 <p align="center"><b>CDM: Form for Submissions on Small Scale Methodologies and Procedures (version 03)</b>  <i>(To be used for presenting questions/proposals/amendments related to the simplified methodologies for small-scale CDM project activity categories)</i></p>		
Name:	Mr. Rainer Winter Institution: TÜV NORD CERT GmbH	
Affiliation <sup>1</sup> :	<input type="checkbox"/> DNA <input checked="" type="checkbox"/> DOE <input type="checkbox"/> PP <input type="checkbox"/> Stakeholder	
Title/Subject (max. 200 characters):	Request for Clarification regarding the applicability conditions of approved methodology AMS I.D. version 13 for the project Ref No. 00003175.	
Purpose of the submission:	<input checked="" type="checkbox"/> Query on an approved SSC methodology or small scale procedures <sup>2</sup> (Fill in field 1. below) <input type="checkbox"/> Request for Revision of an approved SSC methodology (Fill in fields 2. and 3. below) <input type="checkbox"/> Proposal for a new SSC methodology (Fill in fields 4. and 5. below)	
Approved SSC methodologies <sup>2</sup> to which your submission relates to, if applicable.	AMS I.D. version 13	
Contact Information (e-mail addresses to which the answers are to be delivered and phone contacts for possible dialogue on the submission).	Mr. Rainer Winter  TÜV NORD CERT GmbH JI/CDM Certification Program Langemarckstr. 20 45141 Essen Germany Phone: +49 (0) 201 825-3329 Fax: +49 (0) 201 825-2139 E-mail: cdm@tuev-nord.de	Arthur Moraes Phone.: 55 11 4522-7180 Cel.: 55 11 7283-7014 E-mail.: moraes.arthur@carbotrader.com Site.: www.carbotrader.com
<b>Information for completing the form</b>		
Describe the questions related to the SSC Methodologies, Modalities and Procedures below. If the questions are related to a project under development or implementation, you may describe the context in which they arose.		
<b>Query on an approved SSC methodology or SSC procedures</b>		
1. If you have questions relating to the application of an approved small-scale methodology (AMS) please specify and provide reference to the exact technology/measure below. If you have questions related to procedures for SSC project activities please clarify below:		
<p>Dear Members of the CDM Executive Board - UNFCCC Secretariat,</p> <p>We refer to the issue/question raised in the <i>Request for registration incomplete for "Generation with Blast Furnace Gas of SIDERPITA (JUN1060), Brazil" - Ref No. 00003175</i> received on 23/12/2010, and would like to provide the following response/comment to the issue raised, as agreed with Project participant.</p> <p>The applicability of the Methodology for the project 3175 may be determined in light of the chronology</p>		

<sup>1</sup> Designated National Authority (DNA); Designated Operational Entity (DOE); Project Participant (PP), and Stakeholder.

<sup>2</sup> The list of all approved small-scale methodologies (AMS) can be found at <http://cdm.unfccc.int> and go to CDM: small scale CDM methodologies.

of the project activity as specified herein.

The Carbotrader was the consultant company designated, in March 2007 by the Companhia Siderurgica Siderpita and Efficientia S.A., for the development of the PDD as well as accompaniment of the validation process.

In the light of the early pioneers of CDM projects in Brazil and around the world submitted for validation by March 2007 the Carbotrader was in the dilemma of driving the creation of a new methodology for the proposed project activity or using a methodology already available.

Given the similarities with the project activity "UTE Barreiro SA Renewable Electricity Generation Project - reference 0143" approved by the Executive Board on 22/01/2006 which makes use of renewable wood tar to produce blast furnace waste gas for electric power generation and which had used methodology AMS. I. D. (version 6), the PPs of project no. 3175 was certain to be in compliance with the applicable requirements of AMS.I.D and developed the PDD on that basis.

Considering that AMS I.D. version 13 details energy use by renewable sources, the PP deems to be in compliance with the applicability conditions of the methodology AMS ID considering the following elaboration:

*"1. This category comprises renewable energy generation units, such as photovoltaics, hydro, tidal/wave, wind, geothermal and renewable biomass, that supply electricity to and/or displace electricity from an electricity distribution system that is or would have been supplied by at least one fossil fuel fired generating unit."*

The project activity comprehends the use of renewable biomass sources for the generation of electricity to be internally consumed and delivered to the national grid. All the pig iron production at the plant is based on the use of charcoal as reducing agent, which is produced from wood from sustainable eucalyptus plantations. Hence, the blast furnace gas, a by-product of the pig iron production, can be considered as a renewable energy source. AMS I.D. does not state that waste gas cannot be utilized if coming from a renewable biomass, as it is the case. Only in case of waste gas with methane recovery the methodology says it is not applicable.

