



A Tyco International Ltd. Company

CLAYMONT STEEL INC.

**FUGITIVE DUST CONTROL
MONTHLY PROGRESS REPORT #4**

April 2008

Prepared for:

CLAYMONT STEEL INC.
4001 Philadelphia Pike
Claymont, DE 19703

Prepared by:

Earth Tech Inc.
105 Commerce Valley Dr. W.
7th Floor
Markham, Ontario
L3T 7W3

May 1, 2008

Project No. 98250

TABLE OF CONTENTS

	Page
1 INTRODUCTION.....	1
2 UDATE ON PROJECT ACTIVITIES FOR CURRENT MONTH	2
2.1 PROJECT MANAGEMENT AND MEETINGS.....	2
2.2 REGULATORY REVIEW.....	2
2.3 EMISSIONS IMPACT ASSESSMENT	2
2.4 MELT SHOP.....	2
2.4.1 Fume Control System Assessment	2
2.4.2 Scrap Bay Operations Changes (Rail to Truck).....	2
2.4.3 Baghouse for Carbon and Lime Transfer	3
2.4.4 Fume Control System Improvements	3
2.5 SLAG QUENCHING	3
2.6 ROADWAYS	3
2.6.1 Paving.....	3
2.6.2 Truck Wheel Wash Station.....	3
2.6.3 Speed Limit Enforcement.....	3
2.7 SCRAP YARD	3
2.7.1 Relocate Stockpiles.....	3
2.7.2 Tree-lined Berm.....	3
2.8 SLAG YARD	4
2.8.1 Enclosure for Charge Hopper	4
2.8.2 Spray System Improvements	4
2.8.3 Minimize Inventory of Processed Slag and Scarfing	4
2.9 AMBIENT AIR MONITORING PROGRAM	4
3 WORK PLANNED FOR THE NEXT MONTH.....	5
3.1 PROJECT MANAGEMENT AND MEETINGS.....	5
3.2 REGULATORY REVIEW.....	5
3.3 EMISSIONS IMPACT ASSESSMENT	5
3.4 MELT SHOP.....	5
3.4.1 Fume Control System Assessment	5
3.4.2 Scrap Bay Operations Changes (Rail to Truck).....	6
3.4.3 Baghouse for Carbon and Lime Transfer	6
3.4.4 Fume Control System Improvements	6
3.5 SLAG QUENCHING	6
3.6 ROADWAYS	6
3.6.1 Paving.....	6
3.6.2 Truck Wheel Wash Station.....	6
3.6.3 Speed Limit Enforcement.....	7

3.7	SCRAP YARD.....	7
3.7.1	<i>Relocate Stockpiles</i>	7
3.7.2	<i>Tree-lined Berm</i>	7
3.8	SLAG YARD.....	7
3.8.1	<i>Enclosure for Charge Hopper</i>	7
3.8.2	<i>Spray System Improvements</i>	7
3.8.3	<i>Minimize Inventory of Processed Slag</i>	7
3.9	AMBIENT AIR MONITORING	7

APPENDICES

- APPENDIX A: UPDATED IMPLEMENTATION SCHEDULE
- APPENDIX B: OUTSIDE SALES SUMMARY – APRIL 2008

1 INTRODUCTION

On December 21, 2007 the Delaware Department of Natural Resources and Environmental Control (DNREC) approved the implementation plan and schedule submitted by Claymont Steel in support of the required projects and tasks associated with the improvements to dust control measures at its steel-making facility in Claymont, Delaware.

Regular communication of progress status with DNREC is an important aspect of this implementation plan. Monthly progress reports are part of the approved implementation plan. They are due on the first day of each month to report on progress of the various projects being undertaken.

This report covers activities up to April 30, 2008 and provides an update of the project progress, outlines the work planned for the following month, and identifies discussion items that require action or feedback to maintain progress on the overall implementation plan.

2 UPDATE ON PROJECT ACTIVITIES FOR CURRENT MONTH

2.1 PROJECT MANAGEMENT AND MEETINGS

- This report is Progress Report #4 for April 2008 and has been submitted on the planned submission date of May 1, 2008.

