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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2006

Or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from__________ to __________.

(Exact name of registrant as specified in its charter)

Delaware	1-16811	25-1897152
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

600 Grant Street, Pittsburgh, PA	15219-2800
(Address of principal executive offices)	(Zip Code)

(412) 433-1121
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes Ö No __

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Act).

Large accelerated filer Ö. Accelerated filer __ Non-accelerated filer __

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes __ No Ö

Common stock outstanding at November 1, 2006 – 118,474,256 shares

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(Note 1)

Net inc Eggg

The following table summarizes the total compensation expense recognized for stock-based compensation awards:

Stock-based compensation expense recognized:		
Cost of sales		
Selling, general and administrative expenses		
Total		
Related deferred income tax benefit		
Decrease in net income		
Decrease in basic earnings per share		
Decrease in diluted earnings per share		

As of September 30, 2006, total future compensation cost related to nonvested stock-based compensation arrangements was $25 million, and the weighted-average period over which this cost is expected to be recognized is less than eighteen months.

The following pro forma information is provided for comparative purposes and illustrates the pro forma effect on net income and earnings per share as if the fair value recognition provision of FAS No. 123 had been applied to stock-based employee compensation prior to January 1, 2006:

		(Note 1)
Net income	$ 93	$ 801
Add: Stock-based employee compensation expense (income) included in reported net income, net of related tax effects	1	(1)
Deduct: Total stock-based employee compensation expense determined under fair value methods for all awards, net of related tax effects	3	5
Pro forma net income	$ 91	$ 795
Net income per share:		
- As reported - basic	$ 0.77	$ 6.90
- diluted	0.71	6.13
- Pro forma - basic	0.76	6.85
- diluted	0.70	6.10

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In accordance with FAS 123(R), compensation expense for stock options is now recorded over the vesting period based on the fair value on the date of grant, as calculated by U. S. Steel using the Black-Scholes model using the assumptions listed below. The May 2005 awards vested over a one-year service period and have a term of eight years. The May 2006 awards vest ratably over a three-year service period and have a term of ten years.

The results of segment operations for the first nine months of 2006 and 2005 are:

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U. S. Steel made a voluntary contribution of $140 million to its main defined benefit pension plan in the third quarter 2006. In the first nine months of 2006, in addition to $7 million in payments related to the USSB VERP (which is included in the $15 million discussed above), cash payments of $11 million were made to other pension plans and cash payments of $21 million were made to the Steelworkers Pension Trust (SPT). For the year, U. S. Steel expects to make a total of $12 million in payments related to the USSB VERP, $14 million of payments to other pension plans not funded by trusts, and $29 million of payments to the SPT.

U. S. Steel also made contributions of $60 million to its trust for retiree health and life insurance during the first nine months of 2006, $50 million of which was a voluntary contribution made in the second quarter. Aside from these amounts, U. S. Steel expects to make cash payments totaling $253 million for other postretirement benefit payments not funded by trusts in 2006, and made a contribution of $20 million to the retiree life trust covering salaried employees in the fourth quarter 2006. In the first nine months of 2006, cash payments of $193 million were made for other postretirement benefit payments not funded by trusts.

U. S. Steel's Board of Directors has authorized additional voluntary contributions of up to $300 million to our trusts for pensions and healthcare by the end of 2008.

Company contributions to defined contribution plans totaled $6 million and $5 million for the third quarter ended September 30, 2006 and 2005, respectM®

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Net interest and other financial costs include foreign currency gains and losses which, through December 31, 2005, included amounts related to the remeasurement of USSK's and USSB's net monetary assets into the U.S. dollar, which was the functional currency for both until December 31, 2005. As of January 1, 2006, the functional currency for USSK and USSB was changed from the U.S. dollar to the euro primarily because of significant changes in economic facts and circumstances as a result of Slovakia's entry into the European Union (EU) and the subsequent entry of the Slovak koruna into the Exchange Rate Mechanism in preparation for Slovakia's adoption of the euro. Other factors that contributed to this change are the evolution of USSE into an autonomous business segment, the settlement of its U.S. dollar denominated debt and the establishment of euro-based debt facilities. This change in functional currency has been applied on a prospective basis and resulted in an [illegible]

USSK was limited to $430 million for the period 2000 through 2009. Management expects that this limit may be reached prior to 2009. The Slovak government audited and confirmed that USSK has fulfilled all of the necessary conditions for claiming the tax credit for the years 2000 through 2005. As a result of claiming tax credits of 100 percent of USSK's tax liability and management's intent gtt m

During the third quarter 2006, USSK's EUR 195 million revolving credit facility was paid in full and terminated.

