# VALIDATION REPORT
# JPMORGAN VENTURES ENERGY CORPORATION

# VALIDATION OF THE ALIAGA WIND FARM

## REPORT NO. TURKEY-CER/799.08.C71/2008

REVISION NO. 03

## BUREAU VERITAS CERTIFICATION

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| JP Morgan Ventures Energy Corporation | Aslı Sezer Özçelik |

Summary:

Bureau Veritas Certification has made the validation of the Aliaga Wind Farm project of JP Morgan Ventures Energy Corporation located in Aliaga, Izmir, Turkey on the basis of UNFCCC criteria for the CDM Methodology and Gold Standard Version 2.1, as well as criteria given to provide for consistent project operations, monitoring and reporting.

The validation 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 validation report and opinion. The overall validation, from Contract Review to Validation Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

The first output of the validation 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 the baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid connected electricity generation from renewable sources" version 12 and meets the relevant UNFCCC requirements for the GS Version 2.1 and the relevant country criteria.

| Report No.: | Subject Group: |
|---|---|
| Turkey-cer/799.08.c71/2008 | Gold Standard Version 2.1 |

Project title:
Aliaga Wind Farm

Work carried out by:
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Internal Technical Review carried our by:
H.B. Muralidhar

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**Indexing terms**

Work approved by:
Burcu Mutman

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# 1 INTRODUCTION

JPMorgan Ventures Energy Corporation has commissioned Bureau Veritas Certification to validate its Gold Standard project Aliağa Wind Farm (hereafter called "the project") at Aliağa, İzmir, Turkey.

This report summarizes the findings of the validation of the project, performed on the basis of Gold Standard Version 2.1 criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

## 1.1 Objective

The validation serves as project design verification and is a requirement of all projects. The validation 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 Gold Standard and host country criteria are validated in order to confirm that the project design, as documented, is sound and reasonable, and meets the stated requirements and identified criteria. Validation is a requirement for all Gold Standard projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of voluntary emission reductions (VERs).

## 1.2 Scope

The validation 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 Gold Standard requirements, UNFCCC rules and associated interpretations.

The validation 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 Validation team

The validation team consists of the following personnel:

| FUNCTION | NAME | CODE HOLDER* | TASK PERFORMED |
|---|---|---|---|
| **Lead Verifier** | Bade Cebeci | ☐Yes X No | X DR X SV X RI |
| **Verifier** | n.a. | ☐Yes ☐ No | ☐DR ☐SV ☐RI |
| **Technical Specialist** | Burcu Mutman | X Yes ☐ No | X DR ☐SV ☐RI |
| **Baseline Specialist** | Yıldız Arıkan | ☐Yes X No | X DR ☐SV ☐RI |

| | | | |
|---|---|---|---|
| **Financial Specialist** | Murat Gencer | ☐**Yes** X**No** | **X DR** ☐**SV** ☐**RI** |
| **Financial Specialist** | Haluk Cengiz | ☐**Yes** X**No** | **X DR** ☐**SV** ☐**RI** |
| **Internal Technical Reviewer (ITR)** | H.B. Muralidhar | **X Yes** ☐ **No** | ☐**DR** ☐**SV X RI** |
| **Specialist supporting ITR** | n.a. | ☐**Yes** ☐ **No** | ☐**DR** ☐**SV** ☐**RI** |

*DR = Document Review; SV = Site Visit; RI = Report issuance

# 2 METHODOLOGY

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

In order to ensure transparency, a validation protocol was customized for the project, according to the version 01.2 of the Clean Development Mechanism Validation and Verification Manual, issued by the Executive Board at its 55$^{th}$ meeting on 30/07/2010. The protocol shows, in a transparent manner, criteria (requirements), means of validation and the results from validating the identified criteria. The validation protocol serves the following purposes:

- It organizes, details and clarifies the requirements a Gold Standard Version 2.1 project is expected to meet;
- It ensures a transparent validation process where the validator will document how a particular requirement has been validated and the result of the validation.

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

## 2.1 Review of Documents

The Project Design Document (PDD) submitted by JP Morgan Ventures Energy Corporation and additional background documents related to the project design and baseline, i.e. country Law, Guidelines for Completing the Project Design Document (CDM-PDD), Approved methodology, Kyoto Protocol, Clarifications on Validation Requirements to be Checked by a Designated Operational Entity were reviewed.

To address Bureau Veritas Certification corrective action and clarification requests, JPMorgan Ventures Energy Corporation revised the PDD and resubmitted it on 21/03/2011.

The validation findings presented in this report relate to the project as described in the PDD version 2.5

## 2.2 Follow-up Interviews

On August 2009 Bureau Veritas Certification performed interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of JPMorgan Ventures Energy Corporation and Bergama RES Enerji Üretim A.Ş. were interviewed (see References). The main topics of the interviews are summarized in Table 1.

**Table 1 Interview topics**

| Interviewed organization | Interview topics |
|---|---|
| Bergama RES Enerji Üretim A.Ş.( project owner) | ➢ Project design |
| JPMorgan Ventures Energy Corporation | ➢ Sustainable Development in the Region<br>➢ Baseline Calculations<br>➢ Sustainable Development<br>➢ Financial Analysis |
| LOCAL Stakeholder | ➢ Sustainable Development in the Region<br>➢ Local Stakeholder Consultation |

## 2.3 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the validation 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 Requests (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 Gold Standard requirements have not been met;
(c) There is a risk that emission reductions cannot be monitored or calculated.

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

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

## 2.4 Internal Technical Review

The validation report underwent a Internal Technical Review (ITR) before requesting registration of the project activity.

The ITR is an independent process performed to examine thoroughly that the process of validation has been carried out in conformance with the requirements of the validation scheme as well as internal Bureau Veritas Certification procedures.

The Lead Verifier provides a copy of the validation report to the reviewer, including any necessary validation documentation. The reviewer reviews the submitted documentation for conformance with the validation scheme. This will be a comprehensive review of all documentation generated during the validation process.

When performing an Internal Technical Review, the reviewer ensures that:

> The validation activity has been performed by the team by exercising utmost diligence and complete adherence to the GS rules and requirements.
>
> The review encompasses all aspects related to the project which includes project design, baseline, additionality, monitoring plans and emission reduction calculations, internal quality assurance systems of the project participant as well as the project activity, review of the stakeholder comments and responses, closure of CARs, CLs and FARs during the validation exercise, review of sample documents.

The reviewer compiles clarification questions for the Lead Verifier and Validation Team and discusses these matters with Lead Verifier.

After the agreement of the responses on the 'Clarification Request' from the Lead Verifier as well as the PP(s) the finalized validation report is accepted for further processing such as uploading on the UNFCCC webpage.

# 3 VALIDATION CONCLUSIONS

In the following sections, the conclusions of the validation 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 Validation Protocol in Appendix A.

The Clarification and Corrective Action Requests are stated, where applicable, in the following sections and are further documented in the Validation Protocol in Appendix A. The validation of the Project resulted in 15 Corrective Action Requests (CARs) and 77 Clarification Requests (CLs).

## 3.1 Project design document (57)

The validation team hereby confirms that the PDD complies with the latest forms of the guidance documents for completion of PDD.

## 3.2 Changes in the Project Activity

During the site visit following changes were observed in project as compared to details mentioned in webhosted PDD:

The PDD, Version 2.5 has the following major changes with respect to version 02.2 which was webhosted.

- The VER estimates have been revised.
- IRR and benchmark calculations have been revised in order to comply with the latest EB guidelines.

## 3.3 Project description (64)

The project is the installation of 36 wind turbines of 2.5 MW each in Aliağa, İzmir, Turkey. The total installed capacity of the project is 90.0 MW and the expected annual electricity generation is 249,900 MWh. The plant load factor determined by a third party contracted by the project participants hence it is concluded that the plant load factoe determination is in line with EB 48 Annex 11 - GUIDELINES FOR THE REPORTING AND VALIDATION OF PLANT LOAD FACTORSThe project activity displaces electricity generation from grid connected fossil fuel based power plants and contributes to clean energy generation. The project is estimated to reduce approximately 175,123 tonnes of $CO2_e$ /year which would otherwise have been released from the generation of equivalent amount of fossil fuel based electricity generation by National Grid of Turkey.

High speed, 3 blade wind turbines' towers will be 80 m high and 3m in diameter. The diameter of the blades is 90m. The electricity generated by the wind turbines will be transferred to switchgear through underground wiring and then will be passed to the interconnection with the national grid via 60 utility poles, each having 35m height, placed on the ground along 18 kms. The connection point will be Viking TM, 154 KV bara.

The DOE hereby confirms that the project description in PDD (version 2.3) is accurate and complete in all respects and that there are no changes to the project activity/design or boundary as compared to the webhosted PDD.

## 3.4 Baseline and monitoring methodology

### 3.4.1 General requirement (76-77)

The steps taken to assess the relevant information contained in the PDD against each applicability condition are described below.

The steps taken to assess the relevant information contained in the PDD against each applicability condition are described below.

Applicability condition (a): The Aliağa Wind Farm Project is a grid-connected renewable power generation project that generates electricity from wind power.

Applicability condition (b): The project does not involve switching from fossil fuels to renewable energy at the site of the project activity, neither is it a biomass fired power plant nor a hydro power plant that result in new reservoirs or in the increase in existing reservoirs where the power density of the power plant is less than 4 $W/m^2$.

Applicability condition (c): The geographic and system boundaries for the relevant electricity grid can be clearly identified and information on the characteristics of the grid is available.

The DOE hereby confirms that the selected baseline and monitoring methodology (ACM0002 “Consolidated baseline methodology for grid connected electricity generation from renewable sources” version 12) is previously approved by the CDM Executive Board, and is applicable to the project activity, which, complies with all the applicability conditions therein.

The DOE hereby confirms that, as a result of the implementation of the proposed GS project activity, the are no greenhouse gas emissions occurring within the proposed GS project activity boundary, which are expected to contribute more than 1% of the overall expected average annual emissions reductions, which are not addressed by the applied methodology

CL6 has been raised to clarify the list of equipments to be installed and the production license to justify the capacity of the project.

### 3.4.2 Project boundary (80)

The DOE validated the project boundary by:
The validation team validated the project boundary by:

a) The spatial extent of the project boundary is assessed through the description in the PDD and the grid structure in Turkey as known from the official data available from the Turkish Electricity Inc. Co The project activity boundary therefore includes the project activity HEPP and all power plants connected physically to the electricity grid of Turkey that the Gold Standard project power plant is connected to.

The consideration of only $CO_2$ gas for the baseline emissions is conservative and in line with the methodology and hence appropriate. The electricity imported by the project activity is accounted in the net electricity exported by the project activity, $EG_{facilityy}$. There are no other sources of project emissions. Hence, in line with the applied methodology, project participant has considered project emissions as zero for renewable energy projects. Further, it is also confirmed through the verification of purchase orders for the that the equipments of the Project Activity are new and the project does not involve any transfer of equipment from or to the project activity and thus there is no leakage accountable to the project activity.

The project design is sound and the geographical (Borough of İzmir, Turkey) and temporal (20 years) boundaries of the project activity are clearly defined. Project participant has taken a lifetime of 20 years for the proposed project.

b) Based on the above assessment, the DOE hereby confirms that the identified boundary and the selected sources and gases are justified for the project activity.

### 3.4.3 Baseline identification (87-88)

The steps taken to assess the requirement given in paragraph 81 and 82 of the VVM are described below:
Validation team assessed the baseline identification by the project participant using the provisions of the applied methodology. As per the applied methodology ACM0002, version 12 the baseline for a new grid connected renewable power plant /unit (Greenfield project) is defined as

‘Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the “Tool to calculate the emission factor for an electricity system”

It is noted that the selected baseline scenario is in line with the selected approved methodology. Validation team therefore confirms that the

selected baseline scenario reasonably represents what would happen in the absence of the project activity.

Based on the above assessment, the validation team hereby confirms that:
(a) All the assumptions and data used by the project participants are listed in the PDD, including their references and sources;
(b) All documentation used is relevant for establishing the baseline scenario and correctly quoted and interpreted in the PDD;
(c) Assumptions and data used in the identification of the baseline scenario are justified appropriately, supported by evidence and can be deemed reasonable;
(d) The approved baseline methodology has been correctly applied to identify the most reasonable baseline scenario and the identified baseline scenario reasonably represents what would occur in the absence of the proposed GS project activity.

### 3.4.4 Algorithms and/or formulae used to determine emission reductions (92-93)

The steps taken to assess the requirement outlined in paragraph 89 the VVM are described below:

The steps taken to assess the requirement outlined in paragraph 89 the VVM are described below:

As per ACM0002, version 12 the baseline for a new grid connected renewable power plant /unit (green-field project) is defined as

‘Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the “Tool to calculate the emission factor for an electricity system”

The project participant has calculated the baseline emissions by multiplication of the net electricity supplied by the project activity to the grid and the grid emission factor. The detailed algorithms are transparently described under sections B.2 and Section E of the revised PDD

As required under ACM0002, equation 6, the baseline emissions are calculated by the algorithm
$BEy = EG_{facility,y} * EF_{grid,CM,y}$ where,

BEy = baseline emissions

$EG_{facility,y}$ = quantity of net electricity supplied to the grid by the project activity
$EF_{grid,CM,y}$ = combined margin CO2 emission factor of the grid

The algorithm to calculate the emission reductions from the project activity are described as;
ERy = BEy – PEy where,
ERy = emission reductions from the project activity
PEy = project emissions from the project activity

As described in ACM0002, the leakage emissions are not to be considered. Hence leakage emissions are considered as zero.

Validation team assessed the calculations of estimated VERs as provided by project participant in a spreadsheet.

Project participant has used the official published data on operating and build margin emission factors this data is based on Version 2 of the 'Tool to calculate the emission factor for an electricity system'. The project participant has applied weight factors for the OM and BM [75% & 25% respectively] as specified in the tool to arrive at the emission factor for the combined margin. The years considered for OM are 2005-06, 2006-2007 and 2007-08 and for the BM it is 2004-08. Accordingly, the combined margin emission factor is 0,59384 $tCO_2$ eq /MWh.

Validation team agrees to this emission factor since it is in line with Tool to calculate emission factor Tool to calculate the emission factor for an electricity system.

The crediting period has been selected as Renewable crediting period of 7 years, renewable twice. The estimated annual average of emission reductions is approximately 175,123 t $CO_2$ eq /year and 1,225,861 $tCO_{2\ eq}$ for the first crediting period.

Based on the above assessment, the validation team hereby confirms that:
(a) All assumptions and data used by the project participants are listed in the PDD, including their references and sources;
(b) All documentation used by project participants as the basis for assumptions and source of data is correctly quoted and interpreted in the PDD;
(c) All values used in the PDD are considered reasonable in the context of the proposed GS project activity;
(d) The baseline methodology has been applied correctly to calculate project emissions, baseline emissions and emission reductions;

(e) All estimates of the baseline emissions can be replicated using the data and parameter values provided in the PDD

CAR 4 has been raised since the Turkey Environmental Map values have been referred for thermal efficiency. The PP has corrected the thermal efficiency values by replacing then with the IPCC 2006 values since the DNA & the Turkish government has not announced the efficiency of the thermal power plants.

CAR 5 and CAR 6 have been raised since the formulae for calculating OM and BM have not been applied appropriately. The PP has applied weighted average principle according to the formulae. The correction has been agreed and the corrective action has been closed.

## 3.5 Additionality of a project activity (97)

The steps taken and sources of information used, to cross-check the information contained in the PDD on this matter are described below:

Tool for the demonstration and assessment of additionality Version 05.2 has been used to demonstrate additionality. Under demonstration of additionality first of all alternative projects have been identified and consistency with mandatory laws and regulations have been demonstrated. The Investment Analysis and Common Practice Analysis have been done for the project activity. The input values have been confirmed through the feasibility of the project activity and other sectoral data's has been confirmed by the financial specialist through the sectoral knowledge. Common Practice analysis data's has been checked from TEIAS Statistics.

### 3.5.1 Prior consideration of the clean development mechanism- Gold Standard Project (104)

The DOE validated the project activity start date provided in the PDD by the construction start which is July 2009.

The evidences for prior consideration of the GS that were assessed are listed below:

a) The board decision for considering the carbon revenue is dated 01.06.2008
b) The formal letter to the investment bank dated 20.06.2009 which indicates the carbon revenues

Based on the above assessment, the DOE hereby confirms that the proposed Gold Standard project has been seriously considered prior to t the beginning of the project.

### 3.5.1.1 Historical information on project timeline

The historical in formation on project time line is given below

| The significant dates | Date |
|---|---|
| Investment decision Date | 02/06/08 |
| Licence Date: | 17/07/08 |
| Signing of ERPA | 08/10/08 |
| LSC Meeting | 07/11/08 |
| Last Modification to licence | 07/04/09 |
| Turbine Supply and Installation Agreement | 08/05/09 |
| DOE Agreement | 20/05/09 |
| Construction/ Recruitment Start Date | 17/07/09 |
| DOE Site Visit | 25/08/09 |
| LSC Report Uploaded to APX/GS Registry | 03/09/09 |
| LSC Feedback report uploaded | 15/10/09 |
| Partial Commissioning Date | 09/04/10 |
| Full Commissioning Date | 16/06/10 |

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## 3.5.2 Identification of alternatives (107)

The DOE considers the listed alternatives to be credible and complete.

## 3.5.3 Investment analysis (114)

The assessment and demonstration of additionality of the project is done by using UNFCCC Methodological Tool “Tool for the Demonstration and Assessment of Additionality”, Version 05.2. In applying this tool under Step 2 investment analysis is applied.

