VALIDATION OPINION FOR REVISION OF REGISTERED MONITORING PLAN

ITC Paper Boards & Speciality Paper Division

Optimization of steam consumption by applying retrofit measures in blow heat recovery system

UNFCCC Ref. No. 0677

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SGS United Kingdom Limited		ITC Paper Boards & Speciality Paper Boards Division	
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Validation Team:			
Pankaj Mohan – Lead Assessor			☒ No Distribution (without permission from the Client or responsible organisational unit)
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Date: 18-07-2008 Name: Sanjeev Kumar	NA		☐ Limited Distribution
Authorised Signatory:			
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Reference to Part of this Report Which may Lead to Misinterpretation is not Permissible.

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1. Validation Opinion

Paragraph 57 of the modalities and procedures for the CDM allow project participants to revise monitoring plans in order to improve accuracy and/or completeness of information, subject to the revision being validated by a Designated Operational Entity.

SGS United Kingdom Ltd has been contracted by ITC Paper Boards & Speciality Paper Division to perform such a validation of the revision of monitoring plan according to the procedure detailed in annex 34 to EB 26 meeting report, the original monitoring plan is part of the PDD of registered CDM project: Optimization of steam consumption by applying retrofit measures in blow heat recovery system; UNFCCC ref. no. 0677. The purpose of a validation is to have an independent third party assessment of the revision of monitoring plan. In particular, the level of accuracy or completeness in the proposed revision of the monitoring plan, and the conformity with approved monitoring methodology applicable to the project activity.

By applying the proposed revision of monitoring plan, the monitoring parameters Boiler efficiency is estimated using direct method and Steam enthalpy is calculated by measuring other parameters as per the monitoring methodology AM0018 version 1. NCVi is also measured from the external lab on a monthly basis. The carbon content of the coal is also measured in % of weight basis from the external lab on monthly basis. The Registered PDD was mentioning these parameters as measured but there is no instrument which can measure these parameters directly but these will only be calculated/estimated based on other measured parameters as per the monitoring methodology AM0018 version 1. The NCVi and carbon content is also corrected as per the monitoring methodology AM0018 version 1. This is also required as per EB 33 meeting report paragraph 84. All the other monitoring parameters in the original monitoring plan remain unchanged. This revision improves the accuracy of information and makes the monitoring plan in accordance with the monitoring methodology AM0018 version 1.

Theoretically, there will be no impact on the calculation of the emissions reduction achieved by this project activity because the revision is just aiming to make the monitoring plan in accordance with monitoring methodology AM0018 version 1.

This revision improves the accuracy of information provided and consistency in registered PDD and the monitoring plan.

Furthermore, we confirm that:

(a) the proposed revision of the monitoring plan ensures that the level of accuracy or completeness in the monitoring and verification process is not reduced as a result of the revisions;

(b) the proposed revision of the monitoring plan is in accordance with the approved monitoring methodology applicable to the project activity.

(c) the project activity has successfully completed one verification without any major finding forwarded to next verification.

Signed on Behalf of the Validation Body by Authorized Signatory

Signature: 

Name: Siddharth Yadav

Date: 18-07-2008

2. Introduction

2.1 Objective

Paragraph 57 of the modalities and procedures for the CDM allow project participants to revise monitoring plans in order to improve accuracy and/or completeness of information, subject to the revision being validated by a Designated Operational Entity.

SGS United Kingdom Ltd has been contracted by ITC Paper Boards & Speciality Paper Division to perform such a validation of the revision of monitoring plan according to the procedure detailed in annex 34 to EB 26 meeting report, the original monitoring plan is part of the PDD of registered CDM project: Optimization of steam consumption by applying retrofit measures in blow heat recovery system.; UNFCCC ref. no. 0677. The purpose of a validation is to have an independent third party assessment of the revision of monitoring plan. In particular, the level of accuracy or completeness in the proposed revision of the monitoring plan, and the conformity with the approved monitoring methodology applicable to the project activity.

The Validation was performed in accordance with the UNFCCC criteria for the Clean Development Mechanism (CDM) and host country criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

SGS reviewed of the project design documentation, using a risk based approach and conducted follow-up interviews.

2.2 Scope

The scope of the validation is defined as an independent and objective review of the project design document, the project's baseline study and monitoring plan and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules and associated interpretations. SGS has employed a risk-based approach in the validation, focusing on the identification of significant risks for project implementation and the generation of CERs.

The validation is not meant to provide any consulting towards the Client. However, stated requests for clarifications and/or corrective actions may provide input for improvement of the project design.

2.3 GHG Project Description

As per http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view.html web page there is no change in the project activity description. The project was registered on 24th December 2006 with reference number 0677.

2.4 The Names and Roles of the Validation Team Members

Name	Role	Affiliate
Pankaj Mohan	Lead Assessor	SGS India

3. Methodology

3.1 Review of CDM-PDD and Additional Documentation

The validation is performed primarily as a document review of the publicly available project documents. The assessment is performed by trained assessors using a validation protocol.

