



# VERIFICATION REPORT “DTEK SKHIDENERGO” LLC

## VERIFICATION OF THE RECONSTRUCTION OF UNITS 1, 2, 3 AND 4 AT ZUYEVSKA THERMAL POWER PLANT

(THIRD PERIODIC VERIFICATION 01/03/2011-31/12/2011)

REPORT No. UKRAINE-VER/0422/2012

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BUREAU VERITAS CERTIFICATION



VERIFICATION REPORT RECONSTRUCTION OF UNITS 1,2,3 AND 4 AT ZUYEVSKA THERMAL POWER PLANT

Date of first issue: 01/03/2012	Organizational unit: Bureau Veritas Certification Holding SAS
Client: DTEK SKHIDENERGO" LLC	Client ref.: Oleksiy Zayets

**Summary:**  
Bureau Veritas Certification has made the 3rd verification of the "Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant", JI Registration Reference Number 0198 project of "DTEK Skhidenergo" LLC located in Zugres village, Donetsk Region, Ukraine, and applying the JI specific approach, 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 verification scope is defined as a periodic independent review and ex post determination by the Accredited Entity of the monitored reductions in GHG emissions during defined verification period, and consisted of the following three phases: i) desk review of the monitoring report against 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 verification report and opinion. The overall verification, from Contract Review to Verification Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

The first output of the verification process is a list of Clarification, Corrective Actions Requests, Forward Actions Requests (CR, CAR and FAR), presented in Appendix A.

In summary, Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions. The GHG emission reduction is calculated accurately and without material errors, omissions, or misstatements, and the ERUs issued totalize 126649 tonnes of CO2 equivalent for the monitoring period 01/03/2011-31/12/2011.

Report No.: UKRAINE-ver/0422/2012	Subject Group: JI
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Project title:  
**Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant**

Work carried out by:  
Oleg Skoblyk – Team Leader, Lead Verifier  
Vyacheslav Yeriomin – Team Member, Verifier

Work reviewed by:  
Ivan Sokolov - Internal Technical Reviewer  
Daniil Ukhanov – Technical Specialist

Work approved by:  
Ivan Sokolov - Operational Manager

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## 1 INTRODUCTION

"DTEK Skhidenergo" LLC has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant" (hereafter called "the project") at Zugres village Donetsk Region, Ukraine.

This report summarizes the findings of the verification 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

Verification is the periodic independent review and ex post determination by the Accredited Independent Entity of the monitored reductions in GHG emissions during defined verification period.

The objective of verification can be divided in Initial Verification and Periodic Verification.

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 verification 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 verification is not meant to provide any consulting towards the Client. However, stated requests for clarifications, corrective and/or forward actions may provide input for improvement of the project monitoring towards reductions in the GHG emissions.

### 1.3 Verification Team

The verification team consists of the following personnel:

Oleg Skoblyk

Bureau Veritas Certification Team Leader, Climate Change Verifier

Vyacheslav Yeriomin

Bureau Veritas Certification Climate Change Verifier



This verification report was reviewed by:

Ivan Sokolov  
Bureau Veritas Certification, Internal Technical Reviewer

Daniil Ukhanov  
Bureau Veritas Certification, Technical Specialist

## 2 METHODOLOGY

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

In order to ensure transparency, a verification 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 verification and the results from verifying the identified criteria. The verification protocol serves the following purposes:

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

The completed verification protocol is enclosed in Appendix A to this report.

### 2.1 Review of Documents

The Monitoring Report (MR) submitted by Global Carbon B.V. and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD), Approved CDM methodology (if applicable) and/or Guidance on criteria for baseline setting and monitoring, Host party criteria, Kyoto Protocol, Clarifications on Verification Requirements to be Checked by an Accredited Independent Entity were reviewed.

The verification findings presented in this report relate to the Monitoring Report version 2.4 and project as described in the determined PDD.

## 2.2 Follow-up Interviews

On 28/02/2012 Bureau Veritas Certification performed on-site interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of "DTEK Skhidenergo" LLC were interviewed (see References). The main topics of the interviews are summarized in Table 1.

**Table 1 Interview topics**

Interviewed organization	Interview topics
"DTEK Skhidenergo" LLC	<ul style="list-style-type: none"> <li>- Organizational structure</li> <li>- Responsibilities and authorities</li> <li>- Roles and responsibilities for data collection and processing</li> <li>- Installation of equipment</li> <li>- Data logging, archiving and reporting</li> <li>- Metering equipment control</li> <li>- Metering record keeping system, database</li> <li>- Training of personnel</li> <li>- Quality management procedures and technology</li> <li>- Internal audits and check-ups</li> </ul>
Global Carbon B.V.	<ul style="list-style-type: none"> <li>- Monitoring plan</li> <li>- Monitoring report</li> <li>- Deviations from PDD</li> <li>- ERUs calculation model</li> </ul>

## 2.3 Resolution of Clarification, Corrective and Forward Action Requests

The objective of this phase of the verification 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 GHG emission reduction calculation.

If the Verification Team, in assessing the monitoring report and supporting documents, identifies issues that need to be corrected, clarified or improved with regard to the monitoring requirements, it should raise these issues and inform the project participants of these issues in the form of:

(a) Corrective action request (CAR), requesting the project participants to correct a mistake that is not in accordance with the monitoring plan;

(b) Clarification request (CL), requesting the project participants to provide additional information for the Verification Team to assess compliance with the monitoring plan;



(c) Forward action request (FAR), informing the project participants of an issue, relating to the monitoring that needs to be reviewed during the next verification period.

