
VALIDATION REPORT

Beijing Tianrun New Energy Investment
Co., Ltd.

Xinjiang Hami Southeast Wind
Zone Yandun 2nd Wind Power
Project
IN

P.R. China

REPORT №: 111

REVISION №: 2

Organizational Unit:	re-consult Ltd. Carbon Department		
Project Title:	Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project		
Project №:	Report №:	Client:	Client Ref:
111	111	Beijing Tianrun New Energy Investment Co., Ltd.	Mr. Cheng Peijie
Date of First Issue:	Date of Current Revision:	Revision №:	№ of Pages:
12/11/2012	25/12/2012	2	127

Summary:

Host Country: P.R. China

Project is Reviewed Against:

- ☒ Kyoto Protocol
 ☒ UNFCCC Rules and Regulations and associated interpretations
☐ Gold Standard Rules and Regulations
 ☐ VCS Rules and Regulations
☐ Other (Please Specify)

Methodology: ACM0002

Version: 13.0.0

GHG Reducing Technology: Power generation using wind energy

Annual Emission Reduction Estimate: 376,888 tCO₂e per year (average)

Project Size: ☒ Large Scale ☐ Small Scale

Crediting Period Start Date and Duration: 01/06/2016 and 7 years for the first crediting period

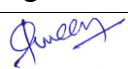
☒ Renewable ☐ Fixed

Validation Stages:

- ☒ Desk Review
 ☒ Site Visit
 ☒ Follow-up Interviews
☒ Global Stakeholder Consultation
 ☒ Resolution of Outstanding Issues

Summary of validation opinion: During the validation 4 Corrective Action Requests, 3 Clarification Requests were raised, all of which were closed out before the issuance of this validation report. No Forward Action Requests were raised during the validation.

In summary, it is re-consult's opinion that the project activity "Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project" in P.R. China, as described in the PDD, version 02 dated 24/12/2012, meets all relevant UNFCCC requirements for the CDM and all relevant host Party criteria and correctly applies the baseline methodology ACM0002, version 13.0.0. Hence, re-consult requests the registration of the proposed project activity as a CDM project activity.

Validation Team Leader:	Johannes Smolders	Indexing Terms:
Validation Team Members:	Jiang Zhi	<input checked="" type="checkbox"/> No distribution without permission of the client or responsible organizational unit <input type="checkbox"/> Limited Distribution <input type="checkbox"/> Unrestricted Distribution
Approved By (Technical Reviewer):	Name: Praveen Pyata 	

ABBREVIATIONS

BM	: Build Margin
CAR	: Corrective Action Request
CDM	: Clean Development Mechanism
CER	: Certified Emission Reduction(s)
CL	: Clarification request
CM	: Combined Margin
CO₂	: Carbon dioxide
CO_{2e}	: Carbon dioxide equivalent
DNA	: Designated National Authority
DOE	: Designated Operational Entity
DR	: Document Review
DValR	: Draft Validation Report
EF	: Emission Factor
EIA	: Environmental Impact Assessment
ER	: Emission Reductions
FAR	: Forward Action Request
FSR	: Feasibility Study Report
FValR	: Final Validation Report
GHG	: Greenhouse gas(es)
GSP	: Global Stakeholder Process
I	: Interview
IPCC	: Intergovernmental Panel on Climate Change
IRR	: Internal Rate of Return
kWh	: Kilo Watt Hour
LoA	: Letter of approval
MoC	: Modalities of Communication
MoV	: Means of Validation
MW	: Mega Watt
MWh	: Mega Watt Hour
NCV	: Net Calorific Value
NDRC	: National Development and Reform Commission
NGO	: Non-governmental Organisation
NWCPG	: Northwest China Power Grid
ODA	: Official Development Assistance
OM	: Operating Margin
PDD	: Project Design Document
PP	: Project Participant(s)

tCO₂e : Tonnes of CO₂ equivalents

UNFCCC: United Nations Framework Convention on Climate Change

VAT : Value-added tax

VVS : Validation and Verification Standard

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY – VALIDATION OPINION.....	7
2. INTRODUCTION.....	8
2.1. Objective	8
2.2. Scope	8
2.3. GHG Project Description	9
2.3.1. Project Characteristics	9
2.3.2. Project Location	9
2.3.3. Technical Project Description.....	10
2.4. Parties Involved	10
3. METHODOLOGY	11
3.1. Validation Team and ITR Selection.....	13
3.2. Desk Review of PDD and Additional Documents	14
3.3. Site Visits	14
3.4. Reporting of Findings via the Validation Protocol.....	15
3.5. Follow-Up Interviews	16
3.6. Resolution of Outstanding Issues.....	16
3.7. Internal Quality Control.....	17
4. VALIDATION FINDINGS.....	18
4.1. Participation Requirements.....	18
4.2. Project Design Document	18
4.3. Project Description.....	18
4.4. Project Boundary	19
4.5. Determination of the Baseline Scenario.....	20

4.6.	Application of the Selected Baseline and Monitoring Methodology	20
4.7.	Additionality	21
4.7.1.	Prior CDM consideration	21
4.7.2.	Project alternatives	22
4.7.3.	Investment analysis.....	23
4.7.4.	Barrier analysis.....	41
4.7.5.	Common practice analysis	41
4.7.6.	Summary.....	44
4.8.	Monitoring.....	44
4.9.	Calculation of Emission Factor and Emission Reductions	45
4.10.	Environmental Impacts	47
4.11.	Local Stakeholder Comments	47
4.12.	Global Stakeholder Consultation	47
4.12.1.	Description of how the PDD is made publicly available	47
4.12.2.	Compilation of comments received.....	48
4.12.3.	Explanation of how comments are taken into account	48
4.12.4.	Summary on comments by parties, stakeholders and NGOs	48
4.13.	Modalities of Communication	48
4.14.	Sampling Plan	48
5.	LIST OF PERSONS INTERVIEWED	49
6.	LIST OF DOCUMENTS REVIEWED	50
7.	VALIDATION TEAM AND ITR COMPETENCE AND APPOINTMENT CERTIFICATES	57
8.	VALIDATION OPINION	61
ANNEX 1:	VALIDATION PROTOCOL	62

1. EXECUTIVE SUMMARY – VALIDATION OPINION

re-consult Ltd. has performed the validation of the “Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project” in “P.R. China” between 24/10/2012 and 25/12/2012. The validation was performed on the basis of UNFCCC criteria for the Clean Development Mechanism (CDM) and Host Party criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

As a result of validation, re-consult concludes the following:

- ☒ The review of the project design documentation and the subsequent follow-up interviews have provided re-consult with sufficient evidence to determine the fulfillment of all stated criteria. In our opinion, the project meets all relevant UNFCCC requirements for the CDM. Therefore, re-consult will recommend the project for registration by the CDM Executive Board.
- ☐ The review of the project design documentation and the subsequent follow-up interviews have not provided re-consult with sufficient evidence to determine the fulfillment of all stated criteria. Therefore, re-consult 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.

2. INTRODUCTION

2.1. Objective

re-consult Ltd. has been appointed by Beijing Tianrun New Energy Investment Co., Ltd. to perform the validation of the Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project in P.R. China with the contract dated 12/10/2012. The objective of this validation activity is to have an independent third party for the assessment of the project design, and to ensure a thorough assessment of the proposed CDM project activity against the applicable CDM requirements. In particular;

- the project's baseline is assessed against *Consolidated baseline methodology for grid-connected electricity generation from renewable sources* ACM0002 version 13.0.0.
- the project's monitoring plan is assessed against *Consolidated baseline methodology for grid-connected electricity generation from renewable sources* ACM0002 version 13.0.0.
- the project's additionality justification is assessed against *Tool for the demonstration and assessment of additionality* version 06.1.0.
- the projects compliance with, the requirements of Article 12 of the Kyoto Protocol, the CDM Modalities and Procedures as agreed in the Marrakech Accords under decision 3/CMP.1, the annexes to this decision, subsequent decisions and guidance made by COP/MOP & CDM Executive Board and other relevant rules, including the Host Country legislation and sustainability criteria
- other relevant rules, including the host country legislation and sustainability criteria.

Validation is a requirement for all CDM projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of certified emission reductions (CERs).

2.2. Scope

The scope of the validation is the independent and objective review of the Project Design Document (PDD). The PDD is reviewed against the relevant criteria (see 2.1) and decisions by the CDM Executive Board, including the approved baseline methodology. The validation was based on the guidance given in the CDM Validation and Verification Standard version 02.0.

The validation team has employed a risk based approach to assess the completeness and accuracy of the claims and conservativeness of the assumptions in the PDD. The main focus of the validation team is to identify the significant risks for the 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.

The only purpose of the validation is its usage during the registration process as part of the CDM project cycle. Therefore, re-consult can't be held liable by any party for decisions made or not made based on the validation opinion, which will go beyond that purpose.

2.3. GHG Project Description

2.3.1. Project Characteristics

Essential data of the project is presented in the following Table 2-1.

Table 2-1: Project Characteristics

Item	Data		
Project title	Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project		
Project size	<input checked="" type="checkbox"/> Large Scale <input type="checkbox"/> Small Scale		
Project Scope (according to UNFCCC sectoral scope numbers for CDM)	<input checked="" type="checkbox"/>	1	Energy Industries (renewable- /non-renewable sources)
	<input type="checkbox"/>	2	Energy distribution
	<input type="checkbox"/>	3	Energy demand
	<input type="checkbox"/>	4	Manufacturing industries
	<input type="checkbox"/>	5	Chemical industry
	<input type="checkbox"/>	6	Construction
	<input type="checkbox"/>	7	Transport
	<input type="checkbox"/>	8	Mining/Mineral production
	<input type="checkbox"/>	9	Metal production
	<input type="checkbox"/>	10	Fugitive emissions from fuels (solid, oil and gas)
	<input type="checkbox"/>	11	Fugitive emissions from production and consumption of halocarbons and hexafluoride
	<input type="checkbox"/>	12	Solvents use
	<input type="checkbox"/>	13	Waste handling and disposal
	<input type="checkbox"/>	14	Afforestation and Reforestation
	<input type="checkbox"/>	15	Agriculture
Applied Methodology	ACM0002 "Consolidated baseline methodology for grid-connected electricity generation <i>from renewable sources</i> " version 13.0.0		
Technical Area(s)	1.2		
Crediting period	<input checked="" type="checkbox"/> Renewable Crediting Period (7 y) <input type="checkbox"/> Fixed Crediting Period (10 y)		
Start of crediting period	01/06/2016 or the registration date, whichever is later.		
Starting date of the project	31/05/2012		

2.3.2. Project Location

The details of the project location are given in table 2-2:

Table 2-2: Project Location

No.	Project Location
Host Party:	People's Republic of China
Region/State/Province:	Xinjiang Uygur Autonomous Region
City/Town/Community:	Luotuojuanzi District, Hami City
Latitude:	42°23'16"~42°28'44.2" N
Longitude:	94°29'39.2"~94°34'06.3" E

2.3.3. Technical Project Description

The technical key data are provided in table 2-3 below

Table 2-3: Technical data of the project activity

Parameter	Unit	Value
Wind Turbine		
The number of units	-	80
Rated capacity	kW	2,500
Height of wheel hub	m	80
Diameter of blade	m	106
Number of blades	piece	3
Rated Wind Speed	m/s	12.5
Cut-in Wind Speed	m/s	3
Cut-out Wind Speed	m/s	25
Swept Area	m ²	8,824
Lifetime	year	20
Generator		
Rated capacity	kW	2,600
Rated voltage	V	690
Lifetime	year	20

Note: As the purchase contract of turbines and generators has not been signed yet, the technical parameters are sourced from the FSR of the project /D2/.

2.4. Parties Involved

The following parties to the Kyoto Protocol and project participants are involved in this project activity (Table 2-4).

Table 2-4: Project Parties and project participants

Characteristic	Party	Project Participant
Host party	P.R. China (wants to be considered as project participant)	Beijing Tianrun New Energy Investment Co., Ltd. NDRC

3. METHODOLOGY

The validation of proposed CDM project activity includes the following phases:

- Assessment whether the project design of the proposed CDM project activity meets the CDM requirements, via a desk review of the PDD on 27/10/2012.
- Public stakeholder consultation by publishing the PDD on the UNFCCC CDM website between 24/10/2012 and 22/11/2012.
- Assessment of the stakeholders' comments and how these comments are implemented in the PDD.
- Assessment whether the applied methodology of *Consolidated baseline methodology for grid-connected electricity generation from renewable sources* ACM0002 version 13.0.0, has been applied correctly, including the baseline selection and monitoring plan.
- Assessment of the additionality argument of the project activity against the rules and guidance given in *Tool for the demonstration and assessment of additionality* version 06.1.0.
- A site visit was conducted during 30-31/10/2012 to assess the implementation process of the project activity and to confirm stakeholders' comments.
- Assessment of data and calculation of greenhouse gas emission reductions.
- Issuance of the validation report
- Independent technical review
- Approval of the validation report and request of registration

The Validation Protocol is used for the assessment of each requirement during the execution of validation activities and is given in Annex-1 of this validation report.

The Validation Protocol consists of three tables:

- Table 1 (Requirements for small-scale Clean Development Mechanism (CDM) project activities)
- Table 2 (Project Design Document (PDD) requirements checklist) and
- Table 3 (Resolution Of Corrective Action, Forward Action And Clarification Requests)

The usage description of Table-1 in Validation Protocol is explained in Table 3-1 below:

Table 3-1: Explanation about Table-1 in Validation Protocol

General Requirements	Ref.	MoV*	Comments	Draft & Final Concl
Requirements for small-scale Clean Development Mechanism (CDM) project activities	Gives reference to the legislation or documents where the requirement is found.	Explains how conformance with checklist question is investigated. Examples of means of validation are Document Review (DR), Interview (I) and Not Applicable (NA)	Is used to elaborate and discuss the checklist question and/or conformance to the question	Either acceptable based on the evidence provided (OK), non-compliance with the requirement (CAR) or further clarification (CL) due to insufficient, unclear or not transparent information

The usage description of Table-2 in Validation Protocol is explained in Table 3-2 below:

Table 3-2: Explanation about Table-2 in Validation Protocol

Checklist Question	Ref.	MoV*	Comments	Draft & Final Concl
The requirements related with the PDD	Gives reference to the legislation or documents where the requirement is found.	Explains how conformance with checklist question is investigated. Examples of means of validation are Document Review (DR), Interview (I) and Not Applicable (NA)	Is used to elaborate and discuss the checklist question and/or conformance to the question	Either acceptable based on the evidence provided (OK), non-compliance with the requirement (CAR) or further clarification (CL) due to insufficient, unclear or not transparent information

The usage description of Table-3 in Validation Protocol is explained in Table 3-3 below:

Table 3-3: Explanation about Table-3 in Validation Protocol

Draft Report Clarifications, Forward Action and Corrective Action Requests by Validation Team	Ref. to Checklist Questions in Table-1 and Table-2	Summary of Project Participants' Response	Validation Team Conclusion
The all CL, FAR and CARs determined during the draft validation should be listed here	Gives reference to the checklist questions in Table-1 and Table-2 of Validation Protocol	Is used to summarize the responses by project participants regarding the non-conformities	Is used to summarize the responses by validation team and their conclusions

The Validation Protocol is fulfilled by the validation team in line with the descriptions above and all the CARs, CLs and FARs are listed in a transparent and clear manner.

3.1. Validation Team and ITR Selection

The appointment process of the validation team takes into account the technical area(s), sectoral scope(s), and relevant host country experience required amongst team members for the accurate and thorough assessment of the project design. The relevant CDM validation and previous ITR experiences are also assessed during the selection of the team members and Independent Technical Reviewer (ITR), respectively. The validation team and ITR are assigned to this validation activity on 10/10/2012 taking all the above factors into consideration and as a result of the contract review process.

The validation team members and ITR are given in Table 3-4 below:

Table 3-4: Validation team and ITR details

Name	Role	Host Country Experience	Scope Coverage	Technical Expertise	Financial Expertise	Involvement*
Johannes Smolders	TL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	DR, SV,R
Jiang Zhi	Validator	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	DR, SV,R
Praveen Pyata	ITR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	ITR

* Explanations for the abbreviations used for involvement types are as follows:

A : Administrative

DR : Desk Review

SV : Site Visit

R : Reporting

ITR : Independent Technical Review

3.2. Desk Review of PDD and Additional Documents

The basis for the validation activity is the PDD version 01 dated 04/10/2012 which was submitted to the validation team on 24/10/2012. This PDD was revised once due to the raised CARs and CLs, version 02 dated 24/12/2012 being the final version. The PDD was assessed against;

- Consolidated baseline methodology for grid-connected electricity generation from renewable sources ACM0002 version 13.0.0.
- Tool to calculate the emission factor for an electricity system version 02.2.1.
- Tool for the demonstration and assessment of additionality version 06.1.0.
- the Host Country criteria
- CDM Validation and Verification Standard version 02.0,
- and other relevant documents, rules and regulations listed in section 2.1 of this report

A list of all the documents that were reviewed can be found in Section 6 of this validation report.

3.3. Site Visits

As a part of the validation activities a site visit was performed to the project activity site, details of which can be seen in the Table 3-5 below:

Table 3-5: Site visit details

Date	30-31/10/2012	
Location	Project site	
Name of the Interviewee	Company/Position	Interview Subject
Ms. Liu Zhe	Beijing Tianrun New Energy Investment Co., Ltd., which is the parent company of Hami Yandun Tianrun Wind Power Co., Ltd. / CDM chief	<ul style="list-style-type: none"> - Chronological description of the project activity with documents of key steps of the implementation. - Current status of plant design - Technical details of the project realization, project feasibility, designing, operational life time, monitoring of the project - Host Government Approval - Approval procedures and status - Monitoring and measurement equipment and system. - Financial aspects - Crediting period - Project activity starting date
Mr. Liu Sheng	Hami Yandun Tianrun Wind Power Co., Ltd. / Vice-general manager	
Mr. Kang Genfeng	Hami Yandun Tianrun Wind Power Co., Ltd. / Project manager	
Mr. Zhong Shaohui	Libra CDM Technology Development Center /	

Date	30-31/10/2012	
Location	Project site	
Name of the Interviewee	Company/Position	Interview Subject
	Vice-general manager	<ul style="list-style-type: none"> - CER allocation / ownership - Baseline study assumptions - Additionality - Sustainable development issues - Monitoring - Analysis of local stakeholder consultation - Roles & responsibilities of the project participants w.r.t. project management, monitoring and reporting - National Legislation - Editorial issues of the PDD - Details of emissions reduction calculation
Mr. Deng Heng	Libra CDM Technology Development Center / Project manager	
Mr. He Peng	Hami city Development and Reform Committee / Officer	<ul style="list-style-type: none"> - The environment impact of the project - The legislative aspects of the project - The impact of the project to local people's lives
Ms. Liu Yanli	Hami city Environmental Protection Bureau / Officer	
Mr Liu Bingzhu	Luotuojuanzi, Xinjiang	
Mr. Wang Yongbo	Uygur Autonomous Region / Villagers	

3.4. Reporting of Findings via the Validation Protocol

During the validation period, a Validation Protocol which is attached in Annex 1 to this validation report was used to submit the findings to the project participants.

In line with the CDM Validation and Verification Standard, the team reports the non-conformities in the forms of Corrective Action Requests (CARs), Clarification Requests (CLs) and Forward Action Requests (FARs). When and for which type of non-conformities CARs, CLs and FARs are raised are explained below:

- The Validation team raises a **CAR** if one of the following occurs:
 - The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions
 - The CDM requirements have not been met

- There is a risk that emission reductions cannot be monitored or calculated.
- The Validation team raises a **CL** if information is insufficient or not clear or not transparent enough to determine whether the applicable CDM requirements have been met.
- The Validation team raises a **FAR** during validation to highlight issues related to project implementation that require review during the first verification of the project activity.

According to these principles total of 4 CARs and 3 CLs were raised all of which are listed in the Validation Protocol.

3.5. Follow-Up Interviews

During the validation period follow-up interviews were realized by the validation team to further analyze the correctness and accurateness of the information provided. A list of persons interviewed is given in Section 5 of this Validation Report.

3.6. Resolution of Outstanding Issues

All the issues raised as CLs and CARs during this validation activity, were resolved, during the written and oral communications between the Project Participant(s) and re-consult Ltd. validation team members. For the resolution of these non-conformities, the project participants modified the project design, rectified the PDD or provided adequate additional explanations or evidences that satisfy the concerns of the validation team members.

Concerns raised in the desk review, the on-site audit assessments and the follow up interviews and the responses provided for the raised concerns are documented in Annex 1 (Validation Protocol) to guarantee the transparency of the validation process.

Essential events since the GSP of the PDD for the project are presented in the following Table 3-6.

Table 3-6: Validation history

#	Item	Time	PDD
1	PDD GSP	24/10/2012 to 22/11/2012	PDD version 01 dated 04/10/2012
2	Onsite visit	30-31/10/2012	PDD version 01 dated 04/10/2012
3	Issuance of DValR	12/11/2012	PDD version 01 dated 04/10/2012
4	Closing of all CARs and CLs	25/12/2012	PDD version 02 dated 24/12/2012
5	Issuance of FValR for ITR	25/12/2012	PDD version 02 dated 24/12/2012

Information or clarifications provided as a response to a CAR, CL or FAR could also lead to a new request. This can also be seen transparently in the Validation Protocol provided in Annex 1 of this Validation Report.

3.7. Internal Quality Control

As a final step of validation, the final documentation including the validation report and annexes have to undergo an internal quality control by the re-consult. This Quality Control is also referred to as Independent Technical Review process.

The Independent Technical Review is performed by another Team Leader who was not involved in the validation activities of this project activity. When the Team Leader finalizes the Validation Report, the report is sent to Independent Technical Reviewer, at this stage not only the report but all the supporting documents like emission factor calculations, additionality justifications, relevant excel sheets etc. are reviewed.

Further CLs and CARs can be raised by the Independent Technical Reviewer during this review, to cover all the points that may need further clarification.

After all the CLs and CARs are closed, the validation report is reviewed and approved by the Team Leader and the Certification Manager, and the request of registration is submitted to the EB along with the relevant documents.

4. VALIDATION FINDINGS

4.1. Participation Requirements

The project is a unilateral project and there is no project participant from Annex I Party for this proposed project. The project participants are Beijing Tianrun New Energy Investment Co., Ltd. from P.R. China and China NDRC. The host Party is P.R. China. P.R. China has ratified the Kyoto Protocol and is a Party to the Kyoto Protocol.

The participation of Beijing Tianrun New Energy Investment Co., Ltd. has been approved by P.R. China in the LOA /D18/. The name of Beijing Tianrun New Energy Investment Co., Ltd. is in a consistent manner listed in section A.4 and Appendix 1 of the PDD version 02 dated 24/12/2012 /D1/. re-consult Ltd. can confirm that no entities other than one approved as project participant in the LOA /D18/ are included in the PDD version 02 dated 24/12/2012 /D1/.

The letter of approval (LOA) /D18/ from the DNA of P.R. China, authorizing Beijing Tianrun New Energy Investment Co., Ltd. as China's participant to voluntarily participate in and carry out the project activity and confirming that the project assists Chinese sustainable development, was issued in December 2012. This LOA /D18/ precisely refers to the project title and the PP's name in the PDD version 02 dated 24/12/2012 /D1/. By checking this LOA /D18/, the re-consult Ltd. can confirm that this LOA /D18/ is unconditional with respect to (a) to (d) stipulated in paragraph 39 of VVS Version 02.0 /D22/.

re-consult Ltd. has received from the project participant the LOA /D18/ issued by the DNA of P.R. China. By checking the website of Chinese DNA /D63/, re-consult Ltd. has verified the authenticity and validity of the LOA /D18/. Thus, re-consult Ltd. considers that this LOA is in accordance with paragraphs 39-42 of VVS version 02.0 /D22/.

The validation did not reveal any information that indicates that the project can be seen as a diversion of official development assistance (ODA) funding towards China.

4.2. Project Design Document

The PDD version 02 dated 24/12/2012 has been checked by the validation team and it can be confirmed that this PDD complies with the latest Large-Scale CDM-PDD template (Version 04.1) /D24/ and latest version of Guidelines for Completing the CDM-PDD (Version 01.0) /D25/.

4.3. Project Description

The project is a new wind-farm project. The total installed capacity is 200 MW(2.5 MW*80). The expected annual net electricity supplied to the grid 429,050 MWh /D2/. The power generated will be delivered to the Northwest China Power Grid (NWCPG) via Local Power Grid /D2/. The detailed technical data are provided in Table 2-3 above.

The expected operational lifetime of the project is 20 years /D2/. A renewable crediting period of 7 years has been chosen for the project, starting from 01/06/2016. The annual

average emission reductions are estimated to be 376,888 tCO₂e/year and thus 2,638,216 tCO₂e over the first crediting period.

Onsite investigation and follow-up interview with project proponent representatives /I01/ and project consultant /I02/ as shown in section 5 below, the review of the documents including LoA /D18/, FSR /D2/, FSR approval /D3/, EIA /D4/ and EIA approval /D5/ as well as other relevant background documents such as the construction contract of the foundation of 50 MW wind turbines (2.5MW*20) /D6/, tower purchase contract /D7/ (these two contracts /D6/ /D7/ are the only signed contract for the proposed project so far), CDM notifications /D16/ /D17/ and CDM monitoring manual /D13/, are used by the validation team to validate the correctness of the information provided in the PDD. Thus, the validation team can confirm the following:

A complete and accurate description of the project activity is provided in the PDD version 02 dated 24/12/2012, covering all relevant aspects. Precise nature of the project activity and the technical aspects of its implementation are presented in an understandable manner. The project does not involve alteration of the existing installation or process. The technology employed is environmentally safe and sound. There is no technology transfer.

4.4. Project Boundary

The spatial extent of the project boundary is clearly defined as the proposed project and all power plants connected physically to the NWCPG including Shaanxi Province grid, Gansu Province grid, Qinghai Province grid, Ningxia Autonomous Region grid, Xinjiang Uygur Autonomous Region grid, to which the project is connected. This is in line with the delineation of grid boundaries as provided by the DNA of China /D39/.

The defined project boundary is in line with ACM0002 version 13.0.0.

