

**Final Ruling Regarding the Request for Issuance of CERs of
“Xiaogushan Hydropower Project in People’s Republic of China” (0378)**

The CDM-Executive Board decided to reject the request for issuance of certified emission reductions (CERs) for the above project activity on 2 March 2012, for the monitoring period 01 January 2010 - 31 December 2010, in accordance with of the *Procedures for review of requests for issuance of CERs.*, version 2.0, EB 64 Annex 4, paragraphs 20 and 29 (the procedures). According to paragraph 28 of the procedures, the rulings shall contain the reasons and rationale for the final decision, which are as follows:

- The DOE (JACO) has failed to submit a notification or a request for approval of changes from the project activity as described in the registered Project Design Document (PDD) in accordance with paragraph 197 of version 1.2 of the Validation and Verification Manual (VVM) prior to the conclusion of the verification/certification activity.
- Paragraph 197 of the VVM states that “*If the DOE identifies that the implementation or operation of CDM project activity does not conform with the description contained in the registered PDD, the DOE shall conduct an assessment on the potential impacts due to these changes following the relevant guidelines established by the CDM Executive Board and based on this assessment, the DOE shall submit a notification or a request for approval of changes from the project activity as described in the registered PDD prior to the conclusion of the verification/certification for the corresponding monitoring period.*”
- The DOE has failed to submit a request for approval of changes from the project activity, as described in the registered PDD prior to the conclusion of the verification/certification activity, considering that the observed plant load factor (PLF) for the project activity, as shown in monitoring reports for the project, was on average 22% higher than that of the registered PDD. This increase has been observed in all monitoring periods in the first four years of the ten year crediting period. As the increase in PLF during all monitoring periods is considered a permanent change in the operation of the project activity compared to the description in the registered PDD, the issuance request could not be approved.

Please note, however, that, in accordance with of the Procedures for review of requests for issuance of CERs, version 02.0, EB 64 Annex 4, paragraph 33, in cases where the reasons for rejection can be addressed by means of a revised verification report, based on a revised monitoring report, if appropriate, the DOE may request, explaining the reasons, permission to submit a revised request for issuance for the same monitoring period covered by the rejected request for issuance. In this case, the request for permission to re-submit a request for issuance shall be submitted within 60 days of publication of the final ruling on the rejected request for issuance.

History of the document

Project 0378	Related to EB 64 Annex 4 Paragraphs 20, 28 & 29 2 March 2012	Decision Class: Ruling Document Type: Information Note Business Function: Issuance
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