

SAI RENEWABLE POWER PVT. LIMITED

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May 29, 2007

The Secretariat,
CDM Executive Board,
UNFCCC,
Bonn, Germany.

Dear Sir,

Sub: Request for review: 4.5 MW Industrial Waste based Grid-connected Power Project (1045) - Submission of response to the comments raised by review team - Reg.

This has reference to the communication from UNFCCC with regard to request for review from members of the Executive Board on '4.5MW Industrial Waste based Grid-connected Power Project'.

The request for review states "While AMS-I.D v10 does not require accounting for leakage other than for when generating equipment has been transferred, the SSC "General guidance on leakage in biomass project activities (Version 2)" states that the project participant shall evaluate annually whether there is a surplus of biomass in the region and any leakage that may need to be estimated and deducted from the emission reductions. This should be included in the monitoring plan".

With reference to the above review comment, the project participant would monitor the availability of surplus biomass and industrial waste every year by referring to any public survey documentation like Administrative Staff College of India (ASCI). Where such publicly available information is not available for particular year, the project proponent would voluntarily appoint an independent organisation for conducting biomass / industrial waste assessment study in the region of 50 km radius and estimate the leakage effects for the project. we have furnished the revised PDD in attachment, incorporating the annual evaluation of surplus biomass availability / palm industrial waste in the project region, and also estimation of leakage if any, in section D3, D4 and E1.2.2 of the revised PDD, as required according to the SSC 'General guidance on leakage in biomass project activities (version 02, EB 28)'. If the surplus availability of biomass is less than 25% of the consumption of the region, the following formula has been proposed for estimating leakages.

$$L_y = BF_{d,y} \cdot EF_{CO2,L} \cdot NCV_{avg,y}$$

L_y = Leakage emissions during the year y (tCO₂/y)

$BF_{d,y}$ = The quantity of biomass / palm industrial waste i.e. in deficit during the year y (tonnes)
(In the above parameter, the quantity of biomass / palm industrial waste in deficit refers to the corresponding quantity of biomass / palm industrial waste in deficit from 25% surplus of the total consumption of the biomass / palm industrial waste in the project region, including the project activity)

$EF_{CO_2,L}$ = CO_2 emission factor of the most carbon intensive fuel used in the country (t CO_2 /TJ)

$NCV_{avg,y}$ = Average net calorific value of the biomass residues / palm industrial waste combusted in the project activity during the year y (TJ/tonne)

This approach is considered conservative to take into account the leakage effect for the purpose of estimation of emission reductions.

Thanking you,

Yours faithfully,

For **Sai Renewable Power Private Limited**


(M. Chandrasekhar Rao)
Managing Director