

**LOK SABHA**  
**UNSTARRED QUESTION NO.5888**  
**FOR ANSWER ON 10/04/2017**

**ENERGY CONSERVATION IN STEEL SECTOR**

5888. SHRI ASHWINI KUMAR CHOUBEY:  
SHRI RAGHAV LAKHANPAL:

Will the Minister of STEEL be pleased to state:

- (a) whether any steps have been taken for energy efficiency/conservation in iron & steel industrial sector in the country;
- (b) if so, the details thereof including the quantum of energy saved on average per tonne production of steel during the last three years and the current year;
- (c) whether any incentive plan has been formulated for energy conservation by the companies engaged in steel production; and
- (d) if so, the details thereof including the funds allocated and utilized for promotion of R&D in Steel Sector during the said period?

**ANSWER**

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Yes, Madam. As per the provisions of Energy Conservation Act, 2001, Ministry of Power, Govt. of India notified the industrial units of Iron & Steel Sector having annual energy consumption equal to or more than 30,000 toe (Tonne of Oil equivalent) as Designated Consumers. All such units are covered under Perform, Achieve & Trade (PAT) scheme and specific energy consumption reduction targets have been issued to these units.

(b) In first cycle of PAT (FY 2012-2015), 60 such Designated Consumers were identified. Subsequently, 11 more iron & steel units are included in second PAT cycle-II, which commenced from April 2016. On the basis of monitoring & verification reports of 60 Designated Consumers of iron & steel sector, it is estimated that average energy saved is 0.45 Gcal per tonne of crude steel during the assessment year of PAT Cycle- I i.e. FY 2014-15.

(c)&(d): No direct incentive plan has been formulated by Bureau of Energy Efficiency for energy conservation in steel sector production. However under the Perform, Achieve & Trade (PAT) scheme, Energy Saving Certificates (EScerts) can be earned by designated consumer units for achievement of excess energy reduction targets under the scheme. These EScerts can be traded on exchange platform for monetary benefits.

Funds allocated & utilized for promotion of R&D in steel sector during the last four years is given in the table below:-

(Rs. in Crore)

| Year    | Steel Development Fund |        | Government Fund |        |
|---------|------------------------|--------|-----------------|--------|
|         | Allocated              | Actual | RE              | Actual |
| 2013-14 | 20.00                  | 17.41  | 8.00            | 8.00   |
| 2014-15 | 20.00                  | 17.00  | 7.00            | 2.03   |
| 2015-16 | 20.00                  | 18.21  | 15.00           | 10.26  |
| 2016-17 | 20.00                  | 18.13  | 15.00           | 15.00  |

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