Response of the Project Participants to the request for review for:
"Central Energética do Rio Pardo Cogeneration Project (CERPA)" (0209)

All requests for review have exactly the same content and, therefore, the comments of the project participants are valid to all requests. In the following text, the reasons for request are *italicized*.

Requests 1, 2, 3 and 4

1) The project activity is claiming zero project emissions in the monitoring report since it is indicated in thePDD 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.

Methodology AM0015 requires the monitoring of CO2 emissions from fossil fuels combusted due to the project activity at the project site, **where relevant**.

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.

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.

2) 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.

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.

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).