



ECO CARBON PVT LTD.
FaL-G:CDM Project

January 23, 2009

Dear Members of the CDM Executive Board,

Request for review- India-FaL-G Brick and Blocks Project No. 1 (0707)

The DOE is required to provide clarifications on:

“The spreadsheet of the monitoring report shown that no electricity or diesel was consumed while bricks/blocks were produced such as..... Further clarification is required on how the DOE verified the electricity and diesel consumption of 13 sites of the project activity.”

As per Monitoring report and PDD, for computing the ERs, production in cubic meter is taken as basis. However, for more diligence, the Project Entity, Eco Carbon Pvt. Ltd., (ECPL) has adopted a procedure to compute the production based on fly ash consumption and electricity consumption, and tally the same with production records. If the difference is substantial, ECPL accepted the ‘least tallied production figure’ as the most conservative assessment.

For this purpose, based on the type of machine used and rating of motor, Project Entity have derived with ‘Specific Power Factor (SPF)’ based on their standard operational experience. Power consumption is divided by SPF, as per factors shown in ER report for different combinations of Plant & Machinery, in order to arrive to ‘Power-Based Production (PBP)’.

The power bills are provided by APTRANSCO, which is the service provider. Sometimes, due to shortage in staff, this agency misses to take monthly reading and serve bills, which is more prevalent in rural areas. Thus the meter reading is covered once in two months and, some times, three to four months. Wherever the consumption shows blank the same can be attributed mostly to such incidences. DOE verified the records including power bills by visiting all 13 sites.

Based on the above, detailed explanation has been presented below for each case. As ECPL has adopted most conservative ‘least tallied production calculation’, taking into consideration the PBP-SPF factors, these detailed clarifications are offered for further clarity.

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Unit ID No.	Verification year	CAR/Lapse in statement	How DOE verified?
AP/Kris/1-3	2006-07	Reading for May 06 missing.	The consumption recorded for June is 1693 units, which is inclusive of consumption in May. No reading was taken in May and hence it was shown as zero. (Ref. Annexure 1). This is evident by the closing meter reading of 15561 for April, which was taken as opening meter reading for June, skipping May, and recording '0' in May.
AP/Kris/1-6	2004-05	Reading for Aug-Nov 04 missing.	<p>Supporting bill is not available.</p> <p>The emissions due to the electricity consumed were accounted for in the following manner.</p> <p>A) Actual production as verified from the production logs is 2766 m³.</p> <p>B) The production based on the fly ash consumed and the electricity consumed is also arrived at from the specific consumption factors, and the actual verifiable fly ash and electricity consumption. For the period August'04 to March '05, the production figures based on fly ash is 2150 (row 25 of Assessment worksheet in the sheet in EB Report 04-07 Bundle 1 250407.xls) submitted to the EB as a part of the issuance package. This would have earned 481.96 tons of ERs. Similarly the production based on the verifiable electricity consumption vis-a-vis specific power factor is 1698.67 m³, which resulted in emission reduction of 396.93 ERs.</p> <p>C) In order to account for the emissions due to the electricity consumption, which were not complete due to the missing bills, the production based on the electricity verified, 1698.67 m³ is used</p>



