

October 2, 2024

Senator Bob Casey
Senator John Fetterman
Senator Todd Young
Senator Mike Braun
Senator Dick Durbin
Senator Tammy Duckworth

Senator Gary Peters
Senator Debbie Stabenow
Representative Summer Lee
Representative Frank Mrvan
Representative Nikki Budzinski
Representative Shri Thanedar

Dear Members of Congress,

The steel industry is a cornerstone of our modern economy yet a major source of health-harming pollution. Innovative technologies offer a proven path to produce steel with dramatic reductions in climate pollution and health risks to local communities.

For months, environmental organizations and consumer advocates have given space to our allies in the labor movement to center their serious concerns about Nippon Steel's proposed acquisition of U.S. Steel.¹ While the media has focused on whether this acquisition is bad for national security, we are concerned about the future of marquee and historic facilities. For too long, economic policies have benefitted corporate polluters and Wall Street over workers and communities. Multinational trade deals and corporate raiders have padded the pockets of CEOs while exposing working-class families to toxic pollutants, climate disasters, and layoffs.

Steel and ironmaking are responsible for 11% of man-made carbon dioxide emissions.² Further, the soot from a handful of facilities in the United States—facilities in your districts—are responsible for as many as 3,000 premature deaths and 700,000 restricted activity and work days per year.³ Now, Nippon Steel has announced it intends to extend the industry's toxic legacy with a \$1.4 billion gamble tying U.S. Steel assets like Mon Valley Works in Pennsylvania and Gary Works in Indiana to expensive and polluting coal-based processes, all without addressing fugitive emissions of pollutants endemic to existing ironmaking facilities.⁴

It doesn't have to be this way. There are solutions that create good-paying jobs, cut and control pollution, and advance resilience. These solutions are the surest ways to protect steel and iron manufacturing, alongside a rich clean industrial ecosystem that creates further prosperity.

¹<https://usw.org/union/mission/industries/metals/resources/bargaining-with-uss/nippon-letter-more-window-dressing-empty-promises>.

²www.globalefficiencyintel.com/steel-climate-impact-international-benchmarking-energy-co2-intensities.

³www.sierraclub.org/sites/default/files/2023-09/Coming-Clean-On-Industrial-Emissions.pdf.

⁴www.nipponsteel.com/en/news/20240829_100.html.

For example, SSAB Americas is planning over a billion dollars in new investment towards the first industrial-scale fossil-free iron facility.⁵ In addition to the jobs and investment in the facility, the plant would rely upon green hydrogen and clean energy to produce the hydrogen. The pure iron manufactured would be made into steel at an existing facility in Iowa. The Iowa facility will expand, and manufacture of steel needed for wind towers vital for energy security will grow.⁶

Cleveland-Cliffs, which employs thousands of represented workers, is planning noteworthy clean investments across multiple facilities. Instead of relying on coal, its Middletown, Ohio facility would adopt a shaft furnace that can use gas or cost-effectively harness hydrogen. Its Butler, Pennsylvania facility will move towards electrification.⁷ And its Weirton, West Virginia tinplate mill will reinvent itself as an electrical transformer production plant—making use of the steel produced in Butler—to solidify the company’s place in the clean energy transition.⁸

These examples demonstrate the rich industrial ecosystem in reach when companies avail themselves of innovative technologies—and federal incentives—to detach from coal, control their toxic pollution, and build out the clean energy economy. Moreover, the energy-savings from the transition away from coal promises a pathway for iron and steel facilities to become more efficient producers.⁹

Nippon Steel’s fixation on coal-dependence would be the death knell for U.S. Steel facilities.¹⁰ In addition to Nippon Steel’s refusal to make investments in the long-term sustainability of Gary Works and Mon Valley Works, the company has no forward-looking plans for Granite City, Illinois and Great Lakes Works in Michigan, where U.S. Steel recently laid off thousands of workers.¹¹ Nippon Steel’s bet on coal and disregard for innovation lock in the path dependence that led to U.S. Steel’s diminished position, as well the company’s troubling retreat to states that restrict unionization and lack clean energy standards. Research suggests that continuing to rely on coal will lead to more job losses, further diminishing the manufacturing skilled workforce.¹²

By limiting U.S. Steel assets to a coal-based future, Nippon Steel shows it does not have its heart in leading the United States’ primary steel capabilities into the 21st Century clean energy

⁵www.ssab.com/en/news/2024/03/ssab-selected-by-us-department-of-energy-to-explore-possibilities-for-production-of-fossilfree-steel.

⁶ www.ssab.com/en/company/about-ssab/our-business/sites-all-over-the-world.

⁷ www.clevelandcliffs.com/news/news-releases/detail/629/cleveland-cliffs-selected-to-receive-575-million-in-us.

⁸ www.clevelandcliffs.com/news/news-releases/detail/644/cleveland-cliffs-announces-its-new-state-of-the-art.

⁹ Cleveland-Cliffs noted that the project at Middletown Works is expected to reduce production costs by approximately \$150 per net ton of liquid steel produced,

www.clevelandcliffs.com/news/news-releases/detail/629/cleveland-cliffs-selected-to-receive-575-million-in-us.

¹⁰ www.nipponsteel.com/en/csr/env/warming/future.html; www.nipponsteel.com/en/news/20240822_100.html.

¹¹ www.cnn.com/2019/12/20/business/us-steel-mill-closing/index.html.

¹²

<https://ohiorivervalleyinstitute.org/green-steel-in-the-ohio-river-valley-the-timing-is-right-for-the-rebirth-of-a-clean-green-steel-industry/>.

economy. Rather, it will cast aside U.S. Steel's former grandeur, and scrap metal assets—unfit for projects ranging from offshore wind to bridges and lacking the volume to meet demand from growing infrastructure investment—will become U.S. Steel's sole fief.

Clean and competitive investments in facilities that Nippon Steel Corporation seeks to acquire would be a boon for workers, for communities, and for the national project to domesticate critical material and energy production. By fostering innovation here, as SSAB and Cleveland-Cliffs plan, the United States will also be primed to counter adversaries' multi-billion dollar infrastructure investment campaigns, building turn-key steel and ironmaking facilities worldwide to advance prosperity and environmental stewardship.

In your communication with the White House and other stakeholders, please express your concerns about climate consequences, community health burdens, and the erosion of the domestic industrial base. Thank you for your commitment to industrial and environmental issues, and we look forward to engaging with you further on this topic in the coming months.

Sincerely,

Allegheny-Blue Ridge Alliance
Appalachian Voices
Breathe Project
Brown Faces Green Spaces
Center for American Progress
Climate Justice Alliance
Gary Advocates for Responsible Development (GARD)
Group Against Smog & Pollution
Evergreen Action
Indiana Conservation Voters
Industrious Labs
Interfaith Power & Light
Just Transition Northwest Indiana
Just Transition Team-MI
League of Conservation Voters
Michigan Environmental Justice Coalition
Michigan Interfaith Power & Light
Mid-Ohio Valley Climate Action
PennFuture
Public Citizen
Sierra Club
Valley Clean Air Now

West Virginia Environmental Council
West Virginia Highlands Conservancy
West Virginia Rivers Coalition
1worker1vote

cc: Senator Roger Wicker, Senator Cindy Hyde-Smith, Representative Mike Ezell
Senator Chuck Grassley, Senator Joni Ernst, Representative Mariannette Miller-Meeks
Senator Sherrod Brown, Senator JD Vance, Representative Warren Davidson
Senator Joe Manchin, Senator Shelley Moore Capito, Representative Carol Miller
Representative Mike Kelly