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JOINT IMPLEMENTATION PROJECT DESIGN DOCUMENT FORM Version 01 - in effect as of: 15 June 2006

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SECTION A. General description of the project

A.1. Title of the project:

YARA Köping S2 N₂O abatement project in Sweden

Version: 11th February 2010 (Version #3) Sectoral Scope: 5 – Chemical industry

A.2. Description of the <u>project</u>:

The sole purpose of the proposed project activity is to significantly reduce current levels of N_2O emissions from the production of nitric acid at YARA's nitric acid plant Syra 2 at Köping, Sweden.

The nitric acid plant was designed by Uhde. Commercial nitric acid production started in 1955. It is an atmospheric pressure plant with a daily design production output of 420 metric tonnes of HNO₃ (100% conc.) per day¹. Depending on whether or not the plant is shut down for maintenance purposes or exchange of the primary catalyst gauzes, the plant is operated for around 350 days per year, resulting in an annual production output of up to 147,000 tHNO₃.

To produce nitric acid, ammonia (NH₃) is reacted with air over precious metal – normally a platinum-rhodium- (Pt-Rh) alloy – catalyst gauze pack in the ammonia oxidation reactor (AOR) of the nitric acid plant. The main product of this reaction is NO, which is metastable at the conditions present in the ammonia oxidation reactor and therefore it reacts with the available oxygen to form NO_2 , which is later absorbed in water to form HNO_3 – nitric acid. Simultaneously, undesired side reactions yield nitrous oxide (N₂O), nitrogen and water. N₂O is a potent greenhouse gas with a Global Warming Potential (GWP) of 310^2 . The plant currently emits an average of 4.78kg $N2O/tHNO_3^3$, which means that the continued operation of the plant without any N₂O abatement technology installed could entail emissions of as much as 217,825tCO₂e annually.

The project activity involves the installation of a new N_2O abatement technology: a secondary catalyst that will be installed inside the Ammonia Oxidation Reactors (AOR), underneath the precious metal gauzes. It is expected that this catalyst will reduce approximately 90% of current N_2O emissions on average over its lifetime.

The N_2O abatement catalyst applied to the proposed project has been developed by YARA.

For monitoring the N_2O emission levels, YARA Köping S2 will install and operate an Automated Monitoring System according to EU standards⁴.

YARA Köping S2 adheres to the ISO 9001:2000 management standard⁵ and will implement procedures for monitoring, regular calibrations and QA/QC in line with the requirements of this standard.

⁴ See section D.1 for detailed information.

¹ All nitric acid amounts are provided in metric tonnes of 100% concentrated HNO₃, unless otherwise indicated.

² IPCC Second Assessment Report (1995); applicable according to UNFCCC-decision 2/CP.3, paragraph 3. After 2012 the GWP of N₂O will be 298, as defined by the IPCC Fourth Assessment Report in connection with Art 5 paragraph 3 Kyoto Protocol.

³ See section A 4.3.1 for details

⁵ All quality management documents are stored on the internal YARA Köping database and will be made available to the AIEs upon request.



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A.3. <u>Project participants:</u>

Name of Party involved (*) ((host) indicates a host Party)	Private and/or public entity(ies) project participants (*) (as applicable)	Kindly indicate if the Party involved wishes to be considered as project participant (Yes/No)	
Sweden (host)	YARA AB (Sweden)	No	
Norway	YARA International ASA, Oslo (Norway)	No	
Germany	N.serve Environmental Services GmbH (Germany)	No	

This project will be developed as an independently-verified JI Project activity in accordance with UNFCCC decision 9/CMP.1, paragraph 24. The project will be developed under Track 2 JI, since the Swedish government has decided not to undertake Track 1 projects.

A.4. Technical descr	ption of the <u>project</u> :	
A.4.1. Location	of the <u>project</u> :	
A.4.1.1.	Host Party(ies):	
Sweden		
A.4.1.2.	Region/State/Province etc.:	
Köping Municipality		

A.4.1.3. City/Town/Community etc.:

Köping

A.4.1.4. Detail of physical location, including information allowing the unique identification of the $\underline{project}$ (maximum one page):

Plant address: P.O Box 908 SE - 73129 Köping







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Nya Hamnvägen 14 SWEDEN

The pictures below illustrate the location of the plant:



Figure 1: Location of YARA Köping S2 plant



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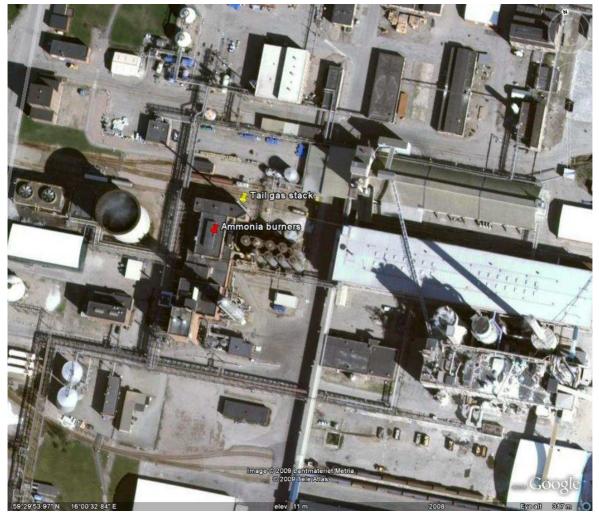


Figure 2: Close up image of YARA Köping S2 plant

The yellow pin indicates the location of the tail gas stack and the red pin shows where the ammonia burners are housed.

Plant Coordinates⁶:

Ammonia burners: 59°29'54.86" N & 16°00'29.69" E Tail gas stack: 59°29'55.29" N & 16°00'31.09" E

A.4.2. Technology(ies) to be employed, or measures, operations or actions to be implemented by the <u>project</u>:

The main parts of the plant as currently set up are the three sets of two ammonia burners (total 6 burners), inside which the ammonia oxidation reaction takes place, the 9 absorption towers where the gas mix from the burner is led through water in order to form nitric acid and the one tail gas stack through which the off-gasses are vented into the atmosphere.

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⁶ Coordinates according to Google Earth©





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The precious metal gauze packs – i.e. the primary catalyst required for the formation of NO in the first step of the nitric acid production process – are manufactured by KAR Rasmussen, located in Norway, and the same primary catalyst composition and supplier will continue to be used throughout the project crediting period

The project activity entails the implementation of:

- Secondary N₂O abatement technology that will be inserted in the ammonia oxidation reactors; and
- Specialised monitoring equipment to be installed at the stack (detailed information on the AMS is contained in section D.1).

Catalyst Technology

A number of N_2O abatement technologies have become commercially available in the past 4 years after several years of research, development and industrial testing. Since the end of 2005, many CDM project activities employing various kinds of N_2O abatement catalysts have been registered with the CDM EB. But these activities are of course limited to plants located in developing nations.

Due to lack of incentives for voluntary reductions before 2008 and the absence of legal limits on industrial N_2O emissions in nearly all the European Union member states, the vast majority of EU-based plant operators have so far not invested in N_2O abatement devices. YARA International ASA (Norway) is a noteworthy exception to this general rule, because the company conducted long term industrial trial runs of its self-developed catalyst system YARA58 Y 1 \circledast in various plants, mainly in France, since 2005.

However, the plant operated by YARA Köping S2 is an atmospheric pressure plant and, with the exception of one recent JI project starting at BASF in Germany, no other atmospheric plants in the world are undertaking JI or CDM projects. This is largely for three reasons:

- 1) Atmospheric plants generally tend to emit less N₂O than medium and high pressure plants (on average 5kg N₂O per tonne of nitric acid produced, as opposed to 7kg and 9kg for medium and high pressure plants respectively according to average plant data compiled by the IPCC)
- 2) The ammonia oxidation reactors (AORs) are often wider in diameter and therefore more catalyst is needed at greater cost
- 3) The AORs generally have less bed depth available for the secondary catalyst and abatement efficiencies are therefore much lower
- 4) Pressure drop resulting from the insertion of secondary catalyst can lead to significant loss of production (only rarely a big problem in medium or high pressure plants)

As a result of high catalyst costs, low baseline and lower abatement efficiency, the overall economics of such projects in atmospheric plants are rarely favourable.

To overcome these issues, Yara is the process of developing a slightly different type of secondary catalyst, with the same material as the Y8-51, optimised for installation in atmospheric plants. This is due to be ready for installation by October 2010, at which point Yara hopes to undertake a JI project also at the S2 plant.

In accordance with the baseline and monitoring methodology AM0034 version 03.4 ('Catalytic reduction of N_2O inside the ammonia burner of a nitric acid plant'), a historic baseline must first be measured to establish the factual emissions of the plant in the absence of any N_2O abatement technology. This baseline measurement will start at the next plant shutdown at the end of April/beginning of May 2010. Following the measurement of this baseline during one production campaign, it is the intention to







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fill the baskets with batches of secondary catalyst (a total of approximately 6.1 tonnes for all 6 burners) from the beginning of the following production campaign in October 2010.

YARA Köping S2 will install the YARA catalyst system, consisting of an additional base metal catalyst that is positioned below the standard precious metal gauze packs in the ammonia burners. Operation with the secondary catalyst installed is expected to start at the beginning of October 2010. The exact date is yet to be confirmed.

A secondary catalyst will reduce N_2O levels in the gas mix resulting from the primary ammonia oxidation reaction. A wide range of metals (e.g. Cu, Fe, Mn, Co and Ni) have shown to be of varied effectiveness in N_2O abatement catalysts. The YARA abatement catalyst contains cobalt as an active ingredient. The abatement efficiency is expected to be around 90% in the following reaction:

$$2 N_2O \rightarrow 2N_2 + O_2$$

If operated properly, the secondary catalyst system is expected to significantly reduce N_2O emissions for up to three years before the catalyst material needs to be replaced.

The materials used in the new YARA secondary abatement catalyst for atmospheric plants are the same as those used for the standard YARA Y8-51 catalyst, which is successfully installed in many CDM and JI projects all over the world. This material has been proven by industrial testing not to have any positive effect on plant production levels⁷. Also, only traces of the catalyst material at concentrations of parts per billion can be found in the nitric acid product⁸.

No additional heat or other energy input is required, because the temperature levels present inside the ammonia oxidation reactor suffice to ensure the catalyst's optimum abatement efficiency. There are no additional greenhouse gases or other emissions generated by the reactions at the N₂O abatement catalyst.

N₂O abatement catalyst installation

The secondary catalyst itself can easily be installed during a routine plant shut-down and gauze change. The catalyst is inserted into the support basket / perforated plate arrangement and the gauze pack is then installed directly above the catalyst.

After the end of its useful life, the catalyst will be refined, recycled or disposed of according to EU regulations.

YARA's Köping S2 nitric acid plant operates at atmospheric pressure inside the ammonia oxidation reactors. Through the introduction of the secondary catalyst into the ammonia reactor, a slight pressure drop (ΔP) is expected to occur. This ΔP may lead to a slight reduction in ammonia conversion efficiency and hence a very small reduction in nitric acid output. In practice, this loss of production is likely to be insignificant.

Technology operation and safety issues

As mentioned before, the Yara secondary abatement material has been tested in several industrial trials and has proven to be a reliable and environmentally safe method of reducing N_2O .

⁷ See the European IPPC Bureau publication "Integrated Pollution Prevention and Control; Reference Document on Best Available Techniques for the Manufacture of Large Volume Inorganic Chemicals – Ammonia, Acids and Fertilizers (August 2007), page 152 therein.

⁸ This has been proven in industrial testing of the Y8-51 catalyst. The underlying information is commercially sensitive and will be made available to the DOE mandated with the determination procedure upon request. General information on this question is contained in the European IPPC Bureau publication "Integrated Pollution Prevention and Control; Reference Document on Best Available Techniques for the Manufacture of Large Volume Inorganic Chemicals – Ammonia, Acids and Fertilizers (August 2007), page 152 therein (available for downloading under http://eippcb.jrc.ec.europa.eu/pages/FActivities.htm)





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Once installed, the catalyst and the AMS will be operated, maintained and supervised by the employees of YARA Köping according to standards that are normally used in the European industry⁹. Due to the fact that the catalyst is developed by Yara itself, there is expert know-how readily available within the YARA group. Therefore, YARA Köping is very confident that the effective operation of the catalyst technology, the operation of the monitoring system and the data collection, storage and processing can be managed in accordance with the JI requirements. Adherence to the applicable standards will be ensured by thorough training sessions for the YARA employees involved.

A.4.3. Brief explanation of how the anthropogenic emissions of greenhouse gases by sources are to be reduced by the proposed JI <u>project</u>, including why the emission reductions would not occur in the absence of the proposed <u>project</u>, taking into account national and/or sectoral policies and circumstances:

Without JI participation (and therefore in a 'Business as Usual' scenario), emission levels would:

- Remained unchanged until end of December 2012, because:
 - o there is currently no legal requirement for YARA Köping to reduce the emissions of its plant;
 - o implementing N_2O reduction catalyst technology requires significant investments and may result in some technical difficulties with regard to the plant's operation, potentially even causing a reduction in production output; and
 - o implementing N₂O catalyst technology does not yield any other benefits besides potential revenues from ERU sales.

More detail on these assumptions will be provided in section B.2 below.

A.4.3.1. Estimated amount of emission reductions over the crediting period:

The following paragraph describes the estimated emission reductions achievable by the project activity.

