DETERMINATION REPORT

CEP CARBON EMISSIONS PARTNERS S.A.

DETERMINATION OF THE JI PROJECT

Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz"

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Client:	**Client ref.:**
CEP Carbon Emissions Partners S.A.	Fabian Knodel

Summary:

Bureau Veritas Certification has made the determination of the "Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz" project of CEP Carbon Emissions PartnersS.A. located in Kryvyi Rih city and the territories adjoining the city, Ukraine, on the basis of UNFCCC criteria for the JI, as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

The determination scope is defined as an independent and objective review of the project design document, the project's baseline study, monitoring plan and other relevant documents, and consisted of the following three phases: i) desk review of the project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) resolution of outstanding issues and the issuance of the final determination report and opinion. The overall determination, from Contract Review to Determination Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

The first output of the determination process is a list of Clarification and Corrective Actions Requests (CL and CAR), presented in Appendix A. Taking into account this output, the project proponent revised its project design document.

In summary, it is Bureau Veritas Certification's opinion that the project correctly applies Guidance on criteria for baseline setting and monitoring and meets the relevant UNFCCC requirements for the JI and the relevant host country criteria.

Report No.:	Subject Group:
UKRAINE-DET/0691/2012	JI

Project title:
"Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz

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1 INTRODUCTION

CEP Carbon Emissions Partners S.A. has commissioned Bureau Veritas Certification to determine the JI project "Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz" (hereafter called "the project") located in the Kryvyi Rih city and the territories adjoining the city, Ukraine.

This report summarizes the findings of the determination of the project, performed on the basis of UNFCCC criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

1.1 Objective

The determination serves as project design verification and is a requirement of all projects. The determination is an independent third party assessment of the project design. In particular, the project's baseline, the monitoring plan (MP), and the project's compliance with relevant UNFCCC and host country criteria are determined in order to confirm that the project design, as documented, is sound and reasonable, and meets the stated requirements and identified criteria. Determination is a requirement for all JI projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of emissions reductions units (ERUs).

UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

1.2 Scope

The determination scope is defined as an independent and objective review of the project design document, the project's baseline study and monitoring plan and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules and associated interpretations.

The determination is not meant to provide any consulting towards the Client. However, stated requests for clarifications and/or corrective actions may provide input for improvement of the project design.

1.3 Determinationteam

The determination team consists of the following personnel:
Oleg Skoblyk
Bureau Veritas Certification Team Leader, Climate Change Lead Verifier
Dmytro Balyn

Bureau Veritas Certification Team Member, Technical Specialist

This determination report was reviewed by:

Ivan Sokolov
Bureau Veritas Certification Internal Technical Reviewer

Vasyl Kobzar
Bureau Veritas Certification Technical Specialist

2 METHODOLOGY

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, according to the version 01 of the Joint Implementation Determination and Verification Manual, issued by the Joint Implementation Supervisory Committee at its 19 meeting on 04/12/2009.
The protocol shows, in a transparent manner, criteria (requirements), means of determination and the results from determining the identified criteria.
The determination protocol serves the following purposes:

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

The completed determination protocol, consisting of two tables, is enclosed in Appendix A to this report.

2.1 Review of Documents

The Project Design Document (PDD) submitted by CEP Carbon Emissions Partners S.A. and additional background documents related to the project design and baseline, i.e. country Law, Guidelines for users of the joint implementation project design document form, approved CDM methodology and/or Guidance on criteria for baseline setting and monitoring, Kyoto Protocol, Clarifications on Determination Requirements to be checked by an Accredited Independent Entity were reviewed.

To address Bureau Veritas Certification corrective action and clarification requests, CEP Carbon Emissions Partners S.A. revised the PDD version

01 dated 22/08/2012 and resubmitted the PDD as version 02 dated 18/09/2012.
The determination findings presented in this report relate to the project as described in the PDD versions 01 and 02.

2.2 Follow-up Interviews

On 19/09/2012 Bureau Veritas Certification Determination team performed (on-site) interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of PJSC "Krivorijgaz" and CEP Carbon Emissions Partners S.A. were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1Interview topics

Interviewed organization	Interview topics
PJSC «Krivorijgaz»	➢ Project history ➢ Project approach ➢ Project boundary ➢ Implementation Schedule ➢ Organizational structure ➢ Responsibilities and authorities ➢ Training of personnel ➢ Quality management procedures and technology ➢ Modernization /installation of equipment (records) ➢ Metering equipment control ➢ Metering record keeping system, database ➢ Technical documents ➢ Plan and procedures of monitoring ➢ Permissions and licenses ➢ Environmental impact assessment ➢ Stakeholders' responses
CEP Carbon Emissions Partners S.A.	➢ Baseline methodology ➢ Monitoring plan ➢ Proof of additionality ➢ Emission reduction calculations ➢ Project design ➢ Legal issues related to the project ➢ Environmental impact ➢ Approval by the Host Party

2.3 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the determination is to raise the requests for corrective actions and clarification and any other outstanding issues

that needed to be clarified for Bureau Veritas Certification positive conclusion on the project design.

Corrective Action Request (CAR) is issued, where:

(a) The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions;

(b) The JI requirements have not been met;

(c) There is a risk that emission reductions cannot be monitored or calculated.

The determination team may also issue Clarification Request (CL), if information is insufficient or not clear enough to determine whether the applicable JI requirements have been met.

The determination team may also issue Forward Action Request (FAR), informing the project participants of an issue that needs to be reviewed during the verification.

To guarantee the transparency of the verification process, the concerns raised are documented in more detail in the verification protocol in Appendix A.

3 PROJECT DESCRIPTION

The purpose of the project ”Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC “Krivorijgaz” is reduction of methane leaks at gas transportation and gas distribution infrastructure of PJSC “Krivorijgaz”, which are the result of faulty sealing of gas equipment and fittings. The basic sources of leaks are elements of distribution pipelines, included into the project boundary, notably:

- gas equipment (pressure regulators, valves, filters, break switches, etc.), located at gas distribution points (GDPs) and cabinet-type gas distribution points (CGDPs) of PJSC “Krivorijgaz”;
- gas fittings (faucets, valve gates, screw valves, etc.), located at gas pipelines of PJSC “Krivorijgaz”.

The project boundary encompasses 116 GDPs, 60 CGDPs, and 1125 gas fitting units at gas pipelines.

The main cause of methane leaks is failure of sealing elements of equipment caused by temperature fluctuations and moisture. Basic

component of natural gas is methane (92 - 95%), which is a greenhouse gas. Repair of methane leaks will result in a reduction of greenhouse gas emissions. Hereinafter, for determination of natural gas leaks the term "methane leaks" is also used, since leak measurements refer to methane.

PJSC "Krivorijgaz" is an enterprise that provides transportation and supply of liquefied and natural gas in the city of Kryvyi Rih and Kryvyi Rih district. Today PJSC "Krivorijgaz" supplies natural and liquefied gas to industrial enterprises (181), public-service facilities (1 767), consumers and population (287 290 apartments).

The main activities of the company are:

- Transportation of natural gas and oil gas by distribution pipelines;
- Supply of natural gas at regulated tariffs;
- Installation of domestic gas meters;
- Design, installation of gas supply systems;
- Maintenance, repair works.

The structure of existing tariffs for gas transportation regulated by the state does not take into account the amortization and investment needs of gas distribution enterprises. This leads to a lack of financing for repair works and modernization of gas networks, purchase of proper technological equipment and components, and, as a result, contributes to the increase of methane leaks at PJSC "Krivorijgaz" facilities.

Project activities are aimed at the reduction of methane leaks that occur as a result of faulty sealing of gas equipment of GDPs (CGDPs) and gas fittings of PJSC "Krivorijgaz" gas pipelines.

Within the framework of the JI project in order to repair methane leaks at gas equipment and gas fittings two types of repairs are applied:

1. Complete replacement of old gas equipment and gas fittings with new units.
2. Replacement of sealing elements with the use of modern sealing materials, changing the common practice of maintenance and repair on the basis of paronite packing and gaskets made of cotton fibers with fatty treatment and asbestic and graphite filler.

The existing practice of maintenance and repair on the basis of paronite packing and gaskets made of cotton fibers with fatty treatment and asbestic and graphite filler does not give a long-lasting effect of methane leak reduction.

As a result of JI project activities, in addition to methane leak reductions, technical losses of natural gas will decrease, a contribution will be made

to the improvement of environmental situation, and the risk of accidents and explosions will be reduced.

Project activities will include:

- Implementation of Purposeful Examination and Technical Maintenance (PETM) of GDN components (gas equipment of GDPs (CGDPs) and gas fittings);
- Detection of methane leaks: leak monitoring system at all GDN components (gas equipment of GDPs (CGDPs), gas fittings) that are included in the project boundary and including repaired methane leaks (elements of GDN repaired as part of the project activity);
- Repair of all leaks detected: repair of leaking GDN components within the project boundary will vary from replacement of sealing elements by using new and modern materials to replacement of gas equipment units and gas fittings with new and modern ones.

The project was initiated in January 2005:

In January 2005 an inspection of all GDN components of PJSC "Krivorijgaz" (GDP (CGDP) gas equipment and gas fittings, flanged and threaded joints of gas pipelines) took place, the results of this inspection made the basis for the Registry of leak spots of the project.

12/01/2005 – PJSC «Krivorijgaz» approved the PDD (version 01), which included the programme of emission monitoring.

February 15, 2005 – the starting date of the project, when PJSC "Krivorijgaz" started inspection and repair works at GDP (CGDP) gas equipment and gas fittings, flanged and threaded joints of PJSC «Krivorijgaz» gas distribution networks in the framework of the JI Project.

September 21, 2012 – a Working Team was created at PJSC "Krivorijgaz" in order to ensure implementation of the JI project monitoring plan.

July 20, 2012 – an Emission Reductions Purchase Agreement relating to the JI Project was signed between CEP Carbon Emissions Partners S.A. and PJSC "Krivorijgaz".

September 12, 2012 – a Letter of Endorsement No. 2553/23/7 was issued by the State Environmental Investment Agency of Ukraine.

Determination protocol of the project contains CARs and CLs for PDD versions 01 and 02.

4 DETERMINATION CONCLUSIONS

In the following sections, the conclusions of the determination are stated.

The findings from the desk review of the original project design documents and the findings from interviews during the follow-up visit are described in the Determination Protocol in Appendix A.

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 determination of the Project resulted in 30 Corrective Action Requests and 3 Clarification Requests.

The number between brackets at the end of each section correspond to the DVM paragraph.

4.1 Project approvals by Parties involved (19-20)

The project ”Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC “Krivorijgaz” has already obtained endorsement from the government of Ukraine, namely a Letter of Endorsement No.2553/23/7 issued by the State Environmental Investment Agency of Ukraine dated 12/09/2012.

Bureau Veritas Certification received this letter from the project participants and does not doubt its authenticity.

After the Determination Report is complete, the Project Design Documents will be submitted to the State Environmental Investment Agency of Ukraine to receive a Letter of Approval.

Since the project has not been approved by the Host Party, CAR 18 is pending and will be closed after the report is completed (see Appendix A).

The identified areas of concern as to the project approval by the Parties, project participants responses and BVC’s conclusion are described in Appendix A to the Determination report (refer to CAR 18).