Some, or all, of the outstanding 9 3/4% Senior Notes, scheduled to retire in 2010, may be redeemed, at a premium, after May 15, 2007. The premium ranges from zero percent to 4.875 percent depending on the redemption date.

The Senior Quarterly Income Debt Securities are redeemable at the option of U. S. Steel, in whole or in part, on or after December 31, 2006, at 100% of the principal amount together with accrued but unpaid interest to the redemption date. Interest is payable quarterly.

At September 30, 2006, in the event of a change in control of U. S. Steel, debt obligations totaling $775 million may be declared immediately due and payable. In such event, U. S. Steel may also be required to either repurchase the leased Fairfield slab caster for $77 million or provide a letter of credit to secure the remaining obligation.

In the event of the bankruptcy of Marathon, $536 million related to Environmental Revenue Bonds, the Fairfield Caster Lease and the coke battery lease at Clairton Works may be declared immediately due and payable.

U. S. Steel was in compliance with all of its debt covenants at September 30, 2006.

U. S. Steel's asset retirement obligations primarily relate to mine and landfill closure and post-closure costs. The following table ionmeS. Ste

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under Section 29 (now Section 45K) of the Internal Revenue Code. Furthermore, U. S. Steel, under certain circumstances, has indemnified the 1314B Partnership for environmental obligations. See Note 16 for further discussion of commitments related to the 1314B Partnership.

Blackbird Acquisition Inc.

In accordance with Financial Accounting Standards Board Interpretation No. 46 (revised December 2003), "Consolidation of Variable Interest Entities, an interpretation of ARB No. 51," (FIN 46R), U. S. Steel consolidates Blackbird Acquisition Inc., (Blackbird), an entity established to facilitate the purchase and sale of certain fixed assets. U. S. Steel has no ownership interest in Blackbird. At September 30, 2006 and December 31, 2005, there were no property, plant and equipment balances consolidated throul ah an ens

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Net sales to related parties and receivables from related parties primarily reflect sales of steel products, raw materials, coke by-products, transportation services and fees for providing various management and other support services to equity investees and other related parties. Generally, transactions are conducted under long-term market-based contractual arrangements. Related party sales and service transactions were $241 million and $211 million for the quarters ended September 30, 2006 and 2005, respectively, and $698 million and $700 million for the nine months ended September 30, 2006 and 2005, respectively. Sales to related parties were conducted under terms comparable to those with unrelated parties. Receivables from related parties also include taxes and interest receivable related to tax settlements with Marathon amounting to $47 million and $11 million at September 30, 2006 and December 31, 2005, respectively. See further information in Note 8.

Long-term receivables from related parties at September 30, 2006 and December 31, 2005, reflect amounts due from Marathon related to contractual re[illegible] for the retirement of participants in the non-qualified employee benefit plans. These amounts will be paid by Marathon as participants retire.

Purchases of outside processing services from equity investees amounted to $11 million and $7 million for the quarters ended September 30, 2006 and 2005, respectively, and $30 million and $26 million for the nine months ended September 30, 2006 and 2005, respectively.

[illegible]

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These claims against U. S. Steel fall into three major groups: (1) claims made under certain federal and general maritime laws by employees of former operations of U. S. Steel; (2) claims made by persons who allegedly were exposed to asbestos at U. S. Steel facilities (referred to as “premises claims”); and (3) claims made by industrial workers allegedly exposed to products formerly manufactured by U. S. Steel. While U. S. Steel has excess casualty insurance, these policies have multi-million dollar self-insured retentions. To date, U. S. Steel has not received any payments under these policies relating to asbestos claims. In most cases, this excess casualty insurance is the only insurance applicable to asbestos claims.

These asbestos cases allege a variety of respiratory and other diseases base s es s Ď r respectively. It is not presently possible to estimate the ultimate amount of all remediation costs that might be incurred or the penalties that may be imposed. Due to uncertainties inherent in remediation projects and the associated liabilities, it is possible that total remediation costs for active matters may exceed the accrued liabilities by as much as 25 percent.

