




F-CDM-RtB

 CDM: FORM FOR SUBMISSION OF “LETTER TO THE BOARD” (Version 01.1) <i>(To be used only by the Project Participants and other Stakeholders for submitting Letter to the Board as per Modalities and Procedures for Direct Communication with Stakeholders)</i>	
<i>Name of the stakeholder¹ submitting this form (individual/organisation):</i>	Numaligarh Refinery Limited
<i>Address and Contact details of the individual submitting this Letter:</i>	Address : M/s Nilim Kr Borthakur Admn bldg, 2 nd floor, Numaligarh Refinery Refinery ,P.O.NRP-785699,Golaghat,Assam Telephone number: 919435054249 E-mail Address : Nilim.k.borthakur@nrl.co.in
<i>Title/Subject (give a short title or specify the subject of your submission)</i>	Clarification regarding start date of crediting period for registered CDM project titled ‘NRL-Captive power generation by recovery and utilization of the waste energy (thermal and pressure) of HP steam’ (UNFCCC Ref No: 1644)
<i>Please mention whether the Submitter of the Form is:</i>	<input checked="" type="checkbox"/> Project participant <input type="checkbox"/> Other Stakeholder, please specify
<i>Specify whether you want the Letter to be treated as confidential²:</i>	<input type="checkbox"/> To be treated as confidential <input checked="" type="checkbox"/> To be publicly available (UNFCCC CDM web site)
Purpose of the Letter to the Board:	
Please use the space below to describe the purpose for submitting Letter to the Board. (Please tick only one of the four types in each submission)	
<input checked="" type="checkbox"/> Type I: <input checked="" type="checkbox"/> Request Clarification <input type="checkbox"/> Revision of Existing Rules <input type="checkbox"/> Standards. Please specify reference <input type="checkbox"/> Procedures. Please specify reference <input checked="" type="checkbox"/> Guidance. Please specify reference Start date of crediting period <input type="checkbox"/> Forms. Please specify reference <input type="checkbox"/> Others. Please specify reference <input type="checkbox"/> Type II: Request for Introduction of New Rules <input type="checkbox"/> Type III: Provision of Information and Suggestions on Policy Issues	

¹ Note that DNAs and DOEs shall not use this form to submit letter to the Board.

² Note that the Board may decide to make this Letter and the Response publicly available



Please use the space below to describe in detail the issue that needs to be clarified/revised or on which the response is requested from the Board as highlighted above. In doing this please describe the exact reference source including the version (if any).

>>

Summary of the query

The clarification being sought is with regard to the registered CDM project activity titled 'NRL -Captive power generation by recovery and utilization of the waste energy (thermal and pressure) of HP steam' (UNFCCC Ref No: 1644). The project activity involves power generation in steam turbo-generator (STG) via utilizing waste steam available in the refinery network.

The above mentioned project activity was registered on 07/06/2008. During the time of validation, the project activity was expected to get commissioned on 01/12/2008 and accordingly this date was selected as the starting date of crediting period. The same date is mentioned in section C.2.2.1 of the registered PDD. However, post-registration the commissioning schedule got delayed due to various unavoidable circumstances and the project could not be commissioned on the date, as envisaged during the time of validation³.

Hence, on 23/02/2011, the PP made a request to the UNFCCC for change in the start date of crediting period in accordance with the guidelines laid out in EB 52 Annex 59 (*Procedures for Requesting Post-Registration Changes to the Start Date of the Crediting Period*). The PP had utilized the provision under para 7(b) of this guideline, and accordingly informed the secretariat to delay the start date of the crediting period from 01/12/ 2008 (as mentioned in the registered PDD) to 25/11/2009. Subsequently on 24/02/2011, the UNFCCC Secretariat had approved this change of start date of crediting period. The same can be viewed in the relevant project view page in UNFCCC website.

During the verification of first Monitoring period (between 25/11/2009 – 31/12/2010), the verifying DOE (BVCH) identified and informed the PP, that 25/11/2009 (revised start date of crediting period) was the date of completion of electrical testing in the project activity and hence this date cannot be considered as the date of first emission reduction generation, as Glossary of terms, version 05 states that "The crediting period for a CDM project activity is the period for which reductions from the baseline are verified and certified by a designated operational entity for the purpose of issuance of certified emission reductions (CERs). Project participants shall choose the starting date of a crediting period to be after the date the first emission reductions are generated by the CDM project activity". The PP considers two alternative options, to address the above issue and request clarifications on the same.