4.2 Authorization of project participants by Parties involved (21)

The participation for each of the legal entities listed as project participants in the PDD will be authorized through written Letters of Approval (from the Government of Switzerland, as the country – project participant, and from Ukraine, as the Host Party). Refer to CAR 18.

4.3 Baseline setting (22-26)

The PDD explicitly indicates that using a methodology for baseline setting and monitoring developed in accordance with the requirements of

Appendix B of the JI Guidelines (hereinafter referred to as "specific approach") was the selected approach for setting the baseline (in accordance with paragraph 11 of the Guidance on criteria for baseline setting and monitoring (Version 03)).

The proposed project applies a JI specific approach based on the JI Guidance on criteria for baseline setting and monitoring, Version 03 and the "Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at gas distribution networks" that was developed by the Institute of Gas of the National Academy of Sciences of Ukraine to set the baseline. Project participants selected the calculation method for estimation of GHG emission reductions.

The Methodology is based on approved Clean Development Mechanism methodology AM0023 version 4.0 "Leak detection and repair in gas production, processing, transmission, storage and distribution systems and in refinery facilities" and takes into account the specifics of methane leak detection and repair activity in Ukraine.

This Methodology is designed for the development of projects aimed at methane leak reduction at technological equipment of gas distribution networks and is applicable to project activities that reduce methane leaks by implementing investment activities, which would not be implemented under the existing company practice, i.e. methane leaks would not be repaired.

The PDD provides a detailed theoretical description in a complete and transparent manner, as well as justification, that the baseline is established:

(a) By listing and describing the following plausible future scenarios on the basis of conservative assumptions and selecting the most plausible one:
   a. Continuation of the current system of leak detection and repair;
   b. Implementation of this Project without the application of JI mechanism.

(b) Taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, gas supply sector expansion plans, and the economic situation in the project sector. In this context, the following key factors that affect a baseline are taken into account:

a. The role of energy sector is absolute and crucial for Ukraine. Power sector is a political factor of sovereignty in Ukraine. Ukrainian economy is considered to be one of the most energy intensive in the world in terms of the consumption of primary energy per a gross domestic product unit. On March 15, 2006 the Cabinet of Ministers of Ukraine adopted “Energy Strategy of Ukraine till 2030”. The Energy strategy considers exploration of non-traditional and renewable energy sources as a significant factor in increasing the level of energy safety, decrease of energy anthropogenic affect on environment and counteractions against global climate change.

b. Most natural gas transportation and supply companies currently working in Ukraine operate of equipment installed back in the Soviet era.

c. The current practice of detection and repair of natural gas losses and, correspondingly, methane emissions complies with the current legislation of Ukraine. The legislation permits the loss of natural gas and, correspondingly, methane emissions in the course of natural gas transportation. The standards set only the frequency of inspection of equipment by gas distribution organizations to detect losses of natural gas. The practice of natural gas loss detection at PJSC "Krivorijgaz" meets the standards. The control of compliance with norms shall be performed by annual inspections by authorized bodies.

d. The state support in the sphere of natural gas transportation and supply is available in accordance with funds provided by the State Budget of Ukraine for the corresponding year.

e. The current Ukrainian system of formation oftariffs for natural gas supply does not include an investment component for gas infrastructure development. According to the Law “On fundamentals of natural gas market functioning” PJSC “Krivorijgaz” is not obliged and is unmotivated to implement new equipment at its own expense. In addition, state investment programs in most cases are targeted at administrative and organizational implementations.

f. The project scenario requires attracting significant additional funds. Such investment is characterized by a significant payback period and high investment risks, that is why it is not attractive for investors.

g. Ukraine already implements JI projects in the sphere of natural gas transportation and supply “Reduction of methane emissions at flanged, threaded Joints and shut-down devices of PJSC “Kyivgas” equipment”, “Reduction of Methane Emissions at Flanged, Threaded Joints and Shut-down Devices of PJSC “Odesagas” Equipment”, “Reduction of natural gas emissions at PJSC “Odesagas” gate stations and gas distribution networks”) by selling emission reduction units.

The PDD provides a detailed theoretical description in a complete and transparent manner, as well as justification, that the baseline is duly established.

The methods of calculation used to determine the expected and actual baseline emissions, are sufficiently described in sections E and D of the PDD, respectively.

The identified areas of concern as to the baseline, project participants responses and BVC’s conclusion are described in Appendix A to the Determination report (refer to CAR 19 -CAR 25, CL 05).

4.4 Additionality (27-31)

The most recent version of the “Tool for the demonstration and assessment of additionality” approved by the CDM Executive Board was used according to the JI specific approach determined as per paragraph9 (a) of the “Guidance on criteria for baseline setting and monitoring”, Version 03. All explanations, descriptions and analyses are made in accordance with the selected tool or method.

The PDD provides a justification of the applicability of the approach with a clear and transparent description, as per item 4.3 above.

The developer of the project proved that the amount of project anthropogenic emissions is lower than the emissions that would occur in the absence of project activity.
Additionality proofs are provided.
Two plausible and realistic alternative scenarios of the project were identified:

- Alternative 1.1.: Continuation of the current system of leak detection and repair;
- Alternative 1.2.: Implementation of this Project without the application of JI mechanism.

and the mandatory compliance of the scenarios with the legislation and legal acts was demonstrated.

According to the "Tool for the demonstration and assessment of additionality" (Version 06.0.0) barrier analysis and common practice analysis were used in the PDD to justify additionality of the project.
Such potential barriers as financial barriers (additional cost on implementation of measures planned by the project, purchase and operation of modern measuring equipment for detection and measuring of methane emissions), organizational barriers (lack of labour and technical resources of PJSC "Krivorijgaz" for implementation and carrying out purposeful examination and technical maintenance of gas equipment) that hinder the implementation of the project scenario without additional income from the project under the joint implementation mechanism, and which in fact will not allow for implementation of any alternative other than the baseline scenario, were described and grounded properly. There are no barriers to baseline alternative, which is the continuation of the situation before the implementation of project activities.

Thus, the overall conclusion is that the project activity meets the criteria of additionality, is not a baseline scenario and is additional.

Additionality is demonstrated properly, as a result of the analysis using the selected approach.

4.5 Project boundary (32-33)

The project boundary defined in the PDD, which according to the specific approach is outlined by the territory of Kryvyi Rih city and the territories adjoining the city and includes GDN components included in the JI project boundary on the basis of Agreement on the use of state property that is not subject to privatization No. 04/01-825 dated 28/12/2001, encompasses all anthropogenic emissions by sources of greenhouse gases (GHGs) that are:

(i) Under the control of the project participants, such as:
- technological natural gas leaks during scheduled repair of gas pipelines;

(ii) Reasonably attributable to the project, such as:
- methane leaks at gas fittings of house distribution networks;

(iii) Significant, i.e., as a rule of thumb, would by each source account on average per year over the crediting period for more than 1 per cent of the annual average anthropogenic emissions by sources of GHGs, or exceed an amount of 2,000 tonnes of CO_2 equivalent, whichever is lower:
- leaks at gas equipment (pressure relief valves, gate valves, filters, etc.) of gas distribution points (cabinet-type gas distribution points);
- methane leaks at gas fittings (faucets, slide valve, etc.), , located at gas distribution networks of PJSC "Krivorijgaz".

Only leaks of type (iii) are included in the project boundary.

The delineation of the project boundary and the gases and sources included are appropriately described and justified in the PDD

4.6 Crediting period (34)

The PDD states the starting date of the project as the date when PJSC "Krivorijgaz" started inspection and repair works at GDP (CGDP) gas equipment and gas fittings, flanged and threaded joints of PJSC «Krivorijgaz» gas distribution networks in the framework of the JI Project, and the starting date is 15/02/2005, which is after the beginning of 2000.

The PDD states the expected operational lifetime of the project in years and months, which is 12 years and 11 months, or 155 months, from 15/02/2005 to 31/12/2017.

The PDD states the length of the crediting period in years and months, which is 12 years and 11 months, or 155 months, and its starting date is 15/02/2005, which is the date when the first project activities at gas pipelines of PJSC "Krivorijgaz" were implemented and when the first emission reductions are expected to be generated.

The PDD states that the crediting period for the issuance of ERUs starts only after the beginning of 2008 and does not extend beyond the operational lifetime of the project.

The PDD states that the extension of its crediting period beyond 2012 is subject to the host Party's approval, and the estimates of emission reductions or enhancements of net removals are presented separately for those until 2012 and those after 2012 in all relevant sections of the PDD.

The identified areas of concern as to the crediting period, project participants responses and BVC's conclusion are described in Appendix A to the Determination report (refer to CAR 26).

4.7 Monitoring plan (35-39)

The PDD, in its monitoring plan section, explicitly indicates that the JI specific approach was selected.
The monitoring plan describes all relevant factors and key characteristics that will be monitored, and the period in which they will be monitored, in particular also all decisive factors for the control and reporting of project performance, such as reporting forms, the operational structure and

management structure of the enterprise, that will be applied when implementing the monitoring plan.

The monitoring plan specifies the indicators, constants and variables that are reliable (i.e. provide consistent and accurate values), valid (i.e. are clearly connected with the effect to be measured), and that provide a transparent picture of the emission reductions or enhancements of net removals to be monitored such as: sequence number of GDN component, Global Warming Potential of methane, Number of activity (replacement/repair) at GDN component after the presence of leak was determined at such component, average mass fraction of methane in the natural gas, Natural gas leak factor from GDN componentin CLS, natural gas leak factor that corresponds to APLNG for GDN component, time of operation ofGDN componentunderpressure from the beginning of monitoring period "y" to implementation of project activities (repair / replacement) that resulted in the repair of APLNG at such component.

The monitoring plan draws on the list of standard variables contained in appendix B of "Guidance on criteria for baseline setting and monitoring" developed by the JISC, as appropriate, among which: baseline emissions (BE_y), project emissions (PE_y), Global Warming Potential(GWP_{xx}).

According to Guidance for users of JI PDD forms, version 04, described approach to monitoring clearly and accurately specifies:

(i) Data and parameters that are not monitored throughout the crediting period, but are determined only once , and that are available already at the stage of the PDD development:

i	Sequence number of GDN component (GDP (CGDP), gas fittings of gas pipeline) included in the project boundary

(ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not already available at the stage of PDD development: absent.

(iii) Data and parameters that are monitored throughout the crediting period:

h	Number of activity (replacement/repair) at GDN component after the presence of APLNG was determined at such component
W_y	Average mass fraction of methane in the natural gas, in period "y", in the project scenario

$K^{g}_{i,h}$	Natural gas leak factor from GDN component i' in CLS
$K^{n}_{i"}$	Natural gas leak factor that corresponds to APLNG for GDN component $i"$
$H^{g}_{i',h,y}$	Time of operation ofGDN component under pressure from the beginning of monitoring period "y" to implementation of project activities (repair / replacement) that resulted in the repair of APLNG at such component
$H^{n}_{i",h,y}$	Time of operation of GDN component tunder pressure from the moment of implementation of project activities (repair / replacement) that resulted in the repair of APLNG at such component to the end of the monitoring period "y"
GWP_{CH4}	Global Warming Potential of methane

The monitoring plan describes the methods employed for data monitoring (including its frequency) and recording, such as data archiving by using accounting and statistical software.

