



**CLEAN DEVELOPMENT MECHANISM  
SIMPLIFIED PROJECT DESIGN DOCUMENT  
FOR SMALL-SCALE PROJECT ACTIVITIES (SSC-CDM-PDD)  
Version 02**

**CONTENTS**

- A. General description of the small-scale project activity.
- B. Baseline methodology.
- C. Duration of the project activity / Crediting period.
- D. Monitoring methodology and plan
- E. Calculation of GHG emission reductions by sources
- F. Environmental impacts
- G. Stakeholders comments

**Annexes**

Annex 1: Information on participants in the project activity

Annex 2: Information regarding public funding

**SECTION A. General description of the small-scale project activity****A.1. Title of the small-scale project activity:**

&gt;&gt;

LHSF Bagasse Project  
Revision 5, 07/03/2006

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

&gt;&gt;

The project is located at the L H Sugar Factory. Sugar factories are typically energy independent, employing co-generation for their own internal steam and power requirements from the combustion of bagasse (a fibrous material resulting from the milling of sugar cane). However in the absence of financial incentives to sell surplus power, the technology chosen is low cost and inefficient. Typically this produces just enough energy for the sugar plant's own consumption. In the absence of the incremental power generation and supply by co-generating plants, the regional electricity companies generate power from their existing thermal and hydro based power plants. Where additional generation capacity is planned this will generally be thermal. The proposed CDM project - increasing power generation at the plant, leading to exports of power to the grid - will therefore supplement current and planned electricity generation from traditional fossil fuel based power plants. As the project only utilises bagasse for the generation of electricity it will qualify as a renewable source of electricity.

The project involves the installation of a high pressure boiler and turbine generator. The purpose of the project activity is to provide 6.2 MW of electrical power to the Uttar Pradesh Electricity Board and meet the internal requirements of the factory. The plant is currently increasing its capacity from 7,000 tonnes of cane per day to 8,000 tonnes of cane per day. This expansion in the facility will require more steam. The increase in steam demand will be 22.5 tonnes per hour which is accounted for through adjusting the investment cost downwards to reflect this and modelling the increased steam demand as a revenue to the project activity in the financial analysis. The plant currently sells surplus bagasse produced during the crushing season to a local paper company. These sales of bagasse will not be affected by the project activity and will continue after implementation.

The existing power demand at the factory is met through 9 boilers and 4 turbine generators. The configuration of these boilers and turbines is shown in the following table.

**Table 1: Current boiler and turbine generator set-up**

Boilers		Turbines
Capacity	Pressure	Capacity
2 x 45 tph	21 kg/cm <sup>2</sup>	1 x 3 MW
1 x 21 tph	21 kg/cm <sup>2</sup>	1 x 2.5 MW
6 x 5 tph	11 kg/cm <sup>2</sup>	2 x 1.5 MW

The project activity will replace all the 11 kg/cm<sup>2</sup> boilers and the smaller 21 tph 21 kg/cm<sup>2</sup> boiler. One of the existing 1.5 MW turbines is connected to the 11 kg/cm<sup>2</sup> boilers and one is connected to the 20 kg/cm<sup>2</sup> system, these turbines will no longer operate but will be held as back-up units<sup>1</sup>. The installation of a high pressure boiler will result in the more efficient combustion of the existing bagasse resource available at

<sup>1</sup> These turbines would be unable to operate due to the supply of steam under the new configuration.



the sugar factory and will therefore result in greater electricity generation, whilst meeting the steam requirements of the plant.

Other on-site generation capacity consists of four DG sets, two 500 kVA, one 250 kVA and one 125 kVA. These are currently used as back-up units and will remain as back-up units – for use in off-season and emergencies. The plant is grid connected through a 242 kVA connection. This is used for the provision of power to the factory in emergencies and for the colony throughout the year.

The project will contribute strongly to sustainable development not just directly through an increase in employment (19 people are expected to be employed as a result of the project activity and 150 people are involved in the construction of the plant) but also indirectly in terms of the benefits it will provide to the local community in the form of increased electricity availability and security of employment.

The factory is rurally based and provides an important source of employment for the local community. This is an important factor given that over 70% of India's population is based in rural areas. The factory is the major industry in the area, employing a total of 720 people (175 of which are permanent with the remainder seasonal but held on retainers throughout the off-season) and receives sugar cane from over 60,000 farmers many of which cultivate on less than 1 acre.

The indirect benefits of the project are twofold. Firstly, the project will allow for the diversification of the revenue of the sugar factory through the sales of electricity and CERs, and thus the project will assist in establishing the viability of the unit. This will contribute to the continuation and furthering of the benefits the factory's presently provides to the local economy. The factory currently provides seed at no up-front cost, and insecticides and pesticides at 50% of their cost, to farmers, deducting the cost from the cane price (with no interest charged). The extension work of the factory extends to the provision of loans for tube-wells, bullock carts and plant protection loans. Secondly, by producing clean and renewable power, the project activity will contribute to electricity security and lead to the displacement of fossil fuel based generation.

#### **A.3. Project participants:**

>>

Name of Party involved ((host) indicates a host Party)	Private and/or public entity(ies) project participants (as applicable)	If Party wishes to be considered as a project participant
India (host)	Public entity: Ministry of Environment and Forests Private entity: LH Sugar Factories Ltd	No
UK	Public entity: Department of Environment, Food and Rural Affairs Private entity: Agrinergy Ltd	No

Agrinergy is the designated official contact for the CDM project activity.

#### **A.4. Technical description of the small-scale project activity:**

>>

The project involves the installation of a 80 tph 67 kg/cm<sup>2</sup> Walchandnagar Industries boiler and a 12MW backpressure Triveni turbine. The turbine generator will produce electricity at 11 kV which will be



stepped up at the plant to 132 kV and then supplied to the grid via the Roopurkamlu substation which is 5km from the plant. These technologies are readily available in India and have been supplied to other cogenerators.

**A.4.1. Location of the small-scale project activity:**

&gt;&gt;

**A.4.1.1. Host Party(ies):**

&gt;&gt;

India

**A.4.1.2. Region/State/Province etc.:**

&gt;&gt;