Remediation Projects

U. S. Steel is involved in environmental remediation projects at or adjacent to several U. S. Steel current and former facilities and other locations, that are in various stages of completion ranging from initial characterization through post-closure monitoring. Based on the anticipated scope and degree of uncertainty of projects, we categorize projects as follows:

(1) Projects with Ongoing Study and Scope Development are those projects for which material additional costs are reasonably possible.

(2) Significant Projects with Defined Scope are those projects with significant accrued liabilities, a defined scope and little likelihood of material additional costs.

(3) Other Projects are those projects with relatively small accrued liabilities for which we believe that, while additional costs are possible, they are [illegible]

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charged to income and recorded on the balance sheet. At December 31, 2005, the long-term liability was $4 million. Recently Slovakia finishe

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Mining sale – U. S. Steel remains secondarily liable in the event that the purchaser triggers a withdrawal before June 30, 2008 from the multiemployer pension plan that covers employees of its former coal mining business. A withdrawal is triggered when annual contributions to the plan are substantially less than contributions made in prior years. The maximum exposure for the fee that could be assessed upon a withdrawal is $79 million. U. S. Steel has recorded a liability equal to the estimated fair value of this potential exposure. U. S. Steel has agreed to indemnify the purchaser for certain environmental matters, which are included in the environmental matters discussion.

1314B Partnership – See description of the partnership in Note 13. U. S. Steel has a commitment to fund operating cash shortfalls of the partnership of up to $150 million. Additionally, U. S. Steel, under certain circumstances, is required to indemnify the limited partners if the partnership product sales prior to 2003 fail to qualify for the credit under Section 29 (now Section 45K) of the Internal Revenue Code. This indemnity will effectively survive until the expiration of the applicable statute of limitations. The maximum potential amount of this indemnity obligation at September 30, 2006, including interest and tax gross-up, is approximately $680 million. Furthermore, U. S. Steel under certain circumstances has indemnified the partnership for environmental obligations. See discussion of environmental and other indemnifications above. The maximum potential amount of this indemnity obligation is not estimable. Management believes that the $150 million deferred gain related to the partnership, which is recorded in deferred credits and other liabilities, is more than sufficient to cover any probable exposure under these commitments and indemnifications.

Self-insurance – U. S. Steel is self-insured for certain exposures including workers’ compensation, auto liability and general liability, as well as property damage and business interruption, within specified deductible and retainage levels. Certain equipment that is leased by U. S. Steel is also self-insured within specified deductible and retainage levels. Liabilities are recorded for workers’ compensation and personal injury obligations. Other costs resulting from self-insured losses are charged against income upon occurrence.

U. S. Steel uses surety bonds, trusts and letters of credit to provide whole or partial financial assurance for certain obligations such as workers’ compensation. The total amount of active surety bonds, trusts and letters of credit being used for financial assurance purposes was approximately $122 million as of September 30, 2006, which reflects U. S. Steel’s maximum exposure under these financial guarantees, but not its total exposure for the underlying obligations. Most of the trust arrangements and letters of credit are collate/

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September 30, 2006, all spending commitments have been fulfilled, except for spending on economic development, which has a remaining commitment of less than $1 milliWe t fSeptember 30, 2006, 6l di r 3n emmbnts h hmhn $l dvfolt remithateit t mel 6 o oemlohas a remaining commilment dhrntemt i rh hr thanH hl s

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Segment results for USSE

	Third Quarter Ended September 30,	% Change	Nine Months Ended September 30,	% Change
	2005		2005	
Income from operations ($ millions)	$ 21 [a]	943%	$ 390 [a]	36%
Raw steel production (mnt)	1,200	45%	4,234	25%
Capability utilization	64.1%	45%	76.2%	25%
Steel shipments (mnt)	1,230	26%	3,852	22%
Average realized steel price per ton	$ 562	14%	$ 631	-7%

[a] As a result of the change from the LIFO to FIFO method of inventory accounting at USSK (see further information in Note 1 to Financial Statements), USSE income from operations for the quarter and nine months ended September 30, 2005 decreased from $32 million to $21 million and increased from $385 million to $390 million, respectively.

