
VALIDATION REPORT

the PDD, of investment, technological and other barriers, and prevailing practice.

The project design is sound and the geographical (Supa, taluka Parner, district Ahmednagar, Maharashtra) and temporal (20 years) boundaries of the project are clearly defined.

3.2 Baseline

The Bajaj Auto Limited's Project uses the approved baseline methodology ACM0002 (Consolidated baseline methodology for grid-connected electricity generation from renewable sources, version 04 dated 28/11/2005).

The baseline methodology applies to electricity capacity additions from wind sources and hence suitable for the project activity. The project activity did not involve any fuel switch. The project activity considers western regional grid in India. This grid fulfills the methodology conditions like clear identification of geographic and system boundaries and public availability of characteristics of the grid. Hence the project activity meets all the applicability conditions of the methodology.

The alternative considered for determination of the baseline scenario in the context of the project activity is electricity generation in power plants connected to the western regional grid. This provision also meets the requirement of the methodology.

The four possible alternative baseline scenarios are the following:

- (a) Proposed project activity without CDM
- (b) Proposed project activity with CDM benefits
- (c) Electricity generation in power plants connected to the western regional grid
- (d) Captive power plant using fossil fuel

These options do not include those options that:

- do not comply with legal and regulatory requirements; or
- depend on key resources such as fuels, materials or technology that are not available at the project site.

As per the PDD, out of the above four alternatives identified, alternatives c & d were found to be financially feasible. Out of these two alternatives, the one providing conservative estimate of emissions reductions viz. alternative c was chosen as the baseline. As per the PDD, this alternative is also cheaper than the project activity. According to the PDD, this alternative is not expected to face any prohibitive barriers that could have prevented it from being taken up as the project activity.