

CDM-PA6331-RULE01

Ruling note

Request for registration for “Passos Maia CDM project”

Version 01.0



United Nations
Framework Convention on
Climate Change

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1. The CDM-Executive Board decided to reject the above proposed project activity on 31 May 2013, in accordance with the "Procedures for review of requests for registration", version 01.1, EB 55, Annex 40, paragraphs 23, 24 and 28 (the procedures). In accordance with paragraph 27 of the procedures, the rulings shall contain an explanation of the reasons and rationale for the final decision, which are as follows:
- (a) The DOE (BVCH) failed to substantiate the suitability of the input values to the investment analysis, in particular the plant load factor (PLF) of the project activity in accordance with validation and verification manual (VVM), version 01.2, paragraph 110.
 - (b) VVM, version 01.2, paragraph 110 states that "The DOE shall comply with the latest version of the "Guidance on the Assessment of Investment Analysis" as provided by the CDM Executive Board and with other relevant guidance including the latest guidelines on plant load factors "Guidelines for the reporting and validation of plant load factors". Further, paragraph 3 of the "Guidelines for the reporting and validation of plant load factors", version 1 states that "The plant load factor shall be defined ex-ante in the CDM-PDD according to one of the following two options:
 - (i) The plant load factor provided to banks and/or equity financiers while applying the project activity for project financing, or to the government while applying the project activity for implementation approval;
 - (ii) The plant load factor determined by a third party contracted by the project participants (e.g. an engineering company);"
 - (c) The plant load factor (PLF) of the project activity is neither based on the PLF provided to financiers while applying the project activity for project financing, nor the PLF is provided to the government while applying the project activity for implementation approval, nor the PLF is determined by a third party contracted by the project participants.
2. Please note, however, that, with appropriate revisions, this project activity may be resubmitted for validation and registration provided it meets the requirements for validation and registration, in accordance with paragraph 42 of the CDM Modalities and Procedures (Decision 3/CMP.1).

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Document information

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