

## FIRST PUBLIC REPORT TEMPLATE

### Controlling Corporation

Xstrata Holdings Pty Ltd

### Period to which this report relates

(See sub-section 22(2) of the Act and Regulation 7.1 of the *Energy Efficiency Opportunities Regulations (the Regulations) 2006*)

Start 1<sup>st</sup> July 2006

End

30<sup>th</sup> June 2008

### Part 1 - Summary of assessments conducted thus far

**Table 1.1 - Description of the way in which the corporation has carried out its assessments and over what period was each assessment taken. A statement saying that the intent and key requirements of the Energy Efficiency Opportunities legislation have been met must be made.**

Xstrata Holdings has appointed an Energy Management Team to plan and facilitate the EEO process. The EEO process is initiated with a site visit for a scoping study and development of communication channels. From these visits and with the help of experienced personnel, background papers are developed that form the basis of the EEO workshop. A preliminary meeting is then held with the participants and the background paper is handed to each individual for studying prior to the workshop.

The workshop is the next stage in the process and involves

- Familiarise the participants with what is involved in an EEO assessment;
- Help clarify what systems, processes and activities are already in place that can assist in undertaking an EEO assessment;
- Help identify improvements in systems and processes that would further enhance understanding of energy consumption;
- Provide an opportunity to look at activities at the site with a view to identifying areas where energy efficiency opportunities might exist;
- Clarify the priorities of the site management and staff;
- Discuss the high priority issues with a view to confirming their energy efficiency potential and mapping paths forward consistent with the EEO framework for investigation, evaluation and decision-making.

After the workshop, the Energy Management Team work with site staff to carry out more detailed investigations of priority opportunities, develop business cases and submit expenditure requests to management

### Summary of Assessments Thus Far

The EEO legislation requires the respondent to submit and Xstrata has submitted and received approval in May 2007 for its "Assessment and Reporting Schedule", (ARS), which includes a timetable for all assessments and for reporting.

The workshops completed to date in accordance with the ARS and the numbers of opportunities identified are presented in the table below.

**Table 1**

Site	Date	Number of Opportunities Identified
Copper Refineries, (Townsville)	Nov 06 & Sept 07	28
Copper Concentrator, (Mount Isa)	May 07 & May 08	33
Lead Smelter, (Mount Isa) *	Apr 08	26
Underground Mine Development, (Mount Isa)	Jun 08	37
Underground Mine Production, (Mount Isa)	Jun 08	52
Underground Mine Engineering, (Mount Isa)	Jun 08	81
Underground Mine Maintenance, (Mount Isa)	Jun 08	28
Total Opportunities	30 June 2008	285

\* The Lead Smelter workshop also included an assessment of Xstrata Zinc's Bowen Coke Works.

The assessments methodology adopted by Xstrata include an analysis of existing data and development of robust data models to allow a

better understanding of energy use and therefore more targeted opportunity generation in the workshop environment.

Table 1.2 - Group member/business unit/key activity/site that have been assessed	Energy use per annum in the year the assessment is completed *	Energy data accuracy (if not within $\pm 5\%$ ) **	Reasons for not achieving data accuracy to within $\pm 5\%$ **
(see paragraph 1(a) of Schedule 4 of the Regulations)	(see paragraph 2 of Schedule 4 of the Regulations)	(see paragraph 5(a) of Schedule 4 of the Regulations)	(see paragraph 5(b) of Schedule 4 of the Regulations)
<b>Copper Refineries Limited</b>	<b>598,137</b>		
<b>Mount Isa Mines Limited</b>	<b>8,417,517</b>		
<b>Total</b>	<b>9,015,654</b>		
<b>Total as a percentage of total energy use of the group covered by this report</b>	<b>71%</b>		

\* Energy Bandwidth may only be used if approved in the Assessment and Reporting Schedule

\*\* Data accuracy not within  $\pm 5\%$  can only be included if approved in the Assessment and Reporting Schedule

**Part 2 - Outcomes of and business response to opportunities that have been identified and evaluated for each group member, business unit, key activity or site assessed**  
(See paragraphs 3-6 of Schedule 4 and Schedule 6 of the Regulations)

Group member/business unit/key activity/site >0.5 PJ name: Mount Isa Mines Limited

Table 1.3 Status of Opportunities		Number of Opportunities	Estimated energy savings per annum by payback period (GJ)		Total estimated energy savings per annum (GJ)	*Accuracy range (%)
			0 – < 2 years	2 – ≤4 years		
Outcomes of assessment	Identified (accuracy ≤±30%)	13	1230	2872	4102	≤±30%
	Identified (accuracy > ±30%)	244		600	600	> ±30%
	**Total Identified	257	1230	3472	4702	
***Business Response	Under Investigation	120		600	600	> ±30%
	To be Implemented	17		1098	1098	> ±30%
	Implementation Commenced	10	0	1774	1774	≤±30%
	Implemented	3	-91	0	-91	≤±30%
	Not to be Implemented	107	1321		1321	> ±30%

\*The accuracy range for projected or actual costs, benefits and energy savings.

\*\*You must ensure that this row is the sum of the two rows above it.

\*\*\* The data contained in each row of the business response area must total to the data contained in the 'Total Identified' row.

**Note:** An opportunity is any potential change to a system, activity or piece of equipment that:

- is identified during an EEO assessment;
- is consistent with legal requirements such as OHS, and
- may result in energy savings projects with payback periods of 4 years or less.

## Details of at least three significant opportunities found through EEO assessments

(See paragraph 7 of Schedule 4 of the Regulations)

Details must include a brief description of the opportunity and may optionally include details of the costs of implementation, energy/dollar savings and any other benefits (such as greenhouse reductions).

<p><b>Table 1.4</b> <b>Opportunity 1</b></p>	<p><b>Reduction in Tank house lighting hours</b> – At Copper Refinery, the tank house is lit by some 270 high wattage lights. These lights were on 24 hours per day every day. After installation of timers and daylight switches at a cost of approximately \$13,000, the annual savings for having the lights off in the daylight hours is \$22,000 in electrical energy.</p>
<p><b>Opportunity 2 *</b></p>	<p><b>A compressed audit was undertaken at CRL</b> - The audit identified 19 leaks of varying sizes. The leaks were fixed over the following routine maintenance period and over some shuts. The leaks repairs resulted in a calculated energy savings of \$42,000 per annum based on the size of the leak and the known parameters of the system</p>
<p><b>Opportunity 3 **</b></p>	<p><b>Lead smelter conversion from diesel fired to natural gas</b> – The Lead Smelter’s sinter plant and dressing isle use diesel fuel for heating in the process. Although the conversion to natural gas had been considered in the past, the project was reinvigorated through the EEO workshop and has been approved and is currently being implemented. Cost savings to the business of some \$1.5m/ annum are expected.</p>

\*If there are less than three significant opportunities, provide details of those identified.

\*\*If no significant opportunities have been identified in the assessment, a statement to this effect.


### Part 3 - Voluntary Contextual Information

Reporting corporations may supply additional information that provides more context to the public report. Such information may include:

N/A

### Part 4 - Declaration

(See paragraph 8 of Schedule 4 of the Regulations and paragraph 22(4)(c) of the Act)

<p>The information included in this report has been reviewed and noted by the board of directors and is to the best of my knowledge, correct and in accordance with the <i>Energy Efficiency Opportunities Act 2006</i> and <i>Energy Efficiency Opportunities Regulations 2006</i>.</p>	 Chair of the Board of Directors/CEO/Managing Director/Equivalent officer (state position)
--	--