August 24, 2006

## Response to requests for review, AWMS GHG Mitigation Project, MX05-B-09, Nuevo Leon, México (0163)

Dear Members of the CDM Executive Board,

We refer to the requests for review raised by three Board members concerning "AWMS GHG Mitigation Project, MX05-B-09, Nuevo León, México" project (0163). Please find below AgCert's initial response to the four issues raised by the requests for review.

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*1) The monitoring report is not transparent and excel sheet-calculations are not attached.*

In fact, AgCert consulted with various DOEs prior to writing it's first Monitoring Report. At the suggestion of the DOEs we reviewed in detail the requirements of Article 12, Sections H and I, and developed an outline that touched on all issues. The Monitoring Report does include all data required to determine both calculated and actual (metered) emission and subsequent project emission reductions. The Monitoring Report also includes all emission factors applied and equations used for baseline, project activity, leakage, and ultimately project activity reductions.

The data is presented in aggregated form and not by individual farm as owners consider detailed production data as proprietary competitive information. As such, detailed spreadsheets for each farm were made available to DNV.

*2) Also, according to the methodology and registered PDD, the electricity consumed for calculation of leakages should be measured, however the verification report states that "electricity consumption is not metered, but is estimated based on the equipments rated electricity consumption and conservative assumptions on the equipment operating hours".*

Power drawn by the individual project activity components is metered as an aggregate of all the farm's combined electrical usage, project activity and non-project activity. AgCert and the DOE considered comparing the farm's monthly power bills to determine leakage but it became clearly evident that an accurate determination of the power drawn by the individual project activity components could not be discerned using this method. Further it was not economical to install individual watt-hour meters for each motor when the average leakage was 2.7 tonnes $CO_2e$ per farm site.

Consequently, the power consumed for the determination of leakage was measured as stated in the validated and registered PDD and Monitoring Plan. AgCert determined the project activity equipment leakage using a standard scientific calculation for power consumption using very conservative operational hours. In fact, power consumed by each site's blower motors, for example, was calculated using the most conservative 24-hours-per-day continuous operation although it was clearly evident to the verifying auditor that the blower motor did not function in a continuous mode.

We do not consider this as a deviation from the monitoring methodology as measuring is defined as *"the act, process, or result of determining the dimensions, capacity, or amount of something."* AgCert measured the leakage through the process of determining the amount power consumed using the electrical specifications of the motors installed. Further, AgCert clearly noted in the validated Operations and Maintenance Plan its intent to calculate project activity leakage in this manner.

*3) In the monitoring report a power increase of 1 kWh per year is mentioned, however only as "expected" value (whereas the PDD indicates 500 kWh per year). The monitoring report should refer to monitored values. In the table on p. 17 monitoring report, this corresponds to 5t CO2e, which is not plausible.*

You are correct that that if we are to enter this "expected" data that it should have read the same value as indicated in the PDD.

However, the Monitoring Report on page 11 clearly indicates the monitored electricity consumption of all project equipment as 10,782.8 kWh. DNV was provided with corresponding spreadsheets using individual site monitored data. The application of the proper leakage calculations results in 4.63 $tCO_2$ total leakage for the entire project. We rounded up to 5 $tCO_2e$.

Finally, it was pointed out a Request for Review (RFR) on another of AgCert's projects (Ref # 0150) that leakage was only deducted from the calculated result and not the metered result. Although not mentioned in this RFR, we have modified the Monitoring Report to deduct leakage from the metered result on this report as well.

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