
US carbon legislation could decide plant site - Nucor

Sunday, 25 Oct, 2009

AP reported that Nucor Corporation indicated that the possible cost of any carbon legislation that emerges from Congress is still a key concern as the company decides whether to build a pig iron plant in Louisiana or South America.

As per report, Nucor is considering a site near Convent in St James Parish, along with another in Brazil, for the USD 2.1 billion project that would initially employ 500 people at an annual average salary of USD 75,000. It would be one of Louisiana's largest economic development projects ever.

Mr Dan DiMicco CEO of Nucor said that the company was still waiting to get needed environmental permits in Louisiana, which have been the target of a lawsuit. He did not give any sort of a timetable for when a decision would be made.

He added that "We're sitting here waiting to see what our enlightened Congress does with global warming legislation."

Mr DiMicco has said that a US cap and trade system would add major costs to domestic steel manufacturing and would be an unfair burden, as well as do little for the environment, if foreign competitors, such as those in Brazil, do not face the same restrictions.

Like other steel companies, Nucor has grappled with weaker orders from major customers in the automotive, construction and equipment industries since the global economy deteriorated late last year.

Louisiana economic development officials have said that Nucor has bought 90% of the land it would need in Convent. Nucor has said it prefers the Louisiana site. The state is offering a yet to be disclosed economic incentive package for the company, which is considering a site rejected by German steelmaker ThyssenKrupp AG in favor of one near Mobile in 2007.

(Sourced from Associated Press)

For more news visit at www.steelguru.com