



Mr. Hans Jürgen Stehr  
Chair, CDM Executive Board  
UNFCCC Secretariat  
CDMinfo@unfccc.int

July 4<sup>th</sup> 2007

Re Request for review of the request for registration for the CDM project activity "BCML Haidergarh Bagasse Co-generation Project" (Ref. no. 1069)

Dear Mr. Stehr,

SGS has been informed that the request for registration for the CDM project activity "BCML Haidergarh Bagasse Co-generation Project" (Ref. no. 1069) is under consideration for review because four requests for review have been received from members of the Board.

The requests for review are based on the same reasons outlined below. SGS would like to provide a response to the issue raised by the request for review:

***Request for clarification to the DOE/PP:***

*ACM0006 v4 is only applicable to specific combinations of project types and baseline scenarios. The project participant has used scenario 4 which requires that biomass residues in the baseline are used only for heat and/or electricity generation at the project site. However, the baseline also includes that biomass residues are burnt in an uncontrolled manner without being utilized for energy purposes. A deviation does not appear to have been requested. In addition, ACM0006 v4 states that where a combination of project activity and baseline scenario is not covered by the methodology, project participants are encouraged to submit proposals for revision or further amendment of this consolidated methodology.*

**SGS Reply:**

The project activity has used two scenarios i.e. scenario 3 & scenario 4. These two scenarios were accepted based on the Meth Panel clarification provided in Meth Panel meeting dated 06-06-2006 to 09-06-2006. The conclusion is attached as Annex 1. This was the reason why no deviation was requested for the combination of the two scenarios used in ACM0006 version 4. This request for registration was submitted prior to the specific guidance for ACM0006 provided in Annex 11/EB31 where it has been mentioned that the two scenarios can not be used for the project activity.

As this is a green field project, the project activity fits in two scenarios. The project installed a high pressure cogeneration system which will consume bagasse that would have been left to decay or burnt in an uncontrolled manner in the reference plant that would not operate in non-crushing season. In the absence of the project activity the reference plant would have been established at the same site with the same thermal firing capacity but with a low electrical efficiency. The same type and quantity of biomass residue would have been used in the reference plant as will be used in the project plant during the crushing season. However, in



the non-crushing season the project activity will consume more biomass which would not have happened in the reference plant. The power required in the absence of project activity by the sugar plant would have been generated in reference plant. This shows that the project does fit in scenario 4.

The reference plant would not export power to the grid and could not be operated in the non-crushing season. That's why the extra bagasse of the reference plant would have been left to decay or burnt in uncontrolled manner. This was explained in validation report section 3.2 (p 9/36). Accordingly the emission reductions were calculated and monitoring plan was accepted.

As proposed by the project participant in their response now, the emission reduction claimed for scenario 4 can only be considered in a conservative manner by excluding any claim for the biomass that would have been left to decay or burnt in an uncontrolled manner.

We apologize if the initial validation report has been unclear and hope that this letter and the attached information address the concerns of the members of the Board.

Sanjeev Kumar (0091 9871794628) 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

Irma Lubrecht  
Technical Reviewer,  
[Irma.lubrecht@sgs.com](mailto:Irma.lubrecht@sgs.com)  
T: +31 181 693293  
M: +31 651 851777

Shivananda Shetty  
Lead Auditor  
[Shivananda.shetty@sgs.com](mailto:Shivananda.shetty@sgs.com)  
T: + 91 124 2399990 - 98  
M: + 91 9871794706

Annex 1 Meth panel meeting conclusion