



CLEVELAND-CLIFFS INC.
Cleveland-Cliffs Steel LLC
3001 Dickey Road, East Chicago, IN 46312
P 219.399.1200 clevelandcliffs.com

May 4, 2021

Mr. Larry Minor, Associate Administrator
Federal Motor Carrier Safety Administration
Office of Policy
1200 New Jersey Ave., SE
Washington, D.C. 20590-0001

Re: Request to Renew & Modify Limited Hours-of-Service & Vehicle Component
Exemption for Cleveland-Cliffs Steel LLC fka ArcelorMittal USA LLC (USDOT
1313214)

Dear Mr. Minor:

I am writing to request an extension of the exemptions granted by the FMCSA to ArcelorMittal USA LLC (USDOT 1313214), now known as Cleveland-Cliffs Steel LLC (the "Company") on September 23, 2016 under Docket No. FMCSA-2016-0050. Those exemptions, originally granted to ArcelorMittal Indiana Harbor, LLC and later transferred to its parent company ArcelorMittal USA LLC following a corporate merger, exempt certain of the Company's employee CDL drivers who transport steel coils between their production and shipping locations across public roadways from 49 C.F.R. Part 395, allowing them to work up to 16 hours per day and return to work following an off-duty break of at least 8 hours. They also authorize the Company to utilize certain coil carrier CMVs that do not meet the "heavy hauler trailer" definition, height of rear side marker light restrictions, tire loading restrictions, and coil securement requirements in Part 393 of the Federal Motor Carrier Safety Regulations (FMCSRs). These exemptions are currently set to expire on September 23, 2021. The Company seeks an extension of these exemptions for up to 5 additional years, along with slight modifications as detailed below.

A. Summary of Original Exemptions

While the substance of the company's exemption request remains largely the same—aside from a couple slight modification requests outlined in the next section—we will start by reiterating the issues that necessitated the exemptions in the first place and then briefly summarize the extent of the current exemptions. As a preliminary matter, the Company remains registered with the USDOT as an interstate private motor carrier under USDOT 1313214. Our principal place of business is 3001 Dickey Road, East Chicago, IN 46312.

The Company operates a steel plant located at the address above, which, as described in the original exemption request, has grown over time to encompass an area through which a number

of public roadways run. (See Illustration 1 for a satellite map of the area). The Company produces steel coils in one portion of the facility and then moves them to another portion of the facility for further processing or shipment to customers.

The coils are moved from one area of the plant to another by CMVs that are specially designed to accommodate the weight and size of the coils. These CMVs have a maximum speed of between 30-33 miles per hour; however, when moving a fully-loaded trailer, these CMVs move at a pace of approximately 15 miles per hour. The trailers themselves are also specially designed to cradle between 1-5 steel coils to hold them in place on their beds. The trailers have a bed height of 68" and width of 114". Their maximum height is 14'. (See Illustration 2 for photos and specifications of the tractors and trailers, Illustration 3 for photos of the trailer beds, and Illustration 4 for photos of the bed height). The tractor-trailer combinations have a gross combination unloaded weight of 77,000 lbs. and, when fully loaded, a gross combination weight of 263,171 lbs. The trailers are equipped with off-road tires, which are necessary to operate both inside and outside the plant safely, given the type of roadway surface over which they travel and the weight of the loads. (See Illustration 2). When the Company moves these fully-loaded CMVs, they are marked as "oversize loads" and have flags on the front of the tractor. (See Illustration 5).

In light of the growth of the plant and the fact that public roadways now pass through it, it is necessary for the Company's drivers to cross over public roadways at two points when moving coils across the plant. As detailed in our original exemption request, these crossing points are relatively small sections of roadway; however, because they are public roadways, the necessarily implicate provisions of the FMCSRs that would otherwise be inapplicable to operations on private property. Both crossing points are "controlled" intersections meaning they have traffic signs in the areas where the vehicles cross the public roadways.

