



**CDM: Response form for Request for revision of approved methodologies
(version 01.1)**

<i>Date of Meth Panel meeting:</i>	3 - 7 November 2008
<i>Title and number of Request for revision</i>	Methodology for reduction in Greenhouse Gas emissions from operation of an existing Electric Arc Furnace AM_REV_0121

Summary of the query:

Please use the space below to summarize the request for revision on the related approved methodologies.

AM0038 “Methodology for improved electrical energy efficiency of an existing submerged electric arc furnace used for the production of SiMn” is applicable to energy efficiency improvement projects in submerged arc furnace used in production of Silico-Manganese (SiMn).

The request proposes that since the comprehensive energy balance method in baseline and project used in this methodology is useful to other electric furnaces in steel industry also, the scope of methodology can be expanded to energy efficiency improvement in arc furnace. Further, the applicability of methodology was limited to electricity, which is generated by grid; it can be expanded to captive generation as well. The request also proposes to include the inclusion of *ex post* approach of ACM0002 in determination of emission factor, as existing methodology has provision for *ex ante* approach only.

Recommendation by the Meth Panel:

(a) Please use the space below to provide amendments /changes (in your expert view, if necessary).

After reviewing the PDD and the request for revision the Meth Panel has following observations on revision of the methodology submitted.

- (1) The project activity in associated PDD is not the efficiency improvement of the arc furnace, but reduction of losses prior to furnace. In such cases, the process where raw material is heated (DRI kiln) and the transportation equipment from DRI kiln to Arc furnace should also be taken into project boundary. This is to avoid the gaming potential, where feed material may be heated using fossil fuel or electricity, and fed to arc furnace to demonstrate the energy saving due to preheated material;
- (2) Please note that essential elements of methodology, which make submerged arc furnace eligible for this methodology cannot be deleted, however new elements can be added pertaining to PP's case. For example reference to emissions due to electrode paste, the historical quantity estimation (Qp) are deleted, the concept of “no. of heats” is added by deleting existing provisions. The purpose of such deletion is not understood, which may make methodology inapplicable to Si-Mn manufacturing facility, for which it is originally designed;
- (3) Further, it is not clear why three-year data requirement of carbon content in reducing agent or electrode paste is deleted. Use of carbon emission factor based on IPCC default value is not acceptable, as the IPCC values are prepared for inventory purpose, which may inflate the baseline emissions. There has to be historical baseline available on the measured value of carbon content of electrodes and reducing agent;

- (4) Considering the major changes carried out in various equations, monitoring section and added leakage section, Meth Panel is of the view that the project proponents should consider submitting a new methodology, keeping the specific project activity requirements in mind, and should not revise AM0038 to suite their needs. This revision may make some of the projects, which may qualify under existing methodology, unsuitable to use the new methodology.

Therefore the Meth Panel recommends not accepting the revisions proposed in the methodology.

(b) Please use the space below for providing guidance, as per Para 93 of EB25 Report, on what type of projects need to revise the PDD as a consequence of the suggested revision, if the recommendation is to revise the methodology.

Not applicable.

Answer to authors of the request for revision by the Meth Panel :

Please use the space below to provide an answer to the authors of the above query


As above.



Signature of Meth Panel Chair

Date: 07/11/2008

(Akihiro Kuroki)



Signature of Meth Panel Vice-Chair

Date: 07/11/2008

(Philip Gwage)

Information to be completed by the secretariat

F-CDM-AM	AM_REV_0121
Name of the authors of the query:	DNV
Date when the form was received at UNFCCC secretariat	7 November 2008
Date of transmission to the EB	7 November 2008
Date of posting in the UNFCCC CDM web site	7 November 2008