

Big River begins commissioning RH degasser

Jun 6, 2017 | 02:39 PM | Grace Lavigne

NEW YORK — Big River Steel LLC began commissioning its Ruhrstahl-Heraeus (RH) degasser at its Osceola, Ark., mill this month and expects it will be up and running this summer, according to chief commercial officer Mark Bula.

“I would anticipate, certainly by early August, orders coming off of that RH degasser,” Bula told AMM on June 6. “We have customers anxious for orders, and we’re anxious to use it.”

Big River Steel has now “started up every piece of equipment” it owns at the new mill, according to Bula.

All of the equipment is “operating on prime customer orders, other than the RH degasser,” he said. “The RH degasser offers grades that we can’t make without it, but all products (at the mill) are being produced at this point.”

“Our operations team ... has really expedited and stepped up their game, getting us higher grades of steel,” he continued. “We’re doing API grades already, API (American Petroleum Institute) trials (and) HSLA (high strength-low alloy) orders. We’ve already taken auto orders through service centers.”

“We have the full onslaught of products at this point,” he added. “Hot-rolled, fully finished cold-rolled and hot-dipped galvanized. And we’re actually making some CRML (cold-rolled motor lamination).”

The new mill operated at more than 80 percent of its rated capacity in May, an improvement vs. April, according to Bula, although he declined to disclose the exact operating rate.

“We’re (producing) above 100,000 tons per month these days,” he said, noting that the mill’s full run rate is projected to be 133,000 tons per month, or 1.6 million tons per year. “We’ve always been anticipating that we’d be able to get to that full run rate within a year of startup. It will not take us a year to get that full run rate; it will be shorter than a year.”

When asked about a rumor of a potential outage at the mill in May, Bula said there were no planned or unplanned outages, although there was a caster breakout, which “is not unusual” for any mini-mill.

“There are normal operations where there are hiccups where you’re down for a day,” Bula explained.

In terms of general market dynamics and recent price hikes by some U.S. steel mills, Bula noted that demand remains strong, particularly from the energy and automotive industries.

“We have the API energy pipe business coming back hot and heavy right now, and that has a trickle-down effect throughout the industry,” he said. “And even though there are headlines about elevated automotive inventories, we are still at record production for automotive.”

Indeed, Big River Steel’s order book already is full for June, Bula noted. “We are starting to focus on filling the book for July,” he said.

It was reported last month that Big River Steel might build a second steel mill, in Brownsville, Texas, capable of supplying steel sheet on a just-in-time basis to Mexico’s automotive sector.

Steve Tyndal, senior director of marketing and business development at the port of Brownsville, told AMM this week that a decision on the potential Big River Steel project is expected before the end of this year.

“We’re all waiting for the decision, and we think we made a very strong case,” Tyndal said. “I think that they recognize that there are undeniable advantages that Brownsville offers that simply can’t be achieved in another location. The community has demonstrated its support for the project, but it’s a decision that’s going to be made someplace else, and hopefully it will be one that will bring that project here.”

Bula declined to comment on the potential facility.

The port of Brownsville's steel volumes are expected to remain stable—despite anti-dumping duties and changing trade strategies—thanks to its unique position as a transshipment point for goods moving to Mexico.

This article is copyright of American Metal Market. For more information on the distribution of this article or on American Metal Market subscriptions, please contact Mindy Rietzel at mindy.rietzal@amm.com.

See www.amm.com for the latest industry news, take a free trial at <https://goo.gl/JZBpHc> or call the subscription hotline on 877-638-2856 or 412-765-3581.

Connect with AMM! We’re on [Twitter](#), [Facebook](#), [LinkedIn](#) and [Google+](#) and download the free apps for [iPad](#) and [iPhone](#).