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Validation Report

Standard Bank Plc

VALIDATION OF THE CDM-PROJECT:
NANZHAHE CASCADE HYDROPOWER
PROJECT, CHINA

REPORT NO. 1004062

2008, January 14

TÜV SÜD Industrie Service GmbH
Carbon Management Service
Westendstr. 199 - 80686 Munich – GERMANY

Report No.	Date of first issue	Revision No.	Date of this revision	Certificate No.
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Subject: Validation of a CDM Project			
Accredited TÜV SÜD Unit: TÜV SÜD Industrie Service GmbH Certification Body "climate and energy" Westendstr. 199 - 80686 Munich Federal Republic of Germany		TÜV SÜD Contract Partner: Jiangsu TÜV Product Service Shenzhen Branch Room A01, B01 & B02, 28th Floor Anlian Building No. 4018 Jintian Road, Futian District 518026 Shenzhen P.R. China	
Client: Standard Bank Plc 25 Dowgate Hill, Cannon Bridge House, London, ZIP: EC4R 2SB, United Kingdom.		Project Site(s): Zhenkang County, Lincang City, Yunnan Province, PR China Geographical coordinates: 23°47'58" N and 99°21'02" E (1 st hydropower plant) 23°46'08" N and 99°22'08" E (2 nd hydropower plant)	
Project Title: Nanzhahe Cascade Hydropower Project, China			
Applied Methodology / Version: AMS-I.D/version 10 ACM0002 / version 6		Scope(s): 1	
First PDD Version: Date of issuance: 2007-03-01 Version No.: 1 Starting Date of GSP 2007-05-12		Final PDD version: Date of issuance: 2008-01-10 Version No.: 3	
Estimated Annual Emission Reduction:		33,734 tons CO _{2e}	
Assessment Team Leader: Dr. Sven Kolmetz		Further Assessment Team Members: Chen Xiaoying Sebastian Randig Zhang Jiming	
Summary of the Validation Opinion:			
<input checked="" type="checkbox"/> The review of the project design documentation and the subsequent follow-up interviews have provided TÜV SÜD with sufficient evidence to determine the fulfilment of all stated criteria. In our opinion, the project meets all relevant UNFCCC requirements for the CDM. Hence TÜV SÜD will recommend the project for registration by the CDM Executive Board in case letters of approval of all Parties involved will be available before the expiring date of the applied methodology(ies) or the applied methodology version respectively.			
<input type="checkbox"/> The review of the project design documentation and the subsequent follow-up interviews have not provided TÜV SÜD with sufficient evidence to determine the fulfilment of all stated criteria. Hence TÜV SÜD will not recommend the project for registration by the CDM Executive Board and will inform the project participants and the CDM Executive Board on this decision.			

Abbreviations

ACM	Approved Consolidated Methodology
AM	Approved Methodology
CAR	Corrective Action Request
CDM	Clean Development Mechanism
CER	Certified Emission Reduction
CR	Clarification Request
DNA	Designated National Authority
DOE	Designated Operational Entity
EB	Executive Board
EIA / EA	Environmental Impact Assessment / Environmental Assessment
ER	Emission reduction
GHG	Greenhouse gas(es)
KP	Kyoto Protocol
MP	Monitoring Plan
NGO	Non Governmental Organisation
PDD	Project Design Document
PP	Project Participant
TÜV SÜD	TÜV SÜD Industrie Service GmbH
UNFCCC	United Nations Framework Convention on Climate Change
VVM	Validation and Verification Manual

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1 INTRODUCTION

1.1 Objective

The validation objective is an independent assessment by a Third Party (Designated Operational Entity = DOE) of a proposed project activity against all defined criteria set for the registration under the Clean Development Mechanism (CDM). Validation is part of the CDM project cycle and will finally result in a conclusion by the executing DOE whether a project activity is valid and should be submitted for registration to the CDM-EB. The ultimate decision on the registration of a proposed project activity rests at the CDM Executive Board and the Parties involved.

The project activity discussed by this validation report has been submitted under the project title:
Nanzhahe Cascade Hydropower Project, China.

1.2 Scope

The scope of any assessment is defined by the underlying legislation, regulation and guidance given by relevant entities or authorities. In the case of CDM project activities the scope is set by:

- The Kyoto Protocol, in particular § 12
- Decision 2/CMP1 and Decision 3/CMP.1 (Marrakech Accords)
- Further COP/MOP decisions with reference to the CDM (e.g. decisions 4 – 8/CMP.1)
- Decisions by the EB published under <http://cdm.unfccc.int>
- Specific guidance by the EB published under <http://cdm.unfccc.int>
- Guidelines for Completing the Project Design Document (CDM-PDD), and the Proposed New Baseline and Monitoring Methodology (CDM-NM)
- The applied approved methodology
- The technical environment of the project (technical scope)
- Internal and national standards on monitoring and QA/QC
- Technical guideline and information on best practice

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.

Once TÜV SÜD receives a first PDD version, it is made publicly available on the internet at TÜV SÜD's webpage as well as on the UNFCCC CDM-webpages for starting a 30 day global stakeholder consultation process (GSP). In case of any request a PDD might be revised (under certain conditions the GSP will be repeated) and the final PDD will form the basis for the final evaluation as presented by this report. Information on the first and on the final PDD version is presented at page 1.

The only purpose of a validation is its use during the registration process as part of the CDM project cycle. Hence, TÜV SÜD can not be held liable by any party for decisions made or not made based on the validation opinion, which will go beyond that purpose.

2 METHODOLOGY

The project assessment aims at being a risk based approach and is based on the methodology developed in the Validation and Verification Manual, an initiative of Designated and Applicant Entities, which aims to harmonize the approach and quality of all such assessments.

In order to ensure transparency, a validation protocol was customised for the project. TÜV SÜD developed a “cook-book” for methodology-specific checklists and protocol based on the templates presented by the Validation and Verification Manual. The protocol shows, in a transparent manner, criteria (requirements), the discussion of each criterion by the assessment team 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 protocol consists of three tables. The different columns in these tables are described in the figure below.

The completed validation protocol is enclosed in Annex 1 to this report.

Validation Protocol Table 1: Conformity of Project Activity and PDD				
Checklist Topic / Question	Reference	Comments	PDD in GSP	Final PDD
<i>The checklist is organised in sections following the arrangement of the applied PDD version. Each section is then further subdivided. The lowest level constitutes a checklist question / criterion.</i>	<i>Gives reference to documents where the answer to the checklist question or item is found in case the comment refers to documents other than the PDD.</i>	<i>The section is used to elaborate and discuss the checklist question and/or the conformance to the question. It is further used to explain the conclusions reached. In some cases sub-checklist are applied indicating yes/no decisions on the compliance with the stated criterion. Any Request has to be substantiated within this column</i>	<i>Conclusions are presented based on the assessment of the first PDD version. This is either acceptable based on evidence provided (<input checked="" type="checkbox"/>) , or a Corrective Action Request (CAR) due to non-compliance with the checklist question (See below). Clarification Request (CR) is used when the validation team has identified a need for further clarification.</i>	<i>Conclusions are presented in the same manner based on the assessment of the final PDD version.</i>

Validation Protocol Table 2: Resolution of Corrective Action and Clarification Requests			
Clarifications and corrective action requests	Ref. to table 1	Summary of project owner response	Validation team conclusion
<i>If the conclusions from table 1 are either a Corrective Action Request or a Clarification Request, these should be listed in this section.</i>	<i>Reference to the checklist question number in Table 1 where the Corrective Action Request or Clarification Request is explained.</i>	<i>The responses given by the client or other project participants during the communications with the validation team should be summarised in this section.</i>	<i>This section should summarise the validation team's responses and final conclusions. The conclusions should also be included in Table 1, under "Final PDD".</i>

In case of a denial of the project activity more detailed information on this decision will be presented in table 3.

Validation Protocol Table 3: Unresolved Corrective Action and Clarification Requests		
Clarifications and corrective action requests	Id. of CAR/CR 1	Explanation of the Conclusion for Denial
<i>If the final conclusions from table 2 results in a denial the referenced request should be listed in this section.</i>	<i>Identifier of the Request.</i>	<i>This section should present a detail explanation, why the project is finally considered not to be in compliance with a criterion.</i>

2.1 Appointment of the Assessment Team

According to the technical scopes and experiences in the sectoral or national business environment TÜV SÜD has composed a project team in accordance with the appointment rules of the TÜV SÜD certification body "climate and energy". The composition of an assessment team has to be approved by the Certification Body ensuring that the required skills are covered by the team. The Certification Body TÜV SÜD operates four qualification levels for team members that are assigned by formal appointment rules:

- Assessment Team Leader (ATL)
- Greenhouse Gas Auditor (GHG-A)
- Greenhouse Gas Auditor Trainee (T)
- Experts (E)

It is required that the sectoral scope linked to the methodology has to be covered by the assessment team.

The validation team was consisting of the following experts (the responsible Assessment Team Leader in written in bold letters):

Name	Qualification	Coverage of technical scope	Coverage of sectoral expertise	Host country experience
Dr. Sven Kolmetz	ATL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chen Xiaoying	GHG-A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sebastian Randig	GHG-A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Zhang Jiming	A			<input checked="" type="checkbox"/>

Dr. Sven Kolmetz is physicist and auditor at the department “TÜV Carbon Management Service” located in the head office of TÜV SÜD IS GmbH in Munich. Furthermore he is officially authorized expert in the verification of GHG emissions in the framework of the European Emission Trading Scheme. Before entering TÜV SÜD he worked as energy consultant for industrial companies and as consultant for the German Federal Government on instruments for the reduction of GHG emissions.

