MIR STEEL UK LTD **10th February 2015**

Operator	Mir Steel UK Limited
Permit Ref	EP3830GH
Condition	2.7.3 The Operator shall have an energy management plan, which shall be updated annually. The plan shall include proposals foe energy efficiency if appropriate (including those proposals under any negotiated agreement or trading agreement) together with target setting and monitoring details.

Mir Steel has in place an energy management plan which provides for the monitoring of both Natural Gas and Electricity and comparing these with production tonnage with a view to achieving maximum efficiency. Consumption is monitored monthly and presented in a series of graphs which provide Management with indicators that energy consumption is either efficient or moving away from efficiency.

A copy of the monitoring results is provided in a series of graphs attached to this response.

It should be noted that, due to production being suspended throughout the whole of 2014, comparison becomes impossible. It should also be noted that zero Natural Gas was consumed during this period.

Areas for improvements in energy efficiency are discussed at management meetings and annual review with a view to identifying specific areas on which efforts are concentrated to either reduce consumption or use more effectively.

With this and other matters in mind a manning initiative was implemented at 1st March 2014 whereby all but 18 employees were retained on an extended leave basis. This can be seen in electricity usage since this time where monthly consumption has decreased from circa 500,000kwh to the current 40,000kwh.

Energy consumption is currently limited to that required for heating and lighting of key area of plant.

2014 has been a difficult year for the company. Due to the current financial constraints the company has been unable to progress with targets stipulated 12 months previously and as such these targets have been moved forward.