Nitric acid production and estimation of baseline emissions

The factual emission reductions depend on the factual emissions of the plant prior to installation of the catalyst and the amount of nitric acid produced. In accordance with AM0034, emission reductions are determined per unit of product measured in metric tonnes of 100% concentrated nitric acid produced. At YARA Köping S2, the nitric acid production is monitored by a coriolis flow meter for continuous HNO₃-flow and HNO₃ concentration measurement. The concentration measurement is checked once a shift by the operator and once a month by a central laboratory.

Table 1 below displays the budgeted nitric acid production amounts for the years 2010 to 2012 and the estimated N_2O emissions in the absence of the secondary abatement catalyst. Measurements taken at the plant from Oct 06 to Oct 07 show an average N_2O concentration of 750ppm¹⁰, while the second year's measurements taken between Apr 08 and Apr 09 show an average of

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⁹ See section D.3 below.

¹⁰ Measurements were taken after the individual burners and recalculated to tail gas conditions with 3% oxygen.







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779ppm. This means that the total average N_2O concentration over a period of two years at the plant was 765ppm, which equates to approximately $4.78 kg N_2O/tHNO_3$.

These measurements were taken with a 'Rosemount Gaslog 800' measuring device, which will be replaced with an EN14181-compliant analyser for the purposes of the project activity.

Since the baseline emissions factor is not yet available at the time of writing this PDD, this preliminary baseline emissions factor of 4.78kgN₂O/tHNO₃, in conjunction with the predicted abatement efficiency of the catalyst (90%), will be used in this PDD in order to make realistic assumptions on the likely baseline and project emissions factors that might be expected during the baseline and project campaigns respectively.

Year	Budgeted nitric acid	Emissions factor	Expected baseline emissions (tCO2e/yr)
2010	135.000	4,78	200.043
2011	136.000	4,78	201.525
2012	136.000	4,78	201.525
Following years	136.000	4,78	201.525

Table 1: Planned nitric acid production and estimated baseline N₂O emissions at Köping S2

Accordingly, the **following assumptions** apply to the establishment of the emissions reductions eligible to receive ERUs:

- The project activity starts on 1st October 2010;
- YARA Köping S2 produces the amounts of nitric acid according to the production budget provided above, each year's production being equally distributed throughout the period;
- The secondary catalyst employed performs with an expected abatement efficiency of 90% throughout the project's lifetime (resulting in an average project emissions factor of 0.48kgN₂O/tHNO₃).
- The ERU figures included in this PDD are *estimations* only. ERUs will therefore be awarded for those factual emissions reductions actually achieved below the UNC-corrected baseline emissions factor and subsequently verified by the responsible AIE, and *not* in accordance with the preliminary estimations provided in this PDD.

In the case of introduction of national or local regulations that would limit N_2O emissions at Köping S2, ERUs would be awarded only for those emissions reductions that take place below the new regulatory level, in accordance with the Methodology AM0034.

The following tables 2 and 3 display the emissions reductions expected during the crediting period¹¹.

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¹¹ The values indicated in the tables also take into account the estimated uncertainty of the Automated Monitoring System (UNC); this UNC deduction is explained in more detail in section D.1.2.2. A conservative UNC of 5% has been used for the calculations in this PDD, but in reality this is expected to be slightly lower.

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Crediting Period (years)	Nitric Acid Production [tHNO3]	Emission Reductions [tCO ₂ e]
2010	33,750	42,478
2011	136,000	171,170
2012	136,000	171,170
Subtotal (estimated)	305,750	384,817
Average per year (until end 2012)	135,889	171,030

Table 2 (part A): Estimated emission reductions until 2012

Crediting Period (years)	Nitric Acid Production [tHNO3]	Emission reductions [tCO ₂ e]
2013	136,000	164,544
2014	136,000	164,544
2015	136,000	164,544
2016	136,000	164,544
2017	136,000	164,544
2018	136,000	164,544
2019	102,000	123,408
Total number of crediting years		10
Total estimated (2009 to 2019)	1,223,750	1,495,487
Annual average (2009 to 2019)	122,375	149,549

Table 3 (part B): Estimated emission reductions from 2013 onwards.

A.5. Project approval by the Parties involved:

The Swedish government has decided that JI projects to be undertaken on Swedish territory should be implemented in accordance with the JI Track 2 procedures. The project proponents submitted on 12th October 2009 a Project Idea Note (PIN) to the Swedish DFP (Swedish Energy Agency) and requested a

^{*} Due to the likely inclusion of N_2O emissions emanating from nitric acid production into the EU ETS from 1^{st} January 2013 onwards, the project may not be eligible to earn ERUs after that time, or continuing the project under the JI may not be economically viable. Also, from 2013 onwards a GWP of 298 for N_2O , as defined by the IPCC Third Assessment Report, will be applied. This is why this PDD differentiates between prospective emission reductions achieved until 31^{st} December 2012 and emissions reductions generated from 1^{st} January 2013 onwards.





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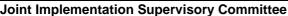
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Letter of Endorsement (LoE). The DFP issued a LoE for the project on 11th November 2009, stating that they do not have any objections to the realisation of the planned JI project.

A final decision by the DFP regarding approval of the JI project (in the form of an official Letter of Approval) will be taken only after the final PDD and Determination Report have been submitted to the DFP.









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SECTION B. Baseline

B.1. Description and justification of the baseline chosen:

Applicability of AM0034

The CDM methodology AM0034 is applicable to project activities aiming to install secondary N_2O abatement at a nitric acid plant. YARA Köping S2 consists of three sets of two ammonia burners feeding into nine absorption columns. The off-gasses are emitted through one tail gas stack. The secondary N_2O catalyst system will be inserted into the ammonia reactors during a routine shut down; the abatement system is installed underneath the primary catalyst gauzes. This corresponds to the defined scope of the methodology.

Furthermore, the additional applicability criteria of the chosen methodology are met by the proposed project activity. These are:

- 1. The proposed project activity will be applied to a production facility that was operated for commercial nitric acid production before the 31st December 2005 (based on design capacity installed).
- 2. Currently, no N₂O abatement technology is installed in the plant that could be affected by the project activity.
 - No N₂O abatement technology is currently installed at the plant.
- 3. The project activity has no positive influence on the plant's nitric acid production levels. A plant's production levels are not positively affected by the installation of a secondary N_2O catalyst¹².
- 4. The host country does not have any legal requirements to reduce N_2O emissions from nitric acid plants.
 - Swedish environmental legislation, be it on national or local level, currently does not limit or otherwise regulate N_2O emissions.
- 5. The project activity will not increase NO_X emissions.
 - The secondary catalyst technology to be installed has no effect on NO_X emission levels¹³. In addition, the regular and compulsory NO_X tests conducted by YARA, and reported to the responsible local environmental authority, would reveal any changes in NO_X emission levels.
- 6. There is no NSCR De-NO_x unit installed in the plant.
 - No NSCR technology is installed at the plant. The plant is in compliance with its NO_X emission limits, thanks to its existing SCR de-NOx unit.

Due to the very specific plant design of Syra 2, the project participants would like to point out the adoption of a project-specific approach, for example regarding the production campaign lengths.

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¹² See the European IPPC Bureau publication "Integrated Pollution Prevention and Control; Reference Document on Best Available Techniques for the Manufacture of Large Volume Inorganic Chemicals – Ammonia, Acids and Fertilizers (August 2007), page 152 therein.

¹³ See the European IPPC Bureau publication "Integrated Pollution Prevention and Control; Reference Document on Best Available Techniques for the Manufacture of Large Volume Inorganic Chemicals – Ammonia, Acids and Fertilizers (August 2007), page 124 f. therein.



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The methodology AM0034 states that "the start of a campaign is characterized by the installation of a new set of primary catalyst gauzes in the oxidation reactor.......the period of time beginning from the installation of a new gauze pack until the subsequent plant shut down is defined as a 'campaign'".

In the case of Syra 2, the pattern is slightly more complex. There are three sets of two ammonia oxidation reactors (a total of 6 burners), named systems 1, 2 & 3. Since all 3 systems lead into one stack, it is impossible to monitor which emissions can be attributed to which individual burner or set of burners.

The primary catalyst gauzes are changed in rotation in each of these systems at intervals of several months; Firstly the gauzes are changed in the two burners of system 1, several months later the gauzes are changed in the two burners of system 2, and then several months later the gauzes are changed in system 3. The whole cycle begins again a few months later with another gauze change in system 1.

Each gauze change in any one of the systems is considered to be the beginning of a new production campaign. At any such changeover there will always be one system with completely new gauzes, one system with gauzes that have been used for one campaign and one system with gauzes that have been used for two campaigns.

The production 'campaign length' is therefore defined as the total number of metric tonnes of nitric acid at 100% concentration produced between one primary catalyst gauze change and the next.

Regulatory framework

The regulatory framework for implementing JI projects in Sweden is influenced by several acts of law. The fundamental framework is provided by the Kyoto Protocol to the United Nations Framework Convention on Climate Change ("UNFCCC") and subsequent decisions by UNFCCC-entities, most importantly the decisions of the Conference of the UNFCCC Parties serving as the Meeting of Parties to the Kyoto Protocol ("CMP") and the Joint Implementation Supervisory Committee ("JI SC").

In addition, there is the European Union legislation adapting the Kyoto JI framework for application in its member states such as the Emissions Trading Directive¹⁴, the Linking Directive¹⁵ and various JI relevant decisions by EU bodies¹⁶. Besides acts of law of direct relevance, there are also Directives that have an indirect influence on JI implementation such as the IPPC Directive¹⁷.

EU Directives do not entail direct consequences on private entities located in the EU member states. In order to be enforceable on member state level, they generally have to be transformed into national legislation by the respective member state. These national transformation acts, as well as other national legislation, are the third layer of the regulatory framework relevant for JI project implementation. In Sweden, the most relevant transformation laws are the 'Ordinance amending the Emissions Trading Ordinance (2004:1205)', dated 31st August 2006, and the 'Regulation concerning project based mechanisms under the Kyoto Protocol', dated 18th October 2006.

Sweden has opted to follow JI Track 2 for the implementation of its JI projects.

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¹⁴ 2003/87/EC, published on the internet under http://ec.europa.eu/environment/climat/emission/implementation_en.htm

¹⁵ 2004/101/EC, published on the internet under http://ec.europa.eu/environment/climat/emission/implementation_en.htm

¹⁶ Such as the Double Counting decision 2006/780/EC, published on the internet under http://ec.europa.eu/environment/climat/emission/pdf/1/31620061116en00120017.pdf

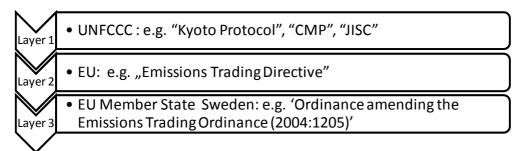
¹⁷ 2008/1/EC, published on the internet under http://ec.europa.eu/environment/air/pollutants/stationary/ippc/index.htm







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llustration: Three layers of jurisdiction relevant for the implementation and subsequent operation of N2O nitric acid JI projects in Sweden

The JI SC has specified that JI project proponents may choose between two options when implementing JI projects: they may either (i) use a multi project emission factor (ii) or establish a project specific baseline ¹⁸. Due to the significant variances typically observable in different nitric acid plants, it would not be appropriate to derive a multi-project emission factor. Instead, the project proponents will measure a project-specific historic baseline, as defined in AM0034 version 03.4.

This project is based on Approved Baseline and Monitoring methodology AM0034 (Version 03.4): "Catalytic reduction of N_2O inside the ammonia burner of nitric acid plants".

Furthermore, the project draws on approved baseline methodology AM0028 (Version 04.2) for the baseline scenario selection and employs the "Tool for the demonstration and assessment of additionality" (Version 05.2).

Identification of the baseline scenario

The approved baseline methodology AM0034 (Version 03.4) refers to AM0028 (Version 04) with regard to the identification of the baseline scenario. Furthermore, the following steps are based on the "Combined Tool to identify the baseline scenario and demonstrate additionality" (Version 02.2)¹⁹.

Step 1 – Identify technically feasible baseline scenario alternatives to the project activity

The baseline scenario alternatives should include all possible options that are technically feasible to handle N₂O emissions. These options are, inter alia:

- Status quo: The continuation of the current situation
- Switch to alternative production method not involving ammonia oxidation process;
- Alternative use of N₂O such as:
 - o Recycling of N2O as a feedstock for the plant;
 - o The use of N₂O for external purposes.
- Installation of a Non-Selective Catalytic Reduction (NSCR) DeNOx unit;
- The installation of an N₂O destruction or abatement technology:

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¹⁸ The requirements for this approach are outlined in the 4th JI SC Meeting Report, Annex 6 "Guidance in the Criteria for Baseline Setting and Monitoring" (Version 01), section B; paragraphs 18 ff. (see the internet under http://ji.unfccc.int/Sup_Committee/Meetings/index.html for reference).

¹⁹ AM_Tool_02, provided by the CDM EB in its 28th Meeting; published on the UNFCCC web site under http://cdm.unfccc.int/Reference/tools/index.html



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- Tertiary measure for N₂O destruction;
- Primary or secondary measures for N2O destruction or abatement.

These options should include the JI project activity not implemented as a JI project.

1.1 Assessment and continuation of the current situation, the "Status Quo"

There is currently no N₂O abatement technology installed in the plant and Yara Köping S2 would not invest in any N_2O abatement technology in the future in the absence of any regulations restricting N_2O emissions at the plant.