Emission sources and gases included in the project boundary are available Table 4-1:

Emission	GHGs Involved	Description
Baseline emissions	CO ₂	The Northwest China Power Grid (NWCPG).
Project emissions	N/A	Project emission is regarded as zero as the project is a renewable energy (wind source) project.
Leakage	N/A	There are no leakages that need to be considered in applying this methodology.

The identified boundary and selected sources and gases are justified for the project activity. The validation of the project activity did not reveal other greenhouse gas emissions occurring within the proposed CDM project activity boundary as a result of the implementation of the proposed project activity which are expected to contribute more than 1% of the overall expected average annual emission reduction, which are not addressed by ACM0002 version 13.0.0.

4.5. Determination of the Baseline Scenario

The project activity is the installation of a new grid-connected wind power plant /D2/. The baseline scenario for the new grid-connected renewable power plant has already been prescribed by the baseline methodology ACM0002 version 13.0.0. In this case, as per paragraph 115 of VVS 02.0, no further analysis on alternatives is required. Thus baseline is in accordance with ACM0002 version 13.0.0 as follows:

The electricity delivered to the grid by the proposed project would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources within the Northwest China Power Grid, as reflected in the combined margin (CM). The weighting is set to respectively 75% for Operating Margin and 25% for Build Margin, which are the default values stipulated by “Tool to calculate the emission factor for an electricity system”, version 02.2.1 /D28/ for wind power projects.

The NWCPG is dominated by coal-fired power plants. It is deemed likely that coal-fired power plants will continue to dominate the power sector due to the local availability of low-cost coal. It is expected that renewable capacity additions will not have significant effects on the mix of the NWCPG during the first crediting period.

The approved baseline methodology has been correctly applied to identify the baseline scenario, and the identified baseline scenario most reasonably represents what would occur in the absence of the proposed CDM project activity.

4.6. Application of the Selected Baseline and Monitoring Methodology

The project correctly applies the valid approved baseline methodology ACM0002 version 13.0.0 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources” /D26/ and the valid approved versions of the following tools referenced in this methodology. The methodology and tools are all derived from UNFCCC CDM website.

- Tool for the demonstration and assessment of additionality, version 06.1.0 /D27/;
- Tool to calculate the emission factor for an electricity system, version 02.2.1 /D28/;

The applicability of this methodology is justified in the PDD as follows:

- The project is a new grid-connected renewable power generation project activities;
- The project is a new renewable wind power plant at a site where no renewable power plant was operated prior to the implementation of the proposed project (Greenfield plant);
- The project is not an activity that involves switching from fossil fuels to renewable energy sources at the site of the proposed project;

Re-consult found and can confirm that:

- The project is a Greenfield wind power project with the installation capacity of 200 MW, which has been confirmed from FSR /D2/.
- The project does not involve switching from fossil fuels to renewable energy sources

at the site of the project activity, as confirmed by the FSR /D2/.

- The electricity from the project activity is proposed to be supplied to the Northwest China Power Grid (NWCPG), and information on the characteristics of NWCPG can be clearly identified /D39/.

re-consult Ltd. has concluded that the methodology ACM0002 version 13.0.0 is applicable for this project.

4.7. Additionality

The additionality of the project was justified in accordance with the requirements derived from the “Tool for the demonstration and assessment of additionality” version 06.1.0 approved by the CDM-EB /D27/.

4.7.1. Prior CDM consideration

Starting date of the project activity

re-consult Ltd. has assessed and verified the evidences and timeline for the starting date of the project activity as follows:

- On 31/05/2012, the construction contract for the foundation of 50 MW wind turbines (2.5MW*20) was signed between project owner and Shandong Antai Construction and Road Engineering Co., Ltd. /D6/.
- In September 2012, the power purchase contract was signed between project owner and Xinjiang Taisheng Wind Power Equipment Co., Ltd. /D7/.

These two contracts /D6/ /D7/ are the only contracts signed by the project owner for the project so far, which was verified by the validation team to be reliable and credible through onsite investigation of the project progress dated 30-31/10/2012 and onsite interview with the representative of the project owner /I01/.

Also, it is verified by the validation team to be reasonable and in accordance with the Chinese regulation that the project starting date of 31/05/2012 is prior to the FSR approval date of 21/08/2012 /D2/. As per the notification (Ref No. Ha Di Fa Gai Neng Yuan [2012]186) /D20/, issued by local Development and Reform Commission on 10/05/2012 prior to the project starting date of 31/05/2012, the local Development and Reform Commission required the project owner to start the construction of the proposed project before the end of June 2012 without the FSR approval in order to generate the electricity earlier. The same was further confirmed by the officer /I03/ of local Development and Reform Commission during onsite interview.

Thus, the starting date of the project activity is defined as 31/05/2012, the signature date of construction contract /D6/. It is re-consult Ltd.’s opinion that this date correctly represents the earliest commitment to the financial expenditure of the project, hence the starting date of the project activity.

Notifications regarding CDM consideration

The project's starting date of 31/05/2012 is after 2 August 2008 and prior to the date of PDD publication 24/10/2012.

On 22/10/2012, the project participant of Beijing Tianrun New Energy Investment Co., Ltd. submitted a CDM notification form for this project /D16/ to China NDRC regarding the commencement of the project and its intention to seek CDM status. This notification was approved by NDRC on 28/11/2012 /D16/. re-consult Ltd. has checked the notification and its approval and is able to confirm that the notification had been provided to NDRC and was provided within six months of the project's starting date.

On 15/10/2012, the project participant of Beijing Tianrun New Energy Investment Co., Ltd. submitted a CDM notification form for this project /D17/ to UNFCCC secretariat regarding the commencement of the project and its intention to seek CDM status. The UNFCCC website shows that the notification of prior consideration of the CDM for this project was received on 30/10/2012 /D17/. re-consult Ltd. has checked the UNFCCC website link for this notification /D17/ and is able to confirm that the notification had been received by UNFCCC secretariat and was provided within six months of the project starting date.

It is re-consult Ltd.'s opinion that the proposed CDM project activity complies with the applicable requirements related to the prior consideration of the CDM /D22/.

4.7.2. Project alternatives

The methodology ACM0002 version 13.0.0 stipulates the baseline of the new grid-connected renewable power plant as follows:

Electricity delivered to the grid by the proposed project would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system".

According to paragraph 115 of the VVS version 02.0 /D22/, if the approved methodology selected by the proposed project prescribes the baseline scenario, no further analysis for identifying alternative scenarios is required. Thus, the identification of alternatives to the project activity follows the prescription in the approved methodology..

Hence, the baseline scenario for this project activity is "supply of equivalent annual electricity output by NWCPG".

In accordance with Tool for the demonstration and assessment of additionality version 06.1.0: "project activities that apply this tool in context of approved consolidated methodology ACM0002, only need to identify that there is at least one credible and feasible alternative that would be more attractive than the project activity", that is, to provide the same annual electricity output as the proposed project by NCWPG. re-consult Ltd. can confirm that the beforementioned alternatives are consistent with the current laws and regulations.

4.7.3. Investment analysis

The investment analysis was assessed by the validation team according to paragraphs 118,119, 120, 121 and 122 of VVS version 02.0.

1) Choice of approach

As the proposed project generates financial and economic benefits other than CDM related income through the sales of electricity and the alternative to the project does not involve an investment, a benchmark analysis was justified for conducting the investment analysis.

2) Benchmark selection

According to the “Interim rules on economic assessment of electrical engineering retrofit projects” /D35/ in China a project-IRR of 8% (after tax) for the total investment of a project is regarded as a benchmark for investing in large scale hydropower plants, fossil fuel fired plants as well as wind farm projects. The benchmark of 8% (after tax) is therefore appropriate for this project. re-consult Ltd. was able to confirm this is suitable and reasonable as following:

1. This benchmark was determined by the State Power Corporation of China /D35/ and represents a government/official approved benchmark;
2. This benchmark is still valid and also applied in most FSRs;
3. This benchmark is for project-IRR and after tax and the investment analysis for this project is conducted for project-IRR and after tax also;
4. This “Interim rules on economic assessment of electrical engineering retrofit projects” /D35/ is referred to the risk premiums of large scale wind farm power project.

re-consult Ltd. is able to confirm the Interim rules of China /D35/ are in line with the only relevant paragraph i.e. para. 12 of EB 62 Annex 5 /D29/, and this benchmark is suitable and reasonable.

3) Input parameters

Step 1: Assess the sources of the input parameters

All the input parameters used in the financial analysis are taken from the FSR /D2/ developed by the Northwest Hydro Consulting Engineers. in September 2011 and approved by the National Development and Reform Commission /D3/ on 21/08/2012. The entity of Northwest Hydro Consulting Engineers. has the qualification certificate Class-A on Engineering Design issued by Ministry of Housing and Urban-Rural Development of China /D2/. Thus, the input parameters used in the financial analysis can be considered as information provided by an independent and qualified source.

Step 2: Confirm that the values used in the PDD are fully consistent with the FSR

re-consult Ltd. compared the input parameters for the financial analysis included in the PDD version 02 dated 24/12/2012 with the parameters stated in the FSR /D2/ and was able to confirm that the values applied are consistent with the values stated in the FSR /D2/.

Step 3: Assess the period of time between the finalization of the FSR and the investment decision

The FSR /D2/ was completed in September 2011 and thus only eight months prior to the decision to proceed with the investment in the project activity (i.e. the signature date for the construction contract /D6/, 31/05/2012). Given this relatively short period of time between the finalization of FSR and the investment decision, it is unlikely in the context of the project that the input values would have materially changed. Therefore, it is reasonable to assume that the FSR has been the basis of the decision to proceed with the investment in the project.

Step 4: Cross-check the parameters used in the financial analysis

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
1) Annual net electricity delivered to the grid	429,050	MWh	/D1/ /D2/ /D3/ /D11/ /D31/	<input checked="" type="checkbox"/>	<p>Description:</p> <ol style="list-style-type: none"> Annex 11 to the CDM EB's 48th meeting report /D31/ gives a guideline for the validation of plant load factor for renewable energy projects. One option is to use plant load factors provided by the government while applying the implementation approval for the project activity. The FSR /D2/ of the project has this purpose and hence according to current CDM regulation, confirming that the value is in line with the FSR /D2/ should be considered sufficient for the validation of the plant load factor. The value of estimated net electricity used in the PDD /D1/ is in line with the FSR /D2/. According to the FSR /D2/, the annual net electricity supplied by the project to grid is 429,050 MWh at load factor of 24.49%, which was calculated on the basis of 30 years of meteorological data from 1981 to 2010 and one year on-site wind resources measurement during 01/08/2009 ~ 31/07/2010 provided by local meteorological

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					<p>station. The data was processed in professional software to calculate the annual theoretical power generation, from which the annual effective power generation was obtained through discount by considering factors such as air density, trailing stream, wind turbine efficiency, and power loss etc.</p> <p>Justification of Evidences:</p> <ol style="list-style-type: none"> 1. The FSR /D2/ and its approval /D3/ were checked and verified by the validation team with regard to the input value. 2. The qualification /D2/ of the entity for the FSR completion was checked and verified by the validation team. 3. The PLF of the proposed project was checked and verified by the validation team against Annex 11 to the CDM EB's 48th meeting report /D31/. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. confirms that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
2) Static total investment	183,489.2	10 ⁴ RMB (same as CNY)	/D1/ /D2/ /D3/ /D6/ /D7/ /D11/ /D54/	☒	<p>Description:</p> <ol style="list-style-type: none"> 1. The static total investment used in the financial analysis /D11/ was compared with data from the registered CDM windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/. As shown in Table 1 below, the investment costs per kW for the project is 9,174 RMB/kW, which is within the range of the investment costs per kW (7,682 RMB/kW to 10,305 RMB/kW) of the similar projects in the same region and thus reasonable. 2. During the completion of the final validation report, only the construction contract for the foundation of 50 MW wind turbines /D6/ and the tower purchase contract /D7/ were

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					<p>signed by the project owner for the project. The actual expenses of these two contract /D6/ /D7/ only account for 6.2% of estimated static total investment in the FSR /D2/. Thus, the actual investment data in the contracts are not used by validation team for cross-check.</p> <p>Justification of Evidences:</p> <ol style="list-style-type: none"> 1. The static total investment of the project was checked and verified by the validation team against the registered CDM windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/. 2. All signed contracts /D6/ /D7/ were checked and verified by the validation team for the contracted value. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
3) Annual O&M cost	6,359.7	10 ⁴ RMB	/D1/ /D2/ /D3/ /D11/ /D40/ /D54/	☒	<p>Description:</p> <ol style="list-style-type: none"> 1. The O&M/investment used in the financial analysis /D11/ was compared with data from the registered CDM windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/. As shown in Table 1 below, the O&M/investment of the project is 3.47% which is reasonable compared to the range of 2.13%-5.38% of similar projects in the same region. 2. The annual average O&M costs include the following five components listed below. Each component is calculated in compliance with the requirements defined in the "Economic Evaluation Methods and Parameters for Construction Project, Version 03" /D40/.

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT			
				Correctness of value applied	Comment		
					Unit: 10 ⁴ RMB		
					1	Material Cost	600.0
					2	Salary and Welfare Allowance	466.5
					3	Repair Cost	3,570.3
					4	Insurance Cost	723.0
					5	Other Expenses	1,000.0
					Grand total	O&M cost (i.e. operating cost)	6,359.7
					Justification of Evidences:		
					1. The O&M/investment of the project was checked and verified by the validation team against the registered CDM windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/.		
					2. The calculation of each component of O&M costs of the project was checked and verified by the validation team in line with the “Economic Evaluation Methods and Parameters for Construction Project, Version 03” /D54/.		
Conclusion:							
Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.							
4) Other costs (other expenses)	50	RMB/kW	/D1/ /D2/ /D3/ /D11/ /D40/ /D54/	☒	Description: 1. The parameter “Other costs” per kW used in the financial analysis /D11/ was compared with data from the registered CDM windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/. As shown in Table 1 below, the other costs per kW (50 RMB/kW) of the project is within the range of 15~155 RMB/kW of similar projects in the same		

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					<p>region and thus reasonable.</p> <ol style="list-style-type: none"> The other costs are calculated in compliance with the requirements defined in "Economic Evaluation Methods and Parameters for Construction Project, Version 03" /D40/. It should be noted that even if other cost were assumed to be zero, the post-tax project IRR without CER revenue would be 6.71%, which is still lower than the benchmark of 8%. <p>Justification of Evidences:</p> <ol style="list-style-type: none"> The parameter "Other costs" per kW of the project was checked and verified by the validation team against other registered CDM windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/. The calculation of other cost of the proposed project was checked and verified by the validation team in line with "Economic Evaluation Methods and Parameters for Construction Project, Version 03" /D40/. The IRR /D11/ was checked by the validation team based on the assumption that "other costs" are equal to 0. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
5) Tariff	0.58 incl. VAT 0.4957 excl. VAT	RMB /kWh	/D1/ /D2/ /D3/ /D11/ /D32/ /D55/	☒	<p>Description:</p> <ol style="list-style-type: none"> The tariff of 0.58 RMB/kWh (incl. VAT) was applied by the proposed project for the whole operational lifetime in the IRR spreadsheet /D11/. On 20 July 2009 China's NDRC issued the Tariff Policy Notification for Wind Power Projects (Fa Gai Jia Ge [2009] No. 1906 /D55/; this notification stipulates that China is categorized into four wind resource regions

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					<p>and each wind resource region has its own benchmark on-grid tariff (0.51 RMB/kWh including VAT for the region I; 0.54 RMB/kWh including VAT for the region II; 0.58 RMB/kWh including VAT for the region III; and 0.61 RMB/kWh including VAT for the region IV, respectively) and after 1 August 2009 the tariff of wind power project should be approved as per the benchmark on-grid tariff of the region where the wind power project is located. The project is located in Hami City of Xinjiang Uygur Autonomous Region which belongs to the region III and thus as per the NDRC's notification about the benchmark on-grid tariff /D55/, the tariff of the project should be approved as 0.58 RMB/kWh (incl. VAT).</p> <p>3. As per the <i>Information note on the highest tariffs applied by the executive board in its decisions on registration of projects in the People's Republic of China (version 02)</i>, issued by CDM Executive Board in 3 June 2011 at EB 61 /D32/, the highest tariff of wind power project in Xinjiang Uygur Autonomous Region is 0.533 RMB/kWh including VAT. If the highest tariff of 0.533 RMB/kWh including VAT is applied to the proposed project for the whole operation lifetime, the project-IRR after tax for this project will be 4.73%, which is still lower than the benchmark of 8%.</p> <p>Justification of Evidences:</p> <ol style="list-style-type: none"> 1. The IRR spreadsheet /D11/ was checked and verified by the validation team to confirm that the tariff of 0.58 RMB/kWh (incl. VAT) was applied within the whole operational lifetime in the IRR spreadsheet. 2. The applied tariff of 0.58 RMB/kWh including VAT is in compliance with the NDRC' latest tariff notification (Fa Gai Jia Ge [2009] No. 1906) /D55/. 3. The highest tariff of 0.533 RMB/kWh including VAT /D32/ issued by EB is applied to the proposed project for the whole

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					<p>operation lifetime and the project-IRR after tax for this project will be still lower than the benchmark of 8%.</p> <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
6) Residual value rate	3%	/	/D1/ /D2/ /D3/ /D11/ /D43/.	☒	<p>Description:</p> <ol style="list-style-type: none"> The residual value rate of 3% is in accordance with the <i>Implementation Regulations for the Law of the People's Republic of China on Enterprise Income Tax (State Council Decree No.512) /D43/</i>. The residual value is recovered at the end year of the operational time in IRR calculation spreadsheet /D11/. <p>Justification of Evidences:</p> <ol style="list-style-type: none"> The residual value rate of the project was checked and verified by the validation team to be in accordance with Chinese accounting law /D43/.. The IRR calculation /D11/ was checked for the recovery of residual value. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
7) Depreciation rate (depreciation period)	6.47% (15)	/ (years)	/D1/ /D2/ /D3/ /D11/ /D43/	☒	<p>Description:</p> <ol style="list-style-type: none"> The depreciation period of 15 years is in accordance with the <i>Implementation Regulations for the Law of the People's Republic of China on Enterprise Income Tax (State Council Decree No.512) /D43/</i>. Because the residual rate is 3% as discussed

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correct ness of value applied	Comment
					<p>above, the depreciation rate of 6.47% is correct $[(100\%-3\%)/15]$.</p> <p>2. The depreciation has been considered in the income tax calculation.</p> <p>Justification of Evidences:</p> <p>1. The depreciation rate and the depreciation period of the proposed project were checked and verified by the validation team to be in accordance with Chinese accounting law /D43/.</p> <p>2. The IRR spreadsheet /D11/ has been checked for the depreciation consideration in the income tax calculation.</p> <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project. The depreciation has been taken into account in the income tax calculation.</p>
8) Income tax rate	25%	/	/D1/ /D2/ /D3/ /D11/ /D45/	<input checked="" type="checkbox"/>	<p>Description:</p> <p>1. The income tax rate of 25% is in accordance with the Income Tax Law of the People's Republic of China for Enterprises issued by the Chairman of the People's Republic of China on 16 March 2007 /D45/.</p> <p>Justification of Evidences:</p> <p>1. The income tax rate of the project was checked and verified by the validation team to be in accordance with Chinese law /D45/.</p> <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correct ness of value applied	Comment
9) VAT rate	17%	/	/D1/ /D2/ /D3/ /D11/ /D56/	<input checked="" type="checkbox"/>	<p>Description:</p> <p>1. According to the current law in China, the Interim Statute of People's Republic of China on Value Added Tax (State Council Decree No.538) /D56/, the VAT rate is stipulated as 17% for wind power industry. In the IRR spreadsheet /D11/ of the project, the output VAT rate of 17% and input VAT rate of 17% were applied, which was verified by the validation team to be consistent with Chinese law /D56/.</p> <p>Justification of Evidences:</p> <p>1. The VAT rate of 17% was checked and verified by the validation team in accordance with the national law (State Council Decree No. 538)) /D56/.</p> <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
10) VAT refunded (return of VAT)	0 for the first 4 years 1,062.2 for the fifth year 1,807.9 for every year in the last 14 years 1,355.9 for last	10 ⁴ RMB	/D1/ /D2/ /D3/ /D11/ /D57/	<input checked="" type="checkbox"/>	<p>Description:</p> <p>1. In order to encourage the development of wind power in China, the Ministry of Finance and State Administration of Taxation issued a notification on VAT policy on 9 December 2008 (Cai Shui [2008] No.156) /D57/ to stipulate that the 50% of (output VAT- input VAT) should be refunded. In the IRR spreadsheet /D11/ of the project, half of (output VAT-input VAT) was recovered as cash inflow throughout the operation period of 20 year, which was verified by the validation team to be consistent with VAT policy /D57/.</p> <p>Justification of Evidences:</p> <p>1. The IRR calculation spreadsheet /D11/ of the</p>

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
	year				<p>proposed project was checked and verified by the validation team to be in accordance with the VAT refund policy (Cai Shui [2008] No.156) /D57/.</p> <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project, and the calculation of VAT refund is correct.</p>
11) Input VAT of equipments	16,858	10 ⁴ RMB	/D1/ /D2/ /D3/ /D11/ /D56/ /D58/	☒	<p>Description:</p> <ol style="list-style-type: none"> In order to encourage the economic development in China, the Ministry of Finance and State Administration of Taxation implemented the reform of VAT system on 19 December 2008 (Cai Shui [2008] No.170) /D58/ and stipulated that from 1 January 2009 the input VAT of equipment investment should be deducted from the output VAT for the general taxpayer /D58/ and thus the leviable VAT is the output VAT minus the input VAT of equipment investment. In IRR spreadsheet of the project /D11/, the input VAT of equipments (16,858 10⁴RMB) is calculated as equipment investment × VAT rate/(1+VAT rate)=116,025 10⁴ RMB × 17%/(1+17%) =16,858 10⁴ RMB, which is in compliance with Chinese Input VAT policy (Cai Shui [2008] No.170) /D58/. As per the accounting principles /D56/, the leviable VAT belongs to the circulating tax which is transferred to the government and thus is not related to the profit and cost. In the IRR spreadsheet of the project /D11/, the input VAT of equipment investment, 16,858 10⁴RMB was included in static investment in the three years of construction period as cash outflow, and meanwhile was recovered as cash inflow during first six years of operation period

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					<p>(903.9 10⁴RMB for 1st year of operation + 3,615.8 10⁴RMB per year*5year for subsequent 4 years + 1,491.4 10⁴RMB for last year). Thus, the input VAT of equipment investment was not deemed as cost/profit in the IRR spreadsheet /D11/, which is consistent with the accounting principles /D56/ and reasonable.</p> <p>Justification of Evidences:</p> <ol style="list-style-type: none"> 1. The value for the input VAT of equipments was checked and verified by the validation team to be in accordance with the input VAT policy (Cai Shui [2008] No.170) /D58/. 2. The usage of input VAT of equipments in the IRR spreadsheet /D11/ of the proposed project was checked and verified by the validation team to be in accordance with the accounting principles /D56/. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project, and input VAT calculation is correct.</p>
12)City maintenance and construction tax rate	7%	/	/D1/ /D2/ /D3/ /D11/ /D46/	☒	<p>Description:</p> <ol style="list-style-type: none"> 1. This input value is in accordance with the national regulations in China /D46/. According to the “Interim rules on additional tax for city maintenance and construction” /D46/, the tax rate for city maintenance and construction will be determined as per the taxpayer’s location: 7% for urban areas, 5% for county and town, and 1% for others. As the project owner of Beijing Tianrun New Energy Investment Co., Ltd. is located in Beijing, the tax rate for city maintenance and construction of 7% was selected in the IRR spreadsheet /D11/.

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
					Justification of Evidences: 1. The input value was checked and verified by the validation team to be in accordance with the “Interim rules on additional tax for city maintenance and construction” /D46/, Conclusion: Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.
13) Educational surtax rate	5%	/	/D1/ /D2/ /D3/ /D11/ /D48/ /D48/	☒	Description: 1. The input value for the tax rate of education surcharge is in accordance with national regulations /D48/ and local regulations /D48/ in China. In terms of the “national rule on education surcharge” /D48/, the “tax rate for education surcharge” of 3% shall be applied for companies in China; as per the local rules on local education surcharge (Xin Zheng Fa [2011]24) /D48/, “tax rate for local education surcharge” of 2% shall be applied. Thus, the education surcharge tax rate of 5% was correctly selected in the IRR spreadsheet version 02 dated 24/12/2012 /D11/. Justification of Evidences: 1. The input value was checked and verified by the validation team to be in accordance with the national regulations /D48/ and local regulations /D48/. Conclusion: Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
14) Installed capacity	200	MW	/D1/ /D2/ /D3/ /D6/ /D7/ /D11/ /I03/	<input checked="" type="checkbox"/>	<p>Description:</p> <ol style="list-style-type: none"> During the completion of the final validation report, only the construction contract for the foundation of 50 MW wind turbines /D6/ and the tower purchase contract /D7/ were signed by the project owner for the project. Thus, the turbine purchase contract or the technical specification is not available for cross-check. This input value (2.5MW*80) used in the financial analysis was confirmed by the local officer /I03/ from Hami city Development and Reform Commission. <p>Justification of Evidences:</p> <ol style="list-style-type: none"> The local officer /I03/ from Hami city Development and Reform Commission was interviewed by the validation team for the installed capacity. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
15) Project Lifetime	20	year	/D1/ /D2/ /D3/ /D6/ /D7/ /D11/ /D54/	<input checked="" type="checkbox"/>	<p>Description:</p> <ol style="list-style-type: none"> During the completion of the final validation report, only the construction contract for the foundation of 50 MW wind turbines /D6/ and the tower purchase contract /D7/ were signed by the project owner for the project. Thus, the turbine purchase contract or the technical specification is not available for cross-check. The windpower projects developed in China and published on UNFCCC website /D54/ were checked by the validation team and it can be confirmed that most of these projects have the operation period of 20 years as the proposed project.