The first crossing occurs at Riley Road and was, at the time of our initial exemption request, controlled by a traffic signal in both directions. Recently, the City of East Chicago unilaterally removed the traffic lights and is in the process of replacing them with four-way stop signs (See Illustration 8 for photos of temporary stop signs). Additionally, there is an overpass near the crossing that displays a caution sign reading "Caution-Obey Traffic Signal-Coil Hauler Crossing." (See Illustration 5). This particular crossing is 80 feet in length across the public roadway. (See blue highlight in Illustration 1; see also Illustration 6). The Company averages 32 crossings at this intersection per day, which equates to less than 0.5 miles of travel over the public roadway per day. The second crossing occurs at Dickey Road and 129th Street, which is also controlled with a stop sign and traffic light. (See Illustration 7). This crossing is approximately 0.2 miles across the public roadway, and the Company averages 32 crossings per day, which equates to around 6.4 miles of travel over the public roadway per day.

1. Necessity of Hours-of-Service Exemption

Given the nature of our operations, driving is a very small portion of our employees' workday. In fact, driving these CMVs amounts to only 10% of their workday each day. Further, none of these employees works more than 16 hours per day, with 16 hours being the exception and not the rule. However, in order to accommodate movement of the coils for processing and production,

the existing hours-of-service limits in Part 395 of the FMCSRs caused problems for these employees' schedules, which necessitated the original hours-of-service exemption.

In particular, these employees typically worked an 8-hour shift plus overtime, while the coil production and shipping areas worked 12-hour shifts. Accordingly, the employee drivers would have to go home under the current arrangement, thus leaving a 4-hour gap of time between production and the driver's schedule, creating a potential shortage of coils for shipping or processing. Thus, the Company sought and obtained a limited exemption from Part 395, allowing them to work up to 16-hour workdays with an 8-hour off-duty period between shifts.

In granting the exemption, the FMCSA noted that this allowance is comparable to the existing regulations that allow CDL short-haul drivers a 16-hour driving window once a week (49 C.F.R. 395.1(o)) and non-CDL short-haul drivers two 16-hour duty periods per week (49 C.F.R. 395.1(e)(2)). Moreover, the Company implemented additional safety controls beyond what is required in the FMCSRs, including ensuring these drivers drive no more than 10% of their total workday.¹

We are attaching to this renewal request as *Exhibit A* an updated list of drivers that would be covered under the renewed exemption.

2. Necessity of Vehicle Component Exemption

In our original exemption request, we explained that the unique nature of the coil movements and the specialized equipment used to conduct those moves necessitated an exemption from the following regulations:

- 49 C.F.R. §393.11 Table 1 – Footnote 4 – height of rear side marker lights (given the height of our trailers);
- 49 C.F.R. §393.75 (f) – Tires (we must use “off-road” tires for our facility surfaces);
- 49 C.F.R. §393.5 – Heavy Haul Trailer definition (our trailers were built for in facility use and do not meet this definition); and
- 49 C.F.R. §393.120 – Coil Securement regulations (our trailers are designed with a cradle and given the very low speeds we have never lost a coil from our trailers).

We attached to our original request an engineering study that demonstrated the trailers were designed and engineered to achieve a level of safety at least equal to if not greater than that achieved through compliance with the existing regulations. The Company has also taken additional precautions to ensure the public roadway crossings are at the shortest points and only at controlled intersections. Further, we also flag and mark the vehicles as oversize, and the

¹ The FMCSA granted the original exemption prior to the implementation of the ELD mandate. Accordingly, the Company wishes to clarify that any renewals of this exemption include a corresponding exemption from the ELD mandate for the drivers covered by the Part 395 exemption.

trailers are marked with conspicuity tape across their entire sides to make them more visible to traffic. We are attaching to this request as *Exhibit B* an updated list of vehicles that would fall under this exemption.

B. Request for Slight Modifications

As noted above, the substance of the Company's original exemption, including the rationale for the exemptions, remains largely the same. However, a few circumstances have changed and, thus, necessitate a few slight modifications to the original exemptions. These are described below.