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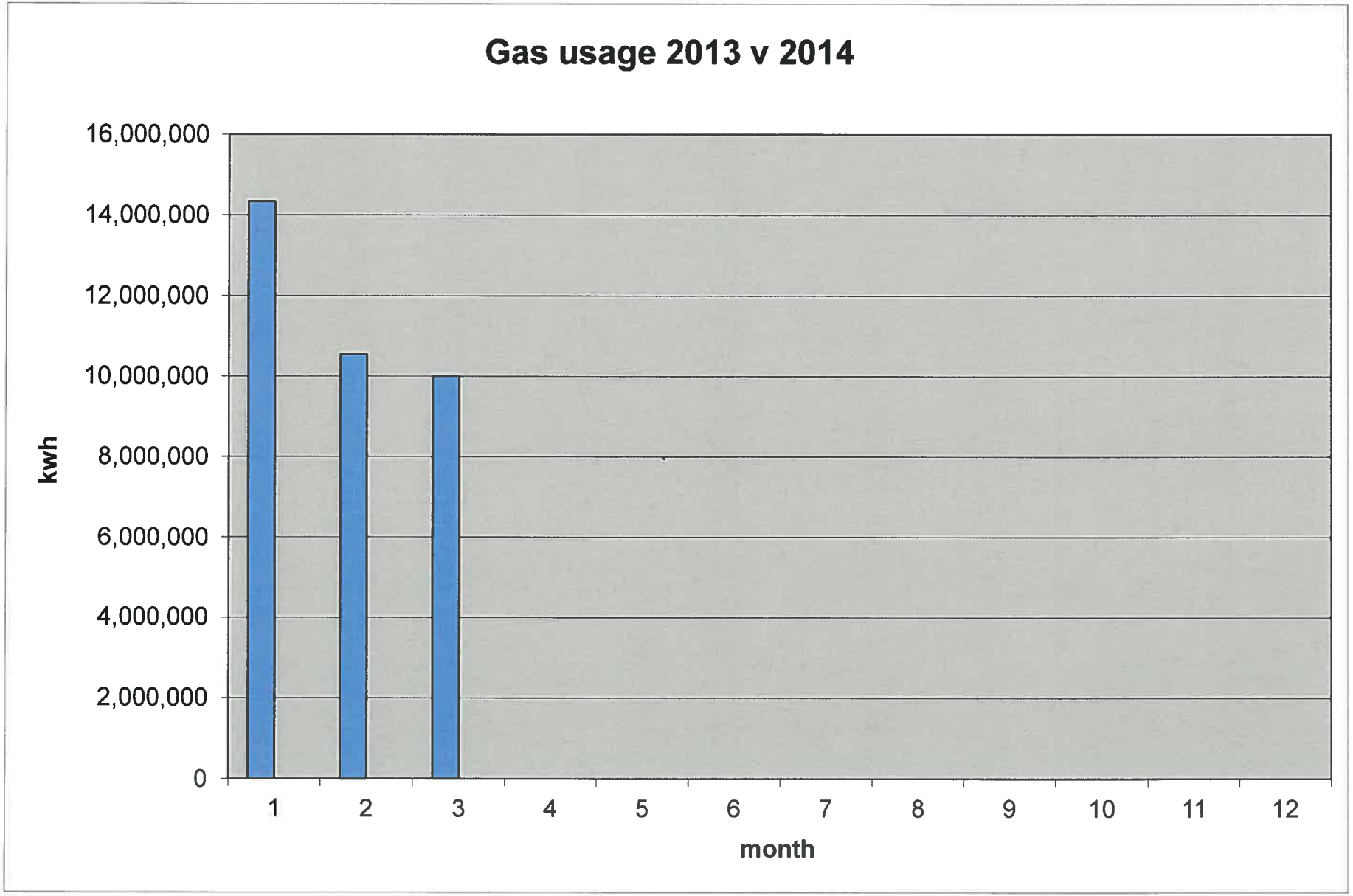
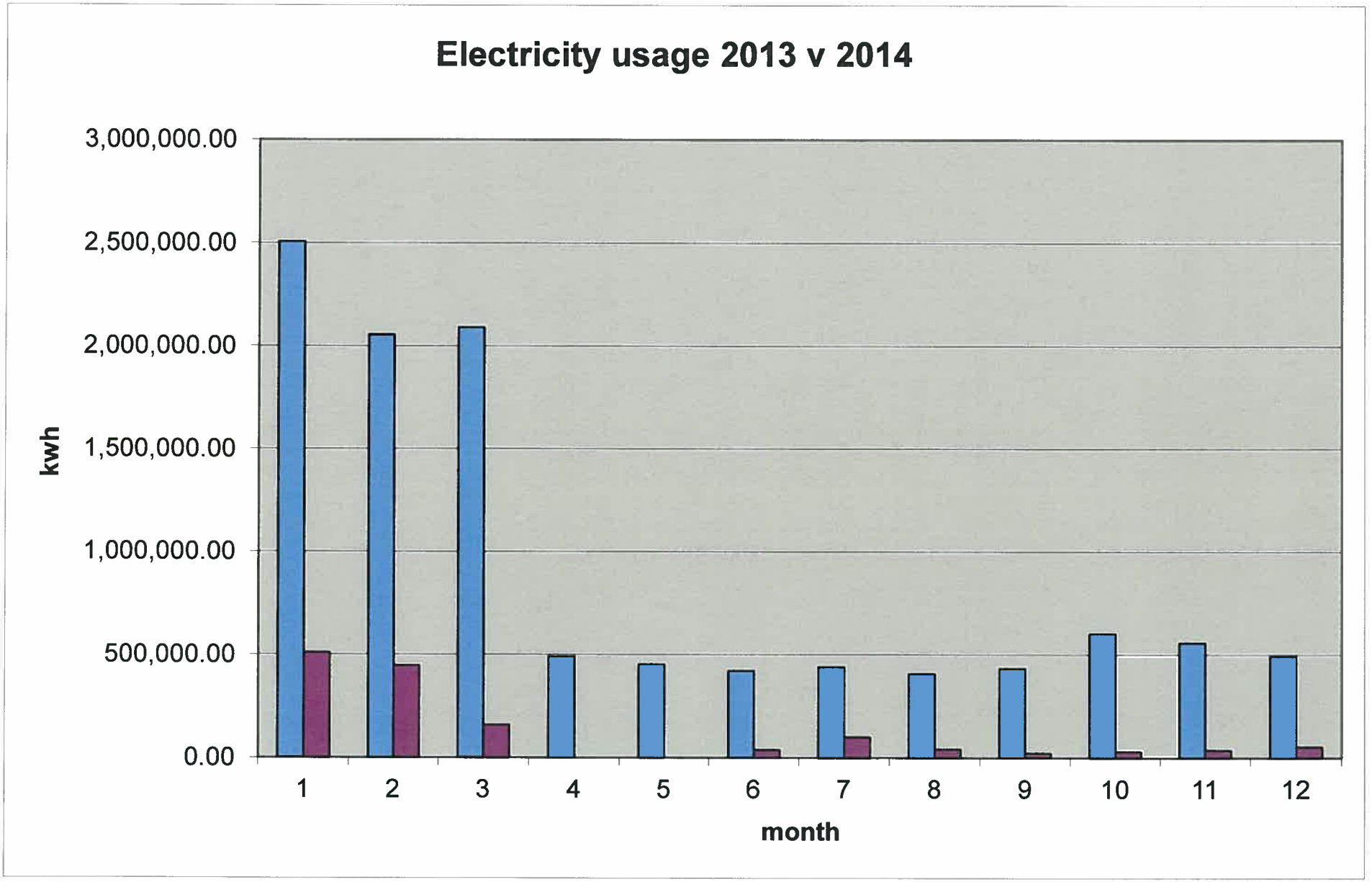
