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## STEEL INDUSTRY REACHES NEW MILESTONE IN ENERGY EFFICIENCY 23% improvement in energy intensity achieved since 1990

WASHINGTON, D.C. – The American Iron and Steel Institute (AISI) reported today that the United States steel industry has achieved a new milestone in energy efficiency by reducing its energy intensity per ton of steel shipped by approximately seven percent in 2003 compared to 2002, thus extending its drop in energy intensity to 23 percent since 1990. Because of the close relationship between energy use and greenhouse gas emissions, the industry's aggregate carbon dioxide (CO<sub>2</sub>) emissions per ton of steel shipped were reduced by a comparable amount during the same period.

"This improvement in energy efficiency is evidence of the steel industry's longstanding commitment to sustainability," AISI Chairman John P. Surma, president and CEO of United States Steel Corporation, said. "As part of our industry's Climate VISION agreement with the Department of Energy, we set a goal to improve energy intensity per ton of steel shipped by 10 percent by 2012 compared to the 2002 baseline. The 2003 data show we are making solid headway toward achieving that target."

The American steel industry has been a leader in reducing energy intensity in the steel manufacturing process and correspondingly reducing greenhouse gas emissions through recycling and process innovation. A recent analysis of the industry by Professor Timothy Considine of Pennsylvania State University indicates that more than half of all steel produced in North America comes from consumer and producer durable equipment and structures that are recycled at the end of their useful lives. The Considine Report notes that through a combination of restructuring, technological advancements and product and process improvements in recent years, the North American steel industry accelerated progress

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toward its goal of reducing energy intensity and carbon emissions. The report also states that in terms of technology advancements, steel producers anticipate increasing their capital spending by 30 percent over the next two years.

Also contributing to increased energy efficiency were greater capacity utilization levels, as well as a higher percentage of total steel production by electric arc furnace steelmakers (EAF). EAF facilities produce steel by recycling scrap metal.

AISI serves as the voice of the North American steel industry in the public policy arena and advances the case for steel in the marketplace as the preferred material of choice. AISI also plays a lead role in the development and application of new steels and steelmaking technology. AISI is comprised of 32 member companies, including integrated and electric furnace steelmakers, and 118 associate and affiliate members who are suppliers to or customers of the steel industry. AISI's member companies represent approximately 75 percent of both U.S. and North American steel capacity. For more news about steel and its applications, view AISI's website at [www.steel.org](http://www.steel.org).

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