



**Project design document form for  
small-scale CDM project activities  
(Version 08.0)**

**PROJECT DESIGN DOCUMENT (PDD)**

<b>Title of the project activity</b>	Ganpati co-generation project at Medak, Andhra Pradesh
<b>Version number of the PDD</b>	10
<b>Completion date of the PDD</b>	29/09/2016
<b>Project participant(s)</b>	<ul style="list-style-type: none"> <li>- Ganpati Sugar Industries Limited (India)</li> <li>- Noble Carbon Credits Limited (United Kingdom of Great Britain and Northern Ireland )</li> <li>- Vitol S.A (Switzerland )</li> </ul>
<b>Host Party</b>	India
<b>Applied methodology(ies) and, where applicable, applied standardized baseline(s)</b>	AMS-I.C. ver. 20 Thermal energy production with or without electricity (EB79 Annex 14)
<b>Sectoral scope(s) linked to the applied methodology(ies)</b>	Sectoral Scope: 01, Energy industries (renewable - / non-renewable sources)
<b>Estimated amount of annual average GHG emission reductions</b>	47,080 tCO <sub>2</sub> e

## SECTION A. Description of project activity

### A.1. Purpose and general description of project activity

The project activity consists of set up of bagasse co-generation facility at Ganpati Sugar Industries Limited's (GSIL) sugar mill at Sanga Reddy, Medak District of Telangana state ( part of earlier Andhra Pradesh state<sup>1</sup>) India. The bagasse to be used as fuel is the bagasse generated by the sugar mill.

Started in 2001 (project implementation), the project activity was among the first in India consisting of a high pressure boiler configuration (most sugar mills in India having co-generation units operate with low pressure boiler configuration of below 45 kg/cm<sup>2</sup> (majority are in the range of 21 kg/cm<sup>2</sup> to 45 kg/cm<sup>2</sup>) to cater to the in-house steam and power requirements). On the date of finalisation of the project, there were less than 4 similar projects implemented and operational in India, of which 3 were in the state of TamilNadu. The relatively low efficiency being a design choice historically made in the Indian sugar industry to eliminate the build-up of mountains of bagasse that represents an environmental and fire hazard. Despite being an in-efficient utilization of resources, most sugar mills continue to operate under this Business as Usual scenario.

In India, the major sugar cane growing states are as under:

State	Area under cultivation	Growing season	Crushing days per annum
Uttar Pradesh (03-04)	2030000 Hectares	Sept – April	120 – 130 days
Maharashtra (03-04)	536000 “	“	100 – 160 days
Karnataka (03-04)	237000 “	“	100 – 200 days
Andhra Pradesh (03-04)	203000 “	“	100 – 160 days
Tamil Nadu (03-04)	185000 “	“	120 – 200 days

As per the various sources available, of the approximately 507 sugar mills in India, with a total potential for bagasse co-generation in excess of 3,500 MW<sup>2</sup>, only 38 mills have co-generation facility (installed capacity a mere 226 MW<sup>3</sup>. Of these 38 mills, only 12 are of high-pressure configuration similar to that of the proposed project. This would confirm the fact that owing to historical and other operating / economic reasons, co-generation projects with high-pressure configurations and especially export of power to the regional Grid is NOT a standard / common practice.

Under planned economy concept, the Government initially permitted small sized new units of 1250 TCD capacity only and later on increased the minimum economic size of plant to 2500 TCD and has recently increased this to 5000 TPD. Such policies of the government led to the sugar industry growing horizontally with an all India per unit average capacity of 2690 TCD.

The additional revenue, together with the enhanced project profile was a critical factor responsible for convincing the management of GSIL to consider investing in the proposed project. Details to establish this can be verified from documents available for inspection to the Operational Entity.

<sup>1</sup>As per Andhra Pradesh reorganization Act, 2014, the state of Andhra Pradesh is bifurcated into Telangana and residuary Andhra Pradesh. As per this new act, the Medak district where project activity is located comes under Telangana state. Thus Andhra Pradesh mentioned in PDD represents the new Telangana state as per Andhra Pradesh reorganization Act, 2014.

<sup>2</sup> Source: <http://www.mnes.nic.in/business%20oppertunity/pgtbp.htm>

<sup>3</sup>[http://www.mnes.nic.in/annualreport/2001\\_2002\\_English/ch5\\_pg11.htm](http://www.mnes.nic.in/annualreport/2001_2002_English/ch5_pg11.htm)

Project Description	Location	Status
Co-generation unit – fuel bagasse	Sanga Reddy Mondal, Medak District, Andhra Pradesh, India	Commenced operations – January 2003. Currently in the process of securing registration under the CDM, as additional revenue from the sale of the CERs was a critical factor in the investment decision making process.

### ***Contribution to Sustainable Development in the Host Country:***

The project activity has contributed to the sustainable development of the host country on account of:

1. Green House Gas emissions reduction: it is estimated that the projects would result in a cumulative GHG emissions reduction in excess of 1 million tones of CO<sub>2</sub> equivalent over a period of 21 years.
2. Generating employment – other than direct plant related opportunities that will employ very minimally, there would be employment opportunities in material collection etc.

The Designated National Authority for CDM in India, which is the Ministry of Environment & Forests, has stipulated the following indicators for sustainable development in the interim approval guidelines for Indian CDM projects. The project has received the host country endorsement and the reference no is 4/22/2005-CCC. The project complies with the stipulations as under:

- **Social well-being:** The CDM project activity quite clearly leads to the alleviation of poverty by generating additional employment, removal of social disparities and contribution to provision of basic amenities to people leading to improvement in quality of life of people. This is being achieved as the project results in additional employment opportunities for the people residing in the economic zone around the sugar mill.
- **Economic well-being:** The CDM project activity should bring in additional investment consistent with the needs of the people. This is being achieved as the project has resulted in direct / indirect investments to the tune of INR 5300 lacs. Had the project not been implemented, this investment would not have been made in the specific region/area.
- **Environmental well-being:** This should include a discussion of impact of the project activity on resource sustainability and resource degradation, if any, due to proposed activity; bio-diversity friendliness; impact on human health; reduction of levels of pollution in general. This is clearly being achieved as the project uses factory-generated bagasses to generate power. In addition, the proposed energy plantation over dry / arid land (if successfully implemented) would result in a significant improvement of the quality of life for the people in the region.
- **Technological well-being:** The CDM project activity should lead to transfer of environmentally safe and sound technologies with a priority to the renewables sector or energy efficiency projects that are comparable to best practices in order to assist in up gradation of technological base. This is being complied with as the technical configuration used for the project had been previously employed in less than 3 % of bagasses co-generation projects in the country. This high-pressure configuration has not been used in any public sector sugar mill till date.

Each of the above indicators has been studied in the context of the project activity to ensure that the project activity contributes to the sustainable development.

**A.2. Location of project activity****A.2.1. Host Party**

India

**A.2.2. Region/State/Province etc.**

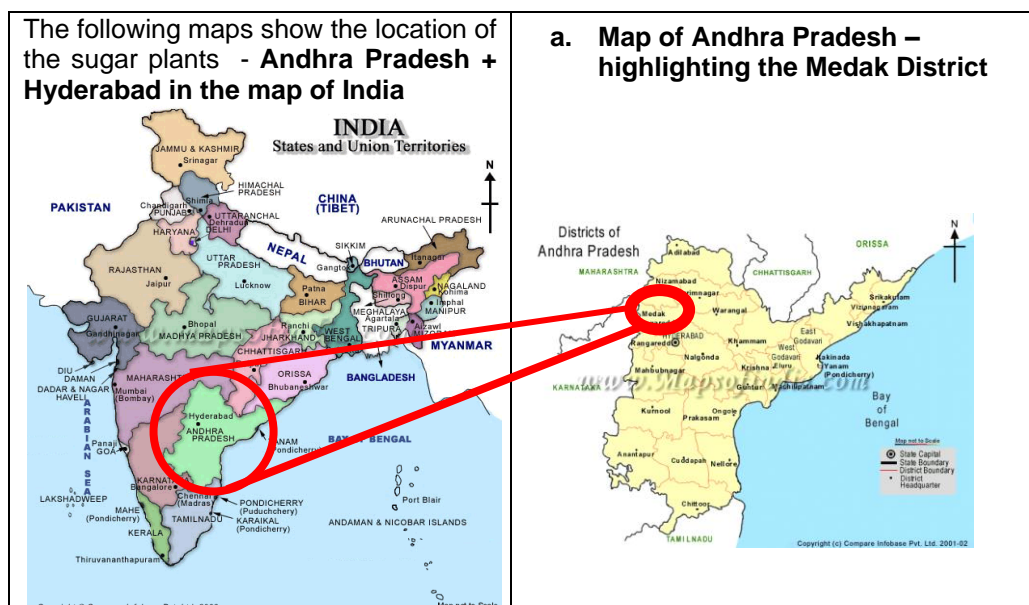
Telangana state

**A.2.3. City/Town/Community etc.**

Sanga Reddy Mondal, Medak District, Telangana state ( part of earlier Andhra Pradesh state), India

**A.2.4. Physical/Geographical location**

The project site is located at Kulbagur, Fasalwadi Village, Sanga Reddy Mandal, Medak District of Telangana( part of earlier Andhra Pradesh state)(latitude 17 ° 38'17" and longitude 78 ° 7 '17" some 75 Km from Hyderabad)

**A.3. Technologies and/or measures**

The project activity is a small scale project activity and conforms to Appendix B of the simplified modalities and procedures for small-scale CDM project activities.

**Details of project type and category**

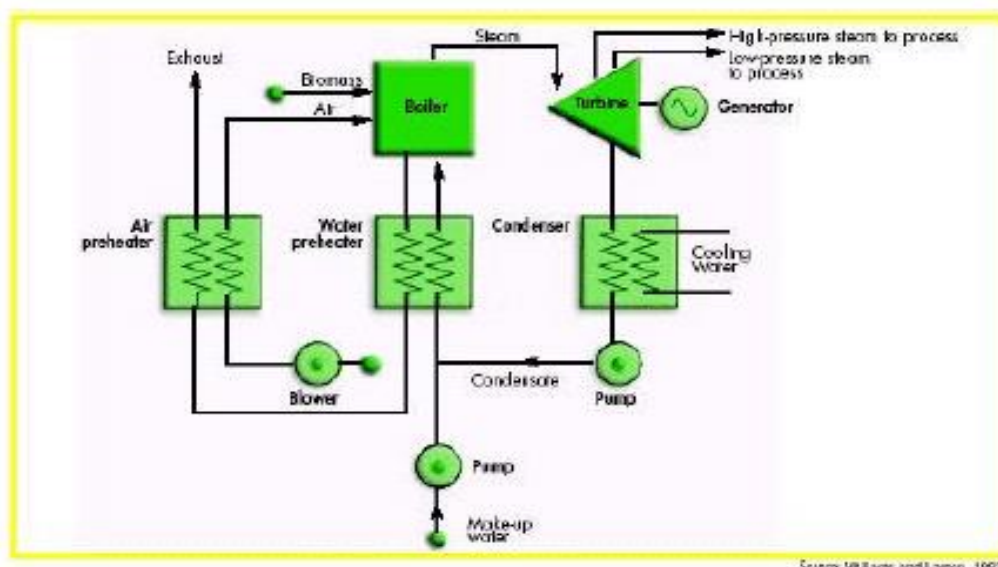
Type I – Renewable Energy Projects, AMS.I.C Version 20 – Thermal energy production with or without electricity

The predominant technology in all parts of the world today for generating megawatt (MW) levels of electricity from biomass is the steam-Rankine cycle, which consists of direct combustion of biomass in a boiler to generate steam, which is then expanded through a turbine. Most steam cycle plants are located at industrial sites, where the waste heat from the steam turbine is recovered and used for meeting industrial – process heat needs.