Uttar Pradesh

**A.4.1.3. City/Town/Community etc:**

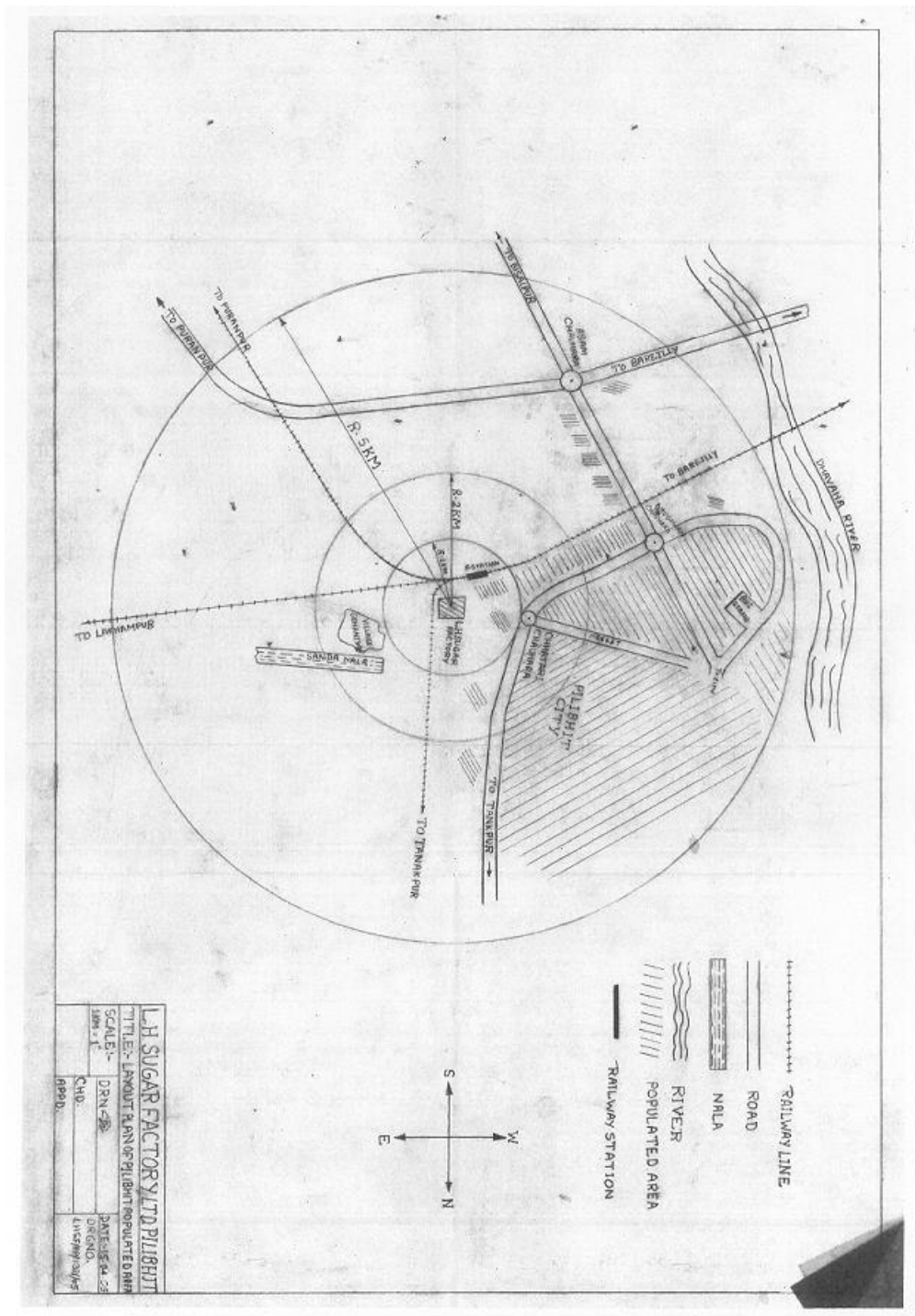
&gt;&gt;

Pilibhit

**A.4.1.4. Detail of physical location, including information allowing the unique identification of this small-scale project activity(ies):**

&gt;&gt;

See following map of project site.



**A.4.2. Type and category(ies) and technology of the small-scale project activity:**

&gt;&gt;

Type I – Renewable Energy Projects

ID - Renewable electricity generation for a grid

The project produces renewable energy from the combustion of bagasse. The project falls within the small scale rating as the total generation capacity of the new unit is 12MW, i.e. below the 15MW outlined in section ID of Appendix B of the simplified modalities and procedures for small-scale CDM project activities<sup>2</sup>. The project will result in a grid connection to the plant 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.

**A.4.3. Brief explanation of how the anthropogenic emissions of anthropogenic greenhouse gas (GHGs) by sources are to be reduced by the proposed small-scale project activity, including why the emission reductions would not occur in the absence of the proposed small-scale project activity, taking into account national and/or sectoral policies and circumstances:**

&gt;&gt;

The emission reductions from the project will arise directly through substituting existing grid based generation capacity and planned expansions to the grid. These sources of generation are mainly fossil fuel based and therefore the proposed renewable (bagasse based) generation will reduce these emissions.

The section on additionality (B3) highlights why the emission reductions would not occur in the absence of the project. However there are no policies that set minimum standards on the combustion efficiency of bagasse or that mandate the use of bagasse in power generation. Whilst there has been an advised Ministry of Non-Conventional Energy Sources tariff for renewable energy, states have now adopted their own tariff structures for renewable energy regulated through the state Electricity Regulatory Commissions. The tariff in Uttar Pradesh is similar to other states and has been fully incorporated into all the analysis of the return associated with the project.

**A.4.3.1 Estimated amount of emission reductions over the chosen crediting period:**

&gt;&gt;

A ten year crediting period has been chosen.

Year	Annual estimation of emission reductions in tonnes of CO <sub>2</sub> e
Year 1	18,506
Year 2	18,506
Year 3	18,506
Year 4	18,506
Year 5	18,506
Year 6	18,506
Year 7	18,506
Year 8	18,506
Year 9	18,506

<sup>2</sup> Whilst the capacity of the turbine generator is 12 MW it will only supply just over 6 MW to the grid. The MW<sub>th</sub> of the boiler is calculated at 42.8, which is below the limit of 45 for cogeneration systems to qualify as small scale projects.



Year 10	18,506
Total estimated reductions (tonnes CO <sub>2</sub> e)	185,060
Total number of crediting years	10
Annual average over the crediting period of estimated reductions (tonnes of CO <sub>2</sub> e)	18,506

**A.4.4. Public funding of the small-scale project activity:**

&gt;&gt;

The project has not received any public funding.

**A.4.5. Confirmation that the small-scale project activity is not a debundled component of a larger project activity:**

&gt;&gt;

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 a debundled component of a large project activity if there is a registered small-scale CDM project activity or an 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 2 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 a baseline methodology:****B.1. Title and reference of the approved baseline methodology applied to the small-scale project activity:**

&gt;&gt;

Type I – Renewable Energy ProjectsID - Renewable electricity generation for a grid**B.2 Project category applicable to the small-scale project activity:**

&gt;&gt;

The project produces renewable energy from the combustion of bagasse. The project activity will result in the plant having a grid connection and the electricity supplied from the project activity to the grid would be expected to supplement existing and planned electricity generation from the grid, the majority of which is fossil fuel based.

With regard to Appendix B of the Simplified Baseline and Monitoring Methodologies, Type I D projects, the project does not fall under point 6<sup>3</sup> and therefore there is a choice of two approaches, 7 (a) or (b). We have chosen approach (a) to determine the emission coefficient and apply this to the exports of electricity from the project:

- “(a) The average of the “approximate operating margin” and “build margin”, where:
- (i) The “approximate operating margin” is the weighted average emissions (in kgCO<sub>2</sub>equ/kWh) of all generating sources serving the system, excluding hydro, geothermal, wind, low-cost biomass, nuclear and solar generation;
  - (ii) The “build margin” is the weighted average emissions (in kgCO<sub>2</sub>equ/kWh) of recent capacity additions to the system, which capacity additions are defined as the greater (in MWh) of most recent<sup>4</sup> 20%<sup>5</sup> of existing plants or the 5 most recent plants.”

**B.3. Description of how the anthropogenic emissions of GHG by sources are reduced below those that would have occurred in the absence of the registered small-scale CDM project activity:**

&gt;&gt;

The project activity qualifies to use the simplified methodologies given the fact that the sum of new generation installed is less than 15MW, as highlighted earlier the actual electricity generation supplied to the grid will be of the order of 6MW.

**National policies and circumstances**

Electricity generation in India is primarily managed by privatised companies that were previously state run electricity boards. The Electricity Act, 2003 is now the main driver of reform in the electricity sector. The Electricity Act, 2003 consolidated the laws relating to the generation, transmission, distribution and trading of electricity and generally sought to put in place measures to promote the development and supply of electricity across India.

<sup>3</sup> All existing generators use exclusively fuel oil and/or diesel fuel.

<sup>4</sup> Generation data available for the most recent year.

<sup>5</sup> If 20% falls on part capacity of a plant, that plant is included in the calculation.





The Electricity Act, 2003 consolidated: the Indian Electricity Act, 1910; the Electricity (Supply) Act, 1948; and the Electricity Regulatory Commissions Act, 1998. The Indian Electricity Act, 1910 granted licences for the supply of electricity and provided the general framework for distribution. The Electricity (Supply) Act, 1948 mandated the creation of State Electricity Boards (SEB), each with the responsibility for supplying electricity in the state. Each state through successive Five Year Plans undertook expansion through the utilisation of Plan funds. Over time the performance of SEBs deteriorated due to a number of factors notably the ability to set tariffs and the political implications of such a measure. To break this link the Electricity Regulatory Commissions Act, 1998 was enacted which created the Central Electricity Regulatory Commission. This permits State Governments to create State Electricity Regulatory Commissions. In conjunction with these reforms some states have undertaken reforms of their own, unbundling supply into separate generation, transmission and distribution companies.

