



## REVIEW OF THE PROJECT ACTIVITY

### “Santa Lúcia II Small Hydro Plant” (0663)”

At its forty-eight meeting the Board could not approve the request for issuance of CERs for the project activity “Santa Lúcia II Small Hydro Plant” (0663), submitted by the DOE (SGS) for the monitoring period 01 January 2008 -31 December 2008 since the project participant and the DOE could not satisfactorily justify the reasons for the significant increase in the electricity generation which resulted in the 58% higher emission reductions than the estimation in the PDD, in particular (a) The responses by the PP/DOE indicate that the electricity generation in the PDD is based on the assumption that the project is connected to isolated system and the increase is due to project interconnection to the grid in the year 2006, which is the same year when the project was requested for registration. However it has been noted in the PDD that even though the project interconnection with the grid in the early 2006 was known the corresponding increased electricity generation due to this interconnection was not appropriately included in the calculations of IRR and the emission reductions; and

(b) The PP/DOE responses do not adequately provide the reasons for installing capacity much higher than what is required to cater the demand of an isolated system.

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