The most objective and cumulative factor that provides a clear picture of whether the emission reductions took place is the fact of GDN component replacement.It can be determined by means of the calculation method that is based on the use of data on methane leaks from GDN components that are formed from the standard values of methane emissions for each GDN component and data obtained through statistical processing of results of actual measurements of methane leaks before and after activities aimed at leak repair.

The monitoring plan elaborates all algorithms and formulae used for the estimation/calculation of baseline emissions and project emissions, such as:

Formulae used to estimate project emissions (for each gas, source etc.; emissions in units of CO_2 equivalent):

Greenhouse gas emissions in the project scenario according to a specific approach to Joint Implementation projects (calculations by using the tabular method of the Methodology) are calculated according to the formula:

$$PE_y = GWP_{CH_4} \cdot ConvFactor \cdot W_y \cdot P_y \quad (1)$$

where:

PE_y –greenhouse gas emissions in period «y», in the project scenario(t CO_2eq);

GWP_{CH_4} –global warming potential of methane (tCO_2eq/tCH_4);

W_y –Average mass fraction of methane in the natural gas in period «y», in the project scenario (%);

P_y –volume of natural gas leaks into the atmosphere in period «y», in the project scenario (m^3 CH_4);

$ConvFactor$ – Conversion factor to convert methane leaks from volume units to weight units (t CH_4/ m^3 CH_4). Under normal conditions defined as 0 degree Celsius and 0.1013 MPa, $ConvFactor$=0.0007168 (t/ m^3).

[*y*] – index that corresponds to monitoring period;

[CH_4] – index that corresponds to methane.

Emissions of natural gas (92-95% of which is methane) in the atmosphere caused by leaks from gas transportation networks are calculated according to the formula:

$$P_y = \sum_{h \in H_{i'}} \sum_{i' \in I'} K^g_{i'h} \cdot H^g_{i'hy} + \sum_{h \in H_{i''}} \sum_{i'' \in I''} K^g_{i''h} \cdot H^n_{i''hy} \quad (2)$$

$K^g_{i'h}$ – natural gas leak factor for GDN component i' that is in CLS (i.e. corresponds to SPLNG) in period «y», in the project scenario (m^3/h) ;

$K^g_{i''h}$ –natural gas leak factor that corresponds to APLNG for GDN component i'' in period «y», in the project scenario (m^3/h);

$H^g_{i'hy}$ – Time of operation ofGDN componentunderpressure from the beginning of monitoring period “y” to implementation of project activities (repair / replacement) that resulted in the repair of APLNG at such component (h);

$H^n_{i''hy}$ – Time of operation of GDN component under pressure from the moment of implementation of project activities (repair / replacement) that resulted in the repair of APLNG at such component to the end of the monitoring period “y” (h);

[*y*] – index that corresponds to monitoring period;

[*i'*] – index that corresponds to a number of GDN component, which is in a set of elements *I'((I' + I'') = I*, where I is a set that includes all GDN components that are in the project boundary) where the project activities did not result in any emission reductions (there was no replacement / repair of components) in the reporting monitoring period;

[*i''*] – index that corresponds to a number of GDN component, which is in a set of elements *I'' ((I' + I'') = I*, where I is a set that includes all GDN

components that are in the project boundary) where the project activities resulted in emission reductions (there was replacement / repair of components) in the reporting monitoring period;
[*h*] – index that corresponds to a number of activity under the project at GDN component, if more than one activity was carried out at reporting component in the monitoring period (where H is a set, which includes all activities in the project scenario at GDN component in the monitoring period);
[*g*] – index that corresponds to SPLNG;
[*n*] – index that corresponds to APLNG.

Formulae used to estimate baseline emissions (for each gas, source etc.; emissions in units of CO_2 equivalent):

Greenhouse gas emissions in the baseline scenario according to a JI specific approach (which is calculated by using the tabular method of the Methodology) are calculated according to the formula:

$$BE_y = GWP_{CH_4} \cdot ConvFactor \cdot W_y \cdot B_y \quad (3)$$

Where:
BE_y –greenhouse gas emissions in period «y», in the baseline scenario(t CO_2eq);
GWP_{CH_4} –global warming potential of methane (tCO_2eq/tCH_4);
W_y –Average mass fraction of methane in the natural gas in period «y», in the project scenario (%);
B_y –volume of natural gas leaks into the atmosphere in period «y», in the baseline scenario (m^3);
$ConvFactor$ – Conversion factor to convert methane leaks from volume units to weight units (t CH_4/ m^3 CH_4). Undernormal conditions defined as 0 degree Celsius and 0.1013 MPa, $ConvFactor$ =0.0007168t / m^3.
[*y*] – index that corresponds to monitoring period;
[*CH4*] – index that corresponds to methane.

Emissions of natural gas (92-95% of which is methane) in the atmosphere caused by leaks from gas transportation networks are calculated according to the formula:

$$B_y = \sum_{h \in H_i} \left(\sum_{i' \in I'} K^g_{i'h} \cdot H^g_{i'hy} + \sum_{i'' \in I''} K^n_{i''h} \cdot H^n_{i''hy} \right) \quad (4)$$

Where:

$K^{g}_{i',h}$–natural gas leak factor for GDN component i' that is in CLS (i.e. corresponds to SPLNG) in period «y», in the baseline scenario (m^3/h);

$K^{n}_{i"h}$ – natural gas leak factor that corresponds to APLNG for GDN component $i"$ in period «y», in the baseline scenario (m^3/h);

$H^{g}_{i'hy}$ –Time of operation of GDN component in CLS under pressure in period «y», in the baseline scenario(h);

$H^{n}_{i"hy}$ –Time of operation ofGDN componentfrom the moment when project activities (repair / replacement)that resulted in the repair of APLNG were implementedto the end of monitoring period «y» (h);

[*y*] – index that corresponds to monitoring period;

[*i'*] – index that corresponds to a number of GDN component, which is in a set of elements *I' ((I'* + *I'')* = *I*, where I is a set that includes all GDN components that are in the project boundary) where the project activities did not result in any emission reductions (there was no replacement / repair of components) in the reporting monitoring period;

[*i''*] – index that corresponds to a number of GDN component, which is in a set of elements *I''((I'* + *I'')* = *I*, where I is a set that includes all GDN components that are in the project boundary) where the project activities resulted in emission reductions (there was replacement / repair of components) in the reporting monitoring period;

[*h*] – index that corresponds to a number of activity under the project at GDN component, if more than one activity was carried out at reporting component in the monitoring period (where H is a set, which includes all activities in the project scenario at GDN component in the monitoring period);

[*g*] – index that corresponds to SPLNG;

[*n*] – index that corresponds to APLNG.

Formulae used to estimate leakage (for each gas, source etc.; emissions in units of CO_2 equivalent):

According to a JI specific approach based on the Joint Implementation requirements in accordance with paragraph 9 (a) of the JI Guidance on criteria for baseline setting and monitoring, Version 03, the “Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at gas distribution networks" that was developed by the Institute of Gas of the National Academy of Sciences of Ukraine and on the basis of elements of approved CDM methodology AM0023 version 4.0 no leakage is expected.

Formulae used to calculate emission reductions from the project (for each gas, source etc.; emissions/emission reductions in units of CO_2 equivalent):

Reduction of GHG emissions under the Project in period "y" (ER_y) is calculated by the formula:

$$ER_y = BE_y - PE_y; \quad (5)$$

where:

ER_y - Total GHG emission reduction generated by the in period y, t CO_2eq;

PE_y - Project GHG emissions in period y, t CO_2eq;

BE_y - Baseline GHG emissions in period y, t CO_2eq;

$[y]$ - Monitoring period.

The monitoring plan presents the quality assurance and control procedures for the monitoring process, which are sufficiently described in tabular form in sections of the PDD D.2. and D.3. This includes, as appropriate, information on calibration and on how records on data and/or method validity and accuracy are kept.

The monitoring plan clearly identifies the responsibilities and the authority regarding the monitoring activities. Collection of all the key parameters required for monitoring and calculation of GHG emission reductions are continuously carried out according to the practice, established at PJSC "Krivorijgaz". Monitoring of the project does not require any changes in the existing and data collection and accounting system.
On the whole, the monitoring plan reflects good monitoring practices appropriate to the project type.
The monitoring plan provides, in tabular form, a complete compilation of the data that need to be collected for its application, including data that are measured or sampled and data that are collected from other sources (e.g. official statistics, expert judgment, proprietary data, IPCC, commercial and scientific literature etc.) but not including data that are calculated with equations.

The monitoring plan indicates that the data monitored and required for verification are to be kept for two years after the last transfer of ERUs for the project.

The identified areas of concern as to the monitoring plan, project participants responses and BVC's conclusion are described in Appendix A to the Determination report (refer to CAR 27, CAR 28).

4.8 Leakage (40-41)

The PDD appropriately describes an assessment of the potential leakage of the project and appropriately explains which sources of leakage are to be calculated, and which can be neglected.

According to a JI specific approach based on the Joint Implementation requirements in accordance with paragraph 9 (a) of the JI Guidance on criteria for baseline setting and monitoring, Version 03, the “Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at gas distribution networks" that was developed by the Institute of Gas of the National Academy of Sciences of Ukraine and on the basis of elements of approved CDM methodology AM0023 version 4.0 no leakage is expected.

4.9 Estimation of emission reductions or enhancements of net removals (42-47)

The PDD indicates assessment of emissions in the baseline scenario and in the project scenario as the approach chosen to estimate the emission reductions or enhancement of net removals generated by the project.

The PDD provides the forecasted estimates of:

(a) Emissions or net removals for the project scenario (within the project boundary), which are 84 108 tons of CO_2eq for 2005-2007, 140 180 tons of CO_2eq for 2008-2012, 140 180 tons of CO_2eq for 2013-2017;

(b) Leakage is not expected in the project boundary;

(c) Emissions or net removals for the baseline scenario (within the project boundary), which are 212 240 tons of CO_2eq for 2005-2007, 719 827 tons of CO_2eq for 2008-2012, 750 335 tons of CO_2eq for 2013-2017;

(d) Emission reductions or enhancements of net removals adjusted by leakage (based on (a)-(c) above), which are 128 132 tons of CO_2eq for 2005-2007, 579 647 tons of CO_2eq for 2008-2012, 610 155 tons of CO_2eq for 2013-2017.

The estimates referred to above are given:

(a) On an annual basis;

(b) From 15/02/2005 to 31/12/2017, covering the whole crediting period;

(c) On a source-by-source/sink-by-sink basis;

(d) For each GHG gas, which is CO_2;

(e) In tonnes of CO_2 equivalent, using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol.

The formulae used for calculating the estimates referred above, are given in Section 4.7. All formulae are consistent throughout the PDD.
For calculating the estimates referred to above, key factors, e.g. the Ukrainian environmental legislation and other national legislation, as well as key relevant factors such as availability of funds for implementation of the project activities, tariffs established by the state, modern technology and the possibility of know-how implementation in gas supply sector influencing the baseline emissions or removals and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate.

Data sources used for calculating the estimates referred to above, such as documents and archive data of the enterprise, standards and statistical forms, results of periodic inspections of meters are clearly identified, reliable and transparent.
Natural gas leak factor for GDN component i' that is in CLS ($K^{g}_{i,h}$) and natural gas leak factor that corresponds to APLNG for GDN component i'' (K^{n}_{i}) were selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice.

