



**CDM Project Activity Registration  
and Validation Report Form**

*(By submitting this form, designated operational entity confirms  
that the proposed CDM project activity meets all validation and  
registration requirements and thereby requests its registration)*

**Section 1: Request for registration**

Name of the designated operational entity (DOE) submitting this form	BVQI HOLDING S. A.
Title of the proposed CDM project activity (Section A.2 of the attached CDM-PDD) submitted for registration	14.8 MW SMALL-SCALE GRID CONNECTED WIND POWER PROJECT IN JAISALMER STATE RAJASTHAN, INDIA.
Project participants (Name(s))	RAJASHTAN STATE MINERAL AND MINERALS LIMITED
Sector in which project activity falls	Sector 1: Energy industries (renewable / non-renewable sources)
Is the proposed project activity a small-scale activity?	<u>Yes</u> / No (underline as applicable)

**Section 2: Validation report**

List of documents to be attached to this validation report (please check mark):	
<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> The CDM-PDD of the project activity</li> <li><input checked="" type="checkbox"/> An explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations;</li> <li><input checked="" type="checkbox"/> The written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Host country approval letter by DNA of the Government of India dated 26<sup>th</sup> December 2006</li> </ul> </li> <li><input checked="" type="checkbox"/> Other documents, including any validation protocol used in the validation <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Validation report (BVQI Report no. BVQI/IND/2005-12.49, rev.01), including a validation protocol, list of persons interviewed by the validation team during the validation process and the documents referred.</li> </ul> </li> <li><input checked="" type="checkbox"/> Information on when and how the above validation report is made publicly available.</li> <li><input type="checkbox"/> Banking information on the payment of the non-reimbursable registration fee</li> <li><input checked="" type="checkbox"/> A statement signed by all project participants stipulating the modalities of communicating with the Executive Board and the secretariat in particular with regard to instructions regarding allocations of CERs at issuance</li> </ul>	

**Executive Summary and Introduction, including**

- **Description of the proposed CDM project activity**
- **Scope of validation process (include all documentation that has been reviewed and name persons that have been interviewed as part of the validation, as applicable)**
- **DOE Validation team (list of all persons involved in the validation, describing functions assumed in the validation)**

- **Description of the proposed CDM project activity**

The proposed project activity involves installation and operation of 28 numbers of 350 kW (in equal phases of 14 machines each - Phase I & II) and 4 numbers of 1.25 MW (phase III) Wind Electric Generators (WEG) with a cumulative power generative capacity of 14.8 MW Badabagh and Pohra in Jaisalmer district of Rajasthan State, India.

The project participant is Rajasthan State Mines & Minerals Limited (RSMML). RSMML is a Government of Rajasthan enterprise.

The project starting date is August 2001. The project participant has opted for a fixed crediting period for 10 years starting from 01<sup>st</sup> August 2001.

The total emission reductions over the 10 years fixed crediting period are estimated to be about 1,33,523 tCO<sub>2e</sub>.

- **Scope of validation process**

The scope of validation is to assess the aspects of GHG reduction involved in the project. The validation scope is defined as an independent and objective review of the project design document, the project's baseline study and monitoring plan and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules and associated interpretations. BVQI has, based on the recommendations in the Validation and Verification Manual (IETA/PCF, Version 3.3, March 2004), employed a risk-based approach in the validation, focusing on the identification of significant risks for project implementation and the generation of CERs.

The validation is not meant to provide any consulting towards the Client. However, stated requests for clarifications and/or corrective actions may provide input for improvement of the project design.

- **Documents reviewed**

A number of documents and records were reviewed during the validation process. The key documents are listed below:

- CDM Project design Document (PDD) submitted on 07<sup>th</sup> October 2005 to BVQI India Private Limited including Final Version 04 dated 19th January 2006.
- Letter of approval dated 26/12/2005 from Designated National Authority of Host Country, India
- Resolution Passed by Board of Directors at the meeting to take up the Wind Mill Project.
- No Objection Certificate by the Rajasthan Government for installation of Wind Mills.
- Proof of commissioning of the Wind Mills by the Rajasthan Electricity Board.

- **Persons interviewed**

Gopal Gandhi	Senior Manager (Projects)
Sudhakar Pande	Site Manager SWFSPL
Manoj Sharma	Site Administration Manager SWFSPL
Dr Inderjeet Singh	Manager (CDM) Senergy Global Pvt Limited
Mr. Tripal Singh	Bhootpurva Sanik Shramik Theka Sahakari Samiti Ltd
Mr. Bheem Singh Rathore	Rathore Travels Vehicle/Taxi Services
Mr. Ramesh Golakia	Ramesh Electricals Electrical Work & Electrical Materials
Mr. Radheshyam Sharma	Hotel Saroj Palace Canteen Services

- **DOE Validation team**

<b>H B Muralidhar</b>	Team leader, performed the document review and site visit
<b>K H Sharma</b>	Team member, supported the team leader in document review, site visit and provided the necessary expertise in electricity generation
<b>Ashok Mammen</b>	Performed the technical review of the validation report

**Description of methodology for carrying out validation**

- Review of CDM-PDD and additional documentation attached to it
- Assessment against CDM requirements (e.g. by use of a validation protocol)
- Report of findings by the DOE, e.g. by use of type of findings (e.g. corrective action requests, clarifications or observations). Please explain the way findings are "labelled" during validation.
- Include statements or assessments in the section "Conclusions, final comments and validation opinion" below.

