



Chair of the CDM Executive Board
UNFCCC Secretariat
Martin-Luther-King-Strasse8
D-53153 Bonn
Germany

16 November 2008
Ref. CRM/UNFCCC/1855

**Response regarding the request for review for 0695 Yanling Shendu
Hydropower Project**

Dear Chair of the CDM Executive Board,

We refer to the request for review of project activity 0695 Yanling Shendu Hydropower Project and would like to provide the below response to the issues raised.

The issues are:

- 1. The DOE is requested to clarify how it has verified the conservativeness for the discount of emission reductions during the monitoring period when the energy meters were not annually calibrated as per the PDD, based on 0.1% defined as the uncertainty in the testing report rather than 0.5% of the meter specification.*

Response:

According to the PPA between the project owner and the power grid company, a bidirectional main electricity meter with 0.5s accuracy (0.5%) needed to be installed at the 35kV substation. 0.5s accuracy means that the maximum inaccuracy specification of the meter should not exceed 0.5% of the full-scale rating. According to the meter testing report, the valid testing period for the meter is from 9 February 2006 to 8 February 2008 and this monitoring period is within the valid testing period. The testing report shows that the maximum inaccuracy specification of the meter that was actually installed is 0.1%, meeting the requirement of 0.5s accuracy. In this monitoring period, the meter was calibrated according to Chinese national standards and according to the PPA, to keep the accuracy in accordance with the relevant



requirements. However, the meter was not calibrated annually as per the PDD. So, in order to be conservative, a deduction in the emission reductions claimed during the reporting period is made based on the maximum inaccuracy specification of the meter. This was demonstrated to the DOE via the actual testing report prepared by the independent, authorized metrological verification institution. So the total emission reductions for this monitoring period are the monitored emission reductions multiplied by 99.9%.

Therefore, it is our sincere hope that the Executive Board will accept the explanation.

Yours sincerely,

A handwritten signature in blue ink, consisting of several overlapping horizontal strokes that form a stylized, elongated shape.

John Green

COO

Carbon Resource Management