Chen Xiaoying is an auditor for environmental management systems (according to ISO 14001) at Jiangsu TUV Product Service Ltd. She is based in Beijing. In her position she is responsible for the implementation of validation, verification and certifications audits for management systems. She has received training in the CDM validation process and participated already in several CDM project assessments.

Sebastian Randig is a GHG auditor for environmental management systems at the “Carbon Management Service” in the head office of TÜV Industrie Service GmbH, Germany. He holds a M.Sc. degree in Renewable Energy and has gathered experience in planning and installing renewable energy installations before joining TÜV SÜD. He has received training in the CDM validation process and participated in several CDM project assessments.

Zhang Jiming is an auditor for environmental management systems (according to ISO 14001) at Jiangsu TUV Product Service Ltd. He is based in Beijing. In his position he is responsible for the implementation of validation, verification and certifications audits for management systems. He has received training in the CDM validation process and participated already in several CDM project assessments.

2.2 Review of Documents

The first PDD version submitted by the client and additional background documents related to the project design and baseline were reviewed as initial step of the validation process. A complete list of all documents and proofs reviewed is attached as annex 2 to this report.

2.3 Follow-up Interviews

In the period of May 17th -18th, 2007 TÜV SÜD performed interviews on-site with project stakeholders to confirm selected information and to resolve issues identified in the first document review. The table below provides a list of all persons interviewed in the context of this on-site visit.

Name	Organisation
Mr. Zeng Chengde	Board member of Yongzhou Zhongxin Hydropower Development Co., Ltd
Mr. Li Jianwei	CDM Manager of Accord Global Environment Technology Co., Ltd

2.4 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the validation is to resolve the requests for corrective actions and clarifications and any other outstanding issues which needed to be clarified for TÜV SÜD's positive conclusion on the project design. The Corrective Action Requests and Clarification Requests raised by TÜV SÜD were resolved during communication between the client and TÜV SÜD. To guarantee the transparency of the validation process, the concerns raised and responses that have been given are summarised in chapter 3 below and documented in more detail in the validation protocol in annex 1.

2.5 Internal Quality Control

As final step of a validation the validation report and the protocol have to undergo an internal quality control procedure by the Certification Body "climate and energy", i.e. each report has to be approved either by the head of the certification body or his deputy. In case one of these two persons is part of the assessment team approval can only be given by the other one.

It rests at the decision of TÜV SÜD's Certification Body whether a project will be submitted for re-requesting registration by the EB or not.

3 SUMMARY OF FINDINGS

As informed above all findings are summarized in table 2 of the attached validation protocol.

History of the validation process

The audit team has been provided with a draft PDD in March 2007. Based on this documentation a document review and a fact finding mission in form of an on-site audit has taken place. Afterwards the client decided to revise the PDD according to the CARs and CRs indicated in the audit process. The final PDD version submitted in January 2008 serves as the basis for the assessment presented herewith. Changes are not considered to be significant with respect to the qualification of the project as a CDM project based on the two main objectives of the CDM to achieve a reduction of anthropogenic GHG emissions by sources and to contribute to sustainable development.

Project description

The following description of the project as per the PDD could be verified during the on-site audit.

Nanzhahe Cascade Hydropower Project consists of 2 hydropower plants with a total installed capacity of 10.4 MW. It will provide 40 GWh renewable electricity to the China Southern Power Grid and thus displace electricity generated by carbon intensive fossil fuel fired power plants. The two hydropower plants are diversion run-of-river hydropower stations with an installed capacity of 6.4 MW (2*3.2MW) and 4 MW (2*2 MW) respectively and a pretended electricity generation of 24.22 GWh and 15.78 GWh respectively.

Findings

In total the assessment team expressed 2 Clarification Requests and 8 Corrective Action Requests. Some of the requests addressed formal aspects, such as additional information of the project, project participants, issues concerning project schedule, the version of the applied methodology, location of the project activity, inconsistent information about the amount of emission reductions and missing parameters (CAR 1, CAR 2, CAR 3, CAR 4, CAR 5, CAR 6, CAR 10 and CR 2). Besides this, the project owner had to deliver additional documents regarding the additionality (CR 1) and the monitoring had to be described more detailed in aspects like parameters to be monitored and ammeter location (CAR 8 and CAR 9). Finally, the discussion about what date to be used for the calculation of the emissions factor was resolved (CAR 7).

Baseline calculation

For the BM calculation the PDD adopts modified methods agreed by the EB for the approved methodologies AM0005 and AMS I.D. because plant specific data are not available in China. The emission factor of the thermal power plants is calculated by the proportion of the emissions of coal, gas and oil times the emission factor of the best available coal, gas and oil power plant as defined and published by the Chinese DNA. The new thermal capacity installation that exceeds 20% in the last years, for which data are available, is finally assessed with this factor. The emission reductions are calculated based on the IPCC 2006 values and the Chinese yearbooks 2001 – 2006 as published by the Chinese DNA on August 09, 2007. These were the latest available data at the time writing the PDD. Even though TUEV's findings after checking NDRC emissions factors have not been considered by the project participants, the figures used in the PDD are more conservative and hence have been accepted.

Additionality

The additionality of the project was checked carefully. In doing so the assessment team has put the main focus on the following issues.

The consideration of CDM before start of construction has been confirmed by the Board Resolution of Yongzhou Zhongxin Hydropower Development Co., Ltd dated on September 16, 2004 (Refer to Annex 2 No. 13). This is before the date of starting the project activity, which is October 2004 for 2nd level station and October 2005 for 1st level station.

The additionality tool has not been used, instead Attachment A of Appendix B of the simplified modalities and procedures for small-scale CDM project activities. It has been identified an investment barrier, that prevents the project activity to occur without CER revenues.

It is described in detail that the proposed project is not financially attractive without CER revenues. The basic figures of the IRR calculation, as presented in Table 2 of the PDD, have been evidenced by the preliminary design report. This report was approved by the local native speaking auditor. Further the calculation spreadsheet and the source of the benchmark was checked. Both documents will be uploaded together with the PDD. The benchmark of 10% is frequently used in the Chinese power sector. By demonstrating the IRR of 1st level amounts 8,24% and of 2nd level is 7,35% it is clearly demonstrated that the project faces a financial barrier. Also a sensitivity analysis is performed, by taking into account 10% variations in total investment costs, operation and maintenance costs and net power output. It deems reasonable to use the applied variables, they present well realistic variations of these key parameters. To conclude the sensitivity analysis it can be stated that under non of the assumed variation of variables the benchmark of 10% is met. We thus conclude the project is financially unattractive without CER revenues.

On the other side, CER revenues help to overcome the investment barrier.

To conclude the additionality assessment we can state that, according to all the documents we have reviewed, we can confirm the additionality of the project based on the available information.

4 COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

TÜV SÜD published the project documents on UNFCCC website by installing a link to TÜV SÜD's own website and invited comments by Parties, stakeholders and non-governmental organisations during a period of 30 days.

The following table presents all key information on this process:

webpage: http://www.netinform.de/KE/Wegweiser/Guide2_1.aspx?ID=3015&Ebene1_ID=26&Ebene2_ID=920&mode=1	
Starting date of the global stakeholder consultation process: 2007-05-12	
Comment submitted by: none	Issues raised: -
Response by TÜV SÜD: -	

5 VALIDATION OPINION

TÜV SÜD has performed a validation of the following proposed CDM project activity:

Nanzhahe Cascade Hydropower Project, China.

The review of the project design documentation and the subsequent follow-up interviews have provided TÜV SÜD with sufficient evidence to determine the fulfilment of stated criteria. In our opinion, the project meets all relevant UNFCCC requirements for the CDM. Hence TÜV SÜD will recommend the project for registration by the CDM Executive Board.

An analysis as provided by the applied methodology demonstrates that the proposed project activity is not a likely baseline scenario. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity. Given that the project is implemented as designed, the project is likely to achieve the estimated amount of emission reductions as specified within the final PDD version.

The validation is based on the information made available to us and the engagement conditions detailed in this report. The validation has been performed using a risk based approach as described above. The only purpose of this report is its use during the registration process as part of the CDM project cycle. Hence, TÜV SÜD can not be held liable by any party for decisions made or not made based on the validation opinion, which will go beyond that purpose.

Munich, 2008 – 01 – 14

Munich, 2008 - 01 - 14



Certification Body "climate and energy"
TÜV SÜD Industrie Service GmbH



Assessment Team Leader

Validation of the CDM Project:
Nanzhahe Cascade Hydropower Project, China



ANNEX 1: VALIDATION PROTOCOL

Validation Protocol

Project Title: Nanzhahe Cascade Hydro Power Project

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CHECKLIST TOPIC / QUESTION	Ref.	COMMENTS	PPD in GSP	Final PDD
A. General description of small-scale project activity				
A.1. Title of the small-scale project activity				
A.1.1. Does the used project title clearly enable to identify the unique CDM activity?	1, 2	The project is titled with the name of the project location and the energy source of the project. Hence, it can be clearly identified. The project title is Nanzhahe Cascade Hydropower Project.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.1.2. Are there any indication concerning the revision number and the date of the revision?	1, 2	The available PDD is indicated as version 01, and was completed on March, 1st, 2007.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.1.3. Is this consistent with the time line of the project's history?	1, 2	Yes, it is.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.2. Description of the small-scale project activity				
A.2.1. Is the description delivering a transparent overview of the project activities?	1, 2	The project is described transparently and the project activities described have been proven during on site audit. <u>Corrective Action Request No.1.</u> It is required to provide additional information of the project. E.g. the name of the developer, manufacturer and constructor, the starting date and the current status of the project.	CAR1.	<input checked="" type="checkbox"/>
A.2.2. What proofs are available demonstrating that the project description is in compliance with the actual situation or planning?	1, 2 6-10	The planning is described in the feasibility study. The project activity is the displacement of electricity generated by coal fired power plants with electricity generated by hydro power. The following data deliver evidences for the project activity: <ul style="list-style-type: none"> - Feasibility study - The feasibility study approval letter signed by Lincang development and reform commission - Approval of connecting to the Lincang power grid - The EIA approval of the first level and the second level power plant 		<input checked="" type="checkbox"/>