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correct ness of value applied	Comment
					<p>Justification of Evidences:</p> <ol style="list-style-type: none"> The windpower projects developed in China and published on UNFCCC website /D54/ were checked by the validation team for the operation period. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>
16) Interest rate	7.05% (long term loan) 6.56% (short term loan)	/	/D1/ /D2/ /D3/ /D11/ /D44/	<input checked="" type="checkbox"/>	<p>Description:</p> <ol style="list-style-type: none"> This input values used in the financial analysis was compared with the actual loan interests issued by the Bank of China /D44/ on 07/07/2011, recently available prior to the completion date of FSR September 2011. The input values were found to be fully consistent with the actual loan interests /D44/. The interest payable has been verified to be is taken into account in the calculation of the income tax. <p>Justification of Evidences:</p> <ol style="list-style-type: none"> The input values were checked and verified by the validation team to be consistent with the actual loan interest /D44/. The IRR spreadsheet /D11/ was checked and verified by the validation team for the consideration of interest payable in the income tax calculation. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>

Parameter	Value applied	Unit	Refs	DOE ASSESSMENT	
				Correctness of value applied	Comment
17) Current fund (Current capital)	600	10 ⁴ RMB	/D1/ /D2/ /D3/ /D11/ /D40/	<input checked="" type="checkbox"/>	<p>Description:</p> <ol style="list-style-type: none"> The current fund of 600×10⁴ RMB has been returned in the last year of operation time in the IRR spreadsheet /D11/. The current fund is in compliance with the requirements defined in the “Economic Evaluation Methods and Parameters for Construction Project, Version 03” /D40/. <p>Justification of Evidences:</p> <ol style="list-style-type: none"> The IRR spreadsheet /D11/ was checked and verified by the validation team for the recovery of current fund. The current fund was checked and verified by the validation team in line with the “Economic Evaluation Methods and Parameters for Construction Project, Version 03” /D40/. <p>Conclusion:</p> <p>Based on the above analysis and our sectoral expertise, re-consult Ltd. was able to confirm that the input parameter used in the financial analysis is reasonable and adequately represents the economic situation of the project.</p>

Table 1: Comparison of investment cost per kW, percentage of O&M costs relative to static total investment cost and other cost per kW among windpower projects developed in Xinjiang Uygur Autonomous Region and published on UNFCCC website /D54/

Ref. No	Project Name	Installed Capacity (MW)	Investment per kW (RMB/kW)	O&M/Investment	Other cost per kW (RMB/kW)
536	The 30 MW Tuoli Wind-Farm Project in Urumqi, Xinjiang of China	30.0	8,776	N/A	N/A
894	Xinjiang Dabancheng Sanchang First Phase Wind Farm Project	30.0	8,946	3.69%	N/A
1244	The Wulabo 30 MW Wind-Farm Project in Urumqi, Xinjiang of China	30.0	9,940	4.66%	155

Ref. No	Project Name	Installed Capacity (MW)	Investment per kW (RMB/kW)	O&M/Investment	Other cost per kW (RMB/kW)
1480	Xinjiang Xiaocaohu Wind Power Project	49.5	7,779	3.35%	50
1734	Xinjiang Tianfeng Dabancheng Second Phase Wind Farm Project	30.0	7,931	4.45%	50
2031	Xinjiang Mayitasi Wind Farm Project	49.5	7,682	3.16%	40
2413	Xinjiang Huadian Xiaocaohu the 2nd phase of No.1 Wind Farm project	49.5	8,658	2.85%	50
2537	The Bogeda 40.5 MW Wind-Farm Project in Urumqi, Xinjiang, China	40.5	9,365	5.38%	65
2855	Xinjiang Dabancheng Sanchang Phase III Wind Power Project	49.5	8,613	4.29%	40
3003	Xinjiang Alashankou Phase I Wind Power Project	49.5	10,219	2.49%	20
3107	Xinjiang Dabancheng Sanchang Phase IV Wind Power Project	49.5	8,604	3.87%	40
3228	Huadian Xinjiang Xiaocaohu Second Wind Farm Phase I Project	49.5	9,219	2.50%	15
3579	Huaneng Xinjiang Hami Santanghu Phase I Wind Farm Project	49.5	9,167	2.75%	30
4001	Xinjiang Alashankou Wind Power Project	49.5	10,305	2.69%	30
4047	Huaneng Tuokexun Baiyanghe First Stage 49.5MW wind farm project	49.5	9,522	2.13%	N/A
4369	Xinjiang Buerjin Tianrun Windpower Co., Ltd. Wind Farm 1st Stage Project	49.5	7,889	4.05%	63
4399	Xinjiang Huadian Buerjin Chengnan Phase I Wind Farm Project	49.5	10,218	2.50%	25
4421	CECIC Urumqi Tuoli Phase I Wind Farm Project	49.5	9,805	3.61%	50
4573	Xinjiang Alashankou Phase II Wind Power Project	49.5	8,984	2.87%	30
4648	Huaneng Xinjiang Hami Santanghu Phase II Wind Farm Project	49.5	9,990	2.80%	30
4943	Xinjiang Urumqi Dabancheng Huaran Wind Farm Phase I Project	49.5	9,914	4.58%	51
5083	Xinjiang Dabancheng Phase I Wind Power Project	49.5	10,160	2.95%	30
5246	Guodian Xinjiang Alashankou Phase II Wind Power Project	49.5	9,245	3.00%	30
5289	Xinjiang Jimunai CGN Phase I Wind Farm Project	49.5	9,891	3.65%	80
5789	Huaneng Tuokexun Baiyanghe Third Stage 49.5MW Wind Farm	49.5	9,813	2.92%	30

Ref. No	Project Name	Installed Capacity (MW)	Investment per kW (RMB/kW)	O&M/Investment	Other cost per kW (RMB/kW)
5800	CGN Xinjiang Tacheng Mayitasi Phase I Wind Farm Project	49.5	10,187	2.97%	30
/	Range from above projects	30-49.5	7,682-10,305	2.13-5.38%	15-155
/	The proposed project	200	9,174	3.47%	50

Based on the assesement result of input parameters above and our sectoral competence, re-consult Ltd. was able to confirm that the input parameters used in the financial analysis are reasonable and adequately represent the economic situation of the project.

4) Calculation and conclusion

The post-tax project-IRR calculations for 3 year of construction and 20 years of operation were provided in the IRR calculation spreadsheet /D11/. The calculations were verified and found to be correct by re-consult Ltd.. The assumptions used in the calculations were deemed to be credible by re-consult Ltd.. The project-IRR (after tax) for 23 years without CDM revenues is 6.04%, which confirms that the project is not financially attractive in the absence of CDM benefits, compared to the benchmark of 8%. With CER revenues (assumed as 10Euro/tCO₂e with Euro/RMB exchange rate = 8) the project-IRR (after tax) increases to 8.29%, which is above the benchmark of 8%.

5) Sensitivity analysis

A sensitivity analysis has been carried out for parameters varying throughout the project lifetime to check the robustness of the financial analysis. Reasonable variations of static total investment, annual O&M cost, annual net power generation and electricity tariff were checked by calculating the variation necessary to reach the benchmark and then discussing the likelihood for this scenario. None of the parameters in the sensitivity analysis are considered to have any significant effect.

- **Static total investment:** For a 12.38% decrease in static total investment, the benchmark will be reached. The demands for wind turbines and its accessories have exceeded its supply in China from 2002 to 2008 /D59/ which resulted in the price rising of wind equipment. From 2008 to 2010, the wind turbine prices dropped by 27.4% /D59/. In 2011 and 2012, the wind turbine prices fell to their lowest /D59/. It is expected that the wind turbine prices will be stable in 2012 and gradually increase from 2013 /D59/. The turbine contract of this project has not been signed so far and will be signed in 2012 or 2013 /I01/. Besides, during the completion of the final validation report, only the construction contract for the foundation of 50 MW wind turbines /D6/ and the tower purchase contract /D7/ were signed by the project owner for the project. The actual expenses of these two contract /D6/ /D7/ only account for 6.2% of estimated static total investment in the FSR /D2/. Thus, the

actual investment data in the contracts are not used by validation team for cross-check. Thus, the static total investment is highly unlikely to decrease 12.38% or more. The above information was confirmed by re-consult Ltd..

- Annual O&M cost: With a 42.2% decrease in O&M cost, the benchmark will be reached. However, the prices of raw materials, man power and industry equipments are rising in recent years in China /D59/. Further, this estimate of O&M cost in FSR /D2/ follows the requirements defined in “Economic Evaluation Methods and Parameters for Construction Project, Version 03” /D40/, which is considered as the financing assessment basis of FSR. There is no indication that this document /D40/ will not be valid in the future and hence can be regarded as a reliable and authoritative source for preparing the FSR. Thus, a reduction of 42.2% or more in O&M cost is particularly unlikely and this possibility can be ruled out.
- Annual net power generation: With a 13.30% increase in annual net power generation, the benchmark will be reached. However, the annual net power generation of the project was calculated by a third party, an independent qualified design institute with higher grade (Grade A) based on 30 years of meteorological data from 1981 to 2010 and one year on-site wind resources measurement during 01/08/2009 ~ 31/07/2010 provided by local meteorological station. Hence, a 13.30% or more increase in annual net power generation is deemed highly unreasonable.
- Electricity tariff: to reach the benchmark, power tariff must increased by 13.30% (i.e. 0.6571 RMB/kWh including VAT), which is not likely to happen. The tariff used in the PDD is 0.58 RMB/kWh (incl. VAT). As discussed above, the tariff implemented in the PDD is reasonable and the tariff of wind power projects in Hami City of Xinjiang Uygur Autonomous Region, where the project is located, should be approved as 0.58 RMB/kWh (incl. VAT) after 1 August 2009 /D55/. Hence, a 13.30% or higher increase in tariff is deemed highly unreasonable.

In conclusion, re-consult Ltd. was able to confirm that this project activity is financially unattractive even after considering the possible fluctuation of the main parameters.

4.7.4. Barrier analysis

No barrier analysis is used for additionality justification.

4.7.5. Common practice analysis

Since the grid connected renewable electricity generation projects fall under (b) of the paragraph 6 of Tool for the demonstration and assessment of additionality, version 06.1.0 /D27/, the steps 1-4 of the paragraph 47 of this Tool were used in the PDD for the common practice analysis. It is deemed reasonable by the validation team.

Step 1: Calculate applicable output range as +/-50% of the design output or capacity of the proposed project activity.

The capacity of the proposed project is 200 MW. Thus, the applicable output range is defined as 100~300MW in the PDD version 02 dated 24/12/2012 /D1/, which is considered correct by the validation team.

Step 2: In the applicable geographical area, identify all plants that deliver the same output or capacity, within the applicable output range calculated in Step 1, as the proposed project activity and have started commercial operation before the start date of the project. Note their number N_{all} . Registered CDM project activities and projects activities undergoing validation shall not be included in this step;

a) *Applicable geographical area*

The Xinjiang Uygur Autonomous Region is selected as the applicable geographical area for common practice analysis in the PDD version 02 dated 24/12/2012 /D1/, which is justified via the following three aspects:

- Investment climate. Chinese provinces vary widely in investment Climate as well as local government effectiveness and quality of Life /D53/, which was verified by the validation team through checking the paper on the website of World Bank /D53/.
- Wind power resource. On 20 July 2009 China's NDRC issued the Tariff Policy Notification for Wind Power Projects /D55/; this notification stipulates that China is categorized into four wind resource regions and each wind resource region has its own benchmark on-grid tariff and after 1 August 2009 the tariff of wind power project should be approved as per the benchmark on-grid tariff of the wind resource region where the wind power project is located. This notification /D55/ was checked by the validation team and it can be confirmed that all the provinces of China are located in the different wind resource regions and the wind resource vary significantly from a wind resource region to another.
- Economic and Social Development. The Chinese provinces vary significantly in the level of the economic and social development /D53/, which was verified by the validation team through checking the "Statistical Communiques of the All Provinces in China on the 2011 Provincial Economic and Social Development", published in the website of the National Bureau of Statistics of China /D53/.

Hence, it is reasonable that Xinjiang Uygur Autonomous Region is selected as the applicable geographical area for common practice analysis, which is the opinion of re-consult Ltd..

b) N_{all}

In the PDD version 02 dated 24/12/2012 /D1/, N_{all} is defined as all electricity generation non-CDM projects in Xinjiang Uygur Autonomous Region with the capacity range of 100~300MW and with the start date of commercial operation before the project start date of 31/05/2012, which is earlier than PDD GSP date of 24/10/2012. It can be illustrated by the following formula:

$$N_{all} = N_{non-renewable} + N_{other-renewable} + N_{wind\ before\ 2002} + N_{diff\ wind\ after\ 2002} + N_{similar\ wind\ after\ 2002}$$

Where,

$N_{non-renewable}$: Electricity generation projects which apply the non-renewable sources such as fuel.

$N_{other-renewable}$: Electricity generation projects which apply the renewable sources excluding wind source.

$N_{wind\ before\ 2002}$: Wind power projects with the starting date before 2002-02-10
$N_{diff\ wind\ after\ 2002}$: Wind power projects with the starting date on or after 2002-02-10 which apply different technology from the proposed project
$N_{similar\ wind\ after\ 2002}$: Wind power projects with the starting date on or after 2002-02-10 which apply similar technology as the proposed project

Note: $N_{non-renewable}$, $N_{other-renewable}$, $N_{wind\ before\ 2002}$, $N_{diff\ wind\ after\ 2002}$ and $N_{similar\ wind\ after\ 2002}$ should belong to the non-CDM projects in Xinjiang Uygur Autonomous Region with the capacity range of 100~300MW and with the start date of commercial operation before the project start date of 31/05/2012.

The definition of N_{all} is checked by the validation team and is deemed to be compliant with the step 2 of the paragraph 47 of Addtionality Tool version 06.1.0 and complete.

Step 3: Within plants identified in Step 2, identify those that apply technologies different that the technology applied in the proposed project activity. Note their number N_{diff} .

In the PDD version 02 dated 24/12/2012 /D1/, the definition for different technologies in the paragraph 9 of Addtionality Tool version 06.1.0 is used to identify the different project and their number N_{diff} . This is deemed correct by the validation team.

Among N_{all} , $N_{non-renewable}$, $N_{other-renewable}$ and $N_{wind\ before\ 2002}$ are identified as the different projects due to the following reasons:

For $N_{non-renewable}$ and $N_{other-renewable}$, the non-renewable projects ($N_{non-renewable}$) and other renewable project excluding windpower projects ($N_{other-renewable}$) fall under (a) Energy source/fuel of the paragraph 9 of of Addtionality Tool version 06.1.0, since their energy sources are different from the proposed project. This is deemed correct by the validation team. Thus, $N_{non-renewable}$ and $N_{other-renewable}$ all belong to N_{diff} .

For $N_{wind\ before\ 2002}$, the wind power projects with the starting date before 2002-02-10 ($N_{wind\ before\ 2002}$) fall under (d) Investment climate of the paragraph 9 of of Addtionality Tool version 06.1.0. On 2002-02-10, the Chinese power sector was reformed by the Central Government of China to break down the monopoly and introduce the market competition /D42/. 2002 is a threshold for the investment climate of power sector, inter alia: the promotional policies and legal regulations. This is verified and deemed correct by the validation team. Thus, $N_{wind\ before\ 2002}$ belongs to N_{diff} .

Among N_{all} , $N_{diff\ wind\ after\ 2002}$ and $N_{similar\ wind\ after\ 2002}$ are identified as follows:

re-consult Ltd. was able to confirm that there is no project for $N_{diff\ wind\ after\ 2002}$ and $N_{similar\ wind\ after\ 2002}$ identified according to the criteria defined above by checking the Statistics of Domestic Wind Farm Installation Capacity from 2007 to 2011 (published annually) /D60/. Thus, $N_{diff\ wind\ after\ 2002} + N_{similar\ wind\ after\ 2002} = 0$ because all windpower projects with the starting date on or after 2002-02-10 and with the capacity of more than 100MW are the registered CDM projects or undergoing validation projects.

Thus, re-consult Ltd. could conclude that $N_{diff\ wind\ after\ 2002} = 0$ and $N_{similar\ wind\ after\ 2002} = 0$.

Based above analysis, among N_{all} , $N_{non-renewable}$, $N_{other-renewable}$, $N_{wind \text{ before } 2002}$ and $N_{diff \text{ wind after } 2002}$ all belong to N_{diff} , and $N_{similar \text{ wind after } 2002}$ does not belong to N_{diff} as well as $N_{similar \text{ wind after } 2002} = 0$. In the PDD version 02 dated 24/12/2012 /D1/, N_{diff} is defined as $N_{diff} = N_{non-renewable} + N_{other-renewable} + N_{wind \text{ before } 2002} + N_{diff \text{ wind after } 2002} = n$ (n is a constant of integer); $N_{all} = n + N_{similar \text{ wind after } 2002} = n + 0 = n$. Since the data of the exact number of the projects is unavailable, a mathematical way for justifying the conclusion is adopted as agreed by EB in response to “Clarification request on application of common practice analysis with tool for the demonstration and assessment of additionality (version 6.1.0)” /D62/.

Step 4: Calculate factor $F = 1 - N_{diff}/N_{all}$ representing the share of plants using technology similar to the technology used in the proposed project activity in all plants that deliver the same output or capacity as the proposed project activity.

$$F = 1 - N_{diff}/N_{all} = 1 - n/n = 0 < 0.2$$

$$N_{all} - N_{diff} = n - n = 0 < 3^1$$

As per the step 4 of the paragraph 47 of Addtionality Tool version 06.1.0, the proposed project is not a “common practice” in Xinjiang Uygur Autonomous Region. re-consult Ltd. could confirm the conclusion of the PP that the construction of a wind farm project of 200 MW is not a common practice in Xinjiang Uygur Autonomous Region.

4.7.6. Summary

In summary, it is clearly demonstrated that the project is not a likely baseline scenario and the emission reductions are additional to what would have happened in absence of the project activity.

4.8. Monitoring

According to ACM0002 version 13.0.0, the monitoring plan covers the following parameters required to be monitored,

- Quantity of electricity exported by the proposed project to the Grid in year y , $EG_{export,y}$
- Quantity of electricity imported by the proposed project from the Grid in year y , $EG_{import,y}$
- Net electricity supplied by the proposed project to the grid in year y , $EG_{facility,y}$, using $EG_{export,y}$ minus $EG_{import,y}$.

Two meters, one main meter and one back-up meter (bidirectional, with accuracy of no less than 0.5) will be installed at the project site (main meter M1 and backup meter M2) or at the side of the grid company (main meter M3 and backup meter M4). Whether the monitoring system installed at the project site or the monitoring system installed at the grid company will be applied by the project owner will be determined according to the

¹ Since the data of the exact number of the projects is unavailable, a mathematical way for justifying the conclusion is adopted as agreed by EB in response to “Clarification request on application of common practice analysis with tool for the demonstration and assessment of additionality (version 6.0.0)”
<http://cdm.unfccc.int/methodologies/PAmethodologies/tools-clarifications/30494>

actual situation after the construction of the project is finished. The same was verified by the validation team through the interview with the representatives of the project owner /I01/. The net electricity supplied by the project will be measured continuously and recorded at least monthly through the main meter, which is verified by the validation team to be in accordance with the applied methodology of ACM0002 version 13.0.0. The meters will be calibrated annually by an accredited organization, which is considered by the validation team to be in compliance with the national standard of DL/T 448-2000 /D49/. This measured data will be cross checked against the sales records, which is verified by the validation team to be in accordance with the applied methodology of ACM0002 version 13.0.0.

The data will be archived during the crediting period and at least two years after the end of the last crediting period.

re-consult Ltd. can confirm that the list of parameters that need to be monitored ex post is complete and consistent with ACM0002 version 13.0.0 and that the monitoring plan of PDD version 02 dated 24/12/2012 is in compliance with the applied monitoring methodology ACM0002 version 13.0.0.

By document review and interview with relevant engineer of the project owner, it is confirmed by the validation team that the monitoring plan can be properly implemented and all monitoring arrangements are feasible within the project design, and the means of implementation of the monitoring plan, including data management and quality assurance and quality control procedures, are sufficient to ensure that the ERs to be achieved by the project activity can be properly reported and verified.

4.9. Calculation of Emission Factor and Emission Reductions

The emission reductions (ER_y) by the project activity during the crediting period is the difference between baseline emissions (BE_y), project emissions (PE_y) and emissions due to leakage (LE_y), as follows:

- 1) Baseline emissions: baseline emissions (BE_y in tCO_2) are the product of the grid emission factor ($EF_{grid,CM,y}$ in tCO_2/MWh) times the net electricity supplied by the project activity to the grid ($EG_{facility,y}$ in MWh).
- 2) Project emissions: There are no emissions from the project which is a renewable energy (wind source) project.
- 3) Leakage: No leakage has to be considered for the proposed project activity.

The grid emission factor was calculated as per the most recent data available at the time of PDD publication on the UNFCCC website for GSP, 24/10/2012. The data used in the EF calculation /D12/ is in accordance with the data in the China Electric Power Yearbook from 2007 to 2011 (published annually) /D36/ and the China Energy Statistical Yearbook from 2009 to 2011 (published annually) /D37/ as well as the data published by the NDRC on 15/10/2012 /D39/.

The grid emission factor is determined *ex-ante* as a combined margin, consisting of combination of the operating margin (OM) and build margin (BM) according to the “*Tool to calculate the emission factor for an electricity system*”, version 02.2.1” /D28/. It has

been calculated as 75:25 as the weights of the operating margin and the build margin respectively. Operating margin and build margin emission factor have been calculated as follows:

Operating margin emission factor: According to the data from China Electric Power Yearbook (2007-2011) /D36/, the low-cost/must run resources constituted only 24.69% in 2006, 22.43% in 2007, 21.82% in 2008, 24.41% in 2009 and 29.71% in 2010 among the total electric power generation of the NWCPG, which was verified by the validation team. Therefore, the operating margin (OM) is calculated using the “simple OM” method which is justified because low cost and must run power plants constitute less than 50% of the total grid generation.

The aggregated generation and fuel consumption data are used due to the fact that more disaggregated data for power plants are not available in the NWCPG. Country specific data for net calorific value of each type of fossil fuel, which was obtained from the China Energy Statistical Yearbook from 2009 to 2011 /D37/, the emission factor of each type of fossil fuel which was taken from the IPCC 2006 default values /D38/, and the total electricity delivered to the NWCPG which were obtained from the China Electric Power Yearbook from 2009 to 2011 /D36/, are selected and are deemed reasonable.

Vintage data for the data years 2008, 2009 and 2010 from China Energy Statistics Yearbooks 2009-2011 /D37/ and China Electric Power Yearbooks 2009-2011 /D36/ are used for operating margin calculation, which are the most recent available data at the time of PDD publishing (24/10/2012).

The OM is calculated to be 0.9913 tCO₂/MWh as a generation-weighted average for the three years (2008-2010). The sources and calculation has been verified by re-consult Ltd..

Build margin emission factor: Since the plant specific fuel consumption and electricity generation data are not publicly available in China, the guidance requested by DNV from the CDM Executive Board for a deviation of the baseline methodology of AM0005 has been applied for calculating the build margin (BM) emission factor of this project /D30/:

- Use of capacity additions from the years 2008 to 2010 is chosen and reaches 32.26% of the total installed capacity) /D36/.
- Use of weights estimated using installed capacity in place of annual electricity generation. Thermal power plant accounts for 68.87% of the total installed capacity additions in this period /D36/. Since specific data for each technology is not available, the fraction of fuels (coal 97.87%; natural gas 2.09%; oil 0.04%) was estimated from the CO₂ intensity for the fuels used in NWCPG /D37/.
- Use of the efficiency level of the best technology commercially available in the provincial/regional or national grid of China, as a conservative proxy, for each fuel type in estimating the fuel consumption. This is 39.65% for coal power plants and 51.93% for oil power plants and gas power plants respectively /D39/.

The BM is calculated as 0.5398 tCO₂e/MWh.

The resulting combined margin emission factor of 0.878425 tCO₂e/MWh is fixed *ex-ante* for the first crediting period. The annual electricity delivered to the NWCPG is expected as 429,050 MWh, so the annual baseline emission of the project is 376,888 tCO₂e/year calculated as 0.878425tCO₂e/MWh*429,050 MWh.

Based on the calculations and results presented above, the implementation of the project activity will result in an average *ex-ante* estimation of emission reduction conservatively calculated as 376,888 tCO₂e/year for the first crediting period.

All assumptions and data used by the project participants are listed in the PDD and/or supporting documents including their references and sources. All documentation used by the project participants as the basis for assumptions and source of data is correctly quoted and interpreted in the PDD. All values used in the PDD are considered reasonable in the context of the proposed CDM project activity. The baseline methodology has been applied correctly to calculate project emissions, baseline emissions, leakage and emission reductions. All estimates of the baseline, project and leakage emissions can be replicated using the data and parameter values provided in the PDD.

4.10. Environmental Impacts

An Environmental Impact Assessment (EIA) /D4/ has been conducted by Xinjiang Environmental Protection Technology Consulting Center in July 2011 according to “Law of the People’s Republic of China on Environmental Impact Assessment” /D41/. The potential environmental impacts have been sufficiently identified, such as noise, solid waste, wastewater, air pollution and ecological environment. No significant environmental impacts are expected from the project activity /D4/. The Environmental Protection Bureau of Xinjiang Uygur Autonomous Region approved the project activity on 18/08/18/08/2011 /D5/. These documents have been verified by re-consult Ltd. and the conclusions were confirmed by interview with representative of local Environmental Protection Bureau /I03/.

4.11. Local Stakeholder Comments

In April 2012, the poster on the project information and inviting public comments were put up around the government of local village /D8/. In May 2012, a public survey /D9/ was held by the project owner around the project location. In this survey, 50 questionnaires were distributed to local stakeholders and 50 questionnaires were returned giving a 100% response rate /D9/. The investigated local stakeholders from the local residents and local government’s officials were selected from different genders, ages, education levels, and occupations with proper proportion. The survey /D9/ shows that 100% of the investigated people are supportive to the project construction and no negative comments to be taken in account are received. A summary of comments is available in the section E.2 of the PDD version 02 dated 24/12/2012.

re-consult Ltd. has checked all the questionnaires received /D9/ and considers the local stakeholder consultation to be carried out adequately.