1.2 Switch to alternative production method not involving ammonia oxidation process

Changing the production process would require setting up a new production facility, because the present plant cannot be amended to employ a different production procedure. Choosing another production procedure would also not be state-of-the-art, because the current operating procedures are the most advanced available.

1.3 Alternative use of N2O, such as:

Recycling of N2O as a feedstock for the plant

The use of N_2O as a feedstock for the production of nitric acid is not feasible, because it is not possible to produce nitric acid from N₂O at the quantities emitted during nitric acid production.

The use of N2O for external purposes

The use of N₂O for external purposes is not practised anywhere in the world, as it is technically and economically unfeasible. The quantity of gas to be used as a source is enormous compared to the amount of nitrous oxide that could be recovered. The average N₂O concentration in the tail gas of the Köping S2 plant during standard operation without any abatement catalyst would be around 765 ppmv²⁰, which is considered far too low to economically recover and separate from the tail gas.

1.4 Installation of a Non-Selective Catalytic Reduction (NSCR) De-NOx unit (step 1b);

The NSCR scenario alternative could be triggered by NO_X regulation. From this perspective, YARA Köping S2 could be forced to reduce N₂O in a business as usual scenario if NO_x regulation forced the plant operators to install NSCR technology. Such technology would be useful for reducing NO_X emission levels, but would also lower N₂O emissions.

However, the installation of a Non-Selective Catalytic Reduction (NSCR) de-NO_x catalyst unit is uneconomic, because YARA Köping S2 is already in compliance with the prevailing NO_X regulations²¹. The EFMA BAT reference document explains that an NSCR functions by injecting hydrogen, natural gas or hydrocarbons over a precious metal based catalyst, leading to high investment and operational costs. The use of hydrocarbons as a reducing agent also results in emissions of carbon monoxide, CO₂ and unburned hydrocarbons. Also, NSCR units require very high tail gas temperatures to be able to function. By being led through the absorption tower the gas mix has been cooled down to a temperature

²⁰ This value is derived from the average N₂O emissions readings taken at Köping S2 between 2006 and 2009

²¹ Environmental permit 'BESLUT nr 72/89', dated 8th June 1989 (page 89 therein)



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level below that required for NSCR abatement catalysts to function²². Because of this, an NSCR abatement system would only work if the stack gas mix is re-heated²³.

If even lower NO_X levels were introduced, the most economical option would instead be to upgrade the existing SCR NO_X abatement unit already installed at the plant. However, the current NOx emissions limit applicable at YARA Köping S2 is $200ppm^{24}$, while the plant's average NOx emissions are only $128ppm^{25}$. The regulatory levels would therefore need to be significantly lower in order to enforce any additional adaptation requirements upon the plant.

As the existing $SCR-NO_X$ abatement system is already very efficient, there would be no point in also installing NSCR, even if this technology were considered an alternative option.

Therefore, at this stage, baseline scenarios 1.2, 1.3 & 1.4 can be excluded from further assessment.

1.5 Implementation of primary, secondary and tertiary technologies

Since the primary catalyst composition is the most significant factor in determining nitric acid production efficiency and is carefully calculated to ensure a maximum production of HNO_3 at minimum cost, producers are not willing to take any risks that may affect their nitric acid production by experimenting with different primary catalyst compositions to potentially influence N_2O levels. For the specific reduction of N_2O emissions, producers only consider installation of the already widely-tested and well-proven secondary and tertiary catalyst technologies.

Tertiary measures may be considered when building a new plant, but installation in an existing plant is rarely an economical option. It is necessary to install a complete additional reactor between the absorption column and the tail gas stack in order to house the catalyst, and as with the NSCR system, the tail gas generally needs to be re-heated to a temperature high enough for the tertiary catalyst to function. Both these requirements mean that tertiary catalyst is ultimately considerably more expensive than secondary catalyst and a longer period of plant downtime is necessary in order to install the additional reactor²⁶.

Step 2 – Eliminate baseline alternatives that do not comply with legal or regulatory requirements:

There are currently no national and no regional regulatory restrictions for YARA Köping S2 in Sweden regarding N₂O emissions.

The only requirement regarding N_2O emissions imposed by the Swedish Environmental Protection Agency ('Naturvårdsverket') is that emissions must be reported once a certain threshold is exceeded. In the case of Yara Köping, the combined N_2O emissions from plants Syra 2 and Syra 3 must be reported to the EPA if they jointly exceed 10,000 kg/year. Since the quantity of N_2O emitted by both plants is far above this threshold, Yara Köping reports its emissions each year and the figures are made publicly

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NSCR abatement catalysts require a gas mix temperatures of around 550°C in order to operate effectively; see the booklet no. 2 of the European Fertilizer Manufacturers Association (EFMA), published in the internet under http://www.efma.org/EPUB/easnet.dll/ExecReq/Page?eas:template_im=000BC2&eas:dat_im=000EAE (page 17 therein) for further information.

²³ For other disadvantages of NSCR technology see the EFMA-booklet published on the internet under http://www.efma.org/EPUB/easnet.dll/ExecReq/Page?eas:template_im=000BC2&eas:dat_im=000EAE (page 18 therein).

²⁴ Environmental permit 'BESLUT nr 72/89', dated 8th June 1989 (page 89 therein)

²⁵ Average NOx emission measurements taken during the period January 2008 to October 2009

²⁶ Footnotes 23 and 24 also tend to apply to tertiary catalysts, depending on the exact type.



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available in the 'Pollutant release and transfer registry'. The reported emissions figures will be made available to the determining AIE.

 NO_X -emissions are regulated by an operational permit for the YARA Köping S2 plant. According to the relevant Environmental permit ('BESLUT nr 72/89', dated 8th June 1989), the permitted level since 1994 is 200ppm. According to readings taken with the Rosemount Gaslog analyser during 2008 and 2009^{27} , the plant is in compliance with these requirements. The measurements during this period show an average concentration of 128ppm.

YARA Köping S2's NO_x emissions will remain constant and in compliance with the regulatory limit also after the installation of the secondary catalyst. NOx emissions at Köping S2 are reported to the municipal authorities once per month and the national authorities (Länsstyrelse and naturvårdsverket) once per year.

In consequence, all scenarios are in compliance with all applicable laws and regulatory requirements.

Step 3 - Eliminate baseline alternatives that face prohibitive barriers (barrier analysis)

At the next step, baseline alternatives that face prohibitive barriers are eliminated from the further baseline identification process (barrier analysis).

On the basis of the alternatives that are technically feasible and in compliance with all legal and regulatory requirements, a complete list of barriers that would prevent alternatives to occur in the absence of JI is established.

Barriers include:

Investment barriers

The investment barriers analysis asks which of the remaining scenario alternatives is likely to be prevented by the costs associated with it becoming reality. The assumption is that these scenarios would be unlikely to be the business as usual scenario.

None of the N_2O destruction technology options (including NSCR) are expected to generate any financial or economic benefits other than JI-related income. Their operation does not create any marketable products or by-products. Plant operators would face significant investment requirements if they decided to install N_2O abatement (including NSCR) technology. Unless there is a legal obligation to reduce N_2O emission levels (NO_X limits already being complied with), there is no need to overcome these barriers. See step 1 (1.4) above for additional information on investment barriers facing NSCR technology.

Any operator willing to install and thereafter operate N₂O abatement technology under the JI faces significant investment and additional operating costs:

The proposed project activity aims to install and operate 6 batches of secondary catalyst technology at the plant throughout the crediting period. In order to assess the project emissions, an Automated Monitoring System (AMS) has to be installed and operated. In addition to the initial investment for the 6 batches of catalyst material and a suitable AMS, Köping S2 employees and management will have a significant additional work load to cope with in order to initiate the project activity and maintain it for the project's lifetime. Required training for AMS operation has to be undertaken by the responsible staff, and AMS calibration and other JI Project-related audits have to be arranged, facilitated and paid for.

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²⁷ NO_X-readings will be provided to the AIE during the on-site Determination.





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Only the revenues from ERU sales would therefore be sufficient to pay back the investment costs of the project activity. The registration of the project activity as a JI Project is therefore the decisive factor for the realisation of the proposed project activity.

For all these reasons, the only alternative that does not face significant investment barriers is 1.1, the "continuation of the status quo".

Technological barriers

Firstly, sufficient infrastructure does exist to enable the implementation of the secondary catalyst, and Yara personnel are suitably skilled to operate this technology.

However, all of the available N_2O abatement technologies have to be integrated in the nitric acid plant. Primary abatement technologies would be installed inside the ammonia oxidation reactor where they may, if not correctly designed and installed, interfere with the nitric acid production process by causing a deterioration of product quality or a loss of production output. Tertiary measures require the installation of a complete reactor between the absorption column and the stack, as well as a re-heating system, which may cause significant downtime of the plant during construction and commissioning.

Since very little experience exists with implementing secondary abatement technologies in atmospheric pressure nitric acid plants, the technological risks are more significant than with medium and high pressure plants. When a bed of secondary catalyst is installed inside the burner, it is more likely that the plant will encounter problems associated with pressure drop. This is especially the case where the bed depth is very limited (as is the case at S2). This may affect the gas flow through the burner, potentially lowering nitric acid production yields.

It is therefore unlikely that any plant operator would be willing to confront these possible technical risks and install such technologies on a voluntary basis without the incentive of any regulatory requirements (emissions caps) or financial benefits (such as revenues from the sale of ERUs).

For these reasons, all the above scenarios, with the sole exception of the continuation of the status quo, face technological barriers.

Barriers due to prevailing practice

This test reconfirms the previous assessments: If the steps taken so far have led to the conclusion that one or more baseline scenario alternatives meet investment related or technological barriers, these scenarios should be excluded. Of course, similar plants that gain ERU or CER revenues by participating in the JI or CDM, and can thus overcome the identified barriers by using the additional financial means available, are not to be taken into account.

So far, secondary catalyst technology has only been operated in some European countries on an industrial trial basis. Researching this technology made sense due to the prospective revenues obtainable under the Kyoto Protocol's Clean Development Mechanism (CDM), by employing it in nitric acid plants located in developing nations on a voluntary basis. Also, it is expected that N₂O emissions from nitric acid production may be included in the European Union Emissions Trading Scheme ("EU ETS")²⁸ from

²⁸ On 23rd January 2008, the EU Commission published a communication on its post-2013 climate change strategy (see http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2005:0035:FIN:EN:PDF), which announces the determination to expand the EU ETS beyond its present scope, especially mentioning the inclusion of non-CO₂ gasses into the system. This development is no news to the industry, because responding to Article 30 of the EU ETS Directive 2003/87/EC, the Commission had submitted a report to the European Parliament and the Council considering the inclusion of non-CO₂ GHGs into the EU ETS already in November 2006. See the EU homepage under http://ec.europa.eu/environment/climat/emission/pdf/com2006_676final_en.pdf for this report which expressly considers extending the EU ETS into N₂O emissions (see page 6 therein).



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2013 onwards or regulated otherwise. Both aspects provided some incentive for developing N_2O abatement technology.

However, since there are only two atmospheric plants out of more than 100 in the world that have so far decided to install secondary catalyst technology, this can by no means be considered common practice in the industry.

For European nitric acid producers, the only incentive to operate such technology before the likely inclusion of N₂O emissions into the EU ETS from 2013 onwards is to take advantage of the incentives available under the Kyoto Protocol's Joint Implementation ("JI") mechanism. While this option has in principle been available since the beginning of 2008, EU member states took some time developing a coherent policy approach on whether or not to allow JI participation in their respective territories, and if so, under which conditions. This process has not been fully completed yet.

JI projects in medium and high pressure plants are currently being developed across the EU, e.g. Poland, Lithuania, Hungary, Romania, Bulgaria, France, Finland and Germany. Only one atmospheric pressure plant (in Germany) is undertaking a JI N₂O-reduction project.

All scenarios, with the exception of the continuation of the "Status Quo", face significant investment barriers, as well as some technological and common practice barriers, and therefore have to be excluded from further analysis.

Conclusion

The only scenario that does not face any technical, investment or common practice barriers and that is in compliance with all applicable regulations is the continuation of the present situation, the 'Status Quo': the continued operation of the plant without installing any N₂O reduction technology.

B.2. Description of how the anthropogenic emissions of greenhouse gases by sources are reduced below those that would have occurred in the absence of the JI project:

In this step, the JI project's additionality is ascertained. Project proponents need to demonstrate that the intended JI activity could only be realised if ERU sales revenues were available to offset the investments to be made. Because the project has no revenues other than JI-related revenues, a simple cost analysis is sufficient for demonstrating the project's additionality²⁹.

The proposed project activity aims to install 6 batches of secondary catalyst technology at the plant (a total of approximately 6.1 tonnes) and to operate this catalyst throughout the crediting period. In order to assess the project emissions, an Automated Monitoring System (AMS) has to be installed and operated. In addition to the initial investment for the catalyst, YARA Köping S2 employees and management will have a significant additional work load to cope with in order to initiate the project activity and maintain it for the project's lifetime. The required training for catalyst and AMS operation has to be undertaken by the responsible staff, and the regular AMS calibration and other JI-related audits have to be arranged, facilitated and paid for.

As previously assessed, YARA Köping S2 has no need to invest in any N₂O destruction or abatement technology at present and so the identified baseline scenario alternative (the operation of the nitric acid plant without an N₂O abatement catalyst) would not incur any additional costs.

