



Mr. Rajesh Kumar Sethi
Chair, CDM Executive Board
UNFCCC Secretariat
CDMinfo@unfccc.int

August 13th, 2008

Dear Mr. Sethi,

Re: Request for review of the issuance request of “Horizonte Wind Power Generation Project” (UNFCCC Ref. no. 0486).

SGS has been informed that the request for issuance of the CDM project activity “Horizonte Wind Power Generation Project” (UNFCCC Ref. no. 0486) is under consideration for review because one request for review (raised by three EB members) have been received from members of the Board.

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

Request for Review 1-3, Issue 1:

The verification report mentions that the calibration of energy meter was conducted first on 3rd February 2006 and then second on 29th April 2008. The DOE is requested to clarify how it has verified that the annual calibration requirement for this meter as mentioned on page 19 of the PDD was met.

SGS’ Response to Issue 1:

The PDD mentions that the electricity meter would be calibrated every year (pg. 19). Also, the PDD describes that the calibration would follow the national legislation (pg. 21). The calibration happened in two years and, despite the fact that is not in accordance with described in page 19, it is in accordance with the national legislation (that determines that meter should be calibrated every two years at most).

The ONS procedures (Operador Nacional do Sistema Elétrico – the national entity, in charge of the coordination and control of the generation and transmission of electric energy in the national integrated system) determines that meter should be calibrated every two years (Ref. 12, Anexo 1, item a, added to AR6).

The electricity produced by the project is dispatched to the grid, and so Celesc (the regional concessionary) is a second part that buys the energy and thus has an interest in having the exactly amount of energy produced to be measured accurately. The Celesc measured value is crosschecked with the value provided by the project (described in the PDD pg. 21).

The ONS procedures also determine that the calibration can be postponed for two years in the case that an inspection occurs in the meter (Ref. 12, Anexo 1, item b) A complete translation of this document can be provided if needed, however relevant text is translated below). Celesc is the entity in charge of calibration and inspection of the meter and also the body that determines the calibration periodicity.

Furthermore, the project has an internal system that measures the electricity produced. The data for all the verification period (Ref. 5 pg. 2) can be cross-checked with the amount of energy measured by Celesc (that is the sum of the invoices). It can be verified that values obtained from Celesc (which is used for ER calculations) are lower than the values obtained from the internal system that is compatible due the loss in transmission (the project data is measured in the production, the Celesc data is measured in the grid).

Thus, considering that the national legislation was followed and that data provided was verified and cross-checked, SGS assumes that data and Emissions Reductions from 27th April 2007 to 25th March 2008 are consistent and correct.

Procedure (Ref. 12):



**Operador Nacional
do Sistema Elétrico**

Procedimentos de Rede

Assunto	Submódulo	Revisão	Data de Vigência
MANUTENÇÃO DO SISTEMA DE MEDIÇÃO PARA FATURAMENTO	12.3	1	31/01/2007
	ANEXO 1		

ANEXO 1

Atividades a serem realizadas na manutenção do Sistema de Medição para Faturamento — SMF

- A periodicidade para a manutenção preventiva do agente responsável pelo SMF é de no máximo 2 (dois) anos. Essa periodicidade pode ser alterada em função do histórico de ocorrência observado em todas as instalações.
- A manutenção preventiva pode ser adiada pelo período de até 2 (dois) anos, no caso de ocorrer inspeção no ponto de medição. A postergação dessa manutenção começa a vigorar a partir da data da inspeção.

The procedure of ONS (National Electricity System Operator) defining the periodic calibration (every 2 years) has been followed.

English translation of above:

- The periodicity for the preventive maintenance of the responsible agent for the “SMF” (Measure System to Invoice) will occur every 2 years at the most. This periodicity could be modified in function of the historic non-conformity observed in all the installations.
- The preventive maintenance can be postponed for upto 2 years at the most, in the case of an inspection occurs in the measure point. The postponing period starts in the date of inspection.

SGS will submit a revised monitoring plan before the next issuance, describing that calibration will occur every two years to sort this discrepancy in the registered PDD.

With the explanation provided above, we hope that all concerns of the EB have been addressed. We do however apologize if this was not sufficiently clear from the validation report.

Fabian Goncalves (+55 11 3883 8887) 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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Enclosed Documents:

- Revised Validation Report.
- Reference 12 – Calibration Procedure by ONS