The Steam – Rankin cycle involves heating pressurised water, with the resulting steam expansion driving a turbine generator, and then condensing back to water for partial / full recycling to the

boiler. A heat exchanger is used in some cases to recover heat from the flue gases to preheat combustion air, and a derater is used to remove the dissolved oxygen from water before it enters the boiler.

Steam turbines are designed as either “backpressure” or “condensing” turbines. Combined Heat and Power (CHP) applications typically employ backpressure turbines, wherein steam expands to a pressure that is still substantially above ambient pressure. The steam leaves the turbine in vapour form and is then used to satisfy industrial heating needs, where it condenses back to its liquid form. It is then partially or fully returned to the boiler. Alternatively, if process steam demands can be met using only a proportion of the available steam, a condensing-extraction steam turbine (CEST) might be used. This design includes the capability for more steam to be extracted at one of more points along the expansion path for meeting the process needs. Steam that is not extracted continues to expand to sub-atmospheric pressures, thereby increasing the amount of electricity per unit of steam compared to the back pressure turbine. The non extracted steam is converted back to liquid water in a condenser that utilises ambient air and/or a cold water source as the coolant<sup>4</sup>.



Source : Williams & Larson, 1993 apud Kartha & Larson, 2000 p.101

The steam-Rankine cycle uses different boiler designs, depending on the scale of the facility and the characteristics of the fuel being used. The initial pressure and temperature of the steam, together with the pressure to which it is expanded, determines the amount of electricity that can be generated per kilogram of steam. In general, the higher the peak pressure and temperature of the steam the more efficient, sophisticated and expensive the cycle is.

The project is a grid connected sustainably grown biomass based co-generation power plant with a high pressure steam turbine configuration. The plant is designed to operate with boiler outlet steam parameters 75 MT/Hr, of 66 kg/cm<sup>2</sup> and 485°C using bagasse as the primary fuel and other biomass as secondary fuel. Whereas at the inception itself the boiler was derated to 55 TPH.

The net export to the grid during the season<sup>5</sup> will be 10.36 MW and during off-season it would be 11 MW.

PROJECT DETAILS		
	Old	Project activity
Boiler		

<sup>4</sup>Williams & Larson, 1993 and Kartha & Larson, 2000 p. 101

<sup>5</sup>Under the normative condition the season period in the state of Andhra Pradesh is considered as 180 days (i.e. crushing will happen only for 180 days). Being operated by an efficient high-pressure boiler the power plant can operate for another 37 days based on the saved Bagasse. Hence the total days of operation considered for the project is 217 days in a year

Capacity	35 TPH x 2	55 TPH
Temperature	380° C	485°C
Pressure	32 Kg cm <sup>2</sup> (ATA)	66 Kg/cm <sup>2</sup>
Numbers	2	1
<b>Turbine</b>		
Capacity	3 MW	15 MW
Temperature	380°C	480°C
Pressure	32 Kg cm <sup>2</sup>	
Numbers	2	
<b>Export to Grid</b>		
Season	Nil	10.36 MW
Off – Season	Nil	11.00 MW

The Indian Sugar sector being highly dependent on supply of locally grown sugar cane, which in turn is dependent on the monsoons, is a highly cyclic industry. GSIL aims to expand the surplus power generation of the mill's co-generation system and add value to the bagasses from its sugar milling process.

GSIL invested a total of INR 1756 lacs for the acquisition of a new boiler providing 75 tons of steam per hour at 480° C and 67 bar multi drawl condensing type turbo generator, replacing two existing 3MW, low pressure configuration co-generation unit. The project included the setting up of a 10 Km transmission line, an energy sub station and other related infrastructure to facilitate the sale of surplus power to the regional Grid.

The initial Power Purchase Agreement entered into with the Transmission Corporation of Andhra Pradesh Limited for the sale of power to the grid at INR 2.25 per KW Hr (base year 1994-95 with a 5% annual escalation), for a period of 4 years upto 31st March 2004.

It should be pointed out that this is currently under dispute, with the transmission company reducing the effective rate and filed a case in Supreme Court to revise the tariff. This incidence further highlights the risks (and thus a critical barriers) of setting up small power plants with a view to exporting power to the Grid.

#### A.4. Parties and project participants

Party involved (host) indicates host Party	Private and/or public entity(ies) project participants (as applicable)	Indicate if the Party involved wishes to be considered as project participant (Yes/No)
India (Host Party)	Ganpati Sugar Industries Limited	No
United Kingdom of Great Britain and Northern Ireland	Noble Carbon Credits Limited	No
Switzerland	Vitol S.A	No

#### A.5. Public funding of project activity

Not Applicable as no funding from Annex 1 based institutions have been availed of.

#### A.6. Debundling for project activity

Appendix C, paragraph 2 of the Simplified Modalities and Procedures for Small –Scale CDM project activities states:

"A proposed small-scale project activity shall be deemed to be debundled component of a large project activity if there is a registered small-scale CDM project activity or a application to register another small-scale CDM project activity:

- With the same project participants
- In the same project category and technology/measure; and
- Registered within the previous two years; and
- Whose project boundary is within 1 km of the project boundary of the proposed small-scale activity at the closest point."

As there is currently no registered CDM project at the site either large scale or small scale, the project will meet the criteria on debundling.

## **SECTION B. Application of selected approved baseline and monitoring methodology and standardized baseline**

### **B.1. Reference of methodology and standardized baseline**

The approved baseline and monitoring methodologies applied for the project activity are:

AMS.I.C	Thermal energy production with or without electricity	Version 20, Sectoral Scope: 01, EB 79, Annex 14
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The project activity also follows below mentioned tools:

"Tool to calculate the emission factor for an electricity system", version 05

"Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion", version 02

"Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period" version 3.0.1

### **B.2. Project activity eligibility**

The table below justifies how the project activity complies with the various criteria set in methodology.

#### **Project applicability under AMS-I.C "Thermal energy production with or without electricity"**

<b>Applicability Criteria</b>	<b>Justification</b>
This category comprises renewable energy technologies that supply users i.e. residential, industrial or commercial facilities with thermal energy that displaces fossil fuel use. These units include technologies such as solar thermal water heaters and dryers, solar cookers, energy derived from renewable biomass and other technologies that provide thermal energy that displaces fossil fuel.	The project activity is a co-generation system based only on bagasse which is a renewable source of energy. The project activity displaces fossil fuel based electricity generation from the grid using renewable fuel, bagasse. Thus this applicability condition is applicable.
Biomass-based cogeneration and trigeneration systems are included in this category.	The project activity is Bagasse based co-generation system, the electricity generated in this process is supplied to the regional grid. Thus, this applicability condition is applicable.
Emission reductions from a biomass cogeneration or trigeneration system can accrue from one of the following activities: (a) Electricity supply to a grid; (b) Electricity and/or thermal energy	Emission reductions of the cogeneration project activity are solely on account of net electrical energy supplied to the grid.

production for on-site consumption or for consumption by other facilities; (c) Combination of (a) and (b).	
Project activities that seek to retrofit or modify an existing facility for renewable energy generation are included in this category	The project activity is bagasse based co-generation system. The project activity does not involve any retrofit or modifications on the existing facility. Thus this criterion is not applicable to the project activity
In the case of new facilities (Greenfield projects) and project activities involving capacity additions the relevant requirements related to determination of baseline scenario provided in the "General guidelines for SSC CDM methodologies" for Type-II and Type-III Greenfield/capacity expansion project activities also apply.	The project activity Green Field project of Type I and does not involve any component of Type II and Type III, hence this criteria is not applicable.
The total installed/rated thermal energy generation capacity of the project equipment is equal to or less than 45MW thermal (see paragraph 9 of methodology for the applicable limits for cogeneration and trigeneration project activities)	The project activity is Bagasse based co-generation system which generates electricity and exports net electricity to grid. Emission reductions of the cogeneration project activity are solely on account of electrical energy production. The total installed electrical energy generation capacity of the project equipment of the cogeneration unit is 15 MW.
For co-fired systems, the total installed thermal energy generation capacity of the project equipment, when using both fossil and renewable fuel shall not exceed 45 MW thermal (see paragraph 9 of methodology for the applicable limits for cogeneration project activities).	The project activity is not a co-fired system and is based solely on renewable fuel (bagasse). This category is not applicable as the system is not co-fired system.
<p>The following capacity limits apply for biomass cogeneration and trigeneration units</p> <p>(a) If the emission reductions of the project activity are on account of thermal and electrical energy production, the total installed thermal and electrical energy generation capacity of the project equipment shall not exceed 45 MW thermal. For the purpose of calculating the capacity limit the conversion factor of 1:3 shall be used for converting electrical energy to thermal energy (i.e. for renewable energy project activities, the installed capacity of 15 MW(e) is equivalent to 45 MW thermal output of the equipment or the plant);</p> <p>(b) If the emission reductions of the project activity are solely on account of thermal energy production (i.e. no emission reductions accrue from the electricity component), the total installed thermal energy production capacity of the project equipment shall not exceed 45 MW thermal;</p> <p>(c) If the emission reductions of the project</p>	Emission reductions of the cogeneration project activity are solely on account of electrical energy production (no emission reductions accrue from thermal energy component). The total installed electrical energy generation capacity of the project equipment of the cogeneration unit is 15MW and not exceeding the applicable capacity limits of option(c).



activity are solely on account of electrical energy production (i.e. no emission reductions accrue from the thermal energy component), the total installed electrical energy generation capacity of the project equipment shall not exceed 15 MW.	
The capacity limits specified in the above paragraphs apply to both new facilities and retrofit projects. In the case of project activities that involve the addition of renewable energy units at an existing renewable energy facility, the total capacity of the units added by the project should comply with capacity limits in above paragraphs and shall be physically distinct from the existing units.	The project activity does not involve the addition of renewable energy units at an existing renewable energy facility. Thus this criterion is not applicable to the project activity.
If solid biomass fuel (e.g., briquette) is used, it shall be demonstrated that it has been produced using solely renewable biomass and all project or leakage emissions associated with its production shall be taken into account in emissions reduction calculation	Not applicable
Where the project participant is not the producer of the processed solid biomass fuel, the project participant and the producer are bound by a contract that shall enable the project participant to monitor the source of the renewable biomass to account for any emissions associated with solid biomass fuel production. Such a contract shall also ensure that there is no double-counting of emission reductions	Not Applicable
If electricity and/or thermal energy produced by the project activity is delivered to a third party i.e. another facility or facilities within the project boundary, a contract between the supplier and consumer(s) of the energy will have to be entered into that ensures there is no double-counting of emission reductions	The net electricity generation from the project activity is supplied to state electricity grid. A Power Purchase Agreement (PPA) entered into between Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) and project proponent (GSIL) is in force now. Thus the applicability criterion is applicable to the project activity.
If the project activity recovers and utilizes biogas for producing electricity and/or thermal energy and applies this methodology on a standalone basis i.e. without using a Type III component of a SSC methodology, any incremental emissions occurring due to the implementation of the project activity (e.g. physical leakage of the anaerobic digester, emissions due to inefficiency of the flaring), shall be taken into account either as project or leakage emissions as per relevant procedures in the tool "Emissions from solid waste disposal sites" and/or "Project emissions from flaring". In the event that the biomass fuel (solid/liquid/gas) is sourced	The project activity does not involve any recovering and utilizing biogas, hence this criteria is not applicable.

