



**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**

<b>Name of the designated operational entity (DOE) submitting this form</b>	SGS United Kingdom Ltd.
<b>Title of the proposed CDM project activity (Section A.2 of the attached CDM-PDD) submitted for registration</b>	Jepirachi Wind Power Project
<b>Project participants (Name(s))</b>	Empresas Publicas de Medellin (EEPPM) International Bank for Reconstruction and Development (IBRD) as the Trustee of the Prototype Carbon Fund (PCF) acting on behalf of the Republic of Finland and The Netherlands
<b>Sector in which project activity falls</b>	Scope 1, Energy Industries (renewable/non renewable).
<b>Is the proposed project activity a small-scale activity?</b>	<u>Yes</u> / <u>No</u> (underline as applicable)

**Section 2: Validation report**

<b>List of documents to be attached to this validation report (please check mark):</b>	
<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 See Annex 1 <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: See Annex 4.1, 4.2 and 4.3 <input checked="" type="checkbox"/> (Attach a list of all Parties involved and attach the approval (in alphabetical order)) Colombia Finland The Netherlands <input checked="" type="checkbox"/> Other documents, including any validation protocol used in the validation <input checked="" type="checkbox"/> (comprehensive list of documents attached clearly referenced) See Annex 3 <input checked="" type="checkbox"/> List of persons interviewed by DOE validation team during the validation process See Annex 2 (also includes documents reviewed) <input checked="" type="checkbox"/> Any other documents. Refer to list of documents attached . Annex 5: validation Protocol Annex 6: Findings Annex 7: Local Assessment checklist and itinerary	

- ☒ Information on when and how the above validation report is made publicly available.
- ☐ Banking information on the payment of the non-reimbursable registration fee (uploaded during the registration process)
- ☒ 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 consists of the development of a wind based generation facility with a nominal power capacity rated at 19.5 MW, located in Wayuu Indigenous Territory in the Northeastern region of the Atlantic Colombian coast, within the region of Uribia in the Department of Guajira.

#### **Scope**

The scope of the validation is the independent and objective review of the project design document, the baseline study and monitoring plan and other relevant documents for the “Jepirachi Wind Power Project”. The information in these documents is reviewed against the criteria defined in the Marrakech Accords (Decision 17) and the Kyoto Protocol (Article 12) and subsequent guidance from the CDM Executive Board.

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.

#### **Overview of documentation that has been reviewed and names of persons that have been interviewed as part of the validation**

Please refer to Annex 2

#### **DOE Validation team**

<b>Name</b>	<b>Role</b>
Gareth Phillips	Team leader / lead assessor
Jairo Restrepo	Local assessor
Marco van der Linden	Technical reviewer

#### **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.**

### Review of CDM-PDD and additional documentation

The validation is performed primarily as a document review of the publicly available project documents. The assessment is performed by trained assessors using a validation protocol.

In general, a site visit might be required to verify assumptions in the baseline. Sometimes additional information is required to complete the validation, which may be obtained through telephone and face-to-face interviews with key stakeholders (including the project developers and Government and NGO representatives in the host country). These activities were undertaken by SGS Colombia. Specific questions for this project and the comments are summarized in Annex 7 to this report.

### Assessment against CDM requirements

The validation protocol used for the assessment is partly based on the templates of the IETA / World Bank Validation and Verification Manual and partly on the experience of SGS with the validation of CDM projects. It serves the following purposes:

- it organises, details and clarifies the requirements the project is expected to meet; and
- it documents both how a particular requirement has been validated and the result of the validation.

The validation protocol consists of several tables. The different columns in these tables are described below.

<b>Checklist Question</b>	<b>Means of verification (MoV)</b>	<b>Comment</b>	<b>Draft and/or Final Conclusion</b>
<i>The various requirements are linked to checklist questions the project should meet.</i>	<i>Explains how conformance with the checklist question is investigated. Examples of means of verification are document review (DR) or interview (I). N/A means not applicable.</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.</i>	<i>This is either acceptable based on evidence provided (Y), or a <b>Corrective Action Request (CAR)</b> due to non-compliance with the checklist question (See below). <b>New Information Request (NIR)</b> is used when the validation team has identified a need for further clarification.</i>

The completed validation protocol for this project is attached as Annex 5 to this report

### Report of findings and use of type of findings.

As an outcome of the validation process, the team can raise different types of findings

In general, where insufficient or inaccurate information is available and clarification or new information is required the Assessor shall raise a **New Information Request (NIR)** specifying what additional information is required.

Where a non-conformance arises the Assessor shall raise a **Corrective Action Request (CAR)**. A CAR

is issued, where:

- I. mistakes have been made with a direct influence on project results;
- II. validation protocol requirements have not been met; or

- III. there is a risk that the project would not be accepted as a CDM project or that emission reductions will not be verified.

The validation process may be halted until this information has been made available to the assessors' satisfaction. Failure to address a NIR may result in a CAR. Information or clarifications provided as a result of an NIR may also lead to a CAR.

