



To
The CDM Executive Board
UNFCCC Secretariat
CDMinfo@unfccc.int
30th December 2008

Dear CDM Executive Board Members,

Re: Request for review of the request for issuance for the CDM project activity " Kaifeng Jinkai N2O Abatement Project " (UNFCCC Ref. No. 0837)

SGS has been informed that the request for issuance for the CDM project activity " Kaifeng Jinkai N2O Abatement Project " (UNFCCC Ref. No. 0837) is under consideration for review because three requests for review have been received from members of the Board.

The requests for review are based on reason as outlined below. Through this letter we would like to comment on the reason for review and provide additional information for clarification.

Request For Review Issues 1-3, Issue 1:

The DOE is requested to clarify how it verified that the results of weekly zero and span checks (QAL3) and whether the annual functionality test as mandated by EN14181 has been performed, and in line with methodology.

SGS' response to Issue 1:

As stated in AM0028 version 3, QAL3 of EN14181 stipulates as: continuous quality assurance through the local operator/manager (drift and accuracy of the AMS, verification management and documentation).

- a. Permanent quality assurance during the plant operation by the operating staff;
- b. Assurance of reliable and correct operation of the monitoring equipment (maintenance evidence);
- c. Regular controls: zero point, span, drift, meet schedule of manufacturer maintenance intervals;

Kaifeng Jinkai Chemical Industry Co., Ltd has dedicated staff for the routine inspection and maintenance of the monitoring system for the Kaifeng Jinkai N2O Abatement Project: permanent quality assurance and assurance of reliable and correct operation of the monitoring equipment is conducted by the operating staffs which are well trained by ABB, supplier of the monitoring system. All the inspection and maintenance activities are recorded in the CDM instruments maintenance log which was provided for verification during site visit.

Regarding the regular controls of zero point, span, drift, the ABB monitoring instruments firstly have the function of automatic daily zero and span checks (page 13 of Annex 2) which ensures permanent accuracy during their normal operation; in addition, zero and span checks are also conducted manually on a regular basis, by a site operator and recorded in the CDM instruments maintenance log (Annex 3).

In case of a failure / anomaly of the monitoring instrument / system, Kaifeng Jinkai will immediately inform ABB specialist to come on site to solve the problem. The ABB's service reports for each visit have been provided for verification during site visit. (Annex 4)

As for the annual functionality test, the QAL2 calibration was performed by TUV SUD in December 2007 according to AM0028 version 3 and EN14181, as stated in the Verification Report. The starting date of the operation of this project is 11/09/2007. Up to the end of first monitoring period (11/09/2007 – 31/12/2007), only four months passed. So there was no annual functionality test performed during this monitoring period.



As has been clarified in the response from the PP, the annual functionality test has been conducted in Nov 2008 by an accredited quality assurance entity.

The above information has been amended in the revised Verification Report. (Annex 1)

Request for Review Issues 1-3, Issue 2:

The DOE is requested to clarify how it verified that the production of nitric acid has been cross-checked with marketing and stock change data as per the monitoring plan and the methodology.

SGS' response to Issue 2:

As stated in the Verification Report of this project, nitric acid produced from the CDM registered medium pressure line (80,000tHNO₃/yr) is derived from volumetric flow measured by a flow meter, density measured by densimeter and concentration measured using titration instruments. The DAS records cumulative flow data hourly and gives the actual volume in each hour. The volume, density and concentration are multiplied together to give the hourly pure HNO₃ production, which can be accumulated for any selected period. This direct measurement approach ensures the accuracy of the production of nitric acid.

Nitric acid produced from the registered medium pressure line is not for sale but used as raw material for the subsequent production of ammonium nitrate, nitro phosphate, sodium nitrate etc. within the company, thus there is no marketing data in this project. Daily nitric acid consumption by the subsequent production processes and the stock change in the buffering tank is measured and recorded in daily internal transaction records, which was provided for verification during site visit. The daily consumed nitric acid and stock change data is used for crosscheck with the direct measured value, as shown in Annex 5.

The rationale for a slight difference (2.48%) between the direct measured data and the crosscheck data is:

1. Some small part of nitric acid consumption within the company is not included because this part is difficult to quantify;
2. There is some loss of nitric acid in the subsequent production processes. However, as mentioned above, the direct measurement approach which is in compliance with the registered PDD and AM0028 version 3 ensures the accuracy of the nitric acid production, therefore it is served as reported value in the Monitoring Report.

The above information has been amended in the revised Verification Report. (Annex 1)

We hope that this letter and the attached documents address the concerns of the Board. If further information is required, Linda Hu (Linda.Hu@sgs.com and +86 13601902031) will be the contact person for the review process and is available to address questions from the Board during the consideration of the review in case the Executive Board wishes.

Yours sincerely,

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Enclosure:

- Annex 1 Revised Verification Report
- Annex 2 Automatic daily zero & span check of ABB instruments
- Annex 3 CDM Instruments Maintenance Log (zero & span check)
- Annex 4 ABB's Service Reports
- Annex 5 Crosscheck of HNO₃ production from registered medium pressure line