2.2 REGULATORY REVIEW

- Air permits are currently being reviewed to establish the framework for any new permits for new sources of air emissions that need to be developed. The review ensures that all current documentation and emissions estimates are included.

2.3 EMISSIONS IMPACT ASSESSMENT

- Emissions from steel making, combustion, slag handling, scarfing, road dust, wind erosion, scrap handling, coal handling, and lime and carbon silo loading are being developed from information gathered from the field work on February 19 to 22, 2008, as well as additional information from Claymont Steel.

2.4 MELT SHOP

2.4.1 Fume Control System Assessment

- The fume control system assessment will continue once detailed information of the melt shop are obtained, such as melt shop layout in plan view, melt shop details for the wire feed station, slag area (elevations, detailed plans).
- A preliminary update presentation was made to Claymont Steel by Bill Allan on April 4, 2008.

2.4.2 Scrap Bay Operations Changes (Rail to Truck)

- Evraz (new owners) are reviewing and planning capital expenses associated with this project.
- Status of approval by Board of Directors – Evraz is reviewing the planning and capital expenses with their board.
- Final equipment specifications will be provided upon the board's approval.

2.4.3 Baghouse for Carbon and Lime Transfer

- No activity was planned for this task. Fume assessment study will dictate the need for this activity.

2.4.4 Fume Control System Improvements

- No activity was planned for this task.
- This task will be further defined following completion of the melt shop fume system assessment.

2.5 SLAG QUENCHING

- No activity was planned for this task. Working on nozzle review and if additional measures are needed.

2.6 ROADWAYS

2.6.1 Paving

- Re-evaluating the old specification and need to add more.

2.6.2 Truck Wheel Wash Station

- Wash system installed and operational. Working on additional modifications to ensure that drivers do not hit the unit as is happening with current setup.

2.6.3 Speed Limit Enforcement

- On-going enforcement and monitoring is carried out by Claymont Steel security.

2.7 SCRAP YARD

2.7.1 Relocate Stockpiles

- Periodic pile relocation continued.
- Target achieved.

2.7.2 Tree-lined Berm

- Began to prepare area for this activity.

2.8 SLAG YARD

2.8.1 Enclosure for Charge Hopper

- Charge hopper enclosure is now moving into the fabrication stage.

2.8.2 Spray System Improvements

- No activity was planned for this task. Working on nozzle review and if additional measures are needed.

2.8.3 Minimize Inventory of Processed Slag and Scarfing

- April's slag production was 6400 tons from the melt tons produced. Of the amount produced, 6800.8 tons of slag was sold. Net reduction of inventory by 800.8 tons. See Appendix B for detailed summary of slag sales.
- April's scarfing production was 2000 tons from the melt tons produced. Of the amount produced, 5755.62 tons of scarfing was sold. Net reduction of inventory by 3722.62 tons. See Appendix B for detailed summary of scarfing sales.

2.9 AMBIENT AIR MONITORING PROGRAM

- Locations
 - The two options are being aggressively pursued for the fourth and final monitor location:
 - a. Roof top of the discount liquor store at the Tri State Mall
 - b. The playground at the dead-end of Parkway Avenue
 - Contracts for property use are being negotiated with each owner.
 - Monitors
 - Monitors at Knollwood and Woodshaven Parks were in operation during the month of April.
 - The monitor for the Claymont Community Center was installed on March 26, 2008. Operation of the unit began on April 2, 2008.
 - Property agreement for the Tri State Mall liquor store roof location for the first week of May is anticipated.
-

3 WORK PLANNED FOR THE NEXT MONTH

The following work is planned for the next month:

3.1 PROJECT MANAGEMENT AND MEETINGS

- Progress Report #5 for May 2008 will be submitted on June 1, 2008.
- A quarterly progress meeting is scheduled for May. Confirmation of timing will follow.

3.2 REGULATORY REVIEW

- A full regulatory review will be performed following completion of the emission inventory.

