

Comments on the Zhejiang Guodian Beilun Ultra-supercritical Power Project
5×600MW subcritical coal-fired power units

We have recently been made aware that the Zhejiang Guodian Beilun Ultra-supercritical Power Project Thermal Power Project is in the process of being approved for CDM.

The following is a short critique of why this project should not be approved as a CDM project.

Ignoring Local Communities:

At no point in the PDD do the project promoters mention who the local community are, what kind of impacts may be faced and what is being done for their mitigation.

To quote from the PDD *“The Project will create employment opportunities by providing 427 formal posts;”*

How many of these jobs will be made available to the local affected community, in all probability these jobs will go to skilled workers and trained professionals who may not be from the local affected community. So in what manner does the project seek to rehabilitate and compensate affected communities.

This aspect has to be reflected in the planning and allocation of funds for Social Welfare, rehabilitation of local affected communities. The addition of these funds would further influence the economic viability of the project. Without this consideration the project economics are not correctly reflected and more importantly the ignoring of affected communities in the planning makes the “PDD guilty of being based on falsified facts”, ignoring real factors

Comments Regarding Involving Local and Affected Communities in any consultations:

Importantly at no stage in the "Table B.5-1 Relevant progress of the Project" do they speak or mention any consultation with local communities. There is no mention of a Public Hearing , which for projects of such scale must be considered mandatory.

There is a Consultation with Global Stakeholders but none with local stake holders clearly pointing to a specific neglect of local communities.

For a project of this scale is not negotiable and should be grounds for withdrawal of CDM approval.

Time Line and negligence of critical Consultations

Below are some details of the timeline of the project: (taken from "Table B.5-1 Relevant progress of the Project")

3-Nov-05 - It was decided in the investment decision that the Project would be developed as a CDM project.

20-dec-05 - The EIA report of the Project was approved by the State Environmental Protection Administration.

Jan - 06 The feasibility study report of the Project was finished.

15-dec-06 The Project construction was started formally.

15 Sep-08 The PDD of the Project was public for global stakeholder process.

Comments Regarding the EIA Process:

For a project of such scale it is quite surprising to see the extremely fast processing of critical impact analysis elements. From the time the project was planned to be developed as a CDM project it took only a month for the EIA to be approved.

There are only two possibilities

a) the EIA exercise was just cursory and the intervening period of a maximum of 47 days (3rd Nov-2005 to 20 Dec 05) cannot be enough to do even a rapid EIA, let alone a comprehensive EIA required for a project of such magnitude. If the EIA was completed in this period it cannot reflect the true nature of the environment and the factors that affect it.

b.) the project has already been planned and the EIA exists from an earlier plan which has been sufficiently souped up to reflect some "Clean" changes.

In Either case, such an EIA cannot be considered acceptable for a CDM project

Analysis of Alternatives:

Alternative 7: Power generation technology using hydro power

Alternative 8: Power generation technologies using wind power, biomass power and MSW incineration power

Its ironic that if we were to look at the alternatives described in a PDD of a hydro project - they would use various arguments to show why Coal Based Thermal projects are "impossible" just as this PDD highlights the impossibility of any other form of energy production. The analysis of the alternatives is inadequate as it does not look at a comparison of the negative effects of the Zhejiang Guodian Beilun Power Project or of coal fired power plants with those of the alternatives shown.

None of the alternatives look at deficiencies in the existing infrastructure with commercial losses and losses from transmission, distribution. Nor has it looked at the alternatives of reducing power consumption and the largescale utilization of power saving devices.

The Alternatives provided are incomplete and have not been analysed with any fairness of logic nor have they been backed up by an analysis of the efficiency of alternatives.

Analysis of Similar Plants to determine efficiency and efficacy of the coal-fired power units

Quote from PDD

Start Quote : ***“Definition of similar plants to the project activity***

The sample group of similar power plants should consist of all power plants (except for cogeneration

power plants) as bellow:

- 1) That have been constructed in the previous five years;
- 2) That have a comparable size to the Project activity, defined from 50% to 150% of the installed capacity of the Project;

- 3) That are operated in the same load category, i.e. base load of more than 3000 hours per year; and
 - 4) That have supplied electricity to the grid in the year prior to the start of the Project activity.” **end**
- Quote**

Firstly , the fact that this PDD uses statistics and analysis from other “similar” coal fired plants as proof of the efficiency and efficacy of the technology, being sought to be promoted, makes it clear that neither the technology is new nor does the Zhejiang Guodian Beilun Power Project have anything new to offer other than a rehash to make it sound new.

Secondly if there are many similar existing coal fired power units in China it would mean that their internal economics and rate of returns must be viable for there to be so many already in existence, again disproving that the Zhejiang Guodian Beilun Power Project has any requirement for any additional funding to be made “viable” economically.

Both these should be considered as grounds for non approval of CDM status to the “Zhejiang Guodian Beilun Power Project”

Summary

It is quite clear from a viewing of the Zhejiang Guodian Beilun Power Project PDD submitted for approval of CDM status that the project promoters have no real intention of protecting the environment, there is the larger issue of the real efficacy of “The 1000-megawatt-per-unit ultra-supercritical technology, a kind of high-efficiency cleaner coal power generation technology “ which cannot be considered as proven. More importantly on the issues of EIA, Consultation with Communities and Analysis of Alternatives the Project Promoters have chosen to avoid subvert and avoid the real concerns.

It is requested that the Zhejiang Guodian Beilun Power Project application for awarding of CDM status be rejected.

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