



# JI DETERMINATION REPORT FORM

(version 02)

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

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

## Proposed JI activity

**Reference number and title of proposed JI activity** Project 0195 : Installation of CCGT-400 at Shaturskaya TPP, OGG-4, Moscow area, Russia

**Host Party(ies)** Russia

**Parties involved in the JI activity** Germany

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

**Project participants** JSC OGG-4  
E.ON Carbon Sourcing

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

**Brief description of the JI activity** A combined cycle gas turbine unit with electricity capacity of 400 MW will be installed at Shaturskaya TPP and commissioned in September 2010. The efficiency of new energy unit is expected to be approximately 56%. Natural gas will be used as fuel. After the project implementation the new energy unit will supply electricity to the United Regional Energy System (URES) "Centre" grid. Electricity produced by the new generating unit, based on more efficient technology of energy generation, will replace electricity that would be generated in the grid using less efficient technology in case of the absence of the unit.

## Determination report

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

- Yes**  
 **No**

### General information on determination

Please describe:

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

The Project Design Document (PDD) submitted by Global Carbon BV on behalf of E.ON Carbon Sourcing 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.

The documentation that has been reviewed is listed below:

- PDD version 3.0, dated 09/10/2009
- PDD version 3.1, dated 09/19/2009
- PDD version 3.2, dated 06/11/2009
- PDD version 3.3, dated 11/11/2009
- PDD version 3.4, dated 13/11/2009
- PDD version 4.0, dated 16/08/2010
- CF version 3.0 – Cash flow calculation, dated 09/10/2009

- CF version 3.1 – Cash flow calculation, dated 11/11/2009
- CF version 3.4 – Cash flow calculation, dated 01/06/2010
- CF version 4.0 – Cash flow calculation, dated 16/08/2010
- ER version 3.0 – Emission reduction calculation, Cash flow calculation, dated 09/10/2009
- ER version 3.4 – Emission reduction calculation, Cash flow calculation, dated 01/06/2010
- ER version 4.0 – Emission reduction calculation, Cash flow calculation, dated 16/08/2010
- Letter of approval of the JI project “Installation of CCGT-400 at Shaturskaya TPP, OGK-4, Moscow area, Russia” issued by the Ministry of Economic Development of the Russian Federation # DO7-1025 dated 30/07/2010.
- Notification of approval of the JI project “Installation of CCGT-400 at Shaturskaya TPP, OGK-4, Moscow area, Russia” issued by the Federal Environmental Agency of Germany; German Emission Trading, dated 23/03/2010.

To address Bureau Veritas Certification corrective action and clarification requests, the project participants revised the PDD and as a response issued PDD versions from 3.0 dated 09/10/2009 to 3.4 dated 13/11/2010.

The determination findings presented in this report relate to the project as described in the PDD, versions 3.1 (published) and 3.4.

Following the receipt of the Russian Letter of Approval, the final PDD version 4.0 dated 16.08.2010 was issued and submitted for registration.

On 28/11/2009 Bureau Veritas Certification visited the project site and performed interviews with project participants to confirm selected information and to resolve issues identified in the document review, also clarification and corrective action requests were discussed. The interviewees are listed below:

Maryna Odeska - E.ON Carbon Sourcing / JI/CDM Processes Carbon Sourcing Country Manager Russia/Ukraine.

Moritz Frahm - E.ON Carbon Sourcing / JI/CDM Processes Carbon Sourcing Project Manager.

Egor Vasilkov – JSC “OGK-4” Specialist of Production and Technical Department.

Yury Skobtsov - JSC “OGK-4” Shaturskaya GRES Deputy Chief Engineer for new construction.

Alexander Evstigneev – JSC “OGK-4” Shaturskaya GRES Head of Production and Technical Department..

Alexey Varfolomeev, Senior Consultant, Global Carbon Rus LLC.

Determination team:

Leonid Yaskin, Team Leader, Lead Verifier

Vera Skitina, Team member, Lead Verifier

George Klenov, Team member, Lead Verifier

### **Description of determination process**

Please briefly describe and refer to:

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

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

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

In order to ensure transparency, a determination protocol was customized for the project, according to the Determination and Verification Manual (IETA/PCF). 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 determiner will document how a particular requirement has been validated and the result of the determination.

The determination protocol consists of four tables.

The completed determination protocol is enclosed in Appendix A to this 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 documented the Determination Protocol, Appendix A.

The conclusions for determination subject are presented.

#### **Comments received from Parties, stakeholders and UNFCCC accredited observers**

Please:

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

There are no comments from stakeholders.

#### **Conclusions, final comments and determination opinion**

Please provide:

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

Bureau Veritas Certification has performed a determination of the Installation of CCGT-400 at Shaturskaya TPP, OGK-4, Moscow area, Russia.

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. 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.

Project participant/s used the latest tool for demonstration of the additionality. In line with this tool, the PDD provides sufficient evidences to demonstrate that the project is additional.

The investment analysis, sensitivity analysis, and common practice analysis 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 and the subsequent follow-up interviews have provided Bureau Veritas Certification with sufficient evidence to determine the fulfilment of stated criteria. In our opinion, the project correctly 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.

#### **List of documents attached to the determination report form**

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

- PDD/PoA DD of the proposed JI activity**
- Determination report**
- Written approvals by the Parties involved, listed in the JI PDD/PoA DD**
- Other relevant documents:**
  - Determination protocol (refer to Appendix A)**

- List of persons interviewed (refer to Determination Report)**
- Any other documents** (please list): cash flow calculations, emission reductions calculations.

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

Authorized officer signing for the AIE

Leonid Yaskin

Date and signature

18/08/2010