4.12. Global Stakeholder Consultation

4.12.1. Description of how the PDD is made publicly available

The PDD version 01 dated 04/10/2012 /D1/ was published on the UNFCCC website from 24/10/2012 to 22/11/2012 /D10/.

4.12.2. Compilation of comments received

During the global stakeholder consultation period, no comments were received /D10/.

4.12.3. Explanation of how comments are taken into account

During the global stakeholder consultation period, no comments were received /D10/.

4.12.4. Summary on comments by parties, stakeholders and NGOs

During the global stakeholder consultation period, no comments were received /D10/.

4.13. Modalities of Communication

re-consult Ltd. has confirmed that the MoC statement /D19/ was received from the project participant of Beijing Tianrun New Energy Investment Co., Ltd. with whom re-consult Ltd. has a contractual relationship /D51/.

The corporate identity of the project participant Beijing Tianrun New Energy Investment Co., Ltd. and its focal point included in the MoC statement /D19/, as well as the personal identities, including specimen signatures and employment status, of their authorized signatories, have been validated by re-consult Ltd. through directly checking the written confirmation from the project participant /D21/. The corporate identity of the project participant NDRC and its focal point included in the MoC statement /D19/, as well as the personal identities, including specimen signatures and employment status, of their authorized signatories, have been validated by re-consult Ltd. through directly checking the NDRC website /D64/ /D65/ for NDRC , personal identity and other relevant documentation /D66/. Thus, re-consult Ltd. has performed due diligence on the Modalities of Communications (MoC) statement /D19/ submitted by the project participants in accordance with applicable requirements in the VVS version 02.0.

re-consult Ltd. compared the MOC with the latest version 02.1 of the form of MOC /D34/ published on UNFCCC website and also compared the information contained in the MOC /D19/ with the other relevant evidences /D1/ /D15/ /D21/ /D64/ /D66/. Thus, re-consult Ltd. was able to confirm the information contained in the MoC and that the MoC complies with all relevant forms and requirements.

4.14. Sampling Plan

Not applicable as no sampling approach is used in the PDD version 02 dated 24/12/2012 /D1/.

5. LIST OF PERSONS INTERVIEWED

The list of people who were interviewed the validation team from re-consult during the onsite visit dated 30-31/10/2012 is given in the table 5-1 below:

Table 5-1: List of persons interviewed

Reference Number	Means of Interview ¹	Full Name	Title	Organization
/I01/	V T ²	Ms. Liu Zhe	CDM chief	Beijing Tianrun New Energy Investment Co., Ltd., which is the parent company of Hami Yandun Tianrun Wind Power Co., Ltd.
/I01/	V	Mr. Liu Sheng	Vice-general manager	Hami Yandun Tianrun Wind Power Co., Ltd.
/I01/	V	Mr. Kang Genfeng	Project manager	
/I02/	V	Mr. Zhong Shaohui	Vice-general manager	Libra CDM Technology Development Center
/I02/	V	Mr. Deng Heng	Project manager	
/I03/	V	Mr. He Peng	Officer	Hami city Development and Reform Commission
/I03/	V	Ms. Liu Yanli	Officer	Hami City Environmental Protection Bureau
/I03/	V	Mr Liu Bingzhu	Villager	Luotuojuanzi, Hami city, Xinjiang Uygur Autonomous Region
/I03/	V	Mr. Wang Yongbo	Villager	

1) Means of Interview: (Telephone, E-Mail, Visit)

2) The representative of project owner was interviewed by the validation team via telephone for the signed contract on 26/11/2012.

6. LIST OF DOCUMENTS REVIEWED

The list of the documents which were reviewed during the validation period is given in the Table 6-1, Table 6-2 and Table 6-3 below:

Table 6-1: Documentation provided by the project participants

Ref	Documents
/D1/	Libra CDM Technology Development Center: <i>CDM-PDD for project activity of Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , version 01 dated 04/10/2012 (webhosted from 24/10/2012 to 22/11/2012 and version 02 dated 24/12/2012 (final).
/D2/	Northwest Hydro Consulting Engineers.: <i>FSR of Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , dated September 2011. The entity has the qualification certificate with Class-A on Engineering design issued by Ministry of Housing and Urban-Rural Development of China on 2008-03-24 (valid to 24/03/2013), certificate No. A161900186.
/D3/	National Development and Reform Commission: <i>Approval of FSR of Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , Fa Gai Neng Yuan[2012]No.2561, dated 21/08/2012.
/D4/	Xinjiang Environmental Protection Technology Consulting Center: <i>EIA of Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , dated July 2011. The entity has the qualification certificate Class-A on Environment Impact Assessment issued by the Ministry of Environmental Protection of People's Republic of China on 24/01/2011 (valid to 23/01/2015), Certificate No. Guo Huan Ping Zheng Jia 4004.
/D5/	Environmental Protection Bureau of Xinjiang Uygur Autonomous Region: <i>Approval of EIA of Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , Xin Huan Ping Jia Han [2011]No.763, dated 18/08/2011.
/D6/	Beijing Tianrun New Energy Investment Co., Ltd. and Shandong Antai Construction and Road Engineering Co., Ltd.: <i>Construction contract for the foundation of 50 MW wind turbines (2.5MW*20)</i> , signed on 31/05/2012. Note: the proposed project includes 200 MW(2.5MW*80)
/D7/	Beijing Tianrun New Energy Investment Co., Ltd. and Xinjiang Taisheng Wind Power Equipment Co., Ltd.: <i>Purchase contract of towers for the proposed project</i> , signed in September 2012.
/D8/	Beijing Tianrun New Energy Investment Co., Ltd. Posters for inviting the comments from local stakeholders on the proposed project, dated April 2012.
/D9/	Beijing Tianrun New Energy Investment Co., Ltd.: <i>50 copies of Stakeholder consultation questionnaires for the proposed project</i> , conducted in May 2012.
/D10	UNFCCC website, PDD GSP of <i>Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , dated from 24/10/2012 to 22/11/2012.

Ref	Documents
/	http://cdm.unfccc.int/Projects/Validation/DB/AX1LT5VYOD6LLWF1ZALG1VH4FLFAKA/view.html
/D11 /	Libra CDM Technology Development Center: <i>IRR calculation spreadsheet</i> , version 01 dated 04/10/2012.
/D12 /	Libra CDM Technology Development Center: <i>ER calculation spreadsheet</i> , version 01 dated 04/10/2012 and version 02 dated 24/12/2012 (final).
/D13 /	Beijing Tianrun New Energy Investment Co., Ltd.: <i>CDM monitoring manual for the proposed project</i> , dated November 2012.
/D14 /	Beijing Tianrun New Energy Investment Co., Ltd.: <i>Training Plan and Record</i> , dated November 2012.
/D15 /	Administration of Industry and Commerce of Beijing City: <i>Business license of Beijing Tianrun New Energy Investment Co., Ltd.</i> , dated 13/06/2012.
/D16 /	Prior CDM Notification to DNA for Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project: 1. Beijing Tianrun New Energy Investment Co., Ltd.: CDM Project Notification Form for this project, issued on 22/10/2012. 2. NDRC: Notification approval, issued on 18/11/2012.
/D17 /	Prior CDM Notification to EB for Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project: 1. Beijing Tianrun New Energy Investment Co., Ltd.: CDM Prior consideration Form for the proposed project, dated 15/10/2012. 2. UNFCCC secretariat: Receipt of the notification for prior consideration of the CDM, dated 30/10/2012. http://cdm.unfccc.int/Projects/PriorCDM/notifications/index_html
/D18 /	National Development and Reform Commission (DNA of P.R. China): <i>Letter of approval (No.4881) for Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , issued in December 2012.
/D19 /	Beijing Tianrun New Energy Investment Co., Ltd. and China NDRC: <i>MOC for Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project</i> , signed by project owner and China NDRC on 19/12/2012 and 25/12/2012 respectively.
/D20	Hami city Development and Reform Commission: <i>Information of accelerating the 2,000 MW Wind Power Projects in Hami Southeast District,,Ref No. Ha Di Fa Gai</i>

Ref	Documents
/	<i>Neng Yuan [2012]186</i> , issued on 15/10/2012.
/D21 /	Beijing Tianrun New Energy Investment Co., Ltd.: <i>Written confirmation for the personal identity, including specimen signatures and employment status, of their authorized signatories</i> , dated 25/12/2012.

Table 6-2: Methodologies, tools and other guidance by the CDM Executive Board

Ref	Documents
/D22 /	CDM Executive Board: <i>Validation and Verification Standard</i> , Version 02.0.
/D23 /	CDM Executive Board: <i>Project Cycle Procedure</i> , version 02.0
/D24 /	CDM Executive Board: <i>Project Design Document Form (CDM PDD)</i> , Version 04.1.
/D25 /	CDM Executive Board: <i>Guidelines for completing the project design document form</i> , version 01.0.
/D26 /	CDM Executive Board: <i>Consolidated baseline methodology for grid-connected electricity generation from renewable sources, ACM0002</i> , version 13.0.0.
/D27 /	CDM Executive Board: <i>Tool for the demonstration and assessment of additionality</i> , version 06.1.0.
/D28 /	CDM Executive Board: <i>Tool to calculate the emission factor for an electricity system</i> , version 02.2.1.
/D29 /	CDM Executive Board: <i>Guidelines on the assessment of investment analysis</i> , version 05
/D30	CDM Executive Board: <i>Guidance for request for deviation titled "Application of</i>

Ref	Documents
/	AM0005 and AMS-I.D in China”, dated 1 December 2005 http://cdm.unfccc.int/Projects/deviations/87512
/D31 /	CDM Executive Board: <i>Guidance for the reporting and validation of plant load factors, version 01, EB 48 Annex 11.</i>
/D32 /	CDM Executive Board: <i>Information note on the highest tariffs applied by the executive board in its decision on registration of projects in the People’s Republic of China, version 02 dated 3 June 2011 at EB 61.</i>
/D33 /	CDM Executive Board: Guidelines on common practice, version 02.0
/D34 /	CDM Executive Board: Modalities of Communication Statement, version 02.1

Table 6-3: Documentation used by Re-consult to validate / cross-check the information provided by the project participants

Ref	Documents
/D35/	State Power Corporation of China: <i>Interim Rules on Economic Assessment of Electrical Engineering Retrofit Projects</i> , published in 2003.
/D36/	Editorial Committee of China Electric Power Yearbooks: <i>China Electric Power Yearbooks 2007 – 2011.</i>
/D37/	National Bureau of Statistics and NDRC: <i>China Energy Statistical Yearbooks 2009, 2010 & 2011.</i>
/D38/	IPCC: <i>2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2 Energy.</i>
/D39/	NDRC: <i>Chinese DNA’s guidance for the determination of grid boundaries and emission factors</i> , issued on 15 October 2012. http://cdm.ccchina.gov.cn/WebSite/CDM/UpFile/File2975.pdf
/D40/	China NDRC and National Construction Committee: <i>Economic Evaluation Methods and Parameters for Construction Project</i> , version 03 dated 2006.
/D41/	The president of P.R.China: <i>Law of the People’s Republic of China on Environmental Impact Assessment(President Decree No.77)</i> , issued on 28 October 2002 and into force on 2003-09-01. http://www.gov.cn/gongbao/content/2002/content_61822.htm

/D42/	State Council: <i>Notification on the economic reform in electricity sector (Guo Fa[2002] No. 5)</i> , dated 2002-02-10. http://www.competitionlaw.cn/show.aspx?id=3409&cid=32
/D43/	China State Council: <i>Implementation Regulations for the Law of the People's Republic of China on Enterprise Income Tax (State Council Decree No.512)</i> , issued on 6 December 2007 http://www.gov.cn/zwgk/2007-12/11/content_830645.htm
/D44/	The Bank of China: <i>The interest rate of Loan</i> , dated 07/072011. http://www.boc.cn/finadata/lilv/fd32/201107/t20110706_1444099.html
/D45/	Chairman of the People's Republic of China: <i>Income Tax Law of the People's Republic of China for Enterprises (Decree No. 63)</i> , issued on 16 March 2007 and into force since 1 January 2008. http://www.gov.cn/ziliao/flfg/2007-03/19/content_554243.htm
/D46/	China State Council: <i>Interim Rules on Additional Tax for City Maintenance and Construction</i> ", <i>GuoFa[1985] No.19</i> , dated 8 February 1985. http://www.tjtdxy.cn/show.aspx?id=1932&cid=69
/D47/	China State Council: <i>Provisional Regulations of the People's Republic of China on Education surcharge</i> , dated 20 August 2005. http://www.law-lib.com/law/law_view1.asp?id=99771
/D48/	The government of Xinjiang Uygur Autonomous Region: Notification on the Local Education Surcharge, Xin Zheng Fa [2011]24 issued on 08/03/2011 and enforced on 01/03/2011. http://www.xjedu.gov.cn/rdzt/zcfg/yfxz/zzqrmzfwj/2011/40987.htm
/D49/	State Economic and Trade Commission: <i>Technical administrative code of electric energy metering (DL/T 448-2000)</i> , approved on 3 November 2000.
/D50/	State Council: <i>Provisional regulations of the People's republic of China on VAT (State Council Decree No. 134)</i> , issued on 13 December 1993 and into force on 1 January 1994. http://www.gov.cn/banshi/2005-08/19/content_24733.htm
/D51/	re-consult and Beijing Tianrun New Energy Investment Co., Ltd.: <i>Validation Contract</i> , signed on 12/10/2012.
/D52/	Wikipedia website: <i>Introduction on Hami city</i> http://en.wikipedia.org/wiki/Hami_City
/D53/	Common practice: Applicable geographical area The World Bank: Chinese Cities Vary Widely in Local Government Effectiveness, Investment Climate, and Quality of Life, dated 2006-11-10. http://www.worldbank.org/en/news/2006/11/11/chinese-cities-vary-widely-local-government-effectiveness-investment-climate-quality-life The National Bureau of Statistics of China: Statistical Communiques of the All

	Provinces in China on the 2011 Provincial Economic and Social Development. http://www.stats.gov.cn/tigb/
/D54/	UNFCCC website: http://cdm.unfccc.int
/D55/	NDRC: Tariff policy notification for wind projects (Fa Gai Jia Ge [2009] No. 1906), issued on 20 July 2009 and into force on 1 August 2009. http://www.ndrc.gov.cn/jggl/jggs/t20090727_292846.htm
/D56/	China State Council: <i>The Interim Statute of People's Republic of China on Value Added Tax</i> (State Council Decree No.538), issued on 10 November 2008 and into force on 1 January 2009. http://www.gov.cn/flfg/2008-11/14/content_1149549.htm
/D57/	Ministry of Finance and the State Administration of Taxation, <i>Notification on VAT policy of Comprehensive Utilization of Resource and Other Products (Cai Shui [2008] No.156)</i> , issued on 9 December 2008 and into force on 1 July 2008. http://www.chinatax.gov.cn/n8136506/n8136563/n8193451/n8193466/n8193602/8884919.html
/D58/	Ministry of Finance and the State Administration of Taxation, <i>notification on Value-Added Tax (Cai Shui [2008] No.170)</i> , issued on 19 December 2008 and into force on 1 January 2009. http://www.chinatax.gov.cn/n8136506/n8136563/n8193451/n8193466/n8193602/8884823.html
/D59/	Evidences for sensitivity analysis 1) Evidence for <u>Total static investment</u> a) People website: The demands for wind turbines and its accessories have exceeded its supply in the whole world in recent years, dated 11 May 2007. http://energy.people.com.cn/GB/5720709.html b) Xinjiang Energy website: Wind turbine prices drop by 27.4% from 2008 to 2010, dated 19/10/2010. http://www.tianshannet.com.cn/energy/content/2010-10/19/content_5309390.htm c) Hongyuan Securities: Wind turbine prices fall to their lowest in recent years and will increase in 2013, dated 15/02/2011 http://www.hysec.com/hyzq/public/Infodetail.jsp?infold=4503988 2) Evidence for <u>O&M cost</u> Yinhe website: The prices of raw materials, man power and industry equipments are rising in recent years in China, dated March 2012. http://www.jobinhe.net/news/yaowen/144194.html
/D60/	Common practice: data sources for searching N_{diff} wind after 2002 and $N_{similar}$ wind after 2002: Shi Pengfei, Statistics of domestic wind farm installation capacity in 2007. http://www.cwea.org.cn/download/display_info.asp?id=25 Shi Pengfei, Statistics of domestic wind farm installation capacity in 2008. http://www.cwea.org.cn/download/display_info.asp?cid=2&sid=&id=31

	<p>Chinese Wind Energy Association (CWEA), Statistics of domestic wind farm installation capacity in 2009. http://www.cwea.org.cn/download/display_info.asp?cid=2&sid=&id=36</p> <p>Chinese Wind Energy Association (CWEA), Statistics of domestic wind farm installation capacity in 2010. http://www.cwea.org.cn/download/display_info.asp?id=39</p> <p>Chinese Wind Energy Association (CWEA), Statistics of domestic wind farm installation capacity in 2011. http://www.cwea.org.cn/download/display_info.asp?id=44</p>
/D61/	<p>Power Kingdom Website: <i>Dabancheng Phase I wind farm is a demonstration project supported by national debt fund</i>, published on 2003-10-30. http://www.dlwg.net/news/news_view.asp?newsid=954</p>
/D62/	<p>EB Meth Panel: Final response to clarification request on application of common practice analysis with tool for the demonstration and assessment of additionality (version 6.0.0), CLA_TOOL_0015, published on 24 July 2012 at UNFCCC website. http://cdm.unfccc.int/methodologies/PAMethodologies/tools-clarifications/30494</p>
/D63/	<p>National Development and Reform Commission (DNA of China): Database for CDM projects: http://cdm.ccchina.gov.cn/web/item_new.asp?ColumnId=62</p>
/D64/	<p>The official website for Department of Climate Change of NDRC http://cdm.ccchina.gov.cn/english/index.asp</p>
/D65/	<p>Information on Sun Cuihua published on NDRC website. http://qhs.ndrc.gov.cn/gndt/jhqhbh/t20100512_346384.htm</p>
/D66/	<p>Shibo website: a presentation by Sun Cuihua, dated 03/07/2010. http://www.expo2010.cn/a/20100703/000044.htm</p>

7. VALIDATION TEAM AND ITR COMPETENCE AND APPOINTMENT CERTIFICATES

Mr. Johannes Smolders

Mr. Johannes Smolders has more than 25 years experience as researcher, manager, environmental consultant and EHS and GHG auditor. Auditing work among others comprised auditing QA/QC systems of laboratories and air emission inspection institute, environmental performance of industrial sites as well as technical inspection of facilities such as waste water treatment plants and air treatment installations. For more than a decade worked and did research in environmental and toxicological laboratories including analysis of contaminants in soil, water and air and developed and implemented QA/QC systems including instrument calibration and statistical analysis of QA/QC data.

He performed and contributed to CDM verifications and validations as lead or team member in China, Thailand, Indonesia and South-Korea regarding hydropower, wind, solar, geothermal and biomass power generation, methane recovery from waste water treatment plants, N₂O emission abatement and SF₆ gas recovery. He has lead N₂O verification projects for N₂O abatement from a nitric acid plant and from an adipic acid plant. He was also Technical Reviewer for N₂O abatement projects

His qualification, industrial experience and experience in CDM demonstrate his sufficient sectoral competence in “Energy Generation from Renewable Energy Sources.”

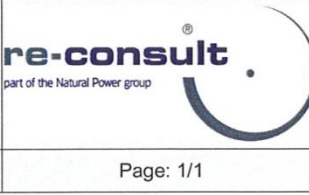
Mr. Jiang Zhi, Tim

Mr. Jiang Zhi, Tim holds a Master Degree in Chemical Engineering, having an overall experience of around fifteen years. Prior to joining re-consult he has ten years experience in chemical processes industry and environmental protection industry covering chemical separation, compound synthesis and wastewater treatment and has five years experience in validation/verification of CDM project as an auditor.

His qualification, industrial experience and experience in CDM demonstrate his sufficient sectoral competence in “Energy Generation from Renewable Energy Sources”.

Praveen PYATA

Mr. Praveen PYATA, has B.Sc. in Biology and Chemistry from Osmania University and M.Sc. in Environmental Science and Technology from Jawaharlal Nehru Technological University in India. He is a certified lead auditor for ISO 14001. He has more than eleven years of work experience, initially for six years he worked on waste-to-energy, renewable energy, livestock-agro waste management projects in India supported by UNDP/GEF, Ministry of New and Renewable Energy. Later at TUV SUD he was CDM Business head for South Asia and for 5 years he was involved in more than 50 completed CDM, PoA, and Gold Standard, VER projects as a team leader/technical reviewer/validator/verifier in sectoral scopes 1, 13 and 15. He has been working as Manager GHG Audits, team leader, technical reviewer and biomass and hydro energy expert in the context of re-consult.

re-consult Rüzgar Enerjisi Danışmanlık İç ve Dış Tic. Ltd. Şti. Bağış Plaza Muhsin Yazıcıoğlu Cad. 43/14 TR / 06520 Balgat-Ankara Tel.: 0090-312-287 51 22 Fax: 0090-312-287 33 73	Certificate of Appointment Carbon Department	 Page: 1/1
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This Certificate of Appointment is given to **Mr. Johannes SMOLDERS** as a confirmation of compliance with internal qualification requirements as follows:

Clean Development Mechanism				
Validator	Verifier	Team leader	Technical reviewer	Technical Expert
08-06-2012	08-06-2012	08-06-2012	08-06-2012	08-06-2012

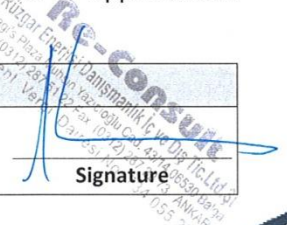
Verified Carbon Standard, Gold Standard, World Commission on Dams, Social Carbon				
Validator	Verifier	Team leader	Technical reviewer	Technical Expert
08-06-2012	08-06-2012	08-06-2012	08-06-2012	08-06-2012

Speciality	Regional expertise	Financial expertise	Technical area	
			1.1	1.2
N/A	5, 8, 9, 11, 12	08-06-2012	N/A	08-06-2012


Within the scope and in strict accordance to the appointment indicated above, the bearer can:

1. Participate in the assessments conducted by Re-consult Ltd.
2. Take the roles within and outside of the assessment team
3. Bring specific expertise to the assessments

The validity of each appointment is 1 year from the dates indicated above. The Certificate may be updated, suspended or withdrawn at any time, subject to changes in Appointee's qualification, changes in the requirements for appointment or expiry of one of the appointments above.

APPOINTMENT IS GRANTED BY			
Mr. Christian JOHANNES	General Manager	12 June 2012	
Name	Position	Date	Signature
			

F4-C-091 / 14.02.2012 -00

re-consult Rüzgar Enerjisi Danışmanlık İç ve Dış Tic. Ltd. Şti. Bağış Plaza Muhsin Yazıcıoğlu Cad. 43/14 TR / 06520 Balgat-Ankara Tel.: 0090-312-287 51 22 Fax: 0090-312-287 33 73	Certificate of Appointment	
	Carbon Department	

This Certificate of Appointment is given to **Mr. Jiang ZHI** as a confirmation of compliance with internal qualification requirements as follows:

Clean Development Mechanism				
Validator	Verifier	Team leader	Technical reviewer	Technical Expert
11-06-2012	11-06-2012	N/A	N/A	11-06-2012

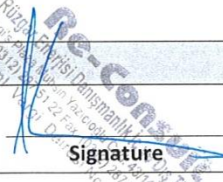
Verified Carbon Standard, Gold Standard, World Commission on Dams, Social Carbon				
Validator	Verifier	Team leader	Technical reviewer	Technical Expert
11-06-2012	11-06-2012	N/A	N/A	11-06-2012

Speciality	Regional expertise	Financial expertise	Technical area	
			1.1	1.2
N/A	8. China	11-06-2012	N/A	11-06-2012


Within the scope and in strict accordance to the appointment indicated above, the bearer can:

1. Participate in the assessments conducted by Re-consult Ltd.
2. Take the roles within and outside of the assessment team
3. Bring specific expertise to the assessments

The validity of each appointment is 1 year from the dates indicated above. The Certificate may be updated, suspended or withdrawn at any time, subject to changes in Appointee's qualification, changes in the requirements for appointment or expiry of one of the appointments above.

APPOINTMENT IS GRANTED BY			
Mr. Christian JOHANNES	General Manager	12 June 2012	
Name	Position	Date	

F-I-C-091 / 14.02.2012 -00

re-consult Rüzgar Enerjisi Danışmanlık İç ve Dış Tic. Ltd. Şti. Bağ'ın Plaza Muhsin Yazıcıoğlu Cad. 43/14 TR / 06520 Balgat-Ankara Tel.: 0090-312-287 51 22 Fax: 0090-312-287 33 73	Certificate of Appointment	
	Carbon Department	Page: 1/1

This Certificate of Appointment is given to **Mr. Praveen PYATA** as a confirmation of compliance with internal qualification requirements as follows:

Clean Development Mechanism				
Validator	Verifier	Team leader	Technical reviewer	Technical Expert
05-03-2012	05-03-2012	05-03-2012	05-03-2012	05-03-2012

Verified Carbon Standard, Gold Standard, World Commission on Dams, Social Carbon				
Validator	Verifier	Team leader	Technical reviewer	Technical Expert
05-03-2012	05-03-2012	05-03-2012	05-03-2012	05-03-2012

Speciality	Regional expertise	Financial expertise	Technical area	
			1.1	1.2
N/A	3, 8, 10, 11, 12, 15, 18	05-03-2012	05-03-2012	05-03-2012

Within the scope and in strict accordance to the appointment indicated above, the bearer can:

1. Participate in the assessments conducted by Re-consult Ltd.
2. Take the roles within and outside of the assessment team
3. Bring specific expertise to the assessments

The validity of each appointment is 1 year from the dates indicated above. The Certificate may be updated, suspended or withdrawn at any time, subject to changes in Appointee's qualification, changes in the requirements for appointment or expiry of one of the appointments above.