1. Corporate Name Change

At the end of 2020, ArcelorMittal USA LLC became a subsidiary of Cleveland-Cliffs Inc. and formally changed its corporate name to Cleveland-Cliffs Steel LLC, as reflected in the attached Certificate of Amendment filed with the State of Delaware (*Exhibit C*). This was merely a name change, as all other corporate details, including its FEIN and USDOT number remain the same. In light of this, the Company requests the FMCSA modify the exemption to reflect Cleveland-Cliffs Steel LLC as the grantee on a going-forward basis.

2. Addition of "Scrap Trucks"

In addition to the tractor-trailers referenced in the Company's original request, the Company is seeking to add two additional trucks to the request, which are known as "scrap trucks." (See attached photos, *Exhibit D*). These scrap trucks are used to haul scrap metal to various points of the Company's plant utilizing the same routes as the other vehicles referenced above, and their drivers will work similar schedules to those covered by the original exemption. In light of the scheduling issues described above and in our original exemption, we are requesting that drivers of these scrap trucks be included under the hours-of-service exemption that currently applies to our coil transporter drivers. Like the coil transporter drivers, these scrap truck drivers would cross public roadways only at the two crossings references above, and driving time makes up only a very small portion of their overall workday. Further, the Company would take the same steps to ensure they do not work more than 16 hours a day and that they obtain at least 8 hours of off-duty time between shifts. Unlike the coil transporter CMVs, these scrap trucks do not require the exemptions from Part 393. While they are loaded with several thousands of pounds of scrap steel, the Company weighs them prior to their movement to ensure they are not overloaded beyond 80,000 lbs., and if they are, the Company removes some of the scrap until they weigh at or below that threshold.

Conclusion

For the reasons addressed above, the Company respectfully requests the FMCSA extend the existing exemptions for another five years, with slight modifications to the exemptions to (1)

change the Company's name to Cleveland-Cliffs Steel LLC; and (2) encompass drivers of the Company's "scrap trucks." The Company has had no accidents or other safety incidents as a result of these exemptions over the past five years. And rest assured, the Company will continue to ensure that its drivers and CMVs meet all other applicable federal regulations. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Slavco Pupaloski

Manager Mobile Equipment & Trucking

Cleveland-Cliffs Inc.

