

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND

CHAMBERS OF  
J. FREDERICK MOTZ  
UNITED STATES DISTRICT JUDGE

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July 5, 2011

Memo To Counsel Re: Severstal Sparrows Point v. United States Environmental  
Protection Agency  
Civil No. JFM-97-558

Dear Counsel:

As you will see, I am today entering opinions in this case as well as in the related cases of *Chesapeake Bay Foundation v. Severstal Sparrows Point, LLC*, Civil No. JFM-10-1861 and *SPS Limited Partnership v. Severstal Sparrows Point, LLC*, Civil No. JFM-10-2579.

You will also see that in the opinion in these cases I am holding that the Bankruptcy Court order, approving the APA, relieves Severstal of liability under the 1997 consent decree for releases of hazardous wastes and hazardous constituents occurring after April 23, 2003. I am requesting that you confer with one another and report to me within 45 days whether you have been able to reach agreement as to the scope of the SWI that is to be conducted.

I suggest rather clearly in my opinion that if the EPA and the MDE continue to believe that the SWI should include an off-shore component, I am likely to uphold the EPA's and MDE's interpretation of the decree. That said, I understand that an SWI including an off-shore component may be very expensive. If that is so, it may be that the money that SWI would cost would be better spent in various remedial measures. Therefore, I would appreciate your taking seriously whether the scope of the SWI should be narrowed in exchange for Severstal taking additional remedial measures. In that regard I would appreciate counsel for EPA and MDE conferring with counsel for the intervening plaintiffs, whose motion to intervene I am granting.

Of course, if you believe that you need more than 45 days to conduct your negotiations, I will grant any reasonable extension you request. On the other hand, if it is clear that you are at loggerheads, there is no reason for me to delay entry of an implementing order.

Very truly yours,

/s/

J. Frederick Motz  
United States District Judge