Under sub-step 2a, Benchmark Analysis (Option III) is chosen and the other options are eliminated because, the proposed Project generates financial and economic benefits through the sales of electricity other than Voluntary Emissions Reduction (VERs) related income. Therefore the simple cost analysis (Option I) cannot be taken. Investment comparison analysis (Option II) is only applicable to projects where alternatives should be similar investment projects.

Under sub-step 2b, IRR is selected as a financial indicator. The selected benchmark is assessed to be applicable to the type of IRR calculated as per the guidelines given in ‘The tool for the demonstration and assessment of additionality’.

The financial parameters of the project has been presented below which are all validated from the generation license, renewable energy regulation, bank letters, purchase agreements and offers.

| Item | Figure | Evidence | Source Document |
|---|---|---|---|
| Investment decision date | 02.06.2008 | PDD Document | (28)EvidenceOfSFRStart DateAndReceipts |
| Eurobond rate Maturing in 2019 | 7,15% | http://www.ziraat.com.tr/tr/bankamiz/faiz-ve-ucretler/aspx/eurobond.aspx | (A)T.C.EurobondRates |
| Beta | 1 | Since, there are not many companies operating in energy sector listed in Stock Exchange Beta of 1 can be accepted. | |
| Equity risk premium | 8,41% | Calculated by the formula of : US Equity prem x Volatility of Turkish Market / Volatility of US Market | |
| Vol of US Market | 22% | 100 days volatility of S&P500 Index | (26)Volatility June 2008 |
| Vol of Turkish Market | 37,% | 100 days volatility of ISE100 Index | (26)Volatility June 2008 |
| Debt to Equity ratio | 82,77% | Calculated in IRR analysis document | Aliaga Financials PDD Version 2.2(10yearsDep) |
| Debt rate | 9,24% | Calculated in IRR analysis document Euribor (4.34%) + Spread (3.5%) | Commercial Loan |
| WACC | 10,68 % | WACC=(Wd.Cd) +( We.Ce) WACC = (22.8 * 15.56) + (77.2 * 9.24) | Calculated in IRR analysis document |
| YTL : EUR Rate | 1,91 | http://www.tcmb.gov.tr/kurlar/200806/02062008.html In investment decision date | |
| Depreciation period | 10 Years | www.alomaliye.com.tr Highest portion of the invetment is Turbine costs which has a depreciation period of 10 years. | |
| VAT Rate | 18% | www.alomaliye.com.tr | |
| Income Tax Rate | 20% | www.alomaliye.com.tr | |
| *Expected Electricity Generation* | *249,900 MW per annum* | DEWI Micrositing Report 0719302A | |
| *Emission Reduction(ER* | *175,123 $tCO_2e$ per annum.* | Baseline emission reduction claculations | |

| | | | |
|---|---|---|---|
| *)* | | | |
| *Total Investment* | *120,543,991 Euro* | * Nordex Supply and Installation Agreement - 2008-Mazı project<br>*Transmission Line Agreement-Karpa Construction<br>*Proposal for Construction and Engineering Works –Gungor Electricity<br>*Proposal for construction and engineering works – Yapısan Insaat -03.03.2009<br>*Transformer contract-15.05.2009<br>* | |
| *Loan* | *93,010,272 Euro* | Proposals for loan from Yapı Kredi Bank and Commezbank | |
| *Loan Period* | *12 years* | Proposals for loan from Yapı Kredi Bank and Commezbank | |
| *Electricity Sales Price* | *0.055 Euro* | Renewable Energy Law | |

Under sub-step 2c, the IRR is calculated. Project proponents have also submitted an excel sheet showing the details of the calculations. The IRR of the project activity is around 8.21% without the VER revenues.

Under Sub-step 2d, sensitivity analysis is applied to the following items:

- Operating Cost
- Electricity Price
- Amount of Electricity Generation

For a decrease of 5% and 10% and for an increase of 5% and 10% the results of the sensitivity analysis are presented below:

| | **-10%** | **-5%** | **5%** | **10%** | **Exceed Benchmark?** |
|---|---|---|---|---|---|
| **Operating Cost** | 8.47% | 8.34% | 8.07% | 7.93% | **No** |
| **Electricity Price** | 6.37% | 7.30% | 9.08% | 9.94% | **No** |
| **Generation** | 6.37% | 7.30% | 9.08% | 9.94% | **No** |
| **Construction Cost** | 9.71% | 8.93% | 7.54% | 6.92% | **No** |

The above sensitivity analysis shows the change in IRRs by fluctuations in operating, electricity sales revenue and the amount in electricity generation with constant VER revenue. To exceed the benchmark, the generation or electricity price must increase by about 14.0% over the life of the project, or the investment cost must be reduced by

about 12.0%. As the Renewable energy law only guaranties a minimum price of EUR0.055 per kWh, the former is unlikely.

The DOE, based on the assessment result by the financial expert engaged, hereby confirms that the underlying assumptions are appropriate and the financial calculations are correct.

CL 35 has been raised to clarify the benchmark. It was clarified that the benchmark is calculated by WACC which is in line with the Additionality tool. CL 45 has been raised for the justification of investment.

The DOE, based on the assessment result by the financial expert engaged, hereby confirms that the underlying assumptions are appropriate and the financial calculations are correct.

### 3.5.4 Barrier analysis (118)

Barrier analysis is not used.

### 3.5.5 Common practice analysis (121)

The geographical scope has been defined as the National Gird of Turkey. Since the grid in Turkey is not layered, the approach for the geographical scope has been validated by validation team.

The wind power plants that are in operation at the time of the investment decision date have been implemented as BOT or all benefit from GS/ VCS benefits.

The validation team has accesses the web site of EMRA and reviewed the operating licenses of WPPP.

The DOE hereby confirms that the proposed GS project activity is not common practice.

## 3.6 Monitoring plan (124)

The Project activity uses the approved consolidated monitoring methodology ACM 0002 Version 12

The steps taken to assess whether the monitoring arrangements described in the monitoring plan are feasible within the project design are described below.

Validation team considers the monitoring plan to be complying with the requirements of the methodology for the following reasons –

1. According to the methodology, there is only one variable that a WEPP needs to monitor, i.e., Net Electricity Generation the net electricity supplied to the grid by the proposed Project Activity
2. EFgrid,CM,y, the emission factor is fixed ex-ante . This is in line with the EF tool as required by the methodology.
3. Project participant has provided provision for monitoring these parameters and for electronic archiving of the monitored data.
4. Project participant has provided for archiving the data for 2 years. The monitoring plan includes requirements for calibration of the energy meters, used for monitoring the project activity variable, EGPJ,y, annually. The calibration will be carried out annually. The calibration is conducted by the State Electricity Authority. The metering equipment will be properly calibrated and checked periodically for accuracy, to ensure that any error resulting from such equipment shall not exceed +0.2% of full-scale rating. Rules for meter accuracy are laid down in the TEIAS connection agreement. In addition to the main meter a redundant meter of the same type will be installed to exclude the possibility of data loss. The measuring device's specifications will be in accordance with the measurement communiqué of Turkey (Turkish Standards and International Electro technical Commission standards

The validation team hereby confirms that the monitoring plan described in the revised PDD complies with the requirements of the methodology and Gold Standard Validation.

The steps taken to assess whether the monitoring arrangements described in the monitoring plan are feasible within the project design are described below.

1. Project participant has provided for archiving the data for 2 years. The monitoring plan includes requirements for calibration of the energy meters, used for monitoring the project activity variable, $EG_{PJ,y}$, annually. The calibration will be carried out annually. The calibration is conducted by the State Electricity Authority. The metering equipment will be properly calibrated and checked periodically for accuracy, to ensure that any error resulting from such equipment shall not exceed +0.2% of full-scale rating. Rules for meter accuracy are laid down in the TEIAS connection agreement. In addition to the main meter a redundant meter of the same type will be installed to exclude the possibility of data loss. The measuring device's specifications will be in accordance with the

measurement communiqué of Turkey (Turkish Standards and International Electro technical Commission standards

The DOE hereby confirms that the project participants are able to implement the monitoring plan.

CL 25 has been raised since the proposed parameters such as Fdy is not applicable to the project. The parameter has been removed from the monitoring plan and the clarification has been closed.

## 3.7 Sustainable development (127)

The sustainable development assessment and do no harm assessment has been realised according to GS version 2.1.

There is no negative scoring for the parameters as validated by the validation team. In addition it has been concluded that the project contributes positively to two of the three categories and neutral to the third category and all non-neutral indicators are planned to be monitored in the monitoring plan. The sustainability monitoring plan is given as below:

| | | |
|---|---|---|
| No | | 1 |
| Indicator | | Air Quality |
| Mitigation measure | | Suppression of dust during construction |
| | | |
| Chosen parameter | | Indications of dust during construction |
| Current situation of parameter | | - |
| Future target for parameter | | |
| Way of monitoring | How | Visual inspection and communication with local residents |
| | When | During construction |
| | By who | Project Owner |

| | | |
|---|---|---|
| No | | 2 |
| Indicator | | Soil Condition |
| Mitigation measure | | Planting of trees to remediate and soil movements as a result of the construction of the project |
| | | |
| Chosen parameter | | Trees planted |
| Current situation of parameter | | - |
| Future target for parameter | | - |
| Way of monitoring | How | Count number of trees planted and photograph any required remediation |
| | When | In period after completion of construction |
| | By who | Project developer |

| | | |
|---|---|---|
| No | | 3 |
| Indicator | | Noise |
| Mitigation measure | | |
| | | |
| Chosen parameter | | Report by independent third party on noise levels from the Project |
| Current situation of parameter | | - |
| Future target for parameter | | - |
| Way of monitoring | How | Third party measurement and reporting |
| | When | Once off when all turbines operational |
| | By who | Project developer to organise the report |

| | | |
|---|---|---|
| No | | 4 |
| Indicator | | Quality of Employment |
| Mitigation measure | | |
| | | |
| Chosen parameter | | That the project complies with Ministry of Labour and Social Security (No: 25426) on occupational safety and health services |
| Current situation of parameter | | - |
| Future target for parameter | | - |
| Way of monitoring | How | Developer to write a short report on the key aspects of the law and how it complies |
| | When | Annually |
| | By who | Project developer |

| | | |
|---|---|---|
| No | | 5 |
| Indicator | | Livelihood of the Poor |
| Mitigation measure | | |
| | | |
| Chosen parameter | | Making various contributions to the poorest people in the vicinity of the project area |
| Current situation of parameter | | - |
| Future target for parameter | | - |
| Way of monitoring | How | Developer to write a short report regarding the contributions made to the poor people |
| | When | Annually |
| | By who | Project Owner |

In addition to the monitoring plan stated above, to minimize the effect on biodiversity The tips of the blades are painted a bright red colour to improve their visibility, in contracts to the base colour of the blade, which is white.
It is also planned that Regular patrols of the site are made by the company's security guards on each shift. The guards are instructed to look out for any dead birds (and bats) that may have been struck by the turbines. If such birds (or bats) are found, these

are photographed and recorded in a book that is kept at the site office.If no birds (or bats) are found on a shift, that will also be recorded.

The above sustaniblity monitoring plan has been reviewed and it has been concluded that the monitoring plan is line with the GS version 2.1. requirements.

## 3.8 Local stakeholder consultation (130)

The steps taken to assess the adequacy of the local stakeholder consultation are described below.

The Stakeholder Consultation Meeting for Aliağa Wind Farm was held on 07 November 2008 in İsmailli Village. The meeting date and place was announced in a local (in the 43rd issue of Bakırçay Local Newspaper, published on 29/10/2008) and a nationwide newspaper (Posta, published on 5th of November all over Turkey).

The list of participants, copy of the public notice inviting participation of interested local stakeholders, and minutes of the stakeholder meeting proceedings, including photographs maintained by the project participants were reviewed by the validation team. The stakeholders viewed this project as contributing to local environmental benefits and socio-economy. Overall, there was agreement that the project activity was a beneficial project from the local sustainable development.

The questions asked by the participants and answers are as follows:

Q1: Is there any radiation caused by the project, such as base stations erected for wireless communication?

No, the project does not cause any electromagnetic radiation like a base station erected for wireless communication.

Q2: Our water supply is provided by two water pump and the electricity bills are high for us to pay. The water line feeds 5 neighbouring villages as well. Is there any possibility that the wind turbines could feed that water pump? (The monthly electricity consumption for the pumps are around 5220 kWh and 4850 kWh)

According to the present laws and regulations, generated electricity should be connected to the national grid and distributed through that grid. The possibility of electricity supply for the pumps will be evaluated by the project owner and other available alternatives to the water supply problem of villages will be investigated.

Q3: What is the vegetation cover in the area?

The project area is covered by maquis , a short local tree found abundantly in the area. A number of trees will be cut for the clearance of the site but will be remedied in coordination with local Forestry Management.

During the validation site visit, the validation team also interviewed few of the local stakeholders for their views about the project activity. The villagers confirmed that the stakeholder consultation meeting was held in İsmailli Village. The villagers expressed satisfaction over the windmill project activity in the region and confirmed that the project activity gives employment opportunity to the local public and thus contributes to the economical growth of the region.

The validation team hereby confirms that the process of local stakeholder consultation is observed to be adequate.

The DOE hereby confirms that the process of local stakeholder consultation is observed to be adequate.

Clarification 55 has been issued to review the stakeholder's evaluation forms. Stakeholder's evaluations forms have been reviewed by and the few of the participants have been interviewed on site.

Clarification 56 has been issued to clarify how different genders have been invited to the stakeholder consultation process. Although invited, women have not attended to the meeting. It has been stated that another meeting will also be held at the site. This issue has also been identified as FAR.

### 3.9 Environmental impacts (133)

The project participants have undertaken an analysis of environmental impacts and obtained an EIA-exemption letter from Ministry of Environment and Forest.

## 4 COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

The PDD using methodology ACM0002 Version 10 was webhosted on the website of JP Morgan for global stakeholder's comments. The project was webhosted from 02.12.2010 - 02.02.2011.

No comments were received.

## 5 VALIDATION OPINION

Bureau Veritas Certification has performed a validation of the Aliaga WPP Project in Aliaga, Izmir, Turkey. The validation 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 validation 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 validation report and opinion.

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

By wind power plant, the project is likely to result in reductions of GHG emissions partially. An analysis of the investment 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 2.5 ) 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 CDM Methodology and the relevant country criteria. Bureau Veritas Certification thus requests registration of “Aliaga Wind Power Plant” as GS project activity.

# 6 REFERENCES

**Category 1 Documents:**
Documents provided by Type the name of the company that relate directly to the GHG components of the project.

/1/ Project Design Document v1 dd.04.01.2010
/2/ Project Design Document v2 dd.28.10.2010
/3/ Project Design Document v2.5 dd.17.11.2011
/4/ Financial Analysis Excel Sheet version 2.5.
/5/ CM Calculation Excel Sheet
/6/ GS Passport
/7/ LSC Report

**Category 2 Documents:**
Background documents related to the design and/or methodologies employed in the design or other reference documents.

/1/ Feasibility Report dd. July 2007
/2/ Loan Agreement 19.02.2009
/3/ Generation License dd. 07.02.2008

/4/ Water Usage Agreement 02.11.2007
/5/ Nordex N90 Catalog
/6/ Underground Connection Agreement
/7/ Subcontractor Agreement with Gungor Electric dd. 15.05.2009
/8/ Social Security Records
/9/ Supply and installation agreement with Nordex GMHB dd. 04.03.2008
/10/ Board Decision Letter for Prior Consideration dd. 02.06.2008
/11/ Bank Letter dd. 26.06.2009
/12/ EIA Exception Letter dd. 29.01.2007
/13/ Aliaga Devi GMBH Micrositing Report
/14/ Underground Water Investigation Report
/15/ Forestry Protocol dd.10.08.2009
/16/ ABB Transformer Contract dd.15.05.2009
/17/ TurkStat, The results of Structure of Earnings Survey
/18/ Yapısan Insaat Construction Proposal dd.12.05.2008
/19/ Transmission Line Contract with Karpa

**Persons interviewed:**

/1/ Aslı Sezer Özcelik- JP Morgan Ventures Energy Corporation
/2/ Yusuf Önder –Villager
/3/ Selim Akdeniz –Villager
/4/ Ahmet Güen Temir –Villager

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# 7 CURRICULA VITAE OF THE DOE'S VALIDATION TEAM MEMBERS

**Dr. Ashok Mammen – PhD Oils and Lubricants**
Bureau Veritas Certification - Internal Technical Reviewer
Over 20 years of experience in chemical and petrochemical field. Dr. Mammen is a lead auditor for environment, safety and quality management systems. He is also a lead verifier and tutor for GHG projects and has been involved in the validation and verification processes of more than 100 CDM/JI/VCS and other GHG projects.

**Ms. Bade Cebeci - Environmental Engineer**
Bureau Veritas Certification SAS– Lead Verifier
Bade Cebeci has over 10 years experience in environmental sicences and auditing. She is an auditor in EMS&QMS&OHS. She is a verifier for GHG Emission Reduction Projects

**Mrs. Burcu Mutman – Environmental Engineer**

Bureau Veritas Certification SAS– Verifier

Burcu Mutman is an auditor for environment, safety and quality management systems. She is involved in many validation and verification processes for CDM, GS and VCS projects.

**Baseline Specialist : Mrs. Yildiz Arikan -( Assoc. Professor Dr)**

Sabancı University, Faculty of Management, Orhanlı, Tuzla, 34956, Istanbul, Turkey.