The estimation referred to above is based on conservative assumptions and the most plausible scenarios in a transparent manner.

The estimates referred to above are consistent throughout the PDD.The annual average of estimated emission reductions or enhancements of net removals over the crediting period is calculated by dividing the total estimated emission reductions or enhancements of net removals over the crediting period by the total months of the crediting period, and multiplying by twelve.

Detailed algorithms of calculation and their results are described in Sections B, E and supporting documents to the PDD.

The identified areas of concern as to the estimation of emission reductions, project participants responses and BVC's conclusion are described in Appendix A to the Determination report (refer to CAR 29).

4.10 Environmental impacts (48)

Sections F.1. and F.2. of the PDD provide information about documentation on the analysis of the environmental impacts of the project, including transboundary impacts, in accordance with procedures as determined by the host Party.

The PDD states that according to the environmental standards of Ukraine, natural gas emissions into the air are not considered polluting(CMU Resolution dated 29/11/2001 No.1598 "On approval of the list of the most popular and dangerous pollutants, which emissions into the atmosphere are subject to regulation"). Therefore no environmental permissions are required for natural gas transportation and supply.
According to the PDD the only environmental impact is reduction of natural gas emissions into the atmosphere.

Implementation of this project will increase the safety of operation of gas distribution networks, which, in turn, will reduce the probability of explosions or fires.

No transboundary impacts from the project activity, according to their definition in the text of the “Convention on long-range tansboundary pollution” ratified by Ukraine, will take place.

Project implementation does not provide for any harmful environmental impacts.

The PDD provides conclusion and all references to supporting documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party.

The identified areas of concern as to the environmental impacts, project participants responses and BVC’s conclusion are described in Appendix A to the Determination report (refer to CAR 30).

4.11 Stakeholder consultation (49)

Consultations were conducted with the specialists of the Institute of General Energy of NAS of Ukraine. No comments from Stakeholders were received. The project activity doesn’t provide for any negative impact on the environment or negative social effect.

4.12 Determination regarding small scale projects (50-57)

Not applicable.

4.13 Determination regarding land use, land-use change and forestry (LULUCF) projects (58-64)

Not applicable.

4.14 Determination regarding programmes of activities (65-73)

Not applicable.

5 SUMMARY AND REPORT OF HOW DUE ACCOUNT WAS TAKEN OF COMMENTS RECEIVED PURSUANT TO PARAGRAPH 32 OF THE JI GUIDELINES

No comments pursuant to paragraph 32 of the JI Guidelines were received.

6 DETERMINATION OPINION

Bureau Veritas Certification has performed a determination of the "Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz" Project in Ukraine. 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 participants used the latest tool for demonstration of the additionality. In line with this tool, the PDD provides barrier analysis and common practice analysis to determine that the project activity itself is not the baseline scenario.

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 determination revealed one pending issue related to the current determination stage of the project: the issue of the written approval of the project by the host Party. If the written approval by the host Party is awarded, it is our opinion that the project as described in the Project Design Document, Version 02 dated 18/09/2012 meets all the relevant UNFCCC requirements for the determination stage and the relevant host Party criteria.

The review of the project design documentation (version 02 dated 18/09/2012) and the subsequent follow-up interviews have provided Bureau Veritas Certification with sufficient evidence to determine the fulfillment of stated criteria. In our opinion, the project correctly applies 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.

7 REFERENCES

Category 1 Documents:

Documents provided by CEP Carbon Emissions Partners S. A. that relate directly to the GHG components of the project.

/1/	PDD “Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC “Krivorijgaz”, version 01 dated 22/08/2012;
/2/	PDD “Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC “Krivorijgaz”, version 02 dated 18/09/2012;
/3/	Supporting document 1 “Registry of gas distribution points and gas fittings within the boundary of the JI Project “Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC “Krivorijgaz”
/4/	Supporting document 2 “Calculation of GHG emission reductions of the Project “Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC “Krivorijgaz”
/5/	“Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at gas distribution networks" that was developed by the Institute of Gas of the National Academy of Sciences of Ukraine (registration number UkrNTI 0112U00A816 dated 2012);
/6/	Report on the scientific and technical work "Development of methodological fundamentals of reducing greenhouse gas emissions by repairing above-standard leaks of natural gas at gas distribution networks of Ukraine"
/7/	Letter of Endorsement No. 2553/23/7 dated 12/09/2012 issued by the State Environmental Investment Agency of Ukraine;
/8/	Guidelines for users of the JI PDD form, version 04, JISC;
/9/	Clean Development Mechanism methodology AM0023 version 4.0 “Leak detection and repair in gas production, processing, transmission, storage and distribution systems and in refinery facilities”;
/10/	Tool for the demonstration and assessment of additionality, Version 06.0.0;
/11/	Kyoto Protocol;
/12/	Marrakech Agreement, JI methods;

/13/	National inventory of greenhouse gas anthropogenic emissions by sources and removals by sinks in Ukraine for the period of 1990-2009;
/14/	Third National Communication of Ukraine on climate change under the Kyoto Protocol
/15/	Fourth National Communication of Ukraine on climate change under the Kyoto Protocol
/16/	Fifth National Communication of Ukraine on climate change under the Kyoto Protocol
/17/	Law of Ukraine "On the fundamentals of the natural gas market functioning";
/18/	Law of Ukraine "On Pipeline Transport";
/19/	Order of the Ministry of Fuel and Energy Industry of Ukraine "On approval of methods for detection of specific losses, technological and production losses of natural gas during gas transportation in gas distribution networks;
/20/	JI Guidelines. Annex to Resolution 9/CDM.1.;
/21/	Determination and verification manual, version 01;
/22/	Guidance on criteria for baseline setting and monitoring, JISC. Version 03.

Category 2 Documents:

Background documents related to the design and/or methodologies employed in the design or other reference documents.

/1/	Emission Reductions Purchase Agreement relating to the JI project concluded between CEP Carbon Emissions Partners S.A. and PJSC for gas supply and gasification “Krivorijgaz” dated 20/07/2012
/2/	Order No. 821 “On creation of a working team on methane leak reduction at gas equipment of gas distribution points and gas fittings, flanged, threaded joints of the gas distribution pipelines in the framework of Joint Implementation project” dated 21/09/2012
/3/	Contract No. 04/01-825 on the use of state property that is not subject to privatization dated 28/12/2001
/4/	Information on measurement equipment designed to detect and measure gas leaks
/5/	Passport of IR 150x16 (17s6nzh) safety valve
/6/	Passport of low (high) pressure KH2 (KB2) control regulator
/7/	Passport of типу RDUK 2 pressure regulator
/8/	Passport of PKV – DU 50 safety valve
/9/	Passport of FVH HFT 01-02.00.000 P S gas filiform filters
/10/	Passport of FV 200 gas filiform filters
/11/	Passport of KZShS 41nzh PS ball valve

/12/	Passport of LA 11055-50... 250 PS block valve
/13/	Agreement No. 6 M-2/12-p on metrological maintenance and repair dated 04/01/2012
/14/	Agreement No. 1/09-P-M on metrological maintenance and repair dated 01/01/2009
/15/	Agreement No. 25/08- M/171 on metrological maintenance and repair dated 14/04/2008
/16/	Agreement No. 31-M on metrological maintenance and repair dated 29/01/2007
/17/	Agreement No. 3301M on metrological maintenance and repair dated 09/02/2005
/18/	Copies of measurement equipment passports
/19/	Commissionning certificate of gasification facilities dated 18/07/2005 (CGDP (RD-32) replacement)
/20/	Commissionning certificate of gasification facilities dated 30/09/2005 (CGDP (RD-32) replacement)
/21/	Commissionning certificate of gasification facilities dated 18/06/2007 (CGDP (RD-50) equipment replacement)
/22/	Commissionning certificate of gasification facilities dated 27/08/2010 (replacement of CGDP (RD-50) with CGDP (FE-50))
/23/	Calibration certificate of working measuring instrument No. 80195/13 valid till 28/02/2012 (Variotec-B)
/24/	Calibration certificate of working measuring instrument No. 80195/1 valid till 28/02/2012 (Variotec-6)
/25/	Calibration certificate of working measuring instrument No. F 235 valid till 09/02/2013 (CTX-17-80 leak detector)
/26/	Calibration certificate of working measuring instrument No. F 236 valid till 09/02/2013 (CTX-17-80 leak detector)
/27/	Calibration certificate of working measuring instrument No. F 234 valid till 09/02/2013 (CTX-17-80 leak detector)
/28/	Calibration certificate of working measuring instrument No. F 1133 valid till 31/05/2013 (CTX-17-80 leak detector)
/29/	Calibration certificate of working measuring instrument No. 2059 valid till 15/09/2012 (CTX-17-80 leak detector)
/30/	Calibration certificate of working measuring instrument No. T532 valid till 17/04/2013 (CTX-17-80 leak detector)
/31/	Calibration certificate of working measuring instrument No. T608 valid till 26/04/2013 (CTX-17-80 leak detector)
/32/	Calibration certificate of working measuring instrument No. F 823 valid till 08/05/2013 (CTX-17-80 leak detector)
/33/	Calibration certificate of working measuring instrument No. F 1305 valid till 18/06/2013 (Dozor S-P leak detector)
/34/	Calibration certificate of working measuring instrument No. F 954 valid till 15/05/2013 (Dozor S-P leak detector)
/35/	Calibration certificate of working measuring instrument No. F 1093 valid till 29/05/2013 (Dozor S-P leak detector)

Persons interviewed:
List of persons interviewed during the determination or persons that contributed with other information that are not included in the documents listed above.

	Name	Organization	Position
/1/	Bezprozvanyi Yu.L.	PJSC «Krivorijgaz»	First Deputy Chairman of the Management Board, Chief Engineer
/2/	Pryz O.O.	PJSC «Krivorijgaz»	Environmental Protection Engineer of Capital Construction Department
/3/	Shchetsiak A.I.	PJSC «Krivorijgaz»	Chief Metrologist of Metrology Department
/4/	Skrytskyi M.M.	PJSC «Krivorijgaz»	Chief Specialist of Technical Group of Production and Technical Department of Production and Technical Administration
/5/	Miroshnychenko L.O.	PJSC «Krivorijgaz»	Engineer of Production Control Group of Production and Technical Department of Production and Technical Administration
/6/	Ushatskyi R.V.	“CEP” LLC	Consultant of CEP CARBON EMISSIONS PARTNERS S.A.