APPOINTMENT IS GRANTED BY			
Mr. Christian JOHANNES	General Manager	6 March 2012	
Name	Position	Date	Signature

F-I-C-091 / 14.02.2012 -00

8. VALIDATION OPINION

re-consult Ltd. has performed the validation of the “Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project” in “P.R. China” between 24/10/2012 and 25/12/2012. The validation was performed on the basis of UNFCCC criteria for the CDM and Host Party criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

The validation has been performed by a validation team consisting of Johannes Smolders and Jiang Zhi and the project activity was checked against the applicable rules and regulations of CDM including the Validation and Verification Standard version 02.0 and ACM0002 version 13.0.0.

re-consult Ltd. hereby confirms that the proposed project activity “Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project” in P.R. China, has applied all relevant EB-guidance as the selected baseline methodology and the associated methodological tools have been applied correctly. Total emission reductions from the project are estimated to be on the average 376,888 tCO₂e per year over the selected 7 year crediting period. The emission reduction forecast has been checked and it is deemed likely that the stated amount is achieved given that the underlying assumptions do not change.

As a result, the validation team assigned by the re-consult Ltd. concludes that the proposed Project Activity “Xinjiang Hami Southeast Wind Zone Yandun 2nd Wind Power Project” in P.R. China, as described in the PDD version 02 dated 24/12/2012

- meets all relevant Host Country criteria;
- meets all relevant requirements of the UNFCCC for CDM project activities [including Article 12 of the Kyoto Protocol, the Modalities and Procedures for CDM (Marrakesh Accords) and the subsequent decisions and guidance by the COP/MOP and the CDM Executive Board];
- applies correctly the baseline methodology *Consolidated baseline methodology for grid-connected electricity generation from renewable sources* ACM0002 version 13.0.0;
- its prior consideration and additionality are sufficiently justified in the PDD;
- is likely to achieve estimated emission reductions;

Therefore, re-consult requests the registration of the proposed project activity as a CDM project activity.

Ankara / TURKEY 26/12/2012




Jan SMOLDERS
Team Leader

Ankara / TURKEY 26/12/2012



Denis ISAKOV
Certification Manager

Re-Consult Rüzgar Enerjisi Danışmanlık İç ve Dış Tic. Ltd. Şti. Bagi's Plaza, Muhsin Yazıcıoğlu Cad. 43/14	<div> <div>CDM Validation Protocol</div> <div>Carbon Department</div> </div>	<div>  </div> <div>Page 62/127</div>
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ANNEX 1: VALIDATION PROTOCOL

Table 1 – Requirements for small-scale Clean Development Mechanism (CDM) project activities

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
1. Does the proposed project activity meet the eligibility criteria for small-scale CDM project activities set out in §6(c) of the Marrakech Accords? (Decision 17/CP.7)	Simplified modalities and procedures for small-scale CDM project activities §12a	DR I	It is not applicable as the proposed project with the total capacity of 200MW /D1/ is not a small scale project. This is confirmed by the validation team through checking the FSR /D2/ and onsite interview with the representatives of project owner.	N/A	N/A
2. Does the proposed project activity conform to one of the project categories in appendix B to Simplified modalities and procedures for small-scale CDM project activities?	Simplified modalities and procedures for small-scale CDM project activities §12a §22e	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
3. Does the proposed project activity use the simplified baseline and monitoring methodology for that project activity category as specified in appendix B Simplified Modalities and Procedures for Small Scale CDM Project Activities?	Simplified modalities and procedures for small-scale CDM project activities §22e	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
4. If the proposed project activity uses the simplified baseline and monitoring methodology, does the project	Simplified modalities and	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A

*DR= Document Review, I= Interview

Re-Consult, Carbon Department	CDM Validation Protocol	Page 63/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
activity meet the requirements set in the simplified baseline and monitoring methodology?	procedures for small-scale CDM project activities §22e				
5. Is there a registered small-scale CDM project activity or an application to register another small-scale CDM project activity?	EB 54 Report Annex 13 §2 §3 Simplified modalities and procedures for small-scale CDM project activities §12c	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
5.1. With the same project participants;	EB 54 Report Annex 13 §2a	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
5.2. In the same project category and technology/measure; and	EB 54 Report Annex 13 §2b	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
5.3. Registered within the previous 2 years; and	EB 54 Report Annex 13 §2c	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
5.4. Whose project boundary is within 1 km of the project boundary of the proposed small-scale activity at the closest point.	EB 54 Report Annex 13 §2d	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
6. Are two or more Type 1 project activities taking place within one kilometer of each other and with the same project participants?	EB 54 Report Annex 13 §4 EB 30 Report §37	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
7. If there are two or more Type 1 project activities taking place within one kilometer of each other and with the same project participants, are these projects described in the PDD?	EB 54 Report Annex 13 §4a EB 30 Report §37	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A

* DR= Document Review, I= Interview

Re-Consult, Carbon Department	CDM Validation Protocol	Page 64/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
8. Are the project activities Type 1 project activities providing energy to the same user and are registered, or submitted for registration, with 2 years of each other?	EB 54 Report Annex 13 §4b EB 30 Report §37	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
9. Are the small scale projects bundled?	EB 66 Report Annex 21 §3 §7	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
10. If the small scale projects are bundled, does the composition of bundles change over time?	EB 66 Report Annex 21 §9	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
11. If the small scale projects are bundled, do all project activities in the bundle have the same crediting period?	EB 66 Report Annex 21 §10	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
12. If the small scale projects are bundled, does the bundle remain under the limit for the type every year during the crediting period?	EB 66 Report Annex 21 §13 §14	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
13. If the small scale projects are bundled, is the total emission reduction estimated for the crediting period included in the PDD?	EB 66 Report Annex 21 §14	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
14. Do the project activities in the bundle use multiple PDDs?	EB 66 Report Annex 21 §20	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
15. Is the bundling of small-scale project activities of	EB 66 Report Annex 21 §24	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A

* DR= Document Review, I= Interview

Re-Consult, Carbon Department	CDM Validation Protocol	Page 65/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
15.1. the same type?	EB 66 Report Annex 21 §24	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
15.2. the same category?	EB 66 Report Annex 21 §24	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
15.3. the same technology/measure?	EB 66 Report Annex 21 §24	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
16. If the bundling of small-scale project activities are the same type, category and technology/measure, have PPs submitted a single PDD covering all project activities in the bundle, in addition to a completed F-CDM-SSC-BUN?	EB 66 Report Annex 21 §24a §24b §24d	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
17. If the bundling of small-scale project activities are the same type, category and technology/measure, have PPs utilized a common monitoring plan for all project activities in the bundle?	EB 66 Report Annex 21 §24c	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
18. Is the bundling of small-scale project activities of	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
18.1. the same type?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
18.2. the same category?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
18.3. the different technology/measure?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
19. Is the bundling of small-scale project activities of	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
19.1. the same type?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A

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Re-Consult, Carbon Department	CDM Validation Protocol	Page 66/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
19.2. the different category?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
19.3. the different technology/measure?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
20. Is the bundling of small-scale project activities of	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
20.1. the different type?	EB 66 Report Annex 21 §25	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
21. If the bundling includes one of the options in Questions 18, 19 or 20, have PPs submitted a single PDD for each project activity in the bundle, in addition to a completed F-CDM-SSC-BUN?	EB 66 Report Annex 21 §25a §25b	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A
22. If the bundling includes one of the options in Questions 18, 19 or 20, are different monitoring plans and separate monitoring reports prepared by the PPs for the bundle?	EB 66 Report Annex 21 §25c §25d Simplified modalities and procedures for small-scale CDM project activities §34	DR I	It is not applicable. Please refer to the comment for the question 1 above.	N/A	N/A

* DR= Document Review, I= Interview

Re-Consult, Carbon Department	CDM Validation Protocol	Page 67/127
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Table 2 – CDM Validation Requirements Checklist

