

Response to Clarification Request

Bureau Veritas Certification has performed the validation of the post Registration Changes of CDM project activity ***“Natural Gas based grid connected power project at Peddapuram, A.P. by Gautami Power Limited”***. The reference number of the project activity is **4828**.

Subsequently, there have been 2 requests for clarification.

The overall validation, from contract Review to Validation Report & Opinion, was conducted using internal procedures (BMS, September 2003) which were audited by CDM accreditation team during their last audit conducted.

We give below response to the request for clarification

- 1. The assessment opinion (p13) states that one the parameters included in the revised monitoring plan is the Emission Factor of Coal ($EF_{CO_2,Coal,y}$). However, the DOE did not provide the validation opinion on why this parameter has been included in the revised PDD (p51) as ex-post parameter as this value is required for calculating the emission factor for baseline emissions (Option 3) while Option 1 is applied to the project activity.***

Response:- The PDD & validation opinion report have been corrected, $EF_{CO_2,Coal,y}$, as a monitoring parameter, has been excluded from the revised monitoring plan.

The applied methodology on page 6 mentions that the determination, of the baseline CO_2 emission factor, will be made once at the validation stage based on an *ex ante* assessment, once again at the start of each subsequent crediting period (if applicable). If either option 1 (BM) or option 2 (CM) are selected, they will be estimated *ex post*, as described in “Tool to calculate emission factor for an electricity system”. Since PP has selected a fixed crediting period in the registered PDD and during the validation stage the Option 1 (Build margin) was selected as lowest emission factor.

So the determination of baseline emission factor will not be repeated and $EF_{CO_2,Coal,y}$ will not be monitored.

The said parameter $EF_{CO_2,coal,y}$ has been removed from the monitoring plan of the revised version of the PDD (version 06 dated 07/09/2013) being submitted along with this clarification.

- 2. The assessment opinion (p32) states that frequency of energy meters is changed from six months to annual. The DOE is requested to further substantiate how this change will not affect the accuracy of the emission reductions, Please refer to VVS para 263.***

Response:- The power purchase agreement (PPA) prescribes the calibration of the electricity metering system every six months. To meet this requirement PP and the respective DISCOM has the arrangements to replace the online energy meters every six months with another pre-calibrated set of meters. The meters thus removed are sent for calibration. And again after six months the online meters are replaced with pre-calibrated meters and so on. Therefore, at all times, it is ensured that a fresh set of calibrated energy meters are installed and available for accurate measurement. It is to be noted that the calibration of the replaced meter may not be done precisely within six months considering replacement duration defined as six months. However, the calibrations of the replaced meters are always done within a year. Thus, the actual practice followed by PP and DISCOM with respect to the calibration is replacement with pre-calibrated meters within six months and calibration of the replaced meters within a year. This was not appropriately described in the earlier PDD, version 05 and has now been corrected in revised monitoring plan of PDD, version 06 dated 07/09/2013. The verification team has reviewed the calibration certificates of replaced meters and new meters and found that above describe procedure is adhered to by PP and DISCOM.

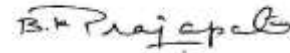
This way the requirement of the revised monitoring plan of yearly calibration and the PPA of six monthly calibrated meters is met. But the particular meter that is replaced, is itself calibrated only once a year. So, from the above description it is clear that there is no reduction in the accuracy. Since every six month the energy meters are replaced with pre calibrated meters.

The above explanation is included in the revised validation opinion (version 02 dated 07.09.2013) being submitted along with this clarification, under "Assessment of changes" with regard to the accuracy of the monitoring plan.



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