from an existing CDM project, then the emissions associated with the production of the fuel shall be accounted with that project	
If project equipment contains refrigerants, then the refrigerant used in the project case shall have no ozone depleting potential (ODP)	The project equipment does not contain any refrigerant, thus this criteria is not applicable.
Charcoal based biomass energy generation project activities are eligible to apply the methodology only if the charcoal is produced from renewable biomass sources provided: (a) Charcoal is produced in kilns equipped with methane recovery and destruction facility; or (b) If charcoal is produced in kilns not equipped with a methane recovery and destruction facility, methane emissions from the production of charcoal shall be considered. These emissions shall be calculated as per the procedures defined in the approved methodology "AMS-III.K: Avoidance of methane release from charcoal production by shifting from traditional open-ended methods to mechanized charcoaling process". Alternatively, conservative emission factor values from peer reviewed literature or from a registered CDM project activity can be used, provided that it can be demonstrated that the parameters from these are comparable e.g. source of biomass, characteristics of biomass such as moisture, carbon content, type of kiln, operating conditions such as ambient temperature.	The activity is bagasse based co-generation system which is displacing the fossil fuel based electricity generation from the grid. The project activity does not involve any charcoal based energy generation.
In cases where the project activity utilizes biomass, sourced from dedicated plantations, applicability conditions prescribed in the tool "Project emissions from cultivation of biomass" shall apply	Not applicable as project activity uses bagasses and not used any biomass, sourced from dedicated plantations.

### B.3. Project boundary

As explained under methodology, "The physical, geographical site of the project equipment producing the renewable energy delineates the project boundary. The boundary also extends to the industrial, commercial or residential facility, or facilities, consuming energy generated by the system and the processes or equipment that is affected by the project activity".

For the project activity the project boundary constitutes bagasse supply, boiler, turbine generator, transmission setup to grid, Kandi substation and all other accessory equipment. The emission reductions are calculated based on grid emission factor. Therefore Indian grid is included in the boundary

**B.4. Establishment and description of baseline scenario**

The project produces renewable based electricity generation. The plant is grid connected and the electricity supplied from the project activity to the grid would be expected to replace existing and planned generation from the grid, the majority of which is fossil fuel based.

*As per para 302 of Project Standard version 09, To demonstrate the validity of the original baseline or its update, project participants are not required to re-assess the baseline scenario. Instead, project participants shall assess the GHG emission reductions that would have resulted from that scenario*

Thus baseline scenario of the project activity remains same. The re assessment of emissions which would have resulted from that scenario is done based on current data available.

In line with the paragraph 13.9.1 of the Project Standard version 09, the impact of new relevant national and/or sectoral policies and circumstances on the baseline taking into account relevant EB guidance with regard to renewal of the crediting period at the time of requesting renewal of crediting period; and the correctness of the application of an approved baseline methodology for the determination of the continued validity of the baseline or its update, and the estimation of emission reductions for the applicable crediting period

**Impact of the national and/or sectoral policies and circumstances upon the baseline scenario of the project activity**

The Government of India enacted the Electricity Act in the year 2003 to harmonize and rationalize the provisions in the then existing laws. The Act consolidated the laws relating to generation, transmission, distribution, trading and use of electricity. With the Enactment of the act, the then existing laws viz, The Indian Electricity Act 1910, The Electricity Supply Act, 1948 and The Electricity Regulatory Commissions Act, 1998 were repealed. The Electricity Act 2003 was in force at the time of the completion of the baseline study for the registered PDD.

Section 3 of the said act required the Central Government to prepare the national electricity policy and tariff policy, in consultation with the State Governments and the Authority for development of the power system based on optimal utilization of resources such as coal, natural gas, nuclear substances or materials, hydro and renewable sources of energy. In accordance with the section 3 of the Electricity Act 2003, the Central Government notified the National Electricity Policy<sup>12</sup> on 12<sup>th</sup> February 2005 which was in force at the time of completion of the baseline study as stated in the registered PDD of the project activity. This policy has not been revised since then and is currently in force as well.

In addition to the above policies, State Electricity Regulatory Commissions (SERCs) have announced preferential tariffs and Indian Renewable Energy Development Agency (IREDA) provides term loan assistance towards establishing biomass power projects. All these fiscal and financial incentives were in force at the time of completion of the baseline study for the registered PDD of the project activity and still continue to exist.

However, in spite of the financial incentives given by the government to renewable power projects in India the generation from the low cost must run resources connected to the Indian Grid has not increased to such an extent that this would lead to more than 50% contribution from the low cost must run resources towards the total generation from the Indian Grid.

The approved consolidated baseline methodology, AMS-I.D., (Version 18), has been used to determine the baseline and the estimation of emission reductions for the applicable crediting period. As referred in the methodology "Tool to calculate the emission factor for an electricity system" (version 05.0) has been used to determine continued validity of the baseline based on combined margin (CM) calculations.

In light of the above discussion it is to be concluded that in accordance with relevant guidelines stipulated in the Project Standard para 13.9.1, national and/or sectoral policies and circumstances

had been considered towards formulating the OM & BM baseline scenario. Hence the baseline scenario as applied for the present project activity remains justified.

As per Paragraph 36 of approved methodology AMS.I.C, Version 20, *“For project activities that do not displace captive electricity generated by an existing plant but displace grid electricity import and/or supply electricity to a grid, the emission factor of the grid shall be calculated as per the procedures detailed in “AMS-I.D: Grid connected renewable electricity generation” or “AMS-I.F: Renewable electricity generation for captive use and mini-grid”*

Since the project activity supplies electricity to grid, the baseline emissions for supply of electricity to and/or displacement electricity from a grid shall be calculated as per the procedures detailed in AMS-I.D. Version 18

Procedure detailed in AMS.I.D, Version 18:

The baseline scenario for the electricity, generated from the project activity has been arrived in accordance with approved methodology AMS-I.D (version 18). The project activity involves electricity generation from bagasse based cogeneration plant which supplies the generated electricity to the regional grid. The electricity grid in India is dominated mostly by fossil fuel based power plants and the project activity will be replacing the fossil fuel based electricity generation, thereby reducing GHG emissions.

As per para 22 of AMS I.D version 18, Baseline emissions include only CO<sub>2</sub> emissions from electricity generation in power plants that are displaced due to the project activity. The methodology assumes that all project electricity generation above baseline levels would have been generated by existing grid-connected power plants and the addition of new grid-connected power plants. The baseline emissions are to be calculated as follows:

$$BE_y = EGP_{J,y} \times EF_{grid,y}$$

Where:

$BE_y$  = Baseline emissions in year y (t CO<sub>2</sub>)

$EGP_{J,y}$  = Quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the CDM project activity in year y (MWh)

$EF_{grid,y}$  = Combined margin CO<sub>2</sub> emission factor for grid connected power generation in year y calculated using the latest version of the “Tool to calculate the emission factor for an electricity system” (t CO<sub>2</sub>/MWh)

As referred in the methodology, Version 05 of “Tool to calculate the emission factor for an electricity system” has been used to determine continued validity of the baseline based on combined margin (CM) calculations. The operating and build margin factors have been taken from the published government data source ‘CENTRAL ELECTRICITY AUTHORITY: CO<sub>2</sub> BASELINE DATABASE’

As per para 23 of AMS I.D version 18,

The emission factor shall be calculated in a transparent and conservative manner as follows:

- (a) A combined margin (CM), consisting of the combination of operating margin (OM) and build margin (BM) according to the procedures prescribed in the “Tool to calculate the emission factor for an electricity system”; or
- (b) The weighted average emissions (in t CO<sub>2</sub>/MWh) of the current generation mix. The data of the year in which project generation occurs must be used.

**Option (a) has been considered to calculate the grid emission factor as per the** ‘Tool to calculate the emission factor for an electricity system’ since data is available from an official source.

CO<sub>2</sub> Baseline Database for the Indian Power Sector, Version 11, April 2016, published by Central Electricity Authority (CEA), Government of India has been used for the calculation of emission reduction.

As per the "Tool to calculate the emission factor for an electricity system" Version 05.0, EB 87, Annex 9, the following steps have been followed.

- STEP 1: Identify the relevant electricity systems;  
 STEP 2: Choose whether to include off-grid power plants in the project electricity system (optional);  
 STEP 3: Select a method to determine the operating margin (OM);  
 STEP 4: Calculate the operating margin emission factor according to the selected method;  
 STEP 5: Calculate the build margin (BM) emission factor;  
 STEP 6: Calculate the combined margin (CM) emission factor.

### **STEP 1: Identify the relevant electricity power systems**

The tool defines that “for determining the electricity emission factors, identify the relevant electricity system. Similarly, identify any connected electricity systems”. It also states that “If the DNA of the host country has published a delineation of the project electricity system and connected electricity systems, these delineations should be used”. Keeping this into consideration, the Central Electricity Authority (CEA), Government of India had divided the Indian Power Sector into five regional grids viz. Northern, Eastern, Western, North-eastern and Southern.

However since 2007-08 as the four regional grids except the Southern grid has been synchronized, they are now being considered as one and named as NEWNE grid. As of 31 December 2013, the Southern grid has also been synchronised with the NEWNE grid, hence forming one unified Indian Grid. Since the project supplies electricity to the Southern grid which is part of Indian Grid, emissions generated due to the electricity generated by the Indian grid as per CM calculations will serve as the baseline for this project.

**Table: Grid Classification**

Indian Grid				
Northern	Eastern	Western	North-Eastern	Southern
Chandigarh	Bihar	Chhattisgarh	Arunachal Pradesh	Kerala
Delhi	Jharkhand	Gujarat	Assam	Karnataka
Haryana	Orissa	Daman & Diu	Manipur	Tamil Nadu
Himachal Pradesh	West Bengal	Dadar & Nagar Haveli	Meghalaya	Andhra Pradesh
Jammu & Kashmir	Sikkim	Madhya Pradesh	Mizoram	<b>Telengana</b>
Punjab	Andaman & Nicobar	Maharashtra	Nagaland	
Rajasthan		Goa	Tripura	
Uttar Pradesh				
Uttarakhand				

### **STEP 2: Choose whether to include off-grid power plants in the project electricity system (optional)**

Project participants have the option of choosing between the following two options to calculate the operating margin and build margin emission factor:

**Option I:** Only grid power plants are included in the calculation.

**Option II:** Both grid power plants and off-grid power plants are included in the calculation.

The Project Participant has chosen only grid power plants in the calculation.