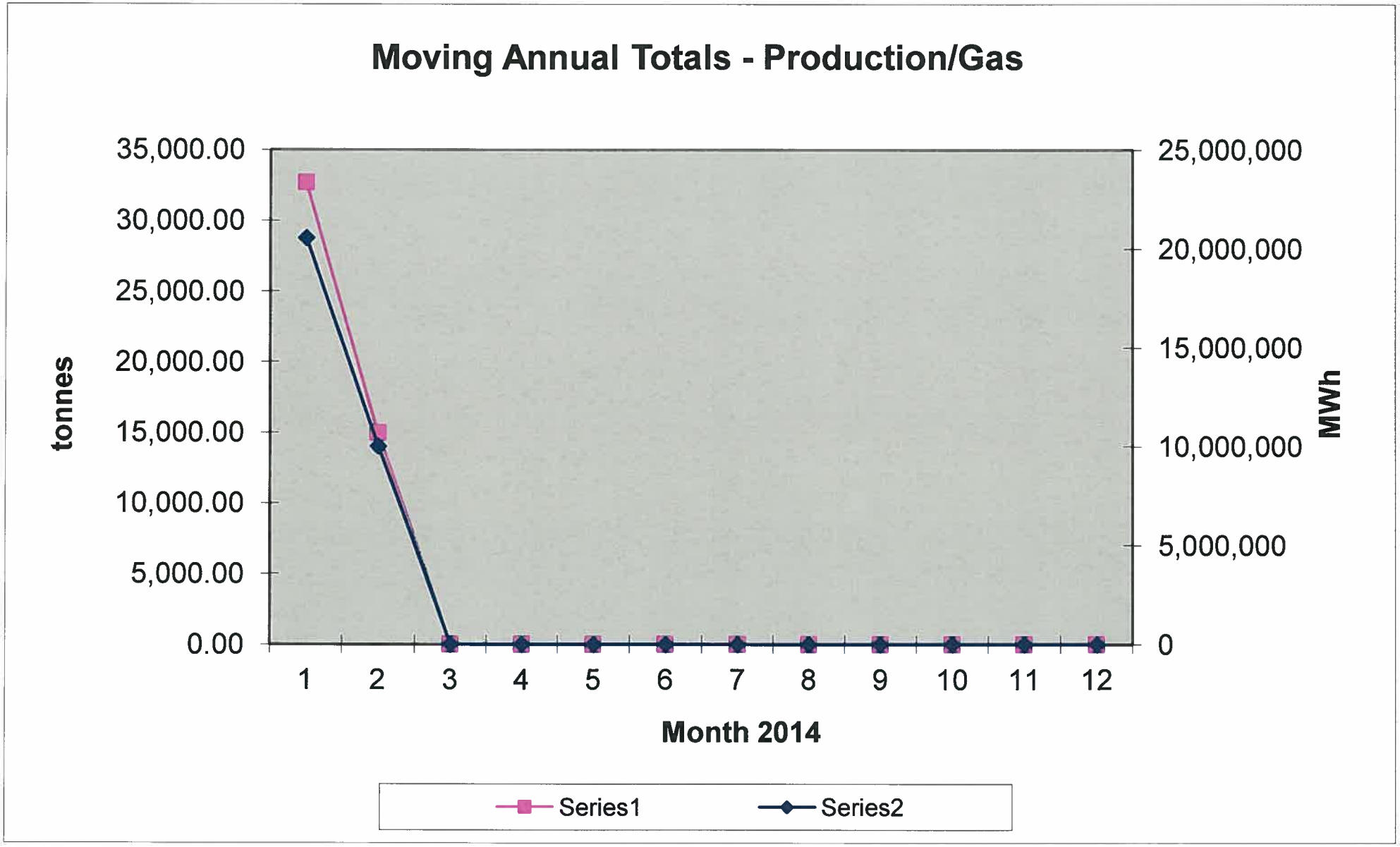
