



UNFCCC Secretariat
Martin-Luther-King-Strasse 8
D-53153 Bonn
Germany

Att: CDM Executive Board

Your ref.:
CDM Ref 1045

Our ref.:
MLEH/KCHA

Date:
30 May 2007

DET NORSKE VERITAS
CERTIFICATION AS
International Climate Change Services
Veritasveien 1
NO-1322 Høvik
Norway
Tel: +47-6757 9900
Fax: +47-6757 9911
<http://www.dnv.com>
NO 945 748 931 MVA

Response to request for review 4.5 MW Industrial Waste based Grid-connected Power Project (1045)

Dear Members of the CDM Executive Board,

We refer to the issues raised in the requests for review by three Board members concerning DNV's request for registration of the "4.5 MW Industrial Waste based Grid-connected Power Project" (1045) and would like to provide the following initial response to the issues raised by the requests for review.

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.

DNV Response:

During validation of the project, DNV had verified that the surplus available biomass in the region was above the limits specified by the "General guidance on leakage in biomass project activities", (refer section 3.2 of our validation report). In line with the recommendations in the request for review, the revised PDD for the project now includes annual monitoring of the surplus availability of both types of fuels (palm industrial waste and biomass) and the proposed formula for accounting leakages in case of not meeting the requirement of the guidelines.

As per the revised monitoring plan, the surplus availability accounting will be based on any public/official survey or carried out by an independent third party on behalf of the project. In the event of the available biomass/industrial waste being less than the 25% surplus, equivalent amounts of CERs against shortage quantity of renewable fuel would be deducted based on the proposed formula. The formula proposed in PDD has been verified to be conservative as it considers the shortage quantity equivalent to the highest carbon content coal used in the country and also accounts for total shortage of biomass in the region (which covers other users also if any).

The revised validation report with, the changes highlighted is also being submitted for the Executive Boards approval.

We sincerely hope that the Board accepts our aforementioned explanations.

Yours faithfully
for DET NORSKE VERITAS CERTIFICATION AS

Handwritten signature of Michael Lehmann in blue ink.

Michael Lehmann
Technical Director
International Climate Change Services

Handwritten signature of C Kumaraswamy in blue ink.

C Kumaraswamy
Manager – South Asia
Climate Change Services