The increase in USSE income from operations in the third quarter of 2006 as compared to the third quarter of 2005 was primarily due to increased average realized prices, higher shipment volumes, lower raw material costs and net favorable currency translation effects. The improvement in income from operations for the nine-month periods resulted mainly } th pen ater d mpe ratiotion

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The 1 0 Q M - 1T 1 0 in the third quarter and first nine months of 2006 was $136 million and $317 million, respectively, compared with $27 million and $275 million in the respective periods in 2005. The provisions of the Slovak Income Tax Act permit USSK to claim a tax credit of 50 percent of its tax liability for years 2005 through 2009. The provision in the first nine months of 2006 included a favorable adjustment of $15 million, recorded in the second quarter of 2006, primarily related to the refinement of assumptions used to determine the estimated 2005 tax accrual. The provision in the first nine months of 2005 included a charge of $37 million resulting from the $95 million pre-tax gain from the Gary property tax settlement, $70 million of which was included in cost of sales and $25 million of which was included in ne mill

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U. S. Steel also has a revolving credit facility that provides for borrowings of up to $600 million secured by all domestic inventory and related assets, including receivables other than those sold under the RPA (Inventory Facility). The Inventory Facility, which expires in October 2009, contains restrictive covenants, many of which apply only when average availability under the facility is less than $100 million, including a fixed charge coverage ratio test. In addition, lenders may terminate their commitments and declare any amounts outstanding payable upon a change in control of U. S. Steel. For further information regarding the Inventory Facility, see the discussion in the “Liquidity” section of U. S. Steel’s Annual Report on Form 10-K for the year ended December 31, 2005. As of September 30, 2006, U. S. Steel had in excess of $600 million of eligible inventory under the Inventory Facility, and utilized $2 million for letters of credit, reducing availability to $598 million.

At September 30, 2006, USSK had no borrowings against its $40 million and $20 million credit facilities, but had $4 million of customs guarantees outstanding, reducing availability to $56 million. Both facilities expire in December 2006.

During the third quarter of 2006, USSK’s EUR 195 million credit facility was paid in full and terminated.

At September 30, 2006, USSB had no borrowings against its EUR 25 million facility (which approximated $32 million), which is secured by its inventory of finished and semi-finished goods and expires September 28, 2008.

At September 30, 2006, U. S. Steel had $348 million outstanding $10\frac{3}{4}\%$ senior notes due August 1, 2008, and $378 million outstanding $9\frac{3}{4}\%$ senior notes due May 15, 2010. These senior notes impose limitations o[illegible]

As of September 30, 2006, we have accrued $331 million, including interest payable, which will be used to assist retirees from National Steel with healthcare costs. This liability has not been paid because the associated trust has not been established. See “Results of Operations – Operating expenses – Profit-based union payments.”

Passed into law in August 2006, the new Pension Protection Act legislation prescribes a new methodology for calculating the minimum amount companies must contribute to their defined benefit pension plans beginning in 2008. While U. S. Steel continues to study various aspects of the legislation, preliminary estimates are that the annual cash contributions required under the legislation for the first several years are not expected to be significantly different from the $140 million voluntary contribution that U. S. Steel made to its main defined benefit pension plan in August 2006. The contributions actually required will be greatly influenced by the frequency and level of voluntary contributions prior to 2008, the elective use or disavowal of existing credit balances in future periods and various economic factors and actuarial assumptions that may come to influence the level of the funded position as of December 31, 2007.

The following table summarizes U. S. Steel’s liquidity as of September 30, 2006:

(Dollars in millions)

Cash and cash equivalents [(a)]	$ 1,386
Amount available under Receivables Purchase Agreement	500
Amount available under Inventory Facility	598
Amounts available under USSK credit facilities	56
Amounts available under USSB credit facilities	32
Total estimated liquidity	$ 2,572

(a) Excludes $24 million of cash related to the Clairton 1314B Partnership because it is not available for U. S. Steel's use.

Our liquidity at September 30, 2006 was $60 million less than liquidity at December 31, 2005 primarily due to the decrease in cash and cash equivalents.