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		These documents have been evidenced during the audit.		
A.2.3. Is the information provided by these proofs consistent with the information provided by the PDD?	1, 2	Yes, it is. During on site audit, the audit team reviewed these proofs provided by the project owner. They are consistent with the information provided by the PDD.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.2.4. Is all information presented consistent with details provided by further chapters of the PDD?	1, 2	Yes, there is no inconsistency in the PDD.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.2.5. Does the description of the technology to be applied provide sufficient and transparent input to evaluate its impact on the greenhouse gas balance?	1, 2	Yes, the proposed project is a renewable energy project, it will achieve GHG emission reductions by avoiding CO2 emissions from the business-as usual scenario electricity generation of those fossil fuel-fired power plants connected into the China Southern Power Grid.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.2.6. Is the brief explanation how the project will reduce greenhouse gas emission transparent and suitable?	1, 2	Yes. Please see A.2.5.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.3. Project participants				
A.3.1. Is the form required for the indication of project participants correctly applied?	1, 2	The form is correctly applied. In Table A.1 and Annex 1 the two parties involved in the project are mentioned: United Kingdom (Standard Bank Plc.) and P.R. China (Yongzhou Zhongxin Hydro-power Development Co., Ltd.)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.3.2. Is the participation of the listed entities or Parties confirmed by each one of them?	1, 2	Open Issue Please deliver the LoA issued by China and UK together with MoC countersigned by both parties to DOE before raising the request of registration.	Open issue	<input checked="" type="checkbox"/>
A.3.3. Is all information on participants / Parties provided in consistency with details provided by further chapters of the PDD (in particular annex 1)?	1, 2	Corrective Action Request No.2. The participants' name is not consistent with details provided in Annex 1. This inconsistency should be resolved.	CAR2.	<input checked="" type="checkbox"/>
A.4. Technical description of the small-scale project activity				

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A.4.1. Location of the small-scale project activity				
A.4.1.1. Does the information provided on the location of the project activity allow for a clear identification of the site(s)?	1, 2	The project' location could be clearly identified according to the PDD. The project site is located at the Nanzhahe River within Zhengkang Country, Lincang City, Yunnan Province, P. R. China. However the GPS coordinates are not very precise. <u>Corrective Action Request No.3.</u> Please provide exact location of each of the two hydro power plants individually.	CAR3	<input checked="" type="checkbox"/>
A.4.1.2. How is it ensured and/or demonstrated, that the project proponents can implement the project at this site (ownership, licenses, contracts etc.)?	1, 2, 6, 8, 10	The EIA approval letter is signed by Zhenkang EPB on 22 nd , Aug, 2005 and the project approval letter is signed by Lincang development and reform commission on 2 nd , Sep, 2005.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2. Type and category(ies) and technology/measure of the small-scale project activity				
A.4.2.1. To which type(s) does the project activity belong to? Is the type correctly identified and indicated?	1, 2	The proposed project belongs to scope 1 (Energy industries (renewable/ non- renewable sources) as it deals with energy generation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.2. To which category (ies) does the project activity belong to? Is the category correctly identified and indicated?	1, 2	The project falls into Category I.D.-Grid Connected Renewable Electricity Generation. Yes. The category is correctly identified and indicated.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.3. Does the technical design of the project activity reflect current good practices?	1, 2	The domestically sourced project design is standard hydropower technology and hence reflects the current good practices to use renewable resources to generate electricity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.4. Does the implementation of the project activity require any technology transfer from Annex-I-countries to the host country (ies)?	1, 2	No, it doesn't. There is no technology transfer from annex-I countries to China by the proposed project.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.5. Is the technology implemented by the project activity environmentally safe?	1, 2, 9	Yes. The main environmental impacts will be brought about during the construction period, which are small and some of the impacts are temporary and short lived. The employed environmental pro-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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		testing methods will reduce and avoid the negative impacts.		
A.4.2.6. Is the information provided in compliance with actual situation or planning?	1, 2 11	Yes, it is in compliance as validated on-site on May, 17 th , 2007. The construction work of the power house, the dam and preparation for the turbines have been quite far developed and it appears reasonable to assume completion of the construction works and starting of the plants operation by October 2007.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.7. Does the project use state of the art technology and / or does the technology result in a significantly better performance than any commonly used technologies in the host country?	1, 2	The common practice for electricity generation is still coal-fired power plant. Hence, the project definitely would result in a better performance than the common practice.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.8. Is the project technology likely to be substituted by other or more efficient technologies within the project period?	1, 2 7	No. The life time of the project is under normal circumstances longer than the crediting period.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.9. Does the project require extensive initial training and maintenance efforts in order to be carried out as scheduled during the project period?	1, 2 12- 15	Yes, the training evidence, including pictures and course agenda have been reviewed by the validator on site.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.10. Is information available on the demand and requirements for training and maintenance?	1, 2 12- 15	See A.4.2.9.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.4.2.11. Is a schedule available for the implementation of the project and are there any risks for delays?	1, 2	The planning schedule in the past and for the future was clearly described by the project owner during the audit. The level 2 power plant has been put into test operation and the equipments of the level 1 power plant have been purchased, the main construction work of level 1 is nearly finished. <u>Corrective Action Request No.4.</u> The time schedule of the implementation of the project should be included into the PDD.	CAR4.	<input checked="" type="checkbox"/>
A.4.3. Estimated amount of emission reductions over the chosen crediting period				
A.4.3.1. Is the form required for the indica-	1, 2	Yes. The form is correctly applied according to SSC PDD format	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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tion of projected emission reductions correctly applied?		revision Guideline. The project emission reductions are shown in chapter A.4.3 according to the guidelines.												
A.4.3.2. Are the figures provided consistent with other data presented in the PDD?	1, 2	<u>Corrective Action Request No.5.</u> The crediting period will start after the registration of this project, so the starting date of the crediting period and the estimated emission reductions of the year 2007 in Table 1 and further chapters of the PDD have to be revised.	CAR5.	<input checked="" type="checkbox"/>										
A.4.3.3. Are the figures consistent with the small-scale criteria for the used Type?	1, 2	Yes. The total installed capacity of the proposed project is consistent with the small-scale criteria for the renewable sources.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
A.4.4. Public funding of the small-scale project activity														
A.4.4.1. Is the information provided on public funding provided in compliance with the actual situation or planning as available by the project participants?	1, 2	Yes. There is no public funding necessary; all costs are covered by private equity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
A.4.4.2. Is all information provided consistent with the details given in remaining chapters of the PDD (in particular annex 2)?	1, 2	Yes, the information on public funding is consistent with the information provided in Annex 2 where is also mentioned that no public funding takes place.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
A.4.5. Confirmation that the small-scale project activity is not a debundled component of a large scale project activity														
A.4.5.1. Is there a registered small-scale CDM project activity or an application to register another small-scale CDM project activity: with the following characteristics:	1, 2	<table><tr><th>Debundling checklist</th><th>Yes / No</th></tr><tr><td>the same project participants?</td><td>No</td></tr><tr><td>In the same project category and technology/measure?</td><td>Yes</td></tr><tr><td>Registered within previous two years? Or in registration process?</td><td>Yes</td></tr><tr><td>Whose boundary is within 1 km of the project boundary of the small scale project activity under consideration?</td><td>No</td></tr></table>	Debundling checklist	Yes / No	the same project participants?	No	In the same project category and technology/measure?	Yes	Registered within previous two years? Or in registration process?	Yes	Whose boundary is within 1 km of the project boundary of the small scale project activity under consideration?	No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Debundling checklist	Yes / No													
the same project participants?	No													
In the same project category and technology/measure?	Yes													
Registered within previous two years? Or in registration process?	Yes													
Whose boundary is within 1 km of the project boundary of the small scale project activity under consideration?	No													
A.4.5.2. If the answer to all the above question is 'Yes' then does the total size of the	1, 2	The proposed project is not a debundled component of a larger project activity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										

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small scale project activity combined with previously registered small scale CDM project activity exceeds the limits of small scale CDM project activities?												
B. Application of a baseline and monitoring methodology												
B.1. Title and reference of the approved baseline and monitoring methodology applied to the small-scale project activity												
B.1.1.1.Are reference number, version number, and title of the baseline and monitoring methodology clearly indicated?	1, 2	The approved methodology AMS-I.D. "Grid connected renewable electricity generation" (version 10) and ACM0002 (version 06) are used.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								
B.1.1.2.Is the applied version the most recent one and / or is this version still applicable?	1, 2	The applied version is the most recent one and is still applicable.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								
B.2. Justification of the choice of the project category												
B.2.1. Is the applied methodology considered the most appropriate one?	1, 2	Yes. It is. The total installed capacity of the hydro project is 10.4MWh, which does not exceed the limit of 15MW stipulated for the chosen methodology, therefore the AMS-I.D is applicable to the project.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								
B.2.1.1. Criterion 1: This category comprises renewable energy generation units, such as photovoltaics, hydro, tidal/wave, wind, geothermal and renewable biomass, that supply electricity to and/or displace electricity from an electricity distribution system that is or would have been supplied by at least one fossil fuel fired generating unit.	1, 2	<table border="1"> <tr> <td>Applicability checklist</td> <td>Yes / No / NA</td> </tr> <tr> <td>Criterion discussed in the PDD?</td> <td>Yes</td> </tr> <tr> <td>Compliance provable?</td> <td>Yes</td> </tr> <tr> <td>Compliance verified?</td> <td>Yes</td> </tr> </table>	Applicability checklist	Yes / No / NA	Criterion discussed in the PDD?	Yes	Compliance provable?	Yes	Compliance verified?	Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Applicability checklist	Yes / No / NA											
Criterion discussed in the PDD?	Yes											
Compliance provable?	Yes											
Compliance verified?	Yes											
B.2.1.2. Criterion 2: If the unit added has both renewable and non-renewable compo-	1, 2	<table border="1"> <tr> <td>Applicability checklist</td> <td>Yes / No / NA</td> </tr> </table>	Applicability checklist	Yes / No / NA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Applicability checklist	Yes / No / NA											

