
May 4, 2026

California Air Resources Board
1001 I Street,
Sacramento, CA 95814

Re: Comments on Proposed 15-Day Amendments to the Cap-and-Invest Regulation

To Whom It May Concern,

Nucor Corporation appreciates the opportunity to comment on the California Air Resources Board's proposed 15-day amendments to the Cap-and-Invest Regulation. Nucor is the largest steel producer in North America, and California Steel Industries (CSI) operates the only steel mill currently producing steel in California. As such, CSI is uniquely exposed to the cumulative cost impacts of the Cap-and-Invest Program and therefore has a significant stake in any changes to the program. Nucor submitted comments on the proposed amendments on March 9, 2026, and respectfully requests that those comments continue to be considered as part of the rulemaking record. The following comments are submitted regarding the proposed 15-day modifications.

Nucor supports CARB's proposed revisions to the cap adjustment factors for budget years 2027 to 2030. The increased cap adjustment factors represent a meaningful improvement over the values proposed in the 45-day package and will help ensure that California's only operating steel mill receives adequate leakage protection during a period of significant economic uncertainty. CSI already faces higher electricity and compliance costs than out-of-state and international competitors, and the revised cap adjustment factors better reflect the reality that emissions-intensive, trade-exposed industries like steel require sufficient free allocation to prevent the shifting of production to regions with weaker climate standards. Nucor appreciates CARB's recognition that near-term economic relief is necessary to maintain industrial competitiveness while the program transitions to more ambitious long-term targets.

Nucor also supports the expanded scope and changes to the timeline of the Manufacturing Decarbonization Incentive Allocation, including the addition of new eligible activities such as alternative materials and carbon capture. However, Nucor reiterates the concern raised in its March 9th comments that projects focused on improving the efficiency and emissions performance of natural-gas-fired industrial equipment should be eligible for the MDI. Steelmaking remains heavily dependent on natural gas for core production processes, and meaningful near-term emissions reductions at facilities like CSI are most likely to come from energy efficiency improvements and performance upgrades to existing gas-fired equipment. Excluding these projects would disadvantage industries for which full electrification is not yet a feasible decarbonization pathway.

Nucor supports California's climate objectives and remains committed to ongoing emissions reductions and investment in lower-carbon steel production. We appreciate CARB's consideration of these comments and look forward to continued engagement as the rulemaking moves forward. If you have any questions or require additional information, please feel free to contact us at amari.jones@nucor.com.

Sincerely,



Amari Jones Scriven
Manager of Corporate Sustainability
Nucor Corporation