The overall validation, from Contract Review to Validation Report & Opinion, was conducted using internal procedures (BVQI Management System [BMS], September 2003), which were audited by the CDM Accreditation Team in December 2004.

In order to ensure transparency, a validation protocol was customised for the project, according to the Validation and Verification Manual (IETA/PCF, v. 3.3, 2004). The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from validating the identified criteria. The validation protocol serves the following purposes:

- It organises, details and clarifies the requirements a CDM project is expected to meet
- It ensures a transparent validation process where the validator will document how a particular requirement has been validated and the result of the validation.

The validation of the project consists of the following 3 phases:

- i) A desk review of the project design document and the baseline and monitoring plan [October 2005]
- ii) Follow-up interviews with the project stakeholders [26<sup>th</sup> and 27<sup>th</sup> October 2005]
- iii) The resolution of outstanding issues and the issuance of the final validation report and opinion [January 2006]

The validation involved a combination of desk review and site visit to the project site. The desk review consisted of an assessment of PDD against the CDM and other relevant criteria. This was followed by a site visit. The corrective and clarification requests were submitted to the client after the completion of site visit. The validation opinion and the final report were made subsequently.

The overall approach was risk-based assessment.

- **Review of CDM-PDD and additional documentation attached to it**

The PDD submitted by the client was reviewed against the CDM and other relevant criteria and approved methodology [initial version of October 2005, revised version of December 2005 and the final version January 2006]. All other documents submitted to BVQI for detailed calculations of baseline determination were also reviewed [October – December 2005].

- **Assessment against CDM requirements**

A validation protocol as per the procedures established by BVQI was used. This protocol was customised with additional checkpoints to address the requirements of the applicable approved methodology [October 2005].

The protocol provides for a transparent mechanism and information on how the CDM and other relevant criteria and methodology requirements were assessed by the validation team.

During the period from 26<sup>th</sup> to 27<sup>th</sup> October 2005, BVQI performed site visit and interviewed the project proponents and local stakeholders to confirm the information and resolve issues identified in the document review.

- **Report of findings by the DOE**

The desk review and site visit of the validation activity may result in corrective action requests [CAR] and/or clarification requests [CL].

A corrective action request is issued where the project information does not conform to the CDM and other relevant criteria. A clarification request is made where the project information is not sufficiently described and/or clarified.

The Corrective Action Request and Clarifications raised by BVQI were resolved during communications between the Client and BVQI. To guarantee the transparency of the validation process, the concerns raised and responses given are documented in Table 3 of the Validation Protocol in Appendix A of the Validation Report (Report no. BVQI/IND/2005-12.49).

Further details can be obtained from the "Methodology" Section of BVQI's Validation report BVQI/IND/2005-12.49 and the IETA/PCF Validation and Verification Manual ([www.vvmanual.info](http://www.vvmanual.info)).

**Explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations;**

- **Description of how and when the PDD was made publicly available**

<ul style="list-style-type: none"> <li>• Description of how comments were received and made publicly available</li> <li>• Explanation of how due account has been taken of comments received</li> <li>• Compilation of all comments received (Identify the submitter)</li> </ul>
<ul style="list-style-type: none"> <li>• Description of how and when the PDD was made publicly available</li> </ul> <p>According to the modalities for the validation of CDM projects, the validator shall make publicly available the project design document; receive, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available.</p> <p>BVQI published the project design document on the UNFCCC website (<a href="http://cdm.unfccc.int">http://cdm.unfccc.int</a>) from 08/11/2005 and invited comments within 07/12/2005 by Parties, stakeholders and non-governmental organisations.</p> <ul style="list-style-type: none"> <li>• Description of how comments were received and made publicly available</li> </ul> <p>No comments were received. This was published on the UNFCCC website (<a href="http://cdm.unfccc.int">http://cdm.unfccc.int</a>).</p>
<p><b>Conclusions, final comments and validation opinion</b></p> <ul style="list-style-type: none"> <li>• Provide conclusions on each requirement under paragraph 37 of the CDM modalities and procedures, describing how these requirements have been met. This shall include assessments and findings (e.g. corrective action requests, clarifications or observations) in relation to each requirement, including a confirmation that all issues raised have been addressed to the satisfaction of the DOE.</li> <li>• Final comments and validation opinion</li> </ul>
<p>Bureau Veritas Quality International (BVQI) has conducted the validation of the 14.8 MW small-scale grid connected wind power project of M/s. Rajasthan State Mines &amp; Minerals Limited (hereafter called "the project") located at two locations namely Badabagh and Pohra in Jaisalmer district state Rajasthan, India on the basis of UNFCCC criteria for the CDM, as well as criteria given to provide for consistent project operations, monitoring and reporting.</p> <p>The validation consisted of the following three phases: i) desk review of the project design and the baseline and monitoring plan (September 2005); ii) follow-up interviews with project stakeholders (October 2005); iii) resolution of outstanding issues and the issuance of the final validation report and opinion (January 2006).</p> <p>The review of the project design documentation (Final Version: January 2006 Version 04) and the follow up interviews have provided BVQI with sufficient evidence to determine the fulfillment of the stated criteria. In our opinion, the project criteria apply and meet the relevant UNFCCC requirements for the CDM and the relevant host country criteria.</p> <p><b>•Will the project result in emission reductions that are additional</b></p> <p>It is demonstrated that the project activity itself is not a likely baseline scenario due to the existence of investment, technological and other barriers due to prevailing practices.</p> <p>The project's additionality has been demonstrated through presenting mainly investment barriers occurring both during construction and operation of the project. RSSML was the first organization to invest in large scale wind farms in a remote desert terrain which lacked infrastructure (such as transmission lines, substations and roads). Also, lack of support in providing soft loans by the REDA (Rajasthan Energy Development Agency – state level nodal agency for promotion of non-conventional energy) has led to additional financial burden. RSSML was also, neither been able to transfer and make captive use of the generated electricity nor was it able to sell it to a third party Hindustan Zinc Limited, as initially conceived. Expenditure borne by RSSML due to nonavailability of the grid for transfer of electricity and poor plant load factor has been demonstrated as additional barrier. The sustainability of RSSML Project activities would depend on securing the proposed carbon finance through sale of carbon credits has been demonstrated by</p>