In Uttar Pradesh, the Electricity Reform Act was introduced in 1999. This provided the basis for reform of the electricity sector in the state. In January 2000, the UPSEB was unbundled into three corporations: Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) which owns and operates the existing thermal power stations of UPSEB; Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) which in addition to their own small hydro power houses owns and operates the existing and under construction hydro power stations of UPSEB; and Uttar Pradesh Power Corporation Limited (UPPCL), which is responsible for transmission and distribution of electricity in Uttar Pradesh. The Electricity Act, 2003 goes further than most state legislation, introducing new elements like open access and power trading into the sector.

Whilst the Electricity Act, 2003 does not explicitly set any targets for renewable energy it does mention that the National Electricity Policy should develop the power sector with regard to the optimal utilisation of resources and renewable is mentioned. It also states that the Central Government should, in consultation with State Governments, set out a national policy “permitting stand alone systems (including those based on renewable sources of energy and other non-conventional sources of energy) for rural areas”<sup>6</sup>. There are some incentives for bagasse cogeneration projects from the Ministry of Non-conventional Energy: Interest subsidies exist if boiler pressures are above 60 bar (in the case of the Ajbapur cogeneration project this does not apply) and there is a recommended price for power from renewable sources of Rs 2.25/kWh, paid on a base year of 1994/95 and increased annually at 5%. The latter incentive is a directive from the Ministry of Non-conventional Energy but is unregulated and state level sectoral rates are the norm across India.

The Indian power grid system is split into five regions, of which Uttar Pradesh falls within the Northern Region. Within the Northern Region, each state has state-owned generation capacity and as outlined above, in UP this is managed by UPRVUNL and UPJVNL. Moreover, as part of the Northern Region, the UP grid also receives power generated by central-government owned plants feeding into the Northern Grid, and power produced by private owned generators which is exported to UPPCL.

### **Additionality**

In line with attachment A to appendix B of the simplified M&P for small-scale CDM project activities, demonstration of additionality focuses on the barriers facing the project - technological barriers, investment barriers and a brief analysis of prevailing practice in the state. In showing that the project is additional we demonstrate that it is not part of the baseline scenario, which in the case of the LHSF Bagasse Project is that the factory remains self sufficient in power, but does not export any electricity to the grid.

---

<sup>6</sup> The Electricity Act, 2003, Part II, paragraph 4



The project involves the installation of a high pressure boiler, and this presents a new set of operational challenges for the sugar factory. As previously indicated, sugar factories normally generate power through low pressure configurations, which are technically easier to operate. The factory has not historically been a grid generator and further operational barriers facing the project relate to the supply of power to the grid. Whilst synchronisation, variations in the grid voltage and frequency and grid failure affect all power plants the relative impact on the project is higher given that the primary activity of the factory is the manufacture of sugar.

The sale of power to UPPCL presents a risk to the project. There is currently uncertainty surrounding the received price in the power purchase agreement. Whilst there is an MNES advised tariff this is not applied in Uttar Pradesh, the current price for electricity from bagasse cogenerators in UP is Rs 2.85/kWh<sup>7</sup>. Not only is the final price for electricity a risk for project there is also the risk of late payment by the UPPCL. These two factors provide significant risk that the project will face and CER revenue will help to reduce these risks.

All assumptions inherent in the financial analysis will be made available to the validator but the following is a summary of the main points and results. We have worked on an electricity price of Rs 2.85/kWh. UPPCL has issued a PPA to the project (7<sup>th</sup> March, 2005) and has stated that the price to be paid for electricity will be the rate prevailing as a result of the UPERC Tariff Order (18<sup>th</sup> July 2005). As mentioned earlier in the PDD the factory has increased its steam demand by 22.5 tph, this has been treated as a revenue in the financial analysis to the power plant by taking an opportunity cost for the steam on its marketable value as electricity, i.e. if the steam was not fed to the factory it could be condensed to generate more electricity. The other revenue streams associated with the project are the sale of electricity to the grid and the CERs resulting from registering the project as a CDM. The costs revolve around the increased usage of bagasse to fuel the power plant.

The amount of bagasse produced will increase in line with the higher crushing capacity and the saving of bagasse will also increase (the saving of bagasse is 9% on cane). In the baseline case this bagasse is sold and there will be a continuation of these sales, the volume of bagasse sold will remain the same. However the increased saving will be used in the new boiler and therefore we have put this as a cost to the project on the basis of the opportunity cost of bagasse. The saving in the case of the expansion will increase by 12,600 tonnes<sup>8</sup> and we have costed the bagasse consumed by the project for the export of power in the project financials at the prevailing bagasse market price of Rs 1150/tonne.

Furthermore the investment cost has been reduced to reflect the increase in steam demand by the plant, the actual cost of the boiler is Rs 917 lacs, but this has been reduced to Rs 664 lacs to reflect the increased steam demand of the plant. On the basis of these assumptions the project IRR is 9.8% and increases to 14.2% when CER revenue is included<sup>9</sup>. The increase in the project IRR resulting from the registration of the project as a CDM is an important step in proceeding with the project for LHSF, the revenues are significant and will help overcome many of the risks that may arise as a result of undertaking the project activity – to provide an idea of the impact of carbon finance the project IRR increases by just over 1% with every Euro 2/tCO<sub>2</sub>e increase in the price of CERs.

---

<sup>7</sup> Experience across other states provides evidence of standardised rates for renewable electricity generation from biomass, which are all below the MNES guidelines (KN, MH, TN). The trend in these states is however for downward revisions of the unit price as highlighted by the recent KERC PPA issued in January 2005.

<sup>8</sup> Based on a 9% saving of bagasse on cane.

<sup>9</sup> We assume an €8/tonne CO<sub>2</sub>e.



In line with the small scale guidance the national policies relevant to the project have been included and revolve around the power tariff and funding from the Sugar Development Fund. These have been incorporated into the financial analysis and are therefore explicitly presented.

The risks in the pricing of bagasse have provided a substantial barrier to the project activity. The factory has the option to sell bagasse on the open market, and bagasse prices have exhibited volatility in the recent past. High opportunity values for bagasse will make the project activity unviable. Allied to the volatility of bagasse prices the availability of bagasse also presents a risks and barrier to undertaking the project. The prospect of CER revenue, which can be priced forward and is euro or dollar denominated, has helped the project management overcome the risks due to the uncertainty of bagasse pricing.

To provide an idea of prevailing practice, Bajaj Hindustan, the largest sugar player in India with its capacity concentrated in Uttar Pradesh, is currently undertaking a period of capacity expansion investing in six new plants, each with a capacity of 7,000 tonnes of cane per day. All of these new investments will not employ cogeneration systems capable of exporting surplus power to the grid. It is therefore fair to say that the project is not common practice in the sector and region. More generally the barriers inherent in bagasse cogeneration projects are highlighted by the lack of projects that have emerged successfully. India is the largest cane producer in the world, with over 450 factories, and whilst there is the capacity to export 4000 to 5000MW, only about 450MW is currently grid connected.<sup>10</sup>

<b>B.4. Description of how the definition of the project boundary related to the <u>baseline methodology</u> selected is applied to the <u>small-scale project activity</u>:</b>
--

