



NUCOR STEEL SEATTLE, INC.  
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Seattle, WA 98106-1100  
206.933.2222

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May 11, 2022

Stoyan Bumbalov  
Managing Director  
Washington State Building Code Council

VIA Email

Dear Mr. Bumbalov -

I am writing on behalf of Nucor Steel Seattle, Inc. ("Nucor") to convey concerns about the proposed changes to Sections 202, and 2205 of the Washington State Building Code. Nucor owns and operates a steel mill in Seattle that produces products for the construction industry in the Pacific Northwest from nearly 100 percent scrap steel, making it the largest recycler in the state. In addition to our Seattle plant, Nucor Corp. owns a number of downstream facilities located in the state of Washington which fabricate steel products that serve the construction industry and when combined with the Seattle plant, provide over 700 well-paid manufacturing and construction jobs inside our state. We also supply to hundreds of outside customers generating many more construction and manufacturing jobs. Our products can literally be used on every construction project in the State of Washington.

Our relentless focus on energy efficiency has driven us to invest tens of millions of dollars to make our Seattle plant among the most efficient steel plants in the world, by most estimates using 60% – 80% less energy than much of our competition. This combined with the use of low-carbon, hydroelectric power enables us to produce steel products that are amongst those with the lowest embodied carbon content on the planet.

Nucor understands the importance of considering the embodied carbon content of building materials and the Seattle facility has been a leader in the production of low carbon steel in the Pacific Northwest for over a century. We have engaged in several detailed stakeholder discussions related to this topic and supported versions of similar policy introduced in the Washington State Legislature. However, this proposal is deeply concerning to us for the following reasons:

Our interpretation is that 2205.3.2 would preclude products from most domestic steel production facilities, including the Seattle facility, from counting towards the 75% criteria based on the definition of renewable resource and its exclusion of hydro-electricity in the Washington State Energy Code. This has the potential to disrupt the normal supply chain of steel to the state and create a situation where preferential treatment is actually given to steel transported into the state with a higher embodied carbon content than steel produced within the state.

This proposal along with proposed changes to section 1901 and 1903 single out and create additional requirements for two building materials, steel and concrete. However there are additional materials, some of which are direct competitors, with appreciable amounts of embodied carbon that are left out of this effort. This has the real potential to place affected materials at a competitive disadvantage through avoidance by design professionals as a result of the additional burden that the proposal places on them.

Nucor believes that the amount of EPDs publicly available is not sufficient to set thresholds like those contained in the proposal and the appropriate approach for these types of policy is to require EPDs from suppliers for a period of time before thresholds are set. As an industry the EPDs that are published represent product from facilities such as Nucor that have a low GWP. Setting thresholds based on what is currently available is representative of top performers and not all the steel available in the marketplace. This results in a much more aggressive exclusion of producers than what is quantified in the proposal.

EPDs cost money to produce and maintain and the renewable energy requirement in 2205.3.2 would create an additional cost to comply with for most facilities, including Nucor, to be an eligible material. We therefore believe that it is inaccurate to characterize this proposal as cost neutral as it has been introduced.

As mentioned, Nucor has been a part of meaningful engagement on similar policy in the State Legislature, and have supported a version of it. We hope to be involved in similar discussion related to this proposal, however are deeply concerned about this proposal in its current form.

Thank you for the opportunity to provide comment and please contact us if you have additional questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Patrick Jablonski". The signature is fluid and cursive, with a large initial "P" and "J".

Patrick Jablonski  
Environmental Manager  
Nucor Steel Seattle, Inc.  
206.933.2238