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nents (e.g.. a wind/diesel unit), the eligibility limit of 15MW for a small-scale CDM project activity applies only to the renewable component. If the unit added co-fires fossil fuel, the capacity of the entire unit shall not exceed the limit of 15MW.		<table><tr><td>Criterion discussed in the PDD?</td><td>N/A</td></tr><tr><td>Compliance provable?</td><td>N/A</td></tr><tr><td>Compliance verified?</td><td>N/A</td></tr></table>	Criterion discussed in the PDD?	N/A	Compliance provable?	N/A	Compliance verified?	N/A				
Criterion discussed in the PDD?	N/A											
Compliance provable?	N/A											
Compliance verified?	N/A											
B.2.1.3. Criterion 3: Biomass combined heat and power (co-generation) systems that supply electricity to and/or displace electricity from a grid are included in this category. To qualify under this category, the sum of all forms of energy output shall not exceed 45 MWthermal e.g. for a biomass based co-generating system the rating for all the boilers combined shall not exceed 45 MWthermal.	1, 2	<table><tr><td>Applicability checklist</td><td>Yes / No / NA</td></tr><tr><td>Criterion discussed in the PDD?</td><td>N/A</td></tr><tr><td>Compliance provable?</td><td>N/A</td></tr><tr><td>Compliance verified?</td><td>N/A</td></tr></table>	Applicability checklist	Yes / No / NA	Criterion discussed in the PDD?	N/A	Compliance provable?	N/A	Compliance verified?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Applicability checklist	Yes / No / NA											
Criterion discussed in the PDD?	N/A											
Compliance provable?	N/A											
Compliance verified?	N/A											
B.2.1.4. Criterion 4: In the case of project activities that involve the addition of renewable energy generation units at an existing renewable power generation facility, the added capacity of the units added by the project should be lower than 15 MW and should be physically distinct ¹ from the existing units.	1, 2	<table><tr><td>Applicability checklist</td><td>Yes / No / NA</td></tr><tr><td>Criterion discussed in the PDD?</td><td>N/A</td></tr><tr><td>Compliance provable?</td><td>N/A</td></tr><tr><td>Compliance verified?</td><td>N/A</td></tr></table>	Applicability checklist	Yes / No / NA	Criterion discussed in the PDD?	N/A	Compliance provable?	N/A	Compliance verified?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Applicability checklist	Yes / No / NA											
Criterion discussed in the PDD?	N/A											
Compliance provable?	N/A											
Compliance verified?	N/A											
B.2.1.5. Criterion 5: Project activities that seek to retrofit or modify an existing facility for renewable energy generation are included in this category. To qualify as a small scale project, the total output of the modified or retrofitted unit shall not	1, 2	<table><tr><td>Applicability checklist</td><td>Yes / No / NA</td></tr><tr><td>Criterion discussed in the PDD?</td><td>N/A</td></tr><tr><td>Compliance provable?</td><td>N/A</td></tr></table>	Applicability checklist	Yes / No / NA	Criterion discussed in the PDD?	N/A	Compliance provable?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Applicability checklist	Yes / No / NA											
Criterion discussed in the PDD?	N/A											
Compliance provable?	N/A											

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exceed the limit of 15 MW.		Compliance verified?	N/A		
B.3. Description of the project boundary					
B.3.1. Does the project boundary include physical, geographical site where the project activity takes place?	1, 2	Yes, the boundary of the proposed project is Southern China Power Grid which is consistent with the guideline published on December, 15 th , 2006 by NDRC.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.3.2. Do the spatial and technological boundaries as verified on-site comply with the discussion provided by / indication included to the PDD?	1, 2	Yes.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.4. Description of baseline and its development					
B.4.1 Have all technically feasible baseline scenario alternatives to the project activity been identified and discussed by the PDD? Why can this list be considered as being complete?	1, 2	Based on the simplified modalities and procedures for small-scale CDM project activities, the baseline is KWh produced by the renewable generating unit multiplied by an emission coefficient calculated in a transparent and conservative manner.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.4.2 Does the project identify correctly and excludes those options not in line with regulatory or legal requirements?	1, 2	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.4.3 In case of any modification or retrofit of existing facilities: Have conservative assumptions been applied in order to estimate the point in time when the existing equipment needs to be replaced?	1, 2	N / A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.5. 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:					
B.5.1. In case of applying step 2 / investment		N / A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

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	analysis for additionality demonstration: Is the analysis method identified appropriately (step 2a)?				
B.5.2.	In case of Option I (simple cost analysis): Is it demonstrated that the activity produces no economic benefits other than CDM income?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.5.3.	In case of Option II (investment comparison analysis): Is the most suitable financial indicator clearly identified (IRR, NPV, cost benefit ratio, or (levelized) unit cost)?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.5.4.	In case of Option III (benchmark analysis): Is the most suitable financial indicator clearly identified (IRR, NPV, cost benefit ratio, or (levelized) unit cost)?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.5.5.	In case of Option II or Option III: Is the calculation of financial figures for this indicator correctly done for all alternatives and the project activity?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.5.6.	In case of Option II or Option III: Is the analysis presented in a transparent manner including publicly available proofs for the utilized data?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.5.7.	In case of applying step 3 (barrier analysis) of the additionality tool: Is a complete list of barriers developed that prevent the different alternatives to occur?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.5.8.	In case of applying step 3 (barrier analysis): Is transparent and documented evidence provided on the existence and significance of these barriers?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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B.5.9.	In case of applying step 3 (barrier analysis): Is it transparently shown that the execution of at least one of the alternatives is not prevented by the identified barriers?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
B.5.10.	Have other activities in the host country / region similar to the project activity been identified and are these activities appropriately analyzed by the PDD (step 4a)?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
B.5.11.	If similar activities are occurring: Is it demonstrated that in spite of these similarities the project activity would not be implemented without the CDM component (step 4b)?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
B.5.12.	Is it appropriately explained how the approval of the project activity will help to overcome the economic and financial hurdles or other identified barriers (step 5)?		N /A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
If the additionality tool has not been used please answer B.5.13 to B.5.18														
B.5.13.	If the starting date of the project activity is before the date of validation, is evidence available to prove that incentive from the CDM was seriously considered in the decision to proceed with the project activity?	1, 2 3	Yes, the resolution of CDM implementation is clearly presented to the auditor, and the date of the decision is before the starting date of the project activity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
B.5.14.	Is a complete list of barriers developed that prevents the project activity to occur?	1, 2 3	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
B.5.15.	Does this list include at least one of the following barriers?	1, 2 3 16- 18	<table><tr><th>Barrier</th><th>Discussed?</th><th>Verifiable?</th></tr><tr><td>Investment</td><td>Yes</td><td>Yes</td></tr><tr><td>Technological</td><td>N/A</td><td>N/A</td></tr></table>	Barrier	Discussed?	Verifiable?	Investment	Yes	Yes	Technological	N/A	N/A	CR1	<input checked="" type="checkbox"/>
Barrier	Discussed?	Verifiable?												
Investment	Yes	Yes												
Technological	N/A	N/A												

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		<table><tr><td>Due to prevailing practice</td><td>N/A</td><td>N/A</td></tr><tr><td>Other</td><td>Yes</td><td>Yes</td></tr></table>	Due to prevailing practice	N/A	N/A	Other	Yes	Yes		
Due to prevailing practice	N/A	N/A								
Other	Yes	Yes								
		Clarification Request No.1 Please deliver the evidence of the CERs price to the DOE.								
B.5.16. Does the discussion sufficiently take into account relevant national and/or sectoral policies?	1, 2 3, 17 18	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
B.5.17. Is transparent and documented evidence provided on the existence and significance of these barriers?	1, 2 3, 17 18	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
B.5.18. Is it appropriately explained how the approval of the project activity will help to overcome the identified barriers?	1, 2	Yes. It is presented in the PDD that the project faces significant commercial and financial barriers without CER revenues.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
B.6. Emissions reductions										
B.6.1. <i>Explanation of methodological choices</i>										
B.6.1.1.Is it explained how the procedures provided in the methodology are applied by the proposed project activity?	1, 2	The calculation of the emission reduction is applied according to the steps described in ACM0002: <ul style="list-style-type: none">- Calculation of the Operating Margin Emission Factor- Calculation of the Build Margin Emission Factor- Calculation of the Baseline Emission Factor These steps are described in a transparent manner.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
B.6.1.2.Is every selection of options offered by the methodology correctly justified and is this justification in line with the situation verified on-site?	1, 2	Yes, the selection of options offered by ACM0002 is correctly justified which has been verified during on-site audit.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
B.6.1.3.Determination of project emissions (Comment on any line answered “No”)										
7.1.2.2 Component 1: emissions from	1, 2		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						

