6.3.5.4 Standard Cement Capacity Volume [t cem/year] (by 12 mr PR)

Description

Standard cement capacity volume corresponds to the quantity of cement that can be produced (ground) in cement grinding with a standard target Net Availability Index (NAI) mill of 92% in function of 12 mr mill Production Rate.

Idle cement capacity volume (including mothballed capacity) corresponds to the quantity of cement that could theoretically be produced (ground) in cement grinding with a standard target NAI of 92 % achieved prior to the stop: this is if the mill(s) would not be stopped.

Reference to Process

This indicator refers to:

- Main cost center 'Cement Grinding/ Blending'
- Product sub-segment Clinker and Cement

Purpose

To describe the quantity of cement that can be produced by a mill system under optimal conditions.

Calculation

Standard Cement Capacity Volume =

Production Rate [t/hour] (12 mr) * 24 * 365 * 92%

This is an annualized value calculated based on the 12 month rolling Production Rate and the standard (target 92%) Net Availability Index. If several mills are installed in a plant the individual standard cement capacities have to be summed up. The capacity of the blenders and mixers are not included.

'Idle cement capacity volume' of a plant is the sum of the idle grinding production lines. The grinding production lines include the separate and composite grinding of all products.

Comments and Examples

TIS data normalization codes:ICS code 500+TPYSTD+CEM and ICS code 500+TIDLE.Y+CEM

Each cement plant defines the standard cement capacity volume once per year, during the planning process. In the Mid Term Plan, the capacity will correspond to the expected capacity at year-end (on December 31 of the corresponding year).

For calculation examples of newly commissioned assets, assets stopped, replaced or upgraded refer to Standard Clinker Capacity volume.

If an asset (equipment) is going to be maintained for a limited period of time (up to 10 years) , it is included in the (total) Standard cement capacity volume.

For accounting details and conditions on reporting assets as 'idle' refer to PPE - Section 'Idle assets'.

The Standard Cement Capacity must be reassessed yearly on mill level. The values obtained following the reassessment process are summed up to the total Standard Cement Capacity of the plant. The newly obtained value shall be compared to the value applicable for the past year (i.e. 2018 compared to 2017). Only if the difference is greater than +/- 5%, the new value is adopted as new Standard Cement Capacity. However, if the difference is less than +/- 5%, the new value is not adopted as new Standard Cement Capacity and the old value will be maintained (reported).

In other words:

Assess yearly (standard cement) capacity at mill level => Add mill system (standard cement) capacities for total (standard cement) capacity of the plant => Apply +/-5% rule at plant level for reporting Standard Cement Capacity of the plant.

The indicators are referred to on an annualized basis.

If an asset (equipment) is maintained for a limited period of time (up to 10 years) it is included in the (total) Standard cement capacity volume and also in 'Idle cement capacity volume (including mothballed).

'Idle cement capacity volume' of a plant is the sum of the idle cement production lines.

Reporting Requirements

The indicators are reported in SAP FC.