The Verification Team will make an objective assessment as to whether the actions taken by the project participants, if any, satisfactorily resolve the issues raised, if any, and should conclude its findings of 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 VERIFICATION CONCLUSIONS**

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

The findings from the desk review of the original monitoring documents and the findings from interviews during the follow up visit are described in the Verification Protocol in Appendix A.

The Clarification, Corrective and Forward Action Requests are stated, where applicable, in the following sections and are further documented in the Verification Protocol in Appendix A. The verification of the Project resulted in 11 Corrective Action Requests, 1 Clarification Requests, and 0 Forward Action Requests.

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

#### **3.1 Remaining issues and FARs from previous verifications**

No FARs are available from previous verifications.

#### **3.2 Project approval by Parties involved (90-91)**

Written project approval has been obtained by the Host party, Letter of Approval #1231/23/7 issued by National Environmental Investment Agency of Ukraine on the 19/08/2010, and the Sponsor Party, Letter of Approval #2009JI22 issued by SenterNovem Netherlands 7/01/2010.

The abovementioned written approval is unconditional.

#### **3.3 Project implementation (92-93)**

The main goal of the project is reduction of specific fuel consumption per one MW of electricity supplied to the grid. Zuyevska Thermal Power Plant



supply heat energy to local consumers, project developer excludes thermal energy supply from the project for conservativeness.

The main actions in project activity include:

1. Modernisation of steam turbine generator (STG), including:
  - a. Reconstruction of low pressure cylinder of STG, replacement and modernisation of STG auxiliaries
  - b. Rehabilitation of high and middle pressure STG cylinders
  - c. Rehabilitation of regeneration equipment and vacuum system
  - d. Retrofit of alternator cooling system
2. Rehabilitation of the boiler
3. Modernisation of the unit control system
4. Rehabilitation of the unit step-up transformer
5. Modernisation of switch room equipment, partial replacement of circuit breakers
6. Improvement of ESP (electrostatic precipitators) operation
7. Plant auxiliaries modernisation (mainly plant cooling part, which includes cooling tower, cooling water supply and return channels).

During the monitoring period operational personal of Zuyevska TPP and contractor companies provide next measures in project boundaries at Unit #1:

- Modernization of boiler TPP-312A
- Modernization of the turbine K-300-240-2
- Modernization of alternator TGV-300-2U3
- Modernization of electrostatic precipitators

Statement on work acceptance for Unit #1 was signed 17/05/2011

In consequence of measures implemented in frames of project activity capacity of Unit#1 was raised up to 325 MW and Unit#2 to 315MW.

Periodic repairs, capital and running repairs are in common practice in Ukraine energetic industry. Time schedule of routine maintenance was provided by the project developer in the monitoring report. The "DTEK Skhidenergo" documents dividing project and routine repair works were provided to AIE and indicated in the section 5 REFERENCES in table Category 2 documents.

The difference between ERUs indicated in the PDD and in the Monitoring Report was explained by the following statement:

- Electricity production was lower than planned during the monitoring period, Unit #2 held in August-September 2011 and of Unit #3 held in May,

CAR01-CAR04 and their resolutions/conclusions applicable to project implementation status are listed in the APPENDIX A: COMPANY PROJECT VERIFICATION PROTOCOL (Table 2) below.





### **3.4 Compliance of the monitoring plan with the monitoring methodology (94-98)**

The monitoring occurred in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website.

For calculating the emission reductions or enhancements of net removals, key factors, such as total electric energy output, quantity of each fuel used in electricity production, emission factors, oxidation factors, net calorific values for each kind of fuel, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project were taken into account, as appropriate.

Data sources used for calculating emission reductions or enhancements of net removals, such as TPPs statistic report 3-tech forms, laboratory reports on coal and heavy fuel oil NCV, reports of fuel-transport departments are clearly identified, reliable and transparent.

Emission factors, including default emission factors, are selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice.

The calculation of emission reductions or enhancements of net removals is based on conservative assumptions and the most plausible scenarios in a transparent manner.

CAR05-CAR08, CL01 and their resolutions/conclusions applicable to the compliance of the monitoring plan to the monitoring methodology are listed in the APPENDIX A: COMPANY PROJECT VERIFICATION PROTOCOL (Table 2) below

### **3.5 Revision of monitoring plan (99-100)**

Project participants provided adequate substantiation of the proposed revision.

The proposed revision improves the accuracy and applicability of the information being collected, compared with the initial monitoring plan without changing conformity with the applicable rules and regulations on establishing the monitoring plan.

Actual conversion factor from kcal/kg (or kcal/m<sup>3</sup>) into GJ/t (or GJ/1000 m<sup>3</sup>) differs from the one in the previous monitoring report for the respective period stated in the section A.4. of the Monitoring Report as shown in a table below:



Actual conversion factor from kcal/kg (or kcal/m <sup>3</sup> ) into GJ/t (or GJ/1000 m <sup>3</sup> ) differs from the one in the previous monitoring report for the respective period	Conversion factor value
MR #1, #2	0.004187
MR #3	0.0041868

Conversion factor differs, because it is rounded in the text of second MR, but not in the calculating model. Calculations were made using conversion factor, stated in current MR. This amendment does not influence the amount of emission reduction. The corrected conversion factor is used in the formulas of the MR.