Phone: 219-399-7860

Email: Slavco.Pupaloski@clevelandcliffs.com

Illustration #1

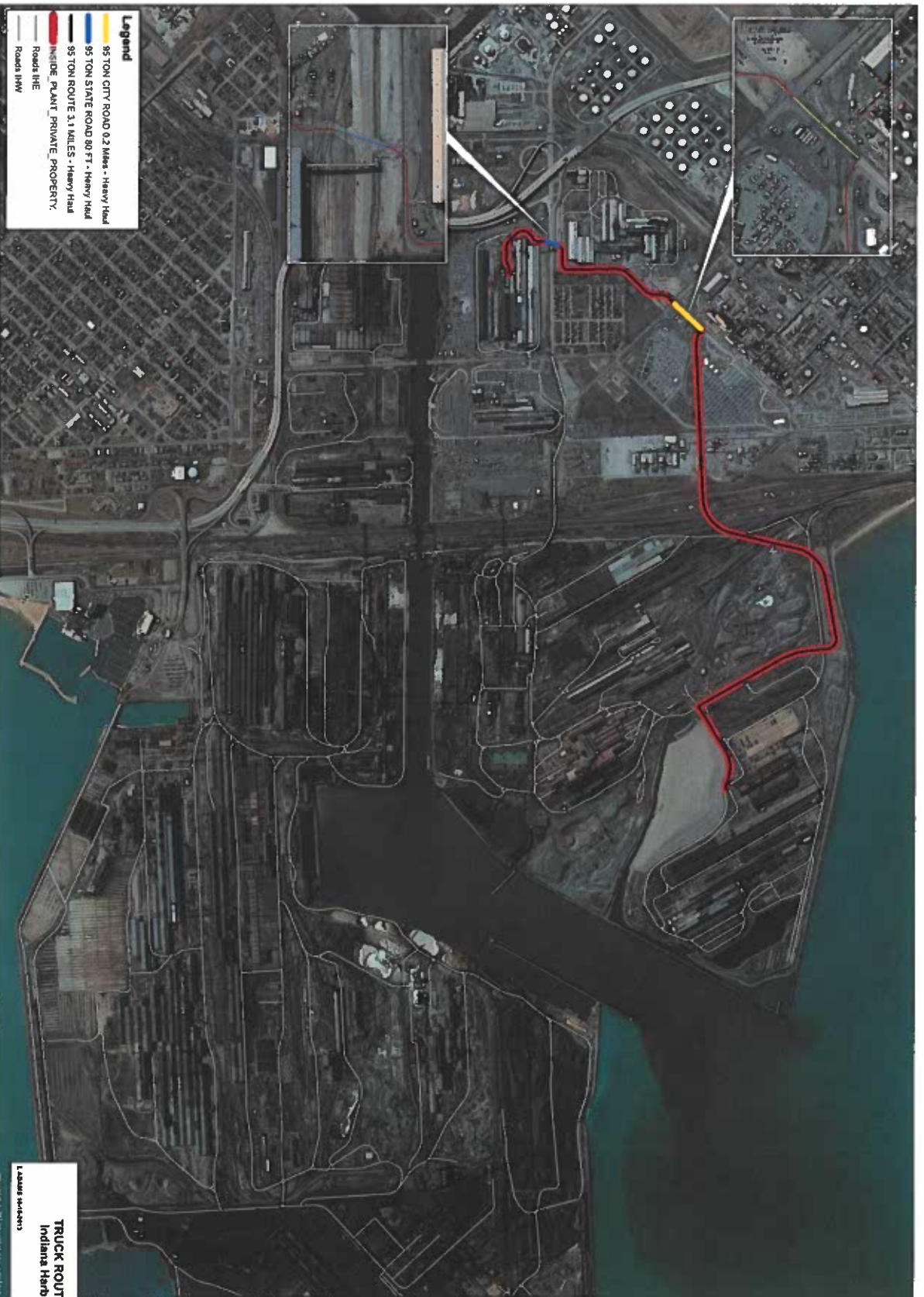
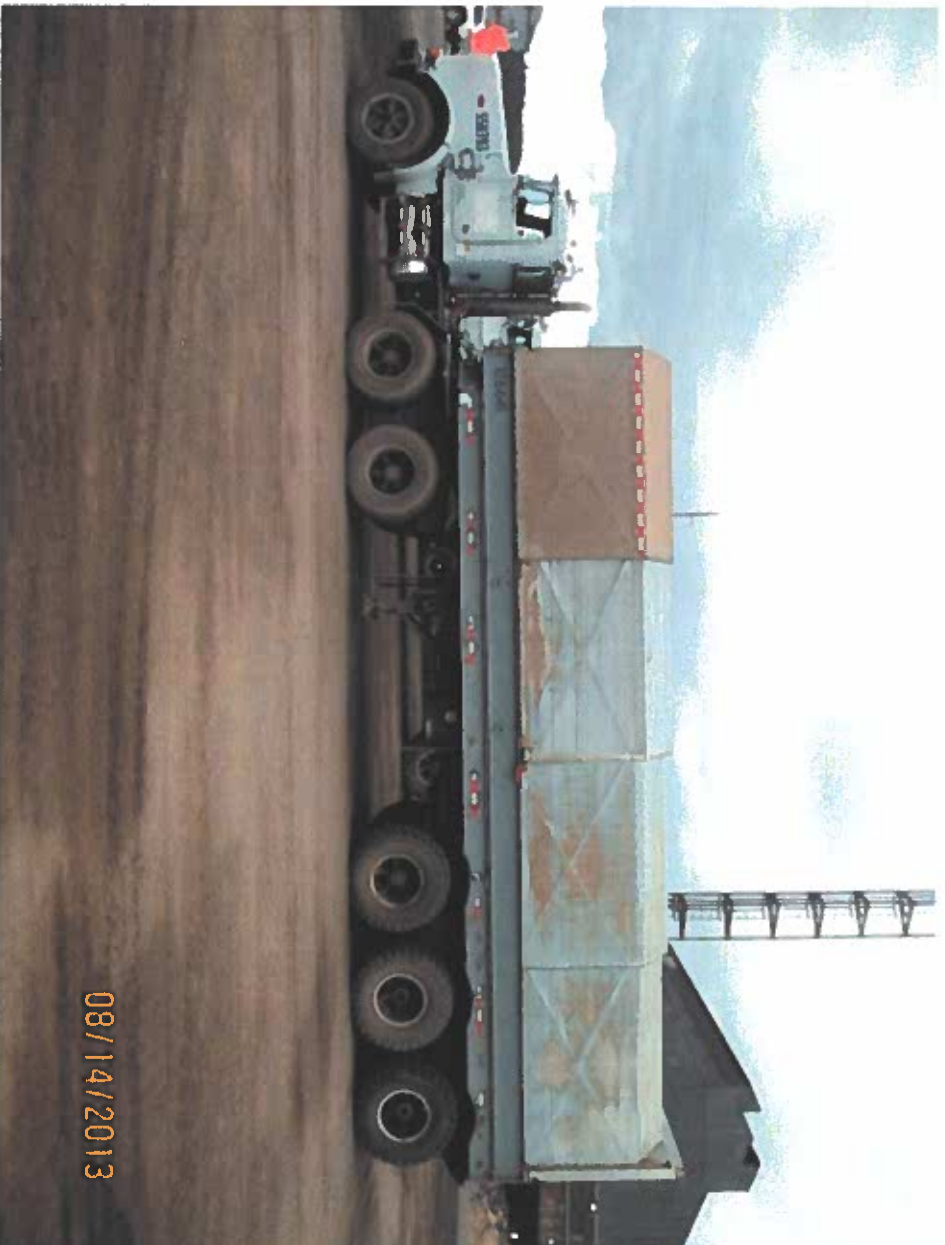


