



JI DETERMINATION REVIEW FORM

(version 02)

(by submitting this form, a Party involved in a JI activity (through the DFP) or a JISC member request a review)

Party involved (DFP) / **JISC member** submitting the form:

Reference number and **title** of the proposed JI activity:

0211 Utilization of coke gas with electricity generation by two 6 MWe CHP at "ZaporozhCox Plant

Type of JI activity: **large scale** **small scale** **LULUCF** **PoA/JPA**

Background

1. The requirements of Article 6 of the Kyoto Protocol, the JI guidelines and further relevant requirements defined by the CMP or the JISC with regard to determinations pursuant to paragraph 33 of the JI guidelines have to be met and appropriately dealt with by the accredited independent entity (AIE).
2. Project participants shall submit to an AIE a JI PDD/PoA DD that contains all information needed for the determination of whether the proposed JI activity fulfills the conditions specified in the questions below, as provided in paragraph 31 of the JI guidelines.
3. The AIE shall determine whether the proposed JI activity meets the conditions of paragraph 33 of the JI guidelines, as specified in the questions below.
4. The AIE shall make its determination publicly available through the secretariat, together with an explanation of its reasons, including a summary of comments received and a report of how due account was taken of these, in accordance with paragraph 34 of the JI guidelines.
5. Where applicable, the AIE shall take into consideration paragraphs 26-39 of the procedures for programmes of activities under the verification procedure under the JISC (JI PoA procedures).

Request for review

Please respond to the questions presented below by marking the appropriate check box:

<u>Yes</u>	<u>No</u>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	➤ Has the AIE determined appropriately that the proposed JI activity:
<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	<ul style="list-style-type: none"> ▪ has been approved by the Parties involved listed in the JI PDD/PoA DD? ▪ would result in a reduction of anthropogenic emissions by sources or an enhancement of anthropogenic removals by sinks that is additional to any that would otherwise occur?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<ul style="list-style-type: none"> ▪ has an appropriate baseline and monitoring plan in accordance with the criteria set out in appendix B of the JI guidelines?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	➤ Has the AIE confirmed that the project participants have submitted documentation on the analysis of the environmental impacts of the proposed JI activity, including transboundary impacts, in accordance with procedures as determined by the host Party, and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party?
<input type="checkbox"/>	<input type="checkbox"/>	➤ Has the AIE made its determination publicly available through the secretariat together with an explanation of its reasons, including a summary of the comments received and a report of how due account was taken on these?
<input type="checkbox"/>	<input type="checkbox"/>	➤ Has the coordinating entity of the JI PoA included only JPA(s) that appear to meet all the eligibility requirements defined in the JI PoA DD? (<i>applicable to JI PoA only</i>)
<input type="checkbox"/>	<input type="checkbox"/>	➤ Has the AIE confirmed that the eligibility criteria for inclusion of JPAs have been fulfilled and the operational and management arrangements for the implementation of the JI PoA have been established by the coordinating entity? (<i>applicable to JI PoA only</i>)

Please describe in detail the reasons for requesting the review, including the specific requirements in the JI guidelines that are not fulfilled, and attach supporting documentation, if appropriate.

- Starting date of the crediting period: Annex 2 of the guidance on criteria for baseline setting and monitoring requires an ex-ante estimation of the emission reductions in the PDD (§1, §2). PDD and determination report (DR) are inconsistent regarding the basis for the calculation of annual emission reductions. While the Determination Report p.33 states a crediting period start date of 1.1.2008, PDD p.23, p.5 and Determination Report p. 41 refer to a crediting period start date of 01.02.2008.

This issue could be resolved by clarifying and correcting, where necessary the starting date of the crediting period.

- Project boundary: It is not clear that the project could not result in an overall increase in production of COG, and hence an increase in fossil fuel emissions, in order to increase steam generation and thereby electricity generation and ERU revenues from the new CHP units. It is stated as an assumption (PDD p. 8) that "The proposed project should have no influence on the COG production level. Therefore, the amount of COG for the project scenario and for the baseline scenario can be assumed to be the same for each year."

This issue could be resolved by providing historical COG production data and monitoring overall COG production during the project, with a suitable adjustment applied to the emission reductions if overall COG production increases with respect to the historical average. (JI Guidelines Appendix B and JISC Guidance on criteria for baseline setting and monitoring, paragraphs 14 and 17).

- Emission reductions – project emissions: If natural gas or other fossil fuels were mixed with COG in the project, project emissions would not be zero (PDD, p. 9).

This issue could be resolved by clarifying in the monitoring plan how this will be verified not to have occurred. (JI Guidelines Appendix B and JISC Guidance on criteria for baseline setting and monitoring, paragraph 29).

- Emission reductions - leakage: In the baseline, COG is delivered to Zaporozhstal for heating purposes. In the project scenario, the decrease of COG deliveries could be greater than that caused by the difference in steam input and output through the new units. In this case, overall emissions would rise. This is considered in the calculation of emission reductions (PDD p. 9, p. 20), but not transparently reflected in the monitoring plan.

This issue could be resolved by clarifying how the parameter $L_{\text{fuel},i,y}$ is included in the monitoring plan. (JI Guidelines Appendix B and JISC Guidance on criteria for baseline setting and monitoring, paragraph 32).

- Emission reductions – additionality (conservativeness and transparency: prior consideration of JI): The prior consideration of JI which is inherent to the concept of additionality is not shown in the PDD and the corresponding determination report. In section A.2 of the PDD it is explained: "In 2004, the management of ZCP decided to further improve the existing scheme, by implementing units which would generate electricity from the excess temperature and pressure reduced by the PRDS's. This electricity will be used for ZCP's energy consuming equipment and therefore will substitute energy purchased from the Ukrainian distribution network. The design documents were completed by 2004 and after a short consideration in January 2005 the company approved the project." It is not clear from the determination report whether JI is explicitly mentioned in the relevant Minutes of ZaporozhCox Plant Technical Council of 14.01.2005 (PDD p. 21, No. 54).

This issue could be resolved by submitting a revised PDD and corresponding Determination Report which incorporate information regarding the prior consideration of JI, in particular, how the benefits of JI were a decisive factor in the decision to proceed with the project activity.

- Emission reductions – additionality (transparent determination of alternatives): It is not clear from the Determination Report that the AIE has verified assertions in the PDD such as "there is no need to replace the existing boiler house" (PDD, p. 7). Likewise, there is no evidence in the Determination Report that the AIE has verified that "the construction of... steam and condensate pipelines to external consumers... would be complicated and expensive" (PDD, p. 8).

This issue could be resolved by clarifying how these assertions have been verified during the on-site visit or by transparent reference to reliable documentation. (JI Guidelines Appendix B and JISC Guidance on criteria for baseline setting and monitoring, paragraph 26).