U. S. Steel management believes that U. S. Steel’s liquidity will be adequate to satisfy its obligations for the foreseeable future, including obligations to complete currently authorized capital spending programs. Future requirements for U. S. Steel’s business needs, including the funding of acquisitions and capital expenditures, scheduled debt maturities, contributions to employee benefit plans, and any amounts that may ultimately be paid in connection with contingencies, are expected to be financed by a combination of internally generated funds (including asset sales), proceeds from the sale of stock, borrowings, refinancings and other external financing sources. This opinion is a forward-looking statement based upon currently available information. To the extent that operating cash flow is materially lower than current levels or external financing sources are not available on terms competitive with those currently available, including increases in interest rates, future liquidity may be adversely affected.

U. S. Steel did not enter into any new off-balance sheet arrangements during the first nine months of 2006.

U. S. Steel has incurred and will continue to incur substantial capital, operating and maintenance, and remediation expenditures as a result of environmental laws and regulations. In recent years, these expenditures have been mainly for process changes in order to meet Clean Air Act obligations and similar obligations in Europe, although ongoing compliance costs have also been significant. To the extent that these expenditures, as with all costs, are not ultimately reflected in the prices of our products and services, operating results will be reduced. U. S. Steel believes that its major domestic and European integrated steel competitors are confronted by substantially similar conditions and thus does not believe that its relative position with regard to such competitors is materially affected by the impact of environmental laws and regulations. However, the costs and operating restrictions necessary for compliance with environmental laws and regulations may have an adverse effect on our competitive position with regard to domestic mini-mills, some foreign steel producers and producers of materials which compete with steel, which may not be required to incur equivalent costs in their operations. In addition, the specific impact on each competitor may vary depending on a number of factors, including the age and location of its operating facilities and its production methods. U. S. Steel is also responsible for remediation costs related to its prior disposal of environmentally sensitive materials. Domestic integrated facilities that have emerged from bankruptcy proceedings, mini-mills and other competitors generally do not have similar liabilities.

Domestically, U. S. Steel is subject to the U.S. environmental standards, including the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation and Liability Act, as well as state and local laws and regulations.

USSK is subject to the laws of Slovakia and the European Union (EU). The environmental requirements of Slovakia and the EU are comparable to domestic environmental standards. There are no legal proceedings pending against USSK involving environmental matters. USSK has a current compliance project for a dedusting system for Steel Shop No. 2 to meet air emission standards for particulates. These standards are applicable January 1, 2007, but USSK anticipates that it will not achieve compliance until the end of the third quarter of 2007. Failure to meet the January 1, 2007 deadline could result in the imposition of corrective measures by the Slovak Ministry of Environment (Ministry). USSK does not anticipate that corrective measures would have a material adverse effect on production, results of operations or cash flows.

While the United States has not ratified the 1997 Kyoto Protocol to the United Nations Framework Convention on Climate Change, the European Commission (EC), in order to provide EU member states a mechanism for fulfilling their Kyoto commitments, has established its own CO_2 limits for every EU member state. In 2004, the EC approved a national allocation plan (NAP I) for Slovakia that reduced Slovakia’s originally proposed CO_2 allocation by approximately 14 percent, and following that decision the Ministry imposed an 8 percent reduction to the amount of CO_2 allowances originally requested by USSK. Subsequently, USSK filed legal actions against the EC and the Ministry challenging these reductions. In addition, USSK is evaluating a number of alternatives ranging from purchasing CO_2 allowances to reducing steel production, and it is not currently possible to predict the impact of these decisions on USSK. However, the actual shortfall of allowances for the initial allocation period covered by NAP I (2005 through 2007) will depend upon a number of internal and external variables and the effect of that shortfall on USSK cannot be predicted at this time. Based on the fair value of the anticipated shortfall of allowances related to production through September 2006, a long-term other liability of $8 million has been charged to income and recorded on the balance sheet. At December 31, 2005, the long-term liability was $4 million. Recently Slovakia finished preparation of its proposed national allocation plan for the second CO_2 trading period, 2008-2012 (NAP II). NAP II has been submitted to the EC for review and approval. The deadline for the EC to approve NAP II is

ending December 31, 2006, with early application encouraged. U. S. Steel is in the process of evaluating the financial impact of adopting

and existing assets or liabilities denominated in currencies other than U.

