What is wrong?

Step 1: Let $a=b$.
Step 2: $\quad a^{2}=a b$.
Step 3: $\quad a^{2}-b^{2}=a b-b^{2}$.
Step 4: $\quad(a-b)(a+b)=(a-b) b$.
Step 5: $(a-b)(a+b)=(a-b) b$.
Step 6: $a+b=b$.
Step 7: Let $a=b=1$.
Step 8: $1+1=1$.
(A) Step ... is wrong because ... .
(B) Nothing is wrong because ... .

