

AISI Priorities on Environmental Policy

AISI has long identified environmental stewardship as part of our industry's strategic plan and our vision for the future. We have carefully sought to reduce our environmental footprint even while producing the advanced and highly recyclable steel that our economy needs. In past years, the aggressive environmental regulatory programs at the federal and state levels created a competitive disadvantage for manufacturers, endangering jobs and adding significant costs and uncertainty to basic operations while providing only marginal environmental benefits in exchange. We have been encouraged by the current Administration's recognition of the need for a partnership with industry to preserve and protect our shared environment while promoting economic growth.

AISI urges the Administration and Congress to pursue the following actions with respect to environmental policy and regulations:

- ***Mobile Source Greenhouse Gas (GHG) Standards*** – EPA should revise the light duty vehicle GHG standards for model years 2022-2025 through a process that allows for greater coordination with the National Highway Traffic Safety Administration (NHTSA), the California Air Resources Board (CARB), auto manufacturers and other relevant stakeholders. We believe a process based on careful analysis of the life cycle climate impacts of auto production, along with full opportunity for public input, will yield a common sense, implementable single national program for automobile Corporate Average Fuel Economy (CAFE) and GHG standards that achieves greater environmental protection while maximizing benefits to the public.
- ***New Source Review Reform*** – EPA should revise the New Source Review (NSR) program under the Clean Air Act to significantly reduce the time and cost burden it imposes on businesses seeking to modify existing facilities. A large proportion of these modifications are enhancements that would help the efficiency and reduce the environmental footprint of existing facilities, but they are hindered from moving forward due to the unnecessary complications of the current NSR process. There is a strong consensus among manufacturers on reasonable changes to be made that would streamline this permitting process without reducing environmental protection.
- ***Steel Sector Air Rules*** – EPA should develop steel sector air pollution rules within a reasonable timeframe that allows the industry adequate opportunity to collect and analyze its own data, and also allows time to review EPA risk assumptions and proposed additional requirements on the industry. The agency should refrain from imposing experimental and non-agency approved technology requirements that are overly burdensome on facilities and provide little added benefit over existing methods. These rules should also focus solely



on the source category itself and not incorporate risk from any collocated or “non-category” sources. The Integrated Iron and Steel Maximum Achievable Control Technology (MACT) rule, EAF Major Source rule, EAF Area Source rule, Coke Oven MACT rule and the Taconite Risk and Technology Review (RTR) rule are included in this group. The Integrated Iron and Steel MACT and the Coke Oven MACT rules are a part of the MACT RTR deadline case.

- ***Clean Water Act (CWA) Jurisdiction*** – EPA and the US Army Corps of Engineers (Corps) should draft a new Waters of the United States (WOTUS) rule to replace the current WOTUS rule that has been stayed by the U.S. Court of Appeals for the Sixth Circuit pending court review. EPA and the Corps should request that the court hold the litigation in abeyance, allowing the agency to rescind the August 2015 WOTUS rules and draft a new proposal that provides a common sense, protective and workable CWA jurisdictional rule.
- ***Iron Ore Mining*** – EPA should formally withdraw the draft conductivity guidance issued in the fall of 2016. This guidance document has significant scientific flaws and, even in its draft form, is likely to be used by regulatory authorities to hinder iron ore mining practices and permitting. Additionally, EPA recently promulgated the final Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Sec. 108b rule, which imposed no federal financial assurance requirements for the hardrock mining sector. Should this action come under judicial challenge, AISI will support EPA as it defends this rule.
- ***Regulatory Reform Legislation*** – Congress should pass regulatory reform legislation to provide much needed accountability and oversight of federal regulatory agencies. This legislation could include requiring regulatory agencies to promote coordination, simplification, and harmonization of agency rules, to examine whether existing rules have contributed to the problem being addressed through regulation, and even could require a joint resolution of approval of major rules before such rules can take effect.
- ***Sue and Settle Legislation*** – Congress should pass legislation that would lessen the incentives for frivolous lawsuits which provide citizen groups the ability to have undue influence over federal regulatory agency priorities (e.g., sue and settle). This legislation could be designed to make it easier for all affected parties to take part in settlement negotiations, and to require public notice and comment on draft settlement agreements before they are filed with the court.
- ***Clean Air Act (CAA) Amendments*** – Congress should amend the CAA to modify the NAAQS review cycle and the RTR review cycle to be better aligned with the realistic pace of implementation of existing standards by EPA, states and affected emissions sources.