*2. If the unit added has both renewable and non-renewable components (e.g.. a wind/diesel unit), the eligibility limit of 15MW for a small-scale CDM project activity applies only to the renewable component. If the unit added co-fires fossil fuel<sup>1</sup>, the capacity of the entire unit shall not exceed the limit of 15MW."*

The electricity generation unit will only used eucalyptus based charcoal and the limit of 15MW is not exceeded.

*3. "Combined heat and power (co-generation) systems are not eligible under this category";*

Not applicable as the project activity purpose aims only to the power generation.

*4. "In the case of project activities that involve the addition of renewable energy generation units at an existing renewable power generation facility, the added capacity of the units added by the project should be lower than 15 MW and should be physically distinct<sup>2</sup> from the existing units";*

Not applicable as the project consists of the installation of a new power generation. No previous generation units were installed at the plant.

*5. "Project activities that seek to retrofit or modify an existing facility for renewable energy generation are included in this category. To qualify as a small-scale project, the total output of the modified or*

*retrofitted unit shall not exceed the limit of 15 MW”.*

Not applicable as the project consists of the installation of a new power generation. No previous generation units were installed at the plant.

The UTE Siderpita project at the top of chain uses wood from planted forests (renewable biomass) that is burned to generate the blast furnace gas, being the same combustible utilised in the UTE Barreiro project.

This set out the line of work to follow and the PPs forward with the PDD preparation, making use of version 13 of methodology AMS I.D. during 2007 and 2008 (June).

This step completed, the TÜV NORD was hired as the DOE responsible for the CDM project activity validation. The initial step was performed publishing the PDD for global stakeholder's comments on the UNFCCC website in 28/06/2008.

Project Activity Timeline (in the light of the methodology applicability):

Date	Event
January 2006	UTE Barreiro SA Renewable Electricity Generation Project - reference 0143 approved by the Executive Board with the methodology AMS I.D. version 6
March 2007	UTE Siderpita PDD started with the AMS I.D. version 13
March 2007	Brazilian stakeholder consultation about the UTE Siderpita CDM Project activity validation
June 2008	DOE contracted
June 2008	PDD publication for Global stakeholders comments (in the UNFCCC website)
July 2008	DOE Site Visit
October 2008	AMS III.Q. version 2 is approved (now the meth baseline become applicable for this kind of project activity)

#### Chronology of investigations concerning the Applicability of the Methodology :

On 15/03/2007 an E-Mail to the UNFCCC Secretariat (CDM Team) has been sent in order to investigate a suitable methodology applicable for this type of project activity (see Annex 1).

The UNFCCC secretariat responded that it is not in a position to advise in this regard as it cannot provide consultancy services for any given project.


Though the methodology AMS III. Q. version 1 was valid from 19.10.2007 its restrictions concerning the baseline definition lead to the exclusion of this methodology.

At the time version 2 of AMS III.Q. came into effect in which the revised baseline definition suitable for the UTE Siderpita project was taken into account, i.e. 10/10/2008, the Global Stakeholder commenting process was already completed and the start of the PDD preparation was almost two years ago.

In light of the above we hope that the Executive Board will decide in favour of the application of AMS.I.D and all the efforts made for the UTE Siderpita to be registered as a CDM project activity in its rightful historical conceptuality.

#### **Request for revision of an approved SSC methodology**

2. If you are proposing an amendment/revision to an approved small-scale methodology (AMS), please provide justifications below:

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3. If you are proposing an amendment/revision to an approved small-scale methodology (AMS) please provide the draft methodology with changes highlighted.	
<p>The following documents have been attached to this form:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Draft methodology with changes highlighted in Word and PDF formats</li> <li><input type="checkbox"/> PDD in PDF format (optional)</li> <li><input type="checkbox"/> Additional information (please specify if you are providing any information note, published paper or a report in support of the request for revision of the SSC methodology)</li> </ul>	
<b>Proposal for a new SSC methodology</b>	
4. If you are proposing a new small scale methodology, please provide justifications below:	
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5. For submitting a new small scale methodology a filled in form "CDM: form for proposed new small scale methodologies (F-CDM-SSC-NM)" is required.	
<p>The following documents have been attached to this form:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Completely filled in form "CDM: form for proposed new small scale methodologies (F-CDM-SSC-NM)" in Word and PDF formats<sup>3</sup></li> <li><input type="checkbox"/> A draft PDD (with sections A to C completed): <ul style="list-style-type: none"> <li><input type="checkbox"/> Relevant annexes to the PDD are provided</li> </ul> </li> <li><input type="checkbox"/> Additional information (please specify if you are providing any information note, published paper or a report in support of the new SSC methodology)</li> </ul>	
Date you are delivering the contribution:	2011-02-03 
<b>Information to be completed by the secretariat</b>	
SSC-Submission number	

<sup>3</sup> The current version of the form (F-CDM-SSC-NM) is available on the UNFCCC CDM website (<http://cdm.unfccc.int>).