

On March 12, 2025, U.S. EPA announced its intention to reconsider the Taconite Rule, citing numerous issues with a group of rules establishing or modifying various National Emission Standards for Hazardous Air Pollutants. EPA further indicated that the President was considering issuing exemptions from compliance dates under CAA § 112(i)(4) where appropriate, and that affected sources should provide recommendations for such exemptions to U.S. EPA by March 31, 2025. Reconsideration is an important first step, but the deadlines in the Taconite Rule are still looming. Since there is no demonstrated technology to achieve the new 2024 emission standards, Cliffs' facilities need multiple years to investigate, create, and evaluate a potential pathway to compliance. The Presidential exemption is essential to ensure that reconsideration is afforded the opportunity to properly and lawfully reset standards before Cliffs invests significant resources in an effort to comply with a flawed rule. Without a Presidential exemption, Cliffs must spend tens of millions of dollars now and thousands of hours of valuable staff resources to meet the 2027 compliance targets.

Cliffs strongly supports U.S. EPA's plan to reconsider this final regulation, for numerous technical and legal reasons previously raised in industry comments during the notice and comment period preceding the Taconite Rule, in Cliffs' lawsuit challenging the Rule, and in Cliffs' petition for reconsideration.

A. TECHNOLOGY TO IMPLEMENT THE 2024 TACONITE RULE IS UNAVAILABLE

1. Technology to Implement the Standard Is Not Available

EPA's candidate control technologies identified as necessary for taconite processing furnaces to comply with the Taconite Rule are not available, have not been demonstrated in practice, and will require significant research and development, pilot plant experimentation, and great expense to address uncertainties. These candidate technologies have not been applied in this industry. The controls for acid gases and mercury both require the injection of lime or activated carbon into the exhaust stream. Other industrial sectors where these technologies have been demonstrated, e.g., electric generation, have different exhaust gas characteristics and do not have to manufacture iron ore pellets to quality specifications. They are essentially boiling water. By contrast, Taconite Iron Ore Processing uses a complex high-heat system that uses and re-uses exhaust heat to fire pellets to specifications essential to producing quality iron ore pellets. This quality is essential to the safe and effective operation of blast furnaces and direct reduced iron systems in the iron and steel manufacturing sector. U.S. EPA's erroneous assumptions about the transfer of control technology from the electric sector to the taconite sector demonstrate a poor understanding of the taconite industry and warrant time for thorough reconsideration. Because control technology is not available for the taconite industry, a Presidential exemption is important to allow this thorough review.

The current compliance date, March 8, 2027, is less than two years away, an extremely short period to marshal capital expenditures of hundreds of millions of dollars for unproven control technology development and installation. Furthermore, it would be unreasonable, and unfair, to require taconite processing plants to begin expending substantial financial and other