²⁹ See the "Tool for the demonstration and assessment of additionality" (Version 05.1); CDM EB 39th Meeting Report, Annex 10; published under http://cdm.unfccc.int/EB/039/eb39_repan10.pdf.





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Revenues from the sale of ERUs are the only source of income that would be generated by the project activity.

In consequence, no income other than ERU sales revenues could be used to pay back the investment costs. The registration of the project activity as a JI Project and the resulting expected ERU revenues are the single source of project revenues. JI registration is therefore the decisive factor for the realisation of the proposed project activity.

The proposed JI project activity is undoubtedly additional, since it passes all the steps of the Additionality assessment, as defined by section B.2 above.

The identification of the baseline scenario and assessment of additionality should be re-conducted following any changes in legislation that may affect the JI project activity.

Conclusion

Köping S2 currently has no need to make any investment to decrease its N_2O emissions. Without the revenues from the sale of the ERUs generated by the project activity there would be no incentive to justify the additional cost and technical risks associated with the implementation of the project activity. The project activity would not take place without the revenues from the sale of ERUs and therefore JI Project registration is the decisive factor for the realisation of the proposed project activity.

B.3. Description of how the definition of the <u>project boundary</u> is applied to the <u>project</u>:

The project boundary entails all parts of the nitric acid plant in so far as they are needed for the nitric acid production process itself. With regard to the process sequence, the project boundary begins at the ammonia burner inlets and ends at the tail gas stack. If and when installed, any form of NO_X -abatement device, such as the SCR unit, shall also be regarded as being within the project boundary, since this does not reduce N_2O emission levels.

The flow chart below provides an overview of the plant's process flow:



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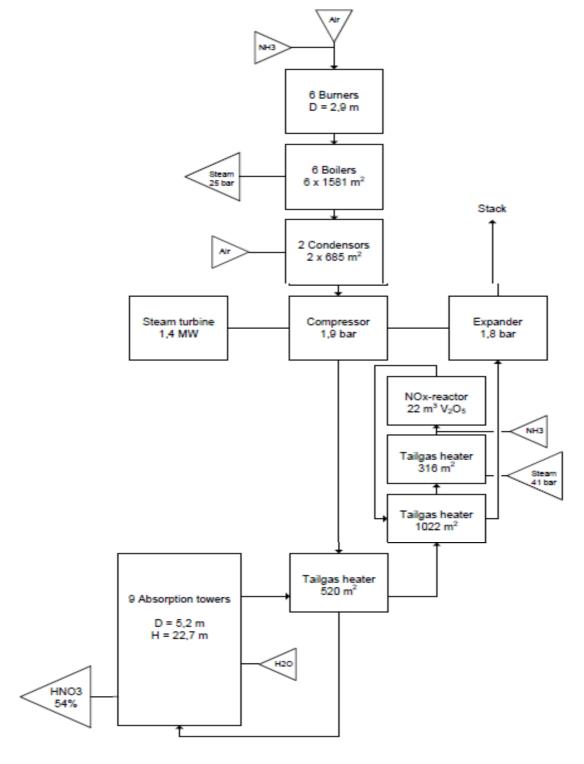


Illustration: Flow chart for the YARA Köping S2 nitric acid plant.

An overview of all emission sources within the project boundary is provided below:

	Source	Gas	Included?	Justification / Explanation
sel 1e	Nitric Acid Plant	CO_2	No	The process does not lead to
Basel	(Burner Inlets to Stack)	CH ₄	No	any CO ₂ or CH ₄ emissions





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		N ₂ O	Yes	
	N'' A 'I DI	CO_2	No	The process does not lead to
ity	Nitric Acid Plant	CH ₄	No	any CO ₂ or CH ₄ emissions
Activ	(Burner Inlets to Stack)	N ₂ O	Yes	
Project Activity	Leakage emissions	CO_2	No	No leakage emissions are
Proj		CH ₄	No	expected.
		N ₂ O	No	

Table 4: Overview of all emission sources within the project boundary

B.4. Further <u>baseline</u> information, including the date of <u>baseline</u> setting and the name(s) of the person(s)/entity(ies) setting the <u>baseline</u>:

Since the measurement of the baseline campaign has not yet been undertaken at the time of writing this PDD, the date of the final baseline setting cannot yet be defined.

However, a 'preliminary baseline emissions factor' of $4.78 kg N_2 O/t HNO_3$ has been used for estimating in this PDD the expected emission reductions that will result from the project activity. This factor of $4.78 kg N_2 O/t HNO_3$ is based on the total average $N_2 O$ concentration over a period of two years at the plant, as explained in section A.4.3.1 above. $N_2 O$ data was obtained using a Rosemount Gaslog 800 analyser.

The final request for issuance of ERUs will not be based on the conservative preliminary estimations in this PDD, but using the factual historic baseline emissions factor, which will be determined following the measurement of an historic baseline in the absence of the N_2O destruction technology.

The preliminary baseline emissions factor was calculated by Mrs Rebecca Cardani-Strange of N.serve Environmental Services GmbH on 9th December 2009.

SECTION C. Duration of the <u>project</u> / <u>crediting period</u>

C.1. Starting date of the project:

Likely start date of baseline campaign: 01/05/2010.

Likely start date of project campaign: 01/10/2010

The N_2O abatement catalyst is in the final stages of development and will only be ready for installation in late summer 2010. Since the catalyst can only be installed during a routine shut-down, the official starting date of the project is most likely to be the beginning of October 2010, when a new production campaign is scheduled to start (the exact date is yet to be confirmed).

Since it is uncertain as to when the official approval of the Swedish government will be received, the Swedish DFP has stated that it has no objections to retroactive crediting from the start of the project activity, and that project participants shall be entitled to ERUs for emission reductions physically achieved from the date of catalyst installation onwards.



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C.2. Expected operational lifetime of the project:

Since the expected lifetime of the catalyst is three years, the anticipated duration of the project's operational life is three years. In reality, however, the project is expected to run for only 2 years and 3 months (until the end of December 2012), since it is expected that N_2O emissions from HNO₃ plants will be covered by the EU ETS from 2013 onwards and that the project will no longer be viable³⁰. If this is not the case, and N_2O is not otherwise regulated in a way that prohibits the continuation of the project, the catalyst will continue to be replaced every 3 years for a total operational life of 10 years, in accordance with the crediting period specified in C.3 below.

The S2 plant has an operational life of at least another 15-20 years and is therefore expected to be fully operational for the whole 10-year crediting period and beyond.

C.3. Length of the <u>crediting period</u>:

The starting date of the project crediting period is expected to be 01/10/2010.

The Project Participants herewith apply for a crediting period of 10 years. The JI project will be terminated earlier if there is a legal requirement to do so. All laws relevant for this project³¹ will be complied with at all times during the chosen crediting period.

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³⁰ See footnote 29

³¹ See section B.1 above for more detailed information.







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SECTION D. Monitoring plan

D.1. Description of monitoring plan chosen:

The emission reductions achieved by the project activity will be monitored using the approved monitoring methodology, AM0034, as prepared by N.serve Environmental Services GmbH, Germany. It is the appropriate monitoring methodology to be used in conjunction with the baseline methodology AM0034, "Catalytic reduction of N_2O inside the ammonia burner of nitric acid plants". Its applicability depends on the same prerequisites as the mentioned baseline methodology.

AM0034 requires the use of the European Norm EN14181 (2004) "Stationary source emissions - Quality assurance of automated measuring systems" as a guidance for installing and operating the Automated Monitoring System (AMS) in the nitric acid plants for the monitoring of N₂O emissions.

An Automated Measuring System (AMS) consisting of the following shall be used for monitoring:

- An automated gas analyser system that will continuously measure the concentration of N₂O in the tail gas of the nitric acid plant; and
- A gas volume flow meter that uses differential-pressure to continuously monitor the gas volume flow, temperature and pressure, in the tail gas of the nitric acid plant.

Sampling shall be carried out continuously using a multiple-point sampling tube that is optimised to the specific width and height of the tail gas duct and the expected gas velocities in the tail gas. Temperature and pressure in the tail gas will also be measured continuously and used to calculate the gas volume flow at standard conditions.

Description of the AMS installed at YARA Köping S2 nitric acid plant

1. General Description of the AMS

From the next plant shutdown in spring 2010, YARA Köping S2 plant will be equipped with an EN-14181 compliant state-of-the-art AMS consisting of a Dr. Födisch MCA 04 Continuous Emissions Analyser, a sample probe, heated filter and heated sample-line connected directly to the analyzer, and a Dr. Födisch FMD 99 Stack Gas Flow meter. The new analyzer will be connected to the plant's existing data collection system (Emerson DeltaV).

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³² This standard describes the quality assurance procedures needed to assure that an Automated Measuring System (AMS) installed to measure emissions to air are capable of meeting the uncertainty requirements on measured values given by legislation, e.g. EU Directives, or national legislation, and more generally by competent authorities.







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Since this nitric acid plant has been in operation since 1955, YARA Köping's staff in general, and its instrument department in particular, is accustomed to operating technical equipment adhering to high quality standards.

At the time of writing this PDD, Mr Gilles Raskopf (Site Manager) and Mr Axel Pallin (Process Engineer) are responsible for the overall implementation of the project. Mr Axel Pallin, Mr Jozef Meglic and Mr Mikael Larsson are responsible for the quality assurance, operation and maintenance of the N₂O monitoring system installed at the plant. It is possible that the people responsible for these tasks may change throughout the course of the project crediting period. Operation, maintenance and calibration intervals are being carried out by staff from the instrument department according to the vendor's specifications and under the guidance of internationally relevant environmental standards, in particular EN 14181 (2004). Service will be performed by the supplier of the AMS. YARA has defined an AMS checking procedure schedule and will continue to plan ahead for the remaining years of the crediting period, strictly adhering to the relevant standards.

All monitoring procedures at YARA are also conducted and recorded in accordance with the procedures under ISO 9001:2000, which is regularly audited by an independent auditing organisation accredited for ISO 9001 certification³³.

2. Sample points

The sample points were chosen in accordance with the AMS requirements, EN 14181 requirements and the plant design specifications to allow an optimum of data collecting quality. The location of the sample points for the N_2O measurement [NCSG] and tail gas flow measurements [VSG] was selected to provide ease of access in a location close to the analyser. The most suitable location at Köping S2 is downstream of the tail gas expander in the vertical section of the tail gas pipe.

The VSG sampling point will be positioned at 6.1m along this pipe, while the NCSG sampling point will be located half a meter further downstream. The calibration ports will be 0.75m further downstream in the same section of the pipe.

3. Analyser

The Dr. Födisch MCA 04 Continuous Emissions Analyser is capable of analysing N_2O concentration in gas mixtures. The analysis system MCA 04 is an extractive, continuous measuring system. It extracts a partial gas flow from the flue gas, which is led to the analyser through a heated line (all heated components of the measuring system are regulated at 185 $^{\circ}C$). This state of the art gas sampling and conditioning system and the most advanced photometer technology ensure high reliability and long operating times with short maintenance intervals.

The MCA 04 is a single beam photometer. It is based on the absorption of infrared light. For the calculation of a component's concentration the measuring technology registers unattenuated and attenuated intensity in the range of absorption wave lengths. For measurement of N_2O , Gas filter correlation technique is used.

³³ External auditor: DNV







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According to EN 14181 the Analyser is QAL1³⁴ tested for the measurement of all standard components that usually are measured in the waste gas of large combustion plants, waste incineration plants or mechanical biological waste treatment plants. The QAL1 tested components are: CO, NO, SO₂, HCl, NH₃, H₂O. The QAL1 test for N₂O is currently ongoing and is expected to be completed in the near future. A QAL2 audit will be performed by an independent laboratory with EN ISO/IEC 17025 accreditation following commissioning of the analyser in early 2010.

A hot extractive analyser was chosen in order to address a particular safety concern. Since the analyzer will be installed downstream of the SCR unit where ammonia is used for NO_x abatement purposes, there is a possibility of the formation of ammonium nitrate/nitrite. In case of a cold measurement system, as usually applied in other plants, it is possible that due to the low temperature in the gas cooler and the analyzer solid nitrate/nitrite deposits could block the sampling lines, harm the analyzer and, in the worst case, lead to explosions when mechanically removed during maintenance works. In case of the MCA 04 analyzer all parts of the system that come into contact with the waste gas are heated well above 180°C. Therefore no solid deposits of nitrate/nitrite are possible. At the moment no QAL1 tested NDIR-Analyzer for N_2O is available on the market that fulfils the requirements of hot measurements according to the YARA internal safety rules.

4. Sample Conditioning System

As the gas sample is extracted, particles are removed with a heated filter unit at the sampling point and the clean sampling gas is delivered through a heated sampling line directly to the analyser in its cabinet, via the sampling pump. The temperature of the sampling gas is always maintained at 185 °C. The minimum flow rate to the analyser is controlled and connected to a general alarm. The alarm is connected to the data acquisition system.

5. Flow Meter

The Dr. Födisch FMD99 measuring system allows continuous determination of the flow rate of stack gas. It is type tested to the guidelines of the German Federal Ministry for the Environment, Nature Conservation and Reactor Safety on suitability testing of measuring equipment for continuous measuring of emissions³⁵ and is therefore officially QAL1 approved.

The flow measuring device FMD 99 is a highly sensitive system for continuous, in-situ flow measurement of the exhaust gas. The differential pressure is continuously measured via the dynamic pressure probe of the FMD 99.

The signal resulting from the differential pressure is a degree of the velocity respective to the flow of the exhaust gas. The flow meter is combined with the internal measurement of the absolute stack gas pressure (PSG) and the stack gas temperature (TSG).