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	2005-06	No reading available for March 06.	<p>for the emission reduction calculations, which results in emission reduction of 396.93 t CO₂ for the unit in 2004-05. Thus the unit lost 85.03 ERs for the contingency of unavailable power bills.</p> <p>D) If the actual production figure of 2766 m³ is considered the emission reduction would have been 626.59 ERs. By taking PBP of 1698.67 m³ computed against recorded power of 2080 kWh, the ERs were claimed at 396.93 tons in the issuance request, by which the unit lost 229.66 ERs.</p> <p>Supporting bill is not available. Based on available bills, PBP is taken for ER computation, which is 3364 m³ as against 4452 m³ claimed by SPE.</p>
	2006-07	Readings for Aug-Dec are missing.	<p>The readings for August to October 06 missed to take place in the statement by oversight. Supporting bills are not available for April 06, Nov 06 and Jan 07.</p> <p>As per the statement purely based on available bills, the power consumption is coming to 7920 units that results in 6600 m³ of PBP. In view of the gaps in power bills, production of 4451 m³ based on stock register is taken for computation which is much lesser than PBP.</p>
AP/WG/1-9	2004-05	Readings for April-June '04 missing.	SPE reported that no readings were recorded for April to June, and the July bill was inclusive of consumption for April to June. This can be accepted by virtue of huge reading in July (Annexure 2).
	2005-06		Diesel consumption for Feb 06 and Mar 06 missed to take place in the statement by oversight, though figured in ER computation.



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Unit ID No.	Verification year	CAR/Lapse in statement	Clarification
AP/EG/I-10	2005-06 2006-07	Reading for Aug '05 missing.	Supporting bill is not available. However production of 2502 cu.m. vide stock register is taken for ER computation against the PBP of 4520 cu.m. Diesel consumption for Aug '06 missed to take place in the statement by oversight, though figured in ER computation.
AP/VZM/1-14	2004-05	Readings for May-Aug 04 are missing.	SPE mentioned that the total consumption of May to Sept '04 is billed only in September 04 (Ref. Annexure 3). Production of May-Sept 04 comes to 409.89 cu.m that would have, otherwise, required power of 631 units based on SPF. As the power consumption in September-bill (for 5 months) is far more than this requirement, the statement of SPE is accepted corroborating with the readings on the bill for September 04 that started from '0'. Secondly, production of 1443.19 cu.m. vide stock register is taken for ER computation against the PBP of 8156 cu.m. based on available bills. Thus there is drastic disallowance in ERs to the unit on account of least-tally basis.

Note: The production computations based on PBP-SPF factors have taken care of deviations discussed above and appeared to be most conservative. The summary of conservative computations of relevant SPEs is tabulated here under.

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Summary of conservative computation for the SPEs:

SPE ID No.	Reporting year	Record based production Against records	Fly ash based production Against fly ash	Power Based Production (PBP)		Accepted production for ER computation
				Power kWh	PBP-Cu.m	
AP/Kris/I-3	2006-07	9035.34	9722.30	12115	9893.92	9035.34
AP/Kris/I-6	2004-05	2766.10	2150.00	2080	1698.67	1698.67
	2005-06	4452.29	4101.87	4120	3364.67	3364.67
	2006-07	4451.05	4535.80	9230	7537.83	4451.05
AP/WG/I-9	2004-05	1963.87	4028.77	7426	4725.64	1963.87
	2005-06	2064.98	5636.91	8502	5410.36	2064.98
AP/EG/I-10	2005-06	2502.79	3039.67	7104	4520.73	2502.79
	2006-07	2353.87	2402.77	7125	4626.62	2353.87
AP/VZM/I-14	2004-05	1443.19	1462.74	12818	8156.91	1443.19
Total		31033.48	37080.83	70520	49935.35	28878.43
		Against records	Against fly ash based production	Against power based production		
Production - m ³ rejected/disallowed		2155.05	8202.40	21056.92		
Disallowed ERs @0.2348 t/cu.m		506.00	1925.92	4944.16		
Note: Though the power consumption is not reported in some cases, in order to arrive to conservative estimates, the production equivalent to electricity reported on annual basis is only considered, where as in the case of project emissions, actual recorded power bills were considered. This can be verified through ER computation sheets submitted during request for Issuance.						

We hope the clarification provided above sufficiently addresses the requests for review, and this document shows that our project has followed the methodology set out in the registered PDD consisting of most conservative method of computations.