Alternative 1:

In the project activity, the emission reductions are only accrued after the date of commissioning of STG, (which is 22/07/2010, the date of generation of first emission reductions) and not from the approved revised start date of crediting period (25/11/2009). Hence, the PP wishes to further delay the start date of crediting period to 01/09/2010 (Date from which STG was continuously operating after commissioning and all the monitoring parameter were recorded as per the registered PDD However, it is noted, that as per provision of para. 10 of EB 52, Annex 59, "Project Participant may only make use of paragraph 7 or paragraph 8 once for each registered project activity" for requesting changes to the start date of crediting period.

Alternative 2:

The PP wishes to report the emission reduction generation for this project, with the same approved (revised) date for start date of crediting period i.e., 25/11/2009. This is conservative, since the overall emission reductions for the 10-year fixed crediting period will be lesser due to the fact that this period also includes a period (9 months) where there is no generation of real emission reductions.

The PP has duly monitored all the monitoring parameters, as per the registered PDD, from 01/09/2010 onwards, and emission reductions have been calculated from this date only and accordingly proceed with the verification activity. Thus the emission reduction for the period from 25/11/2009 to 31/08/2010 will be reported as 'zero'.

The effects on baseline emissions and project emissions, as a result of this change are as follows.

Baseline emissions: Baseline emissions in the project activity are attributable to net electricity generation from the STG. Prior to the commissioning of the STG, as there is no generation from the STG, there are no baseline emissions.

Project emissions: Project emissions in the project activity are attributable to excess firing of fossil fuels in the refinery Utility Boiler to generate excess process steam in order to make-up for any shortfall in steam availability in refinery steam network due to Operation of the STG. In section B.6 of the registered PDD it is mentioned that "Under both pre and post project scenarios the Utility Boiler will be under minimum firing mode. For sake of conservative estimate of emission reductions the quantity of fuel fired in the boiler will be benchmarked at present levels (i.e. pre-project levels) so that in any year of the crediting period if the quantity of fuel fired in the boiler is higher than the benchmark value, the emissions due to the additional quantity of fuel will be deducted as project emissions. For the project activity under consideration this benchmark is found to be equal to 2,341 tonnes of Naphtha and 6,334 tonnes of fuel oil."

During the period between the approved starting date of crediting period (25/11/2009) and the date of commissioning of the STG, data on fossil fuel consumption in the utility boiler are available, however they are not recorded as per the monitoring plan in the registered PDD (since the commissioning of the STG has not happened).

Under such circumstances, the project participant seeks following clarifications from UNFCCC.

For Alternative 1

Whether the start date of crediting period should be further delayed to 01/09/2010, date of continuous operation of STG after commissioning or not. If yes, then, which procedure PP needs to adopt?

For Alternative 2

Whether the PP can report the emission reductions for the period between the approved revised date for the starting date of crediting period and the date of first emission reduction generation i.e., 25/11/2009 to 30/08/2010 as "zero".

³ STG could not be commissioned due to some technical reasons and since there was lower power demand due to total refinery shutdown, for execution of refinery up-gradation project in line with implementation of Auto Fuel Policy of Govt. of India. The project activity i.e., the STG initially got commissioned on 22/07/2010. However, during the months of July and August, the STG was yet to be stabilized and there was only intermittent production. The STG was finally stabilized from 01/09/2010 onwards.



Please use the space below to any mention any suggestions or information that you want to provide to the Board. In doing this please describe the exact reference source including the version (if any).	
>>	
If necessary, list attached files containing relevant information (if any)	
Section below to be filled in by UNFCCC secretariat	
Date when the form was received at UNFCCC secretariat	22 December 2011
	50

History of document

Version	Date	Nature of revision
01.1	09 August 2011	Editorial revision.
01	04 August 2011	Initial publication date.
Decision Class: Regulatory Document Type: Form Business Function: Governance		