

Comment 1

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Comment - 1

The PDD seems to have been prepared with an intention to justify the use of biomass without taking proper account of the methodological requirements of CDM process and the latest version of the additionality tool. The PDD establishes that the region is having deep scarcity of biomass hence the procurement from long distance is planned without taking into account whether those regions also have surplus biomass are not. The prevailing price of biomass as indicated in the PDD seem to be higher than the Coal prices, thus the coal is a natural choice of the project. The technology is well established and has provision to use multiple fuels. The project will have the most financial attraction based on Biomass if it is surplus in the area. The investment analysis is not done as per the latest version of Additionality Tool. No investment analysis data is provided by which an international stake holder could arrive at the arrived figures. The steam consumption shown in the paper plant is also not defined properly. The effect of the possible coal consumption also is not taken into account in the project emission. Leakage calculation on account of scarcely available biomass is not provided. Such incomplete PDDs should be re-webhosted for the comment of the international stake holders with proper supporting data about the availability of biomass with the present consumption by various user

PDD Statement:

A.2. Description of the small-scale project activity:

The purpose of project activity is to utilise available renewable biomass in the region to generate steam and electricity at an upcoming plant for making news print paper.

Comment - 2

Not based on the surplus biomass?

PDD Statement:

Due to various constraints involved in rice husk based power generation facility,

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what are the constraints , why not defined. As far as the technology is considered it is well established in india. What are the constrains?

PDD Statement:

The coal usage shall be continuously monitored and considered as project emissions.

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How will the use of Coal be monitored continuously what monitoring equipments are made for this?

PDD Statement:

The independence from grid increases power availability in region. Being a renewable energy project, the project has good sustainable development indicators associated to it.

Comment - 5

The sustainable development indicators are not well defined?

PDD Statement:

India faces a peak power shortage of 11.70%¹. Wind energy projects will not only contribute in closing this deficit but they also contribute toward government of India's plan of meeting 10% of the total power

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Is the proposed project a wind indicator project?

PDD Statement:

The biomass procurement will provide opportunity to local people to earn from agricultural wastes. The success of this project will encourage more business houses to invest in.

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The biomass is already being used by some or the other consumers which is indicated with the increasing cost of biomass proposed by the project, hence it is not clear as how will the project will further add up to the economic well being?

PDD Statement:

Environmental well being:

The renewable energy projects reduce dependence and usage of fossil fuels which other wise would have led to GHG emissions to the atmosphere. The conservation of natural resources like coal etc. further boosts the energy security of region and country.

Comment - 8

How does this statement help to the environment well being?

PDD Statement:

Technological well being:

The technology used in the power plant is proven and safe. Increased interest in renewable energy projects will further push R&D efforts by technology providers to develop more efficient and better equipments in future.

Comment - 9

What R&D efforts are targeted with the project by the technology providers. Who are providing the technology is not clear? What efficiency improvement and better equipments are under target in future? Does the statement satisfy the technology well being?

PDD Statement:

Landed cost of fuel 1750 1450 Rs/tonne

Comment - 10

The landed cost of fuel is not an indicator that the fuel is not in surplus but is scarce?

PDD Statement:

COMMENTS:

The unit cost of power in case of coal based coal co-generation system is about 5% lower than if the power is generated by a rice husk based cogeneration system.

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The statement "The unit cost of power in case of coal based coal co-generation system is about 5% lower than if the power is generated by a rice husk based cogeneration system" is not supported properly, as on comparing the cost of generation with rice husk being a surplus fuel this option will be most financially attractive, even with slight increase in the cost of the project. Hence the Rice husk based project would be the natural choice of the PP.

PDD Statement:

Conveyer belt for fuel transport: The conveyer belt material requirements are dependent on density of fuel being transported across it. So the rice husk usage increases the width of belt and hence additional capital expenses.

Comment - 12

The additional capitol expenditure narrated in the PDD does not see to be significant which would affect the financial gains substantially

PDD Statement

the operation also requires keener observation to maintain fluidized bed thickness. The operation and maintenance requires skilled boiler operators. These operational difficulties are big deterrents to project activity. Project proponents shall cover these extra cost and efforts by utilizing the CER income.

Comment - 13

The technology barriers faced by the initial projects would have been solved by the experts and the engineers in India which have the highest calibers as compared to any developing country. Hence DOE to thoroughly confirm with documentary existence, about the existence such barriers

PDD STATEMENT

Other barriers

One of the major difficulties being faced by MPML is round the year assurance and supply of biomass.

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Does this not mean that there is no surplus biomass in the area

PDD STATEMENT

Plan to enter into long term contracts with rice mills. This involves high risk since MPML might have to pay for rice husk not required in a situation of non working condition of co-generation unit.

Comment - 15

How does there exists any risk with the project when all the arrangemants are made to fire the COAL in absence of the non availability of biomass

PDD STATEMENT

Development of barren land for biomass cultivation if need arises and ensure biomass availability.

Comment - 16

Is the PP having enough land available for such purposes. DOE to verify the feasiblity of such unsupported claims, also to evalute the applicablity of the methodology LULUCF.

PDD STATEMENT

MPML decided to go ahead with project activity after considering income from carbon credits.

Comment - 17

There appears to be no barrier associated with the project, the barriers illustrated in the PDD are not well supported. Hence DOE to ensure the validity of such unfounded claims

PDD Statement

Emergency preparedness:

The project activity does not result in any unidentified activity that

can result in substantial emissions from the project activity. No need for emergency preparedness in data monitoring is visualized.

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Emergency preparedness does not seem to be adequate as the project is dealing with combustibles & boilers, as well as electrical system. Hence there seems to be inadequate awareness with the PP regarding the same.

PDD Statement:

Report generation on monitoring:

After verification of the data and due diligence on correctness if required an annual report on monitoring and estimations shall be maintained by the CDM team and record to this effect shall be maintained for verification.

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Monitoring of coal & fuel consumption is not at all reliable & transparent. A third party support on the authenticity of the procurement of Biomass & Coal seems to be very much essential otherwise this may lead to unreliable data generation. Which will defeat the purpose of GHG EMISSION reduction.

PDD Statement:

The MPML is developing a concrete plan to procure rice husk from neighbouring districts with significant number of rice mills. The project proponents shall also consider usage of other biomass residues to be used as fuels. The plan shall be in place at the time of commissioning of project plant. The following are rice growth statistics of nearby districts over the past few years.

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The PDD has considered the entire rice husk available within 300 km area. Without considering the biomass consumption in rice mills as well as a number of other users which include a number of biomass based power plants also. A few power plants are located in Bhandara, Gondia, Nagpur and such other places. Also the average husk generation is only about 20% of paddy milled. These data do not show the actual surplus within 50 km area, hence the project is likely to attract substantial leakage, therefore the availability of the biomass should be assessed again and every year also and this should be the part of the annual monitoring plan too.

Hence DOE to look after this project very carefully regarding availability of raw material, monitoring methodology and additionality relating to attractiveness of the project.