Yıldız Arıkan is an Electrical engineer and is working at Sabancı University . She has supported thesis related with energy. Also she has been conducting research studies on energy including ''$CO_2$ Emission Research'' Studies. Academically, Yıldiz Arıkan is working also on GHG project since 2005

**Investment Specialist: Mr. Murat Gençer – Master of Economics**

RiskTürk Software Development and Consultancy – Head of Financial Analysis Team

Murat Gençer, consultant and a trainer, has over 11 years of experience in FMCG, software development and banking sectors. He is specialised in project finance, financial modelling, risk management and MS Excel applications.

**Mr. Haluk Cengiz – Business Administration**

Bureau Veritas Certification – Financial Controller

Haluk Cengiz is a financial controller of Bureau Veritas Turkey since 1999. He has been graduated from Marmara University, Business Administration.

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# APPENDIX A: COMPANY GS PROJECT VALIDATION PROTOCOL

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| ***1. Project desing document*** | | | | | |
| a. Is the PDD used as a basis for validation prepared in accordance with the latest template and guidance from the CDM Executive Board available on the UNFCCC CDM website? | VVM | 55 | CDM-PDD Version 03 has been used as a template. | **OK** | **OK** |
| b. Is the PDD in accordance with the applicable CDM requirements for completing the PDD? | VVM | 56 | The PDD is accordance with the applicable CDM requirements for completing the PDD. | **OK** | **OK** |
| c. In CDM-PDD section A.1 are the following provided? | EB 41 | Ann 12 | **Will be concluded after i-ii have been closed.** | **Will be concluded after i-ii have been closed.** | **OK** |
| i. Title of project | EB 41 | Ann 12 | Title of the project is: Aliağa Wind Farm | **OK** | **OK** |
| ii. Current version number and date of document | EB 41 | Ann 12 | The current version number of the Document is: Version 1.1.<br>The date of the completion date of the document is: 16 August 2009. | **OK** | **OK** |
| d. CDM-PDD section A.2 are following provided (max. one page)? | EB 41 | Ann 12 | Section A.2. in PDD ver 1.1. is not more than one page as requested in Annex 12 of EB 41.. | **OK** | **OK** |
| i. A brief description ot the project activity covering purpose which includes the scenario existing prior to the start or project, present scenario and baseline scenario | EB 41 | Ann 12 | The brief description of the project given in section A.2. of the PDD does not include the scenario existing prior to the start of the implementation of the project activity. | **CAR1** | **OK** |
| | | | The project scenario has been defined as the following by the PP in section A.2. of the PDD version 1.1;<br>*''Bergama RES Enerji Üretim A.Ş. plans to build 36 wind turbines, each having a capacity of 2.5 MW in Aliağa Borough of İzmir. The project aims to supply a portion of the country's electricity demand as well as to contribute to Turkish economy. The total installed* | **CL1** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | *power will be 90 MW and the annual electricity generation is calculated as 275,782 MWh. The project will be accomplished in 32 months and the project life is expected to be 49 years. The 3-blade turbines will be imported from Europe for the project. Towers, wiring, transformers and electro-mechanical equipment will preferably be purchased from local producers. The electricity generated by the wind turbines will be transferred to the switchgear through underground wiring and will be passed to the interconnection with the national grid via 60 utility poles, each 35m high, placed on the ground along 18 kms*.''<br><br>Along with the above paragraph; means of validation is given below:<br>*1.* Please supply the electricity generation licence as an annex to the PDD (to be uploaded to the GS registry ) for validation of number of turbines and installed capacity of the project. ( 36 turbines; each 2.5 MW, 90 MW installed capacity is given by the PP in the PDD). *( CL requested)*<br>2. Please supply purchase agreement for validation of capacity of each turbine ( 2.5 MW is given by the PP in the PDD) (*CL requested)*<br>3. Please supply relevant data for the electricity generation calculation. (275,782 MWh is given by the PP in the PDD) ((*CL requested)* .<br>4. In section A.2 of the PDD v.01; it has been stated that the project will be accomplished in 32 moths. However, the construction starts in July 2009 and ends in October 2009 according to the project schedule submitted to the DOE. In addition; the period between the investment decision date and | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | the commissioning date has been defined as two years in "cash flow sheet" of the spread sheet named "Aliaga_Financials_v7_01.07.2009sens-xls". Please clarify the investment decision date, start date of the construction, expected commissioning date with relevant proofs. Please revise the relevant sections of the PDD and the calculations if needed *( CL requested).*<br>5. The generation licence has been given for 49 years by the EİAŞ. It is agreed that the license is valid for 49 years *( OK).*<br>6. The technical life time of the project is mostly dependant on the life time of the turbines. Please supply relevant data (Publicly available benchmarks, publicly available reports of specialists, catalogue of the turbines etc) to validate the technical life of time of the turbines *( CL).*<br>7. Please justify characteristics of the the transmission line (underground wiring to be passed to the interconnection with the national grid via 60 utility poles, each 35m high, placed on the ground along 18 kms is given in the PDD) *( CL)* .<br>8. Please clarify the connection point to the grid *( CL).* | | |
| | | | The brief description of the project given in section A.2. of the PDD ver 1.1. does not include the baseline scenario ( in case the baseline scenario is the same as the scenario existing prior to the prior to the start of the project activity, please state that both are the same ) | **CAR2** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| ii. Explanation on how the GHG emission reductions are effected | | | The way that the proposed project activity will reduce GHG emissions has been defined by the PP as the following in section A.2. of the PDD ver 1.1. as the following:<br>'*Considering that the majority of the installed capacity for electricity generation is in form of fossil fuel power plants in the country; the project will contribute to clean energy generation. The project is estimated to reduce approximately 174,018 tonnes of $CO_2e$ per annum which would have been released from the generation of same amount of electricity by grid-connected power plants. Turkey, being in a region with continuous and powerful wind resources, has great potential to utilise the renewable wind resources for electricity generation*.'<br><br>Means of validation about the above statement is given below:<br>1. The statement that "the majority of the installed capacity of electricity generation is in form of fossil fuel power plants in the country" has been checked from EUAS 2008 report by the DOE from the official internet site of EUAS –Electricity Generation Co. Inc ( www.euas.gov.tr).Hence the statement has been accepted.( *OK)*<br>2. Please give reference to the statement in Section A.2. of the PDD ver 1.1. that; "Turkey is a region having great potential to utilize the renewable wind resources for electricity generation" (*CL requested).*<br>3. It has been stated in section A.2. of the PDD ver 1.1 that; only 1% of Turkey's wind power potential is currently utilised and there are underlined obstacles due to present laws and regulations. | **CL2** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | Please give clear references for the statement (*CL requested).*<br>4. Please reassess the amount of $CO_2$ emission reduction based on the CLS CARs raised on the emission reduction calculation in this protocol (*CL requested).* | | |
| iii. The PP's views on the contribution of project activity to sustainable development | EB 41 | Ann 12 | The view of the project participants on the contribution of the project activity has been presented in section A.2. of the PDD rev 01 in relation with the Millennium Development Goal – No:9 of Turkey as the following:<br>"*The project will utilise local resources for electricity production. This will stimulate the economic development as wind power, being an infinite and natural resource, is more ecologically and financially sustainable than other choices.*<br>*From a local perspective, the project will provide job opportunities for local people and create household income for them. Associated works such as wiring will be done by local companies and this will increase their technological capacity in renewable energy projects and will stimulate the local economy as well*.''<br>Means of validation has been given below:<br>*1.* Since the proposed project is an energy production project from renewable sources and that the project results in no GHG emissions; it is also agreed by the DOE that the project will contribute to sustainable development *( OK).*<br>2. It has been stated in section A.2. of the PDD that | **CL3** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | "..procurement of wiring will stimulate the technological capacity in renewable energy sector". Please clarify how the technology used in project ( especially for wiring) differs from the common practice in the region/ country (*CL requested).*<br>3. It has been agreed that local purchasing of the wiring service will create house hold income. Please supply purchase agreement etc. to the DOE to prove that that the wiring will be done by local firms(*CL requested).*<br>4. It has been stated that the local workforce will be employed. Please clarify the number of persons to be employed and job descriptions of the potential local recruitments (*CL requested).*. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| e. In CDM-PDD section A.3 are following provided in the tabular format? | EB 41 | Ann 12 | Section A.3. has been provided in the tabular format. | **Conclusion will ve made after i-iii has been closed** | |
| i. List of project participants and parties | EB 41 | Ann 12 | Means of validation on listing of project participants are given below:<br>1. Bergama RES Enerji Üretim A.Ş., JPMorgan Ventures Energy Corporation are the parties involved in the project. (OK)<br>2. The parties involved are listed in the A.3. of the PDD using the tabular format. ( OK)<br>3. The contact information has been provided in Annex 1 of the PDD. (OK)<br>4. Please clarify in the tabular format if Bergama RES Enerji Üretim A.Ş. and JPMorgan Ventures Energy Corporation private or public entities. ( CL) | **CL4** | **OK** |
| ii. Identification of Host Party | | | Host country is Republic of Turkey and she does not have a quantitative reduction target under the Kyoto Protocol. | **OK** | **OK** |
| iii. Indication whethre the Party wishes to be considered as project participant | EB 41 | Ann 12 | N/A | **OK** | **OK** |
| f. In CDM-PDD section A.4.1 are following provided? | EB 41 | Ann 12 | Please see comments on 3.f.i-iii | **OK** | **OK** |
| i. Technical description, location, host party(ies) and address as required | EB 41 | Ann 12 | Technical description, location, host party(ies) and address have been given in section A.4.1. of the PDD ver | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | 1.1. means of validation during the site tour have been given below:<br>1. The project will be in Aliağa, İzmir, Turkey<br>2. Host country is Republic of Turkey and she does not have a quantitative reduction target under the Kyoto Protocol. Therefore the project is eligible for the VER application.<br>3. The project will be located in Aegean region, Province of İzmir and in Aliağa Borough | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| ii. Detailed physical location with unique identification of the project activity (eg. Longitude/latitude) – not to exceed one page | EB 41 | Ann 12 | Detailed physical location with unique identification of the project activity has been given section A.4.1. of the PDD ver 1.1. . Means of validation have been given below:<br>1. The turbines will be located on top of the four hills namely Danişment, Dutluyayla, Halayık and Sıyırdım. The residential areas nearby are İsmailli, Yüksekköy and Atçılar. İsmailli Village is 500 m away from Turbine1.; Atçılar Village is 500m away from Turbine19 and Turbine28 and Yüksekköy is 2,500m from Turbine10. The name of the hills and the name of the villages have been checked during the site visit and from the Google map internet site by the DOE.<br>2. The coordinates of the turbines have been given in the PDD A.4.1. rev 1.1. The coordinates given in the PDD have been checked by the DOE via GPS during site visit. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| g. In CDM-PDD section A.4.2 is the list of categories of project activities provided? | EB 41 | Ann 12 | The project category is identified as Sectoral Scope 1: Energy industries in section A.4.1. of the PDD rev 1.1. (renewable /non-renewable sources) | **OK** | **OK** |
| h. In CDM-PDD section A.4.3 are following provided? | EB 41 | Ann 12 | | **Will be concluded after h.i-iii have been concluded** | **OK** |
| i. A description of how environmentally safe and sound technology, and know-how, is transferred to the Host Party(ies) | EB 41 | Ann 12 | A description of how environmentally safe and sound technology, and know-how, is transferred to the Host Party(ies) have been given in section A.4.3. of PDD ver 1.1. means of validation have been given below:<br>1. In section A.4.2. of the PDD version 1.1., it is stated that the wind power projects are environmentally safe in comparision with the fossil fuel fuel fired plants ( OK)<br>2. In section A.4.2. of the PDD version 1.1., it has been stated that the turbine blades have the ability to change angles according to wind direction. It has been agreed by the DOE that ability of changing the angles to the wind direction will increase the generation efficiency. Please supply the catalogue for the validation of the technical specifications.( CL ) | **CL5** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | 3. In the PDD, it has been stated that high speed, 3 blade wind turbines will be used for the project. It is also concluded that those turbines are lighter and cheaper than low speed turbines, operating with a low torque and a low rate of rotation. Please supply a document/ reference that the turbines are lighter and cheaper in comparision with the smilar capacity turbines. ( CL) | | |
| ii. Explanation of purpose of project activity with scenario existing prior to the start of project, scope or present activities and the baseline scenario | EB 41 | Ann 12 | Please see Table 1 -1.d. | **Please see Table 1 -1.d.** | **OK** |
| iii. List and arrangement of the main manufacturing/production technologies, systems and equipments involved | EB 41 | Ann 12 | List and arrangement of the main manufacturing/ production technologies, systems and equipments involved have been given in section A.4 of the PDD ver 1.1. Means of validation (in addition to those given in Table 1.1.d ( of this protocol) have been given below:<br>1. The project comprises 36 wind turbines, each having 2.5MW capacity. Please supply purchase agreement for validation of the capacity of each turbine ( 2.5 MW is given by the PP in the PDD*)( CL requested in Table 1.1.d above)*<br>2. Please supply the electricity generation license for validation of installed capacity of the project. ( 90 MW is given by the PP in the PDD) *)( CL requested in Table 1.1.d above)*<br>3. Please supply the DOE the catalogue of the turbine to validate the rotor diameter and the height of the tower ( It is indicated that The towers will be 80 m high and 3m in diameter, built on a foundation with dimensions 20mx20mx3m. The diameter of the blades is 90m.) Please give | **CL6** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | present the avarege lifetime of equipments, load factors and efficiency for the turbines in the PDD. Please justify the data that will be presented.<br>4. Please include a list of equipments (including the monitoring equipments) that will be installed. | | |
| iv. The emissions sources and GHGs involved | EB 41 | Ann 12 | Since the project is the installation of a new wind power plant; there is no GHG emissions form the project. | **OK** | **OK** |
| i. In CDM-PDD section A.4.4 is the estimation of emission reductions provided as requested in a tabular format? | EB 41 | Ann 12 | 1. Estimation of emission reductions is provided as requested in a tabular format<br>2. The chosen crediting period is seven years and it is indicated in section A.4.4 of the PDD version 1.1.<br>3. The total amount of emission reduction is given as 1,218,126 $tCO_2$ over the crediting period of seven years in section A.4.4 of the PDD version 1.1.<br>4. Yearly CO2 reduction is given as : 174,018 t. in section A.4.4 of the PDD version 1.1. The final validation opinion of this section will be presented after the emission reductions have been validated ( PDD section B.6.3.) | **final validation opinion of this section will be presented after the emission reductions have been validated** | **OK** |
| j. In CDM-PDD section A.4.5 is Information regarding Public funding provided? | EB 41 | Ann 12 | There is no public funding provided for this project. | **OK** | **OK** |
| k. In CDM-PDD section B.1 are following provided? | EB 41 | Ann 12 | | **Will be concluded after i-iii have been concluded** | |
| i. The approved methodology and version | EB 41 | Ann | Approved consolidated baseline and monitoring | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| number | | 12 | methodology selected is; ACM0002 (Version 10) for grid connected electricity generation from renewable sources (http://cdm.unfccc.int/methodologies/PAmethodologies/tools) | | |
| ii. Any methodologies or tools which the above approved methodology draws upon and their version noumber | EB 41 | Ann 12 | The tools that the methodology is used in conjuction with are given in section B.1. of the PDD version 1.1. The methodology is used in conjunction with the following tools;<br>▪ Tool for the Demonstration and Assessment of Additionality; Version 5.2.<br>▪ Tool to calculate the emission factor for an electricity system; Version 01.1.<br>▪ Tool to calculate project or leakage CO2 emissions from fossil fuel combustion; Version 02.<br>▪ Combined tool to identify the baseline scenario and demonstrate additionality; Version 02.2.<br>Please clarify the tool used for the demonstration of the additioanality. | **CL7** | **OK** |
| l. In CDM-PDD section B.2 are following provided? | EB 41 | Ann 12 | Will be concluded after i-ii have been concluded | **Will be concluded after i-iii have been concluded** | |
| i. Justification of the choice of methodology that the project activity meets each of the applicability conditions | EB 41 | Ann 12 | The following applicability conditions have been discussed in section B.2. of the PDD version 01.<br>1. The project activity is the installation, capacity addition, retrofit or replacement of a power plant/unit of one of the following types: hydro power plant/unit (either with a run-of-river reservoir or an accumulation reservoir), wind | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | power plant/unit, geothermal power plant/unit, solar power plant/unit, wave power plant/unit or tidal power plant/unit.<br>2. In the case of capacity additions, retrofits or replacements: the existing plant started commercial operation prior to the start of a minimum historical reference period of five years, used for the calculation of baseline emissions and defined in the baseline emission section, and no capacity expansion or retrofit of the plant has been undertaken between the start of this minimum historical reference period and the implementation of the project activity.<br>3. In the case of retrofits, replacements, or capacity additions, this methodology is only applicable if the most plausible baseline scenario, as a result of the identification of baseline scenario, is "the continuation of the current situation, i.e. to use the power generation equipment that was already in use prior to the implementation of the project activity and undertaking business as usual maintenance." | | |
| | EB41 | Ann12 | The applicability conditions and the justifications have been given in PDD version 01. Means of validation for justification of each applicability criteria among ACM002 version 10 is given below:<br><br>1. Please supply the electricity generation license to validate the justification for the first applicability criteria ( The justification given in section B.2. of the PDD ver 1.1 is that the Aliağa Wind Farm Project is a grid-connected renewable power generation project that adds electricity from wind | **CL8** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | power.'') *CL requested in Table 1.1.d above*<br>2. For the second and the third applicability criteria; the justification that the project is not a capacity addition or replacement project has been validated during the site visit. It has been concluded that the project site has been vacant before the project. ( OK) | | |
