



CDM Project Activity Registration and Validation Report Form

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

Section 1: Request for registration

Name of the designated operational entity (DOE) submitting this form	Det Norske Veritas Certification Ltd. (DNV)
Title of the proposed CDM project activity (Section A.2 of the attached CDM-PDD) submitted for registration	2 x 5 Radhanagari Hydro Electric Project
Project participants (Name(s))	R. M. Mohite Textiles Ltd. and EcoSecurities Group Ltd.
Sector in which project activity falls	Energy industries (renewable - / non-renewable sources)
Is the proposed project activity a small-scale activity?	<u>Yes</u> / No (underline as applicable)

Section 2: Validation report

List of documents to be attached to this validation report (please check mark):	
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The CDM-PDD of the project activity <input checked="" type="checkbox"/> An explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations; <input checked="" type="checkbox"/> The written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development: <ul style="list-style-type: none"> ○ (Attach a list of all Parties involved and attach the approval (in alphabetical order)) <input checked="" type="checkbox"/> Other documents, including any validation protocol used in the validation <ul style="list-style-type: none"> ○ Validation Report including a validation protocol and a list of persons interviewed by the validation team during the validation process <input checked="" type="checkbox"/> Information on when and how the above validation report is made publicly available. <input checked="" type="checkbox"/> Banking information on the payment of the non-reimbursable registration fee <input checked="" type="checkbox"/> A statement signed by all project participants stipulating the modalities of communicating with the Executive Board and the secretariat in particular with regard to instructions regarding allocations of CERs at issuance. 	

Executive Summary and Introduction, including

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

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

The project, proposed by R. M. Mohite Textiles Ltd (RMMTL) for registration as small-scale activity under the CDM, involves the installation and operation of two hydropower generation units of 5MW capacity each, aggregating a total installed capacity of 10MW. The project is located on the Radhanagari irrigation dam in Kolhapur district of Maharashtra State, India. The project activity utilizes the irrigation water for power generation and exports the generated power to the grid.

Given an anticipated annual generation rate of 26 939 MWh, the project is expected to reduce 21 173 tons CO₂ tonnes of CO₂e per year

- **Scope of validation process:**

The validation scope is defined as an independent and objective review of the project design document (PDD). The PDD is reviewed against the criteria stated in Article 12 of the Kyoto Protocol, the CDM modalities and procedures as agreed in the Marrakech Accords, the simplified modalities and procedures for small-scale CDM project activities and the relevant decisions by the CDM Executive Board, including the approved baseline and monitoring methodology AMS-I.D. The validation team has, based on the recommendations in the Validation and Verification Manual employed a risk-based approach, focusing on the identification of significant risks for project implementation and the generation of CERs.

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

- **Documents reviewed:**

- ☒ "2 x 5 Radhanagari Hydro Electric Project", *CDM PDD version 03 dated 2006/04/20 and its earlier versions*
- ☒ DNA of India, *Letter of Approval*, 10 March, 2006.
- ☒ DNA of UK, *Letter of Approval*, 29 March 2006.
- ☒ International Emission Trading Association (IETA) & the World Bank's Prototype Carbon Fund (PCF): *Validation and Verification Manual*. <http://www.vvmanual.info>
- ☒ CDM EB, AMS I-D, "Renewable electricity generation for the grid". Version 07, 28 November 2005,
- ☒ IPCC: Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories. 2000

The representatives from following organizations were interviewed:

- ☒ R. M. Mohite Textiles Ltd,

- ☒ EcoSecurities Group Ltd and
- ☒ MITCON Consultancy Services Ltd,

• **DOE Validation team:**

Mr C. Kumaraswamy	DNV Certification Bangalore, India	Team leader
Mr. Praveen Nagaraje Urs	DNV Certification Bangalore, India	GHG auditor
Mr. Soumik Biswas	DNV Certification Bangalore, India	GHG auditor
Mr. Einar Telnes	DNV Certification Oslo	Sector expert and technical reviewer

For further details, please refer to the "Introduction" and "References" Section of DNV's Validation Report (DNV Report 2006-9048, rev. 02).

Description of methodology for carrying out validation

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

The validation of the project consisted of the following:

- I a desk review of the project design document
- II follow-up interviews with project stakeholders
- III the resolution of outstanding issues and the issuance of the final validation report and opinion

The PDD of older versions and April 2006 submitted by EcoSecurities Group Ltd and additional background documents related to the project design and baseline were reviewed.

During April 2006, DNV performed interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of R. M. Mohite Textiles Ltd, EcoSecurities Group Ltd and MITCON Consultancy Services Ltd, were interviewed.

