

and Tariffs, it was noted that under the Defense Production Act, 50 U.S.C. §4533, “Congress provides the President with a broad set of authorities ..., including Title III, which authorizes the use of economic incentives to secure domestic industrial capabilities essential to meet national defense and homeland security needs. DOD has funded several Title III projects to increase domestic production of steel products,” including a \$56 million agreement in 2020 to boost steel plate production signed by the predecessor owner of a Cliffs’ facility.⁸

A Presidential Exemption would advance all of the following national security interests while EPA goes about reconsidering and revising the Coke Ovens Rule: (1) maintaining a strong domestic steelmaking industry; (2) avoiding regulatory mandates that lead to coke and steel shortages, offshoring of coke production, and resulting supply chain impacts; (3) promoting economic and job growth made possible by the coke and steel industries; and (4) avoiding wasteful commitments of resources on regulatory mandates that provide no discernable public health or environmental benefit.

Without a Presidential Exemption, the coke production industry would be faced with an estimated \$1.3 billion in new capital costs, plus more than \$220 million in annual operating costs. Coke facilities would be forced to install new, unproven pollution control technologies in an effort to comply with the new standards, even though compliance may not be feasible using available technology. The cost associated with the Coke Ovens Rule would substantially impact local and national economies and would undermine the coke and steel sectors’ vital role in producing the iron and steel needed to support critical infrastructure, defense, and national security.

The importance of avoiding these harms to the coke and steel industry is emphasized in a December 6, 2023 letter from eight current and former U.S. Senators – including then-Senator JD Vance – to EPA warning that the Coke Ovens Rule and two other rules aimed at the steel sectors “... would dramatically undermine the domestic steel industry and national security while driving production overseas likely resulting in no net reduction in emissions from the steel industry globally.”⁹ Likewise, in a June 14, 2024 letter six current and former U.S. Senators – again including then-Senator Vance – urged EPA to reconsider the Coke Ovens Rule and two other rules aimed at the steel industry, warning that “... the steel industry will be forced to proceed with planning and spending for unproven technologies and work practices while the final provisions of the rules remain uncertain. Given that these regulations will impact nearly every aspect of the integrated iron and steelmaking process, it is imperative that EPA grant both the petitions for reconsideration and requests for stay of the rules.”¹⁰ Similar concerns were raised in a letter to EPA from Congress Members Crawford and Mrvan of the Congressional Steel Caucus.¹¹

⁸ Congressional Research Service Report, U.S. Steel Manufacturing: National Security and Tariffs (August 12, 2021), <https://www.congress.gov/cts/product/1111897>

⁹ Letter from U.S. Senators Vance, Brown, Braun, Manchin, Casey, Klobuchar, Capito, and Young to Administrator Regan, p. 1 (Dec. 6, 2023).

¹⁰ Letter from U.S. Senators Vance, Brown, Braun, Casey, Klobuchar, and Young to Administrator Regan, p. 2 (June 14, 2024).

¹¹ Letter from Congressmen Crawford and Mrvan to Administrator Regan, p. 1 (Dec. 18, 2023).