### **STEP 3: Select a method to determine the operating margin (OM) method**

The calculation of the operating margin emission factor ( $EF_{grid,OM,y}$ ) is based on one of the following methods, which are described under Step 4:

- (a) Simple OM, or
- (b) Simple adjusted OM, or
- (c) Dispatch data analysis OM, or
- (d) Average OM.

The data required to calculate simple adjusted OM or Dispatch data analysis is not possible due to lack of availability of this activity data to the project developers. The choice of other two options for calculating the operating margin emission factor depends on the generation of electricity from low cost/must run sources. In the context of the methodology low cost/must run resources typically include hydro, geothermal, wind, low cost biomass, nuclear and solar generation.

	<b>Share of Must-Run (Hydro/Nuclear) (% of Net Generation)</b>				
	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Indian Grid	18.4%	19.6%	16.9%	18.6%	16.8%

*Data Source: Central Electricity Authority (CEA) database Version 11, April 2016*

The above data clearly shows that the percentage of total grid generation by low cost/must run plants (on the basis of average of three most recent years) for the Indian grid is less than 50 % of the total generation. Thus the average emission rate method cannot be applied, as low cost/must run resources constitute less than 50% of total grid generation.

The “Simple operating margin” has been calculated as per the weighted average emissions (in  $tCO_2/MWh$ ) of all generating sources serving the system, excluding hydro, geo-thermal, wind, low-cost biomass, nuclear and solar generation;

For the simple OM, the simple adjusted OM and the average OM, the emissions factor can be calculated using either of the two following data vintages:

- **Ex ante option:** If the ex ante option is chosen, the emission factor is determined once at the validation stage, thus no monitoring and recalculation of the emissions factor during the crediting period is required. **Or**
- **Ex post option:** If the ex post option is chosen, the emission factor is determined for the year in which the project activity displaces grid electricity, requiring the emissions factor to be updated annually during monitoring.

**PP has chosen ex ante option for the calculation of OM with 3 years generation weighted average of the most recent years available at the time of submission of CDM-PDD to the DOE for validation.**

OM determined at validation stage will be the same throughout the crediting period. There will be no requirement to monitor & recalculate the emission factor during the crediting period.

#### **STEP 4: Calculate the operating margin emission factor according to the selected method**

The operating margin emission factor has been calculated using a 3 year data vintage:

<b>Net Generation in Operating Margin (MWh) (incl. Imports)</b>			
	2012-13	2013-14	2014-15
Indian Grid	701,976	725,037	810,011

<b>Simple Operating Margin (tCO<sub>2</sub>/MWh) (incl. Imports)</b>			
	2012-13	2013-14	2014-15
Indian Grid	0.9922	1.0002	0.9903

<b>Weighted Generation Operating Margin</b>	
Indian Grid	<b>0.9941</b>

#### **STEP 5: Calculate the build margin emission factor (EF<sub>BM,y</sub>)**

Option 1 as described above is chosen to calculate the build margin emission factor for the project activity. As per version 05 of tool, For the third crediting period, the build margin emission factor calculated for the second crediting period should be used. This option does not require monitoring the emission factor during the crediting period. Thus BM is calculated ex-ante which is same value of second crediting period and is fixed for the entire crediting period.

<b>Build Margin (tCO<sub>2</sub>/MWh) (not adjusted for imports) and as per Second Crediting Period</b>	
	2008-09
Southern (Now part of Indian Grid)	<b>0.82</b>

#### **STEP 6: Calculate the combined margin (CM) emissions factor**

**Combined Margin** – The combined margin is the weighted average of the simple operating Margin and the build margin. In particular, for all other projects ( except wind and solar projects), the Tool to calculate the emission factor for an electricity system, Version 05.0.0, allows to weigh the operating margin and Build margin at 25% and 75%, respectively for third crediting period.

The baseline emission factor is calculated using the combined margin approach as described in the following steps:

##### **Calculation of Baseline Emission Factor EF<sub>y</sub>**

The baseline emission factor EF<sub>y</sub> is calculated as the weighted average of the Operating Margin emission factor (EF<sub>OM,y</sub>) and the Build Margin emission factor (EF<sub>BM,y</sub>):

$$EF_y = w_{OM} * EF_{OM,y} + w_{BM} * EF_{BM,y}$$

Where,

<b>W<sub>OM</sub></b>	25% weight for wind energy projects
<b>W<sub>BM</sub></b>	75% weight for wind energy projects
<b>EF<sub>OM,y</sub></b>	calculated as described in Steps 3&4 above (tCO <sub>2</sub> /MWh)
<b>EF<sub>BM,y</sub></b>	calculated as described in Steps 5 above (tCO <sub>2</sub> /MWh)

$$\text{Baseline Emission factor (Indian Grid)} = 0.25 \times 0.9941 + 0.75 \times 0.82$$

$$= 0.8635 \text{ tCO}_2/\text{MWh}$$

This combined margin emission factor is ex ante parameter and remains constant for third crediting period.

In line with Methodological Tool “**Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period**” version 03.0.1, the below methodological procedure has been followed

This tool provides a stepwise procedure to assess the continued validity of the baseline and to update the baseline at the renewal of a crediting period, as required by paragraph 49 (a) of the modalities and procedures of the clean development mechanism.

The tool consists of two steps. The first step provides an approach to evaluate whether the current baseline is still valid for the next crediting period. The second step provides an approach to update the baseline in case that the current baseline is not valid anymore for the next crediting period.

#### **Step 1: Assess the validity of the current baseline for the next crediting period**

The “Procedures for the renewal of the crediting period of a registered CDM project activity” approved by the CDM Executive Board require assessing the impact of new relevant national and/or sectoral policies and circumstances on the baseline.

The validity of the current baseline is assessed using the following Sub-steps:

##### **Step 1.1: Assess compliance of the current baseline with relevant mandatory national and/or sectoral policies**

The baseline for the project activity is the electricity grid from which the project activity connected. The project activity is claiming the emission reductions from the exported quantity of electricity only. In absence of project activity this quantity of electricity would have been generated from the electricity grid mix. The baseline remains unchanged since there is no policy been revised and/or is currently in force as well, therefore the baseline scenario is still in compliance with all the relevant mandatory national and/or sectoral policies.

##### **Step 1.2: Assess the impact of circumstances**

The new circumstances do not have an impact on the baseline. The baseline value will be updated based on the current data available for the grid.

##### **Step 1.3: Assess whether the continuation of the use of current baseline equipment(s) or an investment is the most likely scenario for the crediting period for which renewal is requested**

As per the “Tool to determine the remaining lifetime of equipment”, the remaining lifetime of the equipment is the time for which the existing equipment can continue to operate before it has to be replaced/discarded. As per this Tool, Project participant can use one of the following options to determine the remaining lifetime of the equipment:

- (a) Use manufacturer’s information on the technical lifetime of equipment and compare to the date of first commissioning;
- (b) Obtain an expert evaluation;
- (c) Use default value



The project activity is commissioned on 01/01/2003 and since commissioning, the project activity is running satisfactorily. As per default values mentioned in the tool, the technical lifetime of Boilers and Turbines is 25 years. Thus considering the start of operation of project activity, the technical lifetime is up to 31/12/2027 which is well before the end date of third crediting period. Thus the remaining lifetime of equipments exceeds the crediting period for which renewal is requested.

The below conditions are fulfilled. (i) The equipment has been operated and maintained according to the recommendations of the equipment supplier; (ii) There are no periodic replacement schedules or scheduled replacement practices specific to the industrial facility, that require early replacement of equipment before the expiry of the technical lifetime; and (iii) The equipment has no design fault or defect and did not have any industrial accident due to which the equipment can not operate at rated performance levels.

An independent expert P.S Mohana Rao , Chartered Engineer having relevant experience in evaluating the remaining lifetime for the type of equipment has been approached and requested to determine the remaining lifetime of the equipment. The analysis on the information evaluated is done based on "Conducting tests on the equipment, such as magnetic particle examinations, ultrasonic testing, and visual inspection". The expert has stated his method of evaluation and provided his expert evaluation conclusion stating the estimated remaining lifetime of the equipment is 15 years. The assessment of remaining life time of the equipments had been done and confirmed that the remaining technical lifetime of the equipment of the project activity is 15 years which exceeds the crediting period for which renewals requested. As the remaining technical lifetime of the equipment is not less than the end of the crediting period for which renewal is requested, the current baseline holds good for this crediting period too.

#### **Step 1.4: Assessment of the validity of the data and parameters**

This step stipulates that "Where emission factors, values or emission benchmarks are used and determined only once for the crediting period, they should be updated, except if the emission factors, values or emission benchmarks are based on the historical situation at the site of the project activity prior to the implementation of the project and cannot be updated because the historical situation does not exist anymore as a result of the CDM project activity."

**Application of Steps 1.1, 1.2, 1.3 and 1.4 confirmed that the current baseline is valid for the third crediting period but data and parameters needs to be updated. Therefore step 2 is used**

#### **Step 2: Update the current baseline and the data and parameters**

##### **Step 2.1: Update the current baseline**

This step is applicable since the Steps 1.1, 1.2, 1.3 and/or 1.4 showed that the current baseline needs to be updated. As evident from the explanation provided above the baseline scenario remains unchanged.

Updated the baseline emissions based on the latest approved version of the methodology applicable to the project activity for the subsequent crediting period, without reassessing the baseline scenario.

##### **Step 2.2: Update the data and parameters**

The updated Data and/or parameter are followed for estimating the baseline emissions

#### **B.5. Demonstration of additionality**

Application of the tools for the demonstration and assessment of additionality of the project is used to demonstrate how the anthropogenic emissions of GHG by sources are reduced below those that would have occurred in the absence of the registered CDM project activity:

**Step 0: Preliminary screening based on the starting date of the project activity.**

- a. The starting date of this project activity is 29/04/2001. This can be easily established by checking the receipts of the equipment + proof of acquisition.
- b. At the point in time when the decision to opt for the modern co-generation power facility was being taken, Ganpati Sugar was faced with many difficult choices / alternatives viz.:
  - ❑ The sugar industry in India was faced with indifferent conditions, prices were low and most companies were just about breaking even. The owners of GSIL had set-up the sugar mill in 1997 at a cost of almost INR 5264 lacs. Without getting returns on its investment, the decision to invest another INR 5300 in a new project based on a configuration and technology that was not an established norm in India, was a very difficult decision, more so when the fact that the power plant would lie unused for almost half the year was considered. It must be pointed out that :
  - ❑ There was no legal / statutory requirement for the Company to set up the project;
  - ❑ The State Electricity Boards, the primary customers were known to be unreliable as far as payment for power purchased was concerned.
  - ❑ The Power Purchase Agreement being offered was for a limited period of 4 years upto 31<sup>st</sup> March 2004. ;

It was during this time that the Kyoto Protocol was being discussed in some details in the Indian media, partly due to the efforts of the USAID and other agencies. Mr. P.M. Nair one of the Directors of GSIL was instrumental in convincing the board that the proposed project could be developed under the CDM (refer board minutes dated 13/06/2000) and the fact that the additional revenue from developing the project under the CDM could significantly enhance the projects financial viability while simultaneously generating a significant amount of positive coverage and image for the company. The fact that it would have been one of the first sugar companies in the country to be developed under the CDM too was an additional attraction in support of the decision.

Various documents and information pertained to comprehensively establish the fact, that the benefits of registering the project under the CDM was one of the key factors in pursuing the project can be made available to the Designated Operational Entity at the time of validation.