>>

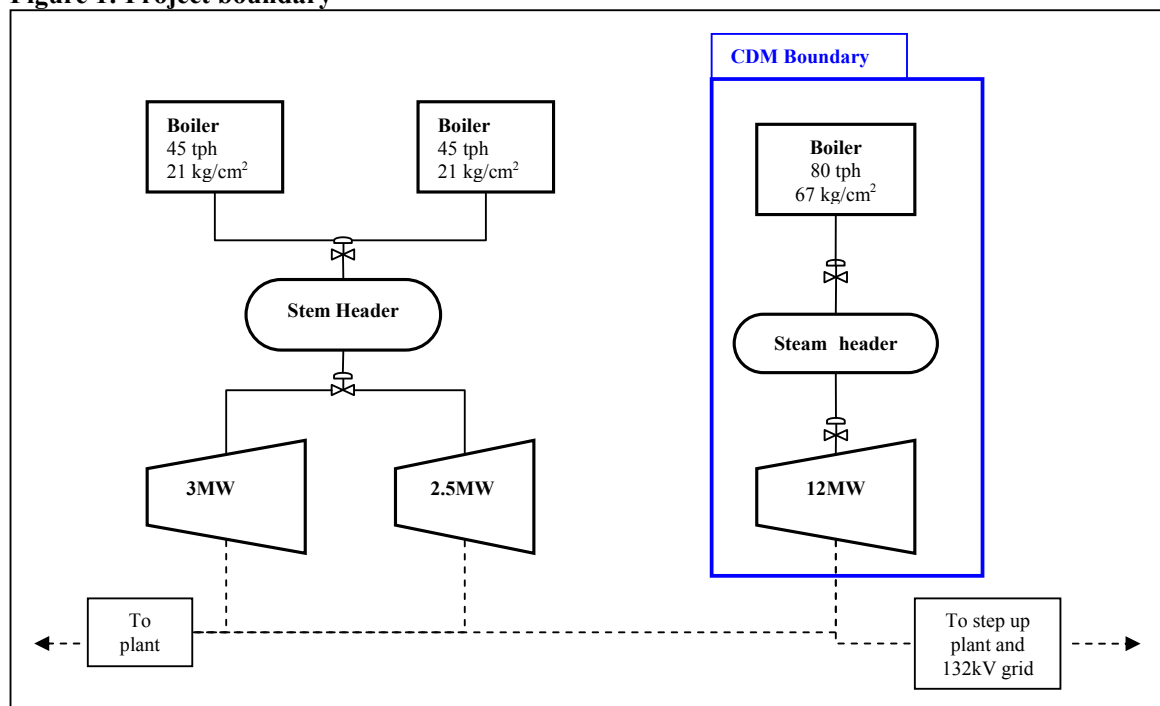
As highlighted in the guidance the boundary is placed around the new generating units resulting from the project activity, specifically the new high pressure boiler and the new 12MW turbine generator.

The gases considered within the boundary are limited to carbon dioxide as the bagasse is not stored for any significant period of time that might give rise to methane emissions.

The project will not result in any leakage, bagasse is not being drawn away from the existing outlets and the same amount of bagasse will be sold to the local paper company. The increase in capacity of the plant will be satisfied by a move away from the supply of cane to the informal sector, gur and khandsari units which do not generate bagasse and an increase in the productivity of cane production.

---

<sup>10</sup> Presentation of S V Shiralkar, MITCON: “Experience Sharing on Grid Connected Bagasse Based Cogeneration in India” from Cogeneration Association of India’s Brazil Mission, Sept-Oct 2003.

**Figure 1: Project boundary**


### B.5. Details of the baseline and its development:

&gt;&gt;

The baseline scenario for the project activity is that the sugar factory remains self sufficient in power and does not export to the grid. That this is the case and the project activity is not the baseline has been demonstrated in the previous section through an analysis of the barriers facing the project.

Referring to Appendix B of the Simplified Baseline and Monitoring Methodologies we have chosen approach 7 (a), the kWh produced by the renewable generating unit multiplied by the average of the “approximate operating margin” and “build margin”. This is appropriate as in the case of the project activity the baseline scenario is that the factory continues to purchase power from the grid.

In order to determine the CO<sub>2</sub> emissions coefficient we are required to calculate the approximate operating margin and the build margin where the operating margin is defined as:

“the weighted average emissions (in kgCO<sub>2</sub>equ/kWh) of all generating sources serving the system, excluding hydro, geothermal, wind, low-cost biomass, nuclear and solar generation;”

and the build margin is defined as:

“the weighted average emissions (in kgCO<sub>2</sub>equ/kWh) of recent capacity additions to the system, defined as the greater of most recent<sup>11</sup> 20%<sup>12</sup> of existing plants or the 5 most recent plants;”

The relevant grid for the determination of the combined margin is selected as the Northern Region grid. This grid has been selected as the regional grid is becoming more integrated even though electricity generation and distribution remains largely in the hands of the UPPCL.

<sup>11</sup> Generation data available for the most recent year.

<sup>12</sup> If 20% falls on part capacity of a plant, that plant is included in the calculation.

### Approximate Operating Margin

The approximate operating margin is calculated directly from actual Central Electricity Authority (CEA) data on generation and fuel consumption. The CEA provides generation data for each plant in the Northern Region for the year 2004-5. Coal consumption data for individual coal based power plants is also provided by the CEA for the year 2004-5. The emission factor for coal is calculated as per ACM0002:

### Coal Emission Factor

$$COEF_i = NCV_i \cdot EF_{CO_2,i} \cdot OXID_i$$

Where:

$NCV_i$  is the net calorific value (energy content) per mass or volume unit of a fuel  $i$ ,  
 $OXID_i$  is the oxidation factor of the fuel (see page 1.29 in the 1996 Revised IPCC Guidelines for default values),  
 $EF_{CO_2,i}$  is the CO<sub>2</sub> emission factor per unit of energy of the fuel  $i$ .

The NCV for Indian coal is 19.98 TJ/kt<sup>13</sup>, the IPCC emission coefficient for other bituminous coal is 25.8 tC/TJ<sup>14</sup>, the conversion factor from tC to tCO<sub>2</sub> is 44/12 and the fraction of carbon oxidised in coal is 0.98<sup>15</sup>. Thus COEF for coal is taken as:

$$19.98 \times 25.8 \times \frac{44}{12} \times 0.98 = 1852.3 \text{ tCO}_2/\text{kt coal}$$

### Gas Stations Emission Factor

In the case of gas stations, individual fuel consumption for each plant is not available. Aggregate consumption at the state and regional level is instead provided by the CEA. These data are only available for 2003-4 and therefore we use these data to derive an average emission factor for gas stations in the Northern Region. The average emission factor is then applied to 04-05 generation in the calculation of the CM. The data on fuel consumption and generation for gas stations in the Northern Region is outlined below:

**Table 2: Fuel Consumption and generation from gas stations in the Northern Region (03-04)**

State	Natural Gas consumption (mcbm)	HSD consumption (kl)	Naptha consumption (kl)	Total Generation (GWh)
Delhi	884	9298	0	3620
Jammu & Kashmir	0	6363	0	29
Rajasthan	163	1841	0	238.53
Central Sector	2761	223091	188981	14870.14
<b>Total</b>				<b>18757.67</b>

Source: Source: CEA General Review 2005, Table 6.1, pp. 117

These data are combined with the following data on fuel specific gravities, calorific values, emission factors and oxidation factors to determine total emission from the above gas stations:

<sup>13</sup> Table 1.2 1996 Revised IPCC Guidelines, in line with decision of EB23.

<sup>14</sup> Table 1.1 1996 Revised IPCC Guidelines

<sup>15</sup> Table 1.6 (page 1.28) 1996 Revised IPCC Guidelines

**Table 3: Fuel characteristics data**

Fuel	Density (kt/kl)	Calorific Value	Emission Factor	Oxidation factor
Natural Gas		40 TJ/mcbm <sup>16</sup>	15.3 <sup>17</sup>	0.995 <sup>18</sup>
HSD	0.00088 <sup>19</sup>	43.33 TJ/kt <sup>20</sup>	20.2 <sup>21</sup>	0.99 <sup>22</sup>
Naptha	0.00078 <sup>23</sup>	45.01 TJ/kt <sup>24</sup>	20.0 <sup>25</sup>	0.99 <sup>26</sup>

Total emissions from gas stations are thus calculated as:

**Table 4: Total emissions from gas stations in Northern Region, 03-04**

State	Emission from Nat. Gas (tCO <sub>2</sub> )	Emissions from HSD (tCO <sub>2</sub> )	Emissions from Naptha (tCO <sub>2</sub> )	Total Emissions (tCO <sub>2</sub> )
Delhi	1973778	25997	0	1999774
Jammu & Kashmir	0	17791	0	17791
Rajasthan	363943	5147	0	369090
Central Sector	6164706	623751	481680	7270137
<b>Total</b>	<b>8502426</b>	<b>672686</b>	<b>481680</b>	<b>9656792</b>

Dividing total emissions (9656792 (tCO<sub>2</sub>)) by total generation from gas stations (18757.67 GWh) gives an average emission factor for gas stations in the Northern Region of **0.51 tCO<sub>2</sub>/MWh**.

