



Mr. R. K. Sethi
Chair, CDM Executive Board
UNFCCC Secretariat
CDMinfo@unfccc.int

4th September 2008

Dear Mr. Sethi,

RE: Request for Review of the request for issuance for the CDM project activity “MSPSPL Waste Heat Recovery Based Captive Power Project” (Ref. no. 0818).

SGS has been informed that the request for issuance for the CDM project activity “MSPSPL Waste Heat Recovery Based Captive Power Project” (Ref. no. 0818) for the first monitoring period from 24-03-2007 to 29-02-2008 is under consideration for review because three requests for review have been received from members of the Board.

The requests for review are based on the same reason outlined below. SGS would like to provide an initial response to the issue raised by the requests for review:

Requests for Review 1-3, Issue 1:

Further clarification is required on how the DOE verified that the calculation of E_{Gy} (defined by the methodology as net quantity of electricity supplied to the manufacturing facility) in line with the applied methodology ACM0004 version 2.

SGS' Response to Issue 1:

In accordance with the guidance of the Registered PDD, the project proponent has determined the E_{Gy} - net quantity of electricity supplied to the manufacturing facility based on an alternative procedure *i.e.* through apportioning total electricity generated to that generated using waste gas. This is completely in accordance with the Registered Monitoring Plan and there is no deviation observed.

Steam for electricity generation is provided to the 2 X 12 MW turbo generators through the common steam header, which is supplied by Waste Heat recovery boiler (WHRB) and a coal fired AFBC boiler. As the measurement of quantity and heat content of waste gas was not realistic for the project activity and the steam generated with different fuels are fed to the turbo generators through common steam header, the registered monitoring plan has configured to measure the steam input to the common header from WHRB & AFBC and used this as a basis of apportioning total electricity generated to that generated using waste gas. The vented steam is attributed conservatively to the steam produced with waste gas. The net amount of steam produced with waste gas is calculated as the steam produced with waste gas minus the total steam vented.

Finally, the electricity produced with the waste gas has been determined by adjusting the total production of electricity by the ratio of steam supplied from the waste heat recovery boiler to total steam supplied to the turbine. The calculation of E_{Gy} done as per the methodological choice mentioned under registered PDD, are elaborated below –

1. Net Electricity Generated ($EG_{NET, CPP}$) = $EG_{GEN CPP} - EG_{aux}$
2. Total steam vented in the CPP (S_{VENT}) = $(S_{WHRB} + S_{FBC}) - S_{cons}$
3. Effective WHR steam (S_1) = $S_{WHRB} - S_{VENT}$
4. Net electricity generated from WHRB (E_{Gy}) = $S_1 \times (EG_{NET, CPP} / S_{cons})$

Where,

$EG_{NET, CPP}$ = Net Electricity Generated

$EG_{GEN CPP}$ = Total Electricity Generated

EG_{aux} = Auxiliary Electricity

S_{VENT} = Total steam vented

S_{WHRB} = Total Steam generated from the WHR boilers

S_{FBC} = Total Steam generated from the FBC boilers

S_{cons} = Total steam consumed by both TG#1 and TG#2

S_1 = Effective WHR steam

Calculated

Duly measured

Duly measured

Calculated

Duly measured

Duly measured

Duly measured

Calculated

The detail project monitoring procedure for the above mentioned parameters have already been described in Section 3.2 of the verification report.

This alternative procedure for determination of net quantity of electricity supplied to the manufacturing facility for ACM0004 version 02 has been already approved by the Executive Board as "AM_REV_0033" dated 30 March 2007. Thus this alternative approach for EGy determination has been verified and accepted.

We apologize if the verification report has been unclear and hope that this letter address the concerns of the members of the Board.

Ajoy Gupta (+ 91 9903803700) 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

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