

CDM - Executive Board



EB 45 Report Annex 29

## Annex 29

## Registration

## Scope of the review on "Daning Coal Mine Methane Power Generation Project in Jincheng City Shanxi Province, China" (1922)

- 1. The Board agreed to undertake a review of the project activity "Daning Coal Mine Methane Power Generation Project in Jincheng City Shanxi Province, China" (1922).
- 2. The Board agreed that the scope of the review relating to issues associated with validation requirements shall cover a review to determine:
  - (a) the additionality of the project activity through an assessment of:
    - i. real actions taken by the PP to secure the CDM status in parallel with the project's implementation; and
    - ii. the appropriateness of the input values used in the investment analysis, in particular the CMM extracted price, the level of the tariff and the O&M costs;
  - (b) the application of the methodology, in particular the selection of the baseline scenario, and the elimination of alternative 7 (project implemented by the coalmine), as it appears that the project IRR would be higher than the coal industry benchmark of 15% if no price was to be paid for the CMM extracted.

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