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Date : 27 February 2008

To : TÜV SÜD Project Manager CDM (Nikolaus Kröger)

TÜV SÜD Head of Certification Body (Werner Betzenbichler)

Cc : UNFCCC CDM Team

Subject : Response to Request for registration INCOMPLETE:

Use of FINEX Off Gas for power generation in Pohang Steel Works
(Project 1447)

Dear Sir/Sirs

First of all, we deeply appreciate your cooperation on the project "Use of FINEX Off Gas for power generation in Pohang Steel Works" registration to UNFCCC. However, the registration of this project is being delayed longer than we expected.

Consequently, we, POSCO, want to clarify, in writing, the objective of the installation of FINEX OFF Gas Combined Cycle Power Plant and to make you, DOE, and UNFCCC understand that it was installed in order to be environmental-friendly facility regarding pollutants and greenhouse gases (GHGs) reduction.

Since the early of the 2000s this facility had been reviewed so many years in light of environment and GHGs reduction while calculating actually CO₂ reduction amount to check the effect of the installation of FINEX OFF Gas Combined Cycle Power Plant before it was installed.

In addition, we, POSCO, recognize that FINEX OFF Gas Combined Cycle Power Plant was installed for GHGs reduction as well as energy efficiency improvement project.

For your reference, here are attached two files. One is the English version with Korean version of "Energy Use Planning Report in 2005" and the other is "POSCO Energy Management Status (As of 2004)"

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We hope this letter and the attachments are helpful to you to understand the objective of FINEX OFF Gas Combined Cycle Power Plant.

POSCO has continued to invest in the reduction in pollutants and the development of green facility in order to reduce greenhouse gases and to prevent pollutions in the air, water, and soil, etc to minimize the negative impact on the environment and society while delivering greater sustainable value to our stakeholders.

Sincerely yours,



Sungwoo, Kim

Manager
Energy Business Planning Group
Energy Business Department
POSCO