APPENDIX A: COMPANY PROJECT DETERMINATION PROTOCOL

BUREAU VERITAS CERTIFICATION HOLDING SAS

Checklist for determination according to the DETERMINATION AND VERIFICATION MANUAL (Version 01)

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
Guidelines for Users of the JI PDD form Section A General description of the project				
A.1. Title of the project				
A.1	Is the title of the project presented?	The title of the project is presented: Reduction of methane leaks on the gas equipment of the gas distribution points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz"	OK	OK
A.1	Is the sectoral scope to which the project pertains presented?	Sectoral scope: Sector 10. Fugitive emissions from fuels (solid, oil and gas).	OK	OK
A.1	Is the current version number of the document presented?	The current version of the document: PDD version 02 dated 18/09/2012. See Section A.1.	OK	OK
A.1	Is the date when the document was created presented?	The date when the document was created: 18/09/2012.	OK	OK
A.2. Description of the project				
A.2	Is the purpose of the project included with a concise, summarizing explanation (max.	The purpose of the project "Reduction of methane leaks on the gas equipment of the gas distribution	**CL 01**	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	1-2 pages) of the: a) Situation existing prior to the starting date of the project b) Baseline scenario and c) Project scenario (expected outcome, including a technical description)?	points and on the gas armature, flanged, threaded joints of the gas distribution pipelines of PJSC "Krivorijgaz" is reduction of methane leaks at gas transportation and gas distribution infrastructure of PJSC "Krivorijgaz", which are the result of faulty sealing of gas equipment and fittings. The basic sources of leaks are elements of distribution pipelines, included into the project boundary, notably: - gas equipment (pressure regulators, valves, filters, break switches, etc.), located at gas distribution points (GDPs) and cabinet-type gas distribution points (CGDPs) of PJSC "Krivorijgaz"; - gas fittings (faucets, valve gates, screw valves, etc.), located at gas pipelines of PJSC "Krivorijgaz". Detailed information on the baseline and project scenarios as well as their technical description is provided in Sections A.2 and A.4.2. of the PDD. **CL 01.** Please, provide information on the causes of methane leaks.		
A.2	Is the history of the project (incl. its JI component) briefly summarized?	**CL 02.** It is stated in Section A.2. of the PDD that the project was initiated in February 2005 and inspection of all GDN components was held in March 2005. Please,	**CL 02** **CAR 01** **CAR 02**	OK OK OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		explain this discrepancy. **CAR 01.** Please, provide information on the Letter of Endorsement in Section A.2. of the PDD. **CAR 02.** Please, provide information on the emission reductions purchase agreement relating to the JI project in Section A.2. of the PDD.		
A.3. Project participants				
A.3	Are project participants and Party (ies) involved in the project listed?	Parties involved in the project: PJSC «Krivorijgaz» (Ukraine – the Host Party) and CEP Carbon Emissions Partners S. A. (Switzerland).	OK	OK
A.3	Is the data of the project participants presented in tabular format?	The data on project participants are given in tabular form. **CAR 03.** Table in Section A.3. shall meet the format set forth in the Guidelines for users of the JI PDD form. **CAR 04**. Please, provide information on the type of PJSC "Krivorijgaz" economic activity in Section A.3. of the PDD. **CAR 05**. Please, in Section A.3. of the PDD provide information on PJSC "Krivorijgaz" code in the Unified state register of enterprises and organizations of Ukraine. **CAR 06**. Please, in Section A.3. of the PDD define the roles of the project participants in the project activity.	**CAR 03** **CAR 04** **CAR 05** **CAR 06**	OK OK OK OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
A.3	Is contact information provided in Annex 1 of the PDD?	Contact information on PJSC «Krivorijgaz» and CEP Carbon Emissions Partners S. A. is provided in Annex 1 to the PDD. **CAR 07.** Please, state contact information relating to CEP Carbon Emissions Partners S.A. in Annex 1.	**CAR 07**	OK
A.3	Is it indicated, if it is the case, that the Party involved is a host Party?	Ukraine is the Host Party.	OK	OK
A.4 Technical description of the project				
Location of the project				
A.4.1.1	Host Party(ies)	Ukraine is the Host Party. **CL 03.** Please, provide a reference to the Law of Ukraine "On ratification of the Kyoto Protocol to the UN Framework Convention on Climate Change".	**CL 03**	OK
A.4.1.2	Region/State/Province etc.	The project is located in the territory Kryvyi Rih city, Ukraine.	OK	OK
A.4.1.3	City/Town/Community etc.	Kryvyi Rih city and the territories adjoining the city.	OK	OK
A.4.1.4	Detail of the physical location, including information allowing the unique identification of the project. (This section should not exceed one page).	Information about location is given in Section A.4.1.4 of the PDD.	OK	OK
A.4.2. Technologies to be employed, or measures, operations or actions to be implemented by the project				
A.4.2	Are the technology (ies) to be employed, or measures, operations or actions to be	PDD Section A.4.2 provides the description of the main stages of the project implementation, the annual project	**CAR 08** **CAR 09**	OK OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	implemented by the project, including all relevant technical data and the implementation schedule described?	activities schedule, some relevant technical data relating to main equipment to be installed as well as project activities to be implemented in the framework of the project. Project design represents the current cutting-edge practice. **CAR 08**. Please, provide information on the characteristics of Dozor S-P gas leak detector. **CAR 09**. Please, in Section A.4.2. of the PDD state the period of time during which PETM program will be implemented. **CAR 10**. Please, in Section A.4.2. of the PDD provide a schedule for implementation of project activities in the form of start of work – completion of work. **CAR 11**. Please, in Section A.4.2. state whether it is planned to replace project equipment or not. **CAR 12**. Please, provide information on whether the project equipment complies with the common practice. **CAR 13**. Please, provide information on personnel training under the project activity, if any.	**CAR 10** **CAR 11** **CAR 12** **CAR 13**	OK OK OK OK
A.4.3. Brief explanation of how the anthropogenic emissions of greenhouse gases by sources are to be reduced by the proposed JI project, including why the emission reductions would not occur in the absence of the proposed project, taking into account national and/or sectoral policies and circumstances				
A.4.3	Is it stated how anthropogenic GHG	The project activity includes:	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	emission reductions are to be achieved? (This section should not exceed one page)	- repair (replacement) of GDP (CGDP) gas equipment, gas fittings of PJSC "Krivorijgaz" gas pipelines with the use of modern sealing materials and modern equipment of European producers and their analogues of national production; - monitoring of methane leaks aimed at the detection of methane leaks caused by sealing failures; - further renewal of leakproofness at GDN components of PJSC "Krivorijgaz".		
A.4.3	Is it provided the estimation of emission reductions over the crediting period?	The estimation of emission reductions over the crediting period is provided in Section A.4.3.1. of the PDD. **CAR 14**. Tables of Section A.4.3.1. must comply with the format set forth in the Guidelines for users of the JI PDD form. **CAR 15**. State the total estimated emission reductions and the estimated average annual emission reductions in tonnes of CO_2 equivalent in Tables 2, 3, 4 of Section A.4.3.1. **CAR 16**. The length of the crediting period is incorrect in Table 2 of Section A.4.3.1. **CAR 17**. An incorrect reference to Section E of the PDD is provided in Section A.4.3.1.	**CAR 14** **CAR 15** **CAR 16** **CAR 17**	OK OK OK OK
A.4.3	Is it provided the estimated annual	The estimated annual emission reductions for the first	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	reduction for the chosen crediting period in tCO_2e?	commitment period in tCO_2e are provided; the estimated annual emission reductions for the periods before and after the first commitment period within the project are also provided.		
A.4.3	Are the data from questions above presented in tabular format?	The data are presented in tabular format, for the first commitment period and for the periods before and after the first commitment period. Refer to the PDD (Version 02) Tables 2, 3, 4 Section A.4.3.1.	OK	OK
A.4.3.1. Estimated amount of emission reductions over the crediting period				
A.4.3.1	Is the length of the crediting period Indicated?	The length of the crediting period is indicated in the PDD Section A.4.3.1 and Section C.	OK	OK
A.4.3.1	Are estimates of total as well as annual and average annual emission reductions in tonnes of CO_2 equivalent provided?	Total as well as annual and average annual emission reductions in tonnes of CO_2 equivalent are provided in accordance with the calculated values in the tables of Section A4.3.1 of PDD and the Supporting documents.	OK	OK
Project approvals by Parties				
19	Have the DFPs of all Parties listed as "Parties involved" in the PDD provided written project approvals?	**CAR 18**. The project has no approval of the Host Party and the country – investor. To obtain the Letter of Approval the final Determination report together with this Determination Protocol and the list of sources of Reference Informationmust be submitted to the State Environmental Investment Agency of Ukraine.	**CAR 18**	Pending

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		A Letter of Approval of Switzerland as the country-participant is also not obtained at the current stage of the Project. **CAR 18** will be closed after the Letters of Approval are issued by the Host Party and the country-investor.		
19	Does the PDD identify at least the host Party as a "Party involved"?	Host Party involved in project is Ukraine.	OK	OK
19	Has the DFP of the host Party issued a written project approval?	Reference to CAR 1**8**	**CAR 18**	Pending
20	Are all the written project approvals by Parties involved unconditional?	Reference to CAR 1**8**	**CAR 18**	Pending
Authorization of project participants by Parties involved				
21	Is each of the legal entities listed as project participants in the PDD authorized by a Party involved, which is also listed in the PDD, through: − A written project approval by a Party involved, explicitly indicating the name of the legal entity? or − Any other form of project participant authorization in writing, explicitly indicating the name of the legal entity?	Party involved 1: Ukraine (the Host Party), legal entity is PJSC «Krivorijgaz». Party involved 2: Switzerland, legal entity is CEP Carbon Emissions Partners S. A. The project participants will be authorized in accordance with the relevant project approvals. Pending **CAR 18**.	**CAR 18**	Pending
Baseline setting				

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
22	Does the PDD explicitly indicate which of the following approaches is used for identifying the baseline? − JI specific approach − Approved CDM methodology approach	The chosen baseline is described in section B.1. of the PDD. A JI specific approach is used for setting the baseline. **CAR 19.** The latest version of the Guidance on criteria for baseline setting and monitoring for Joint Implementation projects is version 03, while it is stated in the PDD that version 02 was used. Please, use the latest versions of documents for the development of the JI PDD.	**CAR 19**	OK
JI specific approach only				
23	Does the PDD provide a detailed theoretical description in a complete and transparent manner?	The choice of the applicable baseline for the project category is sufficiently justified; detailed theoretical description is provided in section B.1 of the PDD version 02. **CAR 20**. The title of the Methodology, developed by the Institute of Gas of the National Academy of Sciences of Ukraine for calculation of this type of projects is incorrect.	**CAR 20**	OK
23	Does the PDD provide justification that the baseline is established: (a) By listing and describing plausible future scenarios on the basis of conservative assumptions and selecting the most plausible one?	The PDD provides detailed, full and transparent description and justification that the baseline is established by: (a) Identifying plausible future scenarios and choosing the most plausible one. As a result of evaluation of several alternatives the most plausible of them have	**CAR 21**	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	(b) Taking into account relevant national and/or sectoral policies and circumstance? − Are key factors that affect a baseline taken into account? (c) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, date sources and key factors? (c) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, date sources and key factors? (e) In such a way that ERUs cannot be earned for decreases in activity levels outside the project or due to force majeure? (f) By drawing on the list of standard variables contained in appendix B to "Guidance on criteria for baseline setting and monitoring", as appropriate?	been identified and will be used as a baseline: - Alternative 1.1: Continuation of existing practice of leak detection and repair; - Alternative 1.2: The project activities without the use of the Joint Implementation mechanism. (b) Taking into account key factors such as for example technological requirements to the gas supply in Ukraine, Ukrainian environmental legislation and other national legislation, and key relevant factors, such as the ability of financing of construction and reconstruction of gas distribution system, tariffs for gas supply, availability of local technologies and methods of the project, skills and experience in implementing similar projects (c) In a transparent manner with regard to the choice of JI approach and assumptions, parameters, data sources and key factors for identifying initial conditions listed in tabular format in Section B.1. (d) Taking into account of uncertainties and using conservative assumptions (e) In such a way that ERUs cannot be earned for decreases in activity levels outside the project or due to		

