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Response to request

Dear Sir,

Please find below the join response to the request for review formulated for the CDM project with the registration number 0231. In case you have any further inquiries please let us know as we kindly assist you.

Yours sincerely,

Javier Castro Carbon Management Service



Response to Request for Review

Issue 1:

The amount of rice husks generated was not measured but calculated. However, the monitoring plan requires the measurement of this parameter. Further clarification is required on how the DOE verified the amount of rice husks generated.

Response by TÜV SÜD

The amount of rice husks generated is measure indirectly as presented in the revised monitoring plan. During the verification process we have verified the data regarding the rice with husks received and the total rice produce, taking in account that the rice production is the core business the accuracy of these measurements are high. The data has been check base on internal data and cross check with the invoices. The internal quality process is already explained in our verification report in annex 1 item 3.3. This process has been confirmed on site and spot check of data has been done to assure the compliance with the process.

Response by Project Participants

According to the monitoring plan the amount of rice husks is measured indirectly by measuring the rice production (See the comment at ID number D.3.5 in table 7 of the revised monitoring plan). Rice processing is the core business of Camil and subsequently the resulting rice production is monitored. As the mass ratio between rice and rice husk production is well known, this way the rice husk production can be monitored accurately.

The project participants strive for the most accurate determination of rice husks production. Therefore, during the monitoring period, the rice husk generation was measured from the difference of the rice with husk received and the total amount of rice produced without husks (See *monitoring report, tables 2 and 4 row D.3.5*), which is even more accurate than the first method. Since both rice with and without husks are monitored accurately (both parameters are of great commercial interest for Camil and its suppliers and customers), it is not expected that *direct* measuring of rice husks consumption will lead to more accurate results than measuring rice husk consumption indirectly from rice inflow and outflow.

Issue 2:

The emission reduction calculation is based on the gross rather than the net electricity generation. Further clarification is required on how the DOE verified the calculation of emission reduction.

Response by TÜV SÜD

The term gross is not correctly applied in the monitoring plan and verification report. The confusion is due to the addition of the net energy delivered to the grid and the net electricity delivered to the own rice mill, which makes the total net electricity produce by the project activity. A revised verification report is attached showing this clarification. Additionally all data have been check as explained in the annex 1 of the verification report.

Response by Project Participants

D.3.2 in table 6 of the revised monitoring plan speaks about gross electricity generated by the project. The term 'gross' might have resulted in some confusion. The comment under D3.2. indicates that the gross electricity generated by the project activity consists of (1) the electricity delivered to the grid and (2) the electricity delivered to the own rice mill. Electricity used for self-consumption of the power plant is excluded.



So, in the monitoring plan the term 'gross' is used as total <u>net</u> delivered electricity to the rice mill and the electricity grid, but it does not include the self-consumption of the power plant.

Issue 3:

The third electricity measure system (M3) as one of the supplementary electronic measurers was not installed in this monitoring period. However the monitoring plan requires "two supplementary conventional electronic measurers should be installed". Further clarification is required on how the DOE verified this requirement has been met.

Response by TÜV SÜD

The third electricity measure system was not yet installed, this requirement does not affect the accuracy of the result presented in the monitoring report and taking in account that the monitoring plan mentions that the meter should be installed it was only check on-site that there is a clear intention of installing the meter which was not yet possible as the responsibility lies not only on the project participants but also on the electrical grid company.

Response by Project Participants

As indicated in the monitoring report (section 3.1, under M3) 'The third electricity measure system (M3) will measure the same data as M2. However, unlike M2, the measured values will be uploaded in real time through internet to ONS'. Table 8, row D.3.2 of the revised monitoring plan indicates that according to the Brazilian Regulations on electrical Grid, additional measurements are demanded by ANEEL (national Electric Energy Agency) in such a way that "two supplementary conventional electronic measurers should be installed" at the outlet cabin.

The installation of the third measurement system is primarily a requirement from the Brazilian authorities to make electricity generation data more easily accessible to them. As a secondary effect, it creates an extra opportunity to have an extra double check electricity production data. Therefore it was mentioned in the QC/QA procedures, table 8 p 22 of the revised monitoring plan. It is however <u>not</u> regarded as a critical matter in keeping QC/QA at a sufficiently high level. Already two reliable electricity measurement systems M1 and M2 are installed properly and electricity generation parameters could be monitored and double-checked properly. Moreover, no date of implementation of M3 was mentioned in the revised monitoring plan, and the monitoring report just states that in 2006 M3 was not installed yet. It has to be taken into consideration that the electrical grid company and Camil will jointly own this system and therefore, the project participant has no full control on the date of implementation of this third monitoring system.

Issue 4:

The monitoring plan requires the reported amount of biomass combusted to be double checked with the electricity production and efficiency. However neither the monitoring plan nor the verification report stated this requirement has been met. Further clarification is required on how the DOE verified this requirement has been met.

Response by TÜV SÜD

The double check has not been realized due to the issue presented bellow by the project proponent. The requirement does not lead to any information that could be used to confirm the data presented by the monitoring report due to properly QA/QC procedures that assure a correct measurement of the amount biomass combusted, therefore this check was not requested to be met.



Response by Project Participants

The monitoring report table 4, row D.3.7 explains that this planned double-check as described in the PDD 'does not result in a sufficient precise indication of the rice husk consumption to perform a proper double check because the biomass consumption depends not only on electricity production but also on the production of steam for the rice processing. Moreover, this parameter is the outcome of the results of D.3.5 and D.3.6, for which QA/QC procedures were properly performed'.

The problem in using this double check is in the fact that because both heat and electricity are generated, the electric efficiency can vary as the heat demand can varies. This double-check would not lead to reliable data and was therefore not carried out. The project participants emphasize that the amount of biomass combusted was estimated in a reliable way and QA/QC procedures are in place to determine the related parameters D3.5 and D3.6.