| | | | The following non-applicability conditions have been discussed in section B.2 of the PDD. It has been concluded that each non applicability condition is discussed for the grid connected wind power electricity generation project. The non applicability conditions discussed in the PDD are;<br><br>1. Project activities that involve switching from fossil fuels to renewable energy sources at the site of the project activity excluded since in this case the baseline may be the continued use of fossil fuels at the site,<br><br>2. Project activities that involve biomass fired power plants are excluded. | **OK** | **OK** |
| | | | Means of validation of justifications for each non applicability criteria is given below:<br>1. The project is grid connected electricity generation. The grid in Turkey is not layered. So the electricity generated will feed the national grid and there will be no switching from fossil fuels to renewable energy sources at the site of the project activity. As a result; the first justification for the first non applicability criteria given above has been validated by the DOE also (The | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | justification given in section B.2. of the PDD version 1.1 is that the project does not involve switching from fossil fuels to renewable energy at the site of the project activity).<br>2. The project uses wind as primary fuel. The project does not involve biomass fired plant. As a result; The justification for the second non applicability criteria given above has been validated (The justification given in section B.2. of the PDD version 1.1. is that; ''The project does not involve the installation of biomass fired plants''). | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ii. Documentations with references that had been used. This can be provided in Annex 3 instead | EB 41 | Ann 12 | The references of the documentations have been presented. | **OK** | **OK** |
| m. In CDM-PDD section B.3 are following provided? | EB 41 | Ann 12 | **Will be concluded after i-iii have been closed.** | **Will be concluded after i-iii have been closed.** | |
| i. Description of all sources and gases included in the project boundary in the table | EB 41 | Ann 12 | $CO_2$ has been defined as main emission source for the baseline and $CH_4$ and $N_2O$ has been excluded for simplification in reference to ACM 002 ver 10 . The explanation has been presented in the table in section B.3 of the PDD version 1.1. | **OK** | **OK** |
| | | | In the table; CO2& CH4& N2O has not been included as emission sources since the WPP do not generate emissions. | **OK** | **OK** |
| ii. A flow diagram of the project boundary physically delineating the project activity | EB 41 | Ann 12 | The project boundary is shown pictorially in Figure 4 in the PDD ver 1.1 | **OK** | **OK** |
| iii. The flow diagram with all equipments, systems and flows of mass and energy etc | EB 41 | Ann 12 | The flow diagram in Figure 4 in section B.3 of the PDD rev 1.1 includes wind power plant, main transformer, substation as validated through the site visit. | **OK** | **OK** |
| n. In CDM-PDD section B.4 are following provided? | EB 41 | Ann 12 | | **Will be concluded after n i-ii has been concluded.** | |
| i. Explanation how the most plausible baseline | EB 41 | Ann | Since the project activity is the installation of a new grid- | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| scenario is identified in accordance with the selected baseline methodology | | 12 | connected renewable power plant/unit, the baseline scenario has been defined as the following in section B.4. of the PDD:<br>"*Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system"."*<br><br>It has been concluded by the DOE that the baseline description is inline with ACM 002 ver 10. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ii. Justification of key assumptions and rationales | EB 41 | Ann 12 | PDD included the following key assumptions<br>▪ Project activity is limited to Turkish Electricity Grid which is dominated by thermal power plants,<br>▪ When there is no data about emission factor of fuel sources, it has been accepted as "0" or the lowest value has been used ( justifications are validated in part iii of the protocol)<br>▪ Weight of thermal power plants (and thus emission factor) will remain same over the crediting period ( justification is validated in part iii of the protocol ) | **OK** | **OK** |
| | | | The assumptions for the and the justfications related with the baseline are presented in section B.4. of the PDD version 1.1. . Means of validation is given below:<br>1. The PP justified the assumption that the Turkish national grid is dominated by thermal resources, by stating that Thermal power resources constitute 65.5% of the total installed capacity, followed by hydropower with a share of 32.8% in section B.4. of the PDD rev 1.1. The assumption is referenced to EUAŞ 2007 report. However 2008 EUAS report is the document only publicly available at the date of validation at the official web site of EUAS. Please reassess the | **CL9** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | assumption according to 2008 report.<br>2. The PP justified the assumption that weight of thermal power plants (and thus emission factor) will remain same over the crediting period by stating that *'' The thermal resources will still comprise 72.5% of total capacity in 2020.*'' The weight of thermal sources according to the years are as follows according to the table 7 in section B.4 (of the PDD rev1) : 0,77 in 2005; 0,79 in 2010 ; 0,7 in 2015 and 0.72 in 2020. Since it seems that the share of the fossil fuels will decrease to 0.77 to 0.72 please reassess the assumption.<br>3. The PP stated in section B.4. of the PDD version 1.1. that; they used IPCC min values for the emission factor of fossil fuels of which national values are not announced. This statement is in line with the tool "*Tool to calculate the emission factor for an electricity system*". Consequently, the statement has been validated by the DOE. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ii. Transparent illustration of all data used to determine the baseline scenario (variables, parameters, data sources, etc.) | EB 41 | Ann 12 | Generally, all data used to determine the baseline scenario is presented transparently in the PDD version 1.1. However, please clarify the following issues.<br>1. The statement that ''The Electricity Generation Company (EÜAŞ), manages 58.47% (23,874 MW) of total installed capacity (40,834 MW).'' has been referenced to EÜAŞ 2007 report. However 2008 EÜAŞ report is publicly available at the date of validation at the official web site of EUAŞ. Please reassess the statement according to 2008 report *( CL requested )*<br>2. The projection for the increase by 7.7 % in the electricity demand annually so that the demand will be 242 TWh in 2010 and 500 TWh in 2020; has been referenced to IEA report in section B.4 of the PDD ver 1.1. Please give full reference for the report *( CL requested )*.<br>3. The assumption that; ''The average efficiency of lignite power plants in Turkey is only 32%.'' has been referenced to IEA report in section B.4 of the PDD ver 1.1. Please give full reference for the report *( CL requested )*.<br>4. It has been stated in section B.4 of the PDD that ''$CO_2$ emission from electricity generation has been calculated as 167,800 kt, which accounts 76.7% of total net GHG emission of Turkey in 2004.''. The statement has been referenced to First National Communication of Turkey on Climate Climate Change *( CL requested )*. | **CL10** | **OK** |
| iii. A transparent and detailed description of the | EB 41 | Ann | The description of the baseline given by the PP in | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| identified baseline scenario, including a description of the technology that would be employed and/or the activities that would take place in the absence of the proposed project activity | | 12 | section B.4 of the PDD is : ''From the a foregoing and in the absence of the proposed project activity, taking into account electricity situation in Turkey, the electricity delivered to the grid by the project would have otherwise been generated by the continued operation of grid-connected power plants and by the addition of new generation sources to meet the existing and future power requirement is the chosen baseline scenario.' The description is found appropriate by the DOE also. | | |
| | | | The technology to be employed in the absence of the project has been given in section B4 of the PDD as: ''In accordance with ACM002 and the identified baseline, in the absence of the project activity, the corresponding amount of electricity will be supplied by the grid which is dominated by fossil power plants. '' | | |
| o. In CDM-PDD section B.5 are following provided? | | Ann 12 | In CDM-PDD section B.5 the following are provided. | **OK** | **OK** |
| i. Explanation of how and why this project activity is additional and therefore not the baseline scenario in accordance with the selected baseline methodology | EB 41 | Ann 12 | In Section B.5 of the PDD ver 1.1; it has been stated that the project is additional since the project will contribute to emission reductions by replacing the likely thermal (fossil-fuel based) sources of energy with a renewable source (wind energy) for electricity generation. | **OK** | **OK** |
| | | | The additionality of the project is demonstrated and assessed using the "Tool for the Demonstration and Assessment of Additionality"; Version 5.2. | **OK** | **OK** |
| | | | The steps followed during the assessment of the additionality is documented in PDD ver 1.1. section B.5. The steps followed are; | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | Step 1 - Identification of alternatives to the project activity consistent with current laws and regulations<br>Step 2 –Investment Analysis<br>Step 3- Barrier Analysis<br>Step 4- Common Practice<br>Analysis | | |
| | | | Outcome of each step has been documented in section B.5. of the PDD version 1.1. The documented outcome of each step is given below:<br>''Outcome of Step 1a: The only realistic and credible alternative scenario to the project activity is Alternative 2. ( Alternative 2 is the supply of an equal amount of electricity by the existing grid system and new additional plants in the system)<br>Outcome of Step 1b: All the alternative scenarios identified, including the baseline scenario, are in compliance with mandatory legislation and regulations.<br>Outcome of Step 2: The project activity is not financially attractive compared to other options and the carbon revenue increases returns to a level that makes the extra risks worth taking.<br>Outcome of Step3a: It has been concluded by the PP that the main barriers defined for renewable energy investments in Turkey are; the lack of financial incentives, grid connection fees, restricted pricing policies, uncertainties on future national energy and carbon policies, lack of infrastructure and construction barriers ( specific to this project ).<br>Outcome of Section 4b: It has been concluded by | **Will be concluded after chapter 6 have been concluded.** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | the PP that the majority of energy investment in Turkey is done by government and the share of private sector is majorly in thermal power plants. The wind power plants that have been implemented by the private sector uses VER credits.<br>It is concluded by the DOE that the outcome of each step has been documented whereas requested in the "Tool for the Demonstration and Assessment of Additionality"; Version 5.2.<br>The compliance of the content of each step and the outcome of each step consequently has been discussed in Chapter 4 of this protocol. In accordance, the compliance of this part will be assessed after the conclusion on Chapter 4 has been realised. | | |
| ii. Justification of key assumptions and rationales | EB 41 | Ann 12 | Key assumptions for demonstrating the additionality has been presented in section B.5. of the PD version 1.1. Please clarify the following issues.<br>1. In Substep 1 a – Alternative 3 clause of section B.5 of PDD version 1.1; it has been stated that there are exploitable renewable (tidal/wave/small hydro/geothermal) and biomass energy sources at the project site. Please justify the rationale.<br>2. In Substep 1 a – Alternative 3 clause of section B.5 of PDD version 1.1; it has been stated that solar photovoltaic power generation of the comparable size 90 MW is not financially feasible because of its cost per unit energy generated. Please justify the rationale. | **CL11** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | In subsection 2.c.-Section B.5 of PDD version 1.1., it has been stated that acceptable IRR values for similar projects in Turkey are announced as at least 10% for renewable projects which will benefit from the loans by World Bank. The reference given ( http://www.temev.org.tr/duyurularS) could not be reached. | **CL12** | |
| | | | In PDD version 1.1. -Section B.5 Subsection 3. a.; it has been stated that; since June 2008 the lending banks have made it much more difficult for project developers to raise debt finance for their projects. It has been also stated that the increased tariff offered by the government since 2005 has helped to overcome some of these barriers, but the overall financial position is still less favourable than it was a year ago. Please give the justification and related reference to prove that the barrier would prevent the implementation of the proposed project activity from being carried out.( Please consider that the barriers should include barriers orher than financial / economic barriers). | **CL13** | **OK** |
| iii. Transparent illustration of all data used to assess the additionality of the project activity | EB 41 | Ann 12 | In substep 2 – Option III; it has been stated that clearly that the yield on 2019 date Eurobonds denominated in Euros was 7.75%. It has been stated that Eurobond Rates in Turkish market for eight to thirty years periods have been determined and given in Table 4 (http://www.isbank.com.tr/fiyatoran/fiyatgoster.asp). However the table and the reference given for the table could not be reached. | **CL14** | **OK** |
| | | | ▪ Financial parameters used in investment | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | analysis are given in Table 5 - Substep 2c in Section 2.5 of the PDD rev 1.1. The parameters given are as follows: Installed capacity, expected electricity generation, emission reduction, ER sales price, Total Investment, Loan , Loan Period. | | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | Sensitivity analysis for the IRR on Capital Employed with carbon revenue for the project is given transparently in Table 6 /section B.5 of PDD rev 1.1. | **OK** | **OK** |
| | | | The selection of the benchmark indicator has been justifed in Substep 2.c./ section B.5 of the PDD rev 1.1. It has been stated that the investment analysis is done by comparing the return on the Project to the returns on relatively risk free government Eurobonds; since the project investment has been made in Euros. | **OK** | **OK** |
| | | | ı clause (b) Lack of infrastructure -Technological Barriers of Substep 3-b/Step 3 /section B.5. of the PDD rev 1.1.; it has been stated that TEİAŞ has limited the capacity of the wind power to 5% of the short circuit capacity of the high voltage transmission line into which wind power is fed. Also it has been stated that many projects with high potential capacity (and therefore lower costs per installed MW) cannot be realised as the capacity is limited by the capacity of transmission line to the grid. Please justify the assumption. | **CL15** | **OK** |
| | | | In Table.7. in Step 4 of Section B.5 of PDD rev1.1.; the reference for the source of table has also been checked by the DOE . | **OK** | **OK** |
| | | | Please give reference for figure 6 ( which shows Breakdown of actual and expected generating capacity by primary sources and figure 7 (which shows the development of installed capacity by public and private sectors (MW) (1984-2007). ) | **CL16** | **OK** |
| | | | The statement that; ''The growth in private sector investment in the energy sector is slowing, at a time when government incentives have been reduced while government investment continues at a steady rate.'' has | **CL17** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | been referenced to ”10 years Projection of Generation and Installed Capacity for Turkey, 2008-2017, TEİAŞ’’; and ’’Türkiyede Yap İşlet Devret Modeli, Dr. Erol İmre’’. The web references have also been checked by the DOE. The references are available on the net; however please clarify the specific part of the reports that are related with the statement. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | One of the rationales in step 4.b of the section B.5 in PDD rev 1.1. is that; ''Investment in Wind Power in Turkey has been minimal.'' The rationale has been justified by statement that; ''Although wind has increased since 2005, the share of wind in the primary energy mix of Turkey is still insignificant''. The statement has been visualized in Figure 8. Please give the refence for Figure 8. | **CL18** | **OK** |
| | | | One of the rationales in step 4.b of the section B.5 in PDD rev 1.1. is that ''Within private sector energy investment, wind is in the minority.'' The rationale has been justified by the statement that ''Wind investment is in a minority of 22% in 2007''. The reference given could not be accessed. | **CL19** | **OK** |
| iv. Evidence that the incentive from the CDM was seriously considered in the decision to proceed with the project activity, if the starting date of the project activity is before the date of validation | EB 41 | Ann 12 | It was stated that VER revenue was seriously considered in the decision to proceed with the project activity. Please clarify. | **CL20** | **OK** |
| | | | The project start date is (according to the definition in EB 41 Ann 12 C.1. has been defined as the start of construction) May 2009. Please justify the date of construction with an appropriate proof. | **CL21** | **OK** |
| p. In CDM-PDD section B.6.1 are following provided? | EB 41 | Ann 12 | **Will be concluded after i-iii have been concluded** | **Will be concluded after i-iii have been concluded** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| i. Explanation as to how the procedures, in the approved methodology to calculate project emissions, baseline emissions, leakage emissions and emission reductions are applied to the proposed project activity | EB 41 | Ann 12 | The steps followed to calculate the baseline emissions according to The "tool to calculate the emission factor for an electricity system", version 01.1 have been summarized in B.4 of the PDD rev 1.1. | **OK** | **OK** |
| | | | The sources of project emissions have been discussed in Table 3 of Section B.3. Project emissions have been considered as 0 . | **OK** | **OK** |
| | | | Leakage have been considered as 0 in the ACM 002 VER 10. Accordingly, the leakage has been considered as 0 in the PDD ver 1.1. ( It is not documented in the PDD by the PP however it is accepted by the DOE since the methodology is clear on that) | **OK** | **OK** |
| ii. Equations used in calculating emission reductions | EB 41 | Ann 12 | The formuales for The Build Margin emission factor EFBM and Operating Margin emission factor EFQM has been given in the section B.6.2. of the PDD version 1.1. | **OK** | **OK** |
| iii. Explanation and justification for all relevant methodological choices, including different scenarios or cases, options and default values | EB 41 | Ann 12 | In step II according to the '' Tool to calculate the emission factor of an electricity system'', Simple OM Method has been selected for OM calculations. The choice and the justification has been documented in section B.6.1 of the PDD version 1.1. | **OK** | **OK** |
| | | | ▪ It has been stated that simple OM method has been selected since low-cost must run resources constitute a share of below 50%. | **OK** | **OK** |
| | | | ▪ The justification is proved by the Table 8 in PDD rev1.1. The table shows the share of primary sources in electricity generation, 2002 – 2007.) | **OK** | **OK** |
| | | | The Ex-ante option (which has been defined as a 3 year generation-weighted average based on the most recent data available) has been selected for data vintage by the PP and documented in section B.6.1. of the PDD version 1.1. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | Option C-Simple OM Method is selected for OM emission factor calculation in step III. The selection is documented in the section B.6.1. of the PDD version 1.1 | **OK** | **OK** |
| q. In CDM-PDD section B.6.2 are following provided? | EB 41 | Ann 12 | **Will be concluded after i-v have been concluded** | **Will be concluded after i-v have been concluded** | **OK** |