Linking this device with the Emerson DeltaV data acquisition system, the data flows can be converted from operating to standard conditions, taking into account the other flow parameters, such as temperature and pressure.

 $^{^{34}\} T\ddot{U}V\ Immissions schutz\ und\ Energiesysteme\ GmbH,\ K\"{o}ln\ T\ddot{U}V\ Rheinland\ Group\ Report\ No.\ 936/21203173/A\ vom\ 13.\ Juli\ 2005$

³⁵ TÜV Rheinland Sicherheit und Umweltschutz GmbH, Köln (report number 936/808 005/C vom 18. Februar 2000) and TÜV Immissionsschutz und Energiesysteme GmbH, Köln (report number 936/rö vom 15. Oktober 2003).





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6. The data acquisition system

The YARA Köping S2 nitric acid plant is currently equipped with an Emerson DeltaV data collection and storage system that collects and stores the values for all the relevant monitoring parameters, as well as different status signals of the AMS and the NH₃ valve status signal from the nitric acid plant that defines whether or not the plant is in operation.

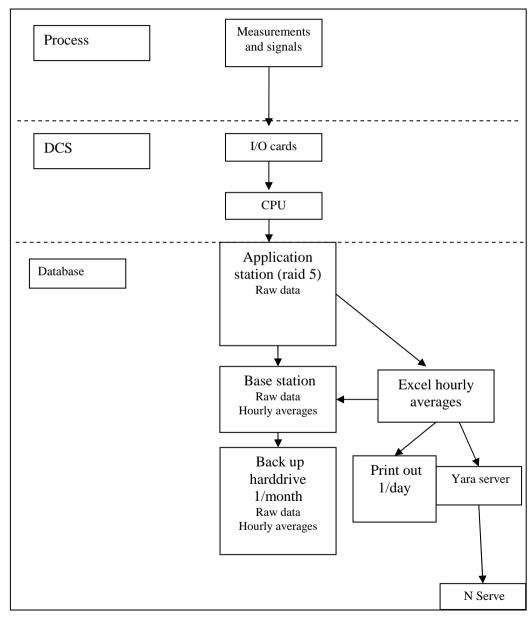
The Emerson DeltaV system is especially designed for emissions monitoring systems and is type-approved for these purposes.

Data that is directly related to plant operation, such as oxidation temperature, oxidation pressure, ammonia flow rate, ammonia to air ratio and nitric acid production rate, is also stored.

From the beginning of the baseline campaign onwards (end April/beginning May), the plant will also have installed a PIMS data management system, which allows quicker and more efficient management and import/export of the recorded data.

The flow chart below shows this system in more detail:











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7. Data evaluation

The nitric acid plant operator derives hourly averages for all of the monitored parameters from the Emerson DeltaV data collection system. This data is exported to EXCEL-format and delivered by email or CD from the plant operator to N.serve, who is responsible for the correct analysis of the delivered data in accordance with the PDD.

At N.serve the received data is stored on the N.serve fileserver in a special section for the storage of monitoring data separately for each project. The files are protected against manipulation by a password. Martin Stilkenbäumer at N.serve is currently responsible for the correct data handling and processing, but this may change throughout the course of the project crediting period.

After a first plausibility-check, the data is transferred to a special database system. All necessary calculations and steps of data analysis of the monitoring data according to AM 0034 regulations, as well as other regulations outlined in this PDD, are carried out by N.serve using the database tool.

The results of the data analysis are transferred to an Excel spreadsheet. The results are used for definition of Project emissions as well as for the preparation of the Monitoring reports.

8. AMS QA procedures

The following section describes how the procedures given in EN14181 for QAL1, 2 and 3 have been adapted and are practically applied at the YARA nitric acid plant.

QAL 1

An AMS shall ideally have been proven suitable for its measuring task (parameter and composition of the flue gas) by use of the QAL1 procedure as specified by EN ISO 14956. This standard's objective is to prove that the total uncertainty of the results obtained from the AMS meets the specification for uncertainty stated in the applicable regulations. Such suitability testing has to be carried out under specific conditions by an independent third party on a specific testing site.

A test institute shall perform all relevant tests on the AMS. The AMS has to be tested in the laboratory and field.

The chosen Dr. Födisch MCA 04 gas analyser is QAL1 ³⁶ tested for the measurement of all standard components that usually are measured in the waste gas of large combustion plants, waste incineration plants or mechanical biological waste treatment plants. The QAL1 tested components are: CO, NO, SO2, HC1, NH3, H2O. The QAL1 test for N₂O is currently ongoing and is expected to be completed in the near future. A QAL2 audit will be performed by an independent laboratory with EN ISO/IEC 17025 accreditation.

A hot extractive analyser was chosen in order to address a particular safety concern. As described above, this is a YARA internal safety precaution.

³⁶ TÜV Immissionsschutz und Energiesysteme GmbH, Köln TÜV Rheinland Group Report No. 936/21203173/A from 13. July 2005







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The chosen Dr. Födisch FMD 99 stack gas flow meter has fulfilled the requirements of the QAL1 and was successfully tested by TÜV Rheinland Sicherheit und Umweltschutz GmbH, Köln, Germany³⁷.

QAL₂

QAL2 is a procedure for the determination of the calibration function and its variability, and a test of the variability of the measured values of the AMS compared with the uncertainty given by legislation. The QAL2 tests are performed on suitable AMS that have been correctly installed and commissioned on-site (as opposed to QAL 1 which is conducted off-site). QAL2 tests are to be performed at least every 3 years according to EN 14181 (or following any major change to the monitoring system).

A calibration function is established from the results of a number of parallel measurements performed with a Standard Reference Method (SRM). The variability of the measured values obtained with the AMS is then evaluated against the required uncertainty. There is a problem in fully complying with EN14181 since there is no regulation on N_2O emissions level and measurement uncertainty limit. According to EN14181, the QAL2 test including the SRM needs to be conducted by an independent "testing house" or laboratory which has to be accredited to EN ISO/IEC 17025. The QAL2 test will be conducted following commissioning of the analyser in early 2010.

AST

In addition, Annual Surveillance Tests (AST) should be conducted in accordance with EN 14181; these are a series of measurements that need to be conducted with independent measurement equipment in parallel to the existing AMS. The AST tests are performed annually. If a full QAL 2 test is performed (at least every 3 years), an additional AST test is not necessary in that same year.

QAL3

QAL3 describes the ongoing quality assurance and maintenance procedures and documentation for the AMS conducted by the plant operator. With this documentation it can be demonstrated that the AMS is in control during its operation so that it continues to function within the required specifications for uncertainty.

This is achieved by conducting periodic zero and span checks on the AMS. Zero and span adjustments or maintenance of the AMS may be necessary depending on the results of the evaluation. In essence, YARA staff performs QAL3 procedures through the established calibration procedures described below.

AMS calibration and QA/QC procedures

The monitoring equipment used to derive the N₂O emissions data for this project will be made part of the ISO 9001 procedures.

N₂O-Analyser Zero Calibration

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³⁷ TÜV Rheinland Sicherheit und Umweltschutz GmbH, Köln (report number 936/808 005/C vom 18. Februar 2000) and TÜV Immissionsschutz und Energiesysteme GmbH, Köln (report number 936/rö from 15. October 2003







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Conditioned ambient air is used as reference gas for zero calibration. The zero calibration is conducted automatically every 24 hours. Manual calibrations are done at least once every four weeks (the calibration frequency might be adjusted if necessary).

N₂O-Analyser Span calibration

Manual span calibrations are done with certified calibration gas at least once every four weeks (the calibration frequency might be adjusted if necessary). The calibration results and subsequent actions are all documented as part of the QAL3 documentation. In addition, the analyser room and equipment is visually inspected at least once a week and the results are documented in analyser specific log-books.

Flow meter calibration procedures

The flow meter FMD 99 itself does not need to be calibrated since it is a physical device which will not have drift. Therefore, it is sufficient to regularly inspect the physical condition of the Dr. Födisch FMD. It is checked regularly for the following: Visual check; electric check; cleaning of probe, if necessary. In addition the flow meter is checked during the QAL2 and AST tests by an independent laboratory by comparison to a standard reference method (SRM).

D.1.1. Option 1 – Monitoring of the emissions in the project scenario and the baseline scenario:

I	D.1.1.1. Data to b	oe collected in ord	ler to monitor em	issions from the	project, and how	these data will be	e archived:	
ID number	Data variable	Source of data	Data unit	Measured (m),	Recording	Proportion of	How will the	Comment
(Please use				calculated (c),	frequency	data to be	data be	
numbers to ease				estimated (e)		monitored	archived?	
cross-							(electronic/	
referencing to							paper)	
D.2.)								
P.1	$NCSG_n$	N ₂ O analyser (part of AMS)	mgN ₂ O/Nm ³ (converted from	Measured	Hourly average value based on a	100%	Electronic	The data output from the
	Average N ₂ O		ppm if		recording			analyser will be
	concentration in		necessary)		frequency of 2			processed using
	the tail gas				seconds.			appropriate
	during the							software. The
	project							information will
	campaign n.							be stored for the
								duration of the
								project, plus two







								years thereafter.
P.2	VSG _n Average Volume flow rate of the tail gas during the project campaign n.	Gas volume flow meter (part of AMS)	Nm³/h	Measured	Hourly average value based on a recording frequency of 2 seconds.	100%	Electronic	The data output from the tail gas flow meter will be processed using appropriate software. Corrected for standard conditions (273.15 °K, 1013.25 hPa) using TSG (P.10) and PSG (P.11) data. The information will be stored for the duration of the project, plus two years thereafter
P.3	OH _n Total operating hours during the project campaign n	Production Log, plant status signal	Hours	Measured	Daily, compiled for entire campaign	100%	Electronic	Electronically recorded, based on plant status signals
P.4	NAP _n Metric tonnes of 100% concentrated nitric acid	Coriolis nitric acid flow meter	tHNO ₃	Measured and calculated at 100% concentration	Hourly average value based on a recording frequency of 30 seconds.	100%	Electronic	





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P.5	during the project campaign n PE_n N_2O emissions during the project campaign n .	Calculation from measured data.	tN_2O	calculated	Calculated after each project campaign	100%	Electronic	
P.6	EF _n Emissions factor calculated for the project campaign n	Calculated from measured data	tN ₂ O / tHNO ₃	Calculated	After each project campaign	100%	Electronic	
P.7	TSG Temperature of tail gas	Probe (part of the AMS gas volume flow meter).	$^{\circ}C$	Monitored.	Hourly average value based on a recording frequency of 2 seconds.	100%	Electronic	Used for normalization of VSG measurement to standard conditions see P.2 Also to be monitored throughout the baseline campaign
P.8	PSG Pressure of tail gas	Probe (part of the AMS gas volume flow meter).	Pa	Monitored.	Hourly average value based on a recording frequency of 2 seconds.	100%	Electronic	Used for normalization of VSG measurement to standard conditions see P.2







								Also to be monitored throughout the baseline campaign
P.9	AFR Ammonia Flow rate to the ammonia oxidation reactor (AOR)	Ammonia flow meter	kgNH ₃ /h	Measured	Hourly average value based on a recording frequency of 30 seconds.	100%	Electronic	Monitored data of AFR will be used to determine if plant was operating outside of AFR _{max} . Also to be monitored throughout the baseline campaign
P.10	AFR _{max} Maximum ammonia flow rate	Plant records	kgNH₃/h		Once, before baseline campaign	100%	Paper/Electronic	Used to determine those periods where the plant may be operating outside of the permitted operating conditions. Also to be taken into consideration throughout the baseline campaign







P.11	AIFR Ammonia to air ratio to the ammonia oxidation reactor (AOR)	Ammonia & Air flow meters	%	Monitored & Calculated	Hourly average value based on a recording frequency of 30 second.	100%	Electronic	Data of AIFR will be used to determine if plant was operating outside of AIFR _{max} . Also to be monitored throughout the baseline
P.12	AIFR _{max} Maximum ammonia to air ratio	Plant records	%	Calculated	Once, before baseline campaign	100%	Electronic/Paper	campaign Used to determine those periods where the plant may be operating outside of the permitted operating conditions.
								Also to be taken into consideration throughout the baseline campaign
P.13	CL _{normal} Average historic operating campaign length	HNO ₃ production data	tHNO ₃	Calculated	Prior to the end of the baseline campaign	100%	Electronic or paper	Also to be taken into consideration throughout the baseline





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								campaign
P.14	OT _{normal} Range for historic normal operating temperature	Plant records	°C – min and max		Once, before baseline campaign	100%	Electronic/paper	Established after elimination of the upper and lower 2.5% percentiles of all data sets. Used to determine those periods where the plant may be operating outside of the permitted
								operating conditions. Also to be taken into consideration throughout the baseline campaign
P.15	OT _h Oxidation temperature in the ammonia oxidation reactor (AOR) for each hour of the production campaign	Thermocouples inside the AOR	°C	Measured	Hourly average value based on a recording frequency of 30 seconds.	100%	Electronic	Data of OT_h will be used to determine if the plant was operating outside of OT_{normal} Also to be monitored throughout the