providing relevant data.

- **Local stakeholder comments and actions taken**

The project is located in a desert where there is virtually no inhabitation. There are no villages or communities in the vicinity of the project sites. Therefore, the only stakeholders considered were the local housekeeping, catering and transportation contractors (providers of housekeeping, taxi and allied services).

These stakeholders support the project and no modifications to the project design were necessary. As the project is not expected to have considerable social and environmental impacts, the local stakeholder consultation process carried out for the project is deemed sufficient.

- **Environmental impacts including transboundary impacts and impact assessment if applicable**

No significant environmental impacts have been identified from the project activity.

The host country (India) legislation does not require an analysis of the environmental impacts of the project activity since this is not applicable to Small Scale Projects.

The Government of Rajasthan requires that all wind mills sites in the state to obtain clearances from the local authority (District Collector). Accordingly, the project proponents have obtained the necessary clearances.

The Jaisalmer district is located in the heart of the Thar Desert. There are virtually no irrigation or industrial activities in the entire district.

The project activity promotes Wind energy Electricity Generators in the region. The project has contributed to the social, economical, environmental and technological well being of the rural public by improving conditions of the roads, generating employment opportunities etc.

- **Appropriateness of the methodology**

The project correctly applies the approved simplified baseline and monitoring methodology Category 1.D. 'Grid connected renewable electricity generation'.

It is demonstrated that the project activity itself is not a likely baseline scenario due to the existence of investment, technological and other barriers due to prevailing practices.

Various arguments are put forward regarding the investment and technological barriers. The sustainability of RSMML project activities would depend on securing the proposed carbon finance through sale of carbon credits has been demonstrated by providing respective data.

The GHG emissions calculations are documented in a complete and transparent manner. The calculated annual average of 13352.30 tCO<sub>2</sub>e over the ten-year crediting period of emission reduction represents a reasonable estimation using the assumptions given by the project documents.

- **Are the provisions for monitoring, verification and reporting in accordance with decision 17/CP.7**

The authority and responsibility of project management and monitoring measurement are clearly described. All indicators of importance for controlling and reporting of project performance are incorporated in the Monitoring Plan.

- **Conformance to all CDM requirements as per decision 17/CP.7**

The review of the project design document (Final Version December 2005) and the follow-up interviews has provided BVQI with sufficient evidence to determine the fulfillment of stated criteria. In our opinion, the project correctly applies and meets the relevant UNFCCC requirements for the CDM and the relevant host country criteria.

BVQI hence recommends the RSMML Windmill Project for registration with the UNFCCC.

Further details can be obtained from the "Validation Findings" Section and Table 1 of the Validation Protocol in Appendix A of BVQI's Validation report (BVQI report no. BVQI/IND/2005-12.49).

The validation is based on the information made available to us and the engagement conditions detailed in this report.

The DOE declares herewith that in undertaking the validation of this proposed CDM project activity it has no financial interest related to the proposed CDM project activity and that undertaking such a validation does not constitute a conflict of interest which is incompatible with the role of a DOE under the CDM.

By submitting this validation report, the DOE confirms that all validation requirements are met.

Name of authorized officer signing for the DOE

Ashok Mammen

Date and signature for the DOE

04/02/2006

*Ashok Mammen*

***Section below to be filled by UNFCCC secretariat***

Date when the form is received at UNFCCC secretariat

Date at which the registration fee has been received

Date at which registration shall be deemed final

Date of request for review, if applicable

Date and number of registration

Date

Number