**Step 1: Identification of alternatives to the project activity consistent with current laws and regulations.**

Sub step 1a: Define alternatives to the project activity:

- ✚ In the absence of any applicable rules / laws / regulations the alternatives to the proposed project activity included the following: Continuing the BAU i.e. running the old low pressure configuration boiler and power system that generated adequate power to meet the internal requirements of the plant but not for exports. This in effect would lead to a continuation of the then prevailing scenario of the sugar mill with a focus on just the production of sugar;
- ✚ Set up a new co-generation power project based on a high-pressure boiler configuration and develop the project without considering the additional financial benefits under the CDM.

Sub step 1b: Enforcement of applicable laws and regulations:

Sub clause 2.

- ✚ The alternative to continue with the BAU situation prior to the decision to implement this project is completely consistent with the applicable laws and regulations.

Sub clause 3 – not applicable

Sub clause 4:

- ✚ The project activity scenario and all the alternatives are in compliance with all applicable rules and regulations in the country.

### Step 3: Barrier analysis

Sub-step 3a: Identify barriers that would prevent a wide spread implementation of the proposed project activity:

**(A) Investment barriers:** The project being one of the first of its kind in the Indian sugar industry was faced with significant investment barriers eg.

- a. Real / perceived risks include :
  - i. Electricity Off take risk: State Electricity Board, the primary consumer & off taker do not enjoy a very good reputation and track record as far as timely payment of dues is concerned.
  - ii. Power Purchase Agreement Risk : The PPA was fixed for a period of 4 years upto 31<sup>st</sup> March 2004.. Considering the project life of 21 years, this was / is a very risky proposal. This is further borne out by the recent developments wherein the State Electricity Board has unilaterally decided to revise the PPA.
  - iii. Unfamiliar technology: Though the high pressure configuration was common in other parts of the world, the technology was new for the Indian sugar industry and thus perceived to be risky. Please note that GSIL was among the first few sugar mills to be exporting 10Mw + power to the grid, prior to this, only 3 out of the 507 sugar mills in India were exporting power to the Grid
- b. Access to funding:
  - i. Bank finance: In view of the un-common configuration of the project, banks were reluctant to extend financing to the project. The problem was compounded by the fact that the primary (and only) buyer for the power to be generated was the State Electricity Board and these did/do not have a good reputation as far as timely payment of dues is concerned.
  - ii. Equity Funding: The Board of GSIL was divided as far as investments in the new power project were concerned 13<sup>th</sup> June 2000. The resolution letter is being attached in Annex 5. With strong reservations being expressed about the financial viability of the project and its risks. Ultimately the argument that the project would be eligible for registration under the CDM (and its advantages) and the fact that it would be among the first Indian Sugar Mills to be registered helped convince the board about the merits of the projects.

**(B) Technological barriers:** The fundamental technological barrier was the fact that the project would be among the first with such a high pressure configuration. This was / is not a BAU practise in the Indian sugar Industry. The related barriers in terms of access to trained man power etc. were part and parcel of the project activity.

**(C) Prevailing Practice:** In addition to the high pressure configuration, the fact that the project was exporting power to the Grid resulted in additional capital expenditure to the tune of INR 5300 lacs on setting up the infrastructure to evacuate the power generated. This was an uncommon practice and contrary to BAU practices in the Indian Sugar Industry.

**(D) Other barriers:** These include Cultural and Management expertise and focus: Operating and managing a large sized power plant (comparatively speaking) requires a separate set of skills in terms of sourcing and organizing the fuel supply, meeting the maintenance needs and dealing with the primary customers and the related legal compliance etc. The management of GSIL was / is more focussed on manufacturing and trading sugar, an activity that requires a completely different set of skills and a completely

different mind set. Management related issues were thus a significant implementation barrier, as power related activities received and continue to receive lower than the desired level of priority.

Details of the barriers to project implementation can be made available to the Designated Operational Entity at the time of validation.

**Sub-step 3b. Show that the identified barriers would not prevent a wide spread implementation of at least one of the alternatives (except the project activity)**

The barriers to the project activity do not affect the alternatives to the identified project option as:

Continuing the BAU i.e. running the old low pressure configuration boiler and power system that generated adequate power to meet the internal requirements of the plant but not for exports would not require any additional effort from the part of the management. Nor would it need additional resources and would thus not be affected by the barriers outlined above.

Please note that on account of the very high cost of the project, the related risks involved and the barriers as mentioned above, the second alternative i.e. to set up a new co-generation power project based on a high-pressure boiler configuration and develop the project without considering benefits under the CDM, is NOT a feasible option and thus would not have been implemented.

**Step 4. Common Practice Analysis**

**Sub-step 4a: Analyse other activities similar to the proposed project activity:**

The sugar sector, historically, has always exploited its biomass (bagasses) in an inefficient manner by making use of low-pressure boilers. Although they consume almost all the bagasse for self-energy generation purposes, it is done in such a manner that no surplus electricity is available for sale, and very few (if any) sugar company had ventured in the electricity market till very recently.

The majority of projects implemented / under implementation are targeting registration under the Clean Development Mechanism in order to generate additional revenues that are so essential to make the projects viable and thus possible.

**Sub-step 4b: Discuss any similar options that are occurring**

As explained, of the approximately 507 sugar mills in India, with a total potential for bagasse cogeneration in excess of 3,500 MW<sup>6</sup>, only 38 mills have co-generation facility (installed capacity a mere 226 MW<sup>7</sup>. Of these 38 mills, only 12 are of high-pressure configuration as that of the project proposed this would confirm the fact that owing to historical and other operating / economic reasons, co-generation projects with high-pressure configurations and especially export of power to the regional Grid are NOT a standard practice.

Most of the high pressure configuration projects have been implemented recently and most, if not all, of them are being developed under the Clean Development Mechanism.

**Step 5. Impact of CDM registration**

The registration of this CDM project activity, will contribute to overcome all the barriers described in this tool: Technological, institutional, economic, investment, cultural and management related barriers will all be significantly mitigated on account of the additional revenue generation from the sale of carbon credits. This would bring more solidity to the investment itself, thus fostering and

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<sup>6</sup> Source: <http://www.mnes.nic.in/business%20oppertunity/pgtbp.htm>

<sup>7</sup>[http://www.mnes.nic.in/annualreport/2001\\_2002\\_English/ch5\\_pg11.htm](http://www.mnes.nic.in/annualreport/2001_2002_English/ch5_pg11.htm)

supporting the project owner's decision to the break through on their business model. The project activity is already engaged in negotiations to sell their expected CERs.

In addition, the CDM project registration would influence other similar projects to be set up and encourage the use of CERs as an additional revenue stream that is reliable enough to be seriously considered in the project returns computation. The project developer plans to leverage the CERs generated from this project to set up another 20 MW biomass power generation project for exclusive export of power to the Grid. The registration of this project would significantly aid in that process.

## **B.6. Emission reductions**

### **B.6.1. Explanation of methodological choices**

#### **Baseline Emissions:**

As per Paragraph 36 of approved methodology AMS.I.C, version 20, the baseline emissions for supply of electricity to and/or displacement electricity from a grid shall be calculated as per the procedures detailed in AMS-I.D.

As per AMS I.D version 18, Paragraph 22 states that "The baseline emissions are the product of electrical energy baseline  $EG_{BL,y}$  expressed in MWh of electricity produced by the renewable generating unit multiplied by the grid emission factor"

As per para 22 of AMS I.D version 18, Baseline emissions include only CO<sub>2</sub> emissions from electricity generation in power plants that are displaced due to the project activity. The methodology assumes that all project electricity generation above baseline levels would have been generated by existing grid-connected power plants and the addition of new grid-connected power plants. The baseline emissions are to be calculated as follows:

$$BE_y = EG_{BL,y} * EF_{CO_2,grid,y}$$

Where:

$BE_y$  = Baseline emissions in year y (t CO<sub>2</sub>)

$EG_{BL,y}$  = Quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the CDM project activity in year y (MWh)

$EF_{CO_2,grid,y}$  = Combined margin CO<sub>2</sub> emission factor for grid connected power generation in year y calculated using the latest version of the "Tool to calculate the emission factor for an electricity system" (t CO<sub>2</sub>/MWh)

Energy baseline ( $EG_{BL,y}$ ) is the net electricity produced by the renewable generating unit delivered to the grid by the project that otherwise would have been generated by the operation of grid connected fossil fuel power plants.

The Emission Factor ( $EF_{CO_2,grid,y}$ ) is calculated according to the Version 05 of "Tool to calculate the emission factor for an electricity system" as detailed mentioned in section B.4

#### **Project emissions:**

As per paragraph 65 of the AMS.I.C version 20 methodology, and according to the operation of the project activity the following is the only source for the project emissions:

CO<sub>2</sub> emissions from on-site consumption of fossil fuels due to the project activity shall be calculated using the latest version of "Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion"

The project activity is renewal based electricity generation and can only fire bagasse as fuel (The local regulation also constraint use of fossil fuels for the bagasse based co-gen system implemented in sugar industry) and the emission reductions are calculated based on the net electricity supplied to the grid. Since it is not a cofired plant, the amount of fossil fuel input to the project activity need not to be monitored.

Fossil fuel combustion (diesel) in standby DG sets during trial runs and maintenance activities only (not for power generation purpose in the project activity) is included as a monitoring parameter. The consumption records of Diesel in DG set for maintenance purposes can be cross checked with the log books and purchase records. If diesel is consumed for the project activity, the project emissions from the same are calculated as below:

As per formula 1 provided in “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion”, Version 02, CO2 emissions from fossil fuel combustion is as follows:

Project emissions due to diesel consumption for electricity generation are based on Option B of “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion”:

$$PE_{FC,j,y} = \sum F_{Ci,j,y} \times COE_{Fi,y}$$

Where :

$PE_{FC,j,y}$  Are the CO2 emissions from fossil fuel combustion in process j during the year y (tCO2/yr);

$F_{Ci,j,y}$  Is the quantity of fuel type i combusted in process j during the year y (mass or volume unit/yr);

$COE_{Fi,y}$  Is the CO2 emission coefficient of fuel type i in year y (tCO2/mass or volume unit)

For the project activity, since the CO2 emissions from fossil fuel combustion are only from diesel consumption for electricity generation. The above formula can henceforth be referred as:

$$PE_y = FC_{diesel} \times COEF_{diesel}$$

Where :

$PE_y$  Are the CO2 emissions from diesel consumption during the year y (tCO2/yr);

$FC_{diesel}$  Is the quantity of diesel consumed in process during the year y (tons/yr), which equals to the Quantity of diesel consumed in litres/yr times the density of diesel ( $\rho_{diesel}$ ) in kg/lit and divide by 1000 kg/ton to convert the unit of  $FC_{diesel}$  to tons/yr. The density of Diesel is considered as fixed and it's value is 0.83 as per CEA CO2 Baseline database Version 10.