Annual generation data for each power plant in the Northern Region is provided by the CEA. (<http://cea.nic.in/data/18ca0305.pdf>). Coal consumption data for thermal power plants is also provided by the CEA report “Performance Review of Thermal Power Stations 2004-5”. ([http://cea.nic.in/Th\\_per\\_rev/start.pdf](http://cea.nic.in/Th_per_rev/start.pdf)). Combining the above emission factors for coal and for gas based stations, with generation data (and in the case of coal plants fuel consumption data) from the CEA provides the following<sup>27</sup>:

<sup>16</sup> <http://www.interconnector.com/online services/converter.htm>

<sup>17</sup> IPCC Table 1.1

<sup>18</sup> IPCC Table 1.6

<sup>19</sup> [http://www.dec.state.ak.us/spar/perp/response/sum\\_fy05/041207201/041207201\\_vsl\\_fuelcap.pdf](http://www.dec.state.ak.us/spar/perp/response/sum_fy05/041207201/041207201_vsl_fuelcap.pdf)

<sup>20</sup> IPCC Table 1.3

<sup>21</sup> IPCC Table 1.1

<sup>22</sup> IPCC Table 1.6

<sup>23</sup> [http://www.arb.ca.gov/db/solvents/solvent\\_pages/Hydrocarbon-HTML/vmp-ii.htm](http://www.arb.ca.gov/db/solvents/solvent_pages/Hydrocarbon-HTML/vmp-ii.htm)

<sup>24</sup> IPCC Table 1.3

<sup>25</sup> IPCC Table 1.1

<sup>26</sup> IPCC Table 1.6

<sup>27</sup> It should be noted that the CEA also provide data on specific secondary fuel oil consumption in coal plants. For conservativeness we have not included these emissions in calculation of the OM and BM.

**Table 5: Northern Region Fuel Consumption, Emissions and Generation, 2004-5 (excluding hydro and nuclear)**

COAL PLANTS	Fuel Consumption (kt coal)	Emissions Factor (tCO <sub>2</sub> /t coal)	Emissions (ktCO <sub>2</sub> )	Generation (GWh)	Emissions Factor (tCO <sub>2</sub> /MWh)
<b>Delhi</b>					
Badarpur	3732	1.8523	6913	5463	1.27
I.P.Stn.(DVB)	789	1.8523	1461	921	1.59
Rajghat(DVB)	541	1.8523	1002	696	1.44
<b>Haryana</b>					
Faridabad	822	1.8523	1523	869	1.75
Panipat	4447	1.8523	8237	6008	1.37
<b>Punjab</b>					
Bhatinda	1469	1.8523	2721	1993	1.37
Lehra Mohabbat	1995	1.8523	3695	3308	1.12
Roper	6056	1.8523	11218	9082	1.24
<b>Rajasthan</b>					
Kota	5213	1.8523	9656	7751	1.25
Suratgarh	5920	1.8523	10966	9363	1.17
<b>Uttar Pradesh</b>					
Anpara	8339	1.8523	15446	11511	1.34
Harduaganj	670	1.8523	1241	632	1.96
Obra	4761	1.8523	8819	5550	1.59
Panki Extn.	913	1.8523	1691	1043	1.62
Paricha	876	1.8523	1623	966	1.68
Tanda (NTPC)	2596	1.8523	4809	3320	1.45
Unchahar (NTPC)	4604	1.8523	8528	6781	1.26
Rihand STPS	4768	1.8523	8832	7987	1.11
Singrauli(STPS)	10336	1.8523	19145	15806	1.21
NCTPP(Dadri)	4432	1.8523	8209	6830	1.20
<b>GAS PLANTS</b>			<b>Emissions (ktCO<sub>2</sub>)</b>	<b>Generation (GWh)</b>	<b>Emissions Factor (tCO<sub>2</sub>/MWh)</b>
<b>Delhi</b>					
I.P GT			597	1162	0.51
I.P. WHP			194	378	0.51
Pragata CCGT			1310	2551	0.51
<b>Haryana</b>					
F'bad CCGT			1623	3162	0.51
<b>Jammu &amp; Kashmir</b>					
Pampore GT			12	24	0.51
<b>Rajasthan</b>					
Ramgarh GT			176	343	0.51
Ramgarh ST			9	17	0.51
Anta GT (NTPC)			1430	2785	0.51
<b>Uttar Pradesh</b>					
Auraiya GT			2115	4120	0.51
Dadri GT			2802	5458	0.51
<b>Total</b>			<b>146031</b>	<b>125881</b>	
<b>Operating Margin</b>				<b>1.160</b>	

**Build Margin**

Commissioning dates have been obtained from various sources for all plants located in the Northern Region. Total generation in the Northern grid in the period April 2004 to March 2005 was 169323.56 GWh. The most recent 5 capacity additions in the grid account for only 3% of this, and the most recent



capacity additions accounting for 20% of generation must therefore be taken as the base for the build margin calculation. These capacity additions and the associated fuel consumption and emissions are outlined below. (Generation data, fuel consumption and emissions are derived as for the approximate operating margin above.)

**Table 6: Recent Capacity Additions, Generation and Emissions**

Plant	Plant Type	Capacity Addition (MW)	Commissioning Date	Generation 04-05 (GWh)	Emissions (kt)
Tanda	Thermal	110	30/12/1998	830	1202
Unchahar	Thermal	210	15/01/1999	1695	2132
Suratgrah	Thermal	250	01/02/1999	1873	2193
F'bad CCGT	Gas	143	26/09/1999	1054	543
Unchahar	Thermal	210	15/10/1999	1695	2132
F'bad CCGT	Gas	143	18/10/1999	1054	543
RAPS I-IV	Nuclear	220	01/06/2000	1361	0
Ranjit Sagar	Hydro	600	01/07/2000	1145	0
Ghanvi	Hydro	11.25	30/07/2000	37	0
F'bad CCGT	Gas	143	31/07/2000	1054	543
Suratgrah	Thermal	250	01/10/2000	1873	2193
Ghanvi	Hydro	11.25	07/12/2000	37	0
RAPS I-IV	Nuclear	220	23/12/2000	1361	0
Panipat	Thermal	210	31/03/2001	1467	2011
Malana	Hydro	86	15/06/2001	270	0
Upper Sindh	Hydro	70	30/12/2001	98	0
Suratgrah	Thermal	250	15/01/2002	1873	2193
Pragati	Gas	104.6	15/03/2002	808	416
Suratgrah	Thermal	250	31/07/2002	1873	2193
Upper Sindh	Hydro	35	30/09/2002	49	0
Pragati	Gas	104.6	09/11/2002	808	416
Pragati	Gas	121.2	31/01/2003	936	482
Baspa	Hydro	300	15/06/2003	1193	0
Chamera II	Hydro	300	01/07/2003	1347	0
Suratgrah	Thermal	250	19/08/2003	1873	2193
Ramgarh GT	Gas	37.5	15/09/2003	171	88
Ramgarh ST	Gas	37.8	15/09/2003	17	9
Nathpa Jhakri	Hydro	250	06/10/2003	852	0
Chenani III	Hydro	9.8	01/01/2004	23	0
Gumma	Hydro	3	01/01/2004	4	0
Nathpa Jhakri	Hydro	250	02/01/2004	852	0
Nathpa Jhakri	Hydro	250	30/03/2004	852	0
Nathpa Jhakri	Hydro	250	31/03/2004	852	0
Nathpa Jhakri	Hydro	250	06/05/2004	852	0
Nathpa Jhakri	Hydro	250	18/05/2004	852	0
Kota	Thermal	195	01/08/2004	1446	1802
<b>Total</b>				<b>34432</b>	<b>22888</b>
<b>Build Margin</b>					<b>0.676</b>





