



Bogotá D.C., 25/02/2013

Dear
CDM Team
Bonn, Germany

In accordance with the request for review received on February 19th 2013 for the proposed CDM project activity, reference 8879 “SHP MORRO AZUL CDM PROJECT (JUN1164)”. Described as follows:

1) The common practice analysis in the PDD excludes plants delivering same output or capacity that became operational before 2005. The DOE is requested to clarify how it validated that the exclusion of plants that became operational before 2005 from the common practice analysis is in compliance with the requirement of version 6.1 of the Tool for the demonstration and assessment of additionality. Please refer to VVS version 3 para 129, EB 69 Annex 20.

Also, in accordance with the paragraph 9(b) of the Procedure for Review of Requests for Registration (EB 55, annex 40), ICONTEC deems that revisions both the PDD version 2, dated on November 12nd 2012 and the Validation Report dated on December 2012 are not necessary given that:

The PP did not included in your common practice analysis the power plants delivering same output or capacity that became operational before 2005, considering that during this time, the CDM had not been formally established, as mentioned on the step 3 in the PDD version 2.

In order to validate the exclusion of plants delivering same output or capacity that became operational before 2005 ICONTEC took into account that from 1994, when the free market scheme came into scene in the power sector in Colombia¹, up to 2005, when the Kyoto protocol CDM stimulated the investment in this type of projects, no new hydro power plants were implemented². In fact, the first CDM project activity registered in Colombia was on January 2006, so

¹ Description of National Grid System. Pag.2. Descripción SIN_Julio 16 2010.pdf
http://www.xm.com.co/Memorias%20Seminarios/Descripción%20SIN_Julio%2016%202010.pdf

² Information reported by the agents to the National Dispatch Center. <http://www.xm.com.co>

that, by default, in the period 1995-2005, these types of projects are not common practice³. Before 1994, every electric power projects in Colombia were undertaken directly by the Colombian State⁴, under an investment climate completely different under the SHP MORRO AZUL CDM PROJECT (JUN1164) investment climate was decided.

ICONTEC deems that the PP correctly applied the above mentioned requirements and no further reviews neither the PDD nor the VR are necessary.

I will be waiting for your comments,

Best regards,



Diego Caballero
Director of Conformity Assessment Services
ICONTEC

³ <http://cdm.unfccc.int/Projects/projsearch.html>

⁴ Sector knowledge of technical expert. Eng. Fernando Gómez. See validation report.