VALIDATION OPINION FOR REVISION OF REGISTERED MONITORING PLAN

GMR Industries Limited [GIDL]

Methane recovery and power generation in a distillery plant by GMR Industries limited [GIDL]

UNFCCC Ref No. 0505

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1. Introduction

1.1 Objective

Paragraph 57 of the modalities and procedures for the CDM allow project participants to revise monitoring plans in order to improve accuracy and/or completeness of information, subject to the revision being validated by a Designated Operational Entity.

GMR Industries Limited [GIDL] has commissioned SGS to perform validation of the revision of monitoring plan according to the procedure detailed in annex 34 to EB 26 meeting report, the original monitoring plan is part of the PDD of registered CDM project: Methane recovery and power generation in a distillery plant by GMR Industries limited [GIDL], UNFCCC reference number 0505. The purpose of a validation is to have an independent third party assessment of the revision of monitoring plan. In particular, the level of accuracy or completeness in the proposed revision of the monitoring plan, and the conformity with the approved monitoring methodology applicable to the project activity.

1.2 Scope

The scope of the validation is defined as an independent and objective review of the revision of monitoring plan to be included in the registered project design document, and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules and associated interpretations. SGS has employed a risk-based approach in the validation, focusing on the identification of significant risks for project implementation and the generation of CERs.

The validation is not meant to provide any consulting towards the Client. However, stated requests for clarifications and/or corrective actions may provide input for improvement of the revised monitoring plan.

1.3 GHG Project Description

As per http://cdm.unfccc.int/Projects/DB/SGS-UKL1152270393.27/view page validation report dated 07-07-2006. The project was registered on 29 September 2006 with reference number 0505. There was one verification conducted till date.

1.4 The names and roles of the validation team members

Name	***Role***
Sanjeev Kumar	*Lead Assessor*
Pankaj Mohan	*Assessor*

2. Methodology

2.1 Review of CDM-PDD and additional documentation

The validation is performed primarily as a document review of the proposed revision of monitoring plan, registered PDD and relevant publicly available project documents and applicable methodology. The assessment is performed by trained assessors.

2.2 Findings

As an outcome of the validation process, the team can raise different types of findings

In general, where insufficient or inaccurate information is available and clarification or new information is required the Assessor shall raise a **New Information Request (NIR)** specifying what additional information is required.

Where a non-conformance arises the Assessor shall raise a **Corrective Action Request (CAR).** A CAR

is issued, where:

I. mistakes have been made with a direct influence on project results;

II. validation protocol requirements have not been met; or

III. there is a risk that the project would not be accepted as a CDM project or that emission reductions will not be verified.

The validation process may be halted until this information has been made available to the assessors' satisfaction. Failure to address a NIR may result in a CAR. Information or clarifications provided as a result of an NIR may also lead to a CAR.

Observations may be raised which are for the benefit of future projects and future verification or validation actors. These have no impact upon the completion of the validation or verification activity.

Corrective Action Requests and New Information Requests are raised in the draft validation protocol and detailed in a separate form (Annex 3). In this form, the Project Developer is given the opportunity to "close" outstanding CARs and respond to NIRs and Observations.

2.3 Internal quality control

Following the completion of the assessment process and a recommendation by the Assessment team, all documentation will be forwarded to a Technical Reviewer. The task of the Technical Reviewer is to check that all procedures have been followed and all conclusions are justified. The Technical Reviewer will either accept or reject the recommendation made by the assessment team.

3. Determination Findings

3.1 Participation requirements

As per http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

3.2 Baseline selection and additionality

As per http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

3.3 Application of Baseline methodology and calculation of emission factors

As per http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

3.4 Application of Monitoring methodology and Monitoring Plan

The project activity is using AMS III H version 1 and AMS 1D version 8. The need of revision of monitoring plan has come from EB35 paragraph 82 (g) to ensure that the monitoring and the calculation of the baseline emissions are in accordance with the approved methodology applied by the project activity. This is already mentioned as FAR1 in the revised verification report dated 5th November 2007. The PP is not measuring the biomass consumption as per EB35 paragraph 82(g) which is required in AMS 1D version 8. Now the revised monitoring plan is attached which is mentioning the measurement of biomass consumption in boiler which will be verified from the purchase invoices / transportation records. Rest of the monitoring plan remains the same as mentioned in the registered PDD mentioned on UNFCCC website http://cdm.unfccc.int/UserManagement/FileStorage/PYKWM3K4AATF0Q2PNQZ46DEHNXT1VA and revised monitoring plan is attached with the revised validation opinion.

Rest is same as mentioned in validation report mentioned on UNFCCC website http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

3.5 Project design

As per http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

3.6 Environmental Impacts

As per http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

3.7 Local stakeholder comments

As per http://cdm.unfccc.int/UserManagement/FileStorage/U8YA5MSH019FKSG3DC071QDQ2Q73FJ validation report dated 07-07-2006 mentioned on UNFCCC website http://cdm.unfccc.int/Projects/DB/SGS-UKL1145003272.54/view . No Change

4. Validation opinion

SGS has performed a validation of the revision of monitoring plan for registered project: "Methane recovery and power generation in a distillery plant by GMR Industries limited [GIDL], UNFCCC Reference Number 0505. The Validation was performed on the basis of the UNFCCC criterion which is detailed in annex 34 to EB 26 meeting report.

By applying the proposed revision of monitoring plan, the biomass consumption will be measured from the purchase invoices or transportation records and will give more conservative value. The baseline emission reduction calculation is carried out as per methodology as mentioned in EB35 paragraph 82 (g); other monitoring parameters in the original monitoring plan remain unchanged. This revision improves the accuracy of information.

Emission factor in the registered PDD remains unchanged.

Furthermore, we confirm that:
(a) the proposed revision of the monitoring plan ensures that the level of accuracy or completeness in the monitoring and verification process is not reduced as a result of the revisions;
(b) the proposed revision of the monitoring plan is in accordance with the approved monitoring methodology applicable to the project activity
(c) the findings of previous verification report is as per EB35 paragraph 82 (g). The FAR1 and FAR2 are also mentioned in verification report dated 5th November 2007.

The validation is based on the information made available to SGS and the engagement conditions detailed in the report. The validation has been performed using a risk based approach as described above. The only purpose of this report is its use during the approval process detailed in annex 34 to EB 26 meeting report. Hence SGS can not be held liable by any party for decisions made or not made based on the validation opinion, which will go beyond that purpose.

5. Document references

Category 1 Documents (documents provided by the Client that relate directly to the GHG components of the project, (i.e. the CDM Project Design Document, confirmation by the host Party on contribution to sustainable development and written approval of voluntary participation from the designated national authority):

/1/ Revised Monitoring Plan

/2/ PDD

/3/ AMS III H version 1 & AMS.I.D ver 08

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