3.2 Use of the Validation Protocol

The validation protocol used for the assessment is partly based on the templates of the IETA / World Bank Validation and Verification Manual and partly on the experience of SGS with the validation of CDM projects. It serves the following purposes:

- it organises, details and clarifies the requirements the project is expected to meet; and
- it documents both how a particular requirement has been validated and the result of the validation.

The validation protocol consists of several tables. The different columns in these tables are described below.

Checklist Question	Ref ID	Means of verification (MoV)	Comment	Draft and/or Final Conclusion
The various requirements are linked to checklist questions the project should meet.	Lists any references and sources used in the validation process. Full details are provided in the table at the bottom of the checklist.	Explains how conformance with the checklist question is investigated. Examples of means of verification are document review (DR) or interview (I). N/A means not applicable.	The section is used to elaborate and discuss the checklist question and/or the conformance to the question. It is further used to explain the conclusions reached.	This is either acceptable based on evidence provided (Y), or a Corrective Action Request (CAR) due to non-compliance with the checklist question (See below). New Information Request (NIR) is used when the validation team has identified a need for further clarification.

3.3 Findings

As an outcome of the validation process, the team can raise different types of findings

In general, where insufficient or inaccurate information is available and clarification or new information is required the Assessor shall raise a **New Information Request (NIR)** specifying what additional information is required.

Where a non-conformance arises the Assessor shall raise a **Corrective Action Request (CAR).** A CAR

is issued, where:

I. mistakes have been made with a direct influence on project results;

II. validation protocol requirements have not been met; or

III. there is a risk that the project would not be accepted as a CDM project or that emission reductions will not be verified.

The validation process may be halted until this information has been made available to the assessors' satisfaction. Failure to address a NIR may result in a CAR. Information or clarifications provided as a result of an NIR may also lead to a CAR.

Observations may be raised which are for the benefit of future projects and future verification or validation actors. These have no impact upon the completion of the validation or verification activity.

Corrective Action Requests and New Information Requests are raised in the draft validation protocol and detailed in a separate form. In this form, the Project Developer is given the opportunity to "close" outstanding CARs and respond to NIRs and Observations.

3.4 Internal Quality Control

Following the completion of the assessment process and a recommendation by the Assessment team, all documentation will be forwarded to a Technical Reviewer. The task of the Technical Reviewer is to check that all procedures have been followed and all conclusions are justified. The Technical Reviewer will either accept or reject the recommendation made by the assessment team.

4. Validation Findings

4.1 Participation Requirements

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.2 Project Design

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.3 Eligibility as a Small Scale Project

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.4 Baseline Selection and Additionality

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.5 Application of Baseline Methodology and Calculation of Emission Factors

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.6 Application of Monitoring Methodology and Monitoring Plan

The project activity registered with CDM – EB uses AM0018, version 01 as monitoring methodology. The registered monitoring plan of the project activity is required to be revised; as the monitoring plan inadvertently mentions that project proponent will measure the boiler efficiency and Steam enthalpy during the crediting period. The measurement of boiler efficiency and steam enthalpy is not possible as there is no instrument which can measure these parameters directly but these will only be calculated/estimated based on other measured parameters which are as per the monitoring methodology AM0018 version 1. Boiler efficiency is estimated based on direct method and steam enthalpy is calculated based on the other measured parameters. NCVi is also measured from the external lab on a monthly basis. The carbon content of the coal is also measured in % of weight basis from the external lab on monthly basis. This was accepted. This is also required as per EB 33 meeting report paragraph 84. Thus the revised monitoring plan is submitted to make the registered PDD monitoring plan in line with the monitoring methodology AM0018 version 1.

Rest of the monitoring plan remains the same as mentioned in the registered PDD available at UNFCCC website http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I and revised monitoring plan is attached with the revised validation opinion.

There is no other change in the validation report available on UNFCCC website http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view .

4.7 Choice of the Crediting Period

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.8 Environmental Impacts

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

4.9 Local Stakeholder Comments

As per http://cdm.unfccc.int/UserManagement/FileStorage/P5MU0C5KIUXNSV1BI2JLMJL44HGN9I Validation Report (Report No. 2006-9134-2 dated 2006-11-09; revision 02) available on UNFCCC webpage http://cdm.unfccc.int/Projects/DB/DNV-CUK1160722166.0/view No change requested.

5. List of Persons Interviewed

Date	Name	Position	Short Description of Subject Discussed
30/01/ 2008	Ms. Aditi Paul	Project Consultant	Monitoring practice adopted at plant site and requirement under registered PDD monitoring plan

6. Document References

Category 1 Documents (documents provided by the Client that relate directly to the GHG components of the project, (i.e. the CDM Project Design Document, confirmation by the host Party on contribution to sustainable development and written approval of voluntary participation from the designated national authority):

/1/ Revised Monitoring plan date 11th July 2008
/2/ Registered PDD version 03 dated 24th August 2006
/3/ Validation Report by DNV (Report No. 2006-9134-2 dated 2006-11-09; revision 02)
/4/ AM0018 Version 01

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