$COEF_{diesel}$  Is the CO2 emission coefficient of diesel in year y (tCO2/ton).  $COEF_{diesel}$  is based on Option B of “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion”.  $COEF_{diesel} = NCV_{diesel} \times EFCO2, diesel$

The CO2 emission coefficient COEF is based on Option B of “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion”. Option A for calculating the CO2 emission coefficient is not used, as the necessary data is not available since the approach is based on the chemical composition of the fossil fuel type. Hence the preferred approach is Option B of “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion”, Version 02, to calculate the CO2 emission coefficient ( $COE_{Fi,y}$ )

Therefore, Project emissions due to diesel consumption for electricity generation ( $PE_y$ ) can be calculated finally as follows:

$$PE_y = FC_{diesel} \times NCV_{diesel} \times EFCO2, diesel$$

Where:

$FC_{diesel}$  Is the quantity of diesel consumed in process during the year y (tons/yr),

$NCV_{diesel}$  Is net calorific value of the diesel (GJ/ton)

$EFCO2, diesel$  Is the CO2 emission factor of diesel in year y (tCO2/GJ)

Option B: The CO<sub>2</sub> emission coefficient COEF<sub>i,y</sub> is calculated based on net calorific value and CO<sub>2</sub> emission factor of the fuel type i, as follows:

$$\text{COEF}_{i,y} = \sum \text{NCV}_{i,y} \times \text{EFCO}_{2,i,y}$$

Where :

COEF<sub>i,y</sub> Is the CO<sub>2</sub> emission coefficient of fuel type i in year y (tCO<sub>2</sub>/mass or volume unit)

NCV<sub>i,y</sub> Is the weighted average net calorific value of the fuel type i in year y (GJ/mass or volume unit)

EFCO<sub>2,i,y</sub> Is the weighted average CO<sub>2</sub> emission factor of fuel type i in year y (tCO<sub>2</sub>/GJ)

Therefore Project emissions due to diesel consumption for electricity generation:

$$\text{PEFC}_{j,y} = \sum \text{FC}_{i,j,y} \times \text{NCV}_{i,y} \times \text{EFCO}_{2,i,y}$$

NCV<sub>diesel</sub> is net calorific value of diesel, 43.3 GJ/ton from IPCC 2006 default values at the upper limit of uncertainty at a 95% confidence interval. Volume 2, Chapter 1: Introduction.

EFCO<sub>2,i,y</sub> is the carbon emission factor of diesel 0.0748 tCO<sub>2</sub>/GJ from IPCC 2006 default values at the upper limit of uncertainty at a 95% confidence interval. Volume 2, Chapter 1: Introduction.

#### Leakage:

As per the guidance by the latest methodology AMS.I.C. Version 20, Para 76 states that “If the energy generating equipment currently being utilised is transferred from outside the boundary to the project activity, leakage is to be considered”.

No leakage emissions are considered for the proposed project activity since no energy generating equipment is from outside the boundary to the project activity transferred from another activity and/or the existing equipment is transferred to another activity.

Further Para 77 states that “In case collection/processing/transportation of biomass residues is outside the project boundary CO<sub>2</sub> emissions from collection/processing/transportation (If biomass residues are transported over a distance of more than 200 kilometres due to the implementation of the project activity then this leakage source attributed to transportation shall be considered, otherwise it can be neglected) of biomass residues to the project site”.

The biomass used in the project activity is the mill generated bagasse available within the project premises. Collection/processing/transportation of bagasse is within the sugar plant and not outside the project boundary. Hence no leakage sources are considered and CO<sub>2</sub> emissions from same are zero.

#### Emission Reductions:

Emission reductions are calculated as follows:

$$\text{ER}_y = \text{BE}_y - \text{PE}_y - \text{LE}_y$$

Where:

ER<sub>y</sub> Emission reductions in year y (tCO<sub>2</sub>e)

BE<sub>y</sub> Baseline emissions in year y (tCO<sub>2</sub>e)

PE<sub>y</sub> Project emissions in year y (tCO<sub>2</sub>)

LE<sub>y</sub> Leakage emissions in year y (tCO<sub>2</sub>)

#### B.6.2. Data and parameters fixed ex ante

Data / Parameter	EF <sub>grid,CO<sub>2</sub>,y</sub>
Unit	tCO <sub>2</sub> e/MWh

Description	Combined Margin CO <sub>2</sub> emission factor of the Indian grid
Source of data	Central Electricity Authority (CEA): "CO <sub>2</sub> Baseline Database", Version 11, December 2014 and Second crediting period PDD
Value(s) applied	0.8635
Choice of data or Measurement methods and procedures	<p>Simple OM has Calculated as per "Tool to calculate the emission factor for an electricity system, version 05.0.0" as 3-year generation weighted average using data for the years 2012-2013, 2013-2014&amp; 2014-2015. The data are obtained from "CO<sub>2</sub> Baseline Database for Indian Power Sector" version 11.0, April 2016, published by the Central Electricity Authority, Ministry of Power, Government of India</p> <p>As per tool, For the third crediting period, the build margin emission factor calculated for the second crediting period should be used, thus 0.82 value is taken from Second Crediting Period</p> <p>As per the tool the average need to be considered to fix the emission factor ex ante. Weight of 25% has been considered for the operating margin and 75% has been considered for the build margin as 'Tool to calculate the emission factor for an electricity system'</p>
Purpose of data	For the calculation of the Baseline Emission
Additional comment	This parameter is fixed ex-ante for the entire crediting period.

Data / Parameter	NCV <sub>diesel</sub>
Unit	GJ/ton
Description	Net calorific value of diesel
Source of data	"Tool to calculate project or leakage CO <sub>2</sub> emissions from fossil fuel combustion" & IPCC 2006 default values. Volume 2, Chapter 1: Introduction.
Value(s) applied	43.3
Choice of data or Measurement methods and procedures	<p>As per "Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion", IPCC default value at the upper limit of uncertainty at a 95% confidence interval of NCV<sub>diesel</sub> is required to calculate the CO<sub>2</sub> emission factor of diesel (i.e., COEF<sub>diesel</sub>) and thereafter project emissions from diesel consumption.</p> <p>Since the data on NCV<sub>diesel</sub> from neither the supplier nor its measurement procedures are available with PP, also there are no regional or national default values publicly available. The value as per table 1.2 of Chapter 1: Introduction of Volume 2 Energy of the 2006IPCC Guidelines on National GHG Inventories at the upper limit of uncertainty at a 95% confidence interval is used as data source. The value of NCV<sub>diesel</sub> is 43.3 GJ/ton. Any future revision of the IPCC Guidelines should be taken into account as per the tool.</p>
Purpose of data	For the calculation of the Project Emission
Additional comment	Data archived for Crediting period + 2 yrs.

Data / Parameter	EF <sub>diesel</sub> /EF <sub>CO<sub>2</sub>,i,y</sub>
Unit	tCO <sub>2</sub> /GJ
Description	CO <sub>2</sub> emission factor of diesel
Source of data	"Tool to calculate project or leakage CO <sub>2</sub> emissions from fossil fuel combustion" & IPCC 2006 default values. Volume 2, Chapter 1: Introduction.
Value(s) applied	0.0748



Choice of data or Measurement methods and procedures	As per "Tool to calculate project or leakage CO <sub>2</sub> emissions from fossil fuel combustion", IPCC default value at the upper limit of uncertainty at a 95% confidence interval of EF <sub>diesel</sub> is required to calculate the CO <sub>2</sub> emission factor of diesel (i.e., COEF <sub>diesel</sub> ) and thereafter project emissions from diesel consumption.  Since the data on EF <sub>diesel</sub> from neither the supplier nor its measurement procedures are available with PP, also there are no regional or national default values publicly available. The value as per table 1.4 of Chapter 1: Introduction of Volume 2 Energy of the 2006IPCC Guidelines on National GHG Inventories at the upper limit of uncertainty at a 95% confidence interval is used as data source. The value of EF <sub>diesel</sub> is 74.8 tCO <sub>2</sub> /TJ. Any future revision of the IPCC Guidelines should be taken into account as per the tool.
Purpose of data	For the calculation of the Project Emission
Additional comment	Data archived for Crediting period + 2 yrs.

### B.6.3. Ex ante calculation of emission reductions

#### Emission Reductions:

Emission reductions are calculated as follows:

$$ER_y = BE_y - PE_y - LE_y$$

Where:

ER<sub>y</sub> Emission reductions in year y (tCO<sub>2</sub>e)

BE<sub>y</sub> Baseline emissions in year y (tCO<sub>2</sub>e)

PE<sub>y</sub> Project emissions in year y (tCO<sub>2</sub>)

LE<sub>y</sub> Leakage emissions in year y (tCO<sub>2</sub>)

Baseline emissions are the product of electrical energy baseline EG<sub>BL,y</sub> expressed in kWh/MWh of electricity produced by the renewable generating unit multiplied by an emission factor due to project activity:

$$BE_y = EG_{BL,y} * EF_{CO_2,grid,y}$$

EG<sub>BL,y</sub> is the net electricity generation supplied to the grid after considering captive and auxiliary consumption from the total electricity generation i.e., EG<sub>BL,y</sub> = 54,523 MWh/yr

EF<sub>CO<sub>2</sub>,grid,y</sub> is the CO<sub>2</sub> grid emission factor. For this project activity, the combined margin baseline emission factor value for the southern regional grid has been calculated as per section B.4 of this PDD. EF<sub>CO<sub>2</sub></sub> = 0.8635 tCO<sub>2</sub>/MWh

The project activity is renewal based electricity generation and can only fire bagasse as fuel (The local regulation also constraint use of fossil fuels for the bagasse based co-gen system implemented in sugar industry) and the emission reductions are calculated based on the net electricity supplied to the grid. Since it is not a cofired plant, the amount of fossil fuel input to the project activity need not to be monitored.

Fossil fuel combustion (diesel) in standby DG sets during trial runs and maintenance activities only (not for power generation purpose in the project activity) is included as a monitoring parameter. The consumption records of Diesel in DG set for maintenance purposes can be cross checked with the log books and purchase records.

Project emissions due to diesel consumption for electricity generation:

$$PE_y = FC_{diesel} \times NCV_{diesel} \times EF_{CO_2, diesel}$$

PE <sub>y</sub> (tCO <sub>2</sub> /yr)	FC <sub>diesel</sub> (tonnes/yr)	NCV <sub>diesel</sub> (GJ/ton)	EF <sub>diesel</sub> EF <sub>CO<sub>2</sub>,i,y</sub> (tCO <sub>2</sub> /GJ)
--	----------------------------------	--------------------------------	--

0	0	43	0.0748
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For ex-ante estimation project emission due to diesel consumption is considered as zero, however during monitoring, the same will be accounted for project emissions.

#### Leakage:

No leakage emissions are considered for this project activity.