U. S. Steel has evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of September 30, 2006. These disclosure controls and procedures are the controls and other procedures that were designed to ensure that information required to be disclosed in reports that are filed with or submitted to the SEC is: (1) accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures and (2) recorded, processed, summarized and reported within the time periods specified in applicable law and regulations. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2006, U. S. Steel's disclosure controls and procedures were effective.

There have not been any changes in U. S. Steel's internal control over financial reporting that occurred during the fiscal quarter covered by this quarterly report, which have materially affected, or are reasonably likely to materially affect, U. S. Steel's internal control over financial reporting.

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On January 26, 1998, pursuant to an action filed by the U.S. Environmental Protection Agency (EPA) in the United States District Court for the Northern District of Indiana titled United States of America v. USX, U. S. Steel entered into a consent decree with EPA which resolved alleged violations of the Clean Water Act National Pollutant Discharge Elimination System (NPDES) permit at Gary Works and provides for a sediment remediation project for a section of the Grand Calumet River that runs through Gary Works. As of September 30, 2006, project costs have amounted to $52.7 million. U. S. Steel anticipates doing additional dredging at a cost of $8.4 million. The Corrective Action Management Unit (CAMU) will remain available to receive dredged materials from the Grand Calumet River and could be used for containment of approved material from other corrective measures conducted at Gary Works pursuant to the Administrative Order on Consent for corrective action. CAMU [illegible] and wastewater treatment costs are anticipated to be an additional $2.1 million for the next five years. In 1998, U. S. Steel also entered into a consent decree with the public trustees, which resolves liability for natural resource damages on the same section of the Grand Calumet River. U. S. Steel will pay the public trustees $1.0 million at the end of the remediation project for ecological monitoring costs. In addition, U. S. Steel is obligated to perform, and has initiated, ecological restoration in this section of the Grand Calumet River. The costs required to complete the ecological restoration work are estimated to be $1.1 million. In total, the accrued liability for the above projects based on the estimated remaining costs was $12.6 million at September 30, 2006. [illegible]

[illegible]

In October 1996, U. S. Steel was notified by the Indiana Department of Environmental Management (IDEM), acting as lead trustee, that IDEM and the U.S. Department of the Interior had concluded a preliminary investigation of potential injuries to natural resources related to releases of hazardous substances from various municipal and industrial sources along the east branch of the Grand Calumet River and Indiana Harbor Canal. U. S. Steel agreed to pay to the public trustees $20.5 million over a five-year period for restoration costs, plus $1.0 million in assessment costs. A Consent Decree memorializing this settlement was entered on the record by the court and thereafter became effective April 1, 2005. U. S. Steel paid its entire share of the assessment costs and $4.5 million of its share of the restoration costs to the public trustees in 2005. U. S. Steel paid an additional $4.0 million of its share of restoration costs plus interest in 2006. A balance of $12 million in restoration costs to complete our settlement obligations remains as an accrued liability as of September 30, 2006.

On November 30, 1999, IDEM issued a notice of violation (NOV) alleging various air violations at Gary Works, including opacity violations at the No. 1 BOP and pushing violations at the four coke batteries. On August 21, 2002, IDEM issued a revised NOV, which supercedes the 1999 NOV and includes alleged violations at the blast furnaces, steel shops and coke batteries from 1998 to 2002. On December 27, 2005, IDEM issued a NOV which includes alleged violations at the No. 8 Blast Furnace and the Coke Batteries for the period of 2002 through 2005. The cost of the settlement of this matter is currently indeterminable. U. S. Steel received a draft Agreed Order from IDEM on June 27, 2006, which includes a proposed penalty of $2.3 million. The Agreed Order also includes pushing compliance plans, a door work practice plan, a refractory repair plan, monitoring of flue caps, installation of two ambient monitors and compliance with all coke battery requirements by January 1, 2007. U. S. Steel responded with comments on the draft Order and is now in discussions with IDEM to resolve this matter. The $2.3 million proposed penalty was recorded as an accrued liability as of September 30, 2006.

In March 2006, U. S. Steel met with Allegheny County Health Department (ACHD) to discuss entering into a Consent Order to address compliance with the stack opacity limit at the pushing emission control baghouse for B Battery. No penalty amount was discussed, but a penalty of an undetermined amount is anticipated. U. S. Steel had already submitted a compliance plan to ACHD committing to repair of 24 thru-walls. U. S. Steel received a draft Consent Order from ACHD on July 3, 2006, and is in discussions with ACHD to resolve this matter. A liability has not been recorded for this matter as the amount of the penalty it is not currently determinable.