3.3 EMISSIONS IMPACT ASSESSMENT

- The plant-wide emission inventory will be completed this month once information requested to Claymont Steel is received.
- An air dispersion model will be set up with all significant sources of fugitive dust identified for the melt shop from the emission inventory. The air dispersion model will be used to predict expected impact reductions for each project and will be incorporated into the progress tracking process.

3.4 MELT SHOP

3.4.1 Fume Control System Assessment

- From lack of melt shop detailed drawings, a site visit planned for May is required to obtain melt shop layout in plan view, wire feed station and slag station elevation and detailed plans.
- Design concepts for new controlled sources of air emissions required to control fugitive dust emissions will be developed. These items will be discussed in the Melt Shop Fume Control Assessment Report.
- Analysis and preliminary design will be on-going in May. Consequently, the report will not be completed until after the site visit and information has been organized and analyzed.

3.4.2 Scrap Bay Operations Changes (Rail to Truck)

- Large equipment specifications – Further work is pending approval by the new Board of Directors.

3.4.3 Baghouse for Carbon and Lime Transfer

- No work is planned for May.
- The details of the requirements for this work will be defined by the melt shop fume control system assessment.

3.4.4 Fume Control System Improvements

- Design concepts for fume control system improvements will be included in the Melt Shop Fume Control Assessment Report.

3.5 SLAG QUENCHING

- The design of the enclosure for the slag quenching operations is on hold pending approval of scrap bay re-design project.
- The basis of design will be dependant upon the final decision of whether this operation will be moved into the melt shop scrap bay area.
- Working on nozzle review and if additional measures are needed.

3.6 ROADWAYS

3.6.1 Paving

- Revised quotation expected from contractors.
- Paving expected to begin in June

3.6.2 Truck Wheel Wash Station

- Wash system installed and operational. Working on additional modifications to ensure that drivers do not hit the unit as is happening with current setup.
- Implemented in April 2008. Task Complete.

3.6.3 Speed Limit Enforcement

- This project has been implemented. On-going enforcement and monitoring will be carried out by Claymont Steel security.

3.7 SCRAP YARD

3.7.1 Relocate Stockpiles

- The relocation of stockpiles has been completed.
- Any further impact from the Rubber Tire Project will be assessed as required.

3.7.2 Tree-lined Berm

- Preparation of the area will continue for this activity.

3.8 SLAG YARD

3.8.1 Enclosure for Charge Hopper

- Charge hopper is now moving into fabrication stage.

3.8.2 Spray System Improvements

- Planning for spray system improvements is ongoing.

3.8.3 Minimize Inventory of Processed Slag

- On-going slag storage reduction will continue to be monitored and reported monthly.

