

Attachment 16
Environmental Compliance Management System (ECMS)

A. Program Outline

Nucor will implement an Environmental Compliance Management System (ECMS) taking into account the components outlined below.

1. Training
2. Compliance identification
3. Compliance monitoring
4. Preventive and corrective action
5. Management of change
6. Compliance audit and verification
7. Review and evaluation

B. Training Component

The ECMS Training component is both similar to and different from general Environmental Management System (EMS) training. While general EMS training is directed at gaining familiarity with Nucor operations, the Nucor EMS, and general job functions, ECMS training is directed specifically at compliance obligations. The following training is envisioned as occurring as part of either ECMS or broader EMS training (in which case the ECMS specific training could be dropped).

1. Initial Staff Training
2. Annual Refresher Training
3. Supplemental Training

C. Compliance Identification Component

The Compliance Identification component is focused at identifying applicable and future applicable regulatory

requirements affecting Nucor Corporation facilities, processes and equipment. The Compliance Identification component consists of the following elements:

1. Provision of regulations.
2. Access to Technical and Legal Resources.
3. Identification of Specific Environmental Requirements.
4. Compliance Calendaring.
5. Regulatory Development.
6. Issue Response.

D. Compliance Monitoring Component

The Compliance Monitoring component of the ECMS is directed at identifying and monitoring compliance indicators to assure compliance with applicable regulatory requirements. The Compliance Monitoring component should consist of the following tasks, computerized (if possible to reduce workload):

1. Periodic Filing Confirmation.
 - a. Air Quality Compliance:
 - b. Water Quality Compliance:
 - c. Solid, Special, Used Oil, Universal and Hazardous Waste Compliance
 - d. Community Right-to-Know Reports
2. Deviation and Violation Reporting
3. Periodic Summary Reporting.
4. Periodic Compliance Report.

E. Preventive and Corrective Action Component

The Preventive and Corrective Action component is a critical element that takes the information gathered in the Compliance Monitoring component and translates it into

proactive and reactive actions to ensure continued environmental compliance.

1. Facility Preventive Action
 - a. Trigger.
 - b. Action.
 - c. Reporting.
2. Facility Corrective Action
 - a. Triggers.
 - b. Action.
 - c. Reporting.
3. Corporate Preventive Action.
 - a. Triggers.
 - b. Action.
 - c. Reporting.
4. Corporate Corrective Action
 - a. Triggers.
 - b. Action.
 - c. Reporting.

F. Management of Change Component

This component of the ECMS is designed to work with the management of change component of the EMS, within which it may be subsumed.

1. Review Trigger.
2. Pre-Change Review -- Initial Assessment.
3. Pre-Change Review -- Compliance Assessment.
4. Pre-Change Review -- Permitting.
5. Pre-Change Review -- Compliance Verification.
6. Routine Changes.

G. Compliance Audit and Evaluation Component

The Compliance Audit and Evaluation component serves as an independent check upon the functioning of the ECMS. The

environmental compliance status of each facility will be reviewed, problems detected, and corrective measures implemented to address any deficiencies identified. The Audit and Evaluation component shall also evaluate how deficiencies occurred and whether revisions are needed to the ECMS or EMS to prevent future lapses or problems.

1. Audit Frequency.
2. Audit Team. The audit team for the different facilities shall be comprised as follows:
 - a. Steel divisions.
 - b. Vulcraft divisions.
3. Audit Cycle Preparation.
 - a. Audit objectives.
 - b. Pre-Audit preparation.
 - c. Audit Schedule.
4. Audit Process.
 - a. Preaudit.
 - b. Preaudit Questionnaire.
 - c. On-Site Audit.
 - d. Interim Audit Report.
 - e. Draft Audit Reports.
 - f. Final Audit Report.
 - g. Followup actions.
 - h. Close Out Report.
 - i. Close Out Report Follow up.
5. Audit Report Format. The audit report shall consist of the following sections:
 - a. Executive Summary.
 - b. Scope and Objectives.
 - c. Detailed Evaluation.
 - d. Summary (of action items and recommendations)

H. Review and Evaluation Component

1. Audit Cycle Midpoint Evaluation.
2. Audit Cycle Completion Review and Evaluation.

- a. Identify common problems and weaknesses.
 - b. Prepare recommendations on ECMS and EMS enhancement.
 - c. Audit cycle recommendations.
3. Management Review
- a. Semiannual Reporting.
 - b. Audit Cycle Midpoint Report.
 - c. Audit Cycle Completion Report.