



UNFCCC Secretariat
Martin-Luther-King-Strasse 8
D-53153 Bonn
Germany

DET NORSKE VERITAS
CERTIFICATION AS
Veritasveien 1
1322 Høvik
Norway
Tel: +47 6757 9900
Fax: +47 6757 9911
<http://www.dnv.com>

Att: CDM Executive Board

Your ref.:
CDM Ref 0395

Our ref.:
MLEH/ETEL

Date:
15 August 2007

Response to request for review LDEO Biomass Steam and Power Plant in Malaysia (0395)

Dear Members of the CDM Executive Board,

We refer to the requests for review raised by three Board members concerning DNV's request for issuance of CERs for project activity 0395 entitled "LDEO Biomass Steam and Power Plant in Malaysia", and we would like to provide the following response to the issue raised by the requests for review.

Comment:

The Board approved the deviation of the monitoring plan based on the use of EFB, palm kernel shell and mesocarp fibres. However, the DOE verified that the total steam productions are derived from five types of biomass fuel which are EFB, palm kernel shell, mesocarp fibres, palm kernel expeller and woodchip. Further clarification is required on this issue.

DNV Response:

DNV acknowledges that the use of palm kernel expeller (PKE) and woodchip was by mistake not included in the request for deviation which was approved by the Board.

During the reporting period in question (i.e. June - Sept 2006), which comprises the start-up phase of the project, different biomass were accumulated to ensure enough fuel was available and enough heat was generated for steam production. PKE consumption was at 1037.44 t (8.96% of total biomass use), while the use of woodchips was insignificant (2.22 t which corresponds to 0.02% of total biomass use). No PKE and woodchips were burnt for after this reporting period.

Hence, DNV has suggested that the project participants exclude the steam generated from PKE and woodchips from the CER calculations, applying a conservative estimate of the share of total steam which can be attributed to burning of PKE and woodchips.

In case the project participants choose to continue to include steam generated from PKE, DNV will request that the project participants provide a similar assessment for PKE use regarding possible leakage and impact on the project's additionality as included in the request for deviation concerning the use of mesocarp fibre and PKS and that this assessment is reviewed by the Board.

We sincerely hope that the Board accepts our above explanations.

Yours faithfully
for DET NORSKE VERITAS CERTIFICATION AS



Einar Telnes
Director
International Climate Change Service



Michael Lehmann
Technical Director