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Building 57
Castle Works
East Moors Road
Cardiff
CF24 5NN
02920 351800

31st January 2025

Mrs E A Parr
PPC Compliance Assistant
Natural Resources Wales
Rivers House
St Mellons Business Park
St Mellons
CARDIFF
CF3 0EY

Our Ref: "W:\Environmental\IPPC\Environment Agency Reporting\Permit Reporting\3. Rod and Bar Mill\1. Returns\NRW\3. Annual\2024\BV0759IC 4.1.5 Annual Returns 2024.docx"

Dear Mrs Parr,

RE: Rod and Bar Mill EPR Permit BV0759IC 4.1.5 Annual Returns 2024

In accordance with CELSA Manufacturing UK Ltd Environmental Permitting Regulations (EPR) Rod and Bar Mill Permit BV0759IC, permit condition 4.1.5 requires the following:

4.1.5 Where the Operator has a formal environmental management system applying to the Permitted Installation which encompasses annual improvement targets the Operator shall, not later than 31 January in each year, provide a summary report of the previous year's progress against such targets.

The following information summarises the CELSA Manufacturing UK Ltd Environmental Management Systems (EMS) Objectives and Targets for 2024.

1.0 Consume no greater than 351.20 kWh/tonne of gas per month

The average monthly process gas consumption in 2024 figure was 396.43 kWh/tonne of product produced. The Rod and Bar Mill faced some challenges through the year with one major factor surrounding the hot charging of billets from the Melt Shop. Some of the individual billets that were received by the Rod and Bar Mill have been up to 60^{o}C colder than previous yearly averages. If the billet is colder (has lower hot charging) additional gas is required to bring the billets to the required temperature for production.

An area of improvement for the Rod and Bar Mill has been aligning themselves with Melt Shop production to limit this additional need for further hot charging of the billets. A notable addition has been investment into new crane tongs that are capable of lifting these billets that are at an increased hot charge. This consequently lowers the need for additional gas usage per billet and hen per tonnage of production.

Ultimately, gas usage has a direct relationship with Mill production and maintenance delays because whilst the Mill is rolling the amount of gas consumption per tonne produced will increase if there are more minor stops. Understanding these maintenance delays and repairing or replacing equipment, where possible, is a part of the Rod and Bar Mill's ongoing improvement plan. For the Rod and Bar Mill, Gas Consumption is a Key Performance Indicator (KPI) and tracked on a daily basis. This is communicated to all Rod and Mar Bill employees for continued improvements.

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2. 0 Consume no greater than 100.24 kWh/t electricity per month

The average monthly process electricity consumption in 2024 figure was 109.52 kWh/tonne of product produced. The Rod and Bar Mill has faced challenges with electricity consumption this year. Overall, there has been a lower utilisation of Mill production and performance resulting in a lower amount of product tonnage produced. External factors for this include the reliance of supply from the Melt Shop. Having to stop and start production due to a lack of billets available increases the amount of electricity consumed. For the Rod and Bar Mill, Electricity Consumption is a Key Performance Indicator (KPI) and tracked on a daily basis. This is communicated to all Rod and Mar Bill employees for continued improvements.

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3. 0 Consume no more than 0.45 l/t of oil per month

The Rod and Bar Mill consumed on average 0.56 l/t of oil per finished product and achieved the 2024 target. The Rod and Bar mill always faces challenges in this area due to the age of the equipment through the Mill. As good practise to restrict oil losses, engineers perform additional and multiple start-up checks to ensure there are no leaks present. These leaks can occur when hoses are not securely connected after size changes. Some leaks are only detected during a scheduled 'down-day' and then can only be repaired when time permits. An example of this is that a drain return pipe for the crop and cobble shears was noted to be blocked, consequently allowing oil to back up and leak. This required additional planning and structure to organise maintenance repairs.

The Rod and Bar Mill furnace itself looks to restrict oil losses through continued general maintenance improvements. Two examples of this are: solid hydraulic pipework fixtures being replaced and lift cylinders being changed. This general maintenance and repair work is also performed throughout the rest of the mill when production is not taking place. For the Rod and Bar Mill, Oil Consumption is a Key Performance Indicator (KPI) and tracked on a daily basis. This is communicated to all Rod and Mar Bill employees for continued improvements.

Should you require any further information regarding permit condition 4.1.5 and the above please do not hesitate to contact me.

Yours sincerely,

Environmental Advisor