| i. A compilation of information on the data and parameters that are not monitored throughout the crediting period but that are determined only once and thus remains fixed throughout the crediting period AND that are available when validation is undertaken | EB 41 | Ann 12 | A compilation of information on the data and parameters that are not monitored throughout the crediting period but that are determined only once and thus remains fixed throughout the crediting period and that are available when validation is undertaken is given in the tabular format in section B.6.2. of the PDD VER 1.1.<br>Please clarify the reason for including the FDy parameter into the tabular format which will be monitored throughout the crediting period and will not remain fixed throughout the crediting period. Please consider that this parameter shall be monitored according to the tabular format given under the title "III Monitoring methodology-Data and parameters monitored" according to ACM002 version10". | **CL22** | **OK** |
| ii. The actual value period | EB 41 | Ann 12 | The actual value periods are given in the tabular format section B.6.2. of the PDD VER 1.1. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| iii. Explanation and justification for the choice of the source of data | EB 41 | Ann 12 | The explanation and the justification of the data source have been given in section B.6.2. of the PDD version 01, However please correct the choice of data for the following issues<br><br>▪ The MoEF of Turkey, Türkiye Çevre Atlası and EIPPCB Reference Document on Best Available Techniques for Large Combustion Plants have been used for the data source for the energy efficiency parameter in the tabular format in section B.6.2 of the PDD version 1.1. The assumption has been justified in section B.6.3 and the values used are presented in table 12 in of the PDD version 1.1. However, the referenced document (Türkiye Çevre Atlası) has been published in 2004 and refers to data from power plants of all vintages in operation. On the other hand, the BM comprises most recently built power plants which are expected to be of higher efficiency. Hence please correct the efficiency factors using the default efficiency factor in the TOOL (for new power plants built after 2000) and revise your calculations and the PDD accordingly. | **CAR3** | OK |
| | | | Turkish Electrical Distribution Company Web Site (www.teias.gov.tr) has been referenced for the source of electricity capacity addition parameter in the tabular format in section B.6.2 of the PDD version 1.1. On the other hand the selection has been justified In step 2 of section B.6.3 stating that the annual generation capacity data for each plant is not available for 2006 and 2007. Please revise the calculations ; the assumption and the references given in the PDD | **CAR4** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | using the detailed lists that are given in the annexes of capacity projection reports that are also available on the TEIAS website. Please present the list of plants in the PDD also. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| iv. Clear and transparent references or additional documentation in Annex 3 | EB 41 | Ann 12 | Clear and transparent references have been presented in the tabular format or addtional information have been presented in Annex 3 for the parameters used in the calculation of CM emission factor. However please clarify/ correct the following issues.<br><br>1. The data source for GENi, y is not given in the tabular format in section B.6.2. of the PDD.<br><br>2. The data source for NCV has been referenced as teias.gov.tr. in section B.6.2. of the PDD. However TEİAS announces the heating values and the NCVS are calculated by the PP. Please clarify the calculation methodology in the tabular format.<br><br>3. NCV values have been transparently given in Table 8 of the PDD in section B.6.3. of the PDD version 1.1. However, the table is not referenced in the tabular format in section B.6.2. of the PDD version 1.1.<br><br>4. Annex 3 has been referenced for the for the parameters ''COEF i,j,y," and '' electrical generation efficiency '' but the values are given in table 12. Please clarify. ( Please also see CAR3 for the assumption of energy generation efficiency values) | **CL23** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| v. Where values have been measured, a description of the measurement methods and procedures (e.g. which standards have been used), indicated the responsible person/entity having undertaken the measurement, the date of measurement(s) and the measurement results | EB 41 | Ann 12 | N/A | - | - |
| r. In CDM-PDD section B.6.3 are following provided? | EB 41 | Ann 12 | Will be concluded after i-iii have been concluded. | **OK** | **OK** |
| i. A transparent *ex ante* calculation of project emissions, baseline emissions (or, where applicable, direct calculation of emission reductions) and leakage emissions expected during the crediting period, applying all relevant equations provided in the approved methodology | EB 41 | Ann 12 | The equations used for exante calculations are documented in section B.6.1 of the PDD version 01.<br>A specific issue is outlined below: In the PDD, it is written that the calculations are based on version 1.1. of "Tool to calculate the emission factor for an electricity system" (TOOL), referred by ACM0002. Moreover, the Simple OM Method Option C gas been chosen for the calculations. However, the OM formula in the PDD does not match the formula in the tool. Yet this inconsistency did not affect the calculations as the TEİAŞ heating value data has been used (this is in line with the TOOL requirement which says that national average default values can be used if they are reliable and documented in regional or national energy statistics / energy balances. Hence the equations used are accepted by the DOE ( OK) | **OK** | **OK** |
| | | | The equations used for exante calculations are documented in section B.6.1 of the PDD version 01. The definitions of the variables in the formulae given in section B.6.1 of the PDD are not correct, e.g. the variable GEN in the PDD version 1.1. is not defined as net electricity generated as required by the tool (still the calculations in | **CL24** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | the Excel are based correctly on net values). However please clarify the definition of the parameter in section B.6.1. and B.6.2. of the PDD ( CL requested) | | |
| | | | Relevant equations presented in the tool have been used for calculation of OM. However, the please correct the application of the formulae as required by the methodology for the below comments.<br>1. The Simple OM Option C has method been used. This requires application of the following formula:<br>$EF_{grid,OMsimple,y} = \frac{\sum_i FC_{i,y} \times NCV_{i,y} \times EF_{CO2,i,y}}{EG_y}$<br>Obviously, each year 's (y) NCV has to be multiplied with the same year's FC and EF. However, avaregare NCV value ( 2005-2007) has been applied in the calculations. The impact on the results will be minimal but correction is necessary to comply with the methodology ( CAR requested)<br>2. Also the OM shall be calculated as a generation weighted average as requested by the tool ( CAR requested) | **CAR5** | **OK** |
| | | | The OM value has been computed correctly, however the following issues needs correction.<br>1. In the Excel worksheet for OM calculations, the fuel consumptions in different physical units are | **CAR6** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | summed up. For example, in 2006 there appears to be a total fuel consumption of 75 057 578 – this number has no meaning as it includes the sum of t and m3.<br><br>2. In Table 11 p.29 of the PDD, imports in 2005 are given as 1798.1 GWh whereas the Excel calculations uses 636 GWh (which is consistent with the TEİAŞ statistics). Hence, the total amount of supply to the grid in the PDD and the Excel are also different. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ii. | | | Relevant equations presented in the tool have been used for calculation of BM. However, the please correct the application of the formulae as required by the methodology for the below comments.<br><br>1. The BM formula is as follows:<br><br>$$EF_{grid,BM,y} = \frac{\sum_m EG_{m,y} \times EF_{EL,m,y}}{\sum_m EG_{m,y}}$$<br><br>Obviously, the EF for each year has to be calculated separately whereas in the computations the formula is used over the total for 2005-2007.<br><br>2. Also the BM shall be calculated as a generation weighted average. | **CAR7** | |
| | | | The MoEF of Turkey, Türkiye Çevre Atlası and EIPPCB Reference Document on Best Available Techniques for Large Combustion Plants have been used for the data | **CAR3** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | source for the energy efficency parameter in the tabular format in section B.6.2 of the PDD verison 1.1. The assumption has been justifed in section B.6.3 and the values used are presented in table 12 in of the PDD version 1.1. However, the referenced document (Türkiye Çevre Atlası) has been published in 2004 and refers to data from power plants of all vintages in operation. On the other hand, the BM comprises most recently built power plants which are expected to be of higher efficiency. Hence please correct the efficency factors using the default efficiency factor in the TOOL (for new power plants built after 2000) and revise your calculations and the PDD accordingly. | | |
| | | | Turkish Electrical Distribution Company Web Site (www.teias.gov.tr) has been referenced for the source of electricity capacity addition parameter in the tabular format in section B.6.2 of the PDD version 1.1. On the other hand the selection has been justified In step 2 of section B.6.3 stating that the annual generation capacity data for each plant is not available for 2006 and 2007. Please revise your calculations ; your assumption and the references given in the PDD using the detailed lists that are given in the annexes of capacity projection reports. (This information is also available on the TEIAS website). Please present the list of plants in the PDD also. | **CAR4** | **OK** |
| iii. Documentation how each equation is applied, in a manner that enables the reader to reproduce the calculation | EB 41 | Ann 12 | The equations are documented in a manner so that each equation is applied, in a manner that enables the reader to reproduce the calculation. | **OK** | **OK** |
| iv. Additional background information and or data in Annex 3, including relevant electronic files (i.e. spreadsheets) | EB 41 | Ann 12 | Excel sheet (2-Aliaga_CM_calc_v1) has been provided as requested in the tool. | **OK** | **OK** |
| s. In CDM-PDD section B.6.4 are the results of the | EB 41 | Ann | The results of the *ex ante* estimation of emission | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| *ex ante* estimation of emission reductions for all years of the crediting period, provided in a tabular format? | | 12 | reductions for all years of the crediting period, provided in a tabular format in section B.6.3. of the PDD rev 1.1. | | |
| t. In CDM-PDD section B.7.1 are following provided? | EB 41 | Ann 12 | To be concluded after subcaluses i-ii have been assessed. | | |
| i. Specific information on how the data and parameters that need to be monitored would actually be collected during monitoring for the project activity | EB 41 | Ann 12 | The data to be monitored has been defined as EGy. Specific information to the parameter has been defined for EGy. | **OK** | **OK** |
| | | | A compilation of information on the data and parameters that are not monitored throughout the crediting period but that are determined only once and thus remains fixed throughout the crediting period and that are available when validation is undertaken is given in the tabular format in section B.6.2. of the PDD VER 1.1.<br>Please clarify the reason for including the FDy parameter into the tabular format which will be monitored throughout the crediting period and will not remain fixed throughout the crediting period. Please consider that this parameter shall be monitored according to the tabular format given under the title "III Monitoring methodology-Data and parameters monitored" according to ACM002 version10". | **CL 22** | **OK** |
| ii. For each parameter the following below information, using the table provided: | EB 41 | Ann 12 | To be concluded after subcaluses have a-b been assessed. | | |
| a. The source(s) of data that will be actually used for the proposed project activity (e.g. which exact national statistics). Where several sources may be used, explain and justify which data sources should be preferred. | EB 41 | Ann 12 | The sources of data that will be actually used for the proposed project activity have been presented in section B.7.1. of the PDD version 1.1. Please clarify the following issues.<br>1. The data source for the Egy has been presented as "Amount of Electricity supplied to the Grid by the proposed project" in section B.7.1. of the PDD version 1.1. Please clarify the data source | **CL25** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | according to the subtitle "III. Monitoring-Parameters and Data to be monitored" -ACM002 version 10.<br>2. Please clarify the data source for FDy considering the CL22 .<br>3. The parameter EGy has been defined as amount of net electricity supplied to the grid by the proposed project according to ACM002 version 10. However the definition in section B.7.2. does not include the definition of net electriviy ( however it is defined in section B.7.2.); please correct for accuracy. | | |
| b. Where data or parameters are supposed to be measured, specify the measurement methods and procedures, including a specification which accepted industry standards or national or international standards will be applied, which measurement equipment is used, how the measurement is undertaken, which calibration procedures are applied, what is the accuracy of the measurement method, who is the responsible person/entity that should undertake the measurements and what is the measurement interval; (i) A description of the QA/QC procedures (if any) that should be applied; (ii) Where relevant: any further comment. Provide any relevant further background documentation in Annex 4. | EB 41 | Ann 12 | It has been stated that ''EGy will be will be monitored continuously by redundant metering devices, which will provide the data for the monthly invoicing to TEİAŞ'' in section B.7.1. of the PDD rev 1.1. | **OK** | **OK** |
| | | | In Section B.7.2. of the PDD rev 1.1, it has been stated that the readings will be realised by TEİAŞ. Additionally, it has been stated that calibration and maintainance of the meterings will be the responsibility of TEİAŞ. The statements about the calibration and the readings have alo been agreed by the DOE considering the regulation in Turkey. | **OK** | **OK** |
| u. In CDM-PDD section B.7.2 are following | EB 41 | Ann | To be concluded after subcaluses i-ii have been | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| provided? | | 12 | assessed. | | |
| i. A detailed description of the monitoring plan | EB 41 | Ann 12 | The detailed description of the monitoring plan has been provided in section B.7.2. of the PDD version 1.1. | **OK** | **OK** |
| ii. The operational and management structure that the project operator will implement in order to monitor emission reductions and any leakage effects generated by the project activity | EB 41 | Ann 12 | It has been stated that the leakage due to fossil fuel used for electricity generated in case of power outage during operation will be negligible and will not be monitored. The statement has been accepted by the DOE also. | **OK** | **OK** |
| | | | It has been stated that in section B.7.2 in PDD ver 1.1. that the sustainable development indicators will not be monitored. However the sustainability monitoring plan has been included in the passport. Please clarify. | **CL 26** | **OK** |
| iii. The responsibilities for and institutional arrangements for data collection and archiving | EB 41 | Ann 12 | The responsibilities for institutional arrangements for data collection and archiving have been given in section B.7.2. of the PDD REV 1.<br>However, please clarify the within the company for reading the records and comparing with the invoices | **CL 27** | **OK** |
| iv. Indication that the monitoring plan reflect good monitoring practice appropriate to the type of project activity | EB 41 | Ann 12 | The monitoring plan reflects good monitoring practice. | **OK** | **OK** |
| v. Relevant further background information in Annex 4 | EB 41 | Ann 12 | Background is suplied in Annex 4. | **OK** | **OK** |
| v. In CDM-PDD section B.8 are following provided? | EB 41 | Ann 12 | **Will be concluded after i-iii have been concluded** | **Will be concluded after i-iii have been concluded** | **OK** |
| i. Date of completion of the application of the methodology to the project activity study in | EB 41 | Ann 12 | Date of completion has been given in section B.8 of the PDD ver 1.1. Date of completion is given as 16.01.2009 | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| DD/MM/YYYY | | | | | |
| ii. Contact information of the person(s)/entity(ies) responsible for the application of the baseline and monitoring methodology to the project activity | EB 41 | Ann 12 | Contact information of the people; Aslı Sezer Özçelik ( representing JP Morgan Ventures Energy Corporation) and Tolga Bilgin ( representing Bergama Rüzgar Enerjisi Santrali Elektrik Üretim A.Ş.) are given in Annex 1.<br>Please clarify the specific responsibilities Aslı Sezer Özçelik and Tolga Bilgin considering the application of the baseline and monitoring methodology to the project activity. | **CL28** | **OK** |
| iii. Indication if the person/entity is also a project participant listed in Annex 1 | EB 41 | Ann 12 | Contact information of the people; Aslı Sezer Özçelik ( representing JP Morgan Ventures Energy Corporation) and Tolga Bilgin ( representing Bergama Rüzgar Enerjisi Santrali Elektrik Üretim A.Ş.) are given in Annex 1. | **OK** | **OK** |
| w. In CDM-PDD section C.1.1 are following provided? | EB 41 | Ann 12 | **Will be concluded after i-iii have been concluded** | **Will be concluded after i-iii have been concluded** | **OK** |
| i. The starting date of a CDM project activity, which is the earliest of the date(s) on which the implementation or construction or real action of a project activity begins/has begun (EB33, Para 76/CDM Glossary of terms/EB41, Para 67) | EB 41 | Ann 12 | It has been stated in section C.1.1. of the PDD version 01 that; construction of the project is expected to start in May 2009 and estimated commissioning date is Oct 2009.<br>Please clarify the starting date of the project and supply the evidence available to support this start date into the section C.1. of the PDD. | **CL29** | **OK** |
| ii. A description of how this start date has been determined, and a description of the evidence | EB 41 | Ann 12 | Please see above. | **CL29** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| available to support this start date | | | | | |
| iii. If this starting date is earlier than the date of publication of the CDM-PDD for global stakeholder consultation by a DOE, description in Section B.5 contain a of how the benefits of the CDM were seriously considered prior to the starting date (EB41, Para 68). | EB 41 | Ann 12 | **This checklist question will be assessed after the CL29has been concluded.** | **This checklist question will be assessed after the CL 29 has been concluded.** | |
| x. In CDM-PDD section C.1.2 is the expected operational lifetime of the project activity in years and months provided? | EB 41 | Ann 12 | The expected operational lifetime of the project actvity has been given as 25 years in section C.1.2 of the PDD version 01. Please state operational lifetime of the project activity in years and months. | **CL30** | **OK** |
| y. In CDM-PDD section C.2 is it stated whether the project activity will use a renewable or a fixed crediting period and is C.2.1 or C.2.2 completed accordingly? | EB 41 | Ann 12 | It stated that the project activity will use a renewable crediting period in section C.2.1. of the PDD version 01. | **OK** | **OK** |
| z. In CDM-PDD section C.2.1 is it indicated that each crediting period shall be at most 7 years and may be renewed at most two times, provided that, for each renewal, a designated operational entity determines and informs the Executive Board that the original project baseline is still valid or has been updated taking account of new data where applicable? | EB 41 | Ann 12 | In section C.2.1 of the PDD version 01; it has been indicated that the length of the first crediting period is 7 years, 0 months. However the number of renewal of the crediting period and the conditions have not been indicated in section C.2.1 of the PDD version 01. | **CL31** | **OK** |
| aa. In CDM-PDD section C.2.1.1 are dates in the following format: (DD/MM/YYYY) provided? | EB 41 | Ann 12 | The starting date of the crediting period has been indicated as 01.10.2009 in the section C.2.1.1. of the PDD rev 1.1. | **OK** | **OK** |
| bb. In CDM-PDD section C.2.1.2 is the length of the | EB 41 | Ann | The length of the first crediting period is defined as 7 | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| first crediting period in years and months provided? | | 12 | years 0 months in the section C.2.1.12 of the PDD rev 1.1. | | |
| cc. In CDM-PDD section C.2.2 is the fixed crediting period at most ten (10) years provided? | EB 41 | Ann 12 | N/A | -- | -- |
