a hearing or conference in lieu of hearing under Article XXI § 2109.06 (relating to civil proceedings) of the ACHD's Air Pollution Control Rules and Regulations, or to judicial review of the Director's or Hearing Officer's decision.

K. <u>Scheduled Annual Repair and Maintenance</u>. Notwithstanding the provisions of paragraph IX.A, Shenango shall not incur stipulated penalties under those paragraphs during periods when the Desulfurization Plant is shut down for scheduled repair or maintenance (the scheduled maintenance outage). Shenango shall be permitted 336 consecutive hours in each calendar year for a scheduled maintenance outage at the Desulfurization Plant to provide preventative and scheduled maintenance. The scheduled maintenance outage shall not be taken at any time during the months of May, June or September, unless otherwise approved in writing by ACHD. Shenango shall prepare and retain copies of work plans for each scheduled maintenance outage that will detail the work proposed and provide a schedule in which the work shall be performed. Shenango shall provide ACHD with notice of the scheduled maintenance outage at least fourteen (14) Days prior to shutdown.

L. <u>Unscheduled Repair and Maintenance</u>. In the event of unscheduled repair or maintenance at the Desulfurization Plant, Shenango shall notify ACHD orally of the upset condition requiring the shutdown within sixty (60) minutes and shall confirm such notification in writing within seven (7) Days. Notwithstanding the provisions of paragraph IX.A, Shenango shall not incur stipulated penalties when the Desulfurization Plant is shut down for unscheduled repair or maintenance because of an upset condition or other repair or maintenance so long as

such periods of unscheduled repair or maintenance do not exceed a total of two hundred forty (240) hours in a calendar year. Should Shenango complete the scheduled maintenance outage identified in paragraph IX.K in less than 336 consecutive hours in any calendar year, in addition to its allotted hours for unscheduled repair and maintenance, Shenango may use for unscheduled repair and maintenance any equivalent hours not used for the scheduled maintenance outage during that calendar year.

#### X. FORCE MAJEURE

A. <u>Force Majeure Event</u>. For the purpose of this Agreement, "Force Majeure" as applied to Shenango or to any person or entity controlled by Shenango, is defined as any event arising from circumstances or causes beyond the control of Shenango, or any person or entity controlled by Shenango, including, but not limited to, its officers, directors, employees, agents, representatives, contractors, subcontractors, or consultants, that may delay or prevent performance of an obligation under this Agreement, despite Shenango's diligent efforts to fulfill the obligation. Such Force Majeure events include, but are not limited to, events such as floods, fires, tornadoes, other natural disasters, labor disputes, and unavailability of necessary equipment beyond the reasonable control of Shenango. The requirement to exercise "diligent efforts to fulfill the obligation" includes using diligent efforts to mitigate any delay caused by a Force Majeure event, as that event is occurring and/or following such an event, so that the delay or non-performance is minimized to the greatest extent reasonably possible.

B. <u>Notice of Event</u>. If Shenango is prevented from complying with any requirement of this Agreement due to a potential Force Majeure event, Shenango may claim that such an event constitutes Force Majeure and may petition the ACHD for relief by notifying the ACHD in the following manner:

1. By telephone within ninety-six (96) hours, and by U.S. Mail, or the equivalent, within ten (10) Days of the date that Shenango becomes aware, or with reasonable care should have become aware, of the potential Force Majeure event impeding performance.

2. Written notice of a potential Force Majeure event shall include the following:

a. A description of the event and a rationale for attributing the event to Force Majeure;

b. A description of the efforts that have been made to prevent, and efforts being made to mitigate, the effects of the event and to minimize the length of delay or non-performance;

c. An estimate of the duration of the delay or non-performance;

d. A description of a proposed timetable for implementing measures to bring Shenango back into compliance with this Agreement; and

e. Available documentation, which, to the best knowledge and belief of Shenango, supports Shenango's claim that the delay or non-performance was attributable to a Force Majeure event.

## XI. REOPENING

In the event that any condition contained in this Agreement is modified or declared void by the ACHD's Hearing Officer or a presiding court so as to create a substantial burden on Shenango to comply with the timeframes set forth in this Agreement, such timeframes may be extended for a time as agreed to by the Parties.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives. The undersigned representative(s) of Shenango certify under penalty of law, as provided by 18 Pa.C.S. § 4909, that he is authorized to execute this Agreement on behalf of Shenango; that Shenango consents to the entry of this Agreement as a final Order of the ACHD; and that, except as otherwise provided herein, Shenango hereby knowingly waives its rights to appeal this Agreement and to challenge its content or validity which may be available under Article XI of the ACHD's Rules and Regulations, the Pennsylvania Administrative Agency Law, 2 Pa.C.S. § 103(a), or any other applicable provision of law. Signature by Shenango's attorney certifies only that this Agreement has been signed after consulting with counsel.

Executed to be effective upon signature by the Parties as of the Effective Date first noted above.

For:

### **ALLEGHENY COUNTY HEALTH DEPARTMENT**

Dr. Ronald E. Voorhees, M.D., M.P.H. Acting Director

Henry Miller, III, Esq. Solicitor

Michael A. Parker, Esq. Assistant Solicitor

Date

Date

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For:

# SHENANGO INCORPORATED

Name Title

Gerald S Endler, Sr. VP & General Counsel

Name Galy L, Galus Title VP STEEL

6/14/12

Date

<u>(|15|12</u> Date

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