BMRA
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31 March 2006

DTI ENERGY REVIEW CONSULTATION – *OUR ENERGY CHALLENGE*

The British Metals Recycling Association (BMRA) represents the interests of the metals recycling sector in the United Kingdom and is grateful for the opportunity to comment on the above consultation. We represent around 320 companies which, collectively, recycle around ten million tonnes of ferrous and non-ferrous scrap metal annually. This includes all the UK ferrous shredders and most of the shear operators and those companies supplying them in addition to the major players in the non-ferrous metal recycling sector.

We support the Government's continued commitment to reducing the UK's CO_2 emissions by 60% by 2050 in attempts to lessen the effects of climate change. However, it is essential that the Government's commitment does not place UK commercial and industrial sectors at a competitive disadvantage compared to other countries that are less committed to emissions reduction.

We also broadly support the other goals that the Government has set for the country's future energy policy.

Energy supply
In recent years the UK has become a net gas importer and looks set to become a net oil importer in the near future. This over-reliance on imported energy is of concern to both the metals recycling sector and our energy-intensive consumers (e.g. furnaces, casters, smelters etc.) particularly since the UK is at the end of the Interconnector and St Fergus gas pipelines. Although new facilities are becoming available the continuity of imported gas supply will remain a key issue for the metals industry, particularly as North Sea production lessens and reliability on African and Russian energy increases.

We would also express concern regarding the considerable fluctuations in the price of gas in recent times where spot prices have ranged c.40p/therm up to c.255p/therm. These fluctuations, together with the general increase in the price of fossil fuels have created concerns for the industry. It is essential that as our dependency on imported fuel increases, the infrastructure must exist to enable the UK demand to be met without repeat of the price fluctuations experienced in winter 2005.

Transport
Our sector is heavily dependant upon all land-based forms of transport for the movement of materials and therefore we share the government's concern regarding securing reliable transport fuel supplies. We also support the proposals to reduce emissions from transport. However, the consultation appears largely concerned with reducing CO_2 emissions from automobiles. We would request further information on proposals to reduce emissions from commercial vehicles as well as Government's view on shipping transport with respect to the EU emissions trading scheme.

Energy from Waste (EfW)
EfW is outlined in Defra's recent Waste Strategy Review consultation and is considered a valid option for waste management and a significant opportunity for energy policy. However, the DTI Review does not make clear the role EfW may have with regard to its contribution to long-term energy demand. There is clearly a need for greater synergy between government departments where energy, waste and the environment are concerned.

Given the increased pressures on the UK to divert waste away from landfill, together with Directive-based recovery and recycling targets for those waste streams subject to producer responsibility regulations (such as end-of-life vehicles, waste electrical and electronic equipment and, packaging) the role of EfW, we believe, should not be underestimated.

We support the waste hierarchy detailed in Defra's consultation and firmly believe that wastes should be recycled in preference to recovery or disposal processes. However, for those wastes which cannot be realistically recycled (i.e. financially-viable) it is important to promote EfW. Furthermore, recovering certain wastes produces more CO_2 emissions than would be the case if they were incinerated.

Therefore, we would request further information on how Government views the role of EfW as part of an integrated renewable energy approach and what commitment it would make to provide merchant capacity for EfW so that recyclers can fulfil their recycling/recovery targets.

If you wish to discuss any of these points in greater detail, please do not hesitate to contact me either by email howard.bluck@recyclemetals.org or telephone 01480 455249.

Yours sincerely,

Howard Bluck