



TMACOG Freight Advisory Committee Agenda & Notes – January 2018

Wednesday, January 24, 2018, 11:30 a.m.

Welcome and introductions – Ray Huber, Committee Chair

- 1. Cleveland Cliffs' Toledo HBI Plant Project** - *Details on the new hot-briquetted iron production plant to be built at the Ironville site on Front Street – Patrick Bloom: Director – Government Relations; Clifford Smith: Executive VP – Business Development; Craig Filizetti: General Manager – Toledo HBI*

Below are highlights from the Cleveland Cliffs presentation:

- Cleveland Cliffs is currently a major supplier of iron ore pellets used in steel mill blast furnaces, and is one of the largest U.S. iron ore mining companies.
- Cliffs will use some of its own pellet product to produce iron briquettes for use in modern electric arc furnaces, that are cleaner and more efficient than blast furnaces.
- This domestic source of iron ore for the steel industry will be of higher quality with more reliable availability than the scrap and foreign-sourced pig iron currently used.
- The Toledo HBI plant will be state-of-the-art; built on the Ironville brownfield property on the east side of Front St; is estimated to cost around \$700 million; will break ground in early 2018; and is scheduled to begin production in mid-2020.
- The plant will employ around 1200 during construction, with a permanent workforce of 130 to 150.
- The entrance will be off Millard Ave across from Tiffin Ave, and roundabouts will be built at Millard/Tiffin and Millard/Front (late 2018 to early 2019) for better highway access to the plant.
- Raw materials (iron pellets) will be off-loaded from freighters at Midwest Terminals' Ironville dock and will be conveyed over Front St to the plant. Enough pellets will be stockpiled to last over the winter months when the river is iced over.
- The Toledo site was chosen for many factors: reliable workforce; good harbor and dock facility in lower (longer season) great lakes; central to customer base; good rail service; excellent highway connection; natural gas source; large enough site.
- HBI plant will tap into gas supply line that supplies the Oregon Clean Energy Facility.
- Raw materials in: 2.5 million metric tons/year, finished product output: 1.6 million metric tons/year. One million metric tons output will be by rail, 0.6 million by truck.
- Closer customers will be served by truck, farther by rail. Norfolk Southern will build a rail loop on the site connecting to their network, scheduled for late 2019.



- HBI processing equipment has a 50 to 60-year lifespan, and a second, smaller processor could be added in the future. Cliffs has a 70-year lease on the property.
- Natural gas and iron ore pellets are the only raw materials used in the HBI process. No hazardous or toxic by-products will be generated from the process.

The full presentation will be posted to the Freight Committee page at www.tmacog.org.

2. Other Business or Announcements - *Other items of interest as time allows* – All Members

There was no further business or announcements.

Meeting Adjourned

Preliminary Schedule of 2018 Freight Advisory Committee Meetings:

Wednesday, March 28, 2018, 11:30 a.m.

Wednesday, May 23, 2018, 11:30 a.m.

Wednesday, July 25, 2018, 11:30 a.m.

Wednesday, September 26, 2018, 11:30 a.m.

Wednesday, November 28, 2018, 11:30 a.m.