

Langemarckstrasse 20
45141 Essen
Germany

Phone: +49 201 825-0
Fax: +49 201 825-2517

Info.tncert@tuev-nord.de
www.tuev-nord-cert.com

TÜV®

CDM Executive Board

Our / Your Reference

Contact
Rainer Winter
E-Mail: rwinter@tuev-nord.de

Direct Dial
Phone: -3329
Fax: -2139

Date
10.07.2007

Request for Review

"Central Energética do Rio Pardo Cogeneration Project (CERPA)" (0209)

Dear Sir/Madam,

Please find below the response of the project participants (Cerpa – Central Energética do Rio Pardo Ltda., Ecoinvest Assessorial Ltda.) and the TÜV NORD JI/CDM Certification Program to the requests for review for the above mentioned project no. 0209.

If you have any questions do not hesitate to contact us.

Yours sincerely,

TÜV NORD JI/CDM Certification Program



Rainer Winter

Request for Review (1-4)	
Issue raised by EB Members / DNA	<p>1) <i>"The project activity is claiming zero project emissions in the monitoring report since it is indicated in the PDD that no fossil fuel will be consumed. However, it is unclear from the verification report how the DOE has verified no fossil fuel has been consumed and thus confirming zero project emissions. Although the monitoring plan does not specify the requirement for monitoring of the fossil fuel used within the project boundary, the monitoring methodology applied to this project activity stipulates this requirement. The DOE should have verified that no emissions from the consumption of the fossil fuel have been generated by the project activity in accordance with the approved methodology"</i></p>
Response of project participant	<p>Methodology AM0015 requires the monitoring of CO2 emissions from fossil fuels combusted due to the project activity at the project site, where relevant.</p> <p>The only emissions due to fossil fuels at the project site are due to the transportation of sugar cane, by trucks, to the sugar mill. This transportation existed already in the baseline, and did not change because of the project, so that there are no net changes in CO2 emissions from fossil fuels due to the project activity. See annexed a document provided by Equipalcool, the boilers' manufacturer, stating that the equipment was designed to burn sugar cane bagasse and must not be put in operation burning other types of fuels.</p> <p>CERPA monitors constantly that there are no relevant sources of fossil fuel emissions due to the project activity at the project site, and confirms that project emissions are zero. This information will be included in the Monitoring Report.</p>
Response of DOE	<p>The equipment in operation to produce electricity at Central Energética do Rio Pardo Cogeneration Project is not appropriate to combust fossil fuels. This was verified during the on-site visit. Moreover there were no evidences like a stockyard for fossil fuels, a natural gas connection or records of fossil fuel delivery at the project site that indicate any use of fossil fuels for combustion. Therefore it can be concluded that no emissions from the consumption of the fossil fuel have been generated in the project activity. Additional information has been included in the revised verification report (chapter 4.1.2).</p> <p>Furthermore the project proponents revised the monitoring report, including respective information concerning the conducted monitoring of potential project emissions.</p> <p>If this information (incl. the revised monitoring report and verification report) is not sufficient to close the request for review, we appoint Ms. Maria Carolina Crisci Coelho as our contact person.</p> <p>Ms. Maria Carolina Crisci Coelho BRTÜV Alameda Madeira, 222 - 3o. andar (floor) CEP (ZIP) 06454-010 Barueri - São Paulo - Brazil Phone: +55 11 4689.9400 Email: maria.carolina@brtuv.com.br</p>

Request for Review (1-4)	
Issue raised by EB Members / DNA	2) <i>"The power produced during this seven-month monitoring period is 72,391.98 MWh, while the PDD indicates 45,000-60,000 MWh/y has been generated as surplus since 2003. While the electricity generated has been monitored correctly, there is no further explanation in the monitoring report on the reasons of the significantly higher emission reductions achieved during this monitoring period."</i>
Response of project participant	<p>In 2003, CERPA produced 3,699,457 tones of sugar cane. In 2006, they produced 4,101,266 tones of sugar cane. This production expansion did not happen because of the project but to attend the recent and remarkable expansion of the sugar and ethanol market. Besides, good climate conditions in 2006 led to a higher than average productivity. This sugar cane production expansion made possible the export of more electricity and, consequently, higher emission reductions.</p> <p>The article "Ethanol Demand Driving the Expansion of Brazil's Sugar Industry", prepared in June/2007 by the Economic Research Service of the United States Department of Agriculture, evidences, in page 32, the clear expansion of sugar cane production in Brazil from 2003 to 2006 (source: http://www.ers.usda.gov/Briefing/Sugar/sugarpdf/EthanolDemandSSS249.pdf).</p>
Response of DOE	<p>To address this issue, the requests for review have led to an additional clarification request (CR1) raised in revision 1 of the verification report. To close this CR, the monitoring report was modified to reflect the production increase.</p> <p>The response from the project participants is assessed to be satisfactory. In detail: TÜV NORD agrees to the opinion that the production increase is solely due to weather and market conditions and not due to effects of the CDM registration. Thus all applicability criteria of AM0015 are met.</p> <p>If this information is not sufficient to close the request for review, we appoint Ms. Maria Carolina Crisci Coelho as our contact person.</p> <p>Ms. Maria Carolina Crisci Coelho BRTÜV Alameda Madeira, 222 - 3o. andar (floor) CEP (ZIP) 06454-010 Barueri - São Paulo - Brazil Phone: +55 11 4689.9400 Email: maria.carolina@brtuv.com.br</p>