

 <p>CDM project activity registration review form (F-CDM-RR) <i>(By submitting this form, a Party involved (through the designated national authority) or an Executive Board member may request that a review is undertaken)</i></p>	
Designated national authority/Executive Board member submitting this form	
Title of the proposed CDM project activity submitted for registration	Power generation from waste heat of new DRI kilns at JSPL; Project activity 1292
<p>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.</p>	
<p><input type="checkbox"/> <i>The following are requirements derived from paragraph 37 of the CDM modalities and procedures:</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> The participation requirements as set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied; <input type="checkbox"/> 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; <input type="checkbox"/> 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; <input checked="" type="checkbox"/> 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; <input checked="" type="checkbox"/> The baseline and monitoring methodologies comply with requirements pertaining to methodologies previously approved by the Executive Board; <input type="checkbox"/> 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; <input type="checkbox"/> 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. <p><input type="checkbox"/> <i>The following are requirements derived from paragraph 40 of the CDM modalities and procedures:</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> 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; <input type="checkbox"/> 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; <input type="checkbox"/> 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; <input type="checkbox"/> 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; <input type="checkbox"/> 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; <input type="checkbox"/> 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. <p><input type="checkbox"/> There are only minor issues which should be addressed by the DOE / project participants prior to the registration of the project.</p>	
Section below to be filled in by UNFCCC secretariat	
Date received at UNFCCC secretariat	08/01/2008

Reasons for request:

1. The project was conceived in 2003 and submitted for validation only in 2006; so given that the CDM was considered necessary to overcome the barriers, further clarification is required on the delay in submission.
2. Further clarification is required on the technological barriers purported to create difficulties to project implementation, as the power generation system is already in operation. Furthermore the Validation Report states that "invested in process development for using the available raw material in the country and compensating the losses due



- to these technological failures”, hence the technological barriers were dealt with, while no information is provided on the extent of so called technological failures nor of the amount of losses referred to.
3. Further information, evidence and justification is required in relation to barriers due to prevailing practice, as the data provided is vague (“There are not many high capacity kilns”; “the few units such units operating”, etc.) or incomplete.
 4. The DOE states in the Validation Report that “The project activity is unique in terms of the technology of the DRI kilns, its size and capacity”. Further clarification and substantiation is required.
 5. The Validation Report states that “JSPL has also opted for the project activity after taking CDM into consideration and also have opted for higher-pressure configuration, which results in higher efficiencies and thereby higher power generation”. Further clarification is required on whether this configuration is also cost efficient and thus a business as usual decision.
 6. The Validation Report states that “The Govt of India has been giving 100% income tax exemption for power generation which makes the activity more viable”. Further clarification is required on the meaning of “more viable” and further substantiation on the impact of the mentioned tax exemption on the financial and economic flows of the project, and on whether this subsidy is the main objective of the project and thus a business as usual decision.
 7. The DOE states in the Validation Report that “The technology being adopted by the project activity (power generation) is well established and no special training is required”. Further clarification is required on the consistency of this statement vis a vis the purported technological barriers.
 8. The Validation Report states that “The company is operating the Waste Heat Based power plant for last more than one decade. What is new technology in it. The associate company Monnet Ispat Raipur, also HEG, PRAKASH INDUSTRY CHAMPA, TATA SPONGE keonjhar Orissa are operating waste heat power plant in India for over last 8to 9 years”. Further clarification is required on this statement, the associated companies referred to and its meaning.
 9. The Validation Report repeatedly states that “There are barriers associated with the project activity. Thus WHRB based power generation is not the baseline. The project activity is not the baseline as it faces barriers as depicted in the PDD – essentially technological barriers, prevailing practice barriers and other barriers”. However, repetition is not in itself a demonstration. Further substantiation is required.
 10. Further clarification is required on how the baseline has been established and why a less efficient waste heat recovery system than the project activity has not been analysed as an alternative; including those systems already established in other existing kilns.