| dd. In CDM-PDD section C.2.2.1are the dates provided in the following format: (DD/MM/YYYY)? | EB 41 | Ann 12 | N/A | -- | -- |
| ee. In CDM-PDD section C.2.2.2 is the length of the crediting period in years and months Provided? | EB 41 | Ann 12 | N/A | -- | -- |
| ff. In CDM-PDD section D.2 are the conclusions and all references to support documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the Host Party, if environmental impacts are considered significant by the project participants or the Host, provided? | EB 41 | Ann 12 | Environmental Impact Assessment (EIA) is not mandatory for wind power plants according to the national legislations.<br><br>It has been stated in section D.1 of the PDD that EIA is not required for the project activity after reviewing the project documents for the Aliağa WPP project by the Ministry of Environment. EIA exemption document has been seen by the DOE.<br><br>1. The precautions for Air Quality, Water & Wastewater Management, Soil Pollution, Solid Waste and Biodiversity has been summarized in the PDD section D.1. Please supply the documents that were submitted to the MoE so that cross check may be realized.<br>2. It has been stated in the PDD section D.1. that Air Quality, Water & Wastewater Management, Soil Pollution, Solid Waste and Biodiversity will be monitored. However the issues namely, Water & Wastewater Management, Soil Pollution, Solid Waste and Biodiversity have not been included into the monitoring plan. | **CL32** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| gg. In CDM-PDD section E.1 are the following provided? | EB 41 | Ann 12 | | | |
| i. The process by which comments by local stakeholders have been invited and compiled. An invitation for comments by local stakeholders shall be made in an open and transparent manner, in a way that facilities comments to be received from local stakeholders and allows for a reasonable time for comments to be submitted. | EB 41 | Ann 12 | Initiations have been done by visiting, fax, e-mail, newspapers and announcement in public places. The invitation and the announcements have been realised 15 days before the LSC meeting. | **OK** | **OK** |
| ii. The project activity is described in a manner, which allows the local stakeholders to understand the project activity, taking into account confidentiality provisions of the CDM modalities and procedures. | EB 41 | Ann 12 | It has been stated in section E.1. of the PDD version 01.1. that non technical summary have been handed to the participants. The non technical summary have been presented in the LSC report. | **OK** | **OK** |
| iii. The local stakeholder process has been completed before submitting the proposed project activity to the DOE for validation. | EB 41 | Ann 12 | Local stakeholder process has been completed on 07.11.2010 | **OK** | **OK** |
| hh. In CDM-PDD section E.2 are following provided? | EB 41 | Ann 12 | | | |
| i. Identification of local stakeholders that have made comments | EB 41 | Ann 12 | Three comments have been received during the stakeholder consultation meeting. The comments received have been documented. Please clarify the local stakeholders that have made comments. | **CL 33** | **OK** |
| ii. A summary of this comments. | EB 41 | Ann 12 | The comments received are on possible radiation caused by the project activity, a request for feeding the water pump electricity from the project, information request on the vegetation cover. | **OK** | **OK** |
| ii. In CDM-PDD section E.3 is the explanation of how due account have been taken of comments received from local stakeholders provided? | EB 41 | Ann 12 | In section E.3 it has been stated that the comments noted during the LSC have been reviewed. It was concluded that there were no significant effect that would require a revision in the project design. | **CL34** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | The request on the electricity supply to the water pumps was discussed in section E.3. of the PDD version 1.1.; it was concluded the request was not possible since the electricity produced will be supplied to the grid. On the other hand; it has been stated in the PDD that alternative ways to support the water supply system will be investigated during project realisation. Please clarify how the monitoring will be realised. | | |
| jj. In CDM-PDD Annex 1 are the following provided? | EB 41 | Ann 12 | | | |
| i. Contact information of project participants | EB 41 | Ann 12 | Contact information of project participants have been identified in Annex of the PDD version 1.1. | **OK** | **OK** |
| ii. For each organisation listed in section A.3 the following mandatory fields: Organization, Name of contact person, Street, City, Postfix/ZIP, Country, Telephone and Fax or e-mail | EB 41 | Ann 12 | Organization, Name of contact person, Street, City, Postfix/ZIP, Country, Telephone and Fax or e-mail have been proviced for each participant given in section A.3. | **OK** | **OK** |
| kk. In CDM-PDD Annex 2 is information from Parties included in Annex I on sources of public funding for the project activity which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties provided? | EB 41 | Ann 12 | In annex 2 it has been stated that there is no ODA. | **OK** | **OK** |
| ll. In CDM-PDD Annex 3 is the background information used in the application of the baseline methodology provided? | EB 41 | Ann 12 | The information to be given in Annex 3 have been included in Section B.6. | **OK** | **OK** |
| mm. In CDM-PDD Annex 4 is the background information used in the application of the monitoring methodology provided? | EB 41 | Ann 12 | In Annex 4 of the PDD version 1.1.; additional information on internal monitoring of electricity produced have been provided. It has been stated that there will be two measurement instruments connected to SCADA system. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ***2. Project description*** | | | | | |
| a. Does the PDD contain a clear description of theproject activity that provides the reader with a clear understanding of the precise nature of the project activity and the technical aspects of its implementation? | VVM | 58 | The project descriptipon have been validated through the production license and through the site visit. This checklist question will be concluded after CL1&CL 5 &CL6 and CAR1 have been closed. | **Will be concluded after CL1&CL 5 &CL6 and CAR1** | **OK** |
| b. Is the description of the proposed CDM project activity as contained in the PDD: | VVM | 59 | The project descriptipon have been validated through the production license and through the site visit. This checklist question will be concluded after CL1&CL 5 &CL6 and CAR1 have been closed. | **Will be concluded after CL1&CL 5 &CL6 and CAR1** | **OK** |
| i. sufficiently covering all relevant elements? | VVM | 59 | The project descriptipon have been validated through the production license and through the site visit. This checklist question will be concluded after CL1&CL 5 &CL6 and CAR1 have been closed. | **Will be concluded after CL1&CL 5 &CL6 and CAR1** | **OK** |
| ii. acurate? | VVM | 59 | The project description have been validated through the production license and through the site visit. This checklist question will be concluded after CL1&CL 5 &CL6 and CAR1 have been closed. | **Will be concluded after CL1&CL 5 &CL6 and CAR1** | **OK** |
| iii. providing the reader with a clear understanding of the nature of the proposed CDM project activity? | VVM | 59 | The project description have been validated through the production license and through the site visit. This checklist question will be concluded after CL1&CL 5 | **Will be concluded after** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | &CL6 and CAR1 have been closed. | **CL1&CL5 &CL6 and CAR1** | |
| c. Is the proposed CDM project activity in existing facilities or or utilizing existing equipments? | VVM | 60 | N/ A | | |
| d. Is the CDM project activity one of the following types: | VVM | 60 | Will be concluded after i-iii have been closed. | **Will be concluded after i-iii have been closed.** | **OK** |
| i. Large scale? | VVM | 60 | The size of the project activity is defined as large scale. | | |
| ii. Non-bundled small scale projects with emission reductions exceeding 15,000 tonnes per year? | VVM | 60 | The project is non-bundled large scale project. Hence the checklist question is N/A. | -- | -- |
| iii. Bundled small scale projects, each with emission reductions not exceeding 15,000 tonnes? | VVM | 60 | N/A | -- | -- |
| e. If yes to © and (d) above, was a physical site inspection conducted to confirm that the description in the PDD reflects the proposed CDM project activity, unless other means are specified in the methodology? | VVM | 60 | A physical site inspection has been carried out to the site on 24.8.2009 to determine if the PDD contains a clear description of the project activity that provides the reader with a clear understanding of the precise nature of the project activity and the technical aspects of its implementation. An interview has been carried out with the project manager on site to have information on the technology to be employed on site. Since the construction facilities have not started yet, the locations of the turbines have been checked for the ones that were determined. | **OK** | **OK** |
| f. If yes to (d.iii) above, was the number of | VVM | 60 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| physical site visits base on samping? | | | | | |
| g. If yes is the sampling size appropriately justified through statistical analysis? | VVM | 60 | N/A | **N/A** | **N/A** |
| h. For all other proposed CDM project activities not referred to in paragraphs 59 – 60, and for other individual proposed small scale CDM project activities with emission reductions not exceeding 15,000 tonnes per year, was a physical site inspection conducted? | VVM | 62 | N/A | **N/A** | **N/A** |
| i. If no: | VVM | 62 | N/A | **N/A** | **N/A** |
| i. Was the validation undertaken by reviewing available designs and feasibility studies, conducting comparison analysis to equivalent projects, as appropriate? | VVM | 62 | N/A | **N/A** | **N/A** |
| ii. Was it appropriately justified? | VVM | 62 | N/A | **N/A** | **N/A** |
| j. Does the proposed CDM project activity involve the alteration of an existing installation or process? | VVM | 63 | N/A | **N/A** | **N/A** |
| k. If yes, does the project description clearly state the differences resulting from the project activity compared to the pre-project situation? | VVM | 63 | N/ A | **N/A** | **N/A** |
| ***3. Baseline and monitoring methodology*** | | | | | |
| ***a. General requirement*** | | | | | |
| a. Do the the baseline and monitoring methodologies selected by the project participants comply with the methodologies previously approved by the CDM Executive Board? | VVM | 65 | ACM 002 version 10 has been applied for the baseline and monitoring methodology. | **OK** | **OK** |
| b. Is the selected methodology applicable to the project activity? | VVM | 66 | Refer to (5.b.a) below | **-** | **-** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| c. Had the selected methodology been correctly applied? | VVM | 66 | Refer to (5.b.c) below | - | - |
| d. Had the selected methodology been correctly applied with respect to project boundary? | VVM | 67 | Refer to (5.c) below | - | - |
| e. Had the selected methodology been correctly applied with respect to baseline identification? | VVM | 67 | Refer to (5.d) below | - | - |
| f. Had the selected methodology been correctly applied with respect to Algorithms and/or formulae used to determine emission reductions? | VVM | 67 | Refer to (5.e) below | - | - |
| g. Had the selected methodology been correctly applied with respect to additionality? | VVM | 67 | This checklist question will be concluded after Table 2 has been closed. | **This checklist question will be concluded after Table 2 has been closed.** | **OK** |
| i. Specific questions per methodology regarding application of the methodology with respect to additionality. | | | The selected methodology refers to "Tool for the demonstration and assessment of additionality". The methodology does not have specific requirements regarding the applicability with respect to | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | additionality. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| h. Had the selected methodology been correctly applied with respect to monitoring methodology? | VVM | 67 | This checklist question will be concluded after Table 2 has been closed. | **This checklist question will be concluded after Table 2 has been closed.** | **OK** |
| i. Specific questions per methodology regarding application of the methodology with respect to monitoring methodology. | | | Please refer to Table 2 . | **Please refer to Table 2** | **OK** |
| ***b. Applicability of the selected methodology to the project activity*** | | | | | |
| a. Is the selected baseline and monitoring methodology, previously approved by the CDM Executive Board, applicable to the project activity? | VVM | 68 | ACM 002 version 10 is applicable to the project activity.<br>The applicability conditions have been checked in correspondence with the generation license and through the site visit. | **OK** | **OK** |
| i. Specific questions per methodology regarding applicability. | | | Please refer to Table 2 . | **Please refer to Table 2 .** | **Please refer to Table 2 .** |
| b. Is the methodology correctly quoted? | VVM | 69 | Please refer to Table 2 . | **Please refer to Table 2** | |
| c. Are the applicability conditions of the methodology met? | VVM | 70 | The applicability conditions of the methodology has been met. The project is a grid connected renewable power generation project as validated form the energy generation license.<br>The project does not involve fuel switching; as validated | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | from the site visit.<br>The project is not a retrofit project as validated from the generation license.<br>The Aliağa Wind Farm Project is a grid-connected renewable power generation project that adds electricity from wind power.<br>The geographic and system boundaries for the relevant electricity grid has been clearly identified as the Turkish National Grid System. The information on the characteristics of the grid is available. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| ii. Specific questions per methodology regarding applicability conditions. | | | Please refer to Table 2 . | **Please refer to Table 2** | |
| d. Is the proeject activity expected to result in emissions other than those allowed by the methodology? | VVM | 70 | The project activity does not expect to result in any GHG gasses in accordance with the ACM002 version 10. | **OK** | **OK** |
| e. Is the choice of the methodology justified? | VVM | 70 | The choice of methodology has been justified in B.2. of the PDD version 1.1 | **OK** | **OK** |
| f. Have the project participants shown that the project activity meets each of the applicability conditions or the approved methodology? | VVM | 70 | Refer to (5.b.c) above. | **-** | **-** |
| g. Have the project participants shown that the project activity meets each of the applicability conditions of any tool or other methodology component referred to the methodology? | VVM | 70 | The project participants have shown that project activity meets applicability condition of each of the applicability conditions of “Tool to calculate the emission factor of an electricity system”. | **OK** | **OK** |
| iii. Specific questions per methodology regarding applicability conditions of any tool or other methodology component referred to the methodology. | | | Please refer to ACM 002 checklist | **Please refer to ACM 002 checklist** | **Please refer to ACM 002 checklist** |
| h. Is the DOE, based on local and sectoral knowledge, aware that comparable information is available from sources other than that used in the PDD? | VVM | 70 | The GS registry and the official web site of TEIAS are available sources for crosschecking. | **OK** | **OK** |
| i. If yes, was the PDD cross checked against the other sources to confirm that the project activity meets the applicability conditions of the methodology? (provide the reference to these choices) | VVM | 70 | The GS registry and the official web site of TEIAS are available sources for crosschecking. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| j. Can a determination regarding the applicability of the selected methodology to the proposed CDM project activity be made? | VVM | 71 | ACM002 version 10 is applicable to the project. | **OK** | **OK** |
| k. If no, clarification of the methodology was requested, in accordance with the guidance provided by the CDM Executive Board? | VVM | 71 | N/A | **N/A** | **N/A** |
| l. If answer to (5.b.c) above is "no", revision or deviation from the methodology was requested, in accordance with the guidance provided by the CDM Executive Board? | VVM | 72 | N/A | **N/A** | **N/A** |
| m. If yes to (5.b.k) and (5.b.l) above, a request for registration was submited before the CDM Executive Board has approved the proposed deviation or revision? | VVM | 73 | N/A | **N/A** | **N/A** |
| ***c. Project boundary*** | | | | | |
| a. Does the PDD correctly describe the project boundary, including the physical delineation of the proposed CDM project activity included within the project boundary for the purpose of calculating project and baseline emissions for the proposed CDM project activity? | VVM | 77 | The project boundary has been defined as Wind Energy Generators, main transformers, grid transmission lines, sensation and the metering equipment for each generator and substation, and the grid which is used to transmit the generated electricity. The project boundary has also been described with a pictorial diagramme . Please clarify the connection point to the grid. ( Please see CL1). | **CL 1** | |
| i. Specific questions per methodology regarding application of the methodology with respect to project boundary. | | | Please refer to ACM 002 checklist | **Please refer to Table 2 .** | **Please refer to Table 2 .** |
| b. Is the delineation in the PDD of the project boundary correct? | VVM | 78 | The delineation of the project boundary is correct . | **OK** | **OK** |
| c. Does the delineation in the PDD of the project boundary meet the requirements of the selected | VVM | 78 | The delineation in the PDD meets the requirements of the selected baseline. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| baseline? | | | | | |
| d. Have all sources and GHGs required by the methodology been included within the project boundary? | VVM | 78 | $CO_2$ gas has been included as required by the methodology. | **OK** | **OK** |
| e. Does the methodology allow project participant to choose whether a source or gas is to be included within the project boundary? | VVM | 78 | No, ACM002 version 10 defines the gasses that will be included in the project boundary. | **OK** | **OK** |
| f. If yes, have the project participants justified that choice? | VVM | 78 | N/A | **N/A** | **N/A** |
| g. If yes, is the justification provided reasonable? (provide reference to the supporting documented evidence provided by the project participants) | VVM | 78 | N/A | **N/A** | **N/A** |
| ***d. Baseline identification*** | | | | | |
| a. Does the PDD identify the baseline for the proposed CDM project activity, defined as the scenario that reasonably represents the anthropogenic emissions by sources of GHGs that would occur in the absence of the proposed CDM project activity? | VVM | 80 | The PDD identifies the baseline scenario as "Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system" (version 01.1)."<br>The identified baseline scenario is in line with the given baseline scenario for the installation of a new grid-connected renewable power plant/unit in ACM002 version10. | **OK** | **OK** |
| b. Has any procedure contained in the methodology to identify the most reasonable baseline scenario, been correctly applied? | VVM | 81 | N/A | **N/A** | **N/A** |
| i. Specific questions per methodology regarding application of any procedure contained in the | VVM | 81 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| methodology to identify the most reasonable baseline scenario. | | | | | |
| c. Does the selected methodology require use of tools (such as the "Tool for the demonstration and assessment of additionality" and the "Combined tool to identify the baseline scenario and demonstrate additionality") to establish the baseline scenario? | VVM | 81 | N/A | **N/A** | **N/A** |
| d. If yes, was the methodology consulted on the application of thes tools? (In such cases, the guidance in the methodology shall supersede the tool.) | VVM | 81 | N/A | **N/A** | **N/A** |
| i. Specific questions per methodology regarding application of tools to establish the most reasonable baseline scenario. | | | N/A | **N/A** | **N/A** |
| e. Does the methodology require several alternative scenarios to be considered in the identification of the most reasonable baseline scenario? | VVM | 82 | The project is the installation of a new renewable energy generation power plant hence the checklist question is N/A | **N/A** | **N/A** |
| f. If yes, are all scenarios that are considered by the project participants and are supplementary to those required by the methodology reasonable in the context of the proposed CDM project activity? | VVM | 82 | The project is the installation of a new renewable energy generation power plant hence the checklist question is N/A | **N/A** | **N/A** |