A former disposal area located on the east side of the Midwest Plant was designated a solid waste management unit (East Side SWMU) by IDEM before U. S. Steel acquired this plant from National Steel Corporation. After its acquisition, U. S. Steel conducted further investigations of the East Side SWMU. As a result, U. S. Steel has submitted a Closure Plan to IDEM recommending an “in-place” closure of the East Side SWMU. The cost to close the East Side SWMU is expected to be $4.1 million, and was recorded as an accrued liability as of September 30, 2006.

In January 1992, U. S. Steel commenced negotiations with EPA regarding the terms of an Administrative Order on consent, pursuant to RCRA, under which U. S. Steel would perform a RFI and a CMS at its Fairless Plant. A Phase I RFI report was submitted during the third quarter of 1997. A Phase II/III RFI will be submitted following EPA approval of the Phase I report. While the RFI/CMS will determine whether there is a need for, and the scope of, any remedial activities at the Fairless Plant, U. S. Steel continues to maintain interim measures at the Fairless Plant and has completed

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investigation activities on specific parcels. No remedial activities are contemplated as a result of the investigations of these parcels. The cost to U. S. Steel to continue to maintain the interim measures and develop a Phase II/III RFI Work Plan is estimated to be $412,000, and was recorded as an accrued liability as of September 30, 2006. It is reasonably possible that additional costs of $25 million may be incurred at a combination of this site in addition to the two RCRA projects at Fairfield Works and the project at the Duluth Works discussed elsewhere in this section.

A consent decree was signed by U. S. Steel, EPA and The U.S. Department of Justice and filed with the United States District Court for the Northern District of Alabama (United States of America v. USX Corporation) on December 11, 1997, under which U. S. Steel paid a civil penalty of $1.0 million, completed two Supplemental Environmental Projects (SEPs) at a cost of $1.75 million and initiated a RCRA corrective action program at the facility. The Alabama Department of Environmental Management (ADEM) assumed primary responsibility for regulation and oversight of the RCRA corrective action program at Fairfield Works, with the approval of EPA. The first Phase I RFI work plan was approved and field sampling for the work plan was completed in 2004. U. S. Steel submitted a Phase I RFI Report to ADEM in February 2005. ADEM approved the Phase I RFI Report and requested a Phase II RFI work plan. The cost to develop and implement the Phase II RFI work plan is estimated to be $819,000, and was recorded as an accrued liability as of September 30, 2006. In addition, U. S. Steel has implemented a final corrective measure for remediation of Upper Opossum Creek and has completed the fieldwork for this final measure and submitted a certification of completion report to ADEM. U. S. Steel has an accrued liability for possible additional work on this remediation project of $824,000 as of September 30, 2006, pending final approval by ADEM of the completed fieldwork. U. S. Steel has completed the investigation and remediation of Lower Opossum Creek under a joint agreement with Beazer, Inc. whereby U. S. Steel has agreed to pay 30 percent of the costs. U. S. Steel's remaining share of the costs for sediment remediation is $210,000. In January 1999, ADEM included the former Ensley facility site in Fairfield Corrective Action. Based on results from its Phase I facility investigation of Ensley, U. S. Steel has identified approximately 2.5 acres of land at the former coke plant for remediation. The estimated cost to remediate this area and close Ensley was recorded as an accrued liability of $1.5 million as of September 30, 2006. While U. S. Steel does n

settle appropriate cases, especially mesothelioma cases, for reasonable, and frequently nominal, amounts. At December 31, 2003, U. S. Steel had a total of approximately 14,800 active claims outstanding. In 2004, U. S. Steel paid approximately $14.6 million in settlements. These settlements and voluntary and involuntary dismissals resulted in the disposition of approximately 5,300 claims. New case filings added 1,464 claims. At December 31, 2004, U. S. Steel had a total of approximately 11,000 active claims outstanding. During 2005, U. S. Steel paid approximately $11 million in settlements. These settlements, along with review of case docket information for certain states and voluntary and involuntary dismissals, resulted in the disposition of approximately 3,800 claims. New case filings added approximately 1,200 claims. At December 31, 2005, U. S. Steel had a total of approximately 8,400 active claims outstanding.

