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Answers to Requests for Review – Paramount Integrated Corporation Methane Recovery and <u>Electricity Generation Project</u>

1. The baseline emissions for diesel based electricity generation are calculated as 644 tonnes CO2e/year (PDD section E.1.2.4). However, the same has been estimated as 1200.34 tonnes CO2e/year (PDD section E.2). This results in stating different total baseline emissions/ emission reductions in sections E1.2.4 and E.2. This needs to be corrected and reported consistently both in PDD and validation report as well (p. A-29, Table 3, CL3 and emission reduction calculation of 7582 vs 8809 t, p. A-21).

Answer: The project emissions are 644 tCO₂e per year, calculated as shown in PDD and resulting in a total annual emissions reduction of 7,582 tCO₂e. Relevant sections in the PDD and validation report have been revised for consistency.

2. The validation report mentions that the surplus biogas will be flared. The validation report states in other sections in the document as well as regards flare efficiency. Table 3, page 24 mentions that the actual flare and generator efficiency will be monitored. But the PDD mentions that no flare system is installed. This needs clarification.

Answer: To confirm, the project has no flare. All references to such were erroneous and have been corrected in the PDD and validation report.

3. The PDD states that the generator is a dual fuel system and Liquified Petroleum Gas (LPG) will be used in case of bio-digester failure. The validation report does not mention anything about LPG. Hence the project developer should provide clarification on the use of LPG and if so, include LPG consumption as one of the monitoring parameters.

Answer: Although the genset does have the technical provision to run on LPG in case of biodigester failure, LPG has never been used and is not expected to be. The established practice at this project is that in case of digester failure the farm uses power from the back-up diesel generators (as was the case prior to the implementation of the project activity) or shuts off the blower to reduce power demand. Similar practice is observed at all other projects by the same developer (Philippine Bio-Sciences Co. Inc.). The only provision for LPG use is an LPG regulator valve on the genset, though it currently does not even have an LPG tank attached to it. Therefore, it would be inaccurate to estimate project emissions from LPG consumption; however, LPG consumption has been added to the monitoring methodology. In the unlikely event that it is used, any project emissions resulting from LPG combustion will be accounted for in the same manner as diesel project emissions.

4. The DOE has not appropriately dealt with all the validation requirements. The DOE has not summarized the local stakeholder (LSH) comments. The validation report states that the LSH comments were received through a public forum held on 6th May 2006 and also mentions that no adverse comments were received. However the PDD mentions

that the stakeholders' meeting was held on 16 June 2006 and also provides the detailed minutes and summary of the meeting. The concerns raised by the LSH about the project are strong and critical. Hence the DOE has to assess whether stakeholder comments were adequately taken into account.

Answer: This oversight has been corrected by the DOE, which has now validated the appropriate stakeholder comments and confirms that adequate account was taken of the LSH comments . The date of the stakeholder meeting was 16 June 2006.

If any of the above requires any further clarification, please do not hesitate to contact:

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