

# Arcelor Drives Global Environmental Performance with opsEnvironmental™



## **The Company**

Arcelor, the world's second largest steel manufacturer, was formed in 2002 following the merger of three national steel companies, Usinor of France, Arbed of Luxembourg and Arceralia of Spain. The resulting company has more than 140 production sites around the world and produced around 47 million tons of steel, generating revenues of 30 billion Euros in 2004.

## **The Challenge**

Aside from maintaining its dominant position in the steel industry, one of the key challenges facing the company has revolved around its environmental performance – notably the need to gather data in order to drive improvements and meet the requirements of key initiatives such as the European Union's Emissions Trading Scheme (EU ETS). Emissions trading is one of a number of environmental issues which have brought the whole questions of data sharply into focus for the company: how best to collect it, collate it and ultimately how to distribute it for internal and external audiences. "If you don't know you have a problem you will not solve it," is how Arcelor's Yan de Lassat sums up the company's data conundrum. "The challenge," says de Lassat, who is responsible for the group's EHS data "was to extend the EHS information available and get a homogenous view of environment throughout the group."

## **The Solution**

The company's response was to undergo a rigorous assessment of EHS data requirements in the context of its own environmental program and external drivers such as EU ETS. This led to a beauty parade of possible software options, from which the company selected ESP's opsEnvironmental solution. "We needed a system that is flexible enough to accommodate change," says de Lassat. "We also wanted a system that could work on the web, that could be developed within the time frames we have and that could evolve to meet new requirements as they emerge. The opsEnvironmental solution met each of these priority areas."

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## **Project Outline**

The roll-out of opsEnvironmental across Arcelor took place between March and June 2004, and was led by a team of experts from ERM, an environmental consulting firm and ESP implementation partner. The system is now producing data at more than 140 facilities in eight countries, with the flexibility to meet the information requirements of a variety of users, says de Lassat. "The development of the software is done at corporate level to ensure there is a central view of the database," he says. "In the second phase we are offering individual facilities the chance to put forward their own specific requirements – everything from new ways to report information to certain key performance indicators."

Perhaps inevitably following the merger that brought Arcelor into being, opsEnvironmental has replaced a number of disparate information management systems across the three former companies which, according to de Lassat, simply couldn't have supported the company's current environmental agenda. The new software, he says, is helping the company to drive environmental performance and meet clear targets for the future.

Consistency of data is an all important feature of the company's need to meet new environmental performance targets. The opsEnvironmental database includes a set of standard objects for all sites which collect and store data on emissions to air and water, wastes and materials energy for CO2 emissions. If new equipment is installed at a site or if a new site is acquired or sold by the

company, the relevant objects can simply be added or subtracted from the database. Says Karl Buttiens, the company's Senior Vice President for Environment, "we were previously getting inconsistent data from different parts of the Group and the existing system simply wasn't flexible enough. Now we have the ability to benchmark the performance of different facilities and more easily manage change as it happens."

### Reporting Under the EU's Emissions Trading Scheme

Companies seeking to meet the demands of the EU ETS require timely, consistent and accurate data on greenhouse gas emissions – another important reason why Arcelor selected opsEnvironmental. The system supports the automatic production of relevant data on a monthly basis and in this case allows the company to track emissions at its eight integrated steel production sites in compliance with the EU ETS requirements.

### Using the System to Track Performance

Anyone using the system now has the same terms of reference, wherever they happen to be operating and whatever the EHS or sustainable development issue. This has been achieved by developing Arcelor's own Thesaurus of data which provides all users with access to comparable objects and emission points. For example, if an employee wants to check SO<sub>2</sub> emissions from a particular type of chimney across a number of facilities this will be represented by a certain object in the database. This makes it easier to track the performance of individual facilities and the different types of equipment they are running. It has also helped to eliminate errors and inconsistent data which were a feature of the spreadsheets previously in use.

### Responding to Site Requirements as They Emerge

Now that the system is up and running it can be extended and adapted as needed – either at site or at corporate level. "It's an ongoing process," says de Lassat. "For example we have sites that have been developing their own databases but now want to transfer everything to opsEnvironmental. One particular site wants to look at the development of certain specific management indicators while there are also new features that will be useful to a number of sites and it is likely that we will request and pay for these from the center." In an era of evolving requirements and changing equipment, the system makes it easier for Arcelor to manage the important issue of inventory change – wherever it happens to be operating. It means that data from new sites can be checked against corporate parameters which can be fixed and adapted as appropriate.

### Providing Stakeholders with the Information They Need

Ultimately Arcelor is driven by the need to provide different stakeholders with information which is useful to them. Like so many companies with a proactive environmental program it has developed a set of Key Performance Indicators (KPIs) covering such areas as emissions, energy use, water and waste. Using opsEnvironmental the company is able to provide relevant stakeholders with a clearer understanding of progress against KPIs and believes that more and more people both within the company and outside it are being given access to relevant reports.

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*-- Yann de Lassat, Arcelor*

### Greater All Around Flexibility

The system is designed both to accommodate change and provide a more flexible insight into environmental performance in different parts of the company. One of the deciding factors in its purchase, according to the company, was its ability to provide information at site and corporate level and to incorporate new requirements as they emerged. As Karl Buttiens notes, "Once we start to get data in a consistent format, we start to be in good shape."

To learn more about how opsEnvironmental can help your company streamline its environmental data management, please contact ESP.

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