



JI DETERMINATION REPORT FORM

(version 02)

(to be completed by an AIE requesting the publication of a determination pursuant to paragraph 33 of the JI guidelines)

Accredited independent entity (AIE) submitting form Bureau Veritas Certification Holding SAS

Proposed JI activity

Reference number and title of proposed JI activity 0178 - Liepynes Wind Power Park Joint Implementation Project

Host Party(ies) Lithuania

Parties involved in the JI activity Netherlands

Coordinating entity (*applicable to JI PoA only*) N.A.

Project participants Vejo gusis, UAB
Ecocom BG, LTD

Type of JI activity: large scale small scale LULUCF PoA

Brief description of the JI activity

This JI Activity is a wind power park, which will displace carbon intensive electricity produced from fossil fuel sources in the Lietuvos Elektrine. It is foreseen the installation of 6 wind power plants with the total capacity of 9,13MW (2MW x 4, 0,8MW x 1, 0,33MW x 1).

Determination report

Please confirm that all 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 are met:

Yes

No

General information on determination

Please describe:

- The scope of the determination process, including all documentation that has been reviewed and list the names of persons interviewed during the determination process, as applicable;
- The AIE's determination team, including a list of all persons involved in the determination process and a description of the functions assumed.

The Project Design Document (PDD) submitted by the Project Participant and additional background documents related to the project design and baseline, i.e. country Law, Guidelines for Completing the Project Design Document (JI-PDD), Approved methodology, Kyoto Protocol, Clarifications on Determination Requirements to be Checked by a Accredited Independent Entity were reviewed, as listed below:

- Project Design Document, version 1, 06 April 2009
- Project Design Document, version 2, 16 April 2009
- Project Design Document, version 3, 24 July 2009
- Project Design Document, version 4, 14 September 2009
- Excel sheet for financial IRR calculation, version 1, 26 April 2009
- Excel sheet for financial IRR calculation, version 2, 19 July 2009
- Excel sheet for financial IRR calculation, version 3, 27 August 2009
- LoA, issued by Ministry of Environment of the Republic of Lithuania (Host Party) on 15/01/2010
- LoA, issued by Ministry of the Economic Affairs, NL Agency NL Energy and Climate Change (Investor Party) on 25/02/2010

- Annual energy production calculations, made by Enercon GmbH, 22/06/2007
- Lithuanian's national allocation plan for greenhouse gas emission allowances for the period 2008 to 2012
- Permit to enhance the energy generation capacity No. LP-018, 21/03/2007
- Detailed plan on wind park and substation location, 31/10/2008
- Construction permit, issued by Kretinga municipality on 21/04/2009
- Decision of the board of Kretinga Municipality regarding the approval of the Project detailed plan
- Communications No (9.14.5.)-LV4-1908 of the Klaipeda Regional Department of Environment of the Lithuanian Ministry of Environment of 27/05/2007 (the conclusion, concerning the environmental impact of the planned economic activity)
- Communications No (10-7)-D8-7637 of the Lithuanian Ministry of Environment of the 03/09/2009 (on the base level assessment of the joint implementation project "Liepynes wind power park").

The determination findings presented in this report relate to the project as described in the PDD version 04, submitted on 14 September 2009.

To address Bureau Veritas Certification corrective action and clarification requests Vejo gusis, UAB revised the PDD (versions 2, 3 and version 4).

After the procedure of Internal Technical Review, in order to meet the requested changes, the PDD has been updated to the version 4 dated 14th of September 2009.

On 23/06/2009 Bureau Veritas Certification performed interviews with representatives of Vejo gusis, UAB as and Kretinga municipality, as informed below:

- Egidijus Simutis – general director, Vejo gusis, UAB
- Rolanda Sukiene – finance director, Vejo gusis, UAB
- Reda Kasnauske – chief architect, Kretinga municipality

Determination team:

- Ashok Mammen – Climate Change Lead Verifier
- Tomas Paulaitis – Climate Change Verifier
- Erika Lasakeviciene – Financial Specialist
- Flavio Gomes – Internal Technical Reviewer

Description of determination process

Please briefly describe and refer to:

- The review of the JI PDD/PoA DD and additional documentation attached to it;
- The assessment against JI requirements, e.g. by using a determination protocol;
- The report of findings by the AIE, including the use of different types of findings (e.g. corrective action requests, clarifications or observations etc.).

Statements or assessments should be included in section "Conclusions, final comments and determination opinion".

The overall determination, from Contract Review to Determination Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

In order to ensure transparency, a determination protocol was customized for the project. The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from validating the identified criteria. The determination protocol serves the following purposes:

- It organizes, details and clarifies the requirements JI project is expected to meet;
- It ensures a transparent determination process where the determinator will document how a particular requirement has been validated and the result of the determination.

The completed determination protocol is enclosed in Appendix A to the determination report.

The determination findings for each determination subject are presented as follows:

1) The findings of the desk review of the original project design documents and the findings from interviews during the follow up visit are summarized. A more detailed record of these findings can be found in the Determination Protocol in Appendix A.

2) Where Bureau Veritas Certification had identified issues that needed clarification or that represented a risk to the fulfilment of the project objectives, a Clarification or Corrective Action request, respectively, have been issued. The Clarification and Corrective Action Requests are stated, where applicable, in the following sections and are further documented in the Determination Protocol in Appendix A.

The conclusions for determination subject are presented.

Comments received from Parties, stakeholders and UNFCCC accredited observers

Please:

- Summarise the comments received pursuant to paragraph 32 of the JI guidelines; and
- Provide a report of how due account was taken of these.

There are no comments from stakeholders

Conclusions, final comments and determination opinion

Please provide:

- Conclusions describing how each of the requirements of Article 6 of the Kyoto Protocol and the JI guidelines and further relevant requirements defined by the CMP or the JISC, in particular those referred to in paragraph 33 of the JI guidelines, have been met, including assessments and findings (e.g. corrective action requests, clarifications or observations) related to each requirement, and statements on whether all issues raised have been addressed to the AIE's satisfaction;
- Final comments and a determination opinion.

Bureau Veritas Certification has performed a determination of the Liepyne wind power park Project in Lithuania. The determination was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

The determination consisted of the following three phases: i) a desk review of the project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) the resolution of outstanding issues and the issuance of the final determination report and opinion.

Project participant/s used the latest tool for demonstration of the additionality. In line with this tool, the PDD provides analysis of investment, technological and other barriers to determine that the project activity itself is not the baseline scenario.

By building a wind farm the project is likely to result in reductions of GHG emissions. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity.

Given that the project is implemented and maintained as designed, the project is likely to achieve the estimated amount of emission reductions.

The review of the project design documentation (version 4) and the subsequent follow-up interviews have provided Bureau Veritas Certification with sufficient evidence to determine the fulfilment of stated criteria. In our opinion, the project correctly applied and meets the relevant UNFCCC requirements for the JI and the relevant host country criteria.

The determination is based on the information made available to us and the engagement conditions detailed in this report.

List of documents attached to the determination report form

Please attach relevant documents used in the determination process and check mark below accordingly

- PDD/PoA DD of the proposed JI activity**
- Determination report**
- Written approvals by the Parties involved, listed in the JI PDD/PoA DD**
- Other relevant documents:**
 - Determination protocol**
 - List of persons interviewed**
 - Any other documents** (please list): Emission Reductions Calculations and Investment Analysis

The AIE herewith declares that undertaking the determination for the proposed JI activity referred to above does not constitute a conflict of interest which is incompatible with the role of an AIE

Authorized officer signing for the AIE

Flavio Gomes

Date and signature

June 8th, 2010



