



AIE REPORT FORM

(version 03)

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

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

Proposed JI activity

Reference number and title of JI activity 0322 – Ciuteliai wind power joint implementation project

Host Party(ies) Lithuania

Other Parties involved in the JI activity -

Project participants UAB Naujoji energija

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

Type of JI activity: large-scale small-scale LULUCF PoA

Brief description of the JI activity

The project consists of 17 turbines at 2.3 MW capacities each with a total capacity of 39.1 MW (2.3 MW x 17). The project, in a conservative approach, will generate about 86,611 MWh of electric power per year. The project would displace carbon intensive electricity produced from fossil fuel sources. Such wind park's generation will lead to 54,219 tCO₂/year emission reductions.

Determination report

Please confirm that all requirements of Article 6 of the Kyoto Protocol, the JI guidelines and further relevant requirements defined by the CMP or the JISC with regard to determinations pursuant to paragraph 33 of the JI guidelines are met:

- Yes
 No

General information on determination

Please describe:

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

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

PDD "Ciuteliai wind power joint implementation project" version 1.3, dated 21/08/2012
 Lithuanian National JI guidelines, (Order on the approval of the rules for the implementation of the Kyoto protocol's joint implementation project, dated 18/10/2007)
 Lithuanian National Allocation Plan 2008-2012, approved by the Ministry of Environment of the Republic of Lithuania on 18/04/2007
 Detailed land use plan, approved by Silute municipality on 17/07/08
 Building permit, No. 08(1)1-156, dated 06/10/2008, 2008
 Conclusion No (9.14.5.)-LV4-5178 of Klaipeda Regional Department of Environment Protection of

Lithuanian Ministry of Environment of 30 April 2008
Investment analysis spreadsheet Ciuteliai sensitivity_revised 2012-08-27
EMD report, dated 13/10/2010
Enercon GmbH offer for Ciuteliai wind park, dated 01.10.2010
Resolution No. O3-27 of the State price and Energy Control Commission of 21 February 2008
Enercon GmbH EPK offer dated 13.10.2010
CNA Ltd policy no 310-16033 for Virtsu II wind park 01.03.2008-20.03.2009
Management agreement already effective between 4energia UAB and Vejo elektra UAB, 24.08.2006
Management agreement between 4energia UAB and Vejo elektra UAB, 24.08.2007
The Letter of Approval (LoA), No (10-2)-D8-8617 issued by the Lithuanian Ministry of Environment on 05/10/2012

On 10/03/2012 Bureau Veritas Certification performed interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representative of Vejo elektra, UAB was interviewed:

Mr. Tadas Navickas, Director (UAB Naujoji energija)
Mr. Julius Mikalauskas, Project manager (UAB Naujoji energija)
Mrs. Vaida Timinskaitė, Project manager assistance (UAB Naujoji energija)

Determination team:
Tomas Paulaitis – Climate Change Lead Verifier;
Gediminas Vaskela – Financial Specialist
Ashok Mammen – Internal Technical Reviewer

Description of determination process

Please briefly describe and refer to:

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

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

Bureau Veritas Certification internal procedures.

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

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

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

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

- 1) The findings of the desk review of the original project design documents and the findings from interviews during the follow up visit are summarized. A more detailed record of these findings can be found in the Determination Protocol in Appendix A.
- 2) Where Bureau Veritas Certification had identified issues that needed clarification or that represented a risk to the fulfilment of the project objectives, a Clarification or Corrective Action request, respectively, have been issued. The Clarification and Corrective Action Requests are stated, where applicable, in the following sections and are further documented in the Determination Protocol in Appendix A.

The conclusions for determination subject are presented.

Comments received from Parties, stakeholders and UNFCCC accredited observers

Please:

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

There are no comments received from Parties, stakeholders and UNFCCC accredited observers.

Conclusions, final comments and determination opinion

Please provide:

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

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

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

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

By synthetic description of the project, the project is likely to result in reductions of GHG emissions. The analysis of investment and technological barriers demonstrates that the proposed project activity is not a likely 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 review of the project design documentation (version 1.3) 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 applied and meets the relevant UNFCCC requirements for the JI and the relevant host country criteria.

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

List of documents attached to the determination report form

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

- PDD/PoA DD of the proposed JI activity**
- Determination report**
- Written approvals by the Parties involved, listed in the JI PDD/PoA DD**
- Other relevant documents:**
 - Financial model (Ciuteliai sensitivity_revised 2012-08-27)
 - Letter of Modalities

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

Operational manager signing for the AIE

Witold Dzugan

Date and signature

2012-10-16