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		force majeure (f) By drawing on the list of standard variables. The baseline is set; the description is given in Section B of the PDD. **CAR 21.** PDD Section B.1. provides two different names for Alternative 1.1. Please, make the necessary corrections.		
24	If selected elements or combinations of approved CDM methodologies or methodological tools for baseline setting are used, are the selected elements or combinations together with the elements supplementary developed by the project participants in line with 23 above?	The baseline assumptions of the developed JI specific approach are clearly described in full in Section B.1 of the PDD version 02. **CAR 22**. Please, check the indexing in the description of the formulae in Section B.1. **CAR 23**. Please, describe in detail the method of determining the level of greenhouse gas emission reductions. **CAR 24**. The value of the conversion factor to convert methane leaks from volume units to weight units is incorrect. Please, make the necessary corrections. **CAR 25**. Provide information on QA / QC procedures (to be) applied to the GWP_{CH_4} parameter in the Table of Section B.1.	**CAR 22** **CAR 23** **CAR 24** **CAR 25**	OK OK OK OK
25	If a multi-project emission factor is used, does the PDD provide appropriate justification?	In order to set the baseline the following factors are used: $K^{g}_{i',h,y}$ –natural gas leak factor for GDN	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		component i' that is in CLS and $K^{n}_{i,y}$ – natural gas leak factor that corresponds to APLNG for GDN component i''. Data source that was (will be) used: "Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at gas distribution networks"		
CDM methodology approach only				
Additionality				
JI specific approach only				
28	Does the PDD indicate which of the following approaches for demonstrating additionality is used? (a) Provision of traceable and transparent information showing the baseline was identified on the basis of conservative assumptions, that the project scenario is not part of the identified baseline scenario and that the project will lead to emission reductions or enhancements of removals (b) Provision of traceable and transparent information that an AIE has already positively determined that a comparable	The PDD indicates that the project scenario is not a part of the established baseline scenario. It is also stated that the project will lead to emission reductions.Additionality of the project activity is demonstrated in Section B.2. PDD by using the "Tool for the demonstration and assessment of additionality", version 06.0.0.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	project (to be) implemented under comparable circumstances has additionality (c) Application of the most recent version of the "Tool for the demonstration and assessment of additionality. (allowing for a two-month grace period) or any other method for proving additionality approved by the CDM Executive Board".			
29 (a)	Does the PDD provide a justification of the applicability of the approach with a clear and transparent description?	Detailed analysis described in Sections A.4.3, B.1 and B.2, shows that emissions of the baseline scenario are likely to exceed emissions of the project scenario due to the implementation of project activities.	OK	OK
29 (b)	Are additionality proofs provided?	Refer to Section B.2. of the PDD.	OK	OK
29 (c)	Is the additionality demonstrated appropriately as a result?	The fact that the project activity itself is not the baseline scenario is clearly demonstrated in Sections A.2, B.1, B.2 of the PDD.	OK	OK
30	If the approach 28 (c) is chosen, are all explanations, descriptions and analyses made in accordance with the selected tool or method?	All explanations, descriptions and analyses are made in accordance with the latest version of the "Tool for the demonstration and assessment of additionality". (Version 06.0.0)	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
Approved CDM methodology approach only_ Paragraphs 31(a) – 31(e)_Not applicable				
Project boundary (applicable except for JI LULUCF projects)				
JI specific approach only				
32 (a)	Does the project boundary defined in the PDD encompass all anthropogenic emissions by sources of GHGs that are: (i) Under the control of the project participants? (ii) Reasonably attributable to the project? (iii) Significant?	The project boundary defined in the PDD encompasses all anthropogenic emissions by sources of GHGs that are: (i) Under the control of the project participants, such as: - technological natural gas leaks during scheduled repair of gas pipelines; (ii) Reasonably attributable to the project, such as: - methane leaks at gas fittings of house distribution networks; (iii) Significant, i.e., as a rule of thumb, would by each source account on average per year over the crediting period for more than 1 per cent of the annual average anthropogenic emissions by sources of GHGs, or exceed an amount of 2,000 tonnes of CO_2 equivalent, whichever is lower: - leaks at gas equipment (pressure relief valves, gate valves, filters, etc.) of gas distribution points (cabinet-type gas distribution points); - methane leaks at gas fittings (faucets, slide valve, etc.), , located at gas distribution networks of PJSC "Krivorijgaz".		