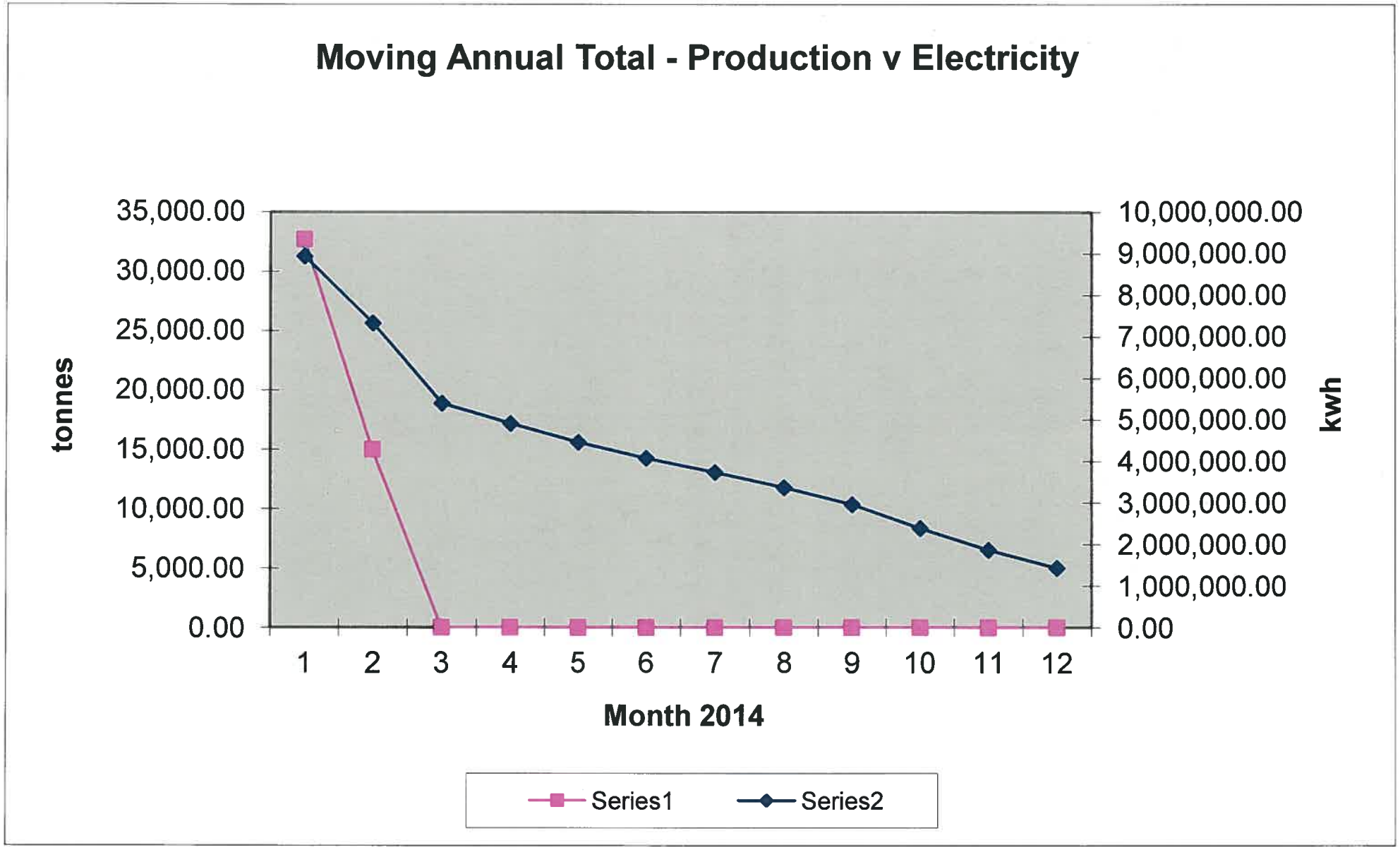
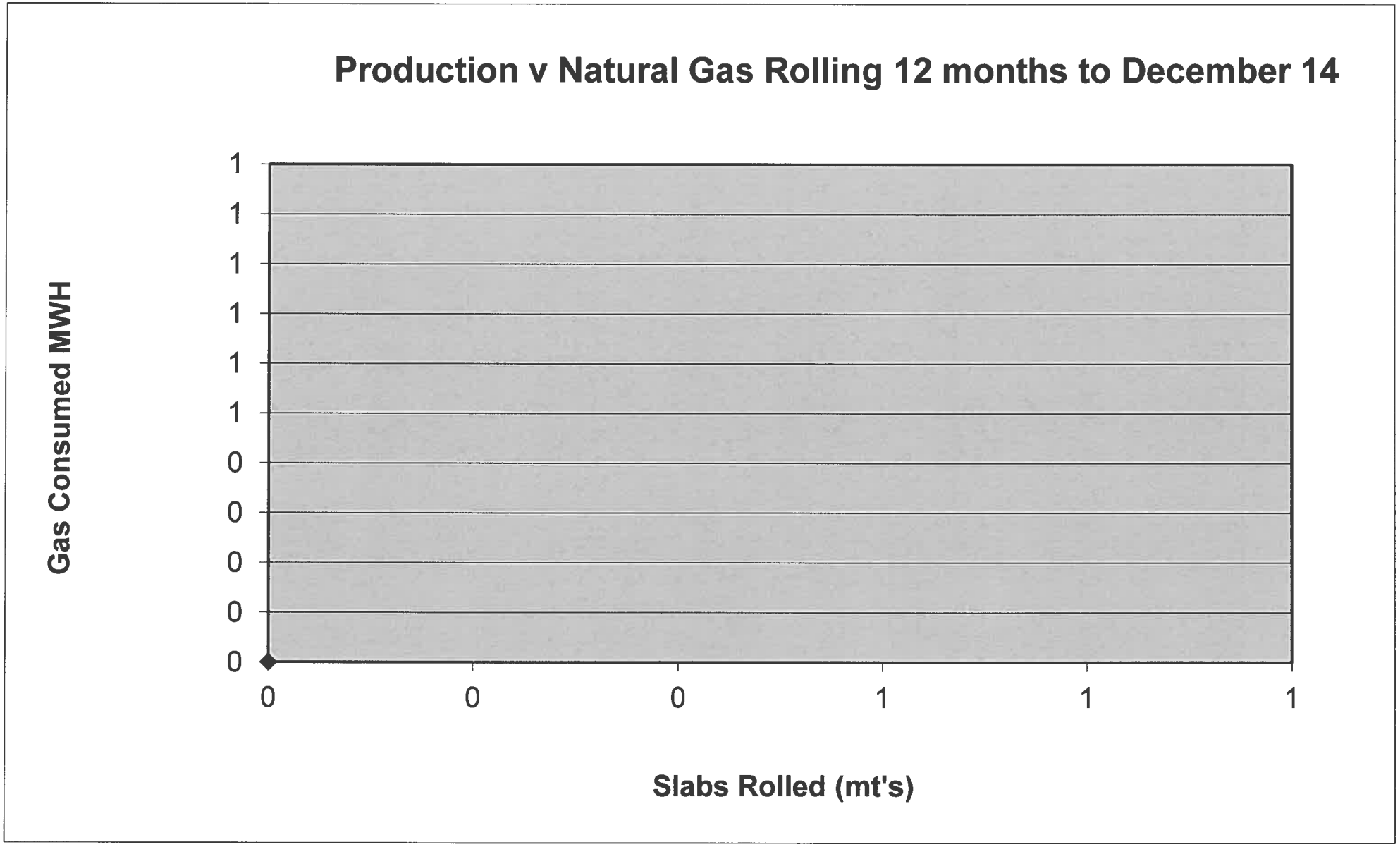
