RESPONSE TO REQUESTS FOR REVIEW

BVQI have performed the validation of the CDM Project " Electricity generation at 8 MW captive power plant using enthalpy of flue gases from blast furnace operations of Kalyani Steels Limited, in Karnataka state of India". The request for registration was completed on 05/05/2006. The reference number of the project activity is UNFCCC00000427CDMP.

Subsequently, there have been 4 requests for review.

We thank the CDM executive board and the secretariat for giving us the opportunity to respond to the requests for review.

We find that each of the 4 requests is made against the two requirements of modalities and procedures, viz. reduction in anthropogenic emissions by sources of greenhouse gases and baseline and monitoring methodology ACM0004.

The overall validation, from Contract Review to Validation Report & Opinion, was conducted using internal procedures (BMS, September 2003) which were audited by the CDM Accreditation Team in December 2004.

In order to give a comprehensive response, we obtained the basic response from the project proponent, M/s. Kalyani Steels Limited [KSL]. KSL have revised the PDD to reflect the information given in the response. The changes are highlighted in the PDD for easy identification. The KSL response details the issues that were discussed during the validation activity. We therefore endorse the response given by KSL. The response by KSL including the revised PDD accompanies this document. We request EB to consider our statements below in conjunction with the response provided by KSL.

We summarise here that –

1. In the project activity, the temperature of the waste MBF gases is raised by its combustion in the boiler. The boiler is specially designed for the low calorific value fuel. The burner design has provision to introduce the waste MBF gases along with the air for combustion in the furnace. The raised temperature (~745 - 760^{o}C) so reached is used in the heat exchanger to produce steam and subsequently electricity. The actual operating parameters checked during the validation activity confirm the design.
2. The use of furnace oil, by design of the boiler, is limited to initial heating at the time of

the startup to reach certain temperature essential for sustaining combustion by waste MBF gases alone. In the design of the boiler, the estimated consumption of the furnace oil is 5% only. Thus, the project activity does not dependent on fossil fuel combustion for power generation but runs on waste MBF gases.

3. LPG is used only for ignition of Furnace Oil (i.e., to start the pilot flame). It is used only for 90 seconds of the total ignition cycle of 180 seconds.
4. Since the project activity involves 'combustion of waste gases', it meets corresponding applicability condition of the approved and consolidated methodology ACM0004.
5. The estimates of emission reductions are given without considering the reduction in the use of furnace oil over a period of time. This is conservative. The exact reduction in furnace oil use is difficult to predict at this stage. Hence this precaution.