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		Only methane leaks of type (iii) are included in the project boundary.		
32 (b)	Is the project boundary defined on the basis of a case-by-case assessment with regard to the criteria referred to in 32 (a) above?	Project boundary is defined on the basis of case-by-case assessment of different emission sources.	OK	OK
32 (c)	Are the delineation of the project boundary and the gases and sources included appropriately described and justified in the PDD by using a figure or flow chart if it is possible?	The project boundary is presented in a graphic figure (Figure 3) and is understandable enough; so there is no need to provide its description in tabular form.	OK	OK
32 (d)	Are all gases and sources included explicitly stated, and the exclusions of any sources related to the baseline or the project are appropriately justified?	All gases and sources included are explicitly stated. See Section B of the PDD.	OK	OK
Approved CDM methodology approach only_Paragraph 33_ Not applicable				
Crediting period				
34 (a)	Does the PDD state the starting date of the project as the date on which the implementation or construction or real action of the project will begin or began?	According to the Guidelines for users of JI PDD form (version 04) the starting date of the project is the date when the implementation or construction or real action of the project begins. The starting date of the project is identified and	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		specified in Section C. 1 of the PDD. The starting date of the project is 15/02/2005, which is the date when PJSC "Krivorijgaz" started inspection and repair works at GDP (CGDP) gas equipment and gas fittings, flanged and threaded joints of PJSC «Krivorijgaz» gas distribution networks in the framework of the JI Project.		
34 (a)	Is the starting date after 2000?	The starting date of the project is after 2000.	OK	OK
34 (b)	Does the PDD state the expected operational lifetime of the project in years and months?	**CAR 26.** The starting date of the expected operational lifetime of the project can not be earlier than the starting date of the project.	**CAR 26**	OK
34 (c)	Does the PDD state the length of the crediting period in years and months?	The length of the crediting period is stated in Section C.3.	OK	OK
34 (c)	Is the starting date of the crediting period before or after the date of the first emission reductions or enhancements of net removals generated by the project?	The starting date of the crediting period is the date when the first project activities at gas pipelines of PJSC "Krivorijgaz" were implemented and when the first emission reductions are expected to be generated, namely 15/02/2005.	OK	OK
34 (d)	Does the PDD state that the crediting period for issuance of ERUs starts only after the beginning of 2008 and does not extend beyond the operational lifetime of the project?	Generation of ERUs relates to the first commitment period of 5 years (January 1, 2008 – December 31, 2012).	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
34 (d)	If the crediting period extends beyond 2012, does the PDD state that the extension is subject to the host Party approval? Are the estimates of emission reductions or enhancements of net removals presented separately for those until 2012 and those after 2012?	The PDD states that the prolongation of the crediting period beyond 2012 is subject to approval of the Host Party and estimation of emission reductions is presented separately for those until 2012 and those after 2012 in the relevant sections of the PDD. If after the first commitment period under the Kyoto protocol its validity is prolonged, the crediting period under the project will be prolonged by 5 years or 60 months until December 31, 2017.	OK	OK
Monitoring Plan				
35	Does the PDD explicitly indicate which of the following approaches is used? − JI specific approach − Approved CDM methodology approach	The proposed project uses a JI specific approach based on the JI requirements in accordance with paragraph 9 (a) of the Guidance on criteria for baseline setting and monitoring, version 03.	OK	OK
JI specific approach only				
36 (a)	Does the monitoring plan describe: − All relevant factors and key characteristics subject to monitoring? − The period in which they will be monitored? − All critical factors for the control and reporting of project performance?	The monitoring plan specifies all decisive factors for the control and reporting on project performance: quality control (QC) and quality assurance (QA) procedures; operational and management structures that will be applied when implementing the monitoring plan.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
36 (b)	Does the monitoring plan specify the indicators, constants and variables used that are reliable, valid and provide transparent picture of the emission reductions or enhancements of net removals to be monitored?	The monitoring plan specifies indicators, constants and variables used that are reliable, valid and provide transparent picture of the emission reductions or enhancements of net removals to be monitored. Data to be monitored are presented in Section D of the PDD. **CAR 27**. Please, specify the procedure to be followed in the event of unavailability of a monitoring parameter for certain reasons. **CAR 28**. Provide identification symbols for each parameter in the tables of Section D.2 of the PDD.	**CAR 27** **CAR 28**	OK OK
36 (b)	If default values are used: − Are accuracy and reasonableness carefully balanced in their selection? − Do the default values originate from recognized sources? − Are the default values supported by statistical analyses providing reasonable confidence levels? − Are the default values presented in a transparent manner?	Default values are provided in the table of Annex 3 to the PDD. They originate from recognized sources and are presented in a transparent manner.	OK	OK
36 (b) (i)	For those values that are to be provided by the project participants, does the monitoring plan clearly indicate how the	Monitoring plan clearly specifies which values should be chosen and justified.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	values are to be selected and justified?			
36 (b) (ii)	For other values, − Does the monitoring plan clearly indicate the precise references from which these values are taken? − Is the conservativeness of the values provided justified?	The monitoring plan clearly indicates the precise references from which the default values are taken. The conservativeness of the values provided is justified.	OK	OK
36 (b) (iii)	For all data sources, does the monitoring plan specify the procedures to be followed if expected data are unavailable?	Refer to Section D of the PDD.	OK	OK
36 (b) (iv)	Are International System Units (IS units) used?	IS units are used for certain parameters.	OK	OK
36 (b) (v)	Does the monitoring plan note any parameters, coefficients, variables, etc. that are used to calculate baseline emissions or net removals but are obtained through monitoring?	Relevant data necessary for determining the baseline of anthropogenic emissions of greenhouse gases within the project boundary is presented in table D.1.1.3. of the PDD.	OK	OK
36 (b) (v)	Is the use of parameters, coefficients, variables, etc. consistent between the baseline and monitoring plan?	The use of parameters, coefficients and variables is consistent between the baseline and monitoring plan.	OK	OK
36 (c)	Does the monitoring plan draw on the list of standard variables contained in	The monitoring plan is established taking into account the latest version of “Guidance on criteria for baseline	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	appendix B of "Guidance on criteria for baseline setting and monitoring"?	setting and monitoring".		
36 (d)	Does the monitoring plan explicitly and clearly distinguish: (i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination? (ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not yet available at the stage of determination? (iii) Data and parameters that are monitored throughout the crediting period?	The monitoring plan clearly distinguishes three types of data and parameters. Refer to Section D.1. of the PDD. (i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination. (ii) Data and parameters that are monitored throughout the crediting period. (iii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not yet available at the stage of determination, such data are absent.	OK	OK
36 (e)	Does the monitoring plan describe the methods employed for data monitoring (including its frequency) and recording?	In tables of parameters provided in section D.1.1.1. of the PDD the time of monitoring (frequency) and the source of data to be used, as well as recording method are indicated for all the monitored parameters and data.	OK	OK
36 (f)	Does the monitoring plan elaborate all	All algorithms and formulae used for the estimation of	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	algorithms and formulae used for the estimation/calculation of baseline emissions/removals and project emissions/removals or direct monitoring of emission reductions from the project, leakage, as appropriate?	baseline and project emissions are indicated and explained in the PDD. The description of formulae is provided in Section D.1 of the PDD		
36 (f) (i)	Is the underlying rationale for the algorithms/formulae explained?	Refer to section 36 (f) of this table.	OK	OK
36 (f) (ii)	Are consistent variables, equation formats, subscripts etc. used?	Consistent variables, equation formats, subscripts etc. are used.	OK	OK
36 (f) (iii)	Are all equations numbered?	Yes, all equations are numbered.	OK	OK
36 (f) (iv)	Are all variables with units indicated defined?	Yes. Refer to Section D of the PDD.	OK	OK
36 (f) (v)	Is the conservativeness of the algorithms/procedures justified?	Yes, algorithms/procedures comply with state norms and are conservative.	OK	OK
36 (f) (v)	To the extent possible, are methods to quantitatively account for uncertainty in key parameters included?	Uncertainty in parameters used is low taking into account the algorithms of data monitoring.	OK	OK
36 (f) (vi)	Is consistency between the elaboration of the baseline scenario and the procedure for	There is consistency between the elaboration on the baseline scenario and procedure for calculating the baseline emissions in the monitoring plan and in tables.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	calculating the emissions or net removals of the baseline ensured?			
36 (f) (vii)	Are any parts of the algorithms or formulae that are not self-evident explained?	The formulae used in the PDD are sufficiently described.	OK	OK
36 (f) (vii)	Is it justified that the procedure is consistent with standard technical procedures in the relevant sector?	Monitoring under the project does not require any changes in the existing data accounting and data collection system of PJSC "Krivorijgaz".	OK	OK
36 (f) (vii)	Are references provided as necessary?	All necessary references to therules and regulatory documents of the Host Party are provided.	OK	OK
36 (f) (vii)	Are implicit and explicit key assumptions explained in a transparent manner?	All key assumptions are explained in a transparent manner.	OK	OK
36 (f) (vii)	Is it clearly stated which assumptions and procedures have significant uncertainty associated with them, and how such uncertainty is to be addressed?	N/A	OK	OK
36 (f) (vii)	Is the uncertainty of key parameters described and, where possible, is an uncertainty range at 95% confidence level for key parameters for the calculation of emission reductions or enhancements of net removals provided?	Equipment for measuring calorific value of natural gas transported in GDN of PJSC "Krivorijgaz" is calibrated in accordance with the quality control procedures.	OK	OK
36 (g)	Does the monitoring plan identify a national or international monitoring standard if such standard has to be and/or is applied to	The monitoring plan was set according to national norms and standards.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	certain aspects of the project? Does the monitoring plan provide a reference as to where a detailed description of the standard can be found?			
36 (h)	Does the monitoring plan document statistical techniques, if used for monitoring, and that they are used in a conservative manner?	Yes	OK	OK
36 (i)	Does the monitoring plan present the quality assurance and control procedures for the monitoring process, including, as appropriate, information on calibration and on how records on data and/or method validity and accuracy are kept and made available upon request?	Inspection (calibration) of metering and measuring devices is carried out in accordance with manuals of the manufacturer, approved methodologies on inspection/calibration of measuring devices as well as according to the national standards of Ukraine.	OK	OK
36 (j)	Does the monitoring plan clearly identify the responsibilities and the authority regarding the monitoring activities?	The technologist is responsible for collection of all information under the monitoring plan and conduction of all necessary calculations. The engineer is responsible for organization of monitoring measurements of leaks and their repair. On the basis of the information received, Head of the Working Team shall determine the plan of project activities and the amount of resources required. The metrologist shall	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		ensure the availability of verified metering devices and technical support. The coordinator is responsible for storage, archiving and backuping of project information.		
36 (k)	Does the monitoring plan, on the whole, reflect good monitoring practices appropriate to the project type? If it is a JI LULUCF project, is the good practice guidance developed by IPCC applied?	The monitoring plan includes the following sections: 1. The program of the initial monitoring measurements of methane leaks at the gas equipment of GDPs (CGDPs), gas fittings of PJSC "Krivorijgaz" gas distribution networks. 2. Monitoring map of methane leaks at the gas equipment of GDPs (CGDPs), gas fittings of PJSC "Krivorijgaz" gas distribution networks. 3. Methodology of methane leak detection. 4. Guidance on monitoring measurement data collection and storage.	OK	OK
36 (l)	Does the monitoring plan provide, in tabular form, a complete compilation of the data that need to be collected for its application, including data that are measured or sampled and data that are collected from other sources but not including data that are calculated with equations?	Tables D.1.1.1 and D.1.1.3 provide compilation of all data needed to monitor project and baseline emissions.	OK	OK
36 (m)	Does the monitoring plan indicate that the	Data to be monitored and required for determination	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	data monitored and required for verification are to be kept for two years after the last transfer of ERUs for the project?	will be kept for two years after the last transfer of ERUs under the project.		
37	If selected elements or combinations of approved CDM methodologies or methodological tools are used for establishing the monitoring plan, are the selected elements or combination, together with elements supplementary developed by the project participants in line with 36 above?	Yes, selected elements of approved CDM methodology are used for setting the baseline scenario.The selected elements and combinations together with additional elements that were additionally developed by the project participants are in line with requirements of paragraph 36 above.	OK	OK
Approved CDM methodology approach only_Paragraphs 38(a) – 38(d)_Not applicable				
Applicable to both JI specific approach and approved CDM methodology approach				
39	If the monitoring plan indicates overlapping monitoring periods during the crediting period: (a) Is the underlying project composed of clearly identifiable components for which emission reductions or enhancements of removals can be calculated independently? (b) Can monitoring be performed independently for each of these components (i.e. the data/parameters	Periods will not overlap in the crediting period.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	monitored for one component are not dependent on/effect data/parameters to be monitored for another component)? (c) Does the monitoring plan ensure that monitoring is performed for all components and that in these cases all the requirements of the JI guidelines and further guidance by the JISC regarding monitoring are met? (d) Does the monitoring plan explicitly provide for overlapping monitoring periods of clearly defined project components, justify its need and state how the conditions mentioned in (a)-(c) are met?			
Leakage				
JI specific approach only				
40 (a)	Does the PDD appropriately describe an assessment of the potential leakage of the project and appropriately explain which sources of leakage are to be calculated and which can be neglected?	According to a JI specific approach based on the Joint Implementation requirements in accordance with paragraph 9 (a) of the JI Guidance on criteria for baseline setting and monitoring, Version 03, the "Methodology for calculation of greenhouse gas emission reductions achieved by above-standard	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		natural gas leak repair at gas distribution networks" that was developed by the Institute of Gas of the National Academy of Sciences of Ukraine and on the basis of elements of approved CDM methodology AM0023 version 4.0 no leakage is expected.		
40 (b)	Does the PDD provide a procedure for an ex ante estimate of leakage?	The PDD states that there isn't any leakage.	OK	OK
Approved CDM methodology approach only_Paragraph 41_Not applicable				
Estimation of emission reductions or enhancements of net removals				
42	Does the PDD indicate which of the following approaches it chooses? (a) Assessment of emissions or net removals in the baseline scenario and in the project scenario (b) Direct assessment of emission reductions	The approach of estimation of emissions in the baseline scenario and in the project scenario is indicated. **CAR 29.** Please, explain the formula provided in Section E.5 of the PDD.	**CAR 29**	OK
43	If the approach (a) in 42 is chosen, does the PDD provide ex ante estimates of: (a) Emissions or net removals for the project scenario (within the project boundary)? (b) Leakage, as applicable? (c) Emissions or net removals for the baseline scenario (within the project	PDD provides ex ante estimates of: (a) Emissions in the project scenario (Section E.1) (b) Leakage (Section E.2) (c) Emissions in the baseline scenario (Section E.4) (d) Emission reductions adjusted by leakage (Section E.6).	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	boundary)? (d) Emission reductions or enhancements of net removals adjusted by leakage?			
44	If the approach (b) in 42 is chosen, does the PDD provide ex ante estimates of: (a) Emissions or net removals for the project scenario (within the project boundary)? (b) Leakage, as applicable? (c) Emission reductions or enhancements of net removals adjusted by leakage?	N/A	N/A	N/A
45	For both approaches in 42 (a) Are the estimates in 43 or 44 given: (i) On a periodic basis? (ii) At least from the beginning until the end of the crediting period? (iii) On a source-by-source/sink-by-sink basis? (iv) For each GHG? (v) In tonnes of CO_2 equivalent, using global warming potentials defined by	(a) Estimates in 43 are given on the periodic basis, in tonnes of CO_2 equivalent, on a source-by-source basis, before, during and after the crediting period. (b) The formulae used in PDD are consistent. (c) Key factors influencing the baseline emissions and the activity level of the project and the project emissions are taken into account, as appropriate. (d) Data sources used to calculate the estimates are clearly identified, reliable and transparent. (e) Default emission factors are taken from identified sources. (f) Estimation in 43 is based on conservative assumptions and the most plausible scenario in a	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol? (b)Are the formulae used for calculating the estimates in 43 or 44 consistent throughout the PDD? (c) For calculating estimates in 43 or 44, are key factors influencing the baseline emissions or removals and the activity level of the project and the emissions or net removals as well as risks associated with the project taken into account, as appropriate? (d) Are data sources used for calculating the estimates in 43 or 44 clearly identified, reliable and transparent? (e) Are emission factors (including default emission factors) if used for calculating the estimates in 43 or 44 selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice? (f) Is the estimation in 43 or 44 based on conservative assumptions and the most plausible scenarios in a transparent	transparent manner. (g) Estimates in 43 are consistent throughout the PDD. (h) The annual average of estimated emission reductions are calculated correctly (by dividing the total estimated emission reductions over the crediting period by the total months of the crediting period and multiplying by twelve).		

