

Comment 1

06-12-07 3:26pm

Name: jegageevanram**City: Delhi****Organisation: Enviro Protection****Country: India**

Additionality:

The project has not provided any information on the investment additionality though the primary additionality for the project is based on the investment barrier.the PDD has just stated that with and without CDM revenues the equity IRR is so much but no details on the tariff,available subsidies to the project,investment cost etc are to be mentioned.

Starting date of the project activity:

It should be justified by the DOE/PP when the plant can operate without any CDM revenues for 4 years(as per PDD the Commercial operation Date dec 2003)how come it will justify that the CDM revenues is the driver for the investment and not BAU.

the document history has also been seen in the validation website but no information is available for resubmission so it becomes imperative that why the PP has not stated any previous barriers during operation for last three to four years,does it imply that the plant has not faced any barrier all these years.

As per the guidance provided for completion of PDD the Proof for CDM consideration is to be provided and the same is missing in the PDD.

Leakage:

since the project is also using other biomass fuels it has to undertake biomass availability in the region.

Moreover the RDF used in the project activity should also be considered as biomass and the same also need to undergo biomass assessment.

project emission:

The project emission should also be calculated on account of leakage of methane if the biomass is stored more than 15 days in the facility.

Comment 2

18-12-07 2:33am

Name: Raghuram**City: Aurangabad****Organisation: CDM Front****Country: India**

1. Project proponent did not include the emissions due to MSW processing, MSW storage, methane emissions from MSW storage, transportation of MSW, leakage emissions due to usage of other

fuels (if the availability of those fuels are not satisfying guidelines on leakage) along with RDF in the calculations.

2. It is general practice in India that MSW is not stored properly and processed immediately, sometime for more than 6 months or so, releasing enough methane emissions from MSW which need to include in the calculations.

3. The financial calculations seems to be for entire MSW plant including power generation. DOE should check the financials of power plant alone as project proponent is not claiming methane avoidance due to MSW processing.

4. It is also not clear why the PP claiming for only power generation part leaving methane avoidance portion. It is also not clear why PP rehosted the PDD.

Comment 3

04-01-08 12:23pm

Name: Priya Mehta

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Seem to be like this project is the reapplication of already registered project under CDM. PP's responsibility is to explain why the earlier registered project fallen under III.E and I.D and this project is applying only I.D. Justify Why not III.E.?

The CDM project activity is only limited to 6.6MW power generation from RDF and as well agro-waste. Why not the project extension from disposal of municipal solid waste in landfills till the combustion of RDF for power generation.

If the project activity is limited to Power generation from RDF then all the baseline and additionality like investment, technological, other barriers shall be limited to Power generation from RDF and renewable biomass. But it is not the case with this project as stated below:

Baseline: PP is not concerned about the applicability of project w.r.t III.E methodology and hence applied only I.D, In such case baseline for the project is not all clear (coal or grid) and also contradicting in two places.

¶; The baseline should be treatment of coal in absence of this project used for equivalent power generation (stated in Page 3 of PDD) and

¶; Baseline considered for emission reductions is grid replacement (Section B.6 and B.7)

What is the baseline, Coal or Grid replacement?

Added let us think that coal is baseline then What will happen to the RDF in absence of this power project, since the project activity did not consider the methane recovery part of MSW this shows that the in absence of this project MSW processing RDF will run and RDF will be produced, Power plant will run irrespective of RDF supply supplementing with agro waste.

Let us also analyze the baseline as grid replacement: What will happen to the produced RDF in absence of this power project. The concept of baseline is not at all clear in the PDD.

Additionality is not clear whether it is pertained to power plant or to

the MSW processing and power plant as a whole. MSW handling should not be a barrier for this project activity since MSW handling is not within project boundary. PDD states the project activity is hence a first of its kind project in India running since November 2003, so this is running though with difficulty with out CDM revenue, hence the additionality should be w.r.t operational and maintenance barriers and investment barrier cannot be considered. It is understood that the project has faced shutdowns and had frequent operational maintenance. To avoid such frequent maintenance the PP had planned to use rice husk and other biomass (Because of Use of rice husk improves the burning quality of RDF and thus days of palnt maintenance is reduced). In spite of using such biomass and RDF why so many shutdowns and maintenance, can be more clear? As I understand there might be some problems associated with handling and processing of MSW which hinders the power plant operation. But since PP's concern and activity is power plant the barriers should not be in angle from MSW handling and operation.

Page No.3 of PDD stated "Refuse Derived Fuel produced from the municipal solid waste of the city of Hyderabad as the major (principal) input fuel along with a small portion of agro-waste (rice husk and groundnut shells)". This means agro-waste (biomass) is also a fuel for this power project, which ofcourse contradicts with statement auxiliary fuel (page 8). No explanation and account on leakage w.r.t agrowaste is concerned (As per attachment C on leakage of biomass).

Project emissions: Emissions from the project activity are not clear in the PDD. PP shall consider the emissions from the transport of RDF to the power plant and combustion emissions of RDF in power plant since the project baseline is grid import. And as stated above leakage needs to be addressed.

Comment 4

04-01-08 12:44pm

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The Source of the RDF is not mentioned. This is quite critical from a holisitc point of view, just for the simple fact that such projects involving 'dedicated-combustion' of RDF are but the final phase of a bigger project involving a complete life cycle or integrated waste management. It is difficult to envisage a 'stand-alone' RDF fired power plant. Also, that the M/s Selco International had started the MRF and RDF production plant in 1999 (as per http://cii.in/menu_content.php?menu_id=757), and that this project activity is but a second phase. So, were CDM incentives actually internalised in the decision making process?

Therefore PDD needs to demonstrate,

1) Abundant availability of RDF, so that project can be termed truly renewable.

2) Discussion of Source(s) of RDF, distance to the project plant, future projections in demand of RDF that may have a significant bearing on the project. For example, if the "renewable Source" is the RDF plant, another "Renewable" energy generation unit can come up sharing the same resource! In other words, discussions akin to biomass projects.

3) It is a "6.6 MW" project but PDD doesnot indicate the CV of RDF and the quantity of RDF required/contracted for purchase etc.

Moreover, under section B 6.3, calculations assume 6 MW and not 6.6 MW. This needs to be explained.

4)Section B.3 - Project boundary diagram encompasses RDF plant but no discussion of the same is given. Also, if RDF plant is included in project boundary, not sure if emissions on account of RDF production have to be accounted for.

5)Also have a doubt regarding whether RDF can be considered a "biomass" or "Engineered Fuel", because in the former case, project emissions will be nil but in not so in the latter. Afterall, destruction of biomass through open air combustion is the practice. But does the same logic apply to case of RDF? In that respect, it is more like fossil fuels..produced for the purpose of combustion.

6)Financial barrier: Equity IRR at 6.74% is indeed very low. Given, average cost of equity in the Country at 20%-25%, I wonder whether that IRR would better WACC even after internalising CER proceeds. Therefore, I request a detailed discussion.

Finally, RDF combustion always has been a contentious issue from the point of pollution control. Hence, Section D needs an elaborate discussion of pollution control measures.