



UNFCCC Secretariat
 Martin-Luther-King-Strasse 8
 D-53153 Bonn
Germany

Kind Attn: CDM Executive Board

Project: "Energy efficiency through installation of modified CO₂ removal system in Ammonia Plant" - UNFCCC reference number. 0123

Sub: Response to request for review

Dear Members of the CDM Executive Board,

We would like to provide following responses to the clarifications sought by EB in request for review for the above mentioned project.

UNFCCC Comment 1: The DOE is requested to clarify how the application of the highest value of project SSCR recorded when the operation of the plant was out of normal production range of $\pm 5\%$ is in accordance with the monitoring plan and the methodology.

Response by PP:

The registered project activity applies AM0018, version 01, which was proposed and developed by the same project participant (Indo Gulf Fertiliser Ltd). According to registered PDD, the emission reduction of the project is calculated as per the following:

1. The reduction in daily specific steam consumptions – a result of the difference between the fixed and validated baseline specific steam consumption (0.81 kg/Nm^3) and specific steam consumptions in the project scenario;
2. Determining the reduction in daily steam consumption by multiplying (1) above with total CO₂ flow (in project case) for the day in the CO₂ removal section;
3. From (2) of above, determining the reduction in equivalent energy consumption as per the reduction in steam consumption;
4. From (3) of above, determining the emission reductions associated with the reduced consumption of naphtha and/or natural gas (NG) in service boiler;
5. The net emission reductions based on (4) of above and the additional energy consumption due to the installation of the new lean solution pump.

As per monitoring plan of registered PDD, for the project scenario, if the shift wise production quantity values (Quantity of CO₂ removed in GV section per shift) varies beyond normal production range ($\pm 5\%$ range of rated production capacity of CO₂ removal section), these specific values are segregated (i.e. not considered or is excluded) to derive average production of the day (representative production of the day). Similarly steam consumption value corresponding to such production is also segregated (i.e. not considered or is excluded) to derive representative steam consumption for the day. Based on the above the project SSCR of such days is also not considered or is excluded.

*Amanta
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Therefore, such days when production is out of range, the monitoring plan of the methodology and registered PDD does not specify what value is to be used for Project SSCR for emission reduction calculation.

In last issuance of CERs by UNFCCC on 28th Jan 2008 (CERs accrued from Jan 2006 to Dec 2006) from the same project activity, Project proponent has undertaken similar approach as approved by EB (in the Executive Board Meeting No 35 held in November 2007) during deviation requested for revision in monitoring plan. Project proponent has used the same procedure now to determine the value of the project SSCR (for such days when production is out of range)

The approach approved by EB during last issuance for the CERs issued on January 2008, is given below:

- 1) *For the days when actual output (CO₂ removal in all shifts in a day) are not within the +/-5% range of rated capacity, the maximum value of SSCR of the particular month would be considered for estimating the project SSCR for those days.*
- 2) *Whenever actual output (CO₂ removal in all shifts in a day) are not within the +/-5% range of rated capacity for all the days in a month (say x month). Then maximum SSCR of the months (of the present monitoring period) prior to the referenced month (x month) has been considered for estimating the project SSCR.*

The approach used does not change any formulae or steps involved in emission reduction calculation and does not affect, exclude or include any monitoring parameters provided in the monitoring plan of the registered PDD or the approved methodology. But only guide the way to account for project SSCR for those days when production is out of normal range. Moreover, project proponent would like to emphasize that even during the baseline fixation, similar approach was adopted for the days on which production was not in +/- 5% range of the nameplate capacity.

The application of above approach has a conservative impact on the emission reductions. Compared with the estimated CER quantum in the registered PDD (i.e. 24,449 tCO₂), the CER quantum in the 3rd monitoring period (1st January 2007 to 31st December 2007) is 21,720 tCO₂, which is on a conservative side by 11.16%. Further, this value is also conservative by 4.2% as compared to CER quantum in the 2nd monitoring period (1st January 2006 to 31st December 2006) i.e. 22,674 tCO₂.

The approach which was proposed and approach is given on the following weblink:

http://cdm.unfccc.int/UserManagement/FileStorage/AM_CLAR_IHET2312N9JZP6FJJE4PYH9BNRGBJC

UNFCCC Comment2: The verification report and the spreadsheet show that the energy contribution share of natural gas and naphtha fuel in the boiler is 79.44% and 20.56%, respectively, while the monitoring report states that energy contribution share of natural gas and naphtha fuel in total energy is 82.89% and 17.11%. Further clarification is required.

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**Response by PP**

Before the verification visit, the fuel contribution values in the monitoring report were 82.89% and 17.11% for natural gas and naphtha respectively. During verification visit by the DOE, these values were corrected and verified to be 79.44% & 20.56% respectively. Subsequently these values were corrected in the spreadsheets. However due to an oversight, the older values were not corrected in the monitoring report. We apologize for the inconvenience and have now corrected the values in the monitoring report. Please refer page no. 2 of the monitoring report for more details.

UNFCCC Comment3: The verification report stated that "the guidance provided in the deviation request approved by EB in March 2008." However, the concerned deviation has been approved at EB35. Further clarification is required.

Response by PP

The deviation in the monitoring plan was approved by EB 35 in November 2007. However, it was erroneously mentioned in the verification report as March 2008.

Anurag
9/9/2008 (AJIT SRIVASTAVA)
 GM (TECH & BUSINESS DEVELOPMENT)

7 ANAND KISHORE GUPTA
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