## Welzel, Romy

Von: German-DNA-DFP [German-DNA-DFP@uba.de]

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An: Welzel, Romy

Betreff: YARA Köping S2 N2O abatement project in Sweden

Wichtigkeit: Hoch

Dear Romy Welzel,

reviewing preliminarily the PDD presented for public consultation at the TÜV-Süd-netinform Web Site under the JI Track 2 procedure, the following questions with respect to the baseline determination arise:

Since Sweden is a member state of the European Union, the "Acquis Communautaire" should be reflected in the reference scenario of any proposed project activities according to Article 11b of the Emission Trading Directive (2003/87/EC). In the documents presented, we are missing an appropriate reflection of the IPPC-Directive (2008/1/EC).

Nitric acid plants are listed in Annex I Nr. 4.2 b) of the IPPC-directive and nitrous oxide (N2O) is listed as an air pollutant in Annex III Nr. 2. Therefore according to article 9 of the IPPC-Directive, BAT based emission limit values should be set in the permit by the competent authority. The production of nitric acid is dealt with in detail in Chapter 3 of the BAT Reference Document "Large Volume Inorganic Chemicals - Ammonia, Acids, Fertilizers" (BREF LVIC-AAF), prepared by the European Integrated Pollution Prevention and Control Bureau (EIPPCB) of the European Commission.

The technology to be used in the project is described in detail in chapter 3.4.6 of the BAT Reference document. It is classified as BAT and linked with emission level of 1.85 kg N2O / t HNO3 (100%) produced (table 3.14). As the application of BAT in existing plants is mandatory in Europe since October 2007, this should be the appropriate baseline for a JI project in the EU. Obviously, these developments have not been implemented yet in the plant's permit dated 1989.

We kindly ask you to consult during your determination activities with the host country's authorities about the implementation of the IPPC directive in Sweden. An unjustified selection of a baseline may lead to a severe distortion of the market and the competition in Europe, especially with regard to member states which have implemented BAT without using JI or have opted-in voluntarily according to article 24 of the EU ETS directive (2003/87/EC) and apply an benchmark for the allocation of the EU allowances.

Please do not hesitate to contact us in case of any further questions.

On behalf of the German DFP at the Federal Environment Agency, yours sincerely

Dr. Karsten Karschunke

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