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
General Requirements					
1. Does the PDD contain any information that the PPs wish to be treated as confidential/proprietary?	EB66 Report Annex 8 §12	DR I	Not applicable as the PDD does not contains information that the project participants wish to be treated as confidential/proprietary. The same was validated by the validation team through checking the PDD /D1/ and onsite interview with the representatives of project owner.	N/A	N/A
2. If the PDD contains confidential information, did the PPs submit two versions of the PDD, one version with the confidential information are made illegible, and another version including all information that is to be treated strictly confidential?	EB66 Report Annex 8 §12	DR I	Not applicable as the PDD does not contains information that the project participants wish to be treated as confidential/proprietary. The same was validated by the validation team through checking the PDD /D1/ and onsite interview with the representatives of project owner.	N/A	N/A
3. Does the confidential information include any information used to demonstrate additionality, describe the application of the selected methodologies and support the environmental impact assessment?	EB66 Report Annex 8 §13	DR I	Not applicable as the PDD does not contains information that the project participants wish to be treated as confidential/proprietary. The same was validated by the validation team through checking the PDD /D1/ and onsite interview with the representatives of project owner.	N/A	N/A
4. If there are any documents or attachments in another language other than English, do all attached documents contain a full translation of relevant sections into English?	EB66 Report Annex 8 §14	DR I	Not applicable as the PDD was completed in English and all attached documents were in English, which was validated by the validation team through checking the PDD /D1/ and onsite interview with the representatives of project owner.	N/A	N/A
5. Has the PPs made any modifications to the fonts, headings or logos of the PDD?	EB66 Report Annex 8 §15	DR	No. The PPs has not made any modifications to the fonts, headings or logos of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 68/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
6. Has the PPs modified the tables and their columns in the PDD?	EB66 Report Annex 8 §16	DR	No. The PPs has not modified the tables and their columns in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
Cover Page					
1. Has the following information been indicated in the cover page of the PDD?					
1.1. Title of the project activity	EB66 Report Annex 8	DR	Yes. The title of the project activity has been indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
1.2. Version number of the PDD	EB66 Report Annex 8	DR	Yes. The version number of the PDD has been indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
1.3. Completion date of the PDD in (DD/MM/YYYY) format	EB66 Report Annex 8	DR	Yes. The completion date of the PDD in (DD/MM/YYYY) format has been indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
1.4. Project participants	EB66 Report Annex 8	DR	Yes. The project participant has been indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
1.5. Host party(ies)	EB66 Report Annex 8	DR	Yes. The Host party has been indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
1.6. Sectoral scope and selected methodologies	EB66 Report Annex 8	DR	The sectoral scope and selected methodology are indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/ and the latest approved	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 69/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			methodology on UNFCCC /D26/.		
1.7. Estimated amount of annual average GHG emission reductions	EB66 Report Annex 8	DR	Yes. The estimated amount of annual average GHG emission reductions has been indicated in the cover page of the PDD, which was validated by the validation team through checking the PDD /D1/ and ER spreadsheet /D12/.	OK	OK
A. Description of Project Activity					
A.1. Purpose and general description of project activity					
A.1.1. Is the purpose of the project activity described including the summary of the scope of activities/measures that are to be implemented within the project activity?	EB65 Report Annex 5 §31	DR I	Yes. The purpose of the project activity is concisely described in the PDD, which was validated by the validation team through checking the PDD /D1/ and onsite interview with the representatives of project owner.	OK	OK
A.1.2. Is the PDD prepared in accordance with the applicable guidelines for completing the CDM PDD?	EB65 Report Annex 5 §75	DR	Yes. The PDD /D1/ was prepared in accordance with the latest guidelines for completing the CDM PDD version 01.0 /D25/, which was validated by the validation team.	OK	OK
A.1.3. Is it explained how the proposed project activity will reduce GHG emissions or increase GHG removals?	EB65 Report Annex 5 §31	DR	Yes. It is explained how the proposed project activity will reduce GHG emissions or increase GHG removals, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.1.4. Is the situation existing prior to the implementation of the project activity including, where applicable, the type of facility where the project activity will take place or replace, described in the PDD?	EB66 Report Annex 8	DR I	Yes. The situation existing prior to the implementation of the project activity was described in the PDD, which was validated by the validation team through checking the PDD /D1/ and onsite interview with the representatives of project owner.	OK	OK
A.1.5. Is the baseline scenario described as identified in section B4 of the PDD?	EB66 Report Annex 8	DR	Yes. The baseline scenario in the section A.1 is same as one given in Section B.4, which was validated by the validation team through	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 70/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			checking the PDD /D1/.		
A.1.6. Has the PPs provided an estimation of annual average and total GHG emission reductions for the chosen crediting period?	EB66 Report Annex 8	DR	Yes. The estimation of annual average and total GHG emission reductions for first crediting period have been provided in the section A.1, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.1.7. Has a brief description of how the project activity contributes to sustainable development been included?	EB66 Report Annex 8 EB65 Report Annex 5 §31	DR I	Yes. A brief description of how the project activity contributes to sustainable development is included in the PDD, which was validated by the validation team through checking the PDD /D1/ and interview with local government's officers.	OK	OK
A.1.8. Does the PDD include the sectoral scope(s) and type of the project activity?	EB65 Report Annex 5 §31	DR	Yes. The sectoral scope and the type are indicated in the cover page of the PDD, , which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.2. Location of the project activity					
A.2.1. Is the location of the project activity clearly identified including:	EB66 Report Annex 8				
A.2.1.1. Host Party(ies)?	EB66 Report Annex 8	DR I	Yes. The host Party is P.R.China, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	OK	OK
A.2.1.2. Region/State/Province etc.	EB66 Report Annex 8	DR I	Yes. The region is Xinjiang Uygur Autonomous Region, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	OK	OK
A.2.1.3. City/Town/Community etc.	EB66 Report Annex 8	DR I	Yes. The city is Hami city, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 71/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
A.2.1.4. Details of physical location, including information allowing the unique identification of this project activity and a map.	EB66 Report Annex 8	DR I	Yes. The details of physical location are provided in the section A.2.4 of the PDD, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	OK	OK
A.3. Technologies and measures					
A.3.1. Does PDD include the accurate and complete description of the proposed project activity and provide an understanding of the proposed CDM project activity?	EB65 Report Annex 4 §64	DR	Yes. The PDD includes the accurate and complete description of the proposed project activity, which was validated by the validation team through checking the PDD /D1/ and the FSR /D2/.	OK	OK
A.3.2. Is the proposed CDM project activity in existing facilities or utilizing existing equipment?	EB65 Report Annex 4 §65	DR I	Not applicable. There is no existing facility prior to the implementation of the proposed project, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	N/A	N/A
A.3.3. Is the scale of the CDM project activity defined accurately and completely?	EB65 Report Annex 4 §65	DR	Yes. The scale of the CDM project activity is accurately defined as 200 MW(2.5MW*80) in PDD, which was confirmed by the validation team through checking the FSR /D2/.	OK	OK
A.3.4. Does the proposed CDM project activity involve the alteration of an existing installation or process?	EB65 Report Annex 4 §68	DR I	Not applicable. There is no existing facility prior to the implementation of the proposed project, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	N/A	N/A
A.3.5. If the proposed CDM project activity is the alteration of an existing installation or process, does the project description clearly state the differences resulting from the project activity compared to the pre-project situation?	EB65 Report Annex 4 §68	DR I	Not applicable. There is no existing facility prior to the implementation of the proposed project, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 72/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
A.3.6. Has the technologies and measures to be employed and/or implemented by the project activity been described including a list of facilities, systems and equipment that will be installed and/or modified by the project activity?	EB66 Report Annex 8	DR I	The technologies and measures to be employed by the project activity have been described in the section A.3, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	OK	OK
A.3.7. Has the PP provided a list of facilities, systems and equipment in operation under the existing scenario prior to the implementation of the project activity?	EB66 Report Annex 8	DR I	Not applicable. There is no existing facility prior to the implementation of the proposed project, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	N/A	N/A
A.3.8. Has the PP provided a list of facilities, systems and equipment in the baseline scenario, as established in section B.4 of the PDD?	EB66 Report Annex 8	DR I	Not applicable. The baseline scenario is the same as the scenario existing prior to the implementation of the proposed project and there is no existing facility prior to the implementation of the proposed project, which was validated by the validation team through checking the FSR /D2/ and interview with the representatives of project owner.	N/A	N/A
A.3.9. Does the description clearly explain how the same types and levels of services provided by the project activity would have been provided in the baseline scenario?	EB66 Report Annex 8	DR	Yes. The description clearly explains how the same types and levels of services provided by the project activity would have been provided in the baseline scenario, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.3.10. Has the PPs included information about the age and average lifetime of the equipment based on manufacturer's specifications and industry standards, and existing and forecast installed capacities, load factors and efficiencies, under section A.3 of the PDD?	EB66 Report Annex 8	DR	Yes. This information is provided in the section A.3 of PDD, which was validated by the validation team through checking the PDD /D1/ and the FSR /D2/.	OK	OK
A.3.11. Has the energy and mass flows and balances of the systems and equipment included in the project activity, been given?	EB66 Report Annex 8	DR	Yes. This information is provided in the section A.3 of PDD, which was validated by the validation team through checking the PDD /D1/ and the FSR /D2/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 73/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
A.3.12. Has the types and levels of services (normally in terms of mass or energy flows) provided by the systems and equipment that are being modified and/or installed under the project activity and their relation, if any, to other manufacturing/production equipment and systems outside the project boundary, been given?	EB66 Report Annex 8	DR	Yes. The types and levels of services (normally in terms of mass or energy flows) provide by the installed equipment have been given in the section A.3 of PDD, which was validated by the validation team through checking the PDD /D1/ and the FSR /D2/.	OK	OK
A.3.13. Has the PP described the technology to be employed by the project activity to enable the identification of the following:	EB65 Report Annex 5 §31				
A.3.13.1. Project's scale and type,	EB65 Report Annex 5 §31	DR	Yes. The description of technology is sufficient for the identification of the project's scale and type, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.3.13.2. Demonstration of additionality,	EB65 Report Annex 5 §31	DR	Yes. The description of technology is sufficient for the demonstration of additionality, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.3.13.3. Application of the selected methodology and calculations of GHG emission reductions or net GHG removals,	EB65 Report Annex 5 §31	DR	Yes. The description of technology is sufficient for the application of the selected methodology and calculations of GHG emission reductions, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.3.13.4. How environmentally safe and sound technology(ies) applied in the project activity,	EB65 Report Annex 5 §31	DR	Yes. The description of the environmentally safe and sound technology applied in the project activity was provide in the section A.3 of PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.3.13.5. Know-how to be used are transferred to the host Party(ies)	EB65 Report Annex 5 §31	DR	Yes. There is no technology transfer to the host Party for the proposed project, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 74/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
A.4. Party(ies) and project participant(s)					
A.4.1. Has the Party(ies) and Project Participant(s) involved in the project activity been identified and listed in the tabular format under section A.4 of the PDD?	EB65 Report Annex 5 §33 EB66 Report Annex 8	DR	Yes. The Party(ies) and Project Participant(s) involved in the project activity have been identified and listed in the tabular format under section A.4 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.4.2. Has the contact information been provided in Appendix 1 of the PDD?	EB66 Report Annex 8 EB65 Report Annex 4 §46	DR	Yes. The contact information has been provided in Appendix 1 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.4.3. Is all PP's information listed in a consistent manner in the project documentation? (PDD, Modalities of Communication and Letters of Approval)	EB65 Report Annex 4 §46	DR	Yes. All PP's information is listed in a consistent manner in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
A.4.4. Are there any entities other than those approved as project participants included in Section A.4 and Appendix 1 of the PDD?	EB65 Report Annex 4 §47	DR	There is no project participant from Annex I Party for this proposed project. But, the LoA from the host Party is not available during completing the draft validation report. Thus, CAR-1 is raised. CAR is solved, see table 3.	CAR-1	OK
A.5. Public funding of project activity					
A.5.1. Does the project activity receive public funding from Parties included in Appendix 1?	EB66 Report Annex 8	DR I	No. There is no public funding from Annex I countries available for the project, which was validated by the validation team through checking the PDD /D1/ and interview with the representatives of project owner.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 75/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
A.5.2. If the project activity receives public funding, has the PP provided information on Parties providing the public funding?	EB66 Report Annex 8	DR I	Not applicable.	N/A	N/A
A.5.3. If the project activity receives public funding, has the PP attached in Appendix 2 of the PDD an affirmation obtained from Parties included in Appendix 1 that such funding does not result in a diversion of Official Development Assistance (ODA), is separate from, and is not counted towards the financial obligations of those Parties?	EB66 Report Annex 8 EB65 Report Annex 5 §34	DR I	Not applicable.	N/A	N/A
B. Application of Selected Approved Baseline and Monitoring Methodology					
B.1. Reference methodology					
B.1.1. Does the project use an approved methodology?	EB65 Report Annex 4§70	DR	Yes. The project applies the approved and valid baseline methodology ACM0002-Consolidated baseline methodology for grid-connected electricity generation from renewable sources (Version 13.0.0) and Tool for the demonstration and assessment of additionality (version 06.1.0) and Tool to calculate the emission factor for an electricity system (version 02.2.1). The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.1.2. Are the references including the number, title, and the version of the selected methodology(ies) given in the PDD?	EB66 Report Annex 8 EB65 Report Annex 5 §37	DR	Yes. The references including the number, title and the version of the selected methodology are given in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.1.3. Are the references including the number, title, and the version of any tools and other methodologies	EB66 Report Annex 8	DR	Yes. The references including the number, title, and the version of any tools to which the selected methodology(ies) refer are given in	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 76/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
to which the selected methodology(ies) refer given in the PDD?	EB65 Report Annex 5 §36 §37		the PDD, which was validated by the validation team through checking the PDD /D1/.		
B.1.4. Is the methodology correctly quoted throughout the PDD?	EB65 Report Annex 4§74	DR	Yes. The methodology is correctly quoted throughout the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.1.5. Do the PPs use the version of the selected methodology(ies) that is valid at the time of submission of the CDM project activity for registration, taking into account the grace period of the methodology(ies) if it has been revised?	EB65 Report Annex 5 §35 EB65 Report Annex 4 §70-73	DR	Yes. The applied methodology is valid at the time of submission of the project activity for registration, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.2. Applicability of methodology					
B.2.1. Has the PPs justified the choice of the selected methodology(ies) by showing that the project activity meets each applicability condition of the methodology(ies)?	EB66 Report Annex 8 EB65 Report Annex 5 §38	DR I	<p>Yes. The justification is as follows:</p> <ul style="list-style-type: none"> • The project is a Greenfield wind power project with the installation capacity of 200MW, which has been confirmed from FSR /D2/. • The project does not involve switching from fossil fuels to renewable energy sources at the site of the project activity, as confirmed by the FSR /D2/. • The electricity from the project activity is proposed to be supplied to the Northwest China Power Grid (NWCPG), and information on the characteristics of NWCPG can be clearly identified /D39/. <p>Every applicable criterion prescribed in ACM0002 was assessed and confirmed through the on-site inspection and by reviewing the FSR /D2/.</p>	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 77/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.2.2. Does the project activity meet each of the applicability conditions of the tools or other methodology components referred to in the applied methodology?	EB65 Report Annex 4\$76	DR	Not applicable as only the application conditions of ACM0002 version 13.0.0 are applicable for the proposed project.	N/A	N/A
B.2.3. Has the PPs explained the documentation that has been used and provided the references to applicability of methodology or included the documentation in Appendix 3 of the PDD?	EB66 Report Annex 8	DR	Yes. The PP has explained the documentation, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.2.4. Has the selected methodology been correctly applied with respect to baseline identification?	EB65 Report Annex 4\$72	DR	Yes. The selected methodology has been correctly applied with respect to baseline identification, which was validated by the validation team through checking the PDD /D1/.	OK	OK
ACM 0002					
B.2.5. Is the type of proposed project activity defined?	ACM 0002 Version 13.0	DR	Yes. The type of proposed project activity is defined in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.2.6. If the proposed project activity is a hydro power plant project, does one of the following conditions conform to the proposed project activity?	ACM 0002 Version 13.0	DR	Not applicable as the proposed project is a windpower project.	N/A	N/A
B.2.6.1. Is the proposed project activity implemented in an existing single or multiple reservoirs, with no change in the volume of any of reservoirs?	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A
B.2.6.2. Is the project activity implemented in an existing single or multiple reservoirs, where the volume of any of reservoirs is increased and the power density of each reservoir, as per the	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 78/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
definitions given in the project emissions section, is greater than 4 W/m ² ?					
B.2.6.3. Is the project activity results in new single or multiple reservoirs and the power density of each reservoir, as per the definitions given in the project emissions section, is greater than 4 W/m ² ?	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A
B.2.7. If the proposed project activity is a hydro power plant using multiple reservoirs where the power density of any of the reservoirs is lower than 4 W/m ² , do all the following conditions conform the project activity?	ACM 0002 Version 13.0	DR	Not applicable as the proposed project is a windpower project.	N/A	N/A
B.2.7.1. The power density calculated for the entire project activity using equation 5 is greater than 4 W/m ²	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A
B.2.7.2. Multiple reservoirs and hydro power plants located at the same river and where are designed together to function as an integrated project that collectively constitute the generation capacity of the combined power plant	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A
B.2.7.3. Water flow between multiple reservoirs is not used by any other hydropower unit which is not a part of the project activity	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A
B.2.7.4. Total installed capacity of the power units, which are driven using water from the reservoirs with power density lower than 4 W/m ² , is lower than 15 MW	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 79/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.2.7.5. Total installed capacity of the power units, which are driven using water from reservoirs with power density lower than 4 W/m ² , is less than 10% of the total installed capacity of the project activity from multiple reservoirs	ACM 0002 Version 13.0	DR	Not applicable	N/A	N/A
B.3. Project boundary					
B.3.1. Has the PP described the emission sources and GHGs included in the project boundary for the purpose of calculating project emissions and baseline emissions, in the tabular format?	EB66 Report Annex 8	DR	Yes. The PP described the emission sources and GHGs in the tabular format, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.3.2. Has the PP presented a flow diagram of the project boundary, physically delineating the project activity, based on the description provided in section A.3 of the PDD?	EB66 Report Annex 8 EB65 Report Annex 5 §39	DR	Yes. The PP has presented a flow diagram of the project boundary, physically delineating the project activity, based on the description provided in section A.3 of the PDD. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.3.3. Has the PP included in the flow diagram the equipment, systems and flows of mass and energy described in section A.3 of the PDD, and indicated in the diagram the emission sources and GHGs included in the project boundary and the data and parameters to be monitored?	EB66 Report Annex 8	DR	The PP has included in the flow diagram the equipment, systems and flows of mass and energy described in section A.3 of the PDD, and indicated in the diagram the emission sources and GHGs included in the project boundary. The data and parameters to be monitored are indicated in the flow diagram. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.3.4. Does the selected methodology allow the PPs to choose whether a source or gas is to be included in the project boundary?	EB65 Report Annex 5 §40	DR	No applicable as the selected methodology does not allow the PPs to choose whether a source or gas is to be included in the project boundary.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 80/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.3.5. If the selected methodology allows the project participants to choose whether a source or gas is to be included in the project boundary, do the project participants explain and justify their choices?	EB65 Report Annex 5 §40	DR	Not applicable.	N/A	N/A
B.3.6. Have all sources and GHGs necessary for the calculation of emissions been included within the project boundary?	EB65 Report Annex 4§82	DR I	Yes. All sources and GHGs necessary for the calculation of emissions have been included within the project boundary, which was validated by the validation team through checking the PDD /D1/ and FSR /D2/ as well as the on-site inspection.	OK	OK
B.3.7. Are there any relevant sources or gases which haven't included into the calculations?	EB65 Report Annex 4§82	DR	No. There is not any relevant source or gas which has not been included into the calculations, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.3.8. Has such exclusion been properly justified in the PDD?	EB65 Report Annex 4§87	DR I	Yes. Additional GHG emissions within the project activity, which are expected to contribute more than 1% of the overall expected average annual emission reductions and which are not addressed by the methodology are not caused by the implementation of the project activity. The same was validated by the validation team through FSR review /D2/ and the on-site inspection.	OK	OK
B.3.9. Does the PDD correctly describe the project boundary and the physical delineation of the proposed CDM project activity?	EB65 Report Annex 4§82	DR	Yes. The PDD correctly describes the project boundary and the physical delineation of the proposed CDM project activity, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.3.10. Has the selected methodology been correctly applied with respect to project boundary?	EB65 Report Annex 4§72	DR	Yes. The selected methodology has been correctly applied with respect to project boundary, which was validated by the validation team through checking the PDD /D1/.	OK	OK
ACM 0002					
B.3.11. Is the spatial extent of the project boundary identified correctly?	ACM 0002 Version 13.0	DR I	Yes. According to the methodology, the spatial extent of the project boundary includes the project site and all power plants	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 81/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			connected physically to the project electricity system, the NWCPG. The same was validated by the validation team through FSR review /D2/ and the on-site inspection.		
B.3.12. Are the greenhouse gases and emission sources included in or excluded from the project boundary given in the tabular form as per the guidance given in Table1 of ACM 0002?	ACM 0002 Version 13.0	DR	Yes. The greenhouse gases and emission sources included in or excluded from the project boundary are given in the tabular form as per the guidance given in Table1 of ACM 0002, which was validated by the validation team through checking the PDD /D1/ against the applied methodolog /D26/.	OK	OK
B.4. Establishment and description of the baseline scenario					
B.4.1. Does the approved methodology that is selected by the proposed CDM project activity prescribe the baseline scenario and hence no further analysis is required?	EB65 Report Annex 4 §115	DR	Yes. The approved methodology ACM0002 version 13.0.0 /D26/ prescribes the baseline scenario and hence as per paragraph 115 of VVS version 02.0 /D22/ no further analysis is required.	OK	OK
B.4.2. Does the PDD identify the baseline for the proposed CDM project activity, defined as the scenario that reasonably represents the anthropogenic emissions by sources of GHGs that would occur in the absence of the proposed CDM project activity?	EB65 Report Annex 4§88 §92 EB65 Report Annex 5 §42	DR	Yes. The PDD identifies the baseline for the proposed CDM project activity in accordance with the applied methodology ACM0002 version 13.0.0 /D26/. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.4.3. If the methodology requires use of the tools to identify the baseline scenario, have all those been applied?	EB65 Report Annex 4 §89	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required.	N/A	N/A
B.4.4. Are there relevant national and/or sectoral policies to identify the baseline scenario?	EB65 Report Annex 4 §93 EB65 Report	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 82/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
	Annex 5 §44-45		identification of alternatives to the project activity is not used for the proposed project.		
B.4.5. If there are relevant national and/or sectoral policies to identify the baseline scenario, have those been considered correctly in the PDD?	EB65 Report Annex 4 §93	DR	Not applicable as there is no relevant national and/or sectoral policies to identify the baseline scenario.	N/A	N/A
B.4.6. Are there relevant circumstances to identify the baseline scenario?	EB65 Report Annex 4 §93	DR	Not applicable as there is no relevant circumstances to identify the baseline scenario and the baseline scenario is prescribed anyway.	N/A	N/A
B.4.7. Does the methodology require several alternative scenarios to be considered in the identification of the most reasonable baseline scenario?	EB65 Report Annex 4 §90 §113	DR	Yes. The methodology requires use of the additionality tool to demonstrate the additionality of the project. But, as per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	OK	OK
B.4.8. If the methodology requires several alternative scenarios to be considered in the identification of the most reasonable baseline scenario, are all credible scenarios that are in the PDD and are supplementary to those required by the methodology reasonable in the context of the proposed CDM project activity?	EB65 Report Annex 4 §90 §113	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.9. If the proposed project activity includes several different facilities, technologies, outputs or services, do the alternative scenarios for each of them be identified separately?	EB 65 Report Annex 21	DR	Not applicable.	N/A	N/A
B.4.10. If the alternative scenarios for each of them be identified separately, are the realistic combinations of these be considered as possible alternative scenarios to the proposed project	EB 65 Report Annex 21	DR	Not applicable.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 83/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
activity?					
B.4.11. Has any reasonable alternative scenario been excluded?	EB65 Report Annex 4 §90	DR	No. No reasonable baseline scenario has been excluded in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.4.12. If any reasonable alternative scenario been excluded, has it been justified why these alternatives are excluded?	EB65 Report Annex 4 §90 EB 65 Report Annex 21	DR	Not applicable as no reasonable baseline scenario has been excluded in the PDD.	N/A	N/A
B.4.13. Does the list of alternative scenarios given in the PDD include the following?	EB65 Report Annex 4 §114				
B.4.13.1.The project activity is undertaken without being registered as a CDM project activity	EB65 Report Annex 4 §114	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.13.2.All plausible alternatives	EB65 Report Annex 4 §114	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.13.3.Comply with all applicable and enforced legislation	EB65 Report Annex 4 §114	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.14. Has the PP explained how the baseline scenario is established in accordance with the selected methodology(ies)?	EB66 Report Annex 8 EB65 Report Annex 5 §43	DR	Yes. The PP has explained how the baseline scenario is established in accordance with the selected methodology, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 84/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.4.15. Where the procedure in the selected methodology(ies) involves several steps, has the PPs described how each step is applied and transparently documented the outcome of each step?	EB66 Report Annex 8	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.16. Has the PP provided and explained all data used to establish the baseline scenario (variables, parameters, data sources, etc.)?	EB66 Report Annex 8 EB65 Report Annex 4 §91	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.17. Is the identified baseline scenario reasonably supported by correct and verifiable references, assumptions, calculations and rationales?	EB66 Report Annex 8 EB65 Report Annex 4 §91	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.18. Has a transparent description of the baseline scenario been provided including the technology(ies) that would be employed and/or the activities that would take place in the absence of the project activity?	EB66 Report Annex 8 EB65 Report Annex 5 §46	DR	Yes. A transparent description of the baseline scenario has been provided in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
ACM 0002					
B.4.19. If the project activity involves the installation of a new grid-connected renewable power plant/unit (greenfield plant), is the baseline scenario identified appropriately in accordance with the ACM0002?	ACM 0002 Version 13.0	DR	Yes. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the baseline scenario is directly determined in accordance with the ACM0002.	OK	OK
B.4.20. If the project activity involves capacity addition to existing grid-connected renewable power	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 85/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
plant/unit, is the baseline scenario identified appropriately in accordance with the ACM0002?					
B.4.21. If the proposed project activity is a capacity addition, retrofit or replacement (except for wind, solar, wave or tidal power capacity addition projects), have the existing plant started commercial operation prior to the start of a minimum historical reference period of five years, used for the calculation of baseline emissions and defined in the baseline emission section, and no capacity expansion or retrofit of the plant has been undertaken between the start of this minimum historical reference period and the implementation of the project activity?	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A
B.4.22. Is the point of time at which the generation facility would likely be replaced or retrofitted (DATE _{Baseline Retrofit}) defined?	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A
B.4.23. If the project activity is the retrofit or replacement of existing grid-connected renewable power plant/unit, is the baseline scenario identified following the step-wise procedure in accordance with the ACM0002?	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A
B.4.24. Are the realistic and credible alternative baseline scenarios for power generation appropriately identified following the Step 1 of the “Combined tool to identify the baseline scenario and demonstrate additionality”?	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A
B.4.25. Is “the proposed project activity undertaken without being registered as a CDM project	EB 65 Report Annex 21 EB65	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 86/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
activity” listed as one of the alternatives?	Report Annex 4 §114a ACM 0002 Version 13.0		methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.		
B.4.26. Has “other realistic and credible alternative scenario(s) to the proposed CDM project activity scenario that deliver outputs services or services with comparable quality, properties and application areas” been listed as an alternative?	EB 65 Report Annex 21 EB65 Report Annex 4 §114b ACM 0002 Version 13.0	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.27. Has “continuation of the current situation (no project activity or other alternatives undertaken” been listed as an alternative?	EB 65 Report Annex 21 EB65 Report Annex 4 §114b ACM 0002 Version 13.0	DR	Not applicable. As per paragraph 115 of VVS version 02.0 /D22/, where the baseline scenario is prescribed in the approved methodology, no further analysis is required. Thus, the identification of alternatives to the project activity is not used for the proposed project.	N/A	N/A
B.4.28. If more than one alternative is remaining after Step 2 and if the remaining alternatives include scenarios P1 and P3, is the Investment Comparison as per step 3 of the “Combined tool to identify the baseline scenario and demonstrate additionality” applied appropriately?	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A
B.4.29. If more than one alternative is remaining after Step 2 and if the remaining alternatives include scenarios P1 and P2, is the Benchmark Analysis as per step 2b of the “Tool for the demonstration and assessment of additionality” applied appropriately?	ACM 0002 Version 13.0	DR	Not applicable as the project activity is a Greenfield plant.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 87/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.5. Demonstration of additionality					
B.5.1. Has it been clearly stated in the PDD which analysis method(s) has been chosen for additionality assessment?	Kyoto Protocol Art. 12.5c, Marrakesh Accords, CDM Modalities and Procedures §43 EB 65 Report Annex 21 EB65 Report Annex 4 §101	DR	Yes. The benchmark analysis is applied in the PDD /D1/, which was validated by the validation team.	OK	OK
Prior consideration of CDM					
B.5.2. Has it clearly demonstrated and supported by the documented evidence that the project start date is the earliest date at which either the implementation or construction or real action of a project activity begins?	EB65 Report Annex 4 §106	DR	The following evidences were checked by the validation team: <ul style="list-style-type: none"> On 31/05/2012, the construction contract of the proposed project was signed /D6/. In September 2012, the purchase contract of towers for the proposed project was signed /D7/. Thus, the project start date is defined as 31/05/2012. It is re-consult's opinion that this date correctly represents the earliest commitment to the financial expenditure of the project.	OK	OK
B.5.3. Is the start date of the proposed project activity prior to the date of publication of the PDD for the global stakeholder consultation?	EB65 Report Annex 5 §26	DR	Yes. The project's starting date of 31/05/2012 is after 2 August 2008 and prior to the date of PDD publication 24/10/2012, which was validated by the validation team through checking the PDD /D1/ and UNFCCC website..	OK	OK
B.5.4. If the start date of a proposed CDM project activity, is prior to the date of publication of the	EB65 Report Annex 5	DR	Not applicable as the project's starting date is after 2 August 2008 and CDM notification forms /D16/ /D17/ were used for the	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 88/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
PDD for the global stakeholder consultation, have the PPs demonstrated that the CDM benefits were considered necessary in the decision to undertake the project as a proposed CDM project activity?	§26		demonstration of CDM consideration.		
B.5.5. If the project was not published and the starting date is on or after 2nd August 2008, have there been list of prior consideration notifications from the UNFCCC website and communication between the project proponent, the Secretariat and the host Party DNA regarding the commencement of a new project activity?	EB65 Report Annex 4 §107 EB65 Report Annex 5 §27	DR	The project's starting date of 31/05/2012 is after 2 August 2008 and prior to the date of PDD publication 24/10/2012. However, in the section B.5 of the PDD version 01 dated 04/10/2012, the prior consideration of CDM is demonstrated for a project activity with a start before 2 August 2008. Also, if applicable, the CDM notification forms for this project submitted to China NDRC and to UNFCCC secretariat should be provided to DOE. Thus, CAR-2 is raised. CAR is solved, see table 3.	CAR-2	OK
B.5.6. For the project activities with a starting date before 2nd August 2008 and before the actual publication of PDD, did PPs have an awareness of the CDM prior to the project activity start date, and that the benefits of the CDM were a decisive factor in the decision to proceed with the project?	EB65 Report Annex 4 §108a EB65 Report Annex 5 §28	DR	Not applicable as the project's starting date is after 2 August 2008	N/A	N/A
B.5.7. For the project activities with a starting date before 2nd August 2008 and before the actual publication of PDD, was there enough evidence presented to prove that PPs were taking continuing and real actions to secure CDM status for the project in parallel with its implementation?	EB65 Report Annex 4 §108b EB65 Report Annex 5 §28	DR	Not applicable as the project's starting date is after 2 August 2008 and CDM notification forms /D16/ /D17/ were used for the demonstration of CDM consideration.	N/A	N/A
B.5.8. In case of significant gap in the project development history, can a clear conclusion on prior CDM consideration be made?	EB65 Report Annex 4 §110	DR	Not applicable as the project's starting date is after 2 August 2008 and CDM notification forms /D16/ /D17/ were used for the demonstration of CDM consideration.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 89/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
Sub-Step 1a: Definition of alternatives	EB 65 Report Annex 21				
Sub-Step 1b: Consistency with mandatory laws and regulations	EB 65 Report Annex 21				
B.5.9. Has the analysis of compliance of the defined alternatives with the mandatory laws and regulations carried out appropriately?	EB 65 Report Annex 21 EB65 Report Annex 4 §114c	DR	In order to demonstrate the additionality, the alternatives were limited to the project activity undertaken without being registered as a CDM project activity and supply of the equivalent output by the NWCPG. Both these alternatives are in compliance with mandatory laws and regulations. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
Step 2: Investment analysis	EB 65 Report Annex 21	DR			
B.5.10. Are the input values used in all investment analysis valid, consistent and applicable at the time of the investment decision taken by the PP?	EB 62 Report Annex 5 EB65 Report Annex 4 §117	DR	<p>Yes. The input parameters used in the financial analysis are taken from the FSR /D2/ developed by the Northwest Hydro Consulting Engineers. in September 2011 and approved /D3/ by the National Development and Reform Commission on 21/08/2012.</p> <p>The FSR /D2/ was completed in September 2011 and thus only 8 months prior to the decision to proceed with the investment in the project activity (i.e. the signature date for the construction contract /D6/, 31/05/2012). Given this relatively short period of time between the finalization of FSR and the investment decision, it is unlikely in the context of the project that the input values would have materially changed. Therefore, it is reasonable to assume that the FSR has been the basis of the decision to proceed with the investment in the proposed project.</p> <p>However, the FSR of the proposed project was completed in September 2011 and approved on 21/08/2012. The project start</p>	CL-1	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 90/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			date of 31/05/2012 is prior to the FSR approval date of 21/08/2012. Thus, why the proposed project had been started without the approval of FSR should be clarified. Thus, CL-1 is raised. CL is solved, see table 3.		
B.5.11. Are all the listed input values been consistently applied in all calculations?	EB 62 Report Annex 5	DR	Yes. All the listed input values have been consistently applied in all calculations. The same was validated by the validation team through checking the IRR spreadsheets /D11/ against FSR /D2/.	OK	OK
B.5.12. Do the PPs rely on values from Feasibility Study Report (FSR) that are approved by national authorities for proposed CDM project activities?	EB65 Report Annex 4 §120 §122	DR	Yes. The input parameters used in the financial analysis are taken from the FSR /D2/ developed by the Northwest Hydro Consulting Engineers. in September 2011 and approved /D3/ by the National Development and Reform Commission on 21/08/2012.	OK	OK
B.5.13. If PPs rely on FSR,					
B.5.13.1. Is it possible to conclude that in the period of time between the finalization of the FSR and the investment decision input values would not have materially changed?	EB65 Report Annex 4 §122	DR	Yes. The FSR /D2/ was completed in September 2011 and thus only 8 months prior to the decision to proceed with the investment in the project activity (i.e. the signature date for the construction contract /D6/, 31/05/2012). Given this relatively short period of time between the finalization of FSR and the investment decision, it is unlikely in the context of the project that the input values would have materially changed. Therefore, it is reasonable to assume that the FSR has been the basis of the decision to proceed with the investment in the proposed project.	OK	OK
B.5.13.2. Are the values used in the PDD and associated annexes fully consistent with the FSR?	EB65 Report Annex 4 §122	DR	Yes. The validation team compared the input parameters for the financial analysis included in the PDD with the parameter stated in the FSR /D2/ and was able to confirm that the values applied are consistent with the values stated in the FSR /D2/.	OK	OK
B.5.14. Is the plant load factor defined ex-ante in the PDD appropriately?	EB 48 Report Annex 11	DR	Yes. The plant load factor (PLF) based on net electricity is calculated as 24.49% (429,050 MWh/8760hours/200 MW), which	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 91/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			was validated by the validation team through checking the PDD /D1/ against FSR /D2/.		
Sub-step 2a: Determine appropriate analysis method	EB 65 Report Annex 21				
B.5.15. Has the PDD described the selection process of investment analysis method (simple cost, investment comparison and benchmark analysis) for the proposed project activity?	EB 65 Report Annex 21	DR	Yes. As the proposed project generates financial and economic benefits other than CDM related income through the sales of electricity and the baseline to the project does not involve an investment, a benchmark analysis was justified for conducting the investment analysis. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.5.16. Is the choice of the investment analysis method appropriate to the proposed project activity?	EB 65 Report Annex 21 EB 62 Report Annex 5	DR	Yes. The benchmark analysis is appropriately applied in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
Sub-step 2b: Option I-Simple cost analysis	EB 65 Report Annex 21				
B.5.17. Have all costs associated with the CDM project activity and the alternatives identified in Step 1 been documented?	EB 65 Report Annex 21	DR	Not applicable.	N/A	N/A
B.5.18. Has it been demonstrated and supported by valid evidence that at least one of the alternatives defined in Step 1 is less costly than the proposed project activity?	EB 65 Report Annex 21	DR	Not applicable.	N/A	N/A
Sub-step 2b: Option II-Apply investment comparison analysis	EB 65 Report Annex 21				
B.5.19. Has the PPs identified a financial indicator (such as IRR, NPV, cost benefit ratio, or unit cost of service (e.g., levelized cost of electricity production in \$/kWh or levelized cost of delivered heat in \$/G))	EB 65 Report Annex 21	DR	Not applicable.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 92/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
which is most suitable for the project type and decision-making context regarding the investment comparison analysis?					
Sub-step 2b: Option III. Apply benchmark analysis	EB 65 Report Annex 21				
B.5.20. Has the PPs identified a financial indicator (such as IRR) which is most suitable for the project type and decision-making context including the alternatives for the benchmark analysis?	EB 65 Report Annex 21 EB 62 Report Annex 5 EB65 Report Annex 4 §121	DR	Yes. According to the “Interim rules on economic assessment of electrical engineering retrofit projects”/D35/, in China a project-IRR of 8% (after tax) for the total investment of a project is regarded as a benchmark for investing in large scale hydropower plants, fossil fuel fired plants, wind farm projects as well as solar power projects. The type of benchmark is based on project-IRR after tax. Thus, the financial indicator of the project is identified as project-IRR after tax, which was validated by the validation team to be appropriate to the type of the benchmark.	OK	OK
B.5.21. Has a pre-tax benchmark been applied?	EB 62 Report Annex 5	DR	No. A post-tax benchmark has been applied in the PDD /D1/, which was validated by the validation team.	OK	OK
B.5.22. If post tax benchmark is applied, has actual interest payable been taken into account in the calculation of income tax?	EB 62 Report Annex 5	DR	Yes. The actual interest payable has been taken into account in the calculation of income tax, which was validated by the validation team through checking the IRR spreadsheets /D11/.	OK	OK
If the project participant has applied investment comparison or benchmark analysis	EB 65 Report Annex 21				
B.5.23. If the benchmark is based on parameters that are standard in the market, is the cost of equity determined appropriately? Guideline either by:	EB 62 Report Annex 5	DR	Not applicable as the benchmark applied by the proposed project is for project-IRR after tax and is sourced from the government approved benchmark /D35/.	N/A	N/A
B.5.23.1. selecting the values provided in Appendix A of Guidelines on the Assessment of Investment Analysis? or	EB 62 Report Annex 5	DR	Not applicable as the benchmark applied by the proposed project is for project-IRR after tax and is sourced from the government approved benchmark /D35/.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 93/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.5.23.2. by calculating the cost of equity using best financial practices?	EB 62 Report Annex 5	DR	Not applicable as the benchmark applied by the proposed project is for project-IRR after tax and is sourced from the government approved benchmark /D35/.	N/A	N/A
B.5.24. If the benchmark based on parameters that are standard in the market, has the cost of debt been calculated as the cost of financing in the capital markets (e.g. commercial lending rates and guarantees required for the country and the type of project activity concerned), based on documented evidence from financial institutions with regard to the cost of debt financing of comparable projects?	EB 62 Report Annex 5 EB 65 Report Annex 21	DR	Not applicable as the benchmark applied by the proposed project is for project-IRR after tax and is sourced from the government approved benchmark /D35/.	N/A	N/A
B.5.25. Has the discount rates and benchmarks been derived and supported appropriately?	EB 65 Report Annex 21	DR	Yes. The benchmark is sourced from the government approved benchmark of the "Interim Rules on Economic Assessment of Electrical Engineering Retrofit Projects" /D35/.	OK	OK
If the company's internal benchmark has been used for the expected return on equity: (Only applicable to benchmark analysis)	EB 62 Report Annex 5				
B.5.26. Has it been demonstrated that there is only one possible project developer?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.27. Has it been demonstrated that same benchmark values are used for similar projects with similar risks, developed by the same company or, if the company is brand new, would have been used for similar projects in the same sector in the country/region?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.28. If the company's expected return on equity is used as a benchmark, does the percentage of debt	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 94/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
financing and equity financing reflect the long-term debt/equity finance structure of the legal entity owning the assets of the project activity?					
B.5.29. If the company's expected return on equity is used as a benchmark, has the cost of debt been based on the weighted average cost of debt financing of the legal entity owning the CDM project activity?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.30. In case of loans, is the weighted average cost of outstanding long-term debt used as a benchmark?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.31. In case of bonds, is the weighted average yield of the bonds used as a benchmark?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.32. In case of bonds, are the key parameters of the bond including the time of maturity, yield, registration issuance in the financial system and set-up in the market documented?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.33. In case of debt financing from a parent company, is the transfer of capital to the legal entity documented?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
B.5.34. In case of loans from a financial institution, is the contract of lending between the financial institution and the legal entity owning the assets of the project activity, or, in absence of the contract, a letter from the bank stating its intention to award the loan and the key terms for the loan documented and supported by the appropriate evidence?	EB 62 Report Annex 5	DR	Not applicable as the company's internal benchmark is not applied in the PDD.	N/A	N/A
Sub-step 2c: Calculation and comparison of financial indicators (Only applicable to investment comparison and	EB 65 Report Annex 21				