#### Emission Reductions:

Emission reductions are calculated as follows:

$$ER_y = BE_y - PE_y - LE_y$$

$$BE_y = 54,523 \text{ MWh/yr} * 0.8635 \text{ tCO}_2/\text{MWh} = 47,080 \text{ tCO}_2/\text{yr}$$

$$PE_y = PE_{FC,i,y} = 0 \text{ tCO}_2/\text{yr}$$

$$LE_y = 0 \text{ tCO}_2/\text{yr}$$

$$\text{Therefore, } ER_y = 47,080 - 0 - 0 = 47,080 \text{ tCO}_2/\text{yr}$$

#### B.6.4. Summary of ex ante estimates of emission reductions

Year	Baseline emissions (t CO <sub>2</sub> e)	Project emissions (t CO <sub>2</sub> e)	Leakage (t CO <sub>2</sub> e)	Emission reductions (t CO <sub>2</sub> e)
2017	47,080	0	0	47,080
2018	47,080	0	0	47,080
2019	47,080	0	0	47,080
2020	47,080	0	0	47,080
2021	47,080	0	0	47,080
2022	47,080	0	0	47,080
2023	47,080	0	0	47,080
Total	329,560	0	0	329,560
Total number of crediting years	7			
Annual average over the crediting period	47,080	0	0	47,080

#### B.7. Monitoring plan

##### B.7.1. Data and parameters to be monitored

Data / Parameter	EG <sub>BL,y</sub>
Unit	MWh
Description	Net electricity supplied to the grid by the project activity
Source of data	Monthly joint meter readings
Value(s) applied	54,523
Measurement methods and procedures	Calculated as a difference of electricity export to grid after meeting captive and auxiliary power requirement and electricity import from grid
Monitoring frequency	Monthly
QA/QC procedures	Since this is calculated parameter, QA/QC procedure is not applicable
Purpose of data	This data is used to calculate the Baseline Emissions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years or the last issuance of CERs for this project activity, whichever occurs later

Data / Parameter	EG <sub>export,y</sub>
Unit	MWh
Description	Electricity exported to the grid after meeting captive & auxiliary power requirements during the year y
Source of data	Monthly joint meter readings
Value(s) applied	54,523
Measurement methods and procedures	Power export to grid is measured by energy meters installed at APTRANSCO sub station. A monthly Joint Meter Reading (JMR) for the energy exported to the Grid is recorded by representatives of APTRANSCO (Grid operator) and project proponent (GSIL). This parameter is used to calculate Net electricity supplied to the grid by the project activity (EG <sub>BL,y</sub> ) which is further considered for CERs calculation purpose
Monitoring frequency	Continuous monitoring and Monthly Recording
QA/QC procedures	This will be cross checked with the bills raised by the company as well as the payment details by the grid operator. The actual quantity of electricity delivered to the Grid will be used for the CER computation purposes. <b>Calibration Frequency:</b> Meters based with best accuracy procured from reputed manufacturers are calibrated to national standards. The calibration and meter accuracy class is under purview of state electricity board and PP does not have any control on it. Thus calibration interval and meter accuracy class will vary in future. As per CEA notification, the calibration frequency of meters should be once in five years.
Purpose of data	This data is used to calculate the Baseline Emissions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years or the last issuance of CERs for this project activity, whichever occurs later

Data / Parameter	EG <sub>import,y</sub>
Unit	MWh
Description	Electricity import from grid to the project activity during the year y
Source of data	Monthly joint meter readings
Value(s) applied	0
Measurement methods and procedures	Power import from grid is measured by energy meters installed at APTRANSCO sub station. A monthly Joint Meter Reading (JMR) for the energy exported to the Grid is recorded by representatives of APTRANSCO (Grid operator) and project proponent (GSIL). This parameter is used to calculate Net electricity supplied to the grid by the project activity (EG <sub>BL,y</sub> ) which is further considered for CERs calculation purpose
Monitoring frequency	Continuous monitoring and Monthly Recording
QA/QC procedures	This will be cross checked with the bills raised by the company as well as the payment details by the grid operator. The actual quantity of electricity delivered to the Grid will be used for the CER computation purposes. <b>Calibration Frequency:</b> Meters based with best accuracy procured from reputed manufacturers are calibrated to national standards. The calibration and meter accuracy class is under purview of state electricity board and PP does not have any control on it. Thus calibration interval and meter accuracy class will vary in future. As per CEA notification, the calibration frequency of meters should be once in five years.
Purpose of data	This data is used to calculate the Baseline Emissions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years or the last issuance of CERs for this project activity, whichever occurs later

Data / Parameter	$EG_{thermal,y}$
Unit	TJ
Description	Net quantity of thermal energy supplied by the project activity during the year y
Source of data	Plant Records
Value(s) applied	-
Measurement methods and procedures	Heat generation is determined as the difference of the enthalpy of the steam generated by the heat generation equipment and the sum of the enthalpies of the feed-fluid and/or gases blow-down and if applicable any condensate returns. The respective enthalpies should be determined based on the mass (or volume) flows, the temperatures and, in case of superheated steam, the pressure. Steam tables or appropriate thermodynamic equations may be used to calculate the enthalpy as a function of temperature and pressure.
Monitoring frequency	<u>Measuring &amp; Recording Frequency</u> : Continuously measured/estimated and Yearly recorded
QA/QC procedures	Since this is calculated parameter, QA/QC procedure is not applicable
Purpose of data	Value of data is not used for calculating expected emission reductions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years

Data / Parameter	$B_{Biomass,y}$
Unit	Tons
Description	Quantity of bagasse used in the project activity
Source of data	Plant Records
Value(s) applied	Value is based on measurement.
Measurement methods and procedures	The mass based measurement (Load cell/Weighbridge) will be done. Moisture will adjusted to determine dry quantity of bagasse.
Monitoring frequency	<u>Measuring &amp; Recording Frequency</u> : Yearly recorded The monitoring frequency is continuous and measured using mass based measurement (Load cell/Weighbridge)
QA/QC procedures	Cross-check the measurements with an annual mass & energy balance that is based on bagasse generated quantities and stock changes. Estimated based on cane crushed, steam generation, bagasse production, open stock bagasse and closed stock bagasse etc Bagasse consumed= opening stock-closing stock +generated Bagasse stored in yard
Purpose of data	Value of data is not used for calculating expected emission reductions and used for cross check purpose.
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years

Data / Parameter	$NCV_{bagasse}$
Unit	GJ/ton
Description	Net calorific value of bagasse used in the project activity
Source of data	Plant Records / Laboratory test report
Value(s) applied	Value is based on Laboratory test

Measurement methods and procedures	Measurement in laboratories according to relevant national/international standards. Measure quarterly, taking at least three samples for each measurement. The average value can be used for the rest of the crediting period. Measure the NCV based on dry biomass - Check the consistency of the measurements by comparing the measurement results with, relevant data sources (e.g. values in the literature, values used in the national GHG inventory) and default values by the IPCC
Monitoring frequency	Determine once in the first year of the crediting period
QA/QC procedures	If the measurement results differ significantly from previous measurements or other relevant data sources, conduct additional measurements. If this parameter is measured through internal laboratory, then Calibration frequency is either subject to appropriate intervals according to industry standards or with a minimum frequency of once a year. If this parameter is measured through external NABL Accredited Laboratory, no any calibration certificates required.
Purpose of data	Value of data is not used for calculating expected emission reductions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years

Data / Parameter	Moisture <sub>bagasse</sub>
Unit	%
Description	Moisture content of bagasse used in the project activity
Source of data	Plant Records / Laboratory test report
Value(s) applied	Value is based on Laboratory test
Measurement methods and procedures	The moisture content of bagasse used in the project activity will be determined as per authorised laboratory test report.
Monitoring frequency	Measuring Frequency: Monthly. Bagasse is of homogeneous quality, thus monthly frequency is appropriate. Recording Frequency: Yearly (The weighted average shall be calculated for each monitoring period as per the applied methodology)
QA/QC procedures	In case of measurement of this parameter through internal laboratory, Calibration frequency is either subject to appropriate intervals according to industry standards or with a minimum frequency of once a year. If this parameter is measured through external NABL Accredited Laboratory, no any calibration certificates required.
Purpose of data	Value of data is not used for calculating expected emission reductions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years

Data / Parameter	FC <sub>i,j,y</sub> (Diesel)
Unit	Litres
Description	Quantity of diesel consumed in DG set for electricity generation used by project activity
Source of data	Plant Records
Value(s) applied	0
Measurement methods and procedures	Diesel in DG set is used only for emergency purposes (trial runs to maintain its running condition) and not for the power generation purpose in the project activity. The diesel quantity and source are maintained at the point of entry by stores department. Diesel once received by stores department will be issued to DG set department as and when required. Stores department maintains receipt, issue data everyday in excel sheet and takes issue slips from DG set department for the issued Quantity. The amount of diesel consumed by DG set is measured by using a level measuring gauge in the tank continuously and the same is cross verified with the issue slips

Monitoring frequency	Continuously monitoring and daily recording
QA/QC procedures	The measuring equipment is calibrated at least once a year. The consumption of diesel can be cross checked with the log books to find whether DG set is used for power generation. Mostly diesel is used in the DG sets for keeping them in better running condition and rarely diesel may be used for emergency purposes, the amount of electricity generation from the DG set and corresponding diesel consumption for electricity generation is monitored
Purpose of data	This data is used to calculate the Project Emissions
Additional comment	Data will be archived electronically and on paper. Archived data will be kept during the crediting period plus 2 years

### B.7.2. Sampling plan

Not Applicable

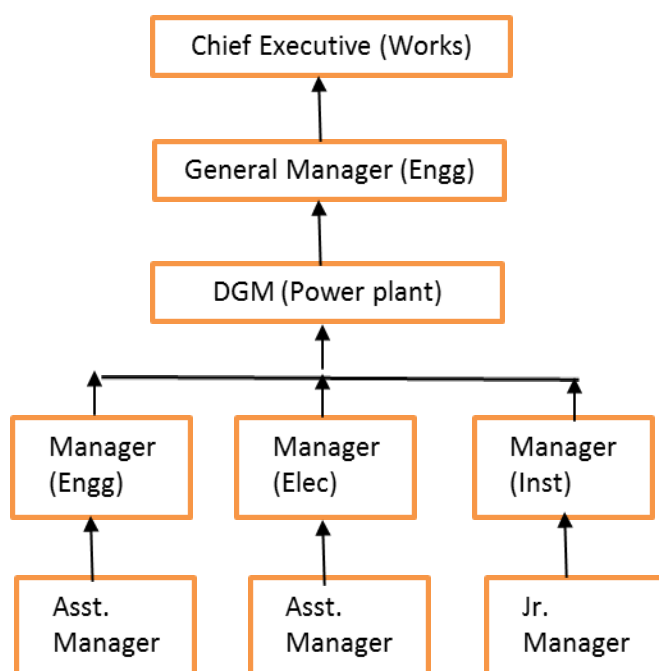
### B.7.3. Other elements of monitoring plan

As per paragraph 81 of the methodology, Monitoring plan of project activity is consisting of all parameters mentioned in section B.7.1 i.e., metering the energy produced by the project activity, quantity of bagasse used for project activity, NCV of bagasse, moisture content of bagasse, diesel consumption (if any) etc. The project revenue is based on the units exported as measured by power meters, main and check meters at the high-tension substation of the APTRANSCO. The amount of electricity exported to grid shown in Joint meter reading cards will only be considered for CERs calculation purpose.

The GSIL project activity has employed PLC (Programmable Logic Controller) system and Micro processor based instruments which will electronically monitor the main performance and output variables of the power plant, the systems for monitoring the CDM aspect of the project will draw extensively from the above system, monitoring and control equipment that measure, monitor and control various key parameters.

### Operational and Management structure:

The operational and management structure of the co generation plant is provided in the following flow chart. The overall responsibility for ensuring the accuracy of the records as well as ensuring complete environmental integrity of the emissions reduction claims will rest with the Board, which has in turn appointed the Chief Executive (Works) to ensure that the details submitted are accurate.



