Coke Industry Notes

U.S. coke production in 2006 – 16.6 million tons
- By-product production – 14.1 million tons
- Heat recovery production – 2.5 million tons

Projected U.S. coke production for 2007 – 16.3 million tons
- Citizens Gas & Coke (Indianapolis) facility shut down permanently in July 2007

Any new capacity will be heat recovery operations
- Generally less toxics, less oven leakage due to negative pressure ovens

Expansion of Sun Coke's Haverhill (OH) heat recovery facility underway
- Will offset reduced tonnage due to Citizens closure

Tentative plans for new heat recovery facility in Toledo
U.S. Steel planning to replace Granite City (IL) coke plant w/ heat recovery facility
U.S. Steel announcement of major work to upgrade Clairton (PA) by-product facility
Discussions regarding new integrated steel plant (with coke production) to be located in Ohio
No other increases in coke production made public at this time

Canadian coke plants
- Algoma facility acquired by Essar Group (Indian company)
- Stelco facility acquired by U.S. Steel
- Dofasco facility acquired by ArcelorMittal (largest int'l steel company)

Not familiar with any plans for major changes at those facilities

U.S. coke imports for 2006 – 3.6 million tons, about 2/3rds from China
- Others of note – Poland, Japan

China's cokemaking capacity – 328 million tons (~20 times U.S. & growing rapidly)
But China's steelmaking capacity also growing rapidly and increasing demand for coke
Some heat recovery operations in China but vast majority are by-product plants
Imports of coke to U.S. dependent on many factors
- Supply/demand, prices, value of dollar, general global economy

Over 90% of coke production goes into blast furnaces for iron and steelmaking
About 7% goes into foundry industry, 3% to miscellaneous uses
Steel production capacity expected to remain flat or grow slightly
- Linked to general economic growth, but steel use becoming more efficient

Any new steelmaking capacity likely to be electric furnace-based w/o coke requirements
Possibility of some new ironmaking capacity in next few years but w/ non-coke fuels
Not as familiar w/ foundry business but no dramatic changes anticipated
- Large foundry capacity linked to auto industry

In general, coke oven emissions and effluents decreasing due to implementation of federal and state regulations, modernization projects, retirement of older facilities, replacement of by-product operations with heat recovery facilities