



Mr. R. K. Sethi
Chair, CDM Executive Board
UNFCCC Secretariat
CDMinfo@unfccc.int

24th September 2008

Dear Mr. Sethi,

RE: Request for Review of the request for issuance for the CDM project activity “119.8 MW Natural Gas Based Combined Cycle Power Plant, at Tanjavur, Tamilnadu by M/S Aban Power Company Limited” (Ref. no. 0999).

SGS has been informed that the request for issuance for the CDM project activity “119.8 MW Natural Gas Based Combined Cycle Power Plant, at Tanjavur, Tamilnadu by M/S Aban Power Company Limited” (Ref. no. 0999) for the second monitoring period from 16th May 2007 to 15th June 2008 is under consideration for review because three requests for review have been received from members of the Board.

The requests for review are based on the same reason outlined below. SGS would like to provide an initial response to the issue raised by the requests for review:

Requests for Review 1- 3, Issue 1:

The verification report mentions that CO₂ emission factor of natural gas $EF_{CO_2,f,y}$ is fixed based on IPCC default value for the entire crediting period. However, the monitoring methodology requires annual estimation of this parameter based on the supplier data, local data and country specific value based on that order. Further clarification is required how the DOE verified that this requirement was met.

SGS' Response to Issue 1:

As per AM0029, Version 01; CO₂ emission factor per unit of energy of natural gas in year y ($EF_{CO_2,f,y}$ - tCO₂/GJ) needs to be referred as determined from the fuel supplier, wherever possible, otherwise from local or national data.

However, there is no data available for CO₂ emission factor of natural gas neither from fuel supplier nor from any local source for reference. This fact has been cross checked with the fuel supplier's invoices between the period May 2007 to June 2008 and found consistent.

Furthermore India's Initial National Communication to the UNFCCC (Publication date 22/06/2004; Call number IND/COM/1 B; available at <http://unfccc.int/resource/docs/natc/indnc1.pdf>) refers to IPCC default values and recommends use of IPCC default value for estimation of CO₂ emissions from the burning of petroleum and natural gas as it states in Chapter 2: GHG Inventory Information, page number 37 states:

“In order to estimate CO₂ emissions from the burning of petroleum and natural gas, the IPCC default emission coefficients were used. Time and resource limitations did not permit the measurements to be carried out for refineries that convert crude to refined products. In the case of petroleum products and natural gas, the use of default emissions would be fairly accurate due to relatively low variation in quality of these fuels across the globe, as compared to coal.”

Due to unavailability of fuel supplier's data or local data, as per the Host Country National recommendation IPCC default value for CO₂ emission factor of natural gas has been referred on annual basis and used for calculation of CO₂ emission coefficient of natural gas for the current monitoring year *i.e.* 16-05-2007 to 15-06-2008. The applied value for CO₂ emission factor of natural gas (56.1 tCO₂/TJ) has been cross checked with 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Chapter 2: Stationary Combustion, Table 2.2 Default Emission Factors for Stationary Combustion in the Energy Industries and found satisfactory.

Thus consideration of IPCC default CO₂ emission factor of natural gas for the current monitoring period as per the National recommendation has been found in accordance with the requirement of AM0029, Version 01. Therefore the applied CO₂ emission factor of natural gas found justified and hence accepted.

Further clarification on the same has been properly incorporated in the revised Monitoring Report by the project proponent (Annex 2) and the verification note on the detail project monitoring procedure for the CO₂ emission factor of natural gas has been further elaborated in Section 3.9 of the revised verification report (Annex 1).

We apologize if the verification report has been unclear and hope that this letter addresses the concerns of the members of the Board.

Ajoy Gupta (+ 91 9903803700) will be the contact person for the review process and is available to address questions from the Board during the consideration of the review in case the Executive Board wishes.

Yours sincerely,

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Encl:

Annex 1: Revised Verification Report, dated 24/09/2008

Annex 2: Monitoring Report, version 3, dated 24/09/2008