

**Annex 44****Registration****Scope of the review on
“Monjolinho Energética S.A.’s CDM Project” (2362)**

1. The Board agreed to undertake a review of the project activity “Monjolinho Energética S.A.’s CDM Project” (2362).
2. The Board agreed that the scope of the review relating to issues associated with validation requirements shall cover a review to assess:
 - (a) The additionality of the project activity, through an assessment of the investment analysis, in particular:
 - (i) The inconsistency between the assumed installed capacity of 67 MW and the project design (74 MW);
 - (ii) The sensitivity analysis, in particular, why the tariff was varied only for the first three years and why the electricity output was considered to be fixed based on the assured energy of 43.1 MW given that this is still under review by the regulator; and
 - (iii) The implications of the financial mechanism for sharing hydrologic risks for the electricity output or the financial revenues of the project; and
 - (b) The application of the baseline methodology, in particular why the DOE has not issued a CAR to effect the change in emission factor used between the PDD submitted for the global stakeholder consultation and the PDD submitted with the request for registration.