3.9 AMBIENT AIR MONITORING

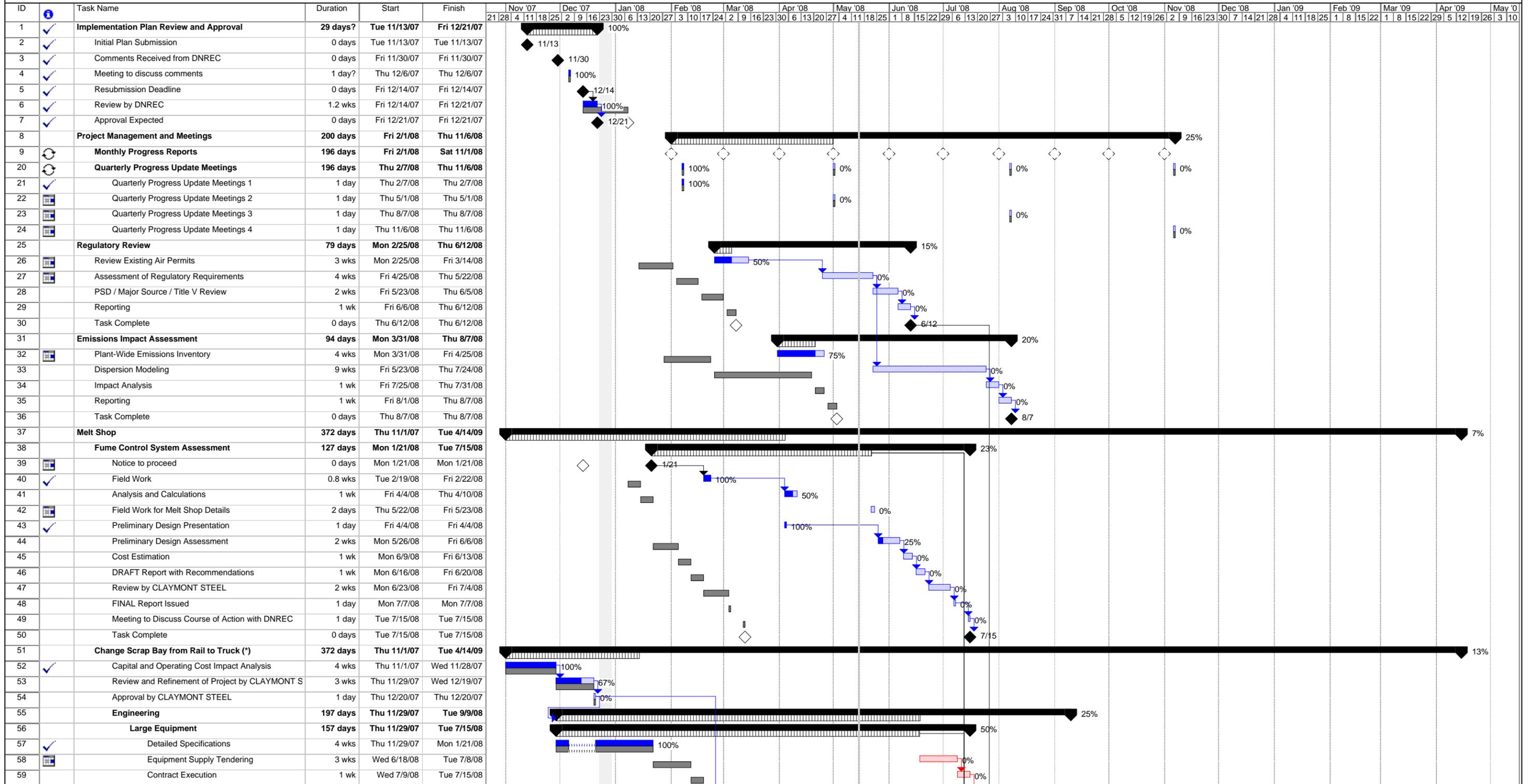
- On-going monitoring, data analysis and progress reporting will continue in May.