Re-Consult, Carbon Department	CDM Validation Protocol	Page 95/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
benchmark analysis)					
B.5.35. Has the period of assessment including IRR and equity IRR calculations been chosen appropriately?	EB 62 Report Annex 5	DR	Yes. The assessment period of 23 years including 3 year of construction and 20 years of operation is applied in the PDD, which was validated by the validation team through checking the IRR spreadsheets /D11/.	OK	OK
B.5.36. Have the PPs justified the period of assessment in the context of the underlying project activity?	EB 62 Report Annex 5	DR	Yes. As per FSR/D2/ the project lifetime is 20 years and construction period is 3 years. So the assessment period of 23 years is reasonable.	OK	OK
B.5.37. In case IRR assessment period doesn't cover the technical lifetime of the project, does the cash flow in the final year include a fair value of the project activity assets at the end of the assessment period?	EB 62 Report Annex 5	DR	Not applicable as the IRR assessment period covers the technical lifetime of the project, which was validated by the validation team through checking the PDD /D1/.	N/A	N/A
B.5.38. Has the fair value of the project activity assets been calculated in accordance with local accounting regulations where available, or international best practice?	EB 62 Report Annex 5	DR	Yes. The fair value of the project activity assets has been calculated in accordance with Chinese accounting regulations /D43/.	OK	OK
B.5.39. Do the fair value calculations include both the book value of the asset and the reasonable expectation of the potential profit or loss on the realization of the assets?	EB 62 Report Annex 5	DR	Yes. The fair value calculations include both the book value of the asset and the reasonable expectation of the potential profit or loss on the realization of the assets. The same was validated by the validation team through checking the IRR spreadsheet /D11/.	OK	OK
B.5.40. Have all relevant costs been included for the calculation of IRR or other relevant financial indicator?	EB 65 Report Annex 21	DR	Yes. All relevant costs have been included for the calculation of IRR, which was validated by the validation team through checking the IRR spreadsheet /D11/.	OK	OK
B.5.41. Has the cost of financing expenditures (i.e. loan repayments and interest) been included?	EB 62 Report Annex 5	DR	OK. The project-IRR is used by the proposed project and thus the cost of financing expenditures (i.e. loan repayments and interest) has not be included in the calculation of project IRR as per Guidance 9 of EB 62 Annex 5. The same was validated by the validation team through checking the IRR spreadsheet /D11/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 96/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.5.42. Has the depreciation, and other non-cash items related to the project activity, (those deducted in estimating gross profits on which tax is calculated) been added back to net profits in the calculation of the financial indicator (e.g. IRR, NPV)?	EB 62 Report Annex 5	DR	Yes. The depreciation and other non-cash items related to the project activity have been added back to net profits in the calculation of the financial indicator, which was validated by the validation team through checking the IRR spreadsheet /D11/.	OK	OK
B.5.43. In case of using post-tax benchmark, has taxes been included as an expense in the IRR/NPV calculation?	EB 62 Report Annex 5	DR	Yes. The taxes have been included as an expense in the calculation of post-tax project-IRR. The same was validated by the validation team through checking the IRR spreadsheet /D11/.	OK	OK
B.5.44. In case any risk premiums are applied in determination of the benchmark, are the same risks associated with the project type or activity, too?	EB65 Report Annex 4 §121 EB 65 Report Annex 21	DR	Not applicable as the benchmark is sourced from the government approved benchmark of the "Interim Rules on Economic Assessment of Electrical Engineering Retrofit Projects " /D35/.	N/A	N/A
B.5.45. In the equity IRR, has the cost of debt (loan, bond etc.) been considered as the net cash outflow?	EB 62 Report Annex 5	DR	Not applicable as the project-IRR is applied in the PDD.	N/A	N/A
B.5.46. Has it been demonstrated that CDM revenue makes the proposed project activity economically or financially feasible (i.e. helps to reach the selected benchmark)?	EB 65 Report Annex 21 EB65 Report Annex 4 §117	DR	Yes. With the CDM benefits, the post-tax project IRR of the proposed project is 8.29% which is higher than the benchmark of 8%. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
Sub-step 2d: Sensitivity analysis (Only applicable to investment comparison and benchmark analysis)	EB 65 Report Annex 21				
B.5.47. Has a sensitivity analysis showing whether the conclusion regarding the financial/economic attractiveness is robust to reasonable variations in the critical assumptions, been included in the PDD?	EB 65 Report Annex 21 EB 62 Report Annex 5 EB65 Report Annex 4 §120	DR	Yes. A sensitivity analysis has been carried out for parameters varying throughout the project lifetime to check the robustness of the financial analysis. Reasonable variations of static total investment, annual O&M cost, net electricity supply to grid and electricity tariff were checked by calculating the variation necessary to reach the benchmark and then discussing the likelihood for that to happen. None of the parameters in the sensitivity analysis are considered to have any significant effect.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 97/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			The same was validated by the validation team through checking the PDD /D1/ and the IRR spreadsheet /D11/.		
B.5.48. Has the range of variations selected been justified in the context of the project?	EB 62 Report Annex 5 EB65 Report Annex 4 §120	DR	Yes. The variations necessary to make IRR reach the benchmark have been selected in the PDD /D1/, which was deemed to be reasonable by the validation team.	OK	OK
Step-3: Barrier analysis	EB 65 Report Annex 21				
B.5.49. Have the PPs used and referred the “Guidelines for Objective Demonstration and Assessment of Barriers”?	EB 50 Annex 13	DR	Not applicable.	N/A	N/A
Sub-step 3a: Identify barriers that would prevent the implementation of the proposed CDM project activity					
B.5.50. Has the PPs established realistic and credible barriers that would prevent the implementation of the proposed CDM project activity?	EB 65 Report Annex 21 ACM 0002 Version 13.0	DR	Not applicable.	N/A	N/A
Sub-step 3b: Show that the identified barriers would not prevent the implementation of at least one of the alternatives (except the proposed project activity)	EB 65 Report Annex 21				
B.5.51. Has the identified barriers that would prevent the implementation of the proposed project activity, but not the implementation of at least one of the alternatives in particular the identified baseline scenario, been supported by the clear and valid evidence?	EB 65 Report Annex 21 EB65 Report Annex 4 §124 §126 EB 50 Annex 13	DR	Not applicable.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 98/127
-------------------------------	-------------------------	-------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.5.52. Is it demonstrated and supported by proper evidence how the CDM alleviates each of the identified barriers to a level that the project is not prevented anymore from occurring by any of the barriers?	EB 50 Annex 13 EB65 Report Annex 4 §126 EB 65 Report Annex 21	DR	Not applicable.	N/A	N/A
Investment, technological and other barriers					
B.5.53. In case of investment barriers, is it demonstrated in the PDD that the financing of the project was assured only due to the benefit of the CDM?	EB 50 Annex 13	DR	Not applicable.	N/A	N/A
B.5.54. Can any of the indicated barriers be eliminated by additional financial investments into the proposed project activity?	EB65 Report Annex 4 §125 EB 50 Annex 13	DR	Not applicable.	N/A	N/A
B.5.55. While demonstrating barriers related to the lack of access to capital, technologies and skilled labour, do the PPs provide information on the nature of the companies and entities involved in the financing and implementation of the project?	EB 50 Annex 13	DR	Not applicable.	N/A	N/A
Barriers due to prevailing practice					
B.5.56. In case PPs claim that project activity is “first-of-its-kind” have those claims been substantiated and supported by proper evidence?	EB 65 Report Annex 21 EB65 Report Annex 4 §128	DR	Not applicable.	N/A	N/A
Step-4: Common practice analysis					

Re-Consult, Carbon Department	CDM Validation Protocol	Page 99/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.5.57. If the project is not “first-of-its-kind”, have PPs applied the common practice analysis appropriately?	EB 65 Report Annex 21 EB65 Report Annex 4 §128	DR	Yes. Since the grid connected renewable electricity generation projects fall under (b) of the paragraph 6 of Tool for the demonstration and assessment of additionality, version 06.1.0, the steps 1-4 of the paragraph 47 of this Tool have been used in the PDD for the common practice analysis. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.5.58. Is the selection of the assessment region explained and justified completely and correctly?	EB65 Report Annex 4 §129	DR	The selection of applicable geographical area is explained in the PDD. But, the selection of applicable geographical area should be further justified with the evidences. Thus, CL-2 is raised. CL was solved , see table 3	CL-2	OK
Sub-step 4a & Sub-step 4b: Analyze other activities similar to the project activity & Discuss similar options that are occurring	EB 65 Report Annex 21				
B.5.59. Has the PPs provided an analysis of any other activities that are operational and that are similar to the proposed project activity in the PDD?	EB 65 Report Annex 21 EB65 Report Annex 4 §129	DR	Sub-step 4a & Sub-step 4b are not applicable for the proposed project as the steps 1-4 of the paragraph 47 of Additionalit Tool version 06.0.0 were used in the PDD for the common practice analysis.	N/A	N/A
B.5.60. If similar activities have been identified, has it been demonstrated that there are essential distinctions between them and proposed project activity, which demonstrate the necessity of the CDM benefits?	EB 65 Report Annex 21 EB65 Report Annex 4 §129	DR	Sub-step 4a & Sub-step 4b are not applicable for the proposed project as the steps 1-4 of the paragraph 47 of Additionalit Tool version 06.0.0 were used in the PDD for the common practice analysis.	N/A	N/A
For the following measures (Questions from B.5.61 to B.5.65) <ul style="list-style-type: none"> Fuel and feedstock switch Switch of technology with or without change of energy source (including energy efficiency improvement as well as use of renewable energies); 	EB 63 Report Annex 12	DR			

Re-Consult, Carbon Department	CDM Validation Protocol	Page 100/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
<ul style="list-style-type: none"> Methane destruction Methane formation avoidance 					
B.5.61. Have all projects within an applicable output range (+/-50%) been included into the common practice analysis?	EB 63 Report Annex 12	DR	Yes. All projects with a capacity range of 100MW to 300MW have been included into the common practice analysis, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.5.62. Have those in B.5.61 been identified as N_{all} ?	EB 63 Report Annex 12	DR	N_{all} should be further substantiated. Thus, CL-2 is raised. CL was solved , see table 3	CL-2	OK
B.5.63. Have those that apply technologies different that the technology applied in the proposed project activity been identified as N_{diff} ?	EB 63 Report Annex 12 EB 65 Report Annex 21 EB65 Report Annex 4 §129	DR	N_{diff} should be further substantiated. Thus, CL-2 is raised. CL was solved , see table 3	CL-2	OK
B.5.64. Has the factor ($F=1-N_{diff} / N_{all}$) been calculated correctly?	EB 63 Report Annex 12	DR	It will be addressed after CL-2 is closed. CL was solved , see table 3	CL-2	OK
B.5.65. Based on an analysis provided in the PDD, is it possible to conclude that the proposed project activity is not common practice?	EB 63 Report Annex 12	DR	It will be addressed after CL-2 is closed. CL was solved , see table 3	CL-2	OK
B.5.66. Has the selected methodology been correctly applied with respect to additionality?	EB65 Report Annex 4§72	DR	It will be addressed after CL-2 is closed. CL was solved , see table 3	CL-2	OK
B.5.67. As a result, has the PPs demonstrated that the project activity is additional in accordance with the selected methodology(ies) and tool(s)?	EB66 Report Annex 8 EB65 Report Annex 4 §101	DR	It will be addressed after CL-2 is closed. CL was solved , see table 3	CL-2	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 101/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.6. Emission reductions					
B.6.1. Explanation of methodological choices					
B.6.1.1. Has the PPs explained how the methods or methodological steps in the selected methodology(ies), for calculating baseline emissions, project emissions, leakage and emission reductions are applied?	EB66 Report Annex 8	DR	Yes. The PP has explained how the methods in ACM0002 version 13.0.0 and EF tool version 02.2.1 for calculating baseline emissions, project emissions, leakage and emission reductions are applied. The same was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.1.2. Has the PPs clearly stated which equations will be used in calculating emission reductions?	EB66 Report Annex 8	DR	Yes. The PP has clearly stated which equations are used in calculating emission reductions, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.1.3. Has the PPs explained and justified all relevant methodological choices including the following?	EB66 Report Annex 8 EB 65 Report Annex 5 §51				
B.6.1.3.1. Where the methodology(ies) include different scenarios or cases, indicate and justify which scenario or case applies to the project activity	EB66 Report Annex 8 EB 65 Report Annex 5 §51	DR	Not applicable as ACM0002 version 13.0.0 only includes one scenario for the calculation of emission reductions. The same was validated by the validation team through checking ACM0002 version 13.0.0 /D26/.	N/A	N/A
B.6.1.3.2. Where the methodology(ies) provide different options to choose from , indicate and justify which option is chosen for the project activity	EB66 Report Annex 8 EB 65 Report Annex 5 §51 EB65 Report Annex 4 §97	DR	OK. The choice of simple OM method was justified in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.1.3.3. Where the methodology(ies) allow different default values, indicate	EB66 Report Annex 8	DR	Not applicable as ACM0002 version 13.0.0 does not provide different default values. The same was validated by the validation	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 102/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
and justify which of the default values have been chosen for the project activity.	EB 65 Report Annex 5 §51		team through checking ACM0002 version 13.0.0 /D26/.		
B.6.2. Data and parameters fixed ex ante					
B.6.2.1. Have the PPs included a compilation of information on the data and parameters that are not monitored during the crediting period but are determined before the registration and remain fixed throughout the crediting period under section B.6.2 of the PDD?	EB66 Report Annex 8	DR	Yes. All ex-ante fixed data and parameters are listed in the section B.6.2 of PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.2.2. Are the data that are calculated with the equations provided in the selected methodology(ies) or default values specified in the methodology(ies) included in the compilation?	EB66 Report Annex 8 EB65 Report Annex 5 §52	DR	Not applicable. No data are sourced from the ACM0002 version 13.0.0. The data are sourced from China Electric Power Yearbooks /D36/ and China Energy Statistical Yearbooks /D37/ as well as from 2006 IPCC Guidelines for National Greenhouse Gas Inventories/D38/.	N/A	N/A
B.6.2.3. Are the following information regarding the data and parameters specified correctly?	EB66 Report Annex 8				
B.6.2.3.1. Data/parameter name	EB66 Report Annex 8	DR	Yes. Data/parameter name is correct, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.2.3.2. Data/parameter unit	EB66 Report Annex 8	DR	Yes. Data/parameter unit is correct, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.2.3.3. Description of the data/parameter	EB66 Report Annex 8	DR	Yes. Description of the data/parameter is correct, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 103/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.6.2.3.4. Values applied to data/parameter	EB66 Report Annex 8	DR	In the section B.6 of the PDD the grid emission factor is calculated on the basis of the input data sourced from “2011 Baseline Emission Factors for Regional Power Grids in China” published by NDRC on 20/10/2011. However, the PDD of the proposed project was published on 24/10/2012 after the publishing data 15/10/2012 of “2012 Baseline Emission Factors for Regional Power Grids in China”. Therefore, “2012 Baseline Emission Factors for Regional Power Grids in China” should be used as the input data for calculating grid emission factor. Also, China Energy Statistical Yearbooks 2009-2011 and China Electric Power Yearbooks 2009-2011 should be used instead of Yearbooks 2008-2010. Thus, CAR-3 is raised. CAR was solved, see <i>table 3</i>	CAR-3	OK
B.6.2.3.5. Source of data and parameter	EB66 Report Annex 8	DR	In the section B.6 of the PDD the grid emission factor is calculated on the basis of the input data sourced from “2011 Baseline Emission Factors for Regional Power Grids in China” published by NDRC on 20/10/2011. However, the PDD of the proposed project was published on 24/10/2012 after the publishing data 15/10/2012 of “2012 Baseline Emission Factors for Regional Power Grids in China”. Therefore, “2012 Baseline Emission Factors for Regional Power Grids in China” should be used as the input data for calculating grid emission factor. Also, China Energy Statistical Yearbooks 2009-2011 and China Electric Power Yearbooks 2009-2011 should be used instead of Yearbooks 2008-2010. Thus, CAR-3 is raised. CAR was solved, see <i>table 3</i>	CAR-3	OK
B.6.2.4. Where applied values have been measured, are the following included in the PDD?	EB66 Report Annex 8				

Re-Consult, Carbon Department	CDM Validation Protocol	Page 104/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.6.2.4.1. The equipment used	EB66 Report Annex 8	DR	Not applicable as no applied values have been measured.	N/A	N/A
B.6.2.4.2. Responsible person/entity having undertaken the measurement	EB66 Report Annex 8	DR	Not applicable as no applied values have been measured.	N/A	N/A
B.6.2.4.3. The date of measurement(s)	EB66 Report Annex 8	DR	Not applicable as no applied values have been measured.	N/A	N/A
B.6.2.4.4. The frequency of measurement(s)	EB66 Report Annex 8	DR	Not applicable as no applied values have been measured.	N/A	N/A
B.6.2.4.5. The measurement results	EB66 Report Annex 8	DR	Not applicable as no applied values have been measured.	N/A	N/A
B.6.2.5. Has the purpose of data been chosen as one of the following for each data/parameter?	EB66 Report Annex 8				
B.6.2.5.1. Calculation of baseline emissions;	EB66 Report Annex 8	DR	Yes. The purpose of date for the calculation of baseline emission is indicated in the section of B.6.2, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.2.5.2. Calculation of project emissions;	EB66 Report Annex 8	DR	Not applicable as project emission is zero.	N/A	N/A
B.6.2.5.3. Calculation of leakage.	EB66 Report Annex 8	DR	Not applicable as leakage is zero.	N/A	N/A
B.6.3. Ex ante calculations of emission reductions					
B.6.3.1. Do the steps taken and equations applied to calculate project emissions, baseline emissions, leakage and emission reductions comply with the requirements of the selected baseline and monitoring methodology including	EB65 Report Annex 5 §50 EB65 Report Annex 4 §96 §97	DR	Yes. The steps taken and equations applied to calculate project emissions, baseline emissions, leakage and emission reductions complies with ACM0002 version 13.0.0 /D26/, which was validated by the validation team through checking PDD /D1/ against the ACM0002 version 13.0.0 /D26/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 105/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
applicable tool(s)?					
B.6.3.2. Where the methodology allows for selection between options for equations or parameters, has adequate justification been provided)in the PDD?	EB65 Report Annex 4 §97	DR	Not applicable.	N/A	N/A
B.6.3.3. Has the PPs used the values contained in the tables in section B.6.2 of the PDD for data and parameters available before registration?	EB66 Report Annex 8	DR	Yes. The PP has used the values contained in the tables in section B.6.2 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.3.4. Has the PPs used the estimates contained in the table in section B.7.1 of the PDD for the data/parameters not available before registration and monitored during the crediting period?	EB66 Report Annex 8	DR	Yes. The PP has used the estimates contained in the table in section B.7.1 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.3.5. If any of these estimates has been determined by a sampling approach, has the PP provided a description of the sampling efforts undertaken in accordance with the “Standard for sampling and surveys for CDM project activities and programme of activities”?	EB66 Report Annex 8 EB65 ReportAnnex 5 §53	DR	Not applicable.	N/A	N/A
B.6.3.6. Has the PPs provided a sample calculation for each equation used?	EB66 Report Annex 8	DR	Yes. PP has provided a sample calculation for each equation used, which was validated by the validation team through checking PDD /D1/.	OK	OK
B.6.3.7. Is it explained and clearly stated how the procedures in the approved methodology to calculate emissions like project emissions, baseline emissions and leakages are applied by the PPs?	EB65 Report Annex 4 §98	DR	Yes. It is clearly explained how the procedures in the approved methodology are applied for calculating emissions like project emissions, baseline emissions and leakages, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 106/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.6.3.8. Has the selected methodology been correctly and transparently applied with respect to algorithms and/or formulae used to determine emission reductions?	EB65 Report Annex 4 EB66 Report Annex 8	DR	Yes. The selected methodology has been correctly and transparently applied, which was validated by the validation team through checking the PDD /D1/.	OK	OK
ACM 0002					
B.6.3.9. Are baseline emissions calculated using equation (6) given in the methodology?	ACM 0002 Version 13.0	DR	Yes. The equation (6) given in the methodology was applied in the PDD for the calculation of baseline emissions, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.3.10. Is the quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the CDM project activity in year y ($EG_{PJ,y}$) calculated using equations (7), (8) or (9) given in the methodology depending on the project type?	ACM 0002 Version 13.0	DR	Yes. The equation (7) given in the methodology was applied in the PDD for the calculation of baseline emissions, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.3.11. When the methodology offers options for approaches in calculations, is it documented in the PDD which option is applied?	ACM 0002 Version 13.0	DR	Yes. The project is a Greenfield project and thus the equation (7) given in the methodology was applied in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.3.12. If necessary, has the point in time when the existing equipment would need to be replaced/retrofitted in the absence of the project activity, chosen in a conservative manner?	ACM 0002 Version 13.0	DR	Not applicable as the project is a Greenfield project.	N/A	N/A
B.6.3.13. Are the project emissions calculated using equations (1), (2), (3) or (4) given in the methodology depending on the project type?	ACM 0002 Version 13.0	DR	Not applicable as the project emission is zero.	N/A	N/A
B.6.3.14. Where project emissions are taken as "0", has the PP made proper justification?	ACM 0002 Version 13.0	DR	Yes. The justification is provided in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 107/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.6.3.15. Are the emission reductions calculated using equation (11) given in the methodology?	ACM 0002 Version 13.0	DR	Yes. The equation (11) given in the methodology was applied in the PDD for the calculation of emission reductions, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.6.4. Summary of the ex-ante estimates of emissions reductions					
B.6.4.1. Have the PPs summarized the results of the ex-ante calculation of emission reductions for all years of the crediting period, using the tabular format?	EB66 Report Annex 8	DR	Yes. The results of the ex ante calculation of emission reductions for all years of the crediting period are summarized using the tabular format, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7. Monitoring Plan					
B.7.1. Data and parameters to be monitored					
B.7.1.1. In the data/parameter tabular formats for monitoring, has the name of the each data/parameter been included?	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	Yes. The name of the each data/parameter has been indicated in the section B.7.1 in accordance with ACM0002 version 13.0.0 /D26/. The same was validated by the validation team through checking the PDD /D1/ against ACM0002 version 13.0.0 /D26/.	OK	OK
B.7.1.2. Has the unit of the each data/parameter been included?	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	Yes. The units of the each data/parameter are specified in accordance with S.I. units/norms. The same was validated by the validation team through checking the PDD /D1/ ACM0002 version 13.0.0 /D26/.	OK	OK
B.7.1.3. Has the description of the each data/parameter been included?	EB66 Report Annex 8 EB65 Report Annex 5	DR	Yes. The description of the each data/parameter in the PDD are given in accordance with ACM0002 version 13.0.0 /D26/, which was validated by the validation team through checking the PDD /D1/ ACM0002 version 13.0.0 /D26/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 108/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
	§56-b ACM 0002 Version 13.0				
B.7.1.4. Has the source of the each data/parameter been included?	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	Yes. The source of the each data/parameter is clearly indicated in the PDD /D1/, which was validated by the validation team through checking the PDD /D1/ ACM0002 version 13.0.0 /D26/.	OK	OK
B.7.1.5. Where several sources of data/parameters are used, is the choice of data sources explained and justified?	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	Not applicable as each data/parameter has only one source.	N/A	N/A
B.7.1.6. Has the applied value of the each data/parameter been included?	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	Yes. The applied value of the each data/parameter has been included, which was validated by the validation team through checking the PDD /D1/ against FSR /D2/.	OK	OK
B.7.1.7. Has the measurement methods and procedures been included?)	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	It is stated in the PDD that the parameter EG _{facility,y} is measured continuously and recorded on a monthly basis. But, the accuracy of the meters and the person/entity responsible for the measurements should be specified under “Measurement methods and procedures” as per the Guidelines for completing the project design document form version 01.0. Thus, CL-3 is raised. CL was solved, see <i>table 3</i>	CL-3	OK
B.7.1.8. Has the PPs included which measurement equipment is used for monitoring?	EB66 Report Annex 8 ACM 0002 Version 13.0	DR	Yes. The meters is specified as the measurement equipment, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.1.9. Has the PPs included how the measurement is undertaken?	EB66 Report Annex 8	DR	Yes. EG _{facility,y} is continuously measured and monthly recorded. The same was validated by the validation team to be consistent with ACM0002 version 13.0.0 /D26/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 109/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.7.1.10. Have the PPs included description of calibration procedures for the monitoring equipment including the following?	EB66 Report Annex 8				
B.7.1.10.1. Frequency of the calibration	EB66 Report Annex 8 EB 65 Report Annex 5 §56f ACM 0002 Version 13.0	DR	Yes. Monitoring electricity meters are calibrated annually, which was validated by the validation team to be consistent with the national standard of DL/T 448-2000 /D49/.	OK	OK
B.7.1.10.2. Accuracy of the calibration	EB66 Report Annex 8	DR	Yes. The accuracy of the meter(s) is not less than 0.5 which was validated by the validation team to be consistent with the national standard of DL/T 448-2000 /D49/.	OK	OK
B.7.1.10.3. Uncertainty of the calibration	EB66 Report Annex 8	DR	Yes. The uncertainty of the calibrated meters will comply with the Chinese national standard /D49/ which was validated by the validation team	OK	OK
B.7.1.10.4. Calibrating agency/person	EB66 Report Annex 8	DR	Yes. The electricity meter should be tested by a qualified metrical organization, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.1.10.5. The relevant national/international standards	EB66 Report Annex 8	DR	Not applicable as there are several calibration standards and the applied calibration standard can only be determined by the calibration entity during verification period.	N/A	N/A
B.7.1.11. Has the the accuracy level of the measurement method included?	EB66 Report Annex 8 EB 65 Report Annex 5 §56e	DR	Yes. The accuracy of the meter(s) is not less than 0.5 which was validated by the validation to be consistent with the national standard of DL/T 448-2000 /D49/.	OK	OK
B.7.1.12. Has the responsible person/entity and the interval for the measurements included?	EB66 Report Annex 8	DR	The person/entity responsible for the measurements is not specified under "Measurement methods and procedures" as per the Guidelines for completing the project design document form	CL-3	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 110/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
			version 01.0. Thus, CL-3 is raised. CL was solved, see <i>table 3</i>		
B.7.1.13.Has the monitoring frequency for each data/parameter been included?	EB66 Report Annex 8	DR	Yes. The monitoring frequency for each data/parameter has been included, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.1.14.Has the QA/QC procedures of the each data/parameter been included?	EB66 Report Annex 8 EB 65 Report Annex 5 §56d ACM 0002 Version 13.0	DR	Yes. The QA/QC procedures of the each data/parameter has been included, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.1.15.Has the purpose of data/parameter been chosen as one of the following for each data/parameter?	EB66 Report Annex 8				
B.7.1.15.1. Calculation of baseline emissions;	EB66 Report Annex 8 EB 65 Report Annex 5 §56	DR	Yes. It is indicated in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.1.15.2. Calculation of project emissions;	EB66 Report Annex 8 EB 65 Report Annex 5 §56	DR	Not applicable as the project emission is zero.	N/A	N/A
B.7.1.15.3. Calculation of leakage.	EB66 Report Annex 8 EB 65 Report Annex 5 §56	DR	Not applicable as the leakage is zero.	N/A	N/A
B.7.1.16.Have the PPs developed and described the monitoring plan for the proposed CDM project activity in accordance with the selected	EB 65 Report Annex 5 §54 EB65 Report	DR I	Yes. The PP has developed and described the monitoring plan for the proposed CDM project activity in accordance with the selected methodology, which was validated by the validation team through	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 111/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
methodology(ies) and all other applicable CDM rules and requirements?	Annex 4 §72 §131		checking the PDD /D1/ and by interview.		
B.7.1.17.Does the monitoring plan include all data, parameters and related information required by the selected methodology(ies)?	EB 65 Report Annex 5 §55 EB65 Report Annex 4 §132a ACM 0002 Version 13.0	DR	Yes. The monitoring plan includes all data, parameters and related information required by the selected methodology, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.1.18.Are the monitoring arrangements described in the monitoring plan feasible within the project design?	EB65 Report Annex 4 §132b	DR	Yes. The monitoring arrangements described in the monitoring plan are feasible within the project design, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.2. Sampling plan					
B.7.2.1. Are the data and parameters monitored in section B.7.1 of the PDD determined by a sampling approach?	EB66 Report Annex 8 EB 65 Report Annex 2	DR	Not applicable	N/A	N/A
B.7.2.2. If the data and parameters monitored in section B.7.1 of the PDD are to be determined by a sampling approach, has the PP provided a description of the sampling plan in accordance with the recommended outline for a sampling plan in the “Standard for Sampling and Surveys for CDM Project Activities and Programme of Activities”?	EB66 Report Annex 8 EB 65 Report Annex 2	DR	Not applicable	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 112/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
B.7.3. Other elements of monitoring plan					
B.7.3.1. Has the operational and management structure been given in the monitoring plan to monitor emission reductions and any leakage generated by the project activity?	EB66 Report Annex 8 EB 65 Report Annex 5 §56a	DR	Yes. The operational and management structure has been given in the monitoring plan, which was validated by the validation team through checking the PDD /D1/.	OK	OK
B.7.3.2. Has the PP clearly indicated the responsibilities and institutional arrangements for data collection and archiving?	EB66 Report Annex 8 EB65 Report Annex 5 §56c	DR	Yes. The PP has clearly indicated the responsibilities and institutional arrangements for data collection and archiving, which was validated by the validation team through checking the PDD /D1/.	OK	OK
C. Duration and crediting period					
C.1. Duration of project activity					
C.1.1. Start date of project activity					
C.1.1.1. Has the start date of the project activity, in the format of DD/MM/YYYY been stated under section C.1.1 of the PDD?	EB66 Report Annex 8 EB65 Report Annex 5 §57	DR	Yes. The start date of the project activity, 31/05/2012, has been stated under section C.1.1 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
C.1.1.2. Has the PP described how this date has been determined, and provided evidence to support this date?	EB66 Report Annex 8 EB65 Report Annex 5 §57	DR	Yes. The PP has described how this date has been determined, and provided evidence to support this date, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 113/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
C.1.2. Expected operational lifetime of project activity					
C.1.2.1. Is the expected operational lifetime of the project activity stated in years and months under section C.1.2 of the PDD?	EB66 Report Annex 8	DR	Yes. The expected operational lifetime of the project activity is stated as 20 years and 0 month under section C.1.2 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
C.2. Crediting period of project activity					
C.2.1. Type of crediting period					
C.2.1.1. Has the PPs stated the type of crediting period chosen for the project activity (renewable or fixed)?	EB66 Report Annex 8 EB65 Report Annex 5 §59	DR	Yes. The renewable crediting period is chosen in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
C.2.1.2. For renewable crediting period, is it indicated in the PDD whether it is the first, second or third crediting period?	EB66 Report Annex 8	DR	Yes. It is the first crediting period, which was validated by the validation team through checking the PDD /D1/.	OK	OK
ACM 0002- For renewal of crediting period (Questions from C.2.1.3 to C.2.1.6 are not valid for the first crediting period)					
C.2.1.3. Are there any changes in the relevant national and/or sectoral regulations at the beginning of new crediting period?	ACM 0002 Version 13.0	DR	Not applicable as the proposed project applies for first crediting period.	N/A	N/A
C.2.1.4. If there are any changes in the relevant national and/or sectoral regulations, are they applicable to the existing projects?	ACM 0002 Version 13.0	DR	Not applicable as the proposed project applies for first crediting period.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 114/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
C.2.1.5. If these changes are applicable to the existing projects, is the baseline scenario revised and updated in line with these changes?	ACM 0002 Version 13.0	DR	Not applicable as the proposed project applies for first crediting period.	N/A	N/A
C.2.1.6. If these changes are applicable to the existing projects, is the baseline scenario revised and updated in line with the new data available?	ACM 0002 Version 13.0	DR	Not applicable as the proposed project applies for first crediting period.	N/A	N/A
C.2.2. Start date of the crediting period					
C.2.2.1. Is the start date of the crediting period of the project activity given in DD/MM/YYYY format?	EB66 Report Annex 8 EB65 Report Annex 5 §60 §62	DR	Yes. The start date of the crediting period of the project activity is given as 01/06/2016, which was validated by the validation team through checking the PDD /D1/.	OK	OK
C.2.2.2. Have the PPs determined only one start date for the crediting period, even in cases of phased implementation of the proposed CDM project activity?	EB65 Report Annex 5 §61	DR	Not applicable.	N/A	N/A
C.2.2.3. Has the PPs used any qualifications to the start date, such as “expected”?	EB65 Rep Annex 5 §62	DR	No. No qualification to the start date is used in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK
C.2.3. Length of the crediting period					
C.2.3.1. Is the length of the crediting period of the proposed project activity stated in years and months under section C.2.3 of the PDD?	EB66 Report Annex 8	DR	Yes. The length of the first crediting period of the proposed project activity is stated as 7 years and 0 month under section C.2.3 of the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 115/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
D. Environmental Impacts					
D.1. Analysis of the environmental impacts					
D.1.1. Have the PPs carried out an analysis of the environmental impacts of the proposed CDM project activity including transboundary impacts?	EB65 Report Annex 5 §63 EB65 Report Annex 4§134	DR I	Yes. an analysis of the environmental and social impacts of the project activity has been sufficiently described and supported by EIA completed by Xinjiang Environmental Protection Technology Consulting Center /D4/ and approved by Environmental Protection Bureau of Xinjiang Uygur Autonomous Region /D5/. No transboundary environmental impacts were expected. The EIA /D4/ and its approval /D5/ were checked. The onsite interview with the representative of local environmental protection bureau has been conducted.	OK	OK
D.2. Environmental impact assessment					
D.2.1. Has a summary of the analysis of the environmental impacts of the project activity and references to all related documentation, provided under Section D.2 of the PDD?	EB66 Report Annex 8 EB65 Report Annex 5 §63	DR	Yes. A summary of the analysis of the environmental impacts of the project activity and references to all related documentation have been provided under Section D.1of the PDD, which was validated by the validation team through checking the PDD /D1/ against EB66 Report Annex 8 and EIA /D4/.	OK	OK
D.2.2. Has the PPs provided all conclusions and references to all related documentation?	EB65 Report Annex 5 §64	DR	Yes. The PP has provided all conclusions and references to all related documentation, which was validated by the validation team through checking the PDD /D1/ and EIA /D4/.	OK	OK
D.2.3. Do the procedures of the Host Party require the PPs to conduct an environmental impact	EB65 Report Annex 4 §135	DR	Yes. The Law of the People's Republic of China on Environmental Impact Assessment was issued on 28 October 2002 /D41/ and requires an EIA for construction projects. The EIA of the project	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 116/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
assessment?			was carried out by Xinjiang Environmental Protection Technology Consulting Center in July 2011 and were approved by the Environmental Protection Bureau of Xinjiang Uygur Autonomous Region on 18/08/18/08/2011.		
D.2.4. If the procedures of the Host Party require the PPs to conduct an environmental impact assessment, has the PPs conducted an environmental impact assessment in accordance with the Host Party's procedures?	EB65 Report Annex 4 §135 EB65 Report Annex 5 §64	DR	Yes. The PP has conducted an environmental impact assessment in accordance with the Host Party's procedures, which was validated by the validation team through checking the EIA /D4/.	OK	OK
E. Local Stakeholder Consultation					
E.1. Solicitation of comments from local stakeholders					
E.1.1. Has the PPs described the process by which comments from local stakeholders have been invited for the project activity?	EB66 Report Annex 8	DR	Yes. The PP has described the process by which comments from local stakeholders have been invited for the project activity, which was validated by the validation team through checking the PDD /D1/.	OK	OK
E.1.2. Has the PPs demonstrated how due steps/actions were taken to appropriately engage stakeholders and solicit comment?	EB65 Report Annex 5 §65	DR	Yes. The posters /D8/ were taken by PP to appropriately engage stakeholders and solicit comment, which was validated by the validation team.	OK	OK
E.1.3. Has the PPs invited comment from local stakeholders in an open and transparent manner, in a way that facilitates comments to be received from local stakeholders and allows for a reasonable time for comments to be submitted?	EB65 Report Annex 5 §66 EB65 Report Annex 4 §139a	DR	Yes. The PP has invited comments from local stakeholders in an open and transparent manner /D8/, which was validated by the validation team.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 117/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
E.1.4. Has the PPs described the proposed CDM project activity in a manner that allows the local stakeholders to understand the project activity, taking into account confidentiality provisions of the applicable CDM M&Ps and requirements?	EB65 Report Annex 5 §66	DR	Yes. The posters /D8/ and the questionnaires /D9/ were used by PP to introduce the project to stakeholders, which was validated by the validation team.	OK	OK
E.2. Summary of comments received					
E.2.1. Has the PP identified the stakeholders that have made comments?	EB66 Report Annex 8	DR	Yes. The PP has identified the stakeholders as local residents and local government officials /D9/, which was validated by the validation team.	OK	OK
E.2.2. Has the PP provided a summary of the local stakeholder comments in a complete and clear manner?	EB65 Report Annex 5 §67 EB65 Report Annex 4 §139b	DR	Yes. The PP has provided a summary of the local stakeholder comments in a complete and clear manner, which was validated by the validation team through checking PDD /D1/ against the posters /D8/ and the questionnaires /D9/.	OK	OK
E.3. Report on consideration of comments received					
E.3.1. Has the PPs provided information demonstrating that all comments received have been considered?	EB66 Report Annex 8 EB65 Report Annex 5 §68 §69	DR	Yes. The PP has provided information demonstrating that all comments received have been considered, which was validated by the validation team through checking PDD /D1/.	OK	OK
E.3.2. Is the process on how the PPs taken due account of all comments received described in the PDD?	EB65 Report Annex 4 §139c	DR	Yes. The process on how the PPs taken due account of all comments received is described in the PDD, which was validated by the validation team through checking the PDD /D1/.	OK	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 118/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
F. Approval and Authorization					
F.1. Have letters of approval been provided from all Parties involved?	EB65 Report Annex 4§45 §48	DR	There is no project participant from Annex I Party for this proposed project. But, the LoA from the host Party should be provided to DOE prior to submission of the proposed project activity for registration. Thus, CAR-1 is raised.	CAR-1	OK
F.2. Have all private/public PPs been authorized by an involved Party?	EB65 Report Annex 4§45	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.3. Has the Designated National Authority (DNA) of each Party in section A.2.1 of the PDD provided a written letter of approval?	EB65 Report Annex 4 §38	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.4. Does the letter of approval from DNA of each Party involved:					
F.4.1. Confirm that the Party is a Party of the Kyoto Protocol?	EB65 Report Annex 4 §39 EB65 Report Annex 5 §70a	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.4.2. Confirm that participation is voluntary?	EB65 Report Annex 4 §39 EB65 Report Annex 5 §70b	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.4.3. Confirm that, in the case of the host Party, the proposed CDM project activity contributes to the sustainable development of the country?	Kyoto Protocol Article 12.2 EB65 Report	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 119/127
-------------------------------	-------------------------	--------------