Yours sincerely,



N Kalidas
Executive Director
Eco Carbon Pvt. Ltd.
Visakhapatnam, India



Annexure I: AP/Kris/I-3: Power Bill Statement to highlight June '06 consumption



SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED.,
OPERATION CIRCLE : VIJAYAWADA

CONSUMPTION PARTICULARS	LDSCNO	NAME	LDATE	LOOPRGR	LUCLRGR LD	LOUNITS	DEM	COLL	JE	CB
01 04 01989	SRI SAI FLY ASH PRODUCTS	29-FEB-2004					0	0	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAR-2004			23 01	23	1550	1550	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-APR-2004		23	318 01	295	1728.89	2039	0	-310
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAY-2004		318	645 01	327	1851	1541	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-JUN-2004		645	1202 01	557	2699	2699	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-JUL-2004		1202	1208 01	6	610	610	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-AUG-2004		1208	1218 01	10	630	630	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-SEP-2004		1218	1506 01	288	1671.62	1671	0	1
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-OCT-2004		1506	1732 01	226	1433.62	1434	0	1
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-NOV-2004		1732	2050 01	318	1783.52	1784	0	1
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-DEC-2004		2050	2398 01	348	1911.44	1911	0	1
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-JAN-2005		2398	2748 01	350	1923.01	1924	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	28-FEB-2005		2748	3250 01	502	2505.52	0	0	2506
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAR-2005		3250	5670 01	620	2955.52	5461	0	1
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-APR-2005		5670	5244 01	4374	5829.52	5831	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAY-2005		5244	6094 01	850	3877.42	4022.8	0	-145
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-JUN-2005		6094	6994 01	900	4094.42	4094	0	-145
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-JUL-2005		6994	7401 01	407	2195.42	2051	0	-58
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-AUG-2005		7401	8947 01	646	3101.42	3101	0	-16
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-SEP-2005		8047	8283 01	236	1526.9	1526	.16	.9
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-OCT-2005		8283	8929 01	646	3064	3064	0	.9
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-NOV-2005		8929	9694 01	765	4504	3504	0	.9
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-DEC-2005		9694	19651 01	967	4289	4289.9	0	0
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-DEC-2005		10661	11344 01	683	3214	.1	0	3213.9
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-JAN-2006		11344	12270 01	926	4144	3213	0	4145
01 04 01989	SRI SAI FLY ASH PRODUCTS	28-FEB-2006		12270	13974 01	1304	5453.85	4144	0	5454.85
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAR-2006		13574	14225 01	651	3104	5455	0	3103.85
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-APR-2006		14225	15561 01	1336	5706	3302.63	0	5507.22
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAY-2006		15561	17254 01	0	5706	0	0	-198.78
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-JUN-2006		15561	17254 01	1693	7083	6884	0	.22
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-JUL-2006		17254	18081 01	827	3784	3784	0	.22
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-AUG-2006		18081	19214 01	1133	4982	4982	0	.22
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-SEP-2006		19214	20344 01	1130	4938	0	0	4938.22
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-OCT-2006		20344	21772 01	1428	6040.38	10979	0	-4
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-NOV-2006		21772	22731 01	959	4277.38	4277	0	-02
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-DEC-2006		22731	23795 01	1064	4735.38	4735	0	.36
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-JAN-2007		23795	24703 01	908	4113	4113	0	.36
01 04 01989	SRI SAI FLY ASH PRODUCTS	28-FEB-2007		24703	25497 01	794	3779	3780	0	-64
01 04 01989	SRI SAI FLY ASH PRODUCTS	31-MAR-2007		25497	26340 01	343	3866	3865	0	.36
01 04 01989	SRI SAI FLY ASH PRODUCTS	30-APR-2007		26340	27582 01	1242	5370	5370	0	.36

0 rows selected.