The changes that were introduced will not affect the conservative approach to emission reduction calculations and procedures for collecting and archiving of data.

Management system and operating system are suitable for reliable monitoring of the project according to the proposed revision.

### 3.6 Data management (101)

The data and their sources, provided in monitoring report, are clearly identified, reliable and transparent.

The implementation of data collection procedures is in accordance with the monitoring plan, including the quality control and quality assurance procedures.

The function of the monitoring equipment, including its calibration status, is in order.

Power meters are in calibration interval. Calibration of power meters are provided by State Enterprise "DonetskDerzhstandartmetrologiya" measuring laboratory. During the monitoring period power meters were replaced by operating personnel of Zyevska TPP Electric Department and representatives of State Enterprise "DonetskDerzhstandartmetrologiya". Replacement of power meters types Euro Alpha to power meters Actaris SL 7000 will improve applicability of automatic system for commercial accounting of power consumption of "DTEK Skhidenergo" LLC. Replacement of power meters is a part of automatic system for commercial accounting of power consumption updating, provided on "DTEK Skhidenergo" LLC TPPs (Zyevska, Luhanska, Kurakhovska) in 2011 year.

The commercial account of consumed coal is performed on wagon scales VVET-150K. The amount of coal consumed in project frames is measured by coal belt scales ErMak installed between coal warehouse and coal mills. ErMak scales are calibrated by Production Measuring Laboratory of Zyevska TPP.



Production Measuring Laboratory of Zuyevska TPP is certified by SE "Donetskderzhstandartmetrologiya". Accreditation certificates on TPPs laboratory valid during the monitoring period was provided to the verification team.

The amount of heavy fuel oil consumed by TPP is measured by measuring line three times each day; the daily consumption is recalculated into the mass units.

The natural gas consumption is measured by gas meter Flowtec-2, which is a property of gas Supply Company and calibrated by Ukrainian Centre for Standardization and Metrology in Donetsk Region.

The NCV of coal and heavy fuel oil is measured by TPPs Chemical Laboratory. The data on natural gas NCV is indicated in monthly certificates of gas supplying company. The samples of coal and heavy fuel oil are analysed each five days. The examples of analysis protocols are provided to the verification team.

The evidence and records used for the monitoring are maintained in a traceable manner.

The difference between emissions of CO<sub>2</sub> indicated in the 2-TP (air) form and emission reduction calculations is explained by amount of fuel used for electricity production in project activity not include amount of fuel used for thermal energy supply.

The data collection and management system for the project is in accordance with the monitoring plan. The data flow scheme provided in the monitoring report is objective and functional.

CAR09-CAR11, CL02 and their resolutions/conclusions applicable to the project data management are listed in the APPENDIX A: COMPANY PROJECT VERIFICATION PROTOCOL (Table 2) below

### **3.7 Verification regarding programs of activities (102-110)**

"Not applicable"

## **4 VERIFICATION OPINION**

Bureau Veritas Certification has performed the 3<sup>rd</sup> periodic verification of the "Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant" Project in Zugres village, Donetsk Region, Ukraine, which applies the JI specific approach. The verification 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 verification 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 verification report and opinion.

The management of "DTEK Skhidenergo" LLC is responsible for the preparation of the GHG emissions data and the reported GHG emissions reductions of the project on the basis set out within the project Monitoring and Verification Plan indicated in the final PDD version 2.8. The development and maintenance of records and reporting procedures in accordance with that plan, including the calculation and determination of GHG emission reductions from the project, is the responsibility of the management of the project.

Bureau Veritas Certification verified the Project Monitoring Report version 2.4 for the reporting period as indicated below. Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions.

Bureau Veritas Certification can confirm that the GHG emission reduction is accurately calculated and is free of material errors, omissions, or misstatements. Our opinion relates to the project's GHG emissions and resulting GHG emissions reductions reported and related to the approved project baseline and monitoring, and its associated documents. Based on the information we have seen and evaluated, we confirm, with a reasonable level of assurance, the following statement.

Reporting period:

From 01/03/2011 to 31/12/2011

Baseline emissions	: 5157302	tonnes of CO <sub>2</sub> equivalent.
Project emissions	: 5030653	tonnes of CO <sub>2</sub> equivalent.
Emission Reductions	: 126649	tonnes of CO <sub>2</sub> equivalent.



## 5 REFERENCES

### Category 1 Documents:

Documents provided by Global Carbon B.V. that relate directly to the GHG components of the project.