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	manner? (g) Are the estimates in 43 or 44 consistent throughout the PDD? (h) Is the annual average of estimated emission reductions or enhancements of net removals calculated by dividing the total estimated emission reductions or enhancements of net removals over the crediting period by the total months of the crediting period and multiplying by twelve?			
46	If the calculation of the baseline emissions or net removals is to be performed de facto, does the PDD include an illustrative forecasted emissions or net removals calculation?	The baseline level of emissions is determined on a basis of the specific approach that is based on the "Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at gas distribution networks" and approved Clean Development Mechanism methodology AM0023 version 4.0 "Leak detection and repair in gas production, processing, transmission, storage and distribution systems and in refinery facilities". Calculations of the estimated emissions are clearly presented in the PDD.	OK	OK
Approved CDM methodology approach only_Paragraphs 47(a) – 47(b)_Not applicable				

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
Environmental impacts				
48 (a)	Does the PDD list and attach documentation on the analysis of the environmental impacts of the project, including transboundary impacts, in accordance with procedures as determined by the host Party?	The EIA of the project was sufficiently described in the PDD. **CAR 30.** The date of issue of Decree of the Cabinet of Ministers of Ukraine No.1598 "On approval of the list of the most widespread and dangerous polluting substances emissions of which are subject to regulation" is incorrect.	**CAR 30**	OK
48 (b)	If the analysis in 48 (a) indicates that the environmental impacts are considered significant by the project participants or the host Party, does the PDD provide conclusion and all references to Accompanying documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party?	The project doesn't provide for any negative impacts on the environment.	OK	OK
Stakeholder consultations				
49	If stakeholder consultation was undertaken in accordance with the procedure as required by the host Party, does the PDD provide: (a) A list of stakeholders from whom comments on the projects have been	There was consultation with specialists of the Institute of General Energetics of the National Academy of Sciences of Ukraine. Comments of the stakeholders were not received. Activities under the project do not provide for any negative impacts on the environment or negative social effect.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	received, if any? (b) The nature of the comments? (c) A description on whether and how the comments have been addressed?			
Determination regarding small-scale projects (additional elements for assessment)				
Determination regarding land use, land-use change and forestry projects (additional/alternative elements for assessment)				
Determination regarding programmes of activities (additional/alternative elements for assessment)				

TABLE 2 RESOLUTION OF CORRECTIVE ACTION AND CLARIFICTION REQUESTS

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 01. Please, provide information on the Letter of Endorsement in Section A.2. of the PDD.	A.2	September 12, 2012 – a Letter of Endorsement No. 2553/23/7 was issued by the State Environmental Investment Agency of Ukraine.	The information was provided, the issue is closed.
CAR 02. Please, provide information on the emission reductions purchase agreement relating to the JI project in Section A.2. of the PDD.	A.2	July 20, 2012 – an Emission Reductions Purchase Agreement relating to the JI Project was signed between CEP Carbon Emissions Partners S.A. and PJSC "Krivorijgaz".	The information was provided, the issue is closed.
CAR 03. Table in Section A.3. shall meet the format set forth in the Guidelines for users of the JI PDD form.	A.3	The table is corrected in line with the requirements of the Guidelines for users of the JI PDD form.	Relevant corrections were made, the issue is closed.
CAR 04. Please, provide information on the type of PJSC "Krivorijgaz" economic activity in Section A.3. of the PDD.	A.3	The types of PJSC "Krivorijgaz" economic activity according to the Classification of the Types of Economic Activities: 40.22.0 – Gas Distribution and Supply; 45.33.3 – Gas line laying works; 45.21.4 Building of local pipelines, communication lines and power supply lines.	The issue is closed as relevant information was provided.
CAR 05. Please, in Section A.3. of the PDD provide information on PJSC "Krivorijgaz" code in the Unified state register of enterprises and organizations of Ukraine.	A.3	PJSC "Krivorijgaz" code in the Unified state register of enterprises and organizations of Ukraine is 03341397.	The issue is closed as relevant information was provided.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 06. Please, in Section A.3. of the PDD define the roles of the project participants in the project activity.	A.3	PJSC "Krivorijgaz" is responsible for the design, construction and installation work performed by its own personnel or by contractors. The enterprise finances the project and does not receive any financial benefit. CEP Carbon Emissions Partners S.A. is the research and engineering organization. It is responsible for developing the PDD for the JI project. It will also accompany verification and determination, and develop monitoring reports.	The issue is closed as relevant information was provided.
CAR 07. Please, state contact information relating to CEP Carbon Emissions Partners S.A. in Annex 1.	A.3	Contact information relating to CEP Carbon Emissions Partners S.A. is stated in Annex 1 to the PDD.	The issue is closed as relevant information was provided.
CAR 08. Please, provide information on the characteristics of Dozor S-P gas leak detector.	A.4.2	The characteristics of Dozor S-P gas leak detector are provided in Section A.4.2 of the PDD version 02.	The information was provided, the issue is closed.
CAR 09. Please, in Section A.4.2. of the PDD state the period of time during which PETM program will be implemented.	A.4.2	Implementation of the PETM program aimed at leak detection and repair, further maintaining of leakproofness of GDN components of PJSC “Krivorijgaz” is not time limited. Even after the end of the crediting period, the Project will generate methane emission reductions.	The information was provided in Section A.4.2. The issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 10. Please, in Section A.4.2. of the PDD provide a schedule for implementation of project activities in the form of start of work – completion of work.	A.4.2	A schedule for implementation of project activities in the appropriate form is provided in Section A.4.2 of the PDD.	The information was provided, the issue is closed.
CAR 11. Please, in Section A.4.2. state whether it is planned to replace project equipment or not.	A.4.2	On condition of proper maintenance replacement of equipment implemented in the framework of the project is not expected. Relevant information is provided in Section A.4.2. of the PDD version 02.	The information was provided in the relevant Section, the issue is closed.
CAR 12. Please, provide information on whether the project equipment complies with the common practice.	A.4.2	The project equipment complies with all the criteria of the current common practice. Relevant information is provided in Section A.4.2. of the PDD version 02.	The issue is closed as relevant information was provided.
CAR 13. Please, provide information on personnel training under the project activity, if any.	A.4.2	Training of employees and specialists of PJSC "Krivorijgaz" will take place in accordance with practice that existed prior to the project, and in case of necessity, such as lack of skills for working with equipment that is implemented in the framework of the project activities, equipment manufacturers will conduct briefings and training, as stipulated in contracts for the purchase of equipment.	The issue is closed as relevant information was provided.
CAR 14. Tables of Section A.4.3.1. must comply with the format set forth in the Guidelines for users of the JI PDD form.	A.4.3	Tables in Section A.4.3.1 are corrected.	The issue is closed as corresponding corrections were made.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 15. State the total estimated emission reductions and the estimated average annual emission reductions in tonnes of CO_2 equivalent in Tables 2, 3, 4 of Section A.4.3.1.	A.4.3	The total estimated emission reductions and the estimated average annual emission reductions are stated in tonnes of CO_2 equivalent. Refer to the PDD version 02.	Corrections were made, the issue is closed.
CAR 16. The length of the crediting period is incorrect in Table 2 of Section A.4.3.1.	A.4.3	The duration of the crediting period of 2005-2007 is 3 years.	Corrections were made, the issue is closed.
CAR 17. An incorrect reference to Section E of the PDD is provided in Section A.4.3.1.	A.4.3	The description of formula used to calculate emission reductions is provided in Section D.1.4.	Corrections were made, the issue is closed.
CAR 18. The project has no approval of the Host Party and the country – investor.	19	To obtain the Letter of Approval the final Determination report must be submitted to the State Environmental Investment Agency of Ukraine that includes this Determination Protocol and the list of sources of Reference Information. A Letter of Approval of the government of Switzerland as the country-participant is not obtained at the current stage of the Project either.	The issue will be closed after the Letter of Approval is issued by the Host Party and the country-investor.
CAR 19. The latest version of the Guidance on criteria for baseline setting and monitoring for Joint Implementation projects is version 03, while it is stated in the PDD that version 02 was used. Please, use the latest versions of documents for the development of the JI PDD.	22	The proposed project applies a JI specific approach based on the Joint Implementation requirements in accordance with paragraph 9 (a) of the JI Guidance on criteria for baseline setting and monitoring, Version 03 to set the baseline	Corrections were made, the issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
		(methane leak detection and calculation).	
CAR 20. The title of the Methodology, developed by the Institute of Gas of the National Academy of Sciences of Ukraine for calculation of this type of projects is incorrect.	23	"Methodology for calculation of greenhouse gas emission reductions achieved by above-standard natural gas leak repair at the gas distribution networks". Relevant corrections were made in the PDD version 02.	Corrections were made, the issue is closed.
CAR 21. PDD Section B.1. provides two different names for Alternative 1.1. Please, make the necessary corrections.	23	Alternative 1.1: Continuation of the current system of leak detection and repair.The corrections have been made. See PDD version 02.	Corrections were made, the issue is closed.
CAR 22. Please, check the indexing in the description of the formulae in Section B.1.	24	The indexing was checked, relevant corrections were made.	The indexing was checked, the issue is closed.
CAR 23. Please, describe in detail the method of determining the level of greenhouse gas emission reductions.	24	In accordance with the Methodology, the level of emission reductions is determined in the following order: 1. The current practice of leak detection and repair activities is assessed and described. 2. Clear and transparent criteria are established to identify whether the detection and repair of methane leaks would also occur in the absence of the project activity. 3. The time schedules for replacement of equipment in the absence of the project activity are determined.	The issue is closed as necessary information was provided.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
		4. Data on leaks are collected during the project implementation. 5. The effectiveness of leak repair is checked during monitoring. 6. Emission reductions are calculated ex-post based on data collected in the previous steps.	
CAR 24. The value of the conversion factor to convert methane leaks from volume units to weight units is incorrect. Please, make the necessary corrections.	24	$ConvFactor$ – Conversion factor to convert methane leaks from volume units to weight units (t CH_4/ m^3 CH_4). Under normal conditions defined as 0 degree Celsius and 0.1013 MPa, $ConvFactor$ =0.0007168 (t/ m^3).	The issue is closed as necessary corrections were made.
CAR 25. Provide information on QA / QC procedures (to be) applied to the GWP_{CH_4} parameter in the Table of Section B.1.	24	If GWP_{CH_4} parameter value for methane changes the baseline and project line will be recalculated according to the new values. Relevant information was provided in the PDD version 02.	The information is provided, the issue is closed.
CAR 26. The starting date of the expected operational lifetime of the project can not be earlier than the starting date of the project.	34(b)	The expected operational lifetime of the project in years and months, which is 12 years and 11 months, or 155 months, from 15/02/2005 to 31/12/2017.	The corrections are accepted. The issue is closed.
CAR 27. Please, specify the procedure to be followed in the event of unavailability of a monitoring parameter for certain reasons.	36(b)	The procedure to be followed in the event of unavailability of a monitoring parameter is described in Section D.2. of the PDD.	The issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 28. Provide identification symbols for each parameter in the tables of Section D.2 of the PDD.	36(b)	The information is in compliance. Refer to the latest PDD version.	Necessary information was corrected. The issue is closed.
CAR 29. Please, explain the formula provided in Section E.5 of the PDD.	42	Refer to Section E of the corrected PDD for detailed explanation.	The issue is closed.
CAR 30. The date of issue of Decree of the Cabinet of Ministers of Ukraine No.1598 "On approval of the list of the most widespread and dangerous polluting substances emissions of which are subject to regulation" is incorrect.	48 (a)	Decree of the Cabinet of Ministers of Ukraine No.1598 dated 29/11/2001 "On approval of the list of the most widespread and dangerous polluting substances emissions of which are subject to regulation".	Corrections are made, the issue is closed.
CL 01. Please, provide information on the causes of methane leaks.	A. 2	The main cause of methane leaks is failure of sealing elements of equipment caused by temperature fluctuations and moisture. The relevant nformation is provided in Section A.2. of the PDD.	The information is provided, the issue is closed.
CL 02. It is stated in Section A.2. of the PDD that the project was initiated in February 2005 and inspection of all GDN components was held in March 2005. Please, explain this discrepancy.	A. 2	The project was initiated in January 2005: In January 2005 an inspection of all GDN components of PJSC "Krivorijgaz" (GDP (CGDP) gas equipment and gas fittings, flanged and threaded joints of gas pipelines) took place, the results of this inspection made the basis for the Registry of leak spots of the project.	Corrections were made, the issue is closed.
CL 03. Please, provide a reference to the	A. 4.1.1	Relevant reference was provided.	The issue is closed as relevant

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
Law of Ukraine "On ratification of the Kyoto Protocol to the UN Framework Convention on Climate Change".			reference was provided.