



PR 2

CDM project activity registration review form (F-CDM-RR)
(By submitting this form, a Party involved (through the designated national authority) or an Executive Board member may request that a review is undertaken)

Designated national authority/Executive Board member submitting this form	
Title of the proposed CDM project activity submitted for registration	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. (0427)

Please indicate, in accordance with paragraphs 37 and 40 of the CDM modalities and procedures, which validation requirement(s) may require review. A list of requirements is provided below. Please provide reasons in support of the request for review, including any supporting documentation.

- ☐ The following are requirements derived from paragraph 37 of the CDM modalities and procedures:
- ☐ The participation requirements as set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied;
 - ☐ Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the designated operational entity (DOE) on how due account was taken of any comments has been received;
 - ☐ Project participants have submitted to the DOE documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party;
 - ☒ The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity, in accordance with paragraphs 43 to 52 of the CDM modalities and procedures;
 - ☒ The baseline and monitoring methodologies comply with requirements pertaining to methodologies previously approved by the Executive Board;
 - ☐ Provisions for monitoring, verification and reporting are in accordance with decision 17/CP.7, the CDM modalities and procedures and relevant decisions of the COP/MOP;
 - ☐ The project activity conforms to all other requirements for CDM project activities in decision 17/CP.7, the CDM modalities and procedures and relevant decisions by the COP/MOP and the Executive Board.
- ☐ The following are requirements derived from paragraph 40 of the CDM modalities and procedures:
- ☐ The DOE shall, prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development;
 - ☐ In accordance with provisions on confidentiality contained in paragraph 27 (h) of the CDM modalities and procedures, the DOE shall make publicly available the project design document;
 - ☐ The DOE shall receive, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available;
 - ☐ After the deadline for receipt of comments, the DOE shall make a determination as to whether, on the basis of the information provided and taking into account the comments received, the project activity should be validated;
 - ☐ The DOE shall inform project participants of its determination on the validation of the project activity. Notification to the project participants will include confirmation of validation and the date of submission of the validation report to the Executive Board;
 - ☐ The DOE shall submit to the Executive Board, if it determines the proposed project activity to be valid, a request for registration in the form of a validation report including the project design document, the written approval of the host Party and an explanation of how it has taken due account of comments received.
- ☐ There are only minor issues which should be addressed by the DOE / project participants prior to the registration of the project.

Section below to be filled in by UNFCCC secretariat

Date received at UNFCCC secretariat	14/07/2006
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Reasons for Request:

It does not seem the project activity will result in a reduction of anthropogenic emission of GHG. Although the project designer indicates in the footnote that he will use specially designed boiler that permits to recover heat from gases at low calorific value (40 °C) to produce steam at high pressure that will expand in a turbine for electricity production, it seems impossible to recover heat from waste gases at a so low temperature. Therefore the boiler will need to use the combustion of another fossil fuel for the increase of the gases temperature and the production of high pressure steam. During the site visit the DOE found that the boiler uses LPG (Light Petroleum Gas) that is a fossil fuel, but

simply states: 'As per the information provided by the designer of the boiler equipment, the boiler is designed to operate with low calorific value blast furnace gas alone. He also qualified that the use of auxiliary fuel will be limited to a short duration of 1-2 years during the stabilization of the process. And the DOE concludes with: 'During the site visit, LPG use was evident at the project activity'. It is not sufficient, that DOE simply accepts the statement of the project participant without any further assessment. The problem is not only the need of additional use of fossil fuel to upgrade the quality of the energy content of the waste gases. If as stated in the PDD the waste gases is available at 40°C, there will be no recovery at all of waste heat. Even if the used boiler has a very large heat exchange surface, the temperature difference between the heating fluid (the waste gas) and the heated fluid at the inlet of the boiler (water for steam production) will have to be at least 7°C. This means if the water that feed the boiler is at 33°C (what is common for the temperature at the project site), the exiting gas from the boiler will have to be at least at 40°C. So the waste gas will cross the boiler without any heat recovery. Only the heat from the fossil fuel used to elevate the waste gases temperature will be exchanged with the water for steam generation. The project will therefore lead to no emission reduction of GHG.

The application of the baseline methodology does not comply with the approved and consolidated methodology ACM0004. This approved and consolidated methodology clearly state that the applicability condition is the generation of electricity from waste heat or the combustion of waste gases. The proposed project activity cannot generate electricity from the recovery of the waste heat due to its too low exergetic value. The generation of electricity in this project activity will be exclusively a consequence of the fossil fuel firing. Also, the Table with estimation of ERs (PDD, E.6, P.23) has no source and has an obvious error as project emissions should be degressive