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								baseline campaign
R h	OP _{normal} Range for historic normal operating pressure	Plant records	Pa- min and max		Once, before baseline campaign	100%	Electronic/paper	Established after elimination of the upper and lower 2.5% percentiles of all data sets. Used to determine those periods where the plant may be operating outside of the permitted operating conditions.
						1000		Also to be taken into consideration throughout the baseline campaign
P.17	OP _h Pressure in the ammonia oxidation reactor (AOR) for each hour of the production campaign	Pressure probe at the burner inlet	Pa	Measured	Hourly average value based on a recording frequency of 30 seconds.	100%	Electronic	Data of OP_h will be used to determine if the plant was operating outside of OP_{normal} Also to be monitored





								throughout the baseline campaign
P.18	GS _{normal} Gauze supplier for historic operating campaigns	Plant documentation		Recorded	For each historic operating campaign	100%	Electronic or paper	To be obtained during the operating condition campaigns This information is used as a plausibility check against the information on Gauze Composition. Also to be taken into consideration for
								the baseline campaign
P.19	GS _{project} Gauze supplier for project campaigns	Plant documentation		Recorded	For each project campaign	100%	Electronic or paper	To be obtained during the project campaigns. This information
								is used as a plausibility check against the information on Gauze Composition.
P.20	GC_{normal}	Plant	% of various	Recorded	For each historic	100%	Electronic or	To be obtained





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	Gauze composition during historic operating campaigns	documentation	metals		operating campaign		paper	during the operating condition campaigns Also to be taken into consideration for the baseline campaign
P.21	GC _{project} Gauze composition during project campaigns	Plant documentation	% of various metals	Recorded	For each project campaign	100%	Electronic or paper	To be obtained during the project campaigns
P.22	CL _n Length of the project campaign in tonnes of nitric acid produced	HNO ₃ production data	tHNO ₃	Calculated	At the end of the project campaign	100%	Electronic or paper	
P.23	EF _{reg} Emissions cap for N ₂ O from nitric acid production set by government or local regulation	Swedish Environmental Law	kgN ₂ O/tHNO ₃ (converted, if necessary)	Not applicable	Continuous.	100%	Paper	Continuous surveillance throughout crediting period Also to be taken into consideration throughout the baseline campaign



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D.1.1.2. Description of formulae used to estimate project emissions (for each gas, source etc.; emissions in units of CO₂ equivalent):

Since the factual project emissions factors have not yet been established, the following equations are used for estimating in this PDD the emissions expected during the project:

$$EF_{Pest} = EF_{RLPR} * (1-AE) \qquad (kgN_2O/tHNO_3)$$
 (1)

Where:

Variable Definition

 $EF_{Pest} =$ Estimated Project Emissions Factor (kgN₂O/tHNO₃)

EF_{BLPR} = Preliminary Baseline Emissions Factor, calculated in accordance with section A.4.3.1 (kgN₂O/tHNO₃)

AE = Predicted Abatement Efficiency of secondary catalyst (%)

 $PEn_{est} = EF_{Pest} * NAPn_{est} / 1000 \qquad (tN_2O)$ (2)

Where:

Variable Definition

PEn_{est} = Estimated Project Emissions during campaign n (tN₂O) NAPn_{est} = Estimated HNO₃ production during campaign n (tHNO₃)

Ι	D.1.1.3. Relevant data necessary for determining the <u>baseline</u> of anthropogenic emissions of greenhouse gases by sources within the									
project boundar	project boundary, and how such data will be collected and archived:									
ID number	Data variable	Source of data	Data unit	Measured (m),	Recording	Proportion of	How will the	Comment		
(Please use				calculated (c),	frequency	data to be	data be			
numbers to ease				estimated (e)		monitored	archived?			
cross-							(electronic/			
referencing to							paper)			





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D.2.)								
B.1	$NCSG_{BC}$ Average N_2O concentration in the tail gas during the baseline campaign.	N ₂ O analyser (part of MCA 04 AMS)	mgN ₂ O/Nm ³ (converted from ppm if necessary)	Measured	Hourly average value based on a recording frequency of 2 seconds.	100%	Electronic	The data output from the analyser will be processed using appropriate software. The information will be stored for the duration of the crediting period
B.2	VSG _{BC} Average Volume flow rate of the tail gas during the baseline campaign.	Gas volume flow meter FMD 99	Nm³/h	Measured	Hourly average value based on a recording frequency of 2 seconds.	100%	Electronic	The data output from the tail gas flow meter will be processed using appropriate software. Corrected for standard conditions (273.15 °K, 1013.25 hPa) using TSG (P.10) and PSG (P.11) data. The information will be stored for the duration of the crediting period





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B.3	OH _{BC} Total operating hours during the baseline campaign	Production Log, plant status signal	Hours	Measured	Hourly average value based on a recording frequency of 30 seconds.	100%	Electronic	Electronically recorded, based on plant status signal
B.4	NAP _{BC} Metric tonnes of 100% concentrated nitric acid during the baseline campaign	Coriolis flow meter	tHNO ₃	Measured and calculated at 100% concentration	Hourly average value based on a recording frequency of 30 seconds.	100%	Electronic or paper	
B.5	BE _{BC} Total N2O emissions during the baseline campaign	Calculated from measured data	tN_2O	Calculated	At the end of the baseline campaign	100%	Electronic	
B.6	EF _{BL} Emissions factor for the baseline campaign	Calculated from measured data	kgN ₂ O/tHNO ₃	Calculated	At the end of the baseline campaign	100%	Electronic	
B.7	UNC Overall measurement uncertainty of the AMS	Calculation of combined uncertainty of AMS	%	Calculated	Once, following commissioning of AMS	100%		





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B.8	CL _{BL} Length of the baseline campaign in tonnes of nitric acid produced	HNO ₃ production data	tHNO ₃	Calculated	At the end of the baseline campaign	100%	Electronic or paper	
B.9	GS _{BL} Gauze supplier for the baseline campaign	Plant documentation		Recorded	For the baseline campaign	100%	Electronic or paper	To be obtained during the baseline campaign. This information is used as a plausibility check against the information on Gauze Composition.
B.10	GC _{BL} Gauze composition during baseline campaign	Plant documentation	% of various metals	Recorded	For the baseline campaign	100%	Electronic or paper	To be obtained during the baseline campaign

D.1.1.4. Description of formulae used to estimate baseline emissions (for each gas, source etc.; emissions in units of CO₂ equivalent):

Since the factual baseline emissions have not yet been established, the following equations are used for estimating in this PDD the emissions expected during the baseline campaign:

$$BE_{BCest} = EF_{BLPR} * NAP_{BCest} / 1000 \qquad (tN_2O)$$

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Where:

Variable Definition

 BE_{BCest} = Estimated Emissions during baseline campaign (tN₂O)

EF_{BLPR} = Preliminary Baseline Emissions Factor, calculated in accordance with section A.4.3.1 (kgN₂O/tHNO₃)

NAP_{BCest} = Estimated HNO₃ production during baseline campaign (tHNO₃)

D. 1.2. Option 2 – Direct monitoring of emission reductions from the project (values should be consistent with those in section E.):

1	D.1.2.1. Data to be collected in order to monitor emission reductions from the <u>project</u> , and how these data will be archived:									
ID number (Please use numbers to ease cross-referencing to D.2.)	Data variable	Source of data	Data unit	Measured (m), calculated (c), estimated (e)	Recording frequency	Proportion of data to be monitored	How will the data be archived? (electronic/ paper)	Comment		

D.1.2.2. Description of formulae used to calculate emission reductions from the <u>project</u> (for each gas, source etc.; emissions/emission reductions in units of CO_2 equivalent):

Measuring of N_2O data sets for the calculation of project emissions

Throughout the project's crediting period, N_2O concentration (NCSG_n) and volume flow in the stack gas (VSG_n) are to be monitored. The monitoring system provides separate hourly average values for NCSG_n and VSG_n based on 2-second interval readings. These N_2O data sets (consisting of NCSG_n and VSG_n average values for each operating hour) can be identified by means of a unique time / date key indicating when exactly the values were observed.

Furthermore, the operating hours (OH_n) as recorded by the plant's process control system and the nitric acid production output (NAP_n) are required for calculating the project emissions.







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Downtime of Automated Monitoring System

In case of malfunction of the AMS during the **baseline** campaign, either the conservative IPCC default factor of $4.5 \text{kg N}_2\text{O/tHNO}_3$ or the last valid measured value (whichever is the *lowest*) will be applied for calculating the baseline emissions factor. In the case of malfunction of the AMS during the **project** campaigns, the highest measured value in the campaign will be applied for calculating the campaign emissions factor.

Measurement during plant operation

Only those data sets collected during operation of the plant shall be used as a basis for determining the campaign-specific project emissions. Most plants have one or more trip point values, normally defined by the manufacturer and specified in the plant's operating manuals. At Köping S2, the plant's operational status can be determined by whether or not NH3 is still flowing into the AOR. When the ammonia valve status signal indicates that the plant's ammonia valve is closed, the plant is considered to be off-line. In addition, trip point values for oxidation temperature and ammonia to air flow ratio have been defined and these parameters will be used for the purposes of a plausibility check. The trip point range for the ammonia oxidation temperature is 780°C (min) to 900°C (max), while the maximum ammonia to air ratio is 13.1%. If one of these parameters is outside the range specified by the trip point values, the plant should automatically shut down by closing the ammonia valve. Even if the trip point parameters are exceeded in only one of the six burners, all six burners should automatically shut down.

Consequently, any NCSG and VSG data sets that were recorded at times when plant was shut down are automatically excluded from the derivation of EF_n . The number of operating hours (OH_n) will be reduced accordingly. NAP will not be adjusted, all NAP measured will be used in the calculation of EF_{BL} and EF_n .

For the avoidance of doubt, data sets containing values during shut down of the plant are not to be regarded as AMS downtime readings (as defined above).

Application of instrument correction factors / elimination of implausible values

The correction factors derived from the calibration curve of the QAL2 audit for all components of the AMS, as determined during the QAL2-test in accordance with EN14181, must be applied onto both VSG and NCSG, unless these were already automatically applied to the raw data recorded by the data storage system at the plant.

For all N_2O data sets a plausibility check is conducted in accordance with current best practice monitoring standards. All data sets containing values that are implausible are eliminated.

Determination of the permitted operating conditions of the nitric acid plant to avoid overestimation of baseline emissions

In order to avoid the possibility that the operating conditions of the nitric acid production plant are modified in such a way that increases N_2O generation during the baseline campaign, the normal ranges for operating conditions shall be determined for the following parameters:







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(i) oxidation temperature; (ii) oxidation pressure; (iii) ammonia gas flow rate, and (iv) air input flow rate

The permitted range shall be established using the procedures described below. Note that data for these parameters is routinely logged in the process control systems of the plant.

(i) and (ii) Oxidation temperature and pressure:

Process parameters to be monitored are the following:

Oxidation temperature for each hour (°C); OT_h OP_h Oxidation pressure for each hour (Pa);

Normal range for oxidation temperature (°C); **O**Tnormal **OP**normal Normal range for oxidation pressure (Pa).

The permitted range for oxidation temperature and pressure is to be determined using one of the following sources:

- (a) Historical data for the operating range of temperature and pressure from the previous five campaigns (or fewer, if the plant has not been operating for five campaigns); or, then
- (b) If no data on historical temperatures and pressures is available, the range of temperature and pressure stipulated in the operating manual for the existing equipment; or
- (c) If no operating manual is available or the operating manual gives insufficient information, from an appropriate technical literature source.

The permitted range is determined through a statistical analysis of the historical data for all 6 burners, in which the time series data is to be interpreted as a sample for a stochastic variable. All data that falls within the upper and lower 2.5% percentiles of the sample distribution is defined as abnormal and shall be eliminated. The permitted range of operating temperature and pressure is then assigned as the historical minimum (value of parameter below which 2.5% of the observation lies) and maximum operating conditions (value of parameter exceeded by 2.5% of observations).

(iii) and (iv) Ammonia gas flow rates and ammonia to air ratio input into the ammonia oxidation reactor (AOR):

Parameters to be monitored:

AFR Ammonia gas flow rate to the AOR (tNH₃/h);

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AFRmax Maximum ammonia gas flow rate to the AOR (tNH₃/h);

Ammonia to air ratio (%); AIFR

Maximum ammonia to air ratio (%). AIFR_{max}

The upper limits for ammonia flow and ammonia to air ratio shall be determined using one of the following three options, in preferential order:

- (a) historical maximum operating data for hourly ammonia gas and ammonia to air ratio for the previous five campaigns (or fewer, if the plant has not been operating for five campaigns); or, then
- (b) If no data is available, calculation of the maximum permitted ammonia gas flow rates and ammonia to air ratio as specified by the ammonia oxidation catalyst manufacturer or for typical catalyst loadings; or
- (c) If information for (b) above is not available, based on a relevant technical literature source

Once the permitted ranges for pressure, temperature, ammonia flow rate and ammonia to air ratio are determined, it must also be demonstrated that these ranges are within the specifications of the facility. If not, the baseline campaign must be reassessed.

Calibrations for the operating parameters OT, OP, AFR and AIFR (including primary air flow) will be carried out in accordance with Yara internal quality control procedures³⁸.

Composition of the ammonia oxidation catalyst

If the composition of the ammonia oxidation catalyst used for the baseline campaign and after the implementation of the project are identical to that used in the campaign for setting the operating conditions (previous five campaigns), then there shall be no limitations on N2O baseline emissions.

In the case of Köping S2, the same gauze supplier and composition have been used for the 5 historic operating campaigns and will continue to be used for the baseline campaign. Köping S2 also has no intention of changing the gauze supplier or composition throughout the project period.