Sources of data on commissioning dates are outlined below:

### 1. General Links

HPGCL: <http://haryanaelectricity.com/hpgc/link4.htm>

Nathpa Jhakri: [http://sjvn.nic.in/stats/important\\_statistics.htm](http://sjvn.nic.in/stats/important_statistics.htm)

UPVUNL: [http://www.uppcl.org/uprvunl/Aboutus\\_un/installed\\_capacity.htm](http://www.uppcl.org/uprvunl/Aboutus_un/installed_capacity.htm)

NTPC: [http://www.ntpc.co.in/aboutus/installed\\_capacity.shtml](http://www.ntpc.co.in/aboutus/installed_capacity.shtml)

PSEB: <http://www.psebindia.org/pseb.htm>

NHPC: <http://nhpcindia.com/english/opR.htm>

### 2. HP Hydro

Giri Bata: Commissioned during 4<sup>th</sup> 5 year plan (<http://planningcommission.nic.in/plans/planrel/fiveyr/4th/4planch12.html>)

Sanjay Bhaba (or Sanjay Vidyut Pariyojna: Commissioned in 1987

(<http://www.cclindia.com/expertise/SanjayVidyutPariyojna.htm>)

Bassi: Commissioned during 4<sup>th</sup> 5 year plan (<http://planningcommission.nic.in/plans/planrel/fiveyr/4th/4planch12.html>)

Binwa: Commissioned during 6<sup>th</sup> 5 year plan (<http://planningcommission.nic.in/plans/planrel/fiveyr/4th/4planch12.html>)

Thirot: <http://powermin.gov.in/reports/pdf/ar94-95.pdf>

Ghanvi: [http://planningcommission.nic.in/plans/annualplan/ap21\\_02/ch8.pdf](http://planningcommission.nic.in/plans/annualplan/ap21_02/ch8.pdf)

Gaj: <http://powermin.nic.in/reports/pdf/ar92-93.pdf>

Baner: <http://powermin.gov.in/reports/pdf/ar95-96.pdf>

Baspa: <http://www.blonnet.com/iw/2005/03/20/stories/2005032000520900.htm>

Malana: <http://www.tribuneindia.com/2001/20010324/himachal.htm#7>

Dehar: <http://bhakra.nic.in/english/powerdata.asp>

Pong: <http://bhakra.nic.in/english/powerdata.asp>

### 3. J&K Gas

Pampore: [http://www.cea.nic.in/Th\\_per\\_rev/CEA\\_Thermal%20Performance%20Review0405/SECTION-10.pdf](http://www.cea.nic.in/Th_per_rev/CEA_Thermal%20Performance%20Review0405/SECTION-10.pdf)

J&K Hydro

Lower Jhelum: [http://www.cea.nic.in/data/opt1\\_design\\_engg\\_hydro.pdf](http://www.cea.nic.in/data/opt1_design_engg_hydro.pdf)

Upper Sindh: [http://www.cea.nic.in/data/opt1\\_design\\_engg\\_hydro.pdf](http://www.cea.nic.in/data/opt1_design_engg_hydro.pdf)

Upper Sindh: [www.narmada.org/sandrp/sep2002.doc](http://www.narmada.org/sandrp/sep2002.doc)

Chenani: Commissioned during 4<sup>th</sup> 5 year plan (<http://planningcommission.nic.in/plans/planrel/fiveyr/4th/4planch12.html>)

Mohara: <http://www.dailyexcelsior.com/web1/05june08/state.htm>

Kargil: [http://www.cea.nic.in/data/opt1\\_design\\_engg\\_hydro.pdf](http://www.cea.nic.in/data/opt1_design_engg_hydro.pdf)

Stakna: [http://www.cea.nic.in/data/opt1\\_design\\_engg\\_hydro.pdf](http://www.cea.nic.in/data/opt1_design_engg_hydro.pdf)

### 4. Punjab Thermal

Bhatinda: <http://www.psebindia.org/pseb/thermal/gurunanak.html>

Leh. Moh.: <http://www.psebindia.org/pseb/thermal/guruhargobind.html>

### 5. Punjab Hydro

Bhakra: <http://bhakra.nic.in/english/powerdata.asp>

Ganguwal: <http://bhakra.nic.in/english/powerdata.asp>

### 6. Rajasthan GT

Anta: [http://www.cea.nic.in/Th\\_per\\_rev/CEA\\_Thermal%20Performance%20Review0405/SECTION-10.pdf](http://www.cea.nic.in/Th_per_rev/CEA_Thermal%20Performance%20Review0405/SECTION-10.pdf)

Rajasthan Nuclear

RAPS: <http://www.npcil.nic.in/raps.asp>

### 7. Rajasthan Hydro

RP Sagar: [http://www.cea.nic.in/data/opt1\\_design\\_engg\\_hydro.pdf](http://www.cea.nic.in/data/opt1_design_engg_hydro.pdf)

J. Sagar: [http://www.cea.nic.in/data/opt1\\_design\\_engg\\_hydro.pdf](http://www.cea.nic.in/data/opt1_design_engg_hydro.pdf)

### 8. UP Hydro

Obra Hydro: Commissioned during 3<sup>rd</sup> 5 year plan <http://planningcommission.nic.in/plans/planrel/fiveyr/3rd/3planch24-1.html>

Ganga Canal: <http://irrigation.up.nic.in/history.htm>

Khara: <http://planning.up.nic.in/statements/10562801.htm>

### 9. UP Thermal

Singrauli: [http://www.ntpc.co.in/powerplants/ntpc\\_pw\\_singrauli1.shtml](http://www.ntpc.co.in/powerplants/ntpc_pw_singrauli1.shtml)



#### 10. UP Gas

Auraiya GT: [http://www.cea.nic.in/Th\\_per\\_rev/CEA\\_Thermal%20Performance%20Review0405/SECTION-10.pdf](http://www.cea.nic.in/Th_per_rev/CEA_Thermal%20Performance%20Review0405/SECTION-10.pdf)

Dadri GT: [http://www.cea.nic.in/Th\\_per\\_rev/CEA\\_Thermal%20Performance%20Review0405/SECTION-10.pdf](http://www.cea.nic.in/Th_per_rev/CEA_Thermal%20Performance%20Review0405/SECTION-10.pdf)

#### 11. Uttaranchal Hydro

Ramganga: Commissioned during 3<sup>rd</sup> 5 year plan

<http://planningcommission.nic.in/plans/planrel/fiveyr/3rd/3planch24-1.html>

Khatima: <http://www.tendercity.indiatimes.com/ViewProdDetail.asp?stype=12&stext=249&t=3&o=1&l=8>

Pathri: Commissioned during 3<sup>rd</sup> 5 year plan

<http://planningcommission.nic.in/plans/planrel/fiveyr/3rd/3planch24-1.html>

Chibro: <http://www.narmada.org/sandrp/dec2001.html>

Khodri: Commissioned during 6<sup>th</sup> 5 year plan

<http://planningcommission.nic.in/plans/planrel/fiveyr/6th/6planch15.html>

Chilla: [http://www.uttaranchalirrigation.com/vision/vision\\_index.htm](http://www.uttaranchalirrigation.com/vision/vision_index.htm)

Maneri Bhali: <http://www.narmada.org/sandrp/dec2001.html>

#### 12. Delhi

Pragati: [http://powermin.nic.in/projects/projects\\_commissioned\\_during.htm](http://powermin.nic.in/projects/projects_commissioned_during.htm)

F'bad CCGT :

[http://www.cea.nic.in/Th\\_per\\_rev/CEA\\_Thermal%20Performance%20Review0405/SECTION-10.pdf](http://www.cea.nic.in/Th_per_rev/CEA_Thermal%20Performance%20Review0405/SECTION-10.pdf)

Delhi Indraprastha Thermal & Rajghat TPS:

[http://www.ntpc.co.in/Services\\_Offered/services\\_experience.shtml](http://www.ntpc.co.in/Services_Offered/services_experience.shtml)

#### Applicable Emission Coefficient

As outlined in AMS-I.D, the baseline emission coefficient is taken as the average of the approximate operating margin and the build margin, and is therefore **0.918 tCO<sub>2</sub>e/MWh**.