Illustration #2



Truck Specifications

- Max. Speed is 30-33 mph
- Max speed fully loaded is 15 mph
- Max. Height of trailer is 14'
- Empty Weight of Tractor and trailer is 77,000 lbs.
- GVWR is 263, 171 lbs.
- Tractor Tire Size is 12.00 x 24.00
- Trailer Tire Size is 14.00 x 24.00
- Trailer width is 9'6"
- Trailer bed height is 68"

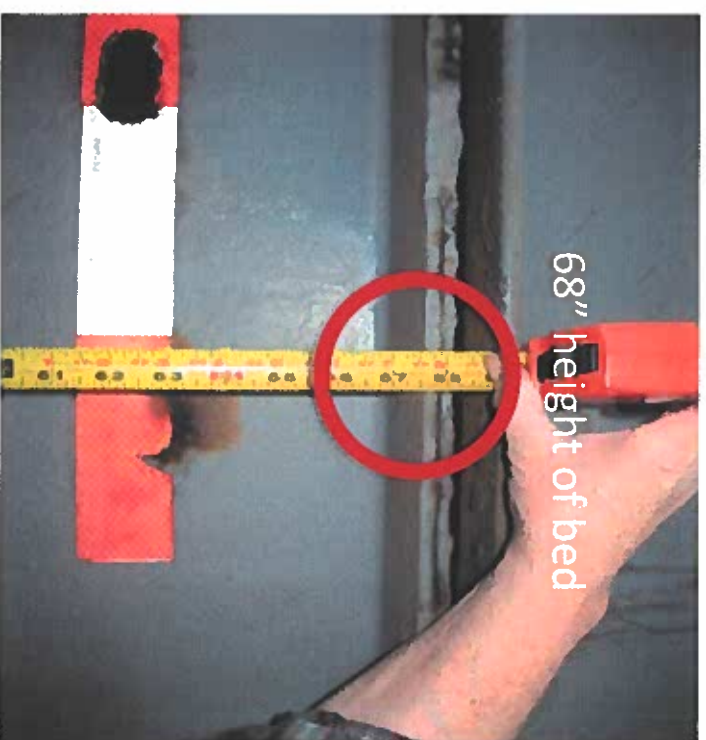
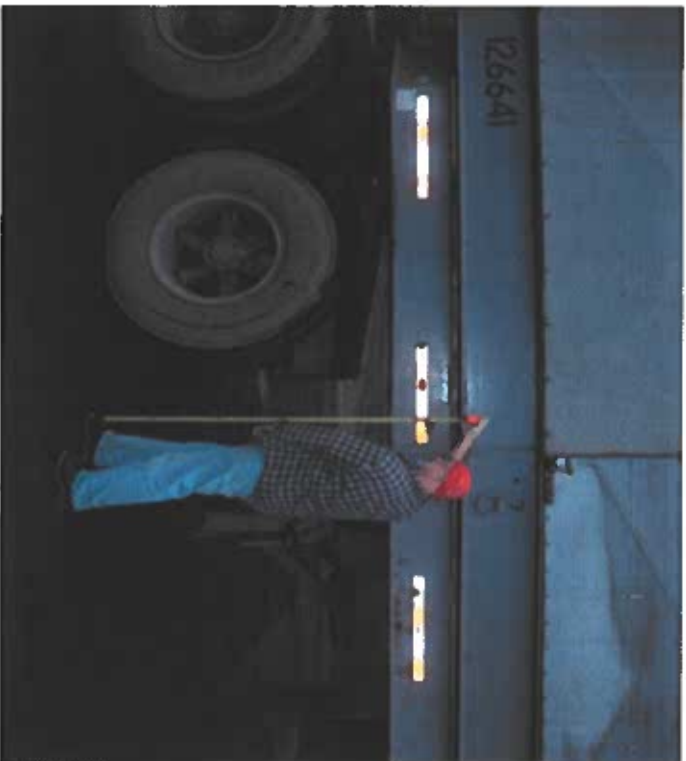
This is a picture of the oversize coil carrier. These tractors and trailers were designed to haul these coils around the facility. They were not designed for "on-road use."

Illustration #3

These are pictures of the trailers used to carry the coils. All coils rest in the bottom of the curved portion of the bed of the trailer as shown.



Illustration #4



These pictures show the height of the bed of the trailer

Illustration #5



All Oversize Coil Carriers are marked and flagged as shown. These vehicles only go on public roadways at "controlled intersections" as shown in the following slides.



Illustration #6



This slide shows the 80 ft portion of roadway the trucks cross (marked with red arrows). This intersection is controlled by traffic lights and the warning sign on the overpass.



Illustration #7



These pictures show the .2 mile section of roadway the oversize trucks use to move from one portion of the facility to the other.

Oversize vehicles go from the stop sign (shown left –green arrow) down to the traffic light (shown by red arrows) on the public roadway