| g. Has any reasonable alternative scenario been excluded? | VVM | 82 | The project is the installation of a new renewable energy generation power plant hence the checklist question is N/A | **N/A** | **N/A** |
| h. Is the baseline scenario identified reasonably supported by: | VVM | 83 | Since the project activity is the installation of a new grid-connected renewable power plant/unit, the baseline scenario has been defined as the following in section B.4. of the PDD:<br>*"Electricity delivered to the grid by the project activity* | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | *would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system"."*<br><br>It has been concluded by the DOE that the baseline description is inline with ACM 002 ver 10. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| i. Assumptions? | VVM | 83 | The assumptions and data used by the project proponent are listed in the PDD. The assumptions listed are;<br>1. Project activity is limited to Turkish Electricity Grid which is dominated by thermal power plants<br>2. Weight of thermal power plants (and thus emission factor) will remain same over the crediting period<br>3. When there is no data about emission factor of fuel sources, it has been accepted as "0" or the lowest value has been used.<br><br>Assumptions and data used in the identification of the baseline scenario are justified in the PD. The validation means for the justifications are given in Table 1-o-i of this protocol.<br>Please see CL9&CL10. | **CL9**<br>**CL10** | **OK** |
| ii. Calculations? | VVM | 83 | Please see CL9&CL10. | **CL9&CL10.** | |
| iii. Rationales? | VVM | 83 | Please see CL9&CL10. | **CL9&CL10.** | |
| i. Are the documents and sources referred to in the PDD correctly quoted and interpreted? | VVM | 83 | Please see CL9&CL10. | **CL9&CL10.** | |
| j. Was the information provided in the PDD cross checked with other verifiable and credible sources, such as local expert opinion, if available? (idendify the sources) | VVM | 83 | The information provided has been checked from the TEIAS web page.<br><br>As a result; it is concluded that Project activity is limited to Turkish Electricity Grid which is dominated by thermal power plants.<br><br>The weight of thermal power plants have been checked form the http://www.teias.gov.tr/projeksiyon/KAPASITEPROJEKSI | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | YONU2009.pdf and it has been concluded that weight of thermal plants are expected to decrease according to scenario 1 ( high demand) . The reference is form the official website of TEIAS. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| k. Have all applicable CDM requirements been taken into account in the identification of the baseline scenario for the proposed CDM project activity? | VVM | 84 | All applicable CDM requirements have been taken into consideration. | **OK** | **OK** |
| l. Have all relevant policies and circumstances been identified and correctly considered in the PDD, in accordance with the guidance by the CDM Executive Board? | VVM | 84 | All relevant policies have been considered in the PDD. | **OK** | **OK** |
| m. Does the PDD provide a verifiable description of the identified baseline scenario, including a description of the technology that would be employed and/or the activities that would take place in the absence of the proposed CDM project activity? | VVM | 85 | It has been stated in the PDD that the Turkish electricity is dominated by thermal power plants. It has also been stated in the PDD that the share of the fossil fuel fired plants is expected to stay stable in the 2025-2020 period according to the National Policies. It can be concluded that that the electricity will be provided form thermal power plant dominated grid in the absence of the project. | **OK** | **OK** |
| ***e. Algorithms and/or formulae used to determine emission reductions*** | | | | | |
| a. Do the steps taken and equations applied to calculate project emissions, baseline emissions, leakage and emission reductions comply with the requirements of the selected baseline and monitoring? | VVM | 88 | The tool for the definition of the grid emission factor defines four steps for the definition of the emission factor. All four steps have been used in the PDD.<br>The project emissions have been defined as "0" in the tabular format in compliance with ACM002 version 10.<br>The leakage has been considered as 0 as indicated in the ACM002 version 10. Also during the site tour it was validated that there were no equipment transferred to or from the site so the assumption has been agreed. | **OK** | **OK** |
| b. Have the equations and parameters in the PDD been correctly applied with respect those in the select approved methodology? | VVM | 89 | Please see table 2 of this protocol | **See table 2** | **See table 2** |
| i. Specific questions per methodology regarding steps taken and equations and | | | Please see table 2 of this protocol | **See table 2** | **See table 2** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| parameters applied to calculate project emissions, baseline emissions, leakage and emission reductions. | | | | | |
| c. Does the methodology provide for selection between different options for equations or parameters? | VVM | 89 | The methodology provides four options for emission reduction calculations. | **OK** | **OK** |
| d. If yes, has adequate justification been provided (based on the choice of the baseline scenario, context of the proposed CDM project activity and other evidence provided)? | VVM | 89 | The project proponent selected simple OM method. It has been stated in the PDD that other methods other than the simple OM method was not applicable to the proposed project activity due to data constraints. Since power plant based information is not publicly available in Turkey, the given justification has also been accepted by the DOE. The applicability of the method C has been justified by stating that the share of must run low cost power plants in Turkey is lower than 50%. The statement has been justified by Table 8 of the PDD version 1. The references given has been accepted by the DOE since the given reference is publicly available and a credible source. | **OK** | **OK** |
| e. If yes, have correct equations and parameters been used, in accordance with the methodology selected? | VVM | 89 | Refer to (5.e.b) above | **-** | **-** |
| f. Will data and parameters be monitored throughout the crediting period of the proposed CDM project activity? | VVM | 90 | Ex-ante option has been selected, hence the answer is N/A | **N/A** | **N/A** |
| g. If no, and these data and parameters will remain fixed throughout the crediting period, are all data sources and assumptions: | VVM | 90 | Parameters will remain fixed through the crediting period. All data and assumptions have been checked by a local experts on baseline methodology. | **OK** | **OK** |
| i. Appropriate and correct? | VVM | 90 | Please see CAR 3 &CAR4 and CL22 | **CAR3** **CAR4** **CL22** | |
| ii. Applicable to the proposed CDM project | VVM | 90 | The data and parameters given (F i,j y , NCV, COEFi, j, y, | **OK** | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| activity? | | | OXIDi, Capacity additions ) in the tabular format under section B.6.2. are applicable to the proposed CDM project activity. | | |
| iii. Resulting in a conservative estimate of the emission reductions? | VVM | 90 | Please see CAR 3 &CAR4 and CL22 | **CAR3**<br>**CAR4**<br>**CL22** | |
| h. Will data and parameters be monitored on implementation and hence become available only after validation of the project activity? | VVM | 90 | Ex-ante option has been used for the calculation of CM emission factor. | **N/A** | **N/A** |
| i. If yes, are the estimates provided in the PDD for these data and parameters reasonable? | VVM | 90 | | **N/A** | **N/A** |
| ***4. Additionality of a project activity*** | | | | | |
| a. Does the PDD describe how a proposed CDM projeCt activity is additional? | VVM | 93 | Additionality of the project has been assessed according to "Demonstration and Assessment of Additionality;" Please see clause c-aa of this protocol for validation means. | **OK** | **OK** |
| b. Does the CDM-PDD state the latest version of the additionality tool being used? | VVM | 94 | Tool to for the Demonstration and Assessment of Additionality; Version 5.2 has been used as stated in the PDD version 01. | | |
| c. Were the following steps of the tool to assess additionality used: | EB 39 | Ann 10 | Conclusion will be done after i-iv have been closed. | **Conclusion will be done after i-iv have been closed.** | |
| i. Identification of alternatives to the project activity? | EB 39 | Ann 10 | Alternatives to the project activity has been determined. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ii. Investment analysis to determine that the proposed project activity is either: 1) not the most economically or financially attractive, or 2) not economically or financially feasible? | EB 39 | Ann 10 | Investment analysis to determine the "not the most economically or financially attractive" has been realised as indicated in section B.5 ( PG14) of the PDD version 01. | **OK** | **OK** |
| iii. Barriers analysis? | EB 39 | Ann 10 | Barrier analysis have been used. | **OK** | **OK** |
| iv. Common practice analysis? | EB 39 | Ann 10 | Common practice analysis have been realised. | **OK** | **OK** |
| d. In step 1 (i) have all the sub-steps as below been followed? | EB 39 | Ann 10 | Conclusion will be done after i-iii have been closed. | **Conclusion will be done after i-iii have been closed.** | |
| i. Sub-step 1a: Define alternatives to the project activity | EB 39 | Ann 10 | Sub-step 1a has been followed. | **OK** | **OK** |
| ii. Sub-step 1b: Consistency with mandatory laws and regulations | EB 39 | Ann 10 | Sub-step 1b has been followed. | **OK** | **OK** |
| e. Have the following alternatives been included while defining alternatives as per sub-step 1a? | EB 39 | Ann 10 | Conclusion will be done after i-iii have been closed. | **Conclusion will be done after i-iii have been closed.** | |
| i. (a) The proposed project activity undertaken without being registered as a CDM project activity; | EB 39 | Ann 10 | The proposed project activity undertaken without being registered as a CDM project activity has been considered as an alternative.<br>It has been stated that the scenario is line with the | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | mandatory requirements however faces barriers and is not a feasible alternative. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ii. (b) Other realistic and credible alternative scenario(s) to the proposed CDM project activity scenario that deliver outputs services or services with comparable quality, properties and application areas, taking into account, where relevant, examples of scenarios identified in the underlying methodology; | EB 39 | Ann 10 | Construction of a power plant using other renewable energy with equivalent annual power supply has been defined as an alternative to the project. | **OK** | **OK** |
| iii. © If applicable, continuation of the current situation (no project activity or other alternatives undertaken). | EB 39 | Ann 10 | Continuation of the current situation is considered as an alternative to the project. | **OK** | **OK** |
| f. Has the project participant included the technologies or practices that provide outputs or services with comparable quality, properties and application areas as the proposed CDM project activity and that have been implemented previously or are currently being introduced in the relevant country/region? | EB 39 | Ann 10 | Construction of a power plant using other renewable energy with equivalent annual power supply has been defined as an alternative to the project.<br>Please see CL11 | **See CL11** | **OK** |
| g. Has the outcome of Step 1a: Identified realistic and credible alternative scenario(s) to the project activity done correctly? Please briefly mention the outcome. | EB 39 | Ann 10 | It has been stated in step 1 that the only realistic and credible alternative scenario to the project activity is the continuation of the current situation. | **OK** | **OK** |
| h. Is the alternative(s) in compliance with all mandatory applicable legal and regulatory requirements, even if these laws and regulations have objectives other than GHG reductions, e.g. to mitigate local air pollution.? | EB 39 | Ann 10 | The alternatives are in compliance with all mandatory applicable and regulatory requirements. | **OK** | **OK** |
| i. If an alternative does not comply with all mandatory applicable legislation and regulations, has it been shown that, based on an examination of current practice in the country | EB 39 | Ann 10 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| or region in which the law or regulation applies, those applicable legal or regulatory requirements are systematically not enforced and that noncompliance with those requirements is widespread in the country? | | | | | |
| j. Has the outcome of Step 1b: Identified realistic and credible alternative scenario(s) to the project activity that are in compliance with mandatory legislation and regulations taking into account the enforcement in the region or country and EB decisions on national and/or sectoral policies and regulations done correctly? Please state the outcome. | EB 39 | Ann 10 | Outcome of Step 1b is as follows: All the alternative scenarios identified, including the baseline scenario, comply with mandatory legislation and regulations. | **OK** | **OK** |
| k. Has PP selected Step 2 (Investment analysis) or Step 3 (Barrier analysis) or both Steps 2 and 3? | EB 39 | Ann 10 | The PP selected both step 2 and step 3 | **OK** | **OK** |
| l. In step 2, have all the sub-steps as below been followed? | EB 39 | Ann 10 | In step 2, all the sub-steps as below have been followed | **OK** | **OK** |
| i. Sub-step 2a: Determine appropriate analysis method; | EB 39 | Ann 10 | Benchmark analysis has been selected as an appropriate method. | **N/A** | **N/A** |
| ii. Sub-step 2b: Option I. Apply simple cost analysis; | EB 39 | Ann 10 | N/A | **N/A** | **N/A** |
| iii. Sub-step 2b: Option II. Apply investment comparison analysis; | EB 39 | Ann 10 | N/A | **N/A** | **N/A** |
| iv. Sub-step 2b: Option III. Apply benchmark analysis; | EB 39 | Ann 10 | Benchmark analysis have been selected | **OK** | **OK** |
| v. Sub-step 2c: Calculation and comparison of financial indicators (only applicable to Options II and III); | EB 39 | Ann 10 | IRR has been selected as an indicator. | **OK** | **OK** |
| vi. Sub-step 2d: Sensitivity analysis (only applicable to Options II and III). | EB 39 | Ann 10 | Sensitivity analysis has been carried out. | **OK** | **OK** |
| m. In sub-step 2a has the determination of | EB 39 | Ann | Benchmark analysis have been selected as an | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| appropraite method of analysis done as per the guidance as below? | | 10 | appropriate method; which has been cross checked with similar projects by the DOE and concluded as appropriate according to the Additionality Tool v 5.2. | | |
| i. Simple cost analysis if the CDM project activity and the alternatives identified in Step 1 generate no financial or economic benefits other than CDM related income (Option I). | EB 39 | Ann 10 | Simple cost analysis is not used and the reason for not selecting the methodology is justified in the PDD stating that the proposed project generates economic benefits. The justification is in line with the Additionality tool requirements. | **OK** | **OK** |
| ii. Otherwise, use the investment comparison analysis (Option II) or the benchmark analysis (Option III). Specify option used with justification. | EB 39 | Ann 10 | Investment comparison alternative is not used and the reason for not selecting the analysis method is justified stating that there is no other alternative at issue.<br>The assumption has been accepted by the DOE also since option II is applicable to projects whose alternatives are similar investment projects. | **OK** | **OK** |
| n. Has the below guideline followed for sub-step 2b Option I. Apply simple cost analysis? Document the costs associated with the CDM project activity and the alternatives identified in Step1 and demonstrate that there is at least one alternative which is less costly than the project activity. | EB 39 | Ann 10 | N/A | **N/A** | **N/A** |
| o. Has the below guideline followed for sub-step 2b Option II. Apply investment comparison analysis? Identify the financial indicator, such as IRR, NPV, cost benefit ratio, or unit cost of service most suitable for the project type and decision-making context. Please specify | EB 39 | Ann 10 | N/A | **N/A** | **N/A** |
| p. Has the below guideline followed for Sub-step 2b: Option III. Apply benchmark analysis? | EB 39 | Ann 10 | Conclusion will be done after i-iii have been closed. | Conclusion will be done after i-iii have been | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | | closed. | |
| i. Identify the financial/economic indicator, such as IRR, most suitable for the project type and decision context. | EB 39 | Ann 10 | The financial / economic indicator is selected as IRR which is a suitable economic indicator for the project type. The selection of the indicator is found suitable for the project type considering similar projects. | **OK** | **OK** |
| ii. When applying Option II or Option III, the financial/economic analysis shall be based on parameters that are standard in the market, considering the specific characteristics of the project type, but not linked to the subjective profitability expectation or risk profile of a particular project developer. Only in the particular case where the project activity can be implemented by the project participant, the specific financial/economic situation of the company undertaking the project activity can be considered. | EB 39 | Ann 10 | IRR is a standard parameter used in the market for energy projects as checked from the feasibility reports submitted to the banks for loan agreements. | **OK** | **OK** |
| iii. Discount rates and benchmarks shall be derived from: (a) Government bond rates, increased by a suitable risk premium to reflect private investment and/or the project type, as substantiated by an independent (financial) expert or documented by official publicly available financial data; (b) Estimates of the cost of financing and required return on capital (e.g. commercial lending rates and guarantees required for the country and the type of project activity concerned), based on bankers views and private equity investors/funds' required return on comparable projects; (c) A company internal | EB 39 | Ann 10 | ▪ Bankers' view has been used a benchmark for the project IRR. It has been stated that the acceptable IRR values for the loan agreement is 10 % for energy investments according to World bank. The reference given is not accessible from the given address. Please supply the full document.<br>▪ The Eurobond rates have also been presented in the PDD, please clarify if the given value is a benchmark value. | **CL 35** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| benchmark (weighted average capital cost of the company), only in the particular case referred to above in 2. The project developers shall demonstrate that this benchmark has been consistently used in the past, i.e. that project activities under similar conditions developed by the same company used the same benchmark; (d) Government/official approved benchmark where such benchmarks are used for investment decisions; (e) Any other indicators, if the project participants can demonstrate that the above Options are not applicable and their indicator is appropriately justified. Please specify benchmark and justify. | | | | | |
| q. Has the below guideline followed for Sub-step 2c: Calculation and comparison of financial indicators (only applicable to Options II and III)? | EB 39 | Ann 10 | The conclusion will be made after i-iii has been closed. | Conclusion will be done after i-iii have been closed. | |
| i. Calculate the suitable financial indicator for the proposed CDM project activity and, in the case of Option II above, for the other alternatives. Include all relevant costs (including, for example, the investment cost, the operations and maintenance costs), and revenues (excluding CER revenues, but possibly including inter alia subsidies/fiscal incentives, ODA, etc, where applicable), and, as appropriate, non-market cost and benefits in the case of public investors if this is | EB 39 | Ann 10 | 1. Please give the proof for the investment cost given in investment cost worksheet cost given C5-C20<br>2. Please supply the insurance policy to validate the insurance cost given in Operation cost sheet.<br>3. Please supply the insurance policy to validate the insurance cost given in Operation cost sheet.<br>4. Please supply the proof for the maintenance fee given in the operation cost worksheet.<br>5. Please supply the calculation details for the staff + labour cost given in the operation cost worksheet ( on the number of people and job title basis ) | **CAR8** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| standard practice for the selection of public investments in the host country. | | | 6. Please supply the details for the repayment of capital and loan instalments from the bank.<br>7. Please correct the input in the IRR table ( 598028 was repeated 11 times<br>8. The depreciation has been identified as 10 year in the cost worksheet for the all project which is in line legislation however The depreciation is considered for 20 years in the cash flow work sheet please correct.<br>9. The depreciation has been considered without VAT in the cash flow worksheet. However the deductible VAT is not the total VAT in the investment cost sheet. Please clarify<br>10. Equity IRR please include it also in IRR on Capital employed. The deductible VAT is considered in Equity IRR please include it also in IRR on Capital employed.<br>11. While calculating the net cash flow the own capital is included, however ther net income is not included. Please add it. | | |