Parameters to be monitored for composition of the catalyst are as follows:

³⁸ Further information on these procedures will be provided to the Determining AIE during the site visit.





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GS_{normal} Gauze supplier for the operation condition campaigns;

GS_{BL} Gauze supplier for baseline campaign; GS_{project} Gauze supplier for the project campaigns;

Gnormal Gauze composition for the operation condition campaigns;

GC_{BL} Gauze composition for baseline campaign; GC_{project} Gauze composition for the project campaigns

Campaign Length

In order to take into account the variations in campaign length and its influence on N₂O emission levels, the historic campaign lengths and the baseline campaign length are to be determined and compared to the project campaign length. Campaign length is defined as the total number of metric tonnes of nitric acid at 100% concentration produced between each gauze changeover.

In the case of the S2 plant, there are three sets of two burners (systems 1, 2 & 3) and the gauze packs in each of these systems are changed in rotation at intervals of several months - first in system 1, then in system 2, then in system 3 and next in system 1 again. Since all 3 systems lead into one stack, it is impossible to monitor the emissions being produced by the individual sets of burners.

Each gauze change in one of the systems is considered the beginning of a new production campaign for the whole plant. At each such changeover there is always one system with completely new gauzes, one system with gauzes that have run for one campaign and one system with gauzes that have run for two campaigns, and which will be changed at the end of the next scheduled campaign.

Historic Campaign Length (CL_{normal})

The average historic campaign length (CL_{normal}) defined as the average campaign length for the historic campaigns used to define operating condition (the previous five campaigns excluding abnormal campaigns, or fewer, if the plant has not been operating for five campaigns), will be used as a cap on the length of the baseline campaign.

Baseline Campaign Length (CLBL)

If $CL_{BL} \le CL_{normal}$, all N₂O values measured during the baseline campaign can be used for the calculation of EF_{BL} (subject to the elimination of data that was monitored during times where the plant was operating outside of the 'permitted range').





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If $CL_{BL} > CL_{normal}$, N₂O values that were measured beyond the length of CL_{normal} , during the production of the quantity of nitric acid (i.e. the final tonnes produced) are to be eliminated from the calculation of EF_{BL}.

Project Campaign Length

(a) Longer Project Campaign

If the length of each individual project campaign CLn is longer than or equal to the average historic campaign length CLnormal, then all N2O values measured during the project campaign can be used for the calculation of EF (subject to the elimination of data from the ammonia/air analysis, see above);

(b) Shorter Project Campaign

If $CL_n < CL_{normal}$, recalculate EF_{BL} by eliminating those N₂O values that were obtained during the production of tonnes of nitric acid beyond the CL_n (i.e. the last tonnes produced).

Determination of baseline emission factor: measurement procedure for N2O concentration and gas volume flow

 N_2O concentration and gas volume flow are to be monitored throughout the baseline campaign. The EN14181-compliant monitoring system will provide separate readings for N_2O concentration and gas flow volume for a defined period of time (an hourly average will be calculated from the values recorded every 2 seconds). Error readings (e.g., downtime or malfunction) and extreme values are to be automatically eliminated from the output data series by the monitoring system.

Measurement results can be distorted before and after periods of downtime or malfunction of the monitoring system and can lead to mavericks. To eliminate such extremes and to ensure a conservative approach, the following statistical evaluation is to be applied to the complete data series of N₂O concentration, as well as to the data series for gas volume flow. The statistical procedure will be applied to data obtained after eliminating data measured for periods where the plant was operating outside the permitted ranges:

- (a) Calculate the sample mean (x);
- (b) Calculate the sample standard deviation(s);
- (c) Calculate the 95% confidence interval (equal to 1.96 times the standard deviation);
- (d) Eliminate all data that lie outside the 95% confidence interval;
- (e) Calculate the new sample mean from the remaining values (volume of stack gas (VSG) and N2O concentration of stack gas (NCSG).







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The average mass of N₂O emissions per hour is estimated as a product of the NCSG and VSG. The N₂O emissions per campaign are estimated as a product of N₂O emissions per hour and the total number of complete operating hours of the campaign using the following equation:

$$BE_{BC} = VSG_{BC} * NCSG_{BC} * OH_{BC} * 10^{-9}$$
 (tN₂O)

The plant-specific baseline emissions factor representing the average N₂O emissions per tonne of nitric acid over one full campaign is derived by dividing the total mass of N₂O emissions by the total output of 100% concentrated nitric acid for that period.

The overall uncertainty of the monitoring system shall also be determined during the QAL2 audit and the measurement error will be expressed as a percentage (*UNC*). The N₂O emission factor per tonne of nitric acid produced in the baseline period (EF_{BL}) shall then be reduced by the estimated percentage error as follows:

$$EF_{BL} = \left(1 - \frac{UNC}{100}\right) \left(\frac{BE_{BC}}{NAP_{BC}}\right)$$
 (tN₂O/tHNO₃)

Where:

 EF_{BL} = Baseline N₂O emissions factor (tN₂O/tHNO₃)

 BE_{BC} = Total N₂O emissions during the baseline campaign (tN₂O)

 $NCSG_{BC}$ = Mean concentration of N₂O in the stack gas during the baseline campaign (mgN₂O/m₃)

 OH_{RC} = Total operating hours of the baseline campaign (h)

 VSG_{BC} = Mean gas volume flow rate at the stack in the baseline measurement period (m₃/h)³⁹

 NAP_{BC} = Total nitric acid production during the baseline campaign (tHNO₃)

UNC = Overall uncertainty of the monitoring system (%), calculated as the combined uncertainty of the applied monitoring equipment

⁻

 $^{^{39}}$ VSG_{BC} and NCSG_{BC} should be measured simultaneously and values should be expressed on the same basis (wet or dry) and should be corrected to normal conditions (101.325 kPa, 0 deg C). If the instrument (or measurement system) uses an algorithm to convert actual conditions to normal conditions, the proper source of such an algorithm should be used (e.g., based on procedures of EN14181). In all cases, either manual or algorithm-based conversion of actual conditions to normal conditions, the temperature and pressure of actual conditions of stack gas should be recorded as per the monitoring plan of this methodology.



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In the absence of any national or regional regulations governing N2O emissions, the resulting EFBL will be used as the baseline emission factor.

The baseline campaign is not valid and must be repeated if the plant operates outside the permitted range of operating conditions (see 'Determination of the permitted operating conditions...' above for more details) for more than 50% of the duration of the baseline campaign. In order to further ensure that operating conditions during the baseline campaign are representative of normal operating conditions, statistical tests should be performed to compare the average values of the permitted operating conditions with the average values obtained during the baseline determination period. If it can be concluded with 95% confidence level, in any of the tests, that the two values are different, then the baseline determination should be repeated.

Calculation of the Project Emissions

The same statistical data evaluation that was described above for the calculation of baseline emissions is also to be applied to the project data series:

Estimation of campaign-specific project emissions

The total mass of N₂O emissions in a campaign (PE_n) is the product of the remaining valid NCSG_n and VSG_n-values multiplied by OH_n.

The following equation is used:

$$PE_n = VSG_n * NCSG_n * 10^{-9} * OH_n \qquad (tN_2O)$$

The plant-specific project emissions factor, representing the average N_2O emissions per tonne of nitric acid over the respective campaign, is derived by dividing the total mass of N_2O emissions by the total output of 100% concentrated nitric acid for that period.

The average N₂O emissions per metric ton of 100% concentrated nitric acid for the campaign (EF_n) shall then be calculated as follows:

$$EF_n = (PE_n / NAP_n) (tN_2O/tHNO_3) (7)$$

where:

Variable Definition

PE_n total specific N₂O emissions during the campaign (kgN₂O)

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 $EF_n \qquad \qquad Emissions \ factor \ used \ to \ calculate \ the \ emissions \ from \ the \ campaign \ n \ (kgN_2O/tHNO_3) \\ NCSG_n \qquad \qquad Mean \ concentration \ of \ N_2O \ in \ the \ tail \ gas \ stream \ during \ the \ campaign \ (mgN_2O/m^3)$

 OH_n Operating hours of the plant during the campaign (h) VSG_n Mean tail gas volume flow rate during the campaign (m³/h)

NAP_n Nitric acid production during the campaign (tHNO₃)

Derivation of a moving average emission factor

A moving average emission factor shall be calculated in accordance with AM0034. However, since the objective of the moving average emissions factor is to account for possible long term emissions trends (and not to penalise the project participants for any temporary period of technical difficulty), any periods during which the catalyst was experiencing technical problems should be excluded from the calculation of the moving average emissions factor, since these periods would not be representative of standard plant operation.

Minimum project emission factor

A campaign-specific emissions factor shall be used to cap any potential long-term trend towards decreasing N_2O emissions that may result from a potential build up of platinum deposits. After the first ten campaigns of the crediting period of the project, the lowest EF_n observed during those campaigns will be adopted as a minimum (EF_{min}). If any of the later project campaigns results in an EF_n that is lower than EF_{min} , the calculation of the emission reductions for that particular campaign shall use EF_{min} and not EF_n .

Leakage

No leakage calculation is required.

Calculation of emission reductions

The emissions reductions for which ERUs will be issued for the project activity are determined by deducting the project-specific emission factor from the baseline emissions factor and multiplying the result by the production output of 100% concentrated nitric acid over the campaign and the GWP of N_2O , as follows:

$$ERU = (EF_{BL} - EF_n)/1000 \times NAP \times GWP_{N2O} \qquad (tCO_2e)$$
(8)







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Where:

Variable Definition

ERU = Emission reductions awardable to the project for the specific campaign (tCO₂e)

NAP = Nitric acid production during the project campaign (tHNO₃). The maximum value of NAP shall not exceed the design capacity⁴⁰.

 $EF_{BL} =$ Baseline Emissions factor (kgN₂O/tHNO₃);

 $EF_p =$ Emissions factor used to calculate the emissions from the particular campaign (i.e., the higher of $EF_{ma,n}$ and EF_n (kgN₂O/tHNO₃).

 $GWP_{N2O} = Global warming potential of N₂O as per IPCC default value (310) (tCO₂e/tN₂O)$

Impact of regulations

Should N₂O emissions regulations that apply to nitric acid plants be introduced in the host country or jurisdiction covering the location of the project activity, such regulations shall be compared to the calculated baseline emissions factor for the project (EF_{BL}), regardless of whether the regulatory level is expressed as:

- An absolute cap on the total volume of N2O emissions for a set period;
- A relative limit on N₂O emissions expressed as a quantity per unit of output; or
- A threshold value for specific N2O mass flow in the stack.

In this case, a corresponding plant-specific emissions factor cap (max. allowed $tN_2O/tHNO_3$) is to be derived from the regulatory level. If the regulatory limit is lower than the baseline factor determined for the project, the regulatory limit shall serve as the new baseline emissions factor, that is:

If $EF_{BL} > EF_{reg}$

Then the baseline N₂O emission factor shall be EF_{reg} for all calculations.

Where:

_

⁴⁰ The 'design' capacity means the total yearly capacity (considering 365 days of operation per year) as per the documentation of the plant technology provider (such as the Operation Manual). If the plant has been modified to increase production, and such de-bottleneck or expansion projects were completed before December 2005, then the new capacity is considered 'design', provided proper documentation of the projects is available





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 EF_{BL} = Baseline emissions factor (tN₂O/tHNO₃)

 EF_{reg} = Emissions level set by newly introduced policies or regulations (tN₂O/tHNO₃).

D.1.3. Treatment of leakage in the monitoring plan:

not applicable

]	D.1.3.1. If application	able, please descr	ibe the data and i	information that	will be collected i	n order to monito	or <u>leakage</u> effects	of the <u>project</u> :
ID number (Please use numbers to ease cross-referencing to D.2.)	Data variable	Source of data	Data unit	Measured (m), calculated (c), estimated (e)	Recording frequency	Proportion of data to be monitored	How will the data be archived? (electronic/paper)	Comment

D.1.3.2. Description of formulae used to estimate <u>leakage</u> (for each gas, source etc.; emissions in units of CO₂ equivalent):

not applicable

D.1.4. Description of formulae used to estimate emission reductions for the <u>project</u> (for each gas, source etc.; emissions/emission reductions in units of CO_2 equivalent):

The following equation is used for estimating the emissions reductions to be awarded to the project in this PDD, since the factual baseline and project emissions factors have not yet been established:

$$EF_{Pest} = EF_{BLPR} * (1-AE) \qquad (kgN_2O/tHNO_3)$$
(9)

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Where:

Variable Definition

EF_{Pest} = Estimated Project Emissions Factor (kgN₂O/tHNO₃)

EF_{BLPR} = Preliminary Baseline Emissions Factor, calculated in accordance with section A.4.3.1 (kgN₂O/tHNO₃)

AE = Predicted Abatement Efficiency of secondary catalyst (%)

 $ERU_{PIS} = (EF_{BLPR} - EF_{Pest}) \times NAP_{vr} / 1000 \times GWP_{N2O}$ (tCO2e)

 $\begin{array}{ll} ERU_{PIS\,=} & Estimated \ number \ of \ ERUs \ to \ be \ issued \ to \ the \ project \ (tCO2e) \\ NAP_{yr\,=} & Budgeted \ or \ Estimated \ Annual \ Nitric \ Acid \ Production \ (tHNO_3) \\ \end{array}$

 $GWP_{N2O} = Global Warming Potential of N₂O (310 tCO₂e/tN₂O)$

D.1.5. Where applicable, in accordance with procedures as required by the <u>host Party</u>, information on the collection and archiving of information on the environmental impacts of the <u>project</u>:

For detailed information on good monitoring practice and performance characteristics see Annex 3.

