

## Report No 89

EPCA response to IA filed by the Indian Steel Association in response to the directions passed by the Hon'ble Supreme Court on 26.7.2018

**August 9, 2018**

### **Environment Pollution (Prevention and Control) Authority for NCR (EPCA)**

On August 7, 2018 the Hon'ble Supreme Court asked for a response to the affidavit filed by the Indian Steel Association asking for steel plants in non-NCR states in India to use imported low-sulphur pet coke till a time a decision is taken in this regard by the concerned authorities and accordingly clarify its order dated 26.7.2018.

#### **1. Background**

**The MoEF&CCon 9.7.2018** in its affidavit requested permission of the Hon'ble Supreme Court to allow the use of pet coke in the steel industry.

**EPCA in its report no 87, dated 11.7.2018** pointed out that this use of pet coke in steel industry would be polluting and would also create a precedent as the policy allows for pet coke in feedstock and not as fuel. The steel industry would partly use the pet coke as fuel. It had recommended that the Hon'ble Court should not permit the use of pet coke in steel industry.

**The Hon'ble Supreme Court in its order of July 16, 2018** had directed that the Ministry of Environment, Forests and Climate Change (MOEF&CC) would discuss with EPCA and a final decision would be taken and communicated to the Court.

**On July 18, 2018**, in compliance with these directions, MOEF&CC convened a meeting with EPCA, where the issue of permission to steel industry for pet coke was discussed. In this meeting the following was discussed as recorded in the minutes:

#### **"2. Use of Pet coke in blast furnace**

2.1 On the issue of use of pet coke in blast furnace of steel plants EPCA stated that:

- (i) The SOX emission could not be properly regulated and monitored from the blast furnace. High Sulphur in steel plants is also extremely polluting and in fact even degrades the quality of the final metal.
- (ii) The steel industry normally does not use pet coke and it is not very clear as to why such a request is being made in the first place.
- (iii) Pet coke is being primarily used as a fuel in this case and therefore should not be permitted based on the broad framework that has already been put in place by MoEFCC. EPCA cautioned that if this use of pet coke as fuel was permitted in this case of steel industry it would open the floodgates for other such industries to apply for permission to use pet coke and would dilute the efforts to control a highly polluting fuel.

2.2 CPCB responded to the issues raised by EPCA by stating that pet coke is used both as a fuel and a reducing agent in the blast furnace process and that was the background in which they had recommended that it could be used.

2.3 Officials of MoEFCC stated that some more study needs to be done to clearly establish the nature of use of pet coke in blast furnace to arrive to a conclusion whether it is being used as a fuel or in the manufacturing process. Further, a broad framework of not allowing pet coke to be used as a fuel in NCR States is already in place and will not be altered. Also, the actual measurement of SOX emission needs to be done by CPCB before a final view in the matter is taken.

2.4 In view of the above discussion, it was agreed by both MoEF&CC and EPCA that a final decision in the matter should be deferred pending further technical study by CPCB, which would also be shared, with EPCA before a final view is taken.”

**On July 26, 2018, MOEF&CC** filed an affidavit and in the matter of the permission to use pet coke in blast furnace in steel industry it said the following:

**“Regarding Use of Pet Coke in Blast Furnace in the Steel Industry**

That regarding the use of pet coke in steel industry the latter was discussed in the meeting dated 18.7.2018 with EPCA. The proceedings of the meeting may kindly be seen at Annexure – R2.

In view of the conflicting claims of EPCA and CPCB it was decided in the meeting that some more study need to be done to establish the nature of use of pet coke to decide whether it was used as a fuel or in the manufacturing process. Similarly, it was also decided that the actual measurement of SOX emissions should be done by CPCB before a final view is taken. It was agreed in the meeting that the matter may be deferred pending further technical study by CPCB. The result of the technical study will also be shared with EPCA and its views taken before a final decision is made.

In view of the above status, this Ministry is of the view that the use of pet coke in blast furnace may be deferred until further technical studies are conducted.”

**On July 26, 2018, the Hon’ble Court directed the following:**

“IA NOS. 15338 AND 15739/2018 (APPLNS. FOR IMPLEADMENT AND DIRECTIONS ON B/O ALUMINIUM ASSOCIATION OF INDIA) ALONG WITH REPORT NO. 82 SUBMITTED BY EPCA and IA NOS. 100194 AND 102169/2018 (APPLNS. FOR INTERVENTION AND PERMISSION/DIRECTIONS ON BEHALF OF INDIAN STEEL ASSOCIATION)

The decision on the use of imported pet coke in the steel industry and aluminium industry is still under consideration. We are informed by the learned ASG that studies will have to be conducted and BIS standards will have to be fixed in the case of aluminium industry.

The entire exercise may take about eight weeks. We accordingly grant time till 1st October, 2018 for a decision to be taken in the matter.

List the applications on 9<sup>th</sup> October, 2018.”

## **2. EPCA's response to IA of Steel Industry and recommendations for consideration of the Hon'ble Supreme Court**

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The MOEF&CC and CPCB are in the process of complying with the directions of the Hon'ble Court of July 26, 2018. They are examining the pollution potential of the use of pet coke in steel industry. *This technical report is awaited.* EPCA disputes the contention of the steel industry in its IA that the use of pet coke in this industry will not lead to pollution. However, it is awaiting the findings of CPCB's technical assessment before it can respond any further to this matter.

Furthermore, given the IA of the steel industry, in order to consider this matter and to come to any conclusion the following information is also required:

1. Standards for low-sulphur pet coke in the country and how this is differentiated in terms of total imports by DGFT?
2. Total quantity of low-sulphur pet coke that is imported by the steel industry and countries from where this fuel is imported.
3. Total quantity of low-sulphur pet coke that is utilised by the steel industry (information should be supplied plant wise) so that pollution levels and monitoring systems can be checked.
4. Plant wise information about online pollution monitoring equipment that has been installed and in particular, information about its installation to check emissions from coke oven/blast furnace. This is particularly important as EPCA has pointed out in its report that it is concerned that emissions from coke oven/blast furnace are difficult to monitor.

Once this information is supplied and the CPCB technical report on the use of pet coke by steel industry is submitted, EPCA will be in a position to review the issue and submit a report for the consideration of the Hon'ble Court.

In view of the above, it is recommended that the IA of the Indian Steel Association should be deferred till the information as sought is submitted and CPCB's technical report is finalised. EPCA is particularly concerned that there should be no interim or ad hoc dilution of the directions of the Hon'ble Supreme Court on the ban on import of pet coke as it could negate all its benefits.

As per the directions of the Hon'ble Court, this matter has been listed for October 9, 2018 when a final decision can be taken.