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Att: CDM Executive Board

Your ref.:  
CDM Ref 0989

Our ref.:  
ETEL/MRES

Date:  
11 May 2007

## Response to request for review “Lianghekou 15 MW Small Hydropower Project” (0989)

Dear Members of the CDM Executive Board,

We refer to the requests for review raised by three Board members concerning DNV's request for registration of the “Lianghekou 15 MW Small Hydropower Project” (0989), and we would like to provide the following response to the issues raised by the requests for review.

### **Comment 1:**

*The maximum output capacity of the project activity has not been transparently shown to conform to the small scale threshold of 15MW.*

### **DNV Response:**

According to glossary of CDM terms version 1, “maximum output” is defined as installed/rated capacity, as indicated by the manufacturer of the equipment or plant, disregarding the actual load factor of the plant.

The installed capacity is shown in the page included in the page 8 of the PDD. As stated in the PDD the source of these values is the project's feasibility study. DNV has verified the turbine and generator purchase agreement between the project developer and the equipment supplier (annex 1 to this document) and the nameplates of generators installed (annex 2) and it has been confirmed that the actual installed capacity of the project is 15MW (3\*5MW).

Furthermore, In China the installed capacity of a project shall be approved by local or state development and reform committee. It is not possible for the project developer to increase the installed capacity without the approval from the government.

In our opinion, it has thus been sufficiently demonstrated that the installed capacity of the project is within the applicability criteria for small scale projects category I.

### **Comment 2:**

*“It is unclear whether the calculation of tCO<sub>2</sub>e emissions in tables A1, A2, A3 of Annex 3: Baseline Information of the PDD is correct. It should be transparently demonstrated that:*

- *the amounts and units of fuel, and their exponents (e.g. Natural gas 28.60 107m<sup>3</sup>), calorific values and carbon content have been accurately recorded on the tables; and*
- *the operating margin emission factor has been calculated correctly.”*

**DNV Response:**

As stated in the PDD the sources for the data in tables A1, A2 and A3 of the annex 3 are *China Energy Statistical Yearbooks 2000-2005 and the IPCC2006*. More specifically, the amount and units of the different fuels, their exponents and country-specific values for net calorific values of each type of fossil fuel are taken from the *China Energy Statistical Yearbooks 2000-2005* and the carbon content of each type of fossil fuel values are taken from the latest IPCC2006. As stated in our validation report, DNV has verified the calculations and these are found to be correct. For facilitating the reproduction of the calculation of the operating margin emission factor to which the tables A1, A2, A3 refers, an excel file ("*Calculation of the OM. Tables A1, A2, A3.xls*") is submitted together with this response.

**Comment 3:**

*"The proposed start date of the crediting period is before the date of registration. This crediting period should be adjusted."*

**DNV Response:**

A revised PDD version 2.5 of 8 May 2005 is submitted together with this response. The new proposed starting date of the crediting period is 1 July 2007. The project developer agrees on postponing this date to the date of registration if the project is registered after 1 July 2007.

We sincerely hope that the Board accepts our above explanations.

Yours faithfully  
for DET NORSKE VERITAS CERTIFICATION AS



Einar Telnes  
*Director*  
International Climate Change Service