



# GOVERNOR JOSH SHAPIRO

**FOR IMMEDIATE RELEASE**

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## **Governor Shapiro Joins Workers, Local Leaders in Butler County Following Coordination with the U.S. Department of Energy, Successful Efforts to Save 1,300 Western Pennsylvania Jobs**

*Governor Shapiro engaged directly with the Biden Administration and detailed Pennsylvanians' concerns in order to save approximately 1,300 jobs.*

*DOE listened to Pennsylvania's concerns and the final rule allows Cleveland-Cliffs Butler Works to continue producing steel that is needed for critical infrastructure work in the United States, while safeguarding more than one thousand Pennsylvania jobs and reducing carbon emissions through new innovation.*



**Lyndora, PA – Today, Governor Josh Shapiro, UAW Local 3303 President Jamie Sychak, Butler County Commissioner Kevin Boozel, and Cleveland-Cliffs' Chairman, President & CEO, Lourenco Goncalves joined UAW workers in Butler**

County to celebrate the final U.S. Department of Energy (DOE) rulemaking that saved over 1,300 jobs at the Cleveland-Cliffs Butler Works plant.

Pennsylvania workers [spoke out](#) about the initial proposed DOE rule earlier this year with concerns that the proposed regulation would threaten jobs in Butler County. Pennsylvania's Butler Works Plant is an industry leader and the sole domestic manufacturer of grain-oriented electrical steel, and the proposed rule threatened to eliminate the 1,300 jobs at the plant, as well as shut down an important manufacturer at a time when the United States has an increased need for transformers to produce electricity for infrastructure projects across the country.

For weeks, Governor Shapiro and his Administration have engaged with the federal government – and the Governor sent a [letter](#) to the White House Office of Management and Budget, highlighting the workers' concerns and arguing that the DOE's proposed rulemaking went too far too quickly, restricting the ability of transformers to utilize steel designs like grain-oriented electrical steel within a short three-year timeframe. Lieutenant Governor Austin Davis also sent a [letter](#) to DOE advocating for the jobs in Butler County.

After engaging in productive conversations with the Shapiro Administration, Cleveland-Cliffs, and with Pennsylvania workers, DOE's final rule reflects Pennsylvania's primary concerns, protecting critical union jobs and Pennsylvania workers. DOE is also making critical investments to help Butler Works and other manufacturers reduce their greenhouse gas emissions through a \$75 million grant to reduce carbon emissions.

"Pennsylvania is a national energy leader, and the skilled workers at Cleveland Cliffs in Butler County know how to build the transformers that power our nation's critical infrastructure," said **Governor Josh Shapiro**. "I engaged directly with Secretary Granholm and the Biden Administration to ensure Pennsylvanians' concerns about the proposed rules were heard, and I want to thank them for making sure the final rule will allow for Butler Works to continue its existing line of steel production in Western Pennsylvania, while supporting upgrades that will help spur innovation, protect jobs, and reduce carbon emissions from the plant. As a result, we have saved thousands of union jobs at the Cleveland-Cliffs Butler Works facility, meaning those workers are going to continue to be able to put food on the table and to prosper here in Pennsylvania. We're grateful to the Biden Administration for this commitment to protecting and creating energy jobs, while creating a more efficient, cost effective, and reliable grid in the long term."

"I would also like to thank Governor Shapiro for his efforts in working with our community to save this critical facility and the family sustaining jobs that it provides for residents of the 11th district," said **Representative Marci Mustello**. "Being from different political parties, Governor Shapiro and I don't always agree on all of the issues, but we are both resolute in our commitment to fight for Pennsylvania jobs and promote economic sustainability here in Butler County and across our Commonwealth."

“Cleveland-Cliffs’ Butler Works produces Grain Oriented Electrical Steel (GOES) and GOES sustains the American electric grid, directly supporting both U.S. national and economic security,” said **Lourenco Goncalves, Chairman, President & Chief Executive Officer of Cleveland-Cliffs Inc.** “Without GOES, we cannot have a reliable electric grid in the United States. In its final rule, the U.S. Department of Energy acknowledged the critical role of domestically-produced, highly-efficient GOES and incorporated changes that will provide for continued utilization of GOES in the vast majority of distribution transformers. Cleveland-Cliffs is grateful for the leadership of Governor Shapiro, who demanded that the DOE modify the rule to keep the integrity of the grid in our country, preserve 1,300 United Auto Worker jobs, and allow Cleveland-Cliffs to make transformational investments that will ensure a bright future for Butler Works, its UAW workforce, and the Butler community.”

“I’m the president of UAW Local 3303 here at Butler, Pennsylvania, where I’ve worked for the last 29 years, just as my father has and his father before him. But never has this mill been faced with a threat to its existence so real as we faced last January when we were presented with a rule proposed for distribution transformer efficiency,” said **Jamie Sychak, UAW Local 3303 President.** “You see, the world class grain oriented and electrical steel we make is the only steel of this kind made in all of North America and is primarily used for transformer core. Ultimately, this threatened our community, our national security, our grids, resilience, and Local 3303 jobs. Everywhere we turned in our community, it seems we had support from local officials. I’m very thankful and happy to say this saved our steel our jobs, jobs like mine, jobs like yours, jobs like my coworkers and friends. I thank each and every one of you for enduring this fight, for all the support you’ve given us, for helping rally the cry. Governor, I thank you.”

“Ensuring that Pennsylvania workers and the employers that invest in them can compete in the global marketplace is something that all of us -- Democratic and Republican officials – can agree on,” said **Lieutenant Governor Austin Davis.** “Because of this bipartisan effort from elected officials and labor leaders, the Shapiro-Davis Administration was able to work with the U.S. Department of Energy and White House to realize a common-sense solution that protects Pennsylvania jobs and makes sure a vital resource is made right here in America.”

“We in Butler County are proud to stand shoulder-to-shoulder with the workforce and families of UAW 3303 as well as their leadership, to whom the real credit belongs for their ability to connect with local, state, and federal partners,” said **Butler County Commissioner Kevin Boozel.** “A great example of this is our partnership with Governor Shapiro and his unwavering efforts with the Biden administration. We stand in solidarity with our community.”

“I started at this plant 13 years ago as a new hire for Butler Works. I became a proud member of the UAW Local 3303 and I was excited to start this new industry. Just within a year ago, our jobs were threatened. If the proposed rules would of went through, I wouldn't be sitting here talking to you guys today. We'd be out of work – and that was a scary moment for us,” said **Matt Ailday, UAW Local 3033 Member.** “But with our

community, our union leaders, our company, our elected officials –they fought for us, their voices were screaming out loud for everybody, they marched in DC, they spent countless hours knocking on doors to get the word out how special our product is for our country. Because of the hard work of all the parties involved – our jobs are once again safe. And we can thank every one of you for your support. Thank you, Governor Shapiro. You're here with us today celebrating a historic victory.”

Following the DOE’s announcement that they would adjust their rulemaking to allow for a longer timeframe for companies to continue relying on the type of steel produced at the plant in Butler County, Cleveland-Cliffs Butler Works said they expect to see an increase in demand for grain-oriented electrical steel, not only keeping the 1,300 jobs but [opening the possibility for expansion](#).

View Governor Shapiro’s letter to the Biden Administration regarding the proposed rulemaking [here](#).

Read more about the Shapiro Administration’s efforts to engage DOE and protect more than a thousand critical jobs in Pennsylvania [here](#).

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