Illustration #8

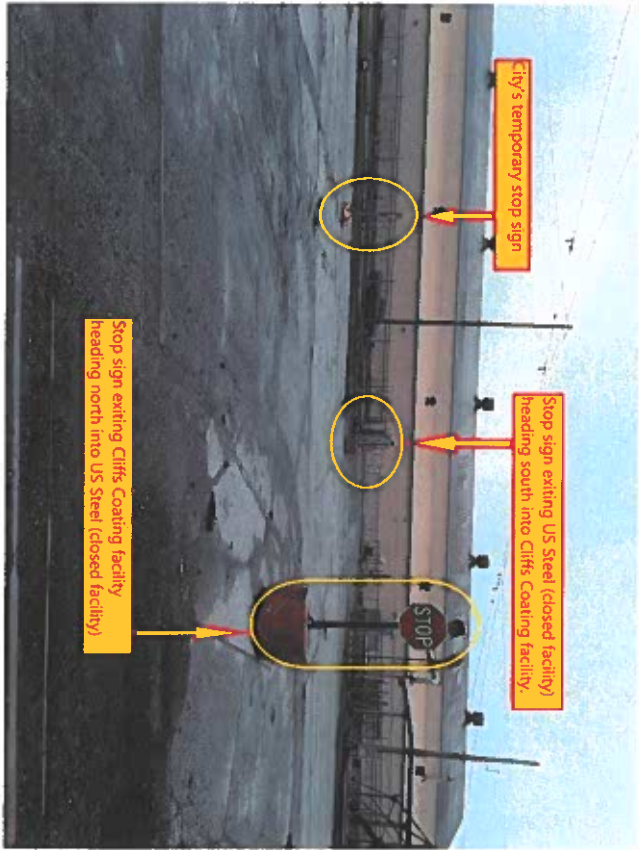


Exhibit A

Internal Logistics Drivers

	Name	Clock #
1	R. Barron	23574
2	W. Jones	23596
3	R. Acosta	23889
4	N. Franco	24537
5	J. Bolen	24620
6	H Holbrook	24729
7	J. Craddock	24820
8	D. Spudic	24889
9	D. Madera	24938
10	W. Scheeringa	24948
11	S. Petkovich	25097
12	F. Buckner	25141
13	S. Paterson	26007
14	A. Sherrod	20602
15	A. Perez	20383
16	D. Chatman	26211
17	J. Acosta	26464
18	M. Coleman	26477
19	J. Lowe	21162
20	T. Burrows	1561
21	C. Plucinski	4005
22	T. Groen	3920
23	R Jones	4260
24	N. Petkovich	5557
25	C. Osiel	24942
26	J. Moore	21202
27		
28		

Alternate CDL Class A Drivers (In Plant Services / Central Spares Drivers)

1	Mike Mihalic	24731
2	Daniel Bartochowski	26543
3	Jeffery DeArmond	26558
4	Marjan Risteski	26278
5	Joe Fish	24595
6	Timothy Pickens	24867

Vehicle List - March 2021

Tractors						
VIN	Company Trc ID	License Plate #	MFG	Year		
1FVX18YB9LH409119	119	A433017	Freightliner	1989		
1FVX18YB0LH409123	123	A433018	Freightliner	1989		
1FVX18YB4LH409125	125	A433019	Freightliner	1989		
1FVX18YB6LH409126	126	A433020	Freightliner	1989		
1FVX18YB6LH409127	127	A433021	Freightliner	1989		
1FVX18YBXLH406128	128	A433022	Freightliner	1989		
1FVX18YB1LH409129	129	A433023	Freightliner	1989		
1NPAD6TX11N558392	392	A433029	Peterbuilt	2001		
1NPAD6TX31N558393	393	A433030	Peterbuilt	2001		
1NPAD6TX91N558396	396	A433031	Peterbuilt	2001		
Trailers						
VIN	Company Trailer ID	License Plate #	MFG	Year		
89107	935	P506412	River Steel	1989		
89108	936	P506413	River Steel	1989		
89109	937	P506414	River Steel	1989		
89110	938	P506415	River Steel	1989		
89112	940	P506417	River Steel	1989		
89113	941	P506418	River Steel	1989		
89100	943	P506420	River Steel	1989		
89101	944	P506421	River Steel	1989		
89102	945	P506422	River Steel	1989		
89104	947	P506424	River Steel	1989		
Straight Truck						
VIN	Company Trailer ID	License Plate #	MFG	Year		
3BPZLOEX59F718677	380	A433027	Peterbuilt	2008		
3BPZLOEX58F718676	381	A433028	Peterbuilt	2008		
1HTSHPPR9PH519478	36893	A433025	International	1993		

State of Delaware
Secretary of State
Division of Corporations
Delivered 09:45 AM 12/22/2020
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SR 20208725369 - File Number 3494636

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF FORMATION**

ArcelorMittal USA LLC (the "Company"), a limited liability company organized and existing under the Delaware Limited Liability Company Act, as amended, DOES HEREBY CERTIFY:

FIRST: That the sole member of the Company adopted the following resolution authorizing an amendment to the Certificate of Formation of the Company to change the name of the Company.

RESOLVED, that the Company's Certificate of Formation be amended so that Article FIRST thereof shall read in its entirety as follows:

FIRST: The name of the Company is:

Cleveland-Cliffs Steel LLC

SECOND: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of the Delaware Limited Liability Company Act.

IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to be executed by its duly authorized officer this 22nd day of December, 2020.