- /1/ Project Design Document "Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant" version 2.8 dated 15/12/2010
- /2/ Monitoring Report "Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant" version 1.0, dated 25/01/2012
- /3/ Monitoring Report "Reconstruction of Units 1,2,3 and 4 at Zuyevska Thermal Power Plant" version 2.4, dated 28/03/2012
- /4/ Approval #1231/23/7 issued by National Environmental Investment Agency dated 19/08/2010
- /5/ Letter of approval №2009JI22 issued by SenterNovem Netherlands dated 7/01/2010
- /6/ ERUs calculation Excel file "20122501\_MR003\_DTEK\_ver\_2.0\_OM" dated 25/02/2012
- /7/ ERUs calculation Excel file "20122803\_MR003\_DTEK\_ver\_2.31\_OM" dated 09/04/2012
- /8/ Determination and verification manual, version 01

### Category 2 Documents:

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

- /1/ Technical passport and calibration certificate of conveyor belt scales #31
- /2/ Technical passport and calibration certificate of coal scales VVET-150K #0056
- /3/ Statement on commissioning scales VVET-150K #0056 dated 20/09/2011
- /4/ Certificate #92 dated 07/09/2011 on wagon scales VVET-150K #0056 metrological attestation
- /5/ Coal belt scales MIKA indicator
- /6/ MIKA #1757 scales indicator
- /7/ MIKA #1803 scales indicator
- /8/ Pressure sensor #02959 of conveyor belt scales MIKA
- /9/ Velocity sensor of coal belt scales
- /10/ Pressure sensors of coal belt scales
- /11/ Pressure sensor #02957 of conveyor belt scales MIKA
- /12/ Power meter SL7000 #53101785 connection G1 main
- /13/ Power meter SL7000 #53101788 connection G2 main
- /14/ Power meter SL7000 #53101793 connection G3 main
- /15/ Power meter SL7000 #53101791 connection G4 main
- /16/ Power meter SL7000 #53112337 connection 21TA main
- /17/ Power meter SL7000 #53112326 connection 21TB main
- /18/ Power meter SL7000 #53112346 connection 22TA main
- /19/ Power meter SL7000 #53112327 connection 22TB main
- /20/ Power meter SL7000 #53112348 connection 23TA main



- /21/ Power meter SL7000 #53112350 connection 23TB main
- /22/ Power meter SL7000 #53112336 connection 24TA main
- /23/ Power meter SL7000 #53112340 connection 24TB main
- /24/ 6 tp form for 2011 year (Power station work report)
- /25/ Statement on replacement of power meters connections 21TA, 21TB, dated 08/06/2011
- /26/ Statement on replacement of power meters connections 22TA, dated 08/06/2011
- /27/ Statement on replacement of power meters connections 22TB, dated 08/06/2011
- /28/ Statement on replacement of power meters connections 23TA, 23TB, dated 07/06/2011
- /29/ Statement on replacement of power meters connections 24TA, 24TB, dated 08/06/2011
- /30/ Statement on replacement of power meters connections Generator 1, Generator 2, dated 09/06/2011
- /31/ Statement on replacement of power meters connections Generator 1, Generator 2, dated 09/06/2011
- /32/ Statement on replacement of power meters connections 21TA, 21TB, dated 17/08/2011
- /33/ Statement on replacement of power meters connections 22TA, 22TB, dated 16/08/2011
- /34/ Statement on replacement of power meters connections 23TA, 23TB, dated 18/08/2011
- /35/ Statement on replacement of power meters connections 24TA, 24TB, dated 18/08/2011
- /36/ Statement on replacement of power meters connections Generator 1, Generator 2, dated 17/08/2011
- /37/ Statement on replacement of power meters connection Generator 2, dated 16/08/2011
- /38/ Passport on natural gas physical and chemical characteristics for March 2011
- /39/ Passport on natural gas physical and chemical characteristics for April 2011
- /40/ Passport on natural gas physical and chemical characteristics for May 2011
- /41/ Passport on natural gas physical and chemical characteristics for June 2011
- /42/ Passport on natural gas physical and chemical characteristics for July 2011
- /43/ Passport on natural gas physical and chemical characteristics for August 2011
- /44/ Passport on natural gas physical and chemical characteristics for September 2011
- /45/ Passport on natural gas physical and chemical characteristics for October 2011
- /46/ Passport on natural gas physical and chemical characteristics for November 2011
- /47/ Fax Gramm #517 on natural gas calorific value dated 28/12/11
- /48/ Fax Gramm #492 on natural gas calorific value dated 08/12/11
- /49/ Annex on attestation certificate #VL-601/2010. Production chemical laboratory SU "Zyevska TPP" attestation scope dated 16/12/2010
- /50/ 3-tech form March 2011
- /51/ 3-tech form April 2011



- /52/ 3-tech form May 2011
- /53/ 3-tech form June 2011
- /54/ 3-tech form July 2011
- /55/ 3-tech form August 2011
- /56/ 3-tech form September 2011
- /57/ 3-tech form October 2011
- /58/ 3-tech form November 2011
- /59/ 3-tech form December 2011
- /60/ Report on air protection (2-ТП form (air)) for 2011 year
- /61/ Report on wastes for 2011 year (form #1 wastes)
- /62/ Fuel sample analysis for 06-10/09/2011
- /63/ Fuel sample analysis for 26-30/04/2011
- /64/ Fuel sample analysis for 21-25/05/2011
- /65/ Fuel sample analysis for 26-30/10/2011
- /66/ Fuel sample analysis for 26-30/11/2011
- /67/ Fuel sample analysis for 16-20/12/2011
- /68/ Fuel sample analysis for 26-31/03/2011
- /69/ Fuel sample analysis for 21-26/06/2011
- /70/ Fuel sample analysis for 21-25/08/2011
- /71/ Fuel sample analysis for 11-15/09/2011
- /72/ Fuel sample analysis for 01-05/07/2011
- /73/ Statement DTS #16411021770 dated 27/02/2011 on finished by construction object to project documentation and operating readiness
- /74/ Statement on work readiness of Unit #1 SU "Zuyevska TPP" dated 17/05/2011
- /75/ Statement #183 on work acceptance Unit #2 SU "Zuyevska TPP" dated 22/04/2009
- /76/ Statement on replacement of power meter Energia-9 STK-1-10 #83226 to NIK2104-02 #37237772 dated #13/12/2011
- /77/ Statement on replacement of power meters on connections Backup exciter and Generator 4 dated 19/08/2011
- /78/ Passport and calibration certificates on conveyor belt scales ErMak #1757
- /79/ Passport and calibration certificates on conveyor belt scales ErMak #1803
- /80/ Statement on commissioning conveyor belt scales ErMak #1757 and #1803 dated 05/12/2008
- /81/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147041 connection Generator 1 main
- /82/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147080 connection Generator 2 main
- /83/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147064 connection Generator 3 main
- /84/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147039 connection Generator 4 main
- /85/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147105 power connection 21TA main
- /86/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147103 connection 21TB main
- /87/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147094