Baseline section completed: 07/03/2006

Completed by Robert Taylor/Ben Atkinson, Agrinergy Ltd, contact details as per Annex I.

**SECTION C. Duration of the project activity / Crediting period:****C.1. Duration of the small-scale project activity:**

&gt;&gt;

**C.1.1. Starting date of the small-scale project activity:**

&gt;&gt;

09/06/2004. The order for the turbine was placed on this date. Discussions between Agrinergy and LHSF had taken place before this date concerning the application of CDM to the proposed project activity.

**C.1.2. Expected operational lifetime of the small-scale project activity:**

&gt;&gt;

20y-0m

**C.2. Choice of crediting period and related information:**

&gt;&gt;

**C.2.1. Renewable crediting period:**

&gt;&gt;

Not applicable

**C.2.1.1. Starting date of the first crediting period:**

&gt;&gt;

**C.2.1.2. Length of the first crediting period:**

&gt;&gt;

**C.2.2. Fixed crediting period:**

&gt;&gt;

The project has chosen a fixed crediting period of 10 years.

**C.2.2.1. Starting date:**

&gt;&gt;

30/12/2005

**C.2.2.2. Length:**

&gt;&gt;

10y-0m

**SECTION D. Application of a monitoring methodology and plan:**

&gt;&gt;

**D.1. Name and reference of approved monitoring methodology applied to the small-scale project activity:**

&gt;&gt;

Type I – Renewable Energy ProjectsID – Renewable electricity generation for a grid

“Monitoring shall consist of metering the electricity generated by the renewable technology. In the case of co-fired plants, the amount of biomass and fossil fuel input shall be monitored.”

**D.2. Justification of the choice of the methodology and why it is applicable to the small-scale project activity:**

&gt;&gt;

The expansion of the bagasse cogeneration unit at the LHSF factory will provide electricity to the UP grid. This electricity will displace existing grid generation capacity and future planned grid capacity additions. The main variable in determining the volume of emission reductions is the sale of power to the grid. Project emissions will also be calculated annually, should they arise, through the monitoring of any fossil fuels that are combusted to generate electricity<sup>28</sup>. Therefore the monitoring methodology outlined in the small scale rules and procedures is appropriate for the project activity.

---

<sup>28</sup> No project emissions should arise as the boiler does not have the ability to burn fossil fuel (coal), should modifications to the boiler occur at a later date these may be incorporated into the existing PDD without revision.

**D.3 Data to be monitored:**

&gt;&gt;

ID number	Data type	Data variable	Data unit	Measured (m), calculated (c) or estimated (e)	Recording frequency	Proportion of data to be monitored	How will the data be archived? (electronic/ paper)	For how long is archived data to be kept?	Comment
1.	Electrical power	$P_y$	MWh	m	Continuously	100%	Electronic	2 yr or end of crediting period	Continuous recording but will be taken from UPPCL sales receipts
2.	Mass	$Q_i$	t	m	Continuously	100%	Electronic	2 yr or end of crediting period	Purchased fossil fuels
3.	Carbon emission factor	$COEF_i$	tC/TJ	m	Annually	100%	Electronic	2 yr or end of crediting period	IPCC data
4.	Net calorific value	$NCV_i$	TJ/kt	m	Monthly	100%	Electronic	2 yr or end of crediting period	Taken from sales contract, if not available from IPCC data
5.	Oxidation	OXID	%	m	Annually	100%	Electronic	2 yr or end of crediting period	IPCC data
6.	Mass	$M_y$	t	m	Continuously	100%	Electronic	2 yr or end of crediting period	Mass of bagasse saved. Automated recording at plant
7.	Mass	$BOIL_y$	t	m	Continuously	100%	Electronic	2 yr or end of crediting period	Bagasse used in new boiler. Automated recording at plant
8.	Mass	$SALE_y$	t	m	Monthly	100%	Electronic	2 yr or end of crediting period	Sale of bagasse, from sales receipts
9.	UPPCB approval	Approval to operate			Annually	100%	Electronic	2 yr or end of crediting period	Annual approval from UPPCB

**D.4. Qualitative explanation of how quality control (QC) and quality assurance (QA) procedures are undertaken:**

&gt;&gt;

Quality assurance for the data is high due to the commercial importance associated with electricity exports. The revenue associated with the sale of electricity will be recorded in financial statements and is therefore readily verifiable.

Sales of power will be measured by automated sensors (current transformers) installed at the 132kv step up plant for exports to the grid and at the Roopurkamalu substation. Monthly readings at the substation will be taken jointly by UPPCL and the factory and will form the basis for payments of power sold. This data recorded at the substation will be the primary data source for the monitoring plan but may be readily cross checked with the meter readings at the step up plant. Testing of the UPPCL meter at the substation will take place on a monthly basis and the meter at the 132kV step up plant will be tested quarterly.

Whilst there are existing steam turbines on site these have not historically exported electricity to the grid and neither would they be able to export electricity in the future. This arises as the new turbine generator will generate electricity at 11kV. This will be stepped up at the plant to 132kV and then sent to the grid. The existing turbines only generate electricity at 440V and therefore it is not possible for them to supply electricity to the grid via the step up transformer.

The mass of bagasse produced by the plant, the use of bagasse in the new boiler and the sales of bagasse will also be monitored. Whilst these are not directly relevant for the calculation of emission reductions they will be held throughout the life of the project to cross check initial statements. Any usage of fossil fuel will be monitored through purchase receipts and may be cross checked against financial statements.

As set out in Section F the site requires an annual Approval to Operate from the Uttar Pradesh Pollution Control Board, this will be incorporated into the monitoring plan and will be produced at the time of verification.

All data will be kept for a minimum of 2 years following issuance of certified emission reductions or the end of the crediting period, whichever is later, and the storage of this data will be the responsibility of the project developers.



**D.5. Please describe briefly the operational and management structure that the project participant(s) will implement in order to monitor emission reductions and any leakage effects generated by the project activity:**

>>

The data will be collected monthly and held on the attached spreadsheet tool which has been designed for the project activity. This will permit the monitoring and reporting of emission reductions on a monthly basis. Data input is required in the blue cells with resultant calculations of the emission reductions performed automatically.

The factory management have put in place procedures for the monitoring, reporting and collection of the data associated with the CDM project activity. This has been incorporated into existing systems where possible to avoid replication. The main factory system is the SCADA reporting system which maintains a vast array of data associated with the power plant. This system will record exports of electricity on an on-going basis and a copy of this report has been provided to the validator.

Associated with the automated monitoring of the exports, the Switch Board Attendant will record manually the hourly exports of electricity. This data will be checked and reported every 8 hours by the Manager Power Plant. In addition the data will be collated on a daily basis by the General Manager (Technical).



**MVP - to be completed monthly**

Data in blue should be entered by project administrator in a timely manner, data in yellow is fixed.

[illegible]





**D.6. Name of person/entity determining the monitoring methodology:**

>>

Robert Taylor, Agrinergy Ltd, contact information as listed in annex I.

**SECTION E.: Estimation of GHG emissions by sources:****E.1. Formulae used:**

&gt;&gt;

Type I – Renewable Energy ProjectsID - Renewable electricity generation for a grid

The guidance indicates that the formula to calculate baseline emission is the kWh produced by the renewable generating unit multiplied by an emission coefficient.

**E.1.1 Selected formulae as provided in appendix B:**

&gt;&gt;

Whilst the Rules & Procedures provide an indication of the formula to be used we have detailed the equation in the following section. As stated in the boundary section only carbon dioxide will be considered.

