



河南神马尼龙化工有限责任公司
Henan Shenma Nylon Chemical Co., Ltd

Mr. Rajesh Kumar Sethi
Chair, CDM Executive Board

UNFCCC Secretariat
CDMinfo@unfccc.int

5 August 2008

Re: Request for review of the request for issuance for the CDM project activity 'N₂O decomposition project of Henan Shenma Nylon Chemical Co., Ltd' (Ref. No. 1083)

Dear Mr. Sethi,

We, the Project Participant of CDM project activity 'N₂O decomposition project of Henan Shenma Nylon Chemical Co., Ltd' (UNFCCC Ref. No. 1083), has been informed that the request for issuance for this project has been placed under consideration for review because four requests for review have been received from members of the Board.

The PP would like to respond the requests for review and provide further explanation and information, as follows.

Firstly, the ADA/AHS Unit of Shenma is a serial production line, where the AdOH slurry is directly fed to the production of AHS. There is no practicable approach in industrial practice to measure the slurry AdOH directly because of the serial process (as shown in Annex 1). The common and traditional practice to measure the AdOH production in serial production lines is based on the measurement of the final AHS production multiplied by a factor of ratio of AdOH/AHS. Since AHS can be measured accurately, the AdOH production can also be obtained accurately by applying said constant ratio. Therefore, AdOH production in our project is obtained from the direct measuring of the AHS production multiplied the constant ratio factor of 0.557. This ration factor is provided by the technology supplier of the ADA/AHS Unit (Asahi Kasei) and also matches the reaction equation. Such a ratio is considered conservative, as shown in the verification report by SGS. Therefore, the AdOH production obtained as such is also conservative.

Secondly, the production records of AdOH as referred to in the registered monitoring plan are from the above procedure. The data processing procedures provided in Table 4 of Annex 4 of the monitoring plan, elaborate on the recording of the daily calculations of AdOH production in an Excel workbook provided in Annex 2 to this response. Therefore, the AdOH production records are clear and monitored.

Thirdly, it is our belief that the Board has accepted that the AdOH production can be obtained from the direct measurements of the AHS production multiplied by the ratio factor, which is based on the fact that dozen times of requests for issuance of CERs of project 0116 had been approved by the Board. The AdOH production is required to be "measured" in D.2.1.3 of the registered PDD of project 0116, while in actual monitor and practice, their slurry AdOH production is obtained using the same method with our project, i.e. obtained from the direct measurements of the AHS production multiplied the ratio factor of ADA/AHS. The project 0116 got first issuance on 05/03/2007, earlier than the submission of requesting for registration of our project. It is our observation that the actual result of final AdOH production from the above approach would be more conservative, and such an approach



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should be accepted by the Board, taking into account there is precedent case using the same approach.

We hope that the above clarifications can address the concern of the Board and the request of CER issuance of this project can be approved. We will be also happy to provide further information if required by the Board.

Yours sincerely,

Wang Anle

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