

**Response to the request for review for the CDM project activity
“Jiangsu Qidong 91.5 MW Wind Power Project” with the registration number 0905**

Attention: Mr. Hans Jurgen Stehr, Chairman
CDM Executive Board to Kyoto Protocol

July 24, 2007

Dear Mr. Stehr,

We were informed that our project “Jiangsu Qidong 91.5 MW Wind Power Project (Ref. no. 0905)” was requested for review by CDM Executive Board on the 16 July 2007. As required by the Board, we would like to answer the questions, clarify the issues and provide additional information, as required by the Board, as follows.

Issue raised:

The starting date of the project activity is stated in the PDD and validation report as 1 January 2008 which is the same as the starting date of the crediting period. However, the IRR analysis states that year 1 of the project activity is the construction period. If year 1 is the construction period, why are emission reductions included in the PDD for 2008? Further clarification is required regarding the starting date of the project activity, the starting date of the crediting period, the years on which the IRR analysis is based, and why emission reductions have been estimated during the construction period.

Our clarifications:

We understand that this issue covers two parts: one is the timeline of the project activity, and the second one is the years on which the IRR analysis is based. We would like to clarify as following:

1. Timeline of the project activity

By the end of 2006, PDD and validation report of the Jiangsu Qidong 91.5 MW Wind Power Project (Ref. no. 0905) were finalized. At that time, the planned timeline is clarified in table below.

Item	Date	Data source
Planned start date of the project construction	By the end of 2006	<i>Description to Compiling Comprehensive Plan of Year 2006 for Huaneng New Energy Industrial Co. Ltd (Compiled on 26 October 2005)</i>
Planned start date of the project commissioning (electricity generation)	1 January 2008	Same as above
Start date of crediting period	1 January 2008	-

The start date of the project activity stated in the PDD as 1 January 2008 is the start date of the project commissioning (electricity generation). In the validation report, DNV has demonstrated that the project activity start date '1 January 2008' is expected as the start date of the project commissioning, not the start date of the project construction. We believe that the selection of start date of this project is consistent with the glossary as decided by EB.

Based on the consideration of the timeline, the project participates select 1 January 2008 as the start date of crediting period. We assume that this date would not be earlier than the date of registration of the project activity;

2. Years on which the IRR analysis is based

The IRR analysis covered both construction period and operation period of the project activity. In the IRR analysis, construction period is considered as 1 year and operation period is considered as 20 years. Both of these data are obtained from Page 14-1 of the Feasibility Study Report of the project activity. Emission reductions are calculated during operation period.

With the above clarification, explanation and additional information, we wish that the CDM Executive Board would be satisfactory and will approve the registration of our project activity in a quick manner.

Yours sincerely

Huaneng New Energy Industrial Co. Ltd.

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