### Procedure for training monitoring personnel

Purpose is to establish a system for training and awareness of staff on monitoring and recording of clean development mechanism (CDM) related data. This procedure outlines the steps to ensure that staff receives adequate training to collect and archive complete and accurate data necessary for CDM monitoring. Orientation/induction training will be conducted for all new operational staff. All the Managers and DGM are responsible for this task. Training records will be maintained and initiated

**Handling of Day-to-Day record:** Purpose of the monitoring plan is to define the procedures and responsibilities for GHG Performance, Project Management, Registration, Monitoring, Measurement and Reporting of data and dealing with uncertainties.

DGM of the plant is responsible for the collation of data required to conduct the monitoring plan who will report to the GM. The management of the plant will put in place monthly reporting of electricity generation. Plant Manager would identify day to day information/data/record that needs to be maintained as per the CDM norms and prepare a record matrix/list for records as per the protocol of the CDM. Supervisors would maintain active files/registers/books for this data indexed in a manner to enable easy retrieval of specific data/record.

### **Reliability and calibration and maintenance of monitoring equipment:**

The amount of emission reduction units is proportional to the net energy generation from the project. Thus the final KWh meter reading is the final value from project side. All measurement devices are with best accuracy procured from reputed manufacturers. Since the reliability of the monitoring system is governed by the accuracy of the measurement system and the quality of the equipment to produce the result all power measuring instruments is calibrated as per state electricity board practice. Therefore the system ensures the final generation is highly reliable.

### **INFORMATION ON ACCURACY & LOCATION OF MONITORING EQUIPEMENTS**

Description	Main Meter	Check Meter	Generation meter
Accuracy Class	Class 0.2	Class 0.2	Class 0.2
Location	Kandi Substation	Kandi Substation	Generator terminal at control room
Purpose	To measure the electricity exported to APTRANSCO and electricity imported from APTRANSCO grid. The amount of electricity exported to grid measured by this meter and as shown in Joint meter reading cards will only be considered for CERs calculation purpose.	It is a stand by meter for export and import of electricity	Measures the total electricity generated from the project activity.

### **Uncertainties and Reliability:**

The amount of emission reduction units is proportional to the net energy reduction due to the CDM Project. Measurement devices having good accuracy and procured from reputed manufacturers have been installed at site for the purpose of monitoring the various parameters of the Project. Since the reliability of the monitoring system is governed by the accuracy of the measurement system and the quality of the equipment for reproducibility, all instruments are calibrated as per the planned frequency for ensuring reliability of the system.

**Emergency preparedness plan**

Identify potential hazardous and emergency situations for the activities of different areas in consultation with the concerned heads/ managers. Make all concerned personnel aware of all the aspects & conditions that may lead to emergency situations. In the on site emergency plan all the emergency conditions, preparedness and response plan is described. Since the project activity does not result in any unidentified activity that can result in unpredicted and significant emissions from the project activity. Hence no major need is envisaged for emergency preparedness in data monitoring.

If main meter is out of order, check meter is used and if both main and check meter are out of order, the electricity export will be calculated as per PPA signed between PP and APTRANSCO.

**Reporting procedures**

The various measurements that need to be observed and recorded are identified as provided Section B of the PDD. Monthly reports are prepared stating the generation. In addition to the records maintained by the GSIL, APTRANSCO also monitors the power exported to the grid and certify the same. The data would be thus registered into softcopies for recording purposes.

**Procedures for internal audit of GHG project compliance**

A team consisting of experienced personnel will be constituted for the Internal CDM Audit, who will conduct yearly Audit. Wherever required the assistance from the CDM PDD consultants will be sought.

The internal audit and team will review all the records pertaining to power generation, power exported, checking monitoring equipments for accuracy and whether calibration was performed. The manager in association with the Jr./Asst. Manager shall answers all the queries raised by the internal audit team. The internal audit team will produce an audit report providing details of concerns that need to be attended to immediately before actual verification by the external verifier.

**B.8. Date of completion of application of methodology and standardized baseline and contact information of responsible persons/ entities**

Date of completion of the baseline study : 16/05/2016

Name of the person / entity determining the baseline:EKI Energy Services Ltd

The above entity responsible for the application of the selected methodology and is not the project participants for this project activity as indicated in Appendix 1 below

**SECTION C. Duration and crediting period****C.1. Duration of project activity****C.1.1. Start date of project activity**

29/04/2001

**C.1.2. Expected operational lifetime of project activity**

21 years

**C.2. Crediting period of project activity****C.2.1. Type of crediting period**

The project activity will use a renewable crediting period

**C.2.2. Start date of crediting period**

01/01/2017



**C.2.3. Length of crediting period**

7y-0m

**SECTION D. Environmental impacts****D.1. Analysis of environmental impacts**

The project being a renewable energy based power project does not fall under the purview of the Environmental Impact Assessment (EIA) notification of the Ministry of Environment and Forest, Government of India. As per the government of India notification date June 13, 2002 based on environment protection rule, 1986, public hearing and EIA is required for those industries/ projects, which are listed, in the predefined list of ministry of environment and forest. Thermal power projects with investment of less than Rs.100 Crores have been excluded from the list. Hence, not required by the host party.

The project has received host country endorsement form Designated National Authority, Ministry of Environment and Forest, Government of India.

**SECTION E. Local stakeholder consultation****E.1. Solicitation of comments from local stakeholders**

The local village regulators or Panchayats were approached for their comments and a meeting of the villagers chaired by the panchayat was called at the factory premises on 10th April 2000.

Letters of support for the project activity was received from the local Panchayat (local village administration units) and can be verified by the Operational Entity.

**E.2. Summary of comments received**

In turn panchayat on 13th April 2000 of the local village was very supportive and appreciated the fact that would generate employment opportunities as well as create a market for their surplus biomass

**E.3. Report on consideration of comments received**

The comments were taken on record and as they were all in support of the project no action was deemed necessary

**SECTION F. Approval and authorization**

Approval and Authorization from Host Party has been received.

## Appendix 1. Contact information of project participants and responsible persons/ entities

Project participant and/or responsible person/ entity	<input checked="" type="checkbox"/> Project participant <input type="checkbox"/> Responsible person/ entity for application of the selected methodology (ies) and, where applicable, the selected standardized baselines to the project activity
Organization name	Ganpati Sugar Industries Limited
Street/P.O. Box	Road No. 4, Banjara Hills
Building	8-2-438/5
City	Hyderabad
State/Region	Andhra Pradesh
Postcode	500034
Country	India
Telephone	91-40-23355212/3/4
Fax	91-40-23350959
E-mail	<a href="mailto:Gsil_factory@yahoo.com">Gsil_factory@yahoo.com</a> , <a href="mailto:ganpatisugars@rediffmail.com">ganpatisugars@rediffmail.com</a>
Website	
Contact person	Mr. Mahesh Barasia
Title	President
Salutation	Mr.
Last name	Barasia
Middle name	
First name	Mahesh
Department	Commercial
Mobile	+91-9331018485
Direct fax	
Direct tel.	
Personal e-mail	<a href="mailto:barasia@hotmail.com">barasia@hotmail.com</a>

Project participant and/or responsible person/ entity	<input type="checkbox"/> Project participant <input checked="" type="checkbox"/> Responsible person/ entity for application of the selected methodology (ies) and, where applicable, the selected standardized baselines to the project activity
Organization name	EKI Energy Services Limited
Street/P.O. Box	Office No 201, Plot No 48, Scheme 78, Part 2, Vijay Nagar
Building	Enking Embassy
City	Indore
State/Region	Madhya Pradesh
Postcode	452010
Country	India
Telephone	+91-0731-4289086
Fax	+91-0731-4289086
E-mail	<a href="mailto:ramkrishna.patil@enkingint.org">ramkrishna.patil@enkingint.org</a>

Website	<a href="http://www.enkingint.org">www.enkingint.org</a>
Contact person	Ramkrishna Patil
Title	GM-Operations
Salutation	Mr.
Last name	Patil
Middle name	Vasantryao
First name	Ramkrishna
Department	CDM Services Dept.
Mobile	+91-9096562065
Direct fax	+91-0731-4289086
Direct tel.	+91-0731-4289086
Personal e-mail	<a href="mailto:ramkrishna.patil@enkingint.org">ramkrishna.patil@enkingint.org</a>

## Appendix 2. Affirmation regarding public funding

There is no funding from Annex- I parties

## Appendix 3. Applicability of methodology and standardized baseline

As explained in section B above

## Appendix 4. Further background information on ex ante calculation of emission reductions

As explained in section B above

## Appendix 5. Further background information on monitoring plan

As explained in section B above

## Appendix 6. Summary of post registration changes

Not Applicable

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### Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
08.0	22 July 2016	EB 90, Annex 2 Revision to include provisions related to automatically additional project activities.
07.0	15 April 2016	Revision to ensure consistency with the "Standard: Applicability of sectoral scopes" (CDM-EB88-A04-STAN) (version 01.0).

Version	Date	Description
06.0	9 March 2015	Revisions to: <ul style="list-style-type: none"> <li>• Include provisions related to statement on erroneous inclusion of a CPA;</li> <li>• Include provisions related to delayed submission of a monitoring plan;</li> <li>• Provisions related to local stakeholder consultation;</li> <li>• Provisions related to the Host Party;</li> <li>• Editorial improvement.</li> </ul>
05.0	25 June 2014	Revisions to: <ul style="list-style-type: none"> <li>• Include the Attachment: Instructions for filling out the project design document form for small-scale CDM project activities (these instructions supersede the "Guidelines for completing the project design document form for small-scale CDM project activities" (Version 01.1));</li> <li>• Include provisions related to standardized baselines;</li> <li>• Add contact information on a responsible person(s)/ entity(ies) for the application of the methodology (ies) to the project activity in B.7.4 and Appendix 1;</li> <li>• Change the reference number from <i>F-CDM-SSC-PDD</i> to <i>CDM-SSC-PDD-FORM</i>;</li> <li>• Editorial improvement.</li> </ul>
04.1	11 April 2012	Editorial revision to change history box by adding EB meeting and annex numbers in the Date column.
04.0	13 March 2012	EB 66, Annex 9 Revision required to ensure consistency with the "Guidelines for completing the project design document form for small-scale CDM project activities"
03.0	15 December 2006	EB 28, Annex 34 <ul style="list-style-type: none"> <li>• The Board agreed to revise the CDM project design document for small-scale activities (CDM-SSC-PDD), taking into account CDM-PDD and CDM-NM.</li> </ul>
02.0	08 July 2005	EB 20, Annex 14 <ul style="list-style-type: none"> <li>• The Board agreed to revise the CDM SSC PDD to reflect guidance and clarifications provided by the Board since version 01 of this document.</li> <li>• As a consequence, the guidelines for completing CDM SSC PDD have been revised accordingly to version 2. The latest version can be found at <a href="http://cdm.unfccc.int/Reference/Documents">http://cdm.unfccc.int/Reference/Documents</a>.</li> </ul>
01.0	21 January 2003	EB 07, Annex 05 Initial adoption.
Decision Class: Regulatory Document Type: Form Business Function: Registration Keywords: project design document, SSC project activities		