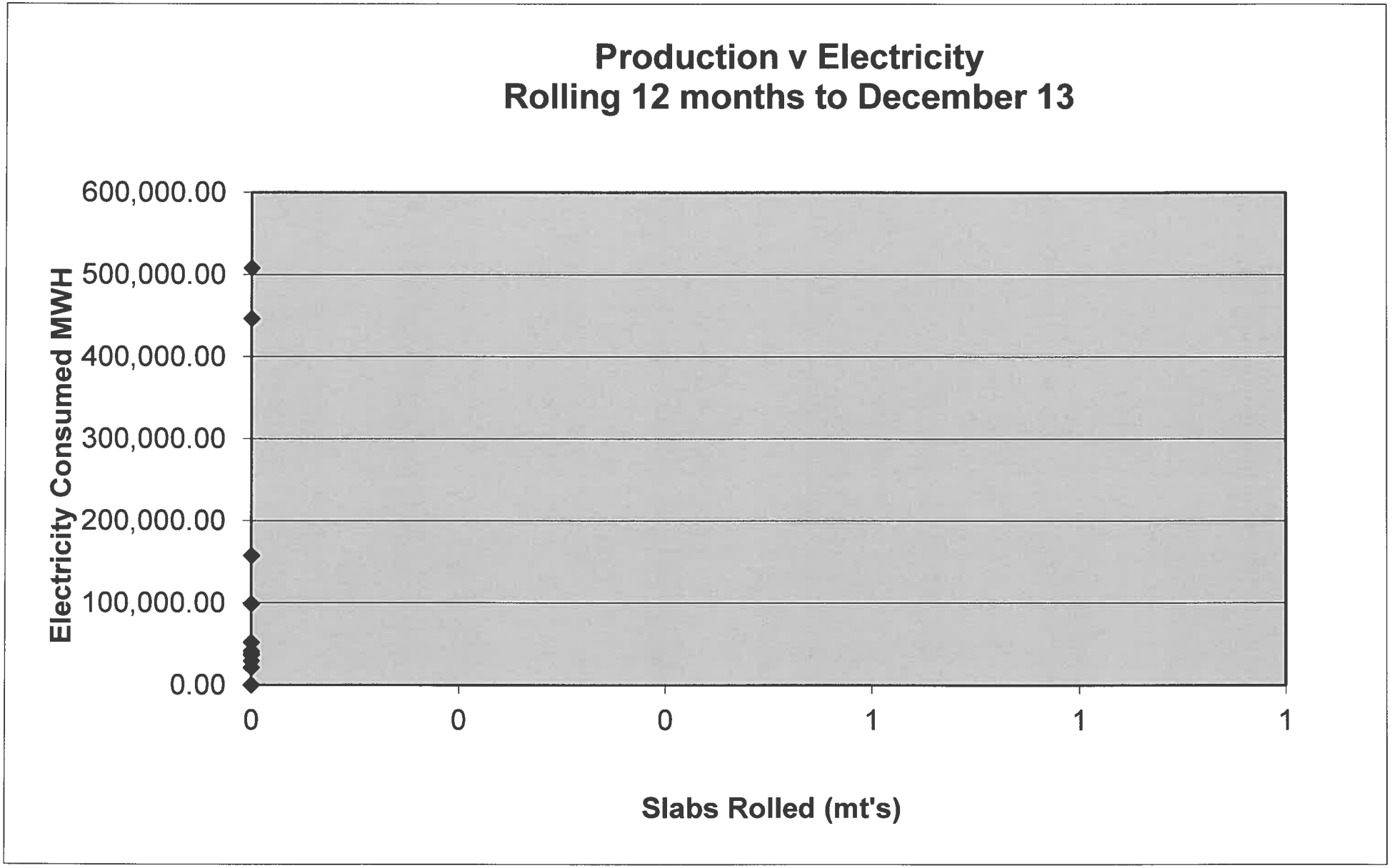

