

## **RESPONSE TO THE REVIEW REQUEST**

To: CDM Team

**Attention:** Daniele Violetti, Officer-in-Charge CDM and Secretary to the CDM Executive Board

**Reference:** E-mail Request for review: 0489 Repowering Small Hydro Plants (SHP)... - YOUR DEADLINE, of 02/04/2009 12:13

Dear CDM Team , regarding the above mentioned references , Bureau Veritas Certification , BVC Holding SAS , had performed the 3<sup>rd</sup> Verification of the CDM Project 0489 : "Repowering Small Hydro Plants (SHP) in the state of São Paulo , Brazil " , concerning the period of January 1, 2008 to December 31, 2008 . Subsequently, have been issued 3 requests for review, all of them with the same description, as follow:

"Discrepancies relating to the capacity of the plant exist in different documents: the monitoring report (p.3) mentions that the final capacity of Sao Joaquim is 8.37 MW and the verification report (p.11) states 8.64 MW while the PDD states that the final capacity is 8.05 MW after the expansion. During the second monitoring period, the DOE has verified that the added capacity to this plant was 2.5 MW as per the PDD. Further clarification is required on how the DOE verified the final capacity of the plants as per the PDD."

It is a pleasure to inform Bureau Veritas Certification 's response for this issue as defined below, where we describe all actions taken to properly handle the analysis of the situation and give the right answer for that.

"As defined at the Clean Development Mechanism Validation and Verification Manual (EB 44, Annex 3, version 01) at paragraph 188 we conducted on-site visits to ensure that all physical features of the proposed CDM project activity described at the registered PDD version 6 of 10/16/2006 were in place and that the project participants have been operating the proposed CDM project activity as per the registered PDD.

During these activities at the SHP São Joaquim on-site visit a discrepancy was verified in the individual installed capacity of each generator, where the individual capacity of each of 3 generators is 2.79 MW (total 8.37 MW), instead of the description in the PDD, page 6, table A4-4 which indicates a total of 8.05 MW, although this value (8.05 MW) is



the legal limit authorized by the National Electric Energy Agency – ANEEL resolution 469 of 10/31/2001 (see appendix 01), which is mandatory and so this was the reason to the 8.05 MW capacity be informed in the PDD. It is important to emphasize that the difference between the capacities does not affect the CERs amount to be issued.

This was recognized because the GHG Team Leader in order to verified the final capacity of the plant as per the PDD, inspected and also photographed the generators data plates which indicates in SHP São Joaquim 3,100 KVA and a power factor of 0.9, which results in 2.79 MW for each generator (total 8.37 MW) (see photos below).

The table included at page 03 of the Monitoring report version 03 describes correctly this information, however unfortunately during the conclusion of the final Verification Report we wrongly and miscalculated the information regarding SHP São Joaquim at pages 06 and 11. A new version (version 3) of the Verification Report was issued including the right information (see appendix 02).



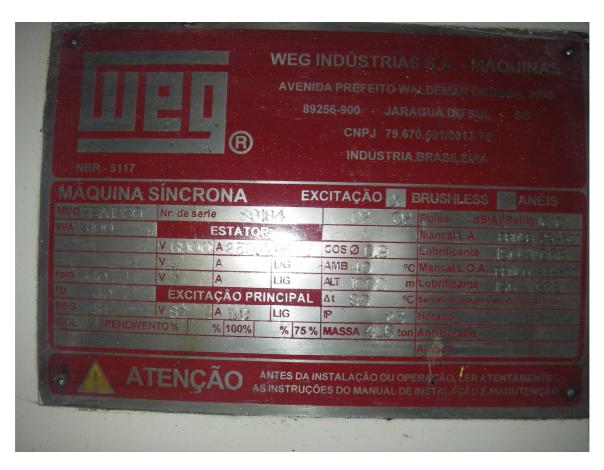
**Generator 1** 





**Generator 2** 





## **Generator 3**

Yours faithfully For Bureau Veritas Certification, BVC Holding SAS .

Ricardo Fontenele Local product manager Antonio Daraya GHG Team Verifier