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City: Nasik Ida Country: India

Comments: 2.5 MW Wind Power Project at Dhalgaon, Maharashtra by M/s Gadre Marine Export

1. The PDD submitted for global stakeholder's consultation has copied the text at many places from other PDDs, which have been web-hosted in past. The mistakes and omissions are clearly evident; some of the examples are given below. I hope that UNFCCC will advise DOEs (since they are overloaded in India) to at least have a look at the contents of the PDD before web-hosting them

Some examples:

Example of INCOMPLETE COPY from other PDDs - Project's contribution to sustainable development: The whole text ends with an "and" on page 3 of the PDD. It seems that the writer (or I should say the person doing copy paste in the PDD) has clean forgot to copy the balance text.

Example of COPY of WRONG TEXT from other PDDs - Section A 4.1.4: It is written that the average wind velocity at site is 289 Watts/ms2. Could the DOE or writes of this PDD can explain if velocity has ever been measured in Watts/ms2; even if I consider it density (which it is actually, still the SI unit is Watt /m2 and not Watt/ms2 – I hope that the PDD writer is aware that while using SI units, plurals are not required?)

- Section B.2 : Justification of the choice of project category: In the justification, the PDD writer has written that the grid is getting electricity from "several fossil fuel based and non renewable biomass fired generating units". Can it be explained that why the other contributors to the western regional grid of India have been kept out of mix (while making this statement) and – "non renewable biomass" – Can it be explained what is non renewable biomass, and why it is so important to mention it here while leaving other contributing generation technologies?

2. Emission reduction estimate given in the PDD: Section A 4.3

The PDD writer has estimated emission reductions to the tune of 5030 tons for calendar year 2008, whereas it has been reduced to 3934 tons for balance years. Since the numbers have been estimated and are not based on actual generation, why such a reduction is carried out?

In addition to this, one should also use the electricity generation corresponding to 5030 tons of GHG reduction for carrying out the project financial indicators to ascertain the actual viability of the project.

3. Sustainable development contribution stated in PDD: It has been stated in the PDD that the project activity will result in / has resulted in

A) Leads to alleviation of poverty by establishing direct and indirect employment benefits during accomplishment and operation of the project activity.

B) Developing the local economy and create jobs and employment, particularly in rural areas, which is a priority concern for the Government of India;

C) Development of road network and improvement of electricity quality, frequency and availability as the electricity is fed into a deficit grid.

D) Conserving natural resources including land, forests, minerals, water and ecosystems

The DOE may like to confirm following from the PDD writer:

- Was all these benefits discussed by the PP prior to implementation of project?

- What are the documentary evidences of direct and indirect employment due to this project?

- Why A) and B) are stated as different statements while there is nothing different in them; if no, please explain what is the difference?

- Was road network created for implementation of this project? DOE may confirm the same during site visit else such redundant statements should be removed from the PDD, and the PDD writer should explain the reasons of carrying out such a massive "copypaste" in the PDD. According to me the road network, if at all has been done was a necessity to transport plant and machinery to the site and beyond this stage (after implementation), the road are not kept in order / maintained and they deteriorate.

- The DOE may check, if the project is implemented on forest land, if yes, even statement (D) is redundant.

4. The project activity is submitted for validation after about 3 years of implementation decision. Why the PP for the project has delayed CDM registration? This creates following doubts:

- the project was not considered as CDM project, and now since the projects implemented in Maharashtra have been registered by other investors, the PP of this project has woken up

- the barriers presented in the PDD are all generic and have not impact on the project viability and have been copied from other projects.

5. Page no. 12: The following text is written in the PDD "Performance of windmills depends largely on the wind pattern of the area. Few windmill manufacturers already owned the lands of the major wind zones of the country and no suitable land was available for the project proponent to put up the renewable energy producing machines. To overcome this barrier they were compelled to buy the land from the windmill supplier at their quoted cost. The choices of the location of the windmills were driven by the meteorological condition."

The project proponent has stated / confirmed that the project activity was considered for sale to electricity board:

- Why the PP has not exercised the option for implementation of project in Karnataka and Tamilnadu, which would have given a much higher PLF as compared to Maharashtra, thus the same

project would have generated more electricity and thus would have contributed more to the sustainable development, which has been repeated time and again in the PDD.

- Again in the PDD, the PP has stated that he is into fish business and thus has no past experience for implementation and operation of a wind project. This clearly infers that his plan to invest in wind project has been possible because all the EPC contractors including Suzlon Energy Limited, because of complete end-to-end solution possibility. – Why a contradictory statement has been made in the PDD?

- The PP states that the India has a technical potential of about 45,000 MW, out of which about 2980 MW was implemented at the time of investment decision for this project. Could the DOE may check that all land for the balance 42,000 MW was occupied by various turbine manufactures in 2004? I have sincere doubts if EPC contractors have this kind of liquidity at there disposal. The PP is making wrong statements in the PDD

6. Comparison of cost of power generation using other fuels? Page 12 of PDD

First of all, no comparison in the given which has been made available for reading ion the PDD.

Now lets carry out the study as per the statements made in the PDD:

The total installation size is 2.50 MW. As per the PP, the project enjoys a poor PLF. The annual average GHG reduction stated in the PDD is 4043 tCO2e

The baseline emission factor of western grid of India : 0.9

Thus the project generation is 4043 * 1000 / 0.9 = 44,92,222 kWh

PLF of the project is 20.5%

Thus equivalent amount of conventional fuel based capacity would have been about 500 kW (because of PLF close to 90% and beyond)

Now could the PP may please explain:

- Possibility of having a 500 kW coal based plant, which has been used for comparison?

In addition to this, the DOE may please not that a PLF of 20.5% exceeds the benchmark set out by the state electricity regulatory commission (please refer MERC order of Nov 2004)

7. Regulatory Risk: The PDD writer seems to a good story teller and has refrained from talking about the positive side of it

- Maharashtra is the only state offering highest tariff of INR 3.50 /kWh

- Maharashtra is the only state offering annual escalation of INR 0.15/kWh

- Maharashtra is the only state offering longest energy purchase agreement of 13 years

- Maharashtra is the only state offering options of sale of generated electricity to MSEDCL (Maharashtra State Electricity Distribution Company Limited – state owned utility), Reliance Energy (BSES) and Tata Power (private distribution companies of the state) along with option of sale to direct third parties running industrial establishments.

- The utilities in Maharashtra are bound to procure electricity from RE sources under the present RPO (renewable purchase obligation)

The PP / PDD writer is making total absurd statements about the most friendly wind procurement policy in the country.

Just to sum up – again a major contradiction from the initial text of PDD, the PP stated that the project has been conceived to supply power to power starved state of Maharashtra, if that is the case and the state is facing excessive shortage of power, how come the policy for procurement of electricity would not be generator friendly, when the state is paying UI charges of over drawl of power from the grid if the frequency drops to 48.5 hertz?

Also, just to clarify, the demonstration project in the new policy was established by the state government (3.75 MW project by MEDA – Maharashtra Energy Development Agency) and not by the PP. The demonstration project is already registered with UNFCCC.

8. Details of stakeholders consultation: The PP has just stated a paragraph about the consultation. The following necessary details are not provided

- What was the mode of stakeholder consultation (was it through some news paper advertisement)

- Details of people participating in the meeting etc

The DOE responsible for validation may take a decision beyond this point.