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use of fossil fuel		Project emission checklist		Yes / No		
		Component discussed in the PDD?		N/A		
		Formulae correctly applied?		N/A		
B.6.1.4.Are the formulae required for the determination of baseline emissions correctly presented, enabling a complete identification of parameters to be used and / or monitored?	1, 2	Yes, formulae to calculate the baseline emissions are correctly presented in chapter B6.1			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.1.5.Are the formulae required for the determination of leakage emissions correctly presented, enabling a complete identification of parameter to be used and / or monitored?	1, 2	No leakages have to be considered according to the methodology. Therefore the question is not applicable.			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.1.6.Are the formulae required for the determination of emission reductions correctly presented?	1, 2	Yes, The formulae are correctly presented in chapter B6.1.			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.2. Data and parameters that are available at validation						
B.6.2.1.Is the list of parameters presented in chapter B.6.2 considered to be complete with regard to the requirements of the applied methodology?	1, 2	Yes. A list of parameters is presented in chapter B.6.2. <u>Corrective Action Request No.6.</u> Since the methodology AMS-I-D is updated to version 10, the relevant parameters should be updated for the emission factor calculation, e.g. the IPCC2006 default values should be adopted. <u>Clarification Request No.2.</u> The parameters: imported electricity from Southern China Grid and the emission factor of Southern China Grid, etc, as well as the electricity auxiliary rate of the power plant have to be included in B.6.2			CAR6 CR2	<input checked="" type="checkbox"/>
B.6.2.2.Comment on any line answered with “No”						

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B.6.2.3. Parameter Title: Annual electricity supplied to the grid prior to retrofit (applicable only for retrofit and modifica- tion activities)	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>N/A</td></tr><tr><td>Data unit correctly expressed?</td><td>N/A</td></tr><tr><td>Appropriate description of parameter?</td><td>N/A</td></tr><tr><td>Source clearly referenced?</td><td>N/A</td></tr><tr><td>Correct value provided?</td><td>N/A</td></tr><tr><td>Has this value been verified?</td><td>N/A</td></tr><tr><td>Choice of data correctly justified?</td><td>N/A</td></tr><tr><td>Measurement method correctly described?</td><td>N/A</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	N/A	Data unit correctly expressed?	N/A	Appropriate description of parameter?	N/A	Source clearly referenced?	N/A	Correct value provided?	N/A	Has this value been verified?	N/A	Choice of data correctly justified?	N/A	Measurement method correctly described?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	N/A																					
Data unit correctly expressed?	N/A																					
Appropriate description of parameter?	N/A																					
Source clearly referenced?	N/A																					
Correct value provided?	N/A																					
Has this value been verified?	N/A																					
Choice of data correctly justified?	N/A																					
Measurement method correctly described?	N/A																					
B.6.2.3. Parameter Title: Emission factor of the grid (CM)	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>No</td></tr><tr><td>Data unit correctly expressed?</td><td>No</td></tr><tr><td>Appropriate description of parameter?</td><td>No</td></tr><tr><td>Source clearly referenced?</td><td>No</td></tr><tr><td>Correct value provided?</td><td>No</td></tr><tr><td>Has this value been verified?</td><td>No</td></tr><tr><td>Choice of data correctly justified?</td><td>No</td></tr><tr><td>Measurement method correctly described?</td><td>No</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	No	Data unit correctly expressed?	No	Appropriate description of parameter?	No	Source clearly referenced?	No	Correct value provided?	No	Has this value been verified?	No	Choice of data correctly justified?	No	Measurement method correctly described?	No	See CAR6	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	No																					
Data unit correctly expressed?	No																					
Appropriate description of parameter?	No																					
Source clearly referenced?	No																					
Correct value provided?	No																					
Has this value been verified?	No																					
Choice of data correctly justified?	No																					
Measurement method correctly described?	No																					

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		See CAR7																				
B.6.2.4. Parameter Title: Operating margin (OM) emission factor of the grid	1, 2	<table><thead><tr><th>Data Checklist</th><th>Yes / No</th></tr></thead><tbody><tr><td>Title in line with methodology?</td><td>Yes</td></tr><tr><td>Data unit correctly expressed?</td><td>Yes</td></tr><tr><td>Appropriate description?</td><td>Yes</td></tr><tr><td>Source clearly referenced?</td><td>Yes</td></tr><tr><td>Correct value provided?</td><td>No</td></tr><tr><td>Has this value been verified?</td><td>No</td></tr><tr><td>Choice of data correctly justified?</td><td>No</td></tr><tr><td>Measurement method correctly described?</td><td>No</td></tr></tbody></table> See CAR7	Data Checklist	Yes / No	Title in line with methodology?	Yes	Data unit correctly expressed?	Yes	Appropriate description?	Yes	Source clearly referenced?	Yes	Correct value provided?	No	Has this value been verified?	No	Choice of data correctly justified?	No	Measurement method correctly described?	No	See CAR6	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	Yes																					
Data unit correctly expressed?	Yes																					
Appropriate description?	Yes																					
Source clearly referenced?	Yes																					
Correct value provided?	No																					
Has this value been verified?	No																					
Choice of data correctly justified?	No																					
Measurement method correctly described?	No																					
B.6.2.5. Parameter Title: Build margin (BM) emission factor of the grid	1, 2	<table><thead><tr><th>Data Checklist</th><th>Yes / No</th></tr></thead><tbody><tr><td>Title in line with methodology?</td><td>Yes</td></tr><tr><td>Data unit correctly expressed?</td><td>Yes</td></tr><tr><td>Appropriate description of parameter?</td><td>Yes</td></tr><tr><td>Source clearly referenced?</td><td>No</td></tr><tr><td>Correct value provided?</td><td>No</td></tr><tr><td>Has this value been verified?</td><td>No</td></tr></tbody></table>	Data Checklist	Yes / No	Title in line with methodology?	Yes	Data unit correctly expressed?	Yes	Appropriate description of parameter?	Yes	Source clearly referenced?	No	Correct value provided?	No	Has this value been verified?	No	See CAR6	<input checked="" type="checkbox"/>				
Data Checklist	Yes / No																					
Title in line with methodology?	Yes																					
Data unit correctly expressed?	Yes																					
Appropriate description of parameter?	Yes																					
Source clearly referenced?	No																					
Correct value provided?	No																					
Has this value been verified?	No																					

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		<table><tr><td>Choice of data correctly justified?</td><td>No</td></tr><tr><td>Measurement method correctly described?</td><td>No</td></tr></table> <p>See CAR7</p>	Choice of data correctly justified?	No	Measurement method correctly described?	No																
Choice of data correctly justified?	No																					
Measurement method correctly described?	No																					
B.6.2.6. Parameter Title: fuel consumption of each power source	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>Yes</td></tr><tr><td>Data unit correctly expressed?</td><td>Yes</td></tr><tr><td>Appropriate description of parameter?</td><td>Yes</td></tr><tr><td>Source clearly referenced?</td><td>Yes</td></tr><tr><td>Correct value provided?</td><td>Yes</td></tr><tr><td>Has this value been verified?</td><td>Yes</td></tr><tr><td>Choice of data correctly justified?</td><td>Yes</td></tr><tr><td>Measurement method correctly described?</td><td>Yes</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	Yes	Data unit correctly expressed?	Yes	Appropriate description of parameter?	Yes	Source clearly referenced?	Yes	Correct value provided?	Yes	Has this value been verified?	Yes	Choice of data correctly justified?	Yes	Measurement method correctly described?	Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	Yes																					
Data unit correctly expressed?	Yes																					
Appropriate description of parameter?	Yes																					
Source clearly referenced?	Yes																					
Correct value provided?	Yes																					
Has this value been verified?	Yes																					
Choice of data correctly justified?	Yes																					
Measurement method correctly described?	Yes																					
B.6.2.7. Parameter Title: emission coefficient of each fuel	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>Yes</td></tr><tr><td>Data unit correctly expressed?</td><td>Yes</td></tr><tr><td>Appropriate description of parameter?</td><td>Yes</td></tr><tr><td>Source clearly referenced?</td><td>Yes</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	Yes	Data unit correctly expressed?	Yes	Appropriate description of parameter?	Yes	Source clearly referenced?	Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								
Data Checklist	Yes / No																					
Title in line with methodology?	Yes																					
Data unit correctly expressed?	Yes																					
Appropriate description of parameter?	Yes																					
Source clearly referenced?	Yes																					

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		<table><tr><td>Correct value provided?</td><td>Yes</td></tr><tr><td>Has this value been verified?</td><td>Yes</td></tr><tr><td>Choice of data correctly justified?</td><td>Yes</td></tr><tr><td>Measurement method correctly described?</td><td>Yes</td></tr></table>	Correct value provided?	Yes	Has this value been verified?	Yes	Choice of data correctly justified?	Yes	Measurement method correctly described?	Yes												
Correct value provided?	Yes																					
Has this value been verified?	Yes																					
Choice of data correctly justified?	Yes																					
Measurement method correctly described?	Yes																					
B.6.2.8. Parameter Title: electricity generation of each power source	1, 2	<table><tr><td>Data Checklist</td><td>Yes / No</td></tr><tr><td>Title in line with methodology?</td><td>Yes</td></tr><tr><td>Data unit correctly expressed?</td><td>Yes</td></tr><tr><td>Appropriate description of parameter?</td><td>Yes</td></tr><tr><td>Source clearly referenced?</td><td>Yes</td></tr><tr><td>Correct value provided?</td><td>Yes</td></tr><tr><td>Has this value been verified?</td><td>Yes</td></tr><tr><td>Choice of data correctly justified?</td><td>Yes</td></tr><tr><td>Measurement method correctly described?</td><td>Yes</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	Yes	Data unit correctly expressed?	Yes	Appropriate description of parameter?	Yes	Source clearly referenced?	Yes	Correct value provided?	Yes	Has this value been verified?	Yes	Choice of data correctly justified?	Yes	Measurement method correctly described?	Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	Yes																					
Data unit correctly expressed?	Yes																					
Appropriate description of parameter?	Yes																					
Source clearly referenced?	Yes																					
Correct value provided?	Yes																					
Has this value been verified?	Yes																					
Choice of data correctly justified?	Yes																					
Measurement method correctly described?	Yes																					
B.6.2.9. Parameter Title: surface area of full reservoir level (for new hydroelectric activities only)	1, 2	<table><tr><td>Data Checklist</td><td>Yes / No</td></tr><tr><td>Title in line with methodology?</td><td>No</td></tr><tr><td>Data unit correctly expressed?</td><td>No</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	No	Data unit correctly expressed?	No	See CAR 6	<input checked="" type="checkbox"/>												
Data Checklist	Yes / No																					
Title in line with methodology?	No																					
Data unit correctly expressed?	No																					