APPENDIX A

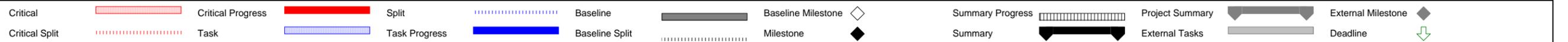
Updated Implementation Schedule

**Claymont Steel
Implementation Plan
Dust Control Projects**

Update # 4
May 1, 2008



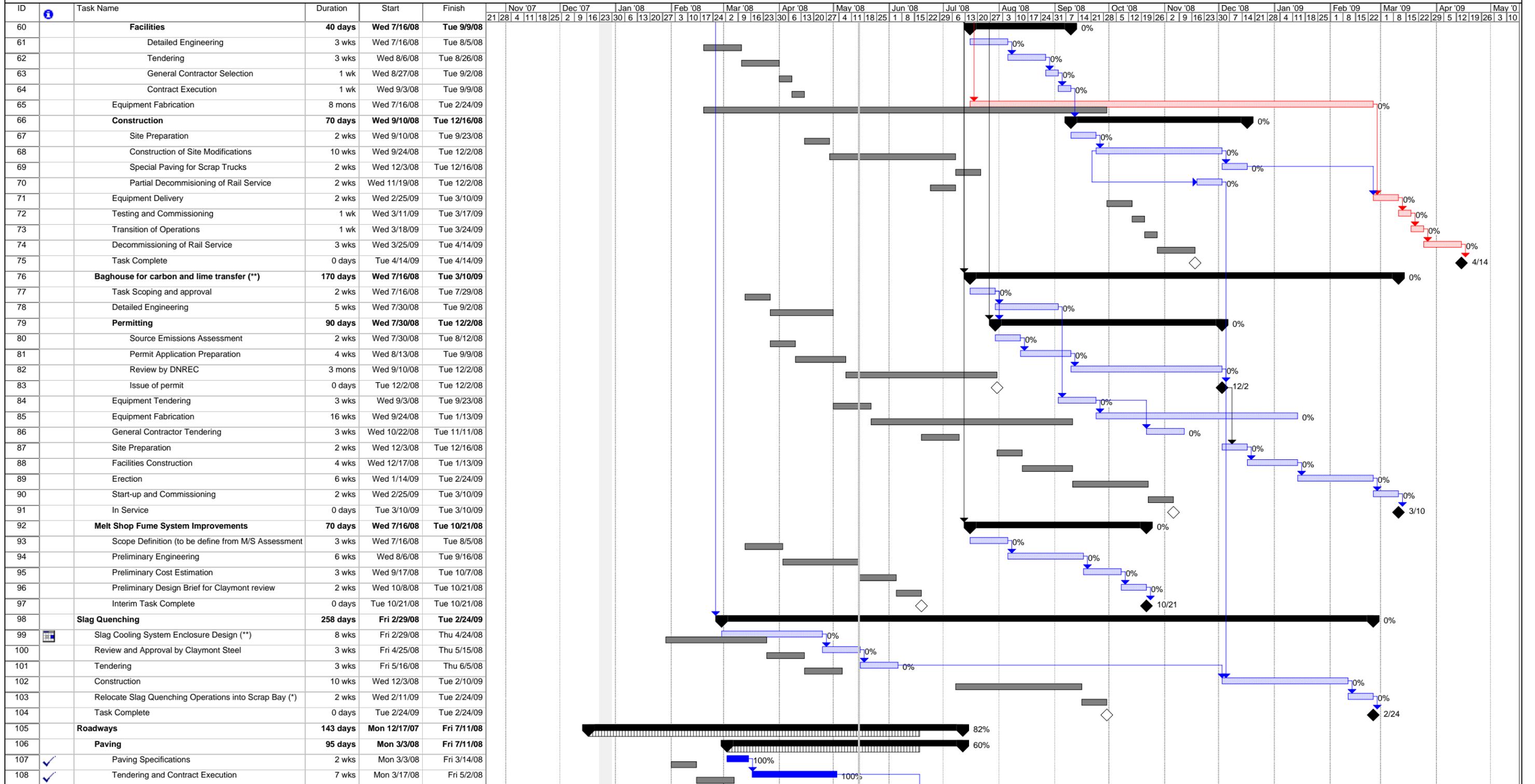
Earth Tech Inc.
Printed: Thu 5/15/08



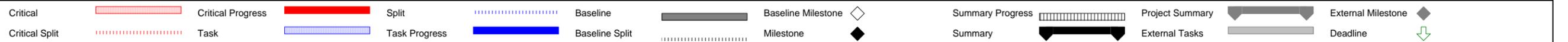
Notes:
(*) - Subject to approval of "Rubber Tire" project by Claymont Steel
(**) - Subject to outcome of melt Shop Fume System Assessment