**Observations** may be raised which are for the benefit of future projects and future verification or validation actors. These have no impact upon the completion of the validation or verification activity.

Corrective Action Requests and New Information Requests are raised in the draft validation protocol and detailed in a separate form (Annex 6). In this form, the Project Developer is given the opportunity to "close" outstanding CARs and respond to NIRs and Observations.

**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)**

In accordance with the CDM modalities and procedures, the project design document of this proposed CDM project activity has been made publicly available and comments have been invited from Parties, stakeholders and UNFCCC accredited non-governmental organizations. This process is described in Annex 1 to this report which is available as a separate document.

### 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

### Participation requirements

The participation requirements as set out in paragraphs 28 to 30 of Decision 17/CP.7 need to be satisfied. This includes

28. Participation in a CDM project activity is voluntary. Following the raising CAR 2, LoA has been submitted by host and non-host Parties

29. Parties participating in the CDM shall designate a national authority for the CDM. All participating Parties have Designated National Authorities.

30. A Party not included in Annex I may participate in a CDM project activity if it is a Party to the Kyoto Protocol. Yes, Government of Colombia is a Party to the Kyoto Protocol.

### Baseline and monitoring methodology

The baseline and monitoring methodologies comply with requirements pertaining to:

(i) Methodologies previously approved by the executive board. Yes, the project applies ACM0002

(ii) Modalities and procedures for establishing a new methodology: *N/A*

The baseline was considered to be continuation of the UPME Expansion plan without the Jepirachi Wind Power Project. Earlier versions of the PDD presented slightly different descriptions of the baseline and these were amended under CAR 3 and clarified to be:

- 1) The system expansion would occur as defined by UPME, without the Project (BAU scenario)
- 2) The system expansion plan with the Project without CERs.
- 3) The system expansion plan with the Project with CERs.

The baseline has been determined in accordance with ACM0002 by defining the build margin and the operating margin. The flexibility allowed in ACM0002 for determining the emission factor has been utilised and total emissions is calculated as (emissions factor for a given power plant \* generation by that power plant) instead of (fuel consumption \* emission factor of fuel).

Although a case is presented to apply a zero weighting to the build margin (because the project is so small), the correct weighting (50:50) is applied.

The data for the determination of the build margin and the operating margin were verified by the local assessor by checking the websites cited as the sources of the data.

### Additionality

The project has applied the additionality tool and identified technological, prevailing practice and resource uncertainty barriers. Earlier versions of the PDD included reference to financial analysis to support the barrier analysis and CAR 4 was raised to highlight the fact that financial analysis should be considered under Step 2 of the additionality tool. In response, the project developer decided to

dispense with the financial analysis and present the barriers under step 3 alone. These were considered to be sufficiently strong to support the conclusion that the project is additional and CAR 4 was closed.

Evidence was presented to the local assessor to confirm that the project is the first wind power project in Colombia; and the investment in windpower is set against a background of increasing investment in thermal power generation in the face of un-reliable hydro power.

### **Monitoring plan**

The monitoring plan involves collection of electricity generation data by the project and despatch data from the Colombian National Interconnected System. The monitoring plan was considered adequate.

### **Environmental Impacts**

The project participants and host party have not identified any significant environmental impacts. NIR 9 was raised requesting further information on this point and in response, the project developer provided the letter from the Ministry of the Environment confirming EIA approval and completion of local stakeholder consultation activities. The letter is in Spanish and was checked by our local assessor and the NIR was closed.

### **Comments by local stakeholders**

Comments by local stakeholders have been invited, but the early version of the PDD did not provide an adequate summary of the comments received (CAR 6), nor did section G3 provide adequate details on how comments raised had been addressed (CAR 7). In response the PDD was revised and CARS were closed.

### **Other requirements**

There were some inconsistencies, editorial errors and missing annexes in the PDD which were addressed under CARs 8 and 10. The project was found to comply with the relevant guidelines.

### **Final comments and validation opinion**

SGS has performed a validation of the Jepirachi Wind Power Project. The Validation was performed on the basis of the UNFCCC criteria and host country criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

Using a risk based approach, the review of the project design documentation and the subsequent follow-up interviews have provided SGS with sufficient evidence to determine the fulfilment of the stated criteria. In our opinion, the project meets all relevant UNFCCC requirements for the CDM and all relevant host country criteria. The project will hence be recommended by SGS for registration with the UNFCCC.

SGS has received confirmation by the host Party that the project activity assists it in achieving sustainable development.

By generating power from wind instead of fossil fuel, the project results in reductions of greenhouse gas emissions that are real, measurable and give long-term benefits to the mitigation of climate change. A review of the technological, prevailing practice and resources uncertainty issues 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. If the project is implemented as designed, the project is likely to achieve the estimated

amount of emission reductions.

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

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.

Gareth Phillips

Name of authorized officer signing for the DOE

Date and signature for the DOE

*Gareth Phillips*

21/12/05

***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