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		<table><tr><td>Appropriate description of parameter?</td><td>No</td></tr><tr><td>Source clearly referenced?</td><td>No</td></tr><tr><td>Correct value provided?</td><td>No</td></tr><tr><td>Has this value been verified?</td><td>No</td></tr><tr><td>Choice of data correctly justified?</td><td>No</td></tr><tr><td>Measurement method correctly described?</td><td>No</td></tr></table> <p>See CAR7</p>	Appropriate description of parameter?	No	Source clearly referenced?	No	Correct value provided?	No	Has this value been verified?	No	Choice of data correctly justified?	No	Measurement method correctly described?	No								
Appropriate description of parameter?	No																					
Source clearly referenced?	No																					
Correct value provided?	No																					
Has this value been verified?	No																					
Choice of data correctly justified?	No																					
Measurement method correctly described?	No																					
B.6.2.10. Parameter Title: fraction of time with low costs /must run plant at the margin (for simple adjusted OM only)	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>N/A</td></tr><tr><td>Data unit correctly expressed?</td><td>N/A</td></tr><tr><td>Appropriate description of parameter?</td><td>N/A</td></tr><tr><td>Source clearly referenced?</td><td>N/A</td></tr><tr><td>Correct value provided?</td><td>N/A</td></tr><tr><td>Has this value been verified?</td><td>N/A</td></tr><tr><td>Choice of data correctly justified?</td><td>N/A</td></tr><tr><td>Measurement method correctly described?</td><td>N/A</td></tr></table>	Data Checklist	Yes / No	Title in line with methodology?	N/A	Data unit correctly expressed?	N/A	Appropriate description of parameter?	N/A	Source clearly referenced?	N/A	Correct value provided?	N/A	Has this value been verified?	N/A	Choice of data correctly justified?	N/A	Measurement method correctly described?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	N/A																					
Data unit correctly expressed?	N/A																					
Appropriate description of parameter?	N/A																					
Source clearly referenced?	N/A																					
Correct value provided?	N/A																					
Has this value been verified?	N/A																					
Choice of data correctly justified?	N/A																					
Measurement method correctly described?	N/A																					
B.6.2.11. Parameter Title: electricity imports	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr></table>	Data Checklist	Yes / No	See CAR 6	<input checked="" type="checkbox"/>																
Data Checklist	Yes / No																					

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		<table><tr><td>Title in line with methodology?</td><td>No</td></tr><tr><td>Data unit correctly expressed?</td><td>No</td></tr><tr><td>Appropriate description of parameter?</td><td>No</td></tr><tr><td>Source clearly referenced?</td><td>No</td></tr><tr><td>Correct value provided?</td><td>No</td></tr><tr><td>Has this value been verified?</td><td>No</td></tr><tr><td>Choice of data correctly justified?</td><td>No</td></tr><tr><td>Measurement method correctly described?</td><td>No</td></tr></table> See CAR7	Title in line with methodology?	No	Data unit correctly expressed?	No	Appropriate description of parameter?	No	Source clearly referenced?	No	Correct value provided?	No	Has this value been verified?	No	Choice of data correctly justified?	No	Measurement method correctly described?	No				
Title in line with methodology?	No																					
Data unit correctly expressed?	No																					
Appropriate description of parameter?	No																					
Source clearly referenced?	No																					
Correct value provided?	No																					
Has this value been verified?	No																					
Choice of data correctly justified?	No																					
Measurement method correctly described?	No																					
B.6.2.12. Parameter Title: CO ₂ emission coefficient of fuels used in connected grids	1, 2	<table><tr><th>Data Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>No</td></tr><tr><td>Data unit correctly expressed?</td><td>No</td></tr><tr><td>Appropriate description of parameter?</td><td>No</td></tr><tr><td>Source clearly referenced?</td><td>No</td></tr><tr><td>Correct value provided?</td><td>No</td></tr><tr><td>Has this value been verified?</td><td>No</td></tr><tr><td>Choice of data correctly justified?</td><td>No</td></tr><tr><td>Measurement method correctly described?</td><td>No</td></tr></table> See CAR7	Data Checklist	Yes / No	Title in line with methodology?	No	Data unit correctly expressed?	No	Appropriate description of parameter?	No	Source clearly referenced?	No	Correct value provided?	No	Has this value been verified?	No	Choice of data correctly justified?	No	Measurement method correctly described?	No	See CAR 6	<input checked="" type="checkbox"/>
Data Checklist	Yes / No																					
Title in line with methodology?	No																					
Data unit correctly expressed?	No																					
Appropriate description of parameter?	No																					
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B.6.3. <i>Ex-ante calculation of emission reductions</i>				
B.6.3.1. Is the projection based on the same procedures as used for future monitoring?	1, 2	Yes, the procedures are same.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.3.2. Are the GHG calculations documented in a complete and transparent manner?	1, 2	NDRC newly issued OM and BM factors of South China Power Grid on August 8 th of 2007 which are used in the calculations. But see CAR6	See CAR6	<input checked="" type="checkbox"/>
B.6.3.3. If there is more than one component of the project activity, then, are emission reduction calculations provided separately for each component?	1, 2	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.3.4. Is the data provided in this section consistent with data as presented in other chapters of the PDD?	1, 2	Yes.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.4. <i>Summary of the ex-ante estimation of emission reductions</i>				
B.6.4.1. Will the project result in fewer GHG emissions than the baseline scenario?	1, 2	Yes, there are no project emissions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.4.2. Is the form/table required for the indication of projected emission reductions correctly applied?	1, 2	Yes, the form is correctly applied.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.4.3. If the project activity involves more than one component, is separate table included for each of the component.	1, 2	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.4.4. Do these values comply with small-scale criteria for every year?	1, 2	Yes, no contradiction.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.6.4.5. Is the projection in line with the envisioned time schedule for the project's implementation and the indicated crediting period?	1, 2	See CAR5	See CAR5	<input checked="" type="checkbox"/>

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B.6.4.6.Is the data provided in this section in consistency with data as presented in other chapters of the PDD?	1, 2	Yes.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																								
B.7. Application of the monitoring methodology and description of the monitoring plan																												
B.7.1. <i>Data and parameters monitored</i>																												
B.7.1.1.Is the list of parameters presented in chapter B.7.1 considered to be complete with regard to the requirements of the applied methodology?	1, 2	Yes. The power generation supplied to the grid and the electricity use of power plant supplied by the grid are presented in the chapter B.7.1.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																								
B.7.1.2.Comment on any line answered with “No”																												
7.1.2.1 Parameter Title: Electricity generated by the renewable technology	1, 2	<table><tr><th>Monitoring Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>No</td></tr><tr><td>Data unit correctly expressed?</td><td>Yes</td></tr><tr><td>Appropriate description of parameter?</td><td>Yes</td></tr><tr><td>Source clearly referenced?</td><td>Yes</td></tr><tr><td>Correct value provided for estimation?</td><td>Yes</td></tr><tr><td>Has this value been verified?</td><td>Yes</td></tr><tr><td>Measurement method correctly described?</td><td>Yes</td></tr><tr><td>Correct reference to standards?</td><td>Yes</td></tr><tr><td>Indication of accuracy provided?</td><td>Yes</td></tr><tr><td>QA/QC procedures described?</td><td>Yes</td></tr><tr><td>QA/QC procedures appropriate?</td><td>Yes</td></tr></table> <p><u>Corrective Action Request No.7.</u></p> <p>The parameter title should be EGy instead of EGoutput.</p>	Monitoring Checklist	Yes / No	Title in line with methodology?	No	Data unit correctly expressed?	Yes	Appropriate description of parameter?	Yes	Source clearly referenced?	Yes	Correct value provided for estimation?	Yes	Has this value been verified?	Yes	Measurement method correctly described?	Yes	Correct reference to standards?	Yes	Indication of accuracy provided?	Yes	QA/QC procedures described?	Yes	QA/QC procedures appropriate?	Yes	CAR7.	<input checked="" type="checkbox"/>
Monitoring Checklist	Yes / No																											
Title in line with methodology?	No																											
Data unit correctly expressed?	Yes																											
Appropriate description of parameter?	Yes																											
Source clearly referenced?	Yes																											
Correct value provided for estimation?	Yes																											
Has this value been verified?	Yes																											
Measurement method correctly described?	Yes																											
Correct reference to standards?	Yes																											
Indication of accuracy provided?	Yes																											
QA/QC procedures described?	Yes																											
QA/QC procedures appropriate?	Yes																											
7.1.2.2 Amount of biomass input (if applicable)	1, 2	<table><tr><th>Monitoring Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>N/A</td></tr></table>	Monitoring Checklist	Yes / No	Title in line with methodology?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																				
Monitoring Checklist	Yes / No																											
Title in line with methodology?	N/A																											

