Agency Clears Way For $1B Steel Mill Construction

The Associated Press

LITTLE ROCK, Ark. (AP) -- The Arkansas Pollution Control and Ecology Commission lifted a stay on an air permit for the $1.1 billion Big River Steel plant near Osceola.

The stay was imposed when rival steel-maker Nucor Corp. objected to the issuance of an air permit last year by the state Department of Environmental Quality.

The Arkansas Democrat-Gazette reports (http://bit.ly/1hX5LXI [1]) that Friday's action by the commission does not ensure that the proposed Mississippi County plant will be completed.

Big River attorney John Perkins said delays in construction, which was to have started in December, has caused concern among investors and posed a threat to the company's ability to meet deadlines under the provisions of Amendment 82 to the state Constitution, by which the Legislature approved the issuance of $125 million in bonds.

Nucor claimed the permit issued Sept. 18 by the Department of Environmental Quality was incomplete and improperly processed. The permit effectively had meant that Big River Steel LLC could build and operate the plant, which is to employ 525 people at an average salary of $75,000 a year.

A trial on the air permit is set for Feb. 18 before Charles Moulton, administrative law judge for the Pollution Control and Ecology Commission, who will make a recommendation to the commission. Moulton said he expects the trial to last four days.

Perkins said that lifting the stay would enable Big River to proceed with construction and that the investors understand the risk, given that the commission could reject the permit or alter it. David Stickler, a member of the Big River Steel LLC board, said that construction contracts worth $700 million have already been awarded.

Nucor Corp., which is based in Charlotte, N.C., operates two steel plants in Mississippi County, Nucor Steel Arkansas and, in partnership with Yamato Kogyo Corp. of Japan, Nucor-Yamato.

During the 2013 legislative session, Nucor lobbied heavily against the state's financial backing of the Big River Steel project, saying that a third steel plant in the county might mean that Nucor would have to eliminate jobs.

State Sen. David Burnett of Osceola said he sponsored the legislation for Amendment 82 and that Nucor was in his district. He called Nucor "a wonderful

employer" but that rejection of the permit for Big River would "send a message to other big investors."

Mississippi County Judge Randy Carney said the county has invested $14.5 million in the project, with expectations of a $40 million annual payroll.

Source URL (retrieved on *07/31/2014 - 3:36am*):
http://www.impomag.com/news/2014/01/agency-clears-way-1b-steel-mill-construction

Links:
[1] http://bit.ly/1hX5LXI