

**CDM-PA10233-RULE01**

## Ruling note

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Request for issuance for “Biomass based power project of VPL”

Version 01.0



**United Nations**  
Framework Convention on  
Climate Change

1. The CDM-Executive Board decided to reject the proposed request for issuance for CDM project activity on 14 September 2017, in accordance with the "*Clean Development Mechanism project cycle procedure*" (PCP), version 09.0, paragraph 258 (the procedures). In accordance with paragraph 267 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 (KBS) has failed to substantiate:
    - (i) the conformity of the actual project operation with the registered project design document as per paragraph 383(a) of CDM validation and verification standard (VVS), version 09, and;
    - (ii) the closure of FAR #09 from the validation report as per paragraph 409(g) of VVS, version 09.
  - (b) The relevant CDM requirement(s) are as follows:
    - (i) CDM validation and verification standard version 09.0, paragraph 383 (a) states that "the DOE shall identify any concerns related to the conformity of the actual project or programme activity and determine whether the implementation and operation of the registered CDM project activity or PoA and CPA has been conducted in accordance with the description contained in the registered PDD or PoA-DD and CPA-DD";
    - (ii) CDM validation and verification standard version 09.0, paragraph 409 (g) states that "The DOE shall report the following: An assessment and close-out of any CARs, CLs or FARs issued to the project participants or the coordinating/managing entity".
  - (c) The reason and rationale for the final decision are:
    - (i) The annual electricity generated during the year 2016 was 85,016 MWh, which is higher than what could have been generated based on a maximum average power capacity of 10 MW and a plant load factor of 90 percent as described and required in the registered PDD (pages 2 and 13); and
    - (ii) The electricity generated during the year 2016 on a monthly average basis exceeded the  $EG_{Cap}$  based on the plant power capacity of 10 MW running at 90 percent plant load factor. The DOE failed to substantiate how the project activity is implemented and operated as per registered PDD and how the project operation complies with a requirement from FAR #09 of the validation report which requires the DOE to check that the monthly generation of the project activity does not exceed the generation based on 10 MW plant capacity and 90 percent plant load factor.
2. Please note that in accordance with paragraph 274 of PCP, version 09.0, the DOE may re-submit the request for issuance with revised documentation if the reasons for the rejection can be addressed by means of a revised verification report, based on a revised monitoring report as appropriate.

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### Document information

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<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	10 October 2017	Initial publication Related to CDM project cycle procedure, version 09.0 (CDM-EB65-A32-PROC) (Paragraphs 258, 267 & 274).

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