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Data unit correctly expressed?	N/A																											
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Has this value been verified?	N/A																											
Measurement method correctly described?	N/A																											
Correct reference to standards?	N/A																											
Indication of accuracy provided?	N/A																											
QA/QC procedures described?	N/A																											
QA/QC procedures appropriate?	N/A																											
7.1.2.3 Amount of fossil fuel (if applicable)	1, 2	<table><tr><th>Monitoring Checklist</th><th>Yes / No</th></tr><tr><td>Title in line with methodology?</td><td>N/A</td></tr><tr><td>Data unit correctly expressed?</td><td>N/A</td></tr><tr><td>Appropriate description of parameter?</td><td>N/A</td></tr><tr><td>Source clearly referenced?</td><td>N/A</td></tr><tr><td>Correct value provided for estimation?</td><td>N/A</td></tr><tr><td>Has this value been verified?</td><td>N/A</td></tr><tr><td>Measurement method correctly described?</td><td>N/A</td></tr><tr><td>Correct reference to standards?</td><td>N/A</td></tr><tr><td>Indication of accuracy provided?</td><td>N/A</td></tr><tr><td>QA/QC procedures described?</td><td>N/A</td></tr><tr><td>QA/QC procedures appropriate?</td><td>N/A</td></tr></table>	Monitoring Checklist	Yes / No	Title in line with methodology?	N/A	Data unit correctly expressed?	N/A	Appropriate description of parameter?	N/A	Source clearly referenced?	N/A	Correct value provided for estimation?	N/A	Has this value been verified?	N/A	Measurement method correctly described?	N/A	Correct reference to standards?	N/A	Indication of accuracy provided?	N/A	QA/QC procedures described?	N/A	QA/QC procedures appropriate?	N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Monitoring Checklist	Yes / No																											
Title in line with methodology?	N/A																											
Data unit correctly expressed?	N/A																											
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Measurement method correctly described?	N/A																											
Correct reference to standards?	N/A																											
Indication of accuracy provided?	N/A																											
QA/QC procedures described?	N/A																											
QA/QC procedures appropriate?	N/A																											
B.7.2. Description of the monitoring plan																												
B.7.2.1.Is the operational and management structure clearly described and in com-	1, 2	A chief monitoring officer will be appointed by the project owner, who supervises and verifies metering and recording, collects data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																								

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pliance with the envisioned situation?		(meter's data reading, sales/ billing receipts), calculates emission reductions and prepares a monitoring report.		
B.7.2.2.Are responsibilities and institutional arrangements for data collection and archiving clearly provided?	1, 2	See B.7.2.1.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.7.2.3.Does the monitoring plan provide current good monitoring practice?	1, 2 25	Yes. According to the PDD, energy metering equipment will be properly configured, and the metering equipment will be checked periodically according to the relevant national electric industry standards and regulations. <u>Corrective Action Request No.8.</u> - A diagram of the location of the power meters should be included in the PDD. It should be transparent that for the calculation of the emission reduction only the electricity produced in the project boundary will be used.	CAR8.	<input checked="" type="checkbox"/>
B.7.2.4.If applicable: Does annex 4 provide useful information enabling a better understanding of the envisioned monitoring provisions?	1, 2	No additional information is provided in annex 4.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.8. Date of completion of the application of the baseline study and monitoring methodology an the name of the responsible person(s)/entity(ies)				
B.8.1.1.Is there any indication of a date when the baseline was determined?	1, 2	Yes, on 29/03/2007.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.8.1.2.Has dd/mm/yyyy format been used to indicate the date.	1, 2	Yes. See B.8.1.1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.8.1.3.Is this consistent with the time line of the PDD history?	1, 2	Yes, it is consistent.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.8.1.4.Is the information on the person(s) / entity (ies) responsible for the application of the baseline and monitoring method-	1, 2	Yes. Mr. Jin Song from Beijing Accord International Environment Tech-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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ology provided consistent with the actual situation?		nology Co., Ltd. determined the monitoring methodology.		
B.8.1.5. Is information provided whether this person / entity is also considered a project participant?	1, 2	The above mentioned persons are no project participants.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
C. Duration of the project activity / crediting period				
C.1. Duration of the project activity				
C.1.1. Are the project's starting date and operational lifetime clearly defined and reasonable?	1, 2 7, 19 20, 21	The operational lifetime is expected to be 26 years, and it is reasonable.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
C.2. Choice of the crediting period and related information				
C.2.1. Is the assumed crediting time clearly defined and reasonable (renewable crediting period of max 7 years with potential for 2 renewals or fixed crediting period of max. 10 years)?	1, 2	7 years with potential for 2 renewals is chosen as the crediting period.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
C.2.2. Has dd/mm/yyyy format been used to indicate the start date of the crediting period.	1, 2	7 years with potential for 2 renewals is chosen as the crediting period. The starting date has to be revised. See CAR5.	See CAR5	<input checked="" type="checkbox"/>
D. Environmental impacts				
D.1. If required by the host Party, documentation on the analysis of the environmental impacts of the project activity:				
D.1.1. Are there any Host Party requirements for an Environmental Impact Assessment (EIA), and if yes, has an EIA been approved? If yes answer also D.1.2 to D.1.4	1, 2 9, 10	Yes, EIA is a must in P. R. China for new hydro power projects. The EIA of the proposed project was approved by Shanxi Province Environmental Protection Bureau on August 4 th , 2005. The documents have been reviewed by the DOE.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
D.1.2. Has the analysis of the environmental	1, 2	Yes. The environmental impacts on aquatic environment, ambient	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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impacts of the project activity been sufficiently described?	9, 10	environment, acoustic environment, solid waste, soil & water conservation, plant destroy, land utilization, and ecosystem are sufficiently described.		
D.1.3. Will the project create any adverse environmental effects?	1, 2 9, 10	Referred to the EIA and the approval of EIA, the project will create no negative environmental impacts.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
D.1.4. Were transboundary environmental impacts identified in the analysis?	1, 2 9, 10	There is no trans-boundary impact described in EIA report or approval of EIA.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
D.2. If environmental impacts are considered significant by the project participants or the host Party, please provide conclusions and all references to support documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party				
D.2.1. Have the identified environmental impacts been addressed in the project design sufficiently?	1, 2 9, 10	Referring to the EIA and the approval of EIA, there is no adverse environmental impact from the project activity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
D.2.2. Does the project comply with environmental legislation in the host country?	1, 2 9, 10	Yes, the project is in conformity with the environmental legislation of P. R. China and the EIA has been approved by authorized organization.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E. Stakeholders' comments				
E.1. Brief description how comments by local stakeholders have been invited and compiled				
E.1.1. Have relevant stakeholders been consulted?	1, 2 22-24	Yes, the relevant stakeholders have been consulted via questionnaires. No negative comments were given from the participants.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.1.2. Have appropriate media been used to invite comments by local stakeholders?	1, 2 22-24	Questionnaires were used to invite comments by local stakeholders on August 16, 2005.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.1.3. If a stakeholder consultation process is required by regulations/laws in the host country, has the stakeholder consultation process	1, 2 22-24	There are no regulations/laws in China for carrying out the stakeholder consultation process for this project activity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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been carried out in accordance with such regulations/laws?				
E.1.4. Is the undertaken stakeholder process that was carried out described in a complete and transparent manner?	1, 2 22- 24	Yes. Confirmed with the detailed documents, the process is described in a complete and transparent manner.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.2.Summary of the comments received				
E.2.1. Is a summary of the received stakeholder comments provided?	1, 2 22- 24	Yes, see E.2. and E.3. of the PDD.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.3.Report on how due account was taken of any comments received				
E.3.1. Has due account been taken of any stakeholder comments received?	1, 2 22- 24	All stakeholder comments are positive, no action has been taken.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F. Annexes 1 - 4				
F.1.Annex 1: Contact Information				
F.1.1. Is the information provided consistent with the one given under section A.3?	1, 2	Yes.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.1.2. Is the information on all private participants and directly involved Parties presented?	1, 2	The information about Yunnan Province Yongzhou Zhongxin Hydropower Development Co., Ltd is presented.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.2.Annex 2: Information regarding public funding				
F.2.1. Is the information provided on the inclusion of public funding (if any) in consistency with the actual situation presented by the project participants?	1, 2	Yes. There is no public funding taking place; all costs are covered by private equity.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.2.2. If necessary: Is an affirmation available that any such funding from Annex-I-	1, 2	See F.1.3	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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countries does not result in a diversion of ODA?				
F.3. Annex 3: Baseline information				
F.3.1. If additional background information on baseline data is provided: Is this information consistent with data presented by other sections of the PDD?	1, 2	Yes. The input data to calculate OM and BM are included in Annex.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.3.2. Is the data provided verifiable? Has sufficient evidence been provided to the validation team?	1, 2	Yes. The data are consistent with the NDRC published data.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.3.3. Does the additional information substantiate / support statements given in other sections of the PDD?	1, 2	Yes. The addition information is given in chapter B.6.1 and B.6.2.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.4. Annex 4: Monitoring information				
F.4.1. If additional background information on monitoring is provided: Is this information consistent with data presented in other sections of the PDD?	1, 2	No additive information in Annex 4.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.4.2. Is the information provided verifiable? Has sufficient evidence been provided to the validation team?	1, 2	See F.4.1.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.4.3. Do the additional information and / or documented procedures substantiate / support statements given in other sections of the PDD?	1, 2	See F.4.1.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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Table 2 Resolution of Corrective Action and Clarification Requests

Clarifications and corrective action requests by validation team	Ref. to table 1	Summary of project owner response	Validation team conclusion
<p><u>Open Issue:</u></p> <p>Please deliver the LoA issued by China and UK together with MoC countersigned by both parties to DOE before raising the request of registration.</p>	A.3.2.		<input checked="" type="checkbox"/>
<p>The project is described transparently and the project activities described have been proven during on site audit.</p> <p><u>Corrective Action Request No.1.</u></p> <p>It is required to provide additional information of the project. E.g. the name of the developer, manufacturer and constructor, the starting date and the current status of the project.</p>	A.2.1.	<p>The developer (project owner) is Yongzhou Zhongxin Hydro-power Development Co., Ltd.</p> <p>The manufacturer is Yunan Yuxi Hydropower Equipment Works for 1st level station; Zhejiang Jinhua Turbine Works.</p> <p>The constructor is just local builder.</p> <p>The start date of construction is Oct.2005 for 1st level station, Oct.2004 for 2nd level station.</p> <p>Current status of 1st level station is equipment commissioning; 2nd level station has already been operated.</p> <p>Above information have been added into PDD.</p>	<input checked="" type="checkbox"/>

