



Building 58, Castle Works, East Moors Road
CARDIFF CF24 5NN
Tel: 029 2035 1800
Fax: 029 2035 1801

27th January 2017

Mrs E A Parr
EPR 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\Section Mill>Returns\Annual\2016 \4.1.5
Annual Returns 2016.doc

Dear Mrs Parr,

RE: Section Mill EPR Permit BV0767 4.1.5 Annual Returns 2016

In accordance with CELSA Manufacturing UK Ltd Environmental Permitting Regulations (EPR) Section Mill Permit BV0767, 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's Section Mill EMS Objectives and Targets for 2016.

1.0 Reduce oil consumption (litres/tonne per month) by 3% compared with 2015

This objective was to consume no more than 0.30 litres/tonne of finished product (per month) at the Sections Mill.

Unfortunately the Sections Mill didn't meet the target, consuming 0.34 litres/tonne per month on average. Therefore the oil consumption reduction target of 0.30 litres/tonne has been agreed and re-set by the engineers for 2017, which will be a 10% reduction target compared with 2016.

2.0 Reduce general waste production (tonnes per month) by 3% compared with 2015

The objective was to maintain general waste tonnage below 12.1 tonnes in skips per month at the Sections Mill.

The Sections Mill surpassed the target by achieving 6.6 tonnes per month. Significant improvements have been made in communication both through improved signage and in the monthly EMS meetings. Monthly walkabout actions are now recorded on Prosafety which includes any actions related to waste segregation. This has most notably increased the level of wood and mixed recycling which have been removed from the general waste stream. Similarly pre-shutdown discussions have ensured any other waste streams are appropriately segregated and not sent offsite as general waste. A better relationship, commitment and pro-active approach from the external waste management provider (Siteserv) also greatly improved the situation. Environmental awareness (EHS learning booklet) training and quarterly learning lessons were rolled out to all CELSA employees in 2016 which covered waste reduction and correct segregation (see section 5.0).

A general waste target has been set for 2017 at 6.3 tonnes per month which equates to a 5% reduction compared with 2016 figures.

3.0 Reduce gas consumption by 2% compared with 2015 (KPI = kWh/tonne)

The objective was to reduce gas consumption to 420 kWh/tonne at the Sections Mill which was a 2% reduction compared with 2015 consumption.

Unfortunately the Sections Mill could only achieve a consumption of 434 kWh/tonne. The main issue is the large range of products and resulting high number of changeovers which affects efficiency of the furnace. Similarly the vast product changeovers affect the ability to fully implement 'hot charging' within the mill.

A gas consumption target of 422 kWh/tonne has been set for 2017 which equates to a 3% reduction compared with 2016 consumption.

4.0 Reduce electricity consumption by 2% compared with previous 5 year average (KPI = kWh/tonne)

The objective was to reduce the electricity consumption to 94 kWh/tonne at the Sections Mill which was a 2% reduction compared with 2015 consumption.

The Sections Mill achieved their electricity consumption target with a result of 91 kWh/tonne in 2016.

A further reduction of 1% has been set for 2017 with a target of 90kWh/tonne.

5.0 Train 100% of personnel utilising the new EHS Learning Booklet (% of employees)

The objective was to roll out training to all CELSA employees on the new EHS induction booklet. The booklet covers a range of environmental topics including the use of raw materials, energy and water use, emissions to air and water, oil & grease use, waste generation, fugitive emissions and transport. The employees are then tested on their knowledge of the contents and 100% of the Sections Mill employees passed the test in 2016.

Should you require any further information regarding these objective and targets please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'R. Lewis'.

Richard Lewis
Environmental Manager