_	(C) r (C) r r							
monitored:	monitored:							
Data	Uncertainty level	Explain QA/QC procedures planned for these data, or why such						
(Indicate	of data	procedures are not necessary.						
table and	(high/medium/low							
ID number))							







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D 1 1 1	1	D 1 1'1 (' 1' 1 'C' (' 1 ' 1
D.1.1.1.:	low	Regular calibrations according to vendor specifications and recognised
P1, P2,		industry standards (EN 14181). Staff will be trained in monitoring
P7, P8,		procedures and a reliable technical support infrastructure will be set
D.1.1.3:		up.
B.1, B.2		Third party audits by laboratories with EN ISO/IEC 17025
		Accreditation
D.1.1.1.:	low	Calculated values included in evaluation by third party AIE
P5,P6,P.23		
D.1.1.3:		
B.5, B.6,		
B.8		
D.1.1.1.:	low	Included in plant internal Quality Assurance program as validated by
P3, P4, P9,		third party during ISO 9001/ ISO 14001 audit
P.11, P15,		
P17		
D.1.1.3:		
B.3, B.4		
D.1.1.1.:	low	Constant factors included in evaluation by third party AIE
P.13, P.14,		
P.16, P.18,		
P.19, P.20,		
P.21, P23		
D.1.1.3:		
B.7, B.9,		
B.10		
2.10		

D.3. Please describe the operational and management structure that the <u>project</u> operator will apply in implementing the <u>monitoring plan</u>:

At the time of writing this PDD, the following people are responsible for the listed project tasks. However, it is possible that the responsible people may change throughout the course of the project activity.



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General Project Responsibilities

Yara central project coordination:

Peter Fauconnier (TPO Nitric acid)

- AMS/General coordination

Oystein Nirisen (catalyst department)

- Catalyst development

N.serve:

Rebecca Cardani-Strange (Project Manager)

- Project Implementation and official project documentation

Martin Silkenbaeumer (Monitoring Specialist)

- Final data analysis, ERU calculations and project monitoring consultant

Köping Site Management & Local Project Responsibilities:

Site Management:

Gilles Raskopf (Site Manager)

- Overall political and project strategy

Pär Höök (Production Manager)

Lars-Håken Karlsson (HESQ Manager)

- Environmental permit responsibilities

<u>Plant personnel</u>:

Axel Pallin (Process Engineer)

- Project management/implementation
- Data collection

Mikael Larsson (Instrumentation Supervisor)

- Instrumentation calibration and maintenance





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Jozef Meglic (Automation Engineer)

- Data collection and storage, back-up procedures

Operation, maintenance, calibration and service intervals are being carried out by staff from the instrument department according to the vendor's specifications and under the guidance of internationally relevant environmental standards, in particular EN 14181 (2004).

YARA Köping S2 has defined an AMS checking procedure schedule and will continue to plan ahead for the remaining years of the crediting period, strictly adhering to the relevant standards.

All monitoring procedures at YARA Köping S2 are also conducted and recorded in accordance with the procedures under ISO 9001, which is regularly audited by an independent auditing organisation accredited for ISO 9001 certification (see section D.1.)

D.4. Name of person(s)/entity(ies) establishing the monitoring plan:

N.serve Environmental Services GmbH Grosse Theaterstr. 14 20354 Hamburg Germany www.nerve.net contact@nserve.net



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SECTION E. Estimation of greenhouse gas emission reductions

E.1. Estimated <u>project</u> emissions:

Using the assumptions from section A.4.3.1 above, the following project emissions are estimated for the project activity in the crediting period. The first crediting period would start on the 1st October 2010:

Crediting Period (years)	Nitric Acid Production [tHNO3]	Project Emissions [tCO ₂ e]
2010	33,750	5,022
2011	136,000	20,237
2012	136,000	20,237
Total estimated (until end 2012)	305,750	45,496
Annual average (until end 2012)	135,889	20,220

Table 4 (part A): Hypothetic project emissions until 2012

Crediting Period (years)	Nitric Acid Production [tHNO3]	Project emissions [tCO ₂ e]
2013	136,000	19,453
2014	136,000	19,453
2015	136,000	19,453
2016	136,000	19,453
2017	136,000	19,453
2018	136,000	19,453
2019	102,000	14,590
Total number of crediting years		10
Total estimated (2009 to 2019)	1,223,750	176,806
Annual average (2009 to 2019)	122,375	17,681

Table 5 (part B): Hypothetic project emissions from 2013 onwards





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E.2. Estimated <u>leakage</u>:

No leakage emissions do occur.

E.3. The sum of **E.1.** and **E.2.**:

See E.1.

E.4. Estimated <u>baseline</u> emissions:

Baseline emissions

As described in section A.4.3, in the business as usual scenario emissions would continue unabated at the current preliminary emissions factor of 4.78kg/tHNO₃. The figures in the table below show the emissions that would most likely occur in the absence of the JI project:

Crediting Period (years)	Nitric Acid Production [tHNO3]	Baseline emissions (minus AMS uncertainty) [tCO ₂ e]
2010	33.750	47.500
2011	136.000	191.406
2012	136.000	191.406
Subtotal (estimated)	305.750	430.313
Average per year		
(until end 2012)	135.889	191.250

Table 6 (part A): Hypothetic baseline emissions until 2012





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Crediting Period (years)	Nitric Acid Production	Baseline Emissions [tCO ₂ e]
	[tHNO3]	
2013	136.000	183.997
2014	136.000	183.997
2015	136.000	183.997
2016	136.000	183.997
2017	136.000	183.997
2018	136.000	183.997
2019	102.000	137.998
Total number of crediting years		10
Total estimated (2009 to 2019)	1.223.750	1.672.293
Annual average (2009 to 2019)	122.375	167.229

Table 7 (part B): Hypothetic baseline emissions from 2013 onwards.

E.5. Difference between E.4. and E.3. representing the emission reductions of the project:

The ERU figures included in this PDD are *conservative estimations* only. ERUs will therefore be awarded for those factual emissions reductions achieved below the baseline emissions factor and subsequently verified by the responsible AIE, and not in accordance with the preliminary estimations provided in this PDD.

The below tables show the estimated emission reductions that will be generated by the project activity:

^{*} Due to the likely inclusion of N_2O emissions emanating from nitric acid production into the EU ETS from 1^{st} January 2013 onwards, the project may not be eligible to earn ERUs after that time or continuing the project under the JI may not be economically viable. Also, from 2013 onwards a GWP of 298 for N_2O as defined by the IPCC Third Assessment Report will be applied. This is why this PDD differentiates in between prospective emission reductions achieved until 31^{st} December 2012 and emissions reductions generated from 1^{st} January 2013 onwards..



171,030



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Crediting Period Nitric Acid Emission Production Reductions (years) [tHNO3] $[tCO_2e]$ 2010 33,750 42,478 2011 136,000 171,170 2012 136,000 171,170 Subtotal (estimated) 384,817 305,750 Average per year

135,889

Table 8 (part A): Emissions reductions until 2012

(until end 2012)

Crediting Period (years)	Nitric Acid Production [tHNO3]	Emission reductions [tCO ₂ e]
2013	136,000	164,544
2014	136,000	164,544
2015	136,000	164,544
2016	136,000	164,544
2017	136,000	164,544
2018	136,000	164,544
2019	102,000	123,408
Total number of crediting years		10
Total estimated		
(2009 to 2019)	1,223,750	1,495,487
Annual average (2009 to 2019)	122,375	149,549

Table 9 (part B): Emission reductions from 2013 onwards

E.6. Table providing values obtained when applying formulae above:

^{*} Due to the likely inclusion of N2O emissions emanating from nitric acid production into the EU ETS from 1st January 2013 onwards, the project may not be eligible to earn ERUs after that time or continuing the project under the JI may not be economically viable. Also, from 2013 onwards a GWP of 298 for N₂O as defined by the IPCC Third Assessment Report will be applied. This is why this PDD differentiates in between prospective emission reductions achieved until 31st December 2012 and emissions reductions generated from 1st January 2013 onwards.



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Crediting Period [years]	Project Emissions [tCO ₂ e]	Baseline Emissions [tCO ₂ e]	Leakage [tCO ₂ e]	Emission Reductions [tCO ₂ e]
2010	5,022	47,500	-	42,478
2011	20,237	191,406	-	171,170
2012	20,237	191,406	-	171,170
Subtotal (estimated)	45,496	430,313	-	384,817
Average per year (until end 2012)	20,220	191,250		171,030

Table 10 (part A): Summary of calculation of emissions reductions entitled to ERUs until 2012

Crediting Period	Project	Baseline	Leakage	Emission
(years)	Emissions	Emissions	[tCO ₂ e]	Reductions
	[tCO ₂ e]	[tCO ₂ e]		entitled to ERUs
				[tCO ₂ e]
2013	19,453	183,997	1	164,544
2014	19,453	183,997	-	164,544
2015	19,453	183,997	-	164,544
2016	19,453	183,997	-	164,544
2017	19,453	183,997	-	164,544
2018	19,453	183,997	-	164,544
2019	14,590	137,998	-	123,408
Total number of crediting years				10
Total estimated (2009 to 2019)	176,806	1,672,293	-	1,495,487
Annual average (2009 to 2019)	17,681	167,229	-	149,549

Table 11 (part B): Summary of calculation of emissions reductions entitled to ERUs from 2013

SECTION F. Environmental impacts

F.1. Documentation on the analysis of the environmental impacts of the <u>project</u>, including transboundary impacts, in accordance with procedures as determined by the <u>host Party</u>:

^{*} Due to the likely inclusion of N_2O emissions emanating from nitric acid production into the EU ETS from 1^{st} January 2013 onwards, the project may not be eligible to earn ERUs after that time or continuing the project under the JI may not be economically viable.





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The project will reduce gaseous emissions of nitrous oxide (N_2O) from the plant tail gas and will therefore contribute to international efforts to reduce greenhouse gas emissions. The project will have no negative effects on local air quality.

The project will have no impact on water pollution. No additional water is required for the project activity's implementation or operation. Therefore, there is no impact on the sustainable use of water. Also, the project does not impact on the community's access to other natural resources, as it will not require any additional resources. In addition, there is no impact on the efficiency of resource utilization, nor is there any impact on the population living in the vicinity of the plant.

There are no other positive or negative impacts on the environment.

F.2. If environmental impacts are considered significant by the <u>project participants</u> or the <u>host Party</u>, please provide conclusions and all references to supporting documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party:

Given the facts stated in section F.1 above, no environmental impact assessment is necessary.

SECTION G. Stakeholders' comments

G.1. Information on stakeholders' comments on the project, as appropriate:

As the JI project does not have any relevance for local air, water or soil emissions, it is not necessary to undertake a local stakeholder consultation.



Annex 1

CONTACT INFORMATION ON PROJECT PARTICIPANTS

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Annex 2

BASELINE INFORMATION

Baseline information cannot yet be provided at the time of writing this PDD, since the baseline has not yet been completed.

The measurement of the baseline will start in May 2009 and it is therefore expected that complete baseline monitoring data will be available in October 2010.

Annex 3

MONITORING PLAN

Background on EN14181

The objective is to achieve the highest practically possible level of accuracy in conducting those measurements and transparency in the evaluation process.

While EN14181 provides the most advanced procedures, its practical application is currently limited for the following reasons:

- Specific procedures for N₂O are not yet defined in EN14181;
- Only very limited experience exists with monitoring systems for N₂O emissions;
- In the context of conducting some of the calculations and tests of EN14181, no applicable regulatory N₂O levels exist in the EU (or elsewhere).

Therefore, it is currently not possible to fully comply with the letter of EN14181, neither in the EU, nor in a non-Annex 1 country to the Kyoto Protocol.

Despite all this, EN14181 provides very useful guidance in conducting a logical, step-by-step approach to selecting, installing, adjusting and operating the N_2O AMS for CDM and JI projects.

The monitoring procedures developed for this project aim to provide workable and practical solutions that take into account the specific situation at each nitric acid plant. Wherever possible, EN14181 is applied as guidance for the development and implementation of the monitoring procedures for this JI project in order to achieve highest possible measuring accuracy and to implement a quality control system that assures transparency and credibility.

Scope of EN 14181

This European Standard specifies procedures for establishing quality assurance levels (QAL) for automated measuring systems (AMS) installed at industrial plants for the determination of the flue gas components and other flue gas parameters.

This standard is designed to be used after the AMS has been accepted according to the procedures specified in EN ISO 14956 (QAL1).

EN14181 specifies:

- a procedure (QAL2) to calibrate the AMS and determine the variability of the measured values obtained by it, so as to demonstrate the suitability of the AMS for its application, following its installation:
- a procedure (QAL3) to maintain and demonstrate the required quality of the measurement results during the normal operation of an AMS, by checking that the zero and span characteristics are consistent with those determined during QAL1;





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- a procedure for the annual surveillance tests (AST) of the AMS in order to evaluate (i) that it functions correctly and its performance remains valid and (ii) that its calibration function and variability remain as previously determined.

This standard is restricted to quality assurance (QA) of the AMS, and does not include the QA of the data collection and recording system of the plant.

For a full description of the AMS to be installed at YARA Köping S2 nitric acid plant, as well as details on the quality assurance and control procedures to be undertaken, see section D.1 above.