



**CDM: Response form for request for clarification on
Approved Methodologies
(version 01.1)**

<i>Date of Meth Panel meeting:</i>	11 - 15 June 2012
<i>Title and number of request for clarification</i>	Planned expansion as CDM project activity and utilization of common steam header and turbines AM_CLA_0229

Summary of the query:

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

ACM0012 version 04.0 applies to project activities implemented in an existing or greenfield facility converting waste energy carried in identified waste energy carrying medium stream(s) into useful energy.

The project proponents have implemented an expansion project at the Raipur Sponge Iron Plant of the Vandana Global Limited (VGL).

Pre-project scenario: VGL has already established and commissioned a 200 TPD sponge iron kiln which is a registered CDM project activity (PA0432) that applies ACM0004. The registered CDM project activity comprises a waste heat recovery boiler (30 TPH WHRB#1) from flue gases generated by the 200 TPD kiln and connected to a 8 MW turbine generation set (TG#1).

The expansion project consists of the following: a 500 TPD sponge iron kiln (commercial production start 06/02/2008), a 33 MW turbine generation set (TG#2), two coal-based 90 TPH AFBC (AFBC#1 commercial production start 15/08/2007, AFBC#2 commercial production start 18/01/2008), and a waste heat recovery boiler (55 TPH WHRB#2, commercial production start 06/02/2008).

Request for clarification is sought on following points:

Point 1. Project boundary: (a) whether or not the methodology restricts project boundaries in relation to the project specific circumstances of the project under validation; and (b) whether the DOE can progress on the validation of the project activity under validation before it seeks EB approval for changes to the registered PA0432?

Point 2. Application of the appropriate Annex for the proposed expansion project activity: whether to apply Annex-1 or Annex-2 of ACM0012 version 04.0 to the proposed expansion project activity?

Point 3. Baseline scenario applicable to the project activity under validation: what is an appropriate baseline scenario under the project specific circumstances for the project activity under validation?

Point 4. Direct measurement of monitoring parameters “EG_{PJ,y}” and “EG_{J,y}”: DOE seeks clarity how these two parameters can to be directly monitored?

Point 5. Clarification on Annex-1, option-1, paragraph 1: which is the cut-off date to be considered to assess the previous 10 years?

Recommendation by the Meth Panel:

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

Not applicable.

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

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

Clarification point 1 of the request

1.a. On the clarification whether the “methodology has any specific restriction related to project boundaries in similar situation”, the Meth Panel clarifies that the methodology elaborates the geographical extent of the project boundary which shall include the WECM stream(s), equipment and energy distribution system in both the project facility as well as the recipient facility.

For the project-specific instance of the request for clarification, the DOE would need to assess the site specific conditions to confirm that the above requirements are met.

1.b. On the clarification sought whether the DOE can proceed with the validation of the current project activity, the DOE/PP should follow the requirements of the *CDM Project Standard, Validation and Verification Standard, and Project Cycle Procedure*.

Clarification point 2 of the request

The Meth Panel clarifies that the project participants should use annex 1 as an expansion project is treated as a Greenfield facility. The Meth Panel also clarifies to use annex 3 in order to determine the interchangeable application of the WECM.

Clarification point 3 of the request

The Meth Panel recommends to follow the procedures available in the methodology to select their plausible baseline scenario.

Clarification point 4 of the request

$EG_{PJ,y}$ relates to the partial recovery of the WECM streams, which shall be additional electricity generated by the project activity over the historical generation or the reference waste generation facility. Thus $EG_{PJ,y}$ replaces $EG_{j,y}$ to calculate the amount of generated electricity in the project activity that is supplied to the recipient plant j for partial recovery of the WECM streams in the baseline scenario.

In case of no recovery of the WECM streams in the absence of the CDM project activity, it is only $EG_{j,y}$ that is to be monitored.

Therefore, for partial recovery, $EG_{PJ,y}$ will be a direct measure of the total quantity of electricity generated of WECM streams by means of energy meters, whereas $EG_{j,y}$ is verified by means of a cross-check of the total electricity received by the recipient facility(ies).

In the clarification the project activity is confirmed to be Greenfield, however equation 3 and equation 18 may not be applicable considering that the project activity will be sharing the common header which is supplied steam by both AFBC boilers and/or WHRB#2 boiler, and one of the earlier registered CDM project.

Therefore, DOE may explore whether or not the equations 3 and 18 are applicable to the project, as the estimation of parameter $EG_{BL,x}$ may not be possible when the historical electricity generation component is changed in the project situation.

Clarification point 5 of the request

The methodology has not prescribed which is the cut-off date to consider so as to assess the ‘previous 10 years’ however, the PP may consider to use the actual start date of the project or the date on which the investment decision is taken.

Signed by the Chair, Mr. Thomas Bernheim

Date: 15/06/2012

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 15/06/2012

Information to be completed by the secretariat

F-CDM-AM	AM_CLA_0229
Name of the authors of the query:	SGS
Date when the form was received at UNFCCC secretariat	15 June 2012
Date of transmission to the EB	15 June 2012
Date of posting in the UNFCCC CDM web site	15 June 2012