The amount U. S. Steel has accrued for pending asbestos claims is not material to U. S. Steel’s financial position. U. S. Steel does not accrue for unasserted asbestos claims because it believes it is not possible to determine whether any loss is probable with respect to such claims or even to estimate the amount or range of any possible losses. Among the reasons that U. S. Steel cannot reasonably estimate the number and nature of claims against it is that the vast majority of pending claims against it allege so-called “premises” liability based exposure on U. S. Steel’s current or former premises. These claims are made by an indeterminable number of people such as truck drivers, railroad workers, salespersons, contractors and their employees, government inspectors, customers, visitors and even trespassers.

It is not possible to predict the ultimate outcome of asbestos-related lawsuits, claims and proceedings due to the unpredictable nature of personal injury litigation. Despite this uncertainty, and although U. S. Steel’s results of operations and cash flows for a given period could be adversely affected by asbestos-related lawsuits, claims and proceedings, management believes that the ultimate resolution of these matters will not have a material adverse effect on the Company’s financial condition. Among the factors considered in reaching this conclusion are: (1) that U. S. Steel has been subject to a total of approximately 34,000 asbestos claims over the past 14 years ended December 31, 2005 that have been administratively dismissed or are inactive due to the failure of the plaintiffs to present any medical evidence supporting their claims; (2) that over the last several years, the total number of pending claims has generally declined; (3) that it has been many years since U. S. Steel employed maritime workers or manufactured or sold asbestos containing products; and (4) U. S. Steel’s history of trial outcomes, settlements and dismissals, including matters in Madison County, Illinois, where U. S. Steel lost a significant verdict in 2003. U. S. Steel has not seen any material differences in subsequent settlements in Madison County or elsewhere and management believes that the possibility of other such aberrational verdicts is remote, although not impossible.

The foregoing statements of belief are forward-looking statements. Predictions as to the outcome of pending litigation are subject to substantial uncertainties with respect to (among other things) factual and judicial determinations, and actual results could differ materially from those expressed in these forward-looking statements.

There have been no material changes to the risk factors that were disclosed in Item 1A of U. S. Steel’s Annual Report on Form 10-K for the year ended December 31, 2005 through the date of this filing.

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U. S. Steel had no sales of unregistered securities during the period covered by this report.

The following table contains information about purchases by U. S. Steel of its equity securities during the period covered by this report.

July 1-31, 2006	270,100	$ 64.74	270,100	5,852,900
August 1-31, 2006	2,691,700	$ 59.77	2,691,700	3,161,200
September 1-30, 2006	1,705,000	$ 58.96	1,705,000	1,456,200

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10.1	Second Amended and Restated Receivables Purchase Agreement, dated as of September 27, 2006 by and among U. S. Steel Receivables LLC, as Seller; United States Steel Corporation, as initial Servicer; the persons party thereto as CP Conduit Purchasers, Committed Purchasers, LC Banks and Funding Agents; and The Bank of Nova Scotia, as Collateral Agent is incorporated by reference to Exhibit 10.1 to United States Steel Corporation's Form 8-K filed on September 28, 2006, Commission File Number 1-16811.
10.2	First Amendment to the Purchase and Sale Agreement dated as of September 27, 2006 by and among United States Steel Corporation and U. S. Steel Receivables LLC is incorporated by reference to Exhibit 10.2 to United States Steel Corporation's Form 8-K filed on September 28, 2006, Commission File Number 1-16811.
12.1	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends
12.2	Computation of Ratio of Earnings to Fixed Charges
31.1	Certification of Chief Executive Officer required by Rules 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer required by Rules 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, John P. Surma, certify that:

1. I have reviewed this quarterly report on Form 10-Q of United States Steel Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

Exhibit 31.2

OFFICER CERTIFICATION

I, Gretchen R. Haggerty, certify that:

Exhibit 32.1

CHIEF EXECUTIVE OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

Exhibit 32.2

CHIEF FINANCIAL OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

I, Gretchen R. Haggerty, Executive Vice President and Chief Financial Officer of United States Steel Corporation, certify that:

(1) The Quarterly Report on Form 1a