- 
- connection 22TA main
  - /88/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147104  
connection 22TB main
  - /89/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147096  
connection 23TA main
  - /90/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147096  
connection 23TB main
  - /91/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147097  
connection 24TA main
  - /92/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147106  
connection 24TB main
  - /93/ Passport and calibration certificate on power meter EA02RAL-C-4 #01147108  
connection backup exciter
  - /94/ Passport and calibration certificate on power meter Energia-9 STK-1-10 #83226  
connection ZEMZ
  - /95/ Passport and calibration certificate on power meter Energia-9 STK-3-10 #36102
  - /96/ Passport and calibration certificate on power meter SL7000 #53112337  
connection 21TA main
  - /97/ Passport and calibration certificate on power meter SL7000 #53112326  
connection 21TB main
  - /98/ Passport and calibration certificate on power meter SL7000 #53112346  
connection 22TA main
  - /99/ Passport and calibration certificate on power meter SL7000 #53112327  
connection 22TB main
  - /100/ Passport and calibration certificate on power meter SL7000 #53112348  
connection 23TA main
  - /101/ Passport and calibration certificate on power meter SL7000 #53112350  
connection 23TB main
  - /102/ Passport and calibration certificate on power meter SL7000 #53112336  
connection 24TA main
  - /103/ l calibration certificate on power meter SL7000 #53112340 connection  
24TB main
  - /104/ l calibration certificate on power meter SL7000 #53101785 connection  
Generator 1 main
  - /105/ l calibration certificate on power meter SL7000 #53101788 connection  
Generator 2 main
  - /106/ l calibration certificate on power meter SL7000 #53101793 connection  
Generator 3 main
  - /107/ Passport and calibration certificate on power meter SL7000 #53101791  
connection Generator 4 main
  - /108/ Passport and calibration certificate on power meter SL7000 #53112339  
connection backup main
  - /109/ Passport and calibration certificate on power meter NIK2104-02 #3723772
  - /110/ Passport and calibration certificate on power meter NIK2303 #0119034
  - /111/ Photos: Replacement of boilers screen tubes and relevant equipment
  - /112/ Photos: Replacement of turbine blades by TPPs personnel
  - /113/ Photos: mount of generator TGV-300 rotor





**Persons interviewed:**

List persons interviewed during the verification or persons that contributed with other information that are not included in the documents listed above.

Andrii Klymenko – Head of Reconstruction Project Maintenance Department

Valentyna Zozulia – Head of Environmental Safety Department

Denis Zhyvyh – Head of Production Technical Department

Oleksandr Zakharov – Head of Measuring and Heat Automatic Department

Hennadii Usachov – Head of Production Measuring and Testing Laboratory

Iryna Fesenko – Head of Producing Chemical Laboratory

Oleksiy Mikhailov – representative of DTEK company

Natallia Belska – representative of Global Carbon B.V.

Olga Monchak – representative of Global Carbon B.V.

**APPENDIX A: VERIFICATION PROTOCOL**

Check list for verification, according to the JOINT IMPLEMENTATION DETERMINATION AND VERIFICATION MANUAL (Version 01)

<b>DVM Parag raph</b>	<b>Check Item</b>	<b>Initial finding</b>	<b>Draft Conclusion</b>	<b>Final Conclusion</b>
<b>Project approvals by Parties involved</b>				
90	Has the DFPs of at least one Party involved, other than the host Party, issued a written project approval when submitting the first verification report to the secretariat for publication in accordance with paragraph 38 of the JI guidelines, at the latest?	The Project has been approved by the Host Party (Letter of Approval #1231/23/7 dated 19/08/2011 issued by National Environment Investment Agency of Ukraine) and the Sponsor Party (Letter of Approval #2009JI22`dated 7/01/2009 issued by SenterNovem Netherlands).	OK	OK
91	Are all the written project approvals by Parties involved unconditional?	All the written project approvals are unconditional	OK	OK
<b>Project implementation</b>				
92	Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	<u>CAR01</u> Monitoring Report indicates installed capacity of generating units in 300 MW. Units remarking with reduction of power production for operating life prolongation is usual practice on Ukraine coal TPPs. Certificate of conformity on project documentation indicates 325 MW for Unit#1, Statement on work acceptance – 315 MW for Unit #2. Please provide detailed description of installed capacity and Units marking in the monitoring report.	CAR01  CAR02	OK  OK