Gas usage 2013 v 2014
16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
kwh
1
2
3
4
5
6
7
8
9
10
11
12
month


Electricity usage 2013 v 2014
3,000,000.00
2,500,000.00
2,000,000.00
1,500,000.00
1,000,000.00
500,000.00
0.00
kwh
1
2
3
4
5
6
7
8
9
10
11
12
month


Moving Annual Totals - Production/Gas
35,000.00
30,000.00
25,000.00
20,000.00
15,000.00
10,000.00
5,000.00
0.00
tonnes
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
0
MWh
1
2
3
4
5
6
7
8
9
10
11
12
Month 2014
Series1
Series2


Moving Annual Total - Production v Electricity
35,000.00
30,000.00
25,000.00
20,000.00
15,000.00
10,000.00
5,000.00
0.00
tonnes
10,000,000.00
9,000,000.00
8,000,000.00
7,000,000.00
6,000,000.00
5,000,000.00
4,000,000.00
3,000,000.00
2,000,000.00
1,000,000.00
0.00
kwh
1
2
3
4
5
6
7
8
9
10
11
12
Month 2014
Series1
Series2


Production v Natural Gas Rolling 12 months to December 14
Gas Consumed MWH
1
1
1
1
1
1
0
0
0
0
0
0
0
0
1
1
1
Slabs Rolled (mt's)


Production v Electricity
Rolling 12 months to December 13
Electricity Consumed MWH
600,000.00
500,000.00
400,000.00
300,000.00
200,000.00
100,000.00
0.00
0
0
0
1
1
1
Slabs Rolled (mt's)

MIR STEEL UK LTD	No	Energy 1
	Issue	1
	Page	1
	Date	1st March 2012
	Reviewed	23rd Jan 2014

Programme No	Energy 1	**Objective**	*Utilisation of resources in an efficient manner,*	
Items		**Target**	*Ensure oportunities for energy reduction are identified and addressed.*	
		Timescale	**Responsibility**	**Anticipated Impact**
1	Conversion of the three (3) roughing mill Geir Pump drives to variable speed. Motor power will effectively be reduced from 132 kwh to 69kwh by reducing the frequency from 50 hz to	01/08/2012 Completed	Electrical Engineer	Estimated reduction of 230,000 kwh per annum
2	Conversion of the three (3) finishing mill Geir Pump drives to variable speed. Motor power will effectively be reduced from 132 kwh to 69kwh by reducing the frequency from 50 hz to	14/08/2013	Electrical Engineer	Estimated reduction of 230,000 kwh per annum
3	Conversion of the drives serving the cooling tower fans to variable speed according to water temperature - further automation will also ensure that when process water temperature is < 20 degrees C fans will be shut down	01/08/2012 Completed	Electrical Engineer	Estimated reduction of 57,600 kwh per annum
4	Automation of the two Hot Strip Mill combustion air fans to allow one fan to be shut down during operation of the furnace and the remaing fan to operate at variable speeds depending on air flow requirements	14/08/2013 Unable to complete due to financial restrictions associated with zero production reviewed completion target 14/08/14	Electrical Engineer	Estimated reduction of 2,000,000 kwh per annum
5	Replacement of worn refractories and spent insulation associated with the reheat furnace. These areas of concern are identified in the energy management projects undertaken by the Cardiff School of Engineering	14/12/2012 Completed	Hot Strip Mill Manager	Reduction in consumption to be reviewed following the planned return to production.

6	Review status of both internal and external lighting servicing the main building with a view to replacement with more energy efficient units	31/12/2013 Unable to complete due to financial restrictions associated with zero production reviewed completion target 31/12/14	Electrical Engineer	Estimated reduction of 1,600,000 kwh per annum Estimated payback 2 yrs

Implementation of any item recorded within this plan is subject to appropriate funds being availalbe

Approved by Director	**Date** 10.02.2015	**Signature**