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
	Annex 4 §39 §50 §51 EB65 Report Annex 5 §71				
F.4.4. Refers to the precise proposed CDM project activity title in the PDD being submitted for registration?	EB65 Report Annex 4 §39	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.4.5. Confirms that project participants are authorized to participate in the proposed CDM project activity?	EB65 Report Annex 5 §70c	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.5. Is (are) the letter(s) of approval unconditional with respect to F.4.1 to F.4.5 above?	EB65 Report Annex 4 §40	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
F.6. Is(are) the letter(s) of approval authentic and issued from the relevant DNA?	EB65 Report Annex 4 §41 §42 §48	DR	It will be addressed after CAR-1 is resolved. CAR was solved, <i>see table 3</i>	CAR-1	OK
G. Other Requirements in CDM					
G.1. Modalities of communication					
G.1.1. Modalities of communication (MoC)					
G.1.1.1. Has the MoC statement been correctly completed and duly authorized?	EB65 Report Annex 4 §59 §60	DR	MoC has not been received. Thus CAR-4 is raised. CAR was solved, <i>see table 3</i>	CAR-4	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 120/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
G.1.1.2. Has the latest version of the Form “Modalities of Communication Statement” (F-CDM-MOC) been used?	EB65 Report Annex 4 §60	DR	MoC has not been received. Thus CAR-4 is raised. CAR was solved, see <i>table 3</i>	CAR-4	OK
G.1.1.3. Do the PP’s authorized signatories signing the F-CDM-MOC correspond to the PP’s authorized signatories included in Annex-1 of F-CDM-MOC?	EB65 Report Annex 4 §60	DR	MoC has not been received. Thus CAR-4 is raised. CAR was solved, see <i>table 3</i>	CAR-4	OK
G.1.2. General					
G.1.2.1. Are the corporate identities of all PPs and focal points included in the MoC statement?	EB65 Report Annex 4 §53	DR	MoC has not been received. Thus CAR-4 is raised. CAR was solved, see <i>table 3</i>	CAR-4	OK
G.1.2.2. If the corporate identities are included in MoC statement, is this information valid and accurate?	EB65 Report Annex 4 §53	DR	It will be addressed after CAR-4 is resolved. CAR was solved, see <i>table 3</i>	CAR-4	OK
G.1.2.3. Are the personal identities, including specimen signatures and employment status, of their authorized signatories included in the MoC statement?	EB65 Report Annex 4 §53	DR	It will be addressed after CAR-4 is resolved. CAR was solved, see <i>table 3</i>	CAR-4	OK
G.1.2.4. If the personal identities, including specimen signatures and employment status, of their authorized signatories are included, is this information valid and accurate?	EB65 Report Annex 4 §54	DR	It will be addressed after CAR-4 is resolved. CAR was solved, see <i>table 3</i>	CAR-4	OK
G.1.2.5. If the validity of this information is checked through the written confirmation by the PP, is the MoC statement received from a PP with whom re-consult has a contractual	EB65 Report Annex 4 §55	DR	It will be addressed after CAR-4 is resolved. CAR was solved, see <i>table 3</i>	CAR-4	OK

Re-Consult, Carbon Department	CDM Validation Protocol	Page 121/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
relationship?					
G.1.2.6. If the official who submits the MoC statement to re-consult and the official who signed the written confirmation is a different person, has it been demonstrated that this person duly authorized to do so on behalf of the respective PP?	EB65 Report Annex 4 §56	DR	It will be addressed after CAR-4 is resolved. CAR was solved, see <i>table 3</i>	CAR-4	OK

Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
Appendix-1 Contact information on participants in the project activity					
1. Is the contact information of PPs listed in Section A.4 of PDD provided in Appendix 1?	EB66 Report Annex 8	DR	Yes. The contact information of PPs listed in section A.4 of PDD is consistent with that provided in Annex 1, which was validated by the validation team through checking PDD /D1/.	OK	OK
Appendix-2 Information regarding public funding					

Re-Consult, Carbon Department	CDM Validation Protocol	Page 122/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
1. If any further background information regarding the public funding additional to the Section A.5 is provided, is this information correct and supported by the appropriate evidence?	EB66 Report Annex 8	DR	Not applicable as there is not public funding for the proposed project.	N/A	N/A
Appendix-3 Applicability of the selected methodology(ies)					
1. If any further background information regarding the applicability of the selected methodology is provided, is this information correct and supported by the appropriate evidence?	EB66 Report Annex 8	DR	Not applicable as no further background information regarding the applicability of selected methodology is provided.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 123/127
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Question	Reference	Means of validation*	Findings, comments, references and document sources	Draft opinion	Final opinion
Appendix-4 Further background information on ex ante calculation of emission reductions		DR			
1. If any further background information regarding ex-ante calculation of emission reductions is provided, is this information correct and supported by the appropriate evidence?	EB66 Report Annex 8	DR	It will be addressed after CAR-3 is closed. CAR was solved, see <i>table 3</i>	CAR-3	OK
Appendix-5 Further background information on monitoring plan					
1. If any further background information used in the development of the monitoring plan is provided, is this information correct and supported by the appropriate evidence?	EB66 Report Annex 8	DR	Not applicable as there is not any further background information used in the development of the monitoring plan.	N/A	N/A
Appendix-6 Summary of post registration changes					
1. If applicable, is the summary of the post registration changes provided?	EB66 Report Annex 8	DR	Not applicable as there is no post registration change.	N/A	N/A

Re-Consult, Carbon Department	CDM Validation Protocol	Page 124/127
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Table 3 – Resolution of Corrective Action, Forward Action and Clarification Requests

Draft Report Clarifications, Forward Action and Corrective Action Requests by Validation Team	Ref. to Checklist Questions in Table-1 and Table-2	Summary of Project Participants' Response	Validation Team Conclusion
<p>CAR-1: LoA</p> <p>There is no project participant from Annex I Party for this proposed project. But, the LoA from the host Party should be provided to DOE prior to submission of the proposed project activity for ITR.</p>	<p>A.4.4</p> <p>F.1</p> <p>F.2</p> <p>F.3</p> <p>F.4.1</p> <p>F.4.2</p> <p>F.4.3</p> <p>F.4.4</p> <p>F.4.5</p> <p>F.5</p> <p>F.6</p>	<p>The LoA was provided to DOE.</p>	<p>OK. the LoA /D18/ from the P.R. China was received. The LoA /D18/ was checked and validated by the validation team to be in accordance with paragraphs 39-42 of VVS version 02.0 /D22/ For detailed validation, refer to the section 4.1 of this report.</p> <p>Thus, this CAR is closed.</p>
<p>CAR-2: Prior consideration of CDM</p> <p>The project's starting date of 31/05/2012 is after 2 August 2008 and prior to the date of PDD publication 24/10/2012. However, in the section B.5 of the PDD version 01 dated 04/10/2012, the prior consideration of CDM is demonstrated for a project activity with a start before 2 August 2008. Thus, the clarification is requested.</p> <p>Also, if applicable, the CDM notification forms for this project submitted to China NDRC and to UNFCCC secretariat should be provided to DOE.</p>	<p>B.5.5</p>	<p>The starting date of the project is 31/05/2012 when the wind turbine foundation Section I construction contract signed, which is the earliest date of project construction, implementation or real action, in compliance with the latest glossary of CDM terms. The starting date is after 02/08/2008 and before the PDD GSP date of 24/10/2012.</p> <p>According to Guidelines on the demonstration and assessment of prior consideration of the CDM (EB62 Annex 13 version04), the project is a "new" project activity (with a start date after 2008-08-02). The PP informed the DNA of China on 22/10/2012. The Prior CDM Consideration Form was approved by EB on 30/10/2012. The deadline sending the notification within 6 months of the</p>	<p>OK. The project's starting date of 31/05/2012 is after 2 August 2008 and before the date of PDD publication 24/10/2012. Thus, in the section B.5 of the revised PDD version 02 dated 24/12/2012, the prior consideration of CDM is demonstrated for a project activity with a start after 2 August 2008. The CDM notification forms for this project submitted to China NDRC /D16/ and to UNFCCC secretariat /D17/ have been checked by the validation team and it can be confirmed that the notification forms /D16/ /D17/ had been received by China NDRC and UNFCCC secretariat and were provided within six months of the project starting date.</p> <p>Thus, this CAR is closed.</p>

Re-Consult, Carbon Department	CDM Validation Protocol	Page 125/127
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Draft Report Clarifications, Forward Action and Corrective Action Requests by Validation Team	Ref. to Checklist Questions in Table-1 and Table-2	Summary of Project Participants' Response	Validation Team Conclusion
		<p>project activity start date to the respective authorities has been met.</p> <p>The CDM notification forms for this project submitted to China NDRC and to UNFCCC secretariat were provided to DOE.</p>	
<p>CAR-3: Grid emission factor</p> <p>In the section B.6 of the PDD version 01 dated 04/10/2012, the grid emission factor is calculated on the basis of the input data sourced from “2011 Baseline Emission Factors for Regional Power Grids in China” published by NDRC on 20/10/2011. However, the PDD of the proposed project was published on 24/10/2012 after the publishing data 15/10/2012 of “2012 Baseline Emission Factors for Regional Power Grids in China”. Therefore, “2012 Baseline Emission Factors for Regional Power Grids in China” should be used as the input data for calculating grid emission factor.</p> <p>Also, China Energy Statistical Yearbooks 2009-2011 and China Electric Power Yearbooks 2009-2011 should be used instead of Yearbooks 2008-2010.</p>	<p>B.6.2.3.4</p> <p>B.6.2.3.5</p>	<p>The $EF_{grid,CM,y}$ has been updated in the PDD to the latest value issued by NDRC on 15/10/2012 according to “2012 Baseline Emission Factors for Regional Power Grids in China”.</p> <p>$EF_{grid,OM,y}$ is changed to 0.9913 tCO₂e/MWh, $EF_{grid,BM,y}$ is changed to 0.5398 tCO₂e/MWh, and the $EF_{grid,CM,y}$ is changed to 0.878425 tCO₂e/MWh accordingly.</p> <p>Also, China Energy Statistical Yearbooks 2009-2011 and China Electric Power Yearbooks 2009-2011 have been used instead of Yearbooks 2008-2010 in the revised PDD.</p>	<p>OK. In the revised PDD version 02 dated 24/12/2012, the grid emission factor was calculated as per the most recent data available at the time of PDD publication on the UNFCCC website for GSP, 24/10/2012. The data used in the EF calculation /D12/ is in accordance with the data in the China Electric Power Yearbook from 2009 to 2011 (published annually) /D36/ and the China Energy Statistical Yearbook from 2009 to 2011 (published annually) /D37/ as well as the data published by the NDRC on 15/10/2012 /D39/.</p> <ol style="list-style-type: none"> 1. OM is calculated to be 0.9913 tCO₂e/MWh. 2. BM is calculated as 0.5398 tCO₂e/MWh. 3. The resulting combined margin emission factor $EF_{grid,CM,y}$ is 0.878425 tCO₂e/MWh with the ratio of 75:25 of the weights of OM and BM. <p>The calculated OM, BM and CM are validated by the validation team to be correct. For detailed validation, refer to the section 4.9 of this report.</p> <p>Thus, this CAR is closed.</p>
CAR-4: MoC	<p>G.1.1.1</p> <p>G.1.1.2</p>	The MoC and the written confirmation by the	OK. the MoC /D19/ and the written confirmation

Re-Consult, Carbon Department	CDM Validation Protocol	Page 126/127
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Draft Report Clarifications, Forward Action and Corrective Action Requests by Validation Team	Ref. to Checklist Questions in Table-1 and Table-2	Summary of Project Participants' Response	Validation Team Conclusion
The MoC should be provided to DOE prior to submission of the proposed project activity for ITR. Also, as per para 54 of VVS version 02.0, the evidence for the corporate identity of the PP included in MoC and the evidences for personal identity including specimen signatures and employment status should also be provided to DOE.	G.1.1.3 G.1.2.1 G.1.2.2 G.1.2.3 G.1.2.4 G.1.2.5 G.1.2.6	project participant were provided to DOE.	/D21/ were received. The MoC /D19/ was checked and validated by the validation team to be in accordance with paragraphs 54-57 and 60 of VVS version 02.0 /D22/ For detailed validation, refer to the section 4.13 of this report. Thus, this CAR is closed.
CL-1: Approval of FSR The FSR of the proposed project was completed in September 2011 and approved on 21/08/2012. The project start date of 31/05/2012 is prior to the FSR approval date of 21/08/2012. Thus, why the proposed project had been started without the approval of FSR should be clarified.	B.5.10 B.5.13.1	According to the document of "Information of accelerating the 2,000 MW Wind Power Project in Hami Southeast District" issued by the Hami City Development and Reform Commission dated 10/05/2012 (Ref No. Hadifagainengyuan [2012]186), the previous work of the project like foundation work can be carried out without the FSR approval.	OK. This notification (Ref No. Ha Di Fa Gai Neng Yuan [2012]186) /D20/, issued by local DRC on 10/05/2012 prior to the project starting date of 31/05/2012, have been received and checked by the validation team. It can be confirmed via checking this notification /D20/ that the local DRC required the project owner to start the construction of the proposed project before the end of June 2012 in order to generate the electricity earlier. The same was further confirmed by the officer /I03/ of local DRC during onsite interview. Thus, this CL is closed.
CL-2: Common practice In the section B.5 of the PDD version 01 dated 04/10/2012, the common practice should be further demonstrated and substantiated as per paragraph 47 of Additionality Tool version 06.1.0.	B.5.58 B.5.62 B.5.63 B.5.64 B.5.65 B.5.66 B.5.67	The common practice analysis has been carried out in line with Tool for the demonstration and assessment of additionality version 06.1.0. PLS refer to revised PDD for details.	OK. In the PDD version 02 dated 24/12/2012 /D1/, the common practice is correctly carried out as per the steps 1-4 of the paragraph 47 of Additionality Tool version 06.1.0. The same was validated by the validation team. For the detailed validation by the validation team, please see the section 4.7.5 of this report.

Re-Consult, Carbon Department	CDM Validation Protocol	Page 127/127
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Draft Report Clarifications, Forward Action and Corrective Action Requests by Validation Team	Ref. to Checklist Questions in Table-1 and Table-2	Summary of Project Participants' Response	Validation Team Conclusion
			Thus, this CL is closed.
<p>CL-3: Measurement methods/procedures and meter location</p> <p>In the section B.7.1 of the PDD version 01 dated 04/10/2012, the following issue was found:</p> <p>The accuracy of the meters and the person/entity responsible for the measurements should be specified under "Measurement methods and procedures" as per the Guidelines for completing the project design document form version 01.0.</p> <p>Also, in the section B.7.3 of the PDD version 01 dated 04/10/2012, the location of meters should be clearly specified if possible.</p>	<p>B.7.1.7 B.7.1.12</p>	<p>The PDD has been revised as follow:</p> <p>The meters' accuracy is no less than 0.5. Monitoring Section is responsible for monitor, collect and archive the data according to the Monitoring and Management Manual.</p> <p>The monitoring meters have been indicated in the revised PDD. The monitoring meter will be installed at the project site or the grid company according to the future actual situation. And there will be a backup meter installed at the same place with the monitoring meter.</p>	<p>OK. In the section B.7.1 of the revised PDD version 02 dated 24/12/2012, the meters' accuracy of no less than 0.5 is stated under "Measurement methods and procedures", which is verified by the validation team to be consistent with the national standard /D49/; the monitoring entity of the project owner is defined under "Measurement methods and procedures", which was confirmed by the representatives of project owner /I01/.</p> <p>In the section B.7.3 of the revised PDD version 02 dated 24/12/2012, it is clearly stated that one main meter and one back-up meter are installed at the project site or the grid company, which was confirmed by the representatives of project owner /I01/.</p> <p>Thus, this CL is closed.</p>