		<u>CAR02</u> The monitoring report indicates that next equipment was renewed on Unit #1: boiler, steam turbine generator, electrostatic precipitator, turbines. Also, Statement on work acceptance for Unit #2 indicates that boiler TPP-312A, turbine K-300-240-2, alternator TGV-300-2Y3 and electric precipitators were renewed during the monitoring period. Please explain this inconformity		
93	What is the status of operation of the project during the monitoring period?	<u>CAR03</u> Please explain in the section A.7 of the Monitoring Report the difference between ERUs indicated in the determined PDD and in the Monitoring Report.	CAR03	OK
		<u>CAR04</u> Capital repairs, periodic repairs, running repairs are a common practice in Ukraine energy sector, which is ruled by Ukraine legislation. 3-tech forms indicate that Block #2 not in work during August-September and Block#3 not in work in May. Please provide information on repair activity and technical disasters associated with project equipment	CAR04	OK

**Compliance with monitoring plan**

94	Did the monitoring occur in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	The monitoring in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website	OK	OK
95 (a)	For calculating the emission reductions or enhancements of net removals, were key factors, e.g. those listed in 23 (b) (i)-(vii) above, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into account, as appropriate?	<u>CAR05</u> The methodology for ERUs calculation use amount of fuel consumption for power supply to the grid. Excel calculation file contain value of fuel consumed for heat and electricity production. Please correct ERUs calculations <u>CAR06</u> Please provide value of natural gas NCV in ERUs calculation Excel file in line with 3-tech forms	CAR05  CAR06	OK  OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	The data sources used for calculating emission reduction are clearly identified, reliable and transparent	OK	OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	<u>CAR07</u> Please provide Emission Factors for fossil fuels in accordance with National Inventory Report	CAR07	OK



95 (d)	Is the calculation of emission reductions or enhancements of net removals based on conservative assumptions and the most plausible scenarios in a transparent manner?	<u>CAR08</u> The 3-tech form for August 2011 indicates that heavy fuel oil has been consumed by Block #1. Please correct calculations or explain exclusion of heavy fuel oil.	CAR08	OK
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**Applicable to JI SSC projects only**

96	Is the relevant threshold to be classified as JI SSC project not exceeded during the monitoring period on an annual average basis? If the threshold is exceeded, is the maximum emission reduction level estimated in the PDD for the JI SSC project or the bundle for the monitoring period determined?	Not applicable	Not applicable	Not applicable
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**Applicable to bundled JI SSC projects only**

97 (a)	Has the composition of the bundle not changed from that is stated in F-JI-SSCBUNDLE?	Not applicable	Not applicable	Not applicable
97 (b)	If the determination was conducted on the basis of an overall monitoring plan, have the project participants submitted a common monitoring report?	Not applicable	Not applicable	Not applicable



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98	<p>If the monitoring is based on a monitoring plan that provides for overlapping monitoring periods, are the monitoring periods per component of the project clearly specified in the monitoring report?</p> <p>Do the monitoring periods not overlap with those for which verifications were already deemed final in the past?</p>	Not applicable	Not applicable	Not applicable
<p><b>Revision of monitoring plan</b>  <b>Applicable only if monitoring plan is revised by project participant</b></p>				
99 (a)	<p>Did the project participants provide an appropriate justification for the proposed revision?</p>	Project participants doesn't revise monitoring plan during third monitoring period.	OK	OK
99 (b)	<p>Does the proposed revision improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?</p>	Not applicable.	Not applicable	Not applicable


**Data management**

101 (a)	Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?	<u>CAR09</u> The monitoring report indicates in the section B.1 that TPPs chemical laboratory provide analysis of natural gas NCV each five day. Laboratory attestation sphere not includes natural gas and during the site visit was detected that TPP uses monthly reports of JSC "Donetskobl gas" for natural gas NCV identification.	CAR09	OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, in order?	<u>CAR10</u> The electric power meters were replaced twice during the monitoring period. Please indicate in the monitoring report data on all power meters used during monitoring period with next follows: Name of power connection; Type and serial number of power meter; Date of installation and replacement	CAR10	OK
		<u>CL01</u> The monitoring report note single-phase power meters NIK2303 #0119034 and NIK2304-02 #3723772. Please add in the Monitoring Report information on power connection and purpose of these meters.	CL01	OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidences and records are maintained in a traceable manner.	OK	OK



101	Is the data collection and management system for the project in accordance with the monitoring plan?	<u>CAR11</u> Please note in the monitoring Report that the data monitored and required for ERUs calculation will be kept two years after the last ERUs transfer with reference on relevant order of "Vostokenerho".	CAR11	OK
<b>Verification regarding programmes of activities (additional elements for assessment)</b>				
102	Is any JPA that has not been added to the JI PoA not verified?	Not applicable.	Not applicable	Not applicable
103	Is the verification based on the monitoring reports of all JPAs to be verified?	Not applicable.	Not applicable	Not applicable
103	Does the verification ensure the accuracy and conservativeness of the emission reductions or enhancements of removals generated by each JPA?	Not applicable.	Not applicable	Not applicable
104	Does the monitoring period not overlap with previous monitoring periods?	Not applicable.	Not applicable	Not applicable
105	If the AIE learns of an erroneously included JPA, has the AIE informed the JISC of its findings in writing?	Not applicable.	Not applicable	Not applicable




