

Final Ruling Regarding the Request for Registration of “SB Chemical Zinc Plant Fuel Switching Project” (4918)

The CDM-Executive Board decided to reject the above proposed project activity on 3 May 2012, in accordance with the “*Procedures for review of requests for registration*”, version 1.2, EB 55, Annex 40, paragraphs 20 and 28 (the procedures). In accordance with paragraph 27 of the procedures, the ruling shall contain an explanation of the reasons and rationale for the final decision which are as follows:

- The DOE (KECO) failed to demonstrate that the project activity complies with paragraphs 8 and 23 (a) of the applied methodology AMS III.B version 15 as required by paragraphs 66 and 67 of version 1.2 of the Validation and Verification Manual (VVM).
- Paragraph 8 of the methodology states that: “*This category is applicable to project activities where it is possible to directly measure and record the energy use/output (e.g. heat and electricity) and consumption (e.g. fossil fuel) within the project boundary.*” and paragraph 23(a) states that: “*Monitoring shall include: Monitoring of the fossil fuel use (FC_y) and output of element process i after the project activity has been implemented ($Q_{P,i,y}$) - e.g. gas use and heat output by a district heating plant, gas use and electricity generated by a generating unit.*”
- Paragraph 66 of the VVM states that “*...the DOE shall determine whether: (a) The selected methodology is applicable to the project activity; (b) The PP has correctly applied the selected methodology.*” and paragraph 67 states that “*The DOE shall ensure that the selected methodology applies to the project activity and has been correctly applied with respect to following: (a) Project boundary; (b) Baseline identification; (c) Algorithms and/or formulae used to determine emission reductions; (d) Additionality; (e) Monitoring methodology.*”
- The DOE has failed to adequately determine that the project activity complies with the methodology as the heat output of the furnace is calculated using the fuel consumption and zinc products from the furnace, whereas paragraph 8 of the methodology requires direct measurement of the energy use/output.
- The DOE also failed to demonstrate that the project activity is in line with the methodology since the approach chosen to measure and monitor fuel consumption and zinc product (zinc oxide and zinc dust in ton/year) is not in line with paragraph 23 (a) of the methodology that requires direct monitoring of the “*Output of element process i after the project activity has been implemented ($Q_{P,i,y}$)*”.

Please note, however, that, with appropriate revisions, this project activity may be resubmitted for validation and registration provided it meets the requirements for validation and registration, in accordance with paragraph 42 of the CDM Modalities and Procedures (Decision 3/CMP.1).

- - - -

History of the document

Project 4918	Related to EB 55 Annex 40 Paragraphs 20, 27 & 28 3 May 2012	Decision Class: Ruling Document Type: Ruling Note Business Function: Registration
------------------------	--	--