**E.1.2 Description of formulae when not provided in appendix B:**

&gt;&gt;

**E.1.2.1 Describe the formulae used to estimate anthropogenic emissions by sources of GHGs due to the project activity within the project boundary:**

&gt;&gt;

Whilst no project emissions are expected we have included an variable to accommodate these should the factory set-up change at a point in the future, i.e. through a conversion of boilers etc. The calculation of these emissions will be performed at the time of each verification.

$$Pe_y = Q_i \cdot COEF_i \cdot NCV_i \cdot OXID$$

Where:

$Pe_y$  = project emissions in year y, tCO<sub>2</sub>e

$Q_i$  = mass of fossil fuel combusted, t

$COEF_i$  = emissions factor of fossil fuel combusted, tCO<sub>2</sub>/TJ

$NCV_i$  = net calorific value of fossil fuel combusted, TJ/t

$OXID$  = oxidation factor, %

**E.1.2.2 Describe the formulae used to estimate leakage due to the project activity, where required, for the applicable project category in appendix B of the simplified modalities and procedures for small-scale CDM project activities**

&gt;&gt;

The project will not give rise to leakage.

**E.1.2.3 The sum of E.1.2.1 and E.1.2.2 represents the small-scale project activity emissions:**

&gt;&gt;

$$Pe_y = Q_i \cdot COEF_i \cdot NCV_i \cdot OXID$$



**E.1.2.4 Describe the formulae used to estimate the anthropogenic emissions by sources of GHGs in the baseline using the baseline methodology for the applicable project category in appendix B of the simplified modalities and procedures for small-scale CDM project activities:**

>>

$$BE_y = CEF.P_y$$

$$BE_y = 0.918.P_y$$

Where:

$BE_y$  = Baseline emission, tCO<sub>2</sub>e

CEF = constant representing the carbon emissions factor, tCO<sub>2</sub>e/MWh (0.901 tCO<sub>2</sub>/MWh as arrived at in section B5.1)

$P_y$  = exported power in MWh

**E.1.2.5 Difference between E.1.2.4 and E.1.2.3 represents the emission reductions due to the project activity during a given period:**

>>

$$ER_y = 0.918.P_y - Pe_y$$

Where:

$ER_y$  = Emission reductions resulting from the project activity, tCO<sub>2</sub>e

Example of expected  $ER_y$

$$ER_y = 0.918 \times 20,160 - 0$$

$$ER_y = 18,506$$

**E.2 Table providing values obtained when applying formulae above:**

>>

Year	Emission reductions, tCO <sub>2</sub> e
Year 1	18,506
Year 2	18,506
Year 3	18,506
Year 4	18,506
Year 5	18,506
Year 6	18,506
Year 7	18,506
Year 8	18,506
Year 9	18,506
Year 10	18,506

**SECTION F.: Environmental impacts:****F.1. If required by the host Party, documentation on the analysis of the environmental impacts of the project activity:**

&gt;&gt;

In relation to the baseline scenario no negative environmental impacts will arise as a result of the project activity.

The positive environmental impacts arising from the project activity are:

- A reduction in carbon dioxide emissions from the replacement of fossil fuels which would be generated under the baseline scenario
- A reduction in the emissions of other harmful gases (NO<sub>x</sub> and SO<sub>x</sub>) that arise from the combustion of coal in power generation

The factory has an EIA under which the new investment will be covered and through this and monitoring from the Uttar Pradesh Pollution Control Board (UPPCB) will meet all local and national environmental legislation. A “Consent to Operate” and “Approval to Operate” will be required from the UPPCB in order to operate the plant.

The “Consent to Operate” has been provided to LHSF by the UPPCB and this has been made available to the validator. The UPPCB normally visit the plant 3 to 4 times per year in order to analyse the factory outputs and confirm they adhere to the standards laid down. The plant is required to maintain stack emissions at less than 150mg/Nm<sup>3</sup> and through its effluent treatment plant maintain BOD and suspended solids at levels less than 30mg/litre and 100mg/litre respectively. The factory has to date achieved these standards and evidence of this is provided by the UPPCB consent to operate.

The “Approval to Operate” will be obtained annually from the UPPCB and this will be provided at the time of each annual verification. This has been incorporated into the monitoring plan.

**SECTION G. Stakeholders' comments:****G.1. Brief description of how comments by local stakeholders have been invited and compiled:**

&gt;&gt;

The stakeholder review was conducted on three levels:

- A local stakeholder review

- A national stakeholder review which will be undertaken through the approval by the Designated National Authority, the Ministry of Environment and Forests (MoEF), and consent to operate from the Uttar Pradesh Pollution Control Board.

- An international stakeholder review conducted at the time of validation.

The international stakeholder process was conducted between the 15<sup>th</sup> October and the 13<sup>th</sup> November 2005 through the publication of the PDD on the UNFCCC CDM website<sup>29</sup>.

The application to the MoEF was made on 3<sup>rd</sup> June 2005 and the project was presented on 25<sup>th</sup> August 2005. An approval from the MoEF was received on 23<sup>rd</sup> September 2005.

Regarding the local stakeholder review a letter has also been sent to the Pilibhit District Administration and the local Cane Society informing them of the project activity and inviting comments. The Cane Society represents over 40,000 farmers who deliver sugar cane to the factory. The project has also received some publicity in the local press and an article was published in the local paper, the "Danik Jagran", on 9<sup>th</sup> January 2004.

**G.2. Summary of the comments received:**

&gt;&gt;

No comments have been received.

**G.3. Report on how due account was taken of any comments received:**

&gt;&gt;

<sup>29</sup><http://cdm.unfccc.int/Projects/Validation/view.html?ProjectId=AMGYRP42JMODBHEWNCEB4BZU4XHWYK&OE=TUEV-SUED>

**Annex 1****CONTACT INFORMATION ON PARTICIPANTS IN THE PROJECT ACTIVITY**

Organization:	L H Sugar Factories
Street/P.O.Box:	Civil Lines
Building:	
City:	Pilibhit
State/Region:	Uttar Pradesh
Postcode/ZIP:	262001
Country:	India
Telephone:	+91 (0)5882 255859
FAX:	+91 (0)5882 255518
E-Mail:	<a href="mailto:lhsugar@rediffmail.com">lhsugar@rediffmail.com</a>
URL:	
Represented by:	
Title:	Mr
Salutation:	
Last Name:	Prasad
Middle Name:	
First Name:	Sidharth
Department:	
Mobile:	
Direct FAX:	
Direct tel:	
Personal E-Mail:	



Organization:	Ministry of Environment and Forests
Street/P.O.Box:	CGO Complex, Lodhi Road
Building:	Room No 115, Paryavaran Bhawan
City:	New Delhi
State/Region:	
Postcode/ZIP:	110003
Country:	India
Telephone:	+91 (0)11 2436 2252
FAX:	
E-Mail:	<a href="mailto:rksethi@menf.delhi.nic.in">rksethi@menf.delhi.nic.in</a>
URL:	<a href="http://www.envfor.nic.in">www.envfor.nic.in</a>
Represented by:	
Title:	Mr
Salutation:	
Last Name:	Sethi
Middle Name:	K
First Name:	R
Department:	
Mobile:	
Direct FAX:	
Direct tel:	
Personal E-Mail:	



Organization:	Agrinergy Ltd
Street/P.O.Box:	School Lane
Building:	Cornerways House
City:	Ringwood
State/Region:	Hampshire
Postcode/ZIP:	BH24 1LG
Country:	UK
Telephone:	+44 (0)1258 830566
FAX:	+44 (0)1258 830566
E-Mail:	
URL:	<a href="http://www.agrinergy.com">www.agrinergy.com</a>
Represented by:	
Title:	Mr
Salutation:	
Last Name:	Taylor
Middle Name:	
First Name:	Robert
Department:	
Mobile:	+44 (0)7713 067473
Direct FAX:	
Direct tel:	
Personal E-Mail:	<a href="mailto:robert.taylor@agrinergy.com">robert.taylor@agrinergy.com</a>





**Annex 2**

**INFORMATION REGARDING PUBLIC FUNDING**

The project has not received public funding.

-----