



CDM Executive Board
UNFCCC Secretariat
CDMinfo@unfccc.int

10th September 2009

Re: Request for review for request for registration of the project activity “Gramacho Landfill Gas Project” (UN: 2548)

Dear CDM Executive Board Members,

SGS has been informed that the request for registration of the proposed CDM project activity “Gramacho Landfill Gas Project (2548)” 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 reasons outlined below. SGS would like to provide an initial response to the issues raised by the requests for review:

Requests for Review 1-3, Issue 1:

The PP/DOE are requested to substantiate how the captive use of the town gas, which is not supplied from/distributed through a town gas distribution grid is in line with the applicability criteria of AM0069 v1, in particular, “The town gas produced using biogas as feedstock and fuel is distributed through town gas grids”.

SGS’ Response to Issue 1:

The PDD version 3.1 submitted for registration states that the methodology AM0069 is applicable under the following condition:

- *The town gas produced using biogas as feedstock and fuel is distributed through town gas grids and is combusted for energy purpose;*

The project activity “Gramacho Landfill Gas Project” has been conceived to displace the consumption of natural gas by large industrial consumers. Given the site location of the Gramacho landfill (near the city of Rio de Janeiro), the project developers informed that have identified large industrial consumers in the Rio de Janeiro area that could consume the total amount of LFG collected to replace partially their consumption of natural gas, provided that an exclusive pipeline could be built to connect the Gramacho landfill to the specific industrial plant. (Rio de Janeiro is a huge Petrochemical Centre with sites with potential to consume the gas, this information was confirmed through the city website, Petrobras website, Brazilian Petroleum company and interview with project participant).

The project boundary has been established comprehending the pipeline supplying the LFG to the industrial consumer, besides any and all auxiliary equipment necessary to clean, compress and transport the LFG to the industrial consumer. The LFG shall be used exclusively in the specific plant for partial substitution of natural gas. Therefore there will be a dedicated connecting pipeline instead of a town grid usually operated by the local gas utility company. As verified during site visit the industrial plant has internal pipeline system for feeding their industrial furnaces.

The PDD has stated the GPC industrial plant as a possible consumer but the project developers have not finished yet the necessary negotiations aiming a long term supply agreement with GPC and the same was checked and discussed in details during the site visit. The project activity conceptual framework shall remain



the same regardless of the final consumer identity. GPC has been nominated in the PDD to ensure a better understanding of the project objectives.

From the above explanation it is clear that no existing Town Gas Distribution Grid will be used either to transport the LFG internally or externally to the industrial plant. The LFG will be consumed exclusively and directly by the consumer on its specific industrial plant.

With the explanation provided above, we hope that all concerns of the EB have been addressed. Fabian Gonçalves (+55 11 3883 8887) 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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