



13/03/06

Re: High Lube Fluid Engineering

High Lube has been servicing the lubrication systems at Sydney Steel Mill (SSM) since 1998. In this time there has been improvements in reliability of the Continuous Casting Machine (CCM) and reduction of equipment failures due to lubrication issues.

SSM was experiencing lubrication issues resulting in early life failures and plant breakdowns. During the 1998 major shutdown, \$130,000.00 was spent on replacement parts for the lubrication system due to failures.

High Lube was commissioned to review all lubrication systems on plant and provide recommendations. Based on these recommendations SSM in conjunction with High Lube developed a 5-year plan to implement the improvements in order to achieve improved operation and reduced failures. The steps included:

- Dividing CCM system into 3 separate areas. This allowed different machines to use grease with varying properties to suit application.
- Implemented preventative maintenance inspection routine quarterly to improve system reliability.
- Savings in overhaul of grease system distribution blocks.
- Improve system layout to protect grease lines from damage and radiant heat.

As a result of implementing these changes, reliability of equipment improved with a reduction of 90% in lubrication related failures in the casting area. Savings of \$200,000.00 per annum have been seen in regard to equipment overhauls costs as a result of extended life. The major yearly shutdown costs have reduced to approximately \$50,000.00 due to quarterly servicing of lubrication system.

OneSteel SSM has found the relationship the High Lube to be beneficial to our business and assist in our Preventative Maintenance strategy. Work has always been undertaken with due regard for safety and professionalism while on site.

Regards,

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Maintenance Team Leaders,
OneSteel Sydney Steel Mill

Rod & Bar - Sydney Steel Mill

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