In order to ensure transparency, a validation protocol has been customized for the project, according to the Validation and Verification Manual. The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from validation of the identified criteria.

Findings established during the validation can either be seen as a non- fulfilment of validation criteria or where a risk to the fulfilment of project objectives is identified. Such findings are termed Corrective Action Requests (CAR). The term Clarification may be used where additional information is needed to fully clarify an issue.

The Corrective Action Request and request for Clarification raised by DNV were resolved through communications with the project participants.

For further details, please refer to the "Methodology" Section of DNV's Validation Report (DNV Report 2006-9048, rev. 02) and the IETA/PCF Validation and Verification Manual (www.vvmanual.info).

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

- ☒ **Description of how and when the PDD was made publicly available**
- ☒ **Description of how comments were received and made publicly available**
- ☒ **Explanation of how due account has been taken of comments received**
- ☒ **Compilation of all comments received (Identify the submitter)**

The PDD (version 02 of 27 January, 2006) was made publicly available on DNV's climate change website: <http://www.dnv.com/certification/climatechange/Projects/ProjectDetails.asp?ProjectId=472> and Parties, stakeholders and NGOs were through the CDM website invited to provide comments during a 30 days period from 09th February to 10th March, 2006. No comments were received. Please refer to the "Comments by Parties, Stakeholders and NGOs" Section of DNV's Validation Report (DNV Report 2006-9048, rev.02) and the above mentioned CDM website.

Conclusions, final comments and validation opinion

- ☒ **Provide conclusions on each requirement under paragraph 37 of the CDM modalities and procedures, describing how these requirements have been met. This shall include assessments and findings (e.g. corrective action requests, clarifications or observations) in relation to each requirement, including a confirmation that all issues raised have been addressed to the satisfaction of the DOE.**
- ☒ **Final comments and validation opinion**

Det Norske Veritas Certification Ltd. (DNV) has in the period January 2006 to April 2006 performed a validation of the "2 X 5 Radhanagari Hydro Electric Project" in Maharashtra, India proposed as a small-scale CDM project activity. The validation is performed on the basis of UNFCCC criteria for small-scale CDM project activities, as well as criteria given to provide for consistent project operations, monitoring and reporting. This validation report summarises the findings of the validation of the project design and the project's baseline and monitoring plan.

The project utilises the irrigation water from the existing Radhanagari irrigation dam. Being a renewable energy project activity with an output capacity of 10 MW, the project qualifies as a category I.D small-sale CDM project.

The project will contribute to sustainable development by displacing fossil fuel-based electricity generation with renewable energy. The project participants are R. M. Mohite Textiles Ltd. from the host country India, and EcoSecurities Group Ltd from The United Kingdom. The DNA of India and the DNA of The U.K have accorded the approval for the project.

The validation did not reveal any information indicating that the project can be seen as a diversion of ODA funding towards India.

An analysis of the presented barriers 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. The determination of the baseline is transparent. The project applies one of the options given by the simplified baseline methodology proposed for category I.D project activities, i.e. the weighted average emissions of the current generation mix of the MSEB.

The monitoring plan provides for the monitoring of electricity generated by the project. Detailed responsibilities and authorities for project management, monitoring and reporting and QA/QC procedures have also been addressed.

By displacing fossil-based electricity with hydropower electricity, the project results in reductions of

CO₂ emissions that are real, measurable and give long-term benefits to the mitigation of climate change. Project emissions are zero and the baseline emissions are forecasted using reasonable assumptions.

A local stakeholder consultation process has been carried out by the project participant. DNV published the PDD on the DNV Climate Change website and comments by Parties, stakeholders and UNFCCC accredited NGOs were invited through the CDM website. No comments were received on this call.

In summary, it is DNV Certification's opinion that the "2 X 5 Radhanagari Hydro Electric Project" project, as described in the PDD of April 2006, meets all relevant UNFCCC requirements for the CDM and all relevant host country criteria and correctly applies the baseline and monitoring methodology for category I.D small-scale CDM project activities. DNV Certification thus requests the registration of the "2 X 5 Radhanagari Hydro Electric Project" as a CDM project.

For further details, please refer to DNV's Validation Report (DNV Report 2006-9048, rev. 02).

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

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

Susanne Haefeli

Name of authorized officer signing for the DOE

26 April 2006



Date and signature for the DOE

Section below to be filled by UNFCCC secretariat

Date when the form is received at UNFCCC secretariat

Date at which the registration fee has been received

Date at which registration shall be deemed final

Date of request for review, if applicable

Date and number of registration

Date

Number