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<p><u>Corrective Action Request No.2.</u></p> <p>The participants' name is not consistent with details provided in Annex 1. Please resolve this inconsistency</p>	<p>A.3.3</p>	<p>Revised.</p> <p>DOEs first response:</p> <p>The before mentioned inconsistency was resolved.</p> <p>However, in the further assessment more mistakes were detected. Section A.4.3 of the PDD, version 2: in the text above the table, it is mentioned that the annual emission reductions will be 34,150 tCO₂e. The correct amount is 33,734 tCO₂e. This has to be corrected</p> <p>Section B.6.4 of the PDD, version 2: in the text above the table, it is mentioned that the emission reductions per year will be 239,050 tCO₂e. This information has to be corrected as above.</p> <p>Project participants 2nd response:</p> <p>Revised.</p>	<p><input checked="" type="checkbox"/></p>
<p>The project' location could be clearly identified according to the PDD. The project site is located at the Nanzhahe River within Zhengkang Country, Lincang City, Yunnan Province, P. R. China. However the GPS coordinates are not very precise.</p> <p><u>Corrective Action Request No.3.</u></p> <p>Please provide exact location of each of the two hydro power plants individually.</p>	<p>A.4.1.1.</p>	<p>1st level station: 23° 46' 58" N 99° 19' 50" E</p> <p>2nd Level station: 23° 45' 35" N 99° 21' 27" E</p> <p>DOEs first response:</p> <p>The provided GPS (for both levels of the power plant) in version 2 of the PDD is not a point directly in the River, but in the area near. Please clarify this issue and submit the correct GPS coordinates.</p> <p>Project participants 2nd response:</p> <p>The Project geographic coordinate is 23° 47' 58" N and 99° 21' 02" E for 1st level, 23° 46' 08" N and 99° 22' 08" E for 2nd level</p>	<p><input checked="" type="checkbox"/></p>

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<p>The planning schedule in the past and for the future was clearly described by the project owner during the audit. The level 2 power plant has been put into test operation and the equipments of the level 1 power plant have been purchased, the main construction work of level 1 is nearly finished.</p> <p><u>Corrective Action Request No.4.</u></p> <p>The time schedule of the implementation of the project should be included into the PDD.</p>	A.4.2.11	See A4.2 Chapter in updated PDD.	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No.5.</u></p> <p>The crediting period will start after the registration of this project, so the starting date of the crediting period and the estimated emission reductions of the year 2007 in Table 1 and further chapters of the PDD have to be revised.</p>	A.4.3.2.	Revised, see updated PDD.	<input checked="" type="checkbox"/>
<p>Yes. A list of parameters is presented in chapter B.6.2.</p> <p><u>Corrective Action Request No.6.</u></p> <p>Since the methodology AMS-I-D is updated to version 11, the relevant parameters should be updated for the emission factor calculation, e.g. the IPCC2006 default values should be adopted.</p>	B.6.2.1.	<p>Revised, see updated PDD.</p> <p>The relevant parameters are adopted from the last version <i>Notification on Determining Baseline Emission Factor of China's Grid</i> which is issued on 9/Aug./2007. All the data in this notification comes from IPCC2006 and relevant Chinese sector year-book 2006.</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No.7.</u></p> <p>The parameter title should be EGy instead of EGoutput.</p>	B.7.1.2.	<p>DOEs first response:</p> <p>Please comment on the CAR. The issue appears to be solved when reviewing the PDD.</p> <p>PPs response:</p>	<input checked="" type="checkbox"/>

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<p>Yes. According to the PDD, energy metering equipment will be properly configured, and the metering equipment will be checked periodically according to the relevant national electric industry standards and regulations.</p> <p><u>Corrective Action Request No.8.</u></p> <p>A diagram of the location of the power meters should be included in the PDD. It should be transparent that for the calculation of the emission reduction only the electricity produced in the project boundary will be used.</p>	B.7.2.3.	Parameter title in B6.3 and B7.1 has been revised.	<input checked="" type="checkbox"/>
<p><u>Clarification Request No.1.</u></p> <p>Please deliver the evidence of the CERs price to the DOE.</p>	B.5.15.	<p>The page of CER price is attached.</p> <p>DOEs first response:</p> <p>It is not clear where the page of CER price is attached, as it is not in the PDD.</p> <p>Is it possible to change, later on, this statement to “The page of CER price has been delivered to the DOE”?</p> <p>Project participants 2nd response:</p> <p>the page mentioned the CER’s price is delivered to the DOE, the price is 8euro/ton.</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No.2.</u></p> <p>The parameters: imported electricity from Southern China Grid and the emission factor of Southern China Grid, etc, as well as the electricity auxiliary rate of the power plant have to be included in B.6.2</p>	B.6.2.1.	<p>See B6.2 Chapter in updated PDD.</p> <p>DOEs first response:</p> <p>Most of the asked parameters at the moment of the validation are already included in the PDD. Nevertheless the “Combined Margin (CM)” and the “Reservoir Area” are still missing. Please include this parameters in the PDD.</p> <p>Project participants 2nd response:</p> <p>The hydro power plant is run-off river style, thus there is no reservoir area for the proposed project activity.</p>	<input checked="" type="checkbox"/>

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ANNEX 2: INFORMATION REFERENCE LIST

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Reference No.	Document or Type of Information										
1.	Project Design Document for CDM project “Nanzhahe Cascade Hydropower Project“, version 01,dated 1 st , March, 2007.										
2.	Consolidated baseline methodology for grid-connected electricity generation from renewable sources, ACM0002, version 06.										
3.	Participant list of on-site interview, signed on 17 th , May, 2007.										
4.	<p>Validation team:</p> <table> <tr> <td>Dr. Sven Kolmetz</td><td>CDM Assessment team leader, TUV SÜD Industrie Service GmbH</td></tr> <tr> <td>Zhang Jiming</td><td>CDM Auditor, TUV SÜD Beijing branch</td></tr> <tr> <td>Ms. CHEN Xiaoying</td><td>CDM Auditor trainee, TUV SÜD Beijing branch</td></tr> </table> <p>On-site interviews at the project site in Zhengkang country, Lincang city, Yunnan province, P.R China., conducted on May 17th to 18th, 2007 by auditing team of TÜV SÜD:</p> <p>Interviewed persons:</p> <table> <tr> <td>Mr. Zeng chengde</td><td>Board member of Yongzhou Zhongxin Hydropower Development Co., Ltd</td></tr> <tr> <td>Mr. Li jianwei</td><td>CDM manager of Accord Global Environment Technology Co., Ltd</td></tr> </table>	Dr. Sven Kolmetz	CDM Assessment team leader, TUV SÜD Industrie Service GmbH	Zhang Jiming	CDM Auditor, TUV SÜD Beijing branch	Ms. CHEN Xiaoying	CDM Auditor trainee, TUV SÜD Beijing branch	Mr. Zeng chengde	Board member of Yongzhou Zhongxin Hydropower Development Co., Ltd	Mr. Li jianwei	CDM manager of Accord Global Environment Technology Co., Ltd
Dr. Sven Kolmetz	CDM Assessment team leader, TUV SÜD Industrie Service GmbH										
Zhang Jiming	CDM Auditor, TUV SÜD Beijing branch										
Ms. CHEN Xiaoying	CDM Auditor trainee, TUV SÜD Beijing branch										
Mr. Zeng chengde	Board member of Yongzhou Zhongxin Hydropower Development Co., Ltd										
Mr. Li jianwei	CDM manager of Accord Global Environment Technology Co., Ltd										
5.	Feasibility Study Report for CDM project “Nanzhahe Cascade Hydropower Project“. Dated May, 2005.										
6.	Approval of Feasibility Study Report for CDM project Nanzhahe Cascade Hydropower Project, issued by Lincang development and reform commmission, dated 2nd, Sep, 2005.										
7.	EIA Report for CDM project “Nanzhahe Cascade Hydropower Project“, issued by Lincang environmental and science institute, dated July, 2005.										

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Reference No.	Document or Type of Information
8.	Approval of EIA Report for CDM project “Nanzhahe Cascade Hydropower Project”, issued by Zhenkang EPB, dated 22 nd , Aug, 2005.
9.	Business license of lincang Nanzhahe hydro power plant, issued by Lincang industry and commerce bureau, dated 6 th , July, 2006
10.	Agreement of Grid connection signed between Nanzhahe Hydropower Plant, and Lincang city Power Grid company, dated 22 nd , June, 2006.
11.	Purchasing and Selling Electricity Contract signed between Nanzhahe Hydropower Plant and Lincang city Power Grid company, dated 22 nd , June, 2006.
12.	Local Stakeholder Comments Questionnaire. Developed in Aug, 2005.
13.	Board Resolution of Yonghou Zhongxin Hydropower Development Co.,Ltd; dated on September 16, 2004
14.	Economic Evaluation Code for small hydropower project (SL 16-95)
15.	IRR calculation sheet
16.	Project Design Document for CDM project “Nanzhahe Cascade Hydropower Project“, version 02, from August 01, 2007.
17.	Consolidated baseline methodology for AMS-I.D. “Grid-connected renewable electricity generation”, version 10
18.	Tool for Appendix B of the simplified modalities and procedures for small-scale CDM project activities.
19.	LoA from the host country
20.	NDRC data (Chinese Yearbooks) 2001-2006
21.	IPCC: Revised 2006 Guidelines for National Greenhouse Gas Inventories.
22.	IPCC: 2000, Good Practice Guidance