

**CDM-PA9654-RULE01**

## Ruling note

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# Request for registration for “Talimarjan Clean Energy Generation Project”

Version 01.0



**United Nations**  
Framework Convention on  
Climate Change

1. The CDM-Executive Board decided to reject the above proposed project activity on 28 May 2015, during its eighty-fourth meeting, in accordance with the "CDM project cycle procedure" (PCP), version 07.0, paragraphs 102 and 103. In accordance with paragraph 106 of the PCP, the ruling 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 line with the "CDM validation and verification standard" (VVS), version 07.0, paragraphs 127 (b) and 127 (c).
  - (b) The relevant requirements are:
    - (i) VVS, version 07.0, paragraphs 127 (b) and 127 (c) state that "To verify the accuracy of financial calculations carried out for any investment analysis, the DOE shall: (b) Cross-check the parameters against third-party or publicly available sources, such as invoices or price indices; (c) Review, as appropriate, feasibility reports, public announcements and annual financial reports related to the proposed project activity and the project participants;"
  - (c) The reasons and rationale for the final decisions are:
    - (i) The investment cost of the project activity has not been adequately validated as the DOE did not provide any explanation about the difference between higher assumed unit investment cost in the Letter from Uzbekenergo #5144 and unit investment cost in the EPC contract.
    - (ii) The Plant Load Factor (PLF) of the project activity has not been adequately validated as the DOE did not provide any explanation about the difference between lower assumed PLF in the ADB Financial Analysis and higher PLF in the final FSR.
    - (iii) The Technical and Distribution losses have not been adequately validated as the DOE did not crosscheck the losses against third-party or publicly available sources. The DOE only checked the source of the losses.
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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<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	19 June 2015	Initial publication. Related to CDM project cycle procedure, version 07.0 (paragraphs 102, 103 and 106).

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