ARCELORMITTAL USA LLC

By: 
Name: Paul M. Liebenson
Title: Assistant Secretary

Exhibit D



Exhibit D

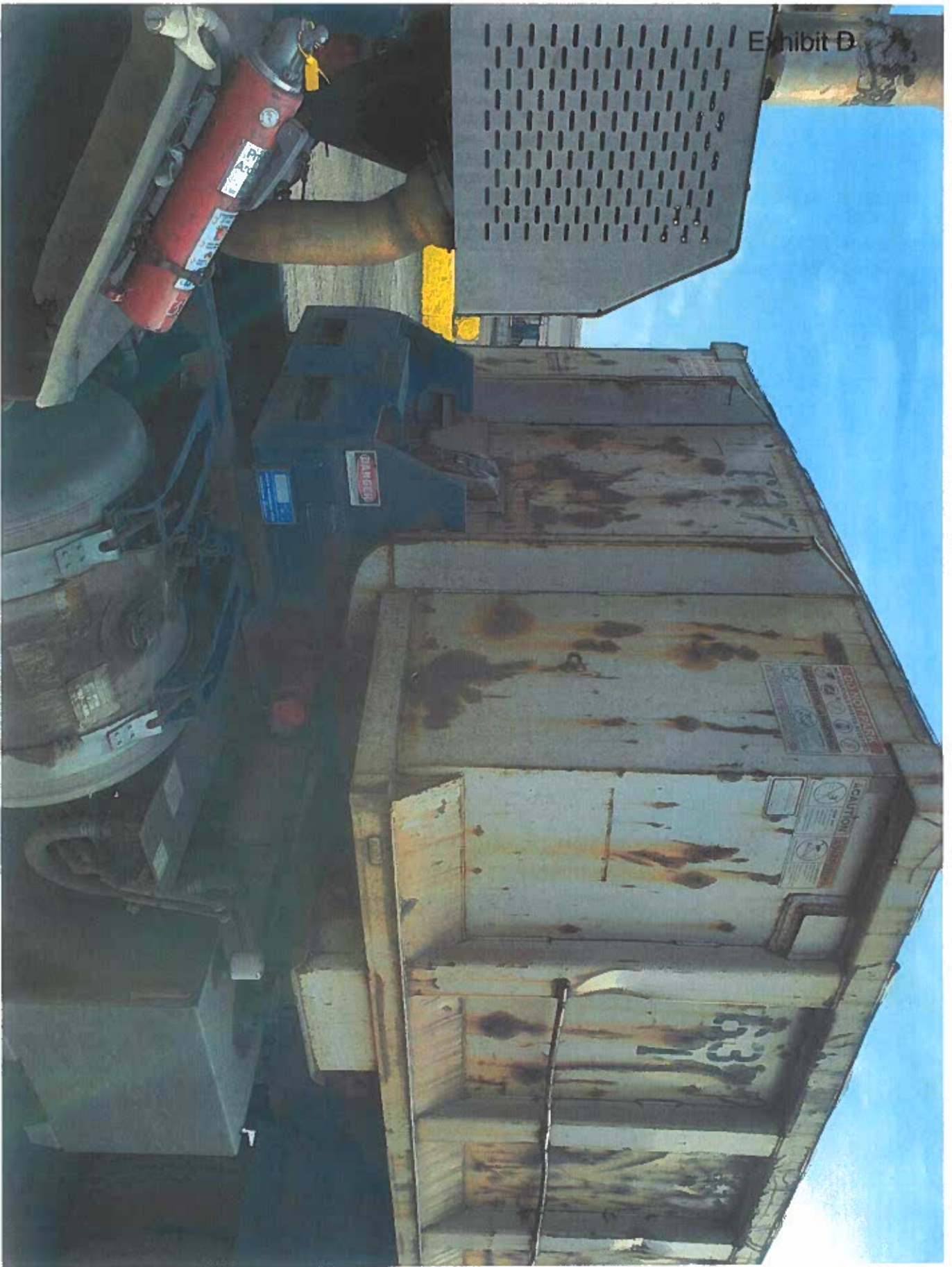


Exhibit D