**Applicable to sample-based approach only**

106	<p>Does the sampling plan prepared by the AIE:</p> <p>(a) Describe its sample selection, taking into account that:</p> <p>(i) For each verification that uses a sample-based approach, the sample selection shall be sufficiently representative of the JPAs in the JI PoA such extrapolation to all JPAs identified for that verification is reasonable, taking into account differences among the characteristics of JPAs, such as:</p> <ul style="list-style-type: none"> <li>– The types of JPAs;</li> <li>– The complexity of the applicable technologies and/or measures used;</li> <li>– The geographical location of each JPA;</li> <li>– The amounts of expected emission reductions of the JPAs being verified;</li> <li>– The number of JPAs for which emission reductions are being verified;</li> <li>– The length of monitoring periods of the JPAs being verified; and</li> <li>– The samples selected for prior verifications, if any?</li> </ul>	Not applicable.	Not applicable	Not applicable
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107	Is the sampling plan ready for publication through the secretariat along with the verification report and supporting documentation?	Not applicable.	Not applicable	Not applicable
108	Has the AIE made site inspections of at least the square root of the number of total JPAs, rounded to the upper whole number? If the AIE makes no site inspections or fewer site inspections than the square root of the number of total JPAs, rounded to the upper whole number, then does the AIE provide a reasonable explanation and justification?	Not applicable.	Not applicable	Not applicable
109	Is the sampling plan available for submission to the secretariat for the JISC ex ante assessment? (Optional)	Not applicable.	Not applicable	Not applicable
110	If the AIE learns of a fraudulently included JPA, a fraudulently monitored JPA or an inflated number of emission reductions claimed in a JI PoA, has the AIE informed the JISC of the fraud in writing?	Not applicable.	Not applicable	Not applicable



Table 2 Resolution of Corrective Action and Clarification Requests.

Draft report clarification and corrective action requests by verification team	Ref. to check list question in table 1	Summary of project participant response	Verification team conclusion															
<p>CAR01 Monitoring Report indicates installed capacity of generating units in 300 MW. Units remarking with reduction of power production for operating life prolongation is usual practice on Ukraine coal TPPs. Certificate of conformity on project documentation indicates 325 MW for Unit#1, Statement on work acceptance – 315 MW for Unit #2. Please provide detailed description of installed capacity and Units marking in the monitoring report.</p>	<p>92</p>	<p>The description is provided in section A.6:</p> <table border="1" data-bbox="954 679 1749 997"> <thead> <tr> <th></th> <th>Unit #1</th> <th>Unit #2</th> </tr> </thead> <tbody> <tr> <td>Planned start of operation after reconstruction</td> <td>12/2009</td> <td>12/2008</td> </tr> <tr> <td>Actual start of operation after reconstruction</td> <td>08/2011</td> <td>04/2009</td> </tr> <tr> <td>Installed capacity before the reconstruction</td> <td>300 MW</td> <td>300 MW</td> </tr> <tr> <td>Installed capacity after th reconstruction</td> <td>325 MW</td> <td>315 MW</td> </tr> </tbody> </table> <p>As a result of modernization, capacity of turbine K-300-240-2 changed from 300 MW to 315 MW; of alternator TGV-300-2UZ - from 300 MW to 315 MW. This had substantively risen the effectiveness of Unit #2 energy generation.</p> <p>The reconstruction of Unit #1 increased capacity of generator and turbine from 300 MW to 325 MW. The regular operation of Unit#1 began in the third quarter of 2011. The marking of the reconstructed equipment has been changed according to installed capacity after the reconstruction.</p>		Unit #1	Unit #2	Planned start of operation after reconstruction	12/2009	12/2008	Actual start of operation after reconstruction	08/2011	04/2009	Installed capacity before the reconstruction	300 MW	300 MW	Installed capacity after th reconstruction	325 MW	315 MW	<p>The issue is closed based on project developer corrections.</p>
	Unit #1	Unit #2																
Planned start of operation after reconstruction	12/2009	12/2008																
Actual start of operation after reconstruction	08/2011	04/2009																
Installed capacity before the reconstruction	300 MW	300 MW																
Installed capacity after th reconstruction	325 MW	315 MW																
<p><u>CAR02</u> The monitoring report indicates that next equipment was renewed on Unit #1: boiler, steam turbine</p>	<p>92</p>	<p>The description has been added to the Section A.3. of the MR: "By the beginning of the monitoring period for the Unit #1 was made as follows: - Modernization of boiler TPP-312A</p>	<p>The issue is closed based on project developer</p>															



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generator, electrostatic precipitator, turbines. Also, Statement on work acceptance for Unit #2 indicates that boiler TPP-312A, turbine K-300-240-2, alternator TGV-300-2Y3 and electric precipitators were renewed during the monitoring period. Please explain this inconformity.

- Modernization of the turbine K-300-240-2
  - Modernization of alternator TGV-300-2UZ
  - Modernization of electrostatic precipitators
- The reconstruction of Unit #2 included:
- Modernization of boiler TPP-312A
  - Modernization of the turbine K-300-240-2
  - Modernization of alternator TGV-300-2UZ
  - Modernization of electrostatic precipitators”.

corrections

CAR03

Please explain in the section A.7 of the Monitoring Report the difference between ERUs indicated in the determined PDD and in the Monitoring Report.

