CleanBC Industrial Incentive Program

Steel Wire Sector Guidance

This guidance applies to reporting operations with primary NAICS codes as follows:

NAICS – 331222: Steel Wire Production
Sub-Sector: Steel Wire
CIIP Product: Steel wire - hot dip galvanization

NOTE: Products other than Hot Dip Galvanized (HDG) wire, such as nails, are not considered in the benchmark for CleanBC Industrial Incentive Program (CIIP) purposes. Therefore, the reporting operation’s emissions must be allocated between HDG wire and the non-CIIP products, as described in the section on emission allocation.

In addition to this guidance document, the Ministry provides a spreadsheet with the appropriate calculation formulas built in to assist in calculating inputs for the CIIP application (available via e-mail and webpage).

Quantification and Reporting of Emissions and Related Information

Unless explicitly stated otherwise in the CIIP guidance, quantification and reporting of greenhouse gas emissions and related information under CIIP must comply with the Greenhouse Gas Industrial Reporting and Control Act (GGIRCA) and the Greenhouse Gas Emission Reporting Regulation (GGERR), including with the referenced in GGERR Western Climate Initiative (WCI) quantification methodologies.

The WCI methodologies typically applicable to HDG wire producing reporting operations include, but may not be limited to, the following:

- WCI.020 General Stationary Combustion
- WCI.280 Mobile Equipment at Facilities

Emissions associated with purchased electricity consumed at the reporting operation must not be included in the emissions total for CIIP purposes.

The emissions total for CIIP purposes equals the reporting operation’s emissions total as required to be reported under GGIRCA and submitted in the Single Window Reporting System:

\[ E^{CIIP} = E^{GSC}_{HDG} + E^{MC}_{HDG} \]
Where $E_{HDG}^{GSC}$ and $E_{HDG}^{MC}$ are as defined and calculated in the sections below.

**Quantification of Production and Reporting of Energy**

Applicants to the CIIP must report the total amount of throughput in the hot dip galvanization process ($P_{HDG}$) in the reporting year, in tonnes.

The production amounts above must include all HDG wire produced, regardless of whether it is sold during the year or added to inventory. It does not include amounts sold from a previous year’s production.

In order to allocate emissions, the reporter will need to have information about total production at the facility (in tonnes) of wire, nails and other products.

**Emission Allocation between Products**

Applicants to CIIP must allocate GHG emissions between the following:

- Steel wire - hot dip galvanization (the CIIP product)
- All other facility production - named “Wire draw production” in the CIIP application (the non-CIIP product)

When a generator provides energy for both hot dip galvanization and processes for other products (e.g. the nail mill), the general stationary combustion emissions $E_{HDG}^{GSC}$ allocated to HDG wire production must be quantified as follows:

1) Identify a period of least 5 days within the reporting year $T_{HDG only}$ in which:
   a. hot dip galvanization is running at its regular capacity; and
   b. hot dip galvanization is the only user of energy from the generator

2) Determine average daily fuel use ($\text{Average Fuel}_{HDG Only}$) for the generator during days that the above two conditions are met.

3) Determine Emissions through the following formula

$$E_{HDG}^{GSC} = \left( \frac{\text{Average Fuel}_{HDG Only}^{Generator}}{\text{Total Annual Fuel}_{Generator}} \right) \times (365) \times E_{Generator}$$
Similarly, on-site transportation (mobile combustion) emissions $E_{MC}^{MC}$ allocated to HDG wire production must be quantified as follows:

$$E_{HDG}^{MC} = \left( \frac{P_{HDG}}{P_{non\ CIIP+HDG}} \right) \times E_{MC}$$

**Emission Intensity**

For the purposes of CIIP, the Emission Intensity of HDG wire $EI_{wire}$ will be calculated as:

$$EI_{HDG} = \frac{E_{CIIP}}{P_{HDG}}$$