

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2620  
ANSWERED ON:25.11.2010  
CONSERVATION OF ENERGY IN STEEL PRODUCTION  
Das Shri Ram Sundar

**Will the Minister of STEEL be pleased to state:**

- (a) whether in view of shortage of energy, any scheme has been formulated for conservation of energy in steel production;
- (b) if so, the details thereof;
- (c) the quantum of energy saved on average per tonne production of steel and annual details thereof for the last three years;
- (d) whether any incentive plan has been formulated for energy conservation by the companies engaged in steel production; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a)&(b): Under the National Action Plan on Climate Change (NAPCC), eight National Missions have been identified for achieving key goals in the context of climate change. The second National Mission namely, the National Mission for Enhanced Energy Efficiency (NMEEE) aims to significantly scale up implementation of energy efficiency in industrial sector including iron & steel industry in India. The flagship programme of NMEEE is "Perform, Achieve and Trade (PAT)", which is a market, based mechanism to enhance cost effectiveness of improvements in energy efficiency in energy-intensive, through certification of energy savings that could be traded.

The steel companies like Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL) and Tata Steel Ltd. have also undertaken massive modernization/expansion programme which inter-alia includes schemes for energy conservation also.

(c): The quantum of specific energy consumption (in giga calorie including savings thereof, if any, per tonne of crude steel) in the steel companies stated above are given below:-

S.No.	COMPANY	2007-08	2008-09	2009-10
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1.	SAIL	6.95	6.74	6.72
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2.	RINL	5.95	6.11	6.09
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3.	Tata Steel Ltd.	6.56	6.587	6.125
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(d)&(e): The PAT scheme inter-alia covers incentives for improving energy efficiency by the steel companies and also penalties thereof in case of failure. The steel companies also have their own monthly incentive schemes in operation in their plants, wherein thrust has been given to energy conservation. In Further, specific energy consumption has been incorporated as a factor and weightage assigned for determining the Performance Related Payment (FRP) to executives in the scale of pay as per Department of Public Enterprises (DPE) Guidelines.