93

The correction was made. Please, see Section A.7.of the MR: “The value of emission reductions in PDD expected for 2011 is higher than ER stated in MR. The discrepancy in baseline emissions can be explained by the repairs of Unit #2 held in August-September 2011 and of Unit #3 held in May, so less electricity were produced during the monitoring period. On the other hand, more coal were consumed, then stated in PDD. This caused higher project emissions.”

The issue is closed based on project participants clarification and project developer corrections.

CAR04

Capital repairs, periodic repairs, running repairs are a common practice in Ukraine energy sector, which is ruled by Ukraine legislation. 3-tech forms indicate that Unit #2 not in work during August-September and Unit #3 not in work in May. Please provide information on repair activity and technical disasters associated with project equipment.

93

Please, see section A.6.During the monitoring period several planned repairs took place. Delivery of repair parts for Unit #1 was delayed and runner of Unit #3 turbine needed non-scheduled maintenance. The dates of periodic repairs were changed according to the table below:

Unit #	Repair type	Actual repair start	Actual repair end
1	running	12/04/2011	11/05/2011
2	periodic	26/07/2011	09/10/2011
3	periodic	18/05/2011	25/07/2011
4	periodic	10/10/2011	02/11/2011

The copy of the protocol confirming the dates of repairs is printed, signed by plant commission and provided to AIE.

The issue is closed based on information provided by project developer. Relevant information was provided in the monitoring report

CAR05

The methodology for ERUs calculation use amount of fuel consumption for power supply to the grid. Excel calculation file contain value of fuel consumed for heat and electricity production. Please correct ERUs calculations.

95(a)

The calculations were corrected. The values of overall (for producing electricity and heat) fuel consumption per unit of power supply to the grid were used.

The issue is closed based on project participant’s corrections.

CAR06

95(a)

The correction has been made. Please, see the excel calculation sheet.

The provided

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Please provide value of natural gas NCV in ERUs calculation Excel file in line with 3-tech forms.

CAR07

Please provide Emission Factors for fossil fuels in accordance with National Inventory Report

95(c) ERU calculation methodology, including the emission factors used, is in accordance with monitoring plan which was approved by the Ukrainian DFP (as a part of PDD) and determination for which has been made final. No changes have been made.

corrections were found satisfactory. The issue is closed. There are no any acts or regulations demand use of Emission Factors from National GHG Inventory Report in Ukraine, so Global Carbon B.V. may use default values from approved PDD. The issue is closed.

CAR08

The 3-tech form for August 2011 indicates that heavy fuel oil has been consumed by Unit#1. Please correct calculations or explain exclusion of heavy fuel oil.

95(d) Calculations were corrected. Please, see the excel calculation sheet.

Corrections of ERUs calculations were provided. The issue is closed.

CAR09

The monitoring report indicates in the section B.1 that TPPs chemical laboratory provide analysis of natural gas NCV each five day. Laboratory attestation sphere not includes natural gas and during the site visit was detected that TPP uses monthly reports of JSC "Donetskobl gas" for natural gas NCV identification.

101(a) The amendments were made through the text of the MR.

The issued is closed based on project developer corrections of the Monitoring Report.

CAR10

The electric power meters were replaced twice

101(b) The table is provided in the MR. Please, see Section B 1.2., Table 6.

The issue is closed based on



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during the monitoring period. Please indicate in the monitoring report data on all power meters used during monitoring period with next follows:

Name of power connection;  
Type and serial number of power meter;  
Date of installation and replacement.

CAR11

Please note in the monitoring Report that the data monitored and required for ERUs calculation will be kept two years after the last ERUs transfer with reference on relevant order of "Vostokenerho".

101(d) Correction was made, see section B.3. The copy of the relevant order is provided to AIE.

CL01

The monitoring report note single-phase power meters NIK2303 #0119034 and NIK2104-02 #3723772. Please add in the Monitoring Report information on power connection and purpose of these meters.

101(b) The corrections in numbers of power meters were made. Correct names and numbers of power meters are meter NIK2303 #0119034 and NIK2104-02 #3723772 (See Table 6 of the MR). ERU calculations in MR are based on monitoring data provided in TPP's standard technical report – 3-TEH form. This form contains information on consumption of all kinds of fuel, power generation and power supply to the grid. Amount of electricity produced by Units #1,#2,#3, #4 is calculated automatically as a sum of indicated in monitoring report generation power meter's measurements. The transformer power meters calculate electricity, which is consumed by Zuyevska TPP's auxiliaries, so for calculation of electricity supply to the grid metering values of transformer meters are subtracted from the sum of generated electricity. Power meter NIK2303 #0119034 measures energy consumption of PE "Adamant-YA" – construction company, which buys electricity from Zuyevska TPP. Power meter NIK2104-02 #3723772 meters electricity consumption of Zuyevska Energo Mechanic Plant. Power meters NIK2303 and NIK2104-02 are installed after the transformer meters, so their metering values are energy generation. For improving accuracy and transparency power meters NIK2303 #0119034 (index Wh14) and NIK2104-02 20 #3723772 (index Wh15) are added to energy generation for clearly calculation of energy supply to the grid in 3-teh form.

information provided by the project developer. The Monitoring Report was corrected. The issue is closed based on project developer corrections in the monitoring report. The issue is closed based on project developer corrections and information obtained by Zuyevska TPP personnel.