**Claymont Steel
Implementation Plan
Dust Control Projects**

Update # 4
May 1, 2008



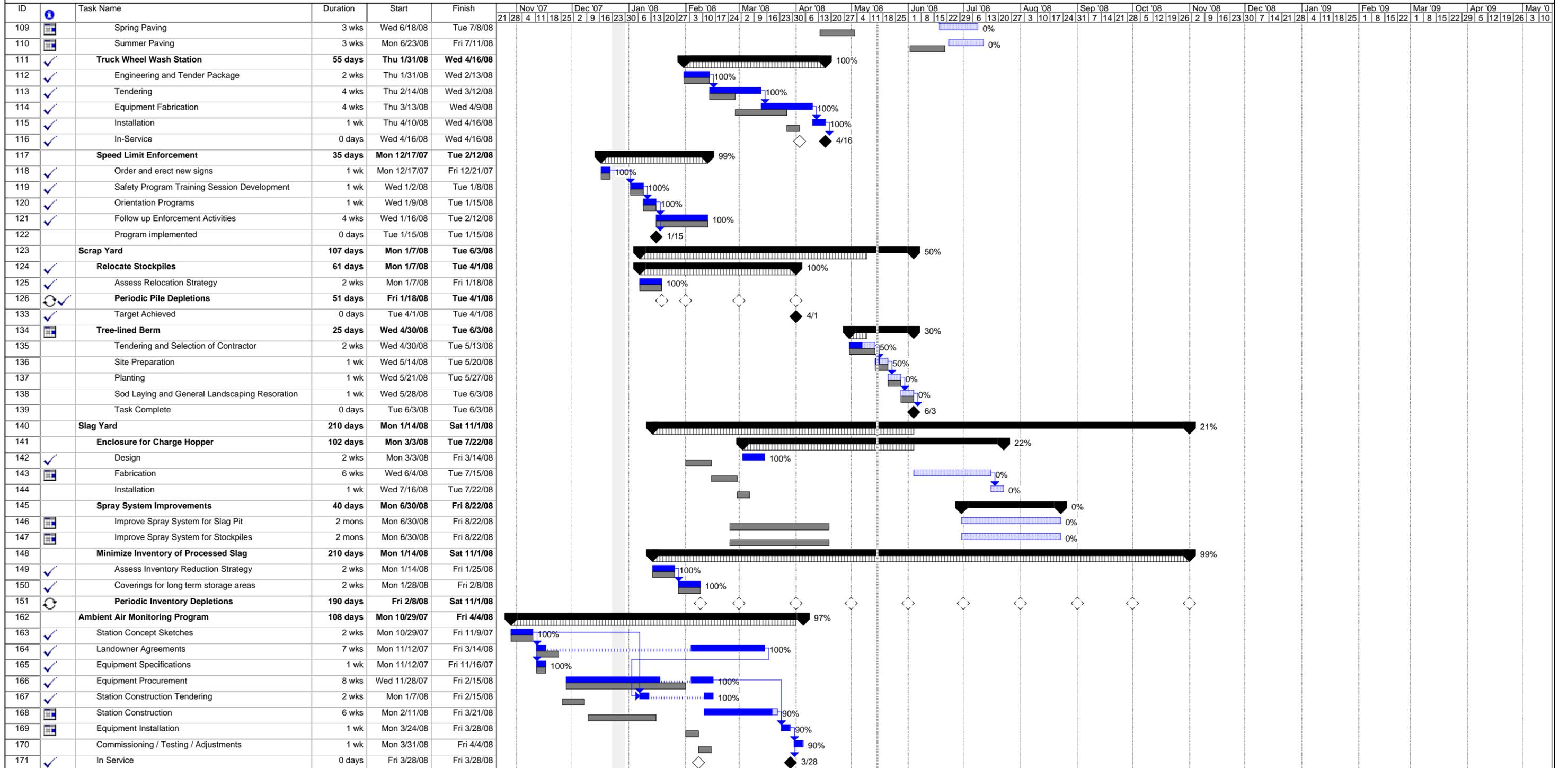
Earth Tech Inc.
Printed: Thu 5/15/08



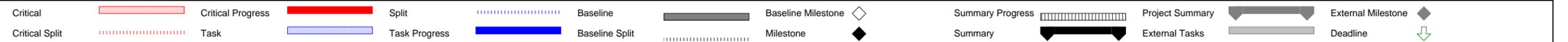
Notes:
(*) - Subject to approval of "Rubber Tire" project by Claymont Steel
(**) - Subject to outcome of melt Shop Fume System Assessment

**Claymont Steel
Implementation Plan
Dust Control Projects**

Update # 4
May 1, 2008



Earth Tech Inc.
Printed: Thu 5/15/08



Notes:
(*) - Subject to approval of "Rubber Tire" project by Claymont Steel
(**) - Subject to outcome of melt Shop Fume System Assessment

APPENDIX B

Outside Sales Summary

April 2008