The original bills were issued hence the statement obtained from AAO Elb APSPDCL
G.V. Rao

Assistant Accounts Officer
Electricity Revenue Office
Rural/APSPDCL, Vijayawada

For SREE SAI FLY ASH PRODUCTS
G.V. Rao
PROPRIETOR



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Annexure – 2: AP/WG/I-9: Power bill for July '04 inclusive of June power consumption;

I-9

అంధ్రప్రదేశ్ అక్వైట్ మెంట్ సెస్టిబియూషన్ కంపెనీ లిమిటెడ్ (క. సం.)

NO: 1152
ECO CARBON PVT LTD - వెలసరి విద్యుత్ వాడకు బిల్లు నంబర్: 07/2004 వరకు
 గడువు తేదీ: 14/AUG/2004 తేదీ: 21/AUG/2004

పేరు: **M/S SRILAXMIVASAVIFALGY BRICK INDUSTRY (P.R.): VARALAXMI.** సర్కిల్ నెం. 6100 005508 **
 చిరునామా: **ANAL ROAD, R.R. PETA, TENUGONDA.** మండలం: GROUP: 1175 01/AUG/2004
 టెలిఫోన్ నెం. తేదీ: 2594865 3 ప్రస్తుత రీడింగు గత రీడింగు గుబొంతు సంఖ్య బిల్లు చేసిన యూనిట్లు
 07/2004 06/2004 I 2370

యానిట్ రేటు	ప్రస్తుత వెల రూ.లు	పాతబాకీ రూ.లు
8887.50		
1163.61		
604.00		
	142.20	
	70.31	
	10253.00	
	10253.00	
	10253.00	

మొత్తము: 10253.00

విద్యుత్ పాతబిల్లు సభారములను చెల్లించవలసినది
 నివారణకు లోబడి ఉంటాయి.
 పదా: రూ. 1000/- మరియు ఆపైనే బిల్లులను ఏదైనా ప్రాంతీయ ఏజెన్సీలు
 బ్యాంకుపై చెక్కు / డి.డి. ద్వారా చెల్లించవలెను.

మి.యస్. తి.ఎ.సి. అసిస్టెంట్ ఆఫీసర్
TANUKU ఎలక్ట్రిసిటీ రిజిస్ట్రార్

Reported by: H. Venkateswara Murthy on 16/08/04



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Annexure 3: AP/VZM/I-14: Power bill of Sept '04 inclusive of May to August consumption.

Payable On Or Before: **07/11/2004** Disbursement: **OCT/04** Date: **24/11/2004**

Address: **VIZIANAGAR FAL G. PRODUCTS** Cat. No: **0000 00513** Date: **26/10/2004**
C/O
AMBATIVALASA
AMBATIVALASA
BONDAPALLI MANDAL

Reading: **4750** (Previous) **4310** (Current) **3133** (Current) **1** (Month) **117** (Amount)

ST = 01 Energy Metering Minimum Charges: **4413.75**
 Exchange for safe Payment: **592.00**
 Fuel Cost Adjustment: **15.42**
 Gas Cost Adjustment: **20.00**
 Electricity Duty: **70.62** **612.00**
 Electricity Duty Interest: **0.00**
 Other: **0.00**

S.F.F.C.A. Gross Adjustments: **0.00**

Net Total: **5111.79** **612.00***

Appears as on **24-OCT-04**

ADVISED TO PAY BY CHEQUE/DD

5111.79

Asst. Acct. Officer
 VZHRURAL

Address: **VIZIANAGAR FAL G. PRODUCTS** Date: **15/10/2004** Disbursement: **SEP/04** Date: **30/10/2004**
C/O
AMBATIVALASA
AMBATIVALASA
BONDAPALLI MANDAL

Reading: **2054760** (Previous) **3133** (Current) **0** (Current) **1** (Month) **3133** (Amount)

ST = 01

11748.75
 592.00

20.00
 187.98 **612.00**

S.F.F.C.A.

Net Total: **12548.73** **612.00***

Appears as on **27-SEP-04**

ADVISED TO PAY BY CHEQUE/DD

12548.73

Asst. Acct. Officer
 VZHRURAL