| ii. Present the investment analysis in a transparent manner and provide all the relevant assumptions, preferably in the CDM-PDD, or in separate annexes to the CDM-PDD. | EB 39 | Ann 10 | The investment analysis is presented in a transparent manner. | **OK** | **OK** |
| iii. Justify and/or cite assumptions. | EB 39 | Ann 10 | The assumptions have been justified. | **OK** | **OK** |
| iv. In calculating the financial/economic indicator, the project's risks can be included through the cash flow pattern, subject to project-specific expectations and assumptions. | EB 39 | Ann 10 | There is no project risk specific to this project that may be applied to the cash flow pattern. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| v. Assumptions and input data for the investment analysis shall not differ across the project activity and its alternatives, unless differences can be well substantiated. | EB 39 | Ann 10 | 1. The operation and maintenance cost has been given as 4147168 for the afterwards than 5th year however the it has been calculated as 5 147 168 in the operation cost work sheet in cell D8. Please clarify the difference .<br>2. The land cost is calculated as Investment cost x 0.05x 0.15. Please clarify the calculation Please also clarify why the calculation is different for first ten years from the latter. | **CL36** | **OK** |
| vi. Present in the CDM-PDD a clear comparison of the financial indicator for the proposed CDM activity. Please specify details for above. | EB 39 | Ann 10 | Bankers' view has been used a benchmark for the project IRR. It has been stated that the acceptable IRR values for the loan agreement is 10 % for energy investments according to World bank. The reference given is not accessible from the given address. Please supply the full document.<br>The Eurobond rates have also been presented in the PDD, please clarify if the given value is a benchmark value | **CL 35** | **OK** |
| r. Has the below guideline followed for Sub-step 2d: Sensitivity analysis (only applicable to Options II and III)? Include a sensitivity analysis that shows whether the conclusion regarding the financial/economic attractiveness is robust to reasonable variations in the critical assumptions. | EB 39 | Ann 10 | 1.) The initial Investment Costs, Operation costs and Electricity Revenue are included as variables in the sensitivity analysis<br>2.) The sensitivity analysis is defined and calculation spreadsheet is provided. | **OK** | **OK** |
| s. Has the outcome of Step 2 clearly mentioned with justification? | EB 39 | Ann 10 | It has been stated that The project activity is not financially attractive compared to other options and the carbon revenue increases returns to a level that makes the extra risks worth taking.<br>Please clarify benchmark value in the outcome also. | **CL37** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | | | |
| t. In step 3: Barrier analysis have all the sub-steps as below been followed? | EB 39 | Ann 10 | Sub-step 3a and substep 3b have bee followed. | **OK** | **OK** |
| i. Sub-step 3a: Identify barriers that would prevent the implementation of the proposed CDM project activity; | EB 39 | Ann 10 | The barriers have been identified. | **OK** | **OK** |
| ii. Sub-step 3 b: Show that the identified barriers would not prevent the implementation of at least one of the alternatives (except the proposed project activity). | EB 39 | Ann 10 | It has been discussed if barriers would not prevent the implementation of at least one of the alternatives.<br>Please refer to CL 50. | **CL50** | **OK** |
| u. Has the below guideline followed for Sub-step 3a: Identify barriers that would prevent the implementation of the proposed CDM project? | EB 39 | Ann 10 | This checklist question will be concluded after i-iii have been concluded. | This checklist question will be concluded after i-iii have been concluded. | |
| i. (a) Investment barriers: For alternatives undertaken and operated by private entities: Similar activities have only been implemented with grants or other non-commercial finance terms. No private capital is available from domestic or international capital markets due to real or perceived risks associated with investment in the country where the proposed CDM project activity is to be implemented, as demonstrated by the credit rating of the country or other country investments reports of reputed origin. | EB 39 | Ann 10 | In PDD version 1.1. -Section B.5 Subsection 3. a.; it has been stated that; since June 2008 the lending banks have made it much more difficult for project developers to raise debt finance for their projects. It has been also stated that the increased tariff offered by the government since 2005 has helped to overcome some of these barriers, but the overall financial position is still less favourable than it was a year ago. Please give the justification and related reference to prove that the barrier would prevent the implementation of the proposed project activity from being carried out.( Please consider that the barriers should include barriers | **CL13** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | other than financial / economic barriers). | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | Finance, Lack of incentives, fixed pricing, higher fees, uncertainties on the future energy policies have been defined as barriers under the investment barriers in section B.5. of the PDD version 01.1. Means of validation are given below:<br>1. Fixes pricing and finance and higher fees have already been included in the investment analysis. Hence, the barriers subject to investment analysis would not be included in the barrier analysis according to Guidance on Investment Analysis annex of the Additionality Tool.<br>2. Please justify the assumptions raised under the lack of incentives barrier in order to prove that the barriers raised may prevent the project from occurring ( the assumptions are a) that the government provides a 10 year purchase contract b) the opportunity to transfer and of state owned coal fired power plants )<br>3. It is stated that uncertainties in on the future energy policies is also a barrier for the WEPPs. Please clarify and justify how the proposed project ( or WEPPs ) have been affected from these barriers.<br>4. Please demonstrate in the PDD that the financing of the project was assured only due to the benefit of the GS.<br>5. Please reassess the out come of 3a and 3b | **CL38** | **OK** |
| ii. (b) Technological barriers: Skilled and/or properly trained labour to operate and maintain the technology is not available in the relevant country/region, which leads to an unacceptably high risk of equipment disrepair and malfunctioning or other | EB 39 | Ann 10 | Please clearly state and justify how the technological barriers presented in section B.5. of the PDD version 01.1 prevents the proposed project activity.<br>Please reassess the outcome of 3a and 3b. | **CL39** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| underperformance; Lack of infrastructure for implementation and logistics for maintenance of the technology, Risk of technological failure: the process/technology failure risk in the local circumstances is significantly greater than for other technologies that provide services or outputs comparable to those of the proposed CDM project activity, as demonstrated by relevant scientific literature or technology manufacturer information, The particular technology used in the proposed project activity is not available in the relevant region. | | | | | |
| iii. © Barriers due to prevailing practice: The project activity is the "first of its kind". | EB 39 | Ann 10 | N/A | **OK** | **OK** |
| iv. (d) Other barriers, preferably specified in the underlying methodology as examples. | EB 39 | Ann 10 | Construction barriers have been demonstrated under other barriers. Please demonstrate objectively that these barriers may prevent the project from occurring. Please reassess the out come of 3a and 3b. | **Will be concluded after i-iv have been concluded.** | **OK** |
| v. Has the outcome from Step 3a clearly mentioned in PDD? | EB 39 | Ann 10 | The main barriers given in step 3A for renewable energy investments in Turkey are the lack of financial incentives, grid connection fees, restricted pricing policies, uncertainties on future national energy and carbon policies. This checklist question will be assessed after the conclusion on the above questions have been clarified. | **OK** | **OK** |
| w. Has the below guideline followed for Sub-step 3 b: Show that the identified barriers would not prevent the implementation of at least one of the | EB 39 | Ann 10 | This step will be concluded after step 3 a have been concluded | **This step will be conclude** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| alternatives (except the proposed project activity)? | | | | **d after step 3 a have been concluded** | |
| i. If the identified barriers also affect other alternatives, explain how they are affected less strongly than they affect the proposed CDM project activity. In other words, demonstrate that the identified barriers do not prevent the implementation of at least one of the alternatives. Any alternative that would be prevented by the barriers identified in Sub-step 3a is not a viable alternative, and shall be eliminated from consideration. | EB 39 | Ann 10 | In outcome step 3b; it has been stated that the barriers analysed don't prevent the baseline alternative from implementation because government policies support nuclear energy development and and private investment is minimal.<br>This step will be concluded after step 3 a have been concluded | **This step will be concluded after step 3 a have been concluded** | **OK** |
| ii. Provide transparent and documented evidence, and offer conservative interpretations of this documented Cevidence, as to how it demonstrates the existence and significance of the identified barriers and whether alternatives are prevented by these barriers. | EB 39 | Ann 10 | This step will be concluded after step 3 a have been concluded | **This step will be concluded after step 3 a have been concluded** | **OK** |
| iii. The type of evidence to be provided should include at least one of the following: (a) Relevant legislation, regulatory information or industry norms; (b) Relevant (sectoral) studies or surveys (e.g. market surveys, technology studies, etc) undertaken by universities, research institutions, industry associations, | EB 39 | Ann 10 | This step will be concluded after step 3 a have been concluded | **This step will be concluded after step 3 a have been** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| companies, bilateral/multilateral institutions, etc; (c) Relevant statistical data from national or international statistics; (d) Documentation of relevant market data (e.g. market prices, tariffs, rules); (e) Written documentation of independent expert judgments from industry, educational institutions (e.g. universities, technical schools, training centres), industry associations and others. Please specify. | | | | **concluded** | |
| x. Has the outcome from Step 3 clearly mentioned in PDD? | EB 39 | Ann 10 | Outcome of Step 3 is not clearly presented. | **CL40** | **OK** |
| y. In step 4: Common practise analysis have all the sub-steps as below followed? | EB 39 | Ann 10 | | | |
| i. Sub-step 4a: Analyze other activities similar to the proposed project activity; | EB 39 | Ann 10 | Similar activities to the proposed project activity have been analysed. | **OK** | **OK** |
| ii. Sub-step 4b: Discuss any similar Options that are occurring. | EB 39 | Ann 10 | Similar options are discussed . | **OK** | **OK** |
| z. Has the below guideline followed for Sub-step 4a: Analyze other activities similar to the proposed project activity? Provide an analysis of any other activities that are operational and that are similar to the proposed project activity. Other CDM project activities are not to be included in this analysis. Provide documented evidence and, where relevant, quantitative information. On the basis of that analysis, describe whether and to which extent similar activities have already diffused in the relevant region. | EB 39 | Ann 10 | The wind projects in Turkey ( totally 29) have been listed in table 7 of the PDD version 1.1. in order to analyse the activities similar to the project activity.<br>However 89 wind projects have been observed by the DOE in the reference"http://www.epdk.gov.tr/lisans/elektrik/lisansdatabase/verilenuretim.asp." Please clarify and reassess step 3a and 3b if necessary. | **CL41** | **OK** |
| aa. Has the below guideline followed for Sub-step 4b: Discuss any similar Options that are occurring? If similar activities are identified, then | EB 39 | Ann 10 | The wind projects in Turkey ( totally 29) have been listed in table 7 of the PDD version 1.1. in order to analyse the | **CL41** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| it is necessary to demonstrate why the existence of these activities does not contradict the claim that the proposed project activity is financially/economically unattractive or subject to barriers. This can be done by comparing the proposed project activity to the other similar activities, and pointing out and explaining essential distinctions between them that explain why the similar activities enjoyed certain benefits that rendered it financially/economically attractive (e.g., subsidies or other financial flows) and which the proposed project activity cannot use or did not face the barriers to which the proposed project activity is subject. In case similar projects are not accessible, the PDD should include justification about non-accessibility of data/information. | | | activities similar to the project activity.<br>However 89 wind projects have been observed by the DOE in the reference"http://www.epdk.gov.tr/lisans/elektrik/lisansdatabase/verilenuretim.asp." Please clarify and reassess step 3a and 3b if necessary.<br>. | | |
| bb. Has the outcome from Step 4 clearly mentioned in PDD? | EB 39 | Ann 10 | It has been stated that the majority of energy investment is done by the Government and the private the sector prefers to invest in the thermal power plants. It has also been stated that the increase in the share of wind power plants are due to the Voluntary Carbon Market. | **OK** | **OK** |
| cc. Has it been proved that the project is additional? | EB 39 | Ann 10 | Will be concluded later. | **Will be concluded later.** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| ***a. Prior consideration of the clean development mechanism*** | | | | | |
| a. Is the project ativity start date prior to the date of publication of the PDD for stakeholder comments? | VVM | 96 | N/A | **N/A** | **N/A** |
| b. If yes, were the CDM benefits considered necessary in the decision to undertake the project as a proposed CDM project activity? | VVM | 96 | N/A | **N/A** | **N/A** |
| c. Is the start date of the project activity, reported in the PDD, in accordance with the "Glossary of CDM terms", which states that "The starting date of a CDM project activity is the earliest date at which either the implementation or construction or real action of a project activity begins."? | VVM | 97 | N/A | **N/A** | **N/A** |
| d. Does the project activity require construction, retrofit or other modifications? | VVM | 97 | The project activity does not need any modifications. | **N/A** | **N/A** |
| e. If yes, is it ensured that the date of commissioning cannot be considered as the project activity start date? | VVM | 97 | N/A | **N/A** | **N/A** |
| f. Is it a new project activity (project activities with staring date on or after 02 August 2008) or an existing project activity (project activities with a start date before 02 August 2008)? | VVM | 98 | The project activity is a new project activity as the construction has started in May 2009 | **OK** | **OK** |
| g. For a new project, for which PDD has not been published for global stakeholder consultation or a new methodology proposed to the Executive Board before the project activity start date, had the PP informed the Host Party DNA and/or the UNFCCC secretariat in writing of the commencement of the project activity and of their intention to seek CDM status? (Provide | VVM | 99 | The PDD has not been published for global stakeholder yet. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| reference to such confirmation from Hos Party DNA and/or UNFCCC secretariat). | | | | | |
| h. For an existing project activity, for which the start date is prior to the date of publication of the PDD for global stakeholder consultation, are the following evidences provided: | VVM | 100 | N/A | **N/A** | **N/A** |
| ii. evidence that must indicate that awareness of the CDM prior to the project activity start date, and that the benefits of the CDM were a decisive factor in the decision to proceed with the project, including, inter alia: | VVM | 100 | N/A | **N/A** | **N/A** |
| a. minutes and/or notes related to the consideration of the decision by the Board of Directors, or equivalent, of the project participant, to undertake the project as a proposed CDM project activity? | VVM | 100 | N/A | **N/A** | **N/A** |
| iii. reliable evidence from project participants that must indicate that continuing and real actions were taken to secure CDM status for the project in parallel with its implementation, including, inter alia: | VVM | 100 | N/A | **N/A** | **N/A** |
| a. contract with consultants for CDM/PDD/methodology services? | VVM | 100 | N/A | **N/A** | **N/A** |
| b. Emission Reduction Purchase Agreements or other documentation related to the sale of the potential CERs (including correspondence with multilateral financial institutions or carbon funds)? | VVM | 100 | N/A | **N/A** | **N/A** |
| c. evidence of agreements or negotiations with a DOE for validation services? | VVM | 100 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| d. submission of a new methodology to the CDM Executive Board? | VVM | 100 | N/A | **N/A** | **N/A** |
| e. publication in newspaper? | VVM | 100 | N/A | **N/A** | **N/A** |
| f. interviews with DNA? | VVM | 100 | N/A | **N/A** | **N/A** |
| g. earlier correspondence on the project with the DNA or the UNFCCC secretariat? | VVM | 100 | N/A | **N/A** | **N/A** |
| ***b. Identification of alternatives*** | | | | | |
| a. Does the approved methodology that is selected by the proposed CDM project activity prescribe the baseline scenario and hence no further analysis is required? | VVM | 103 | The methodology that is selected by the proposed CDM project activity prescribe the baseline scenario and hence no further analysis is required. | **N/A** | **N/A** |
| b. If no, does the PDD identify credible alternatives to the project activity in order to determine the most realistic baseline scenario? | VVM | 103 | N/A | **N/A** | **N/A** |
| c. Does the list of alternatives given in the PDD esure that: | VVM | 104 | N/A | **N/A** | **N/A** |
| i. the list of alternatives includes as one of the options that the project activity is undertaken without being registered as a proposed CDM project activity? | VVM | 104 | N/A | **N/A** | **N/A** |
| ii. the list contains all plausible alternatives that the DOE, on the basis of its local and sectoral knowledge, considers to be viable means of supplying the outputs or services that are to be supplied by the proposed CDM project activity? | VVM | 104 | N/A | **N/A** | **N/A** |
| iii. the alternatives comply with all applicable and enforced legislation? | VVM | 104 | N/A | **N/A** | **N/A** |
| ***c. Investment analysis*** | | | | | |
| a. Has investment analysis been used to | VVM | 106 | Investment analysis has been used to demonstrate the | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| demonstrate the additionality of the proposed CDM project activity? | | | additionality of the proposed CDM activity. | | |
| b. If yes, does the PDD provide evidence that the proposed CDM project activity would not be: | VVM | 106 | Conclusion will be made after i-ii have been concluded. | **OK** | **OK** |
| i. the most economically or financially attractive alternative? | VVM | 106 | The PDD provides evidence that the proposed project activity is not the most financially alternative. | **OK** | **OK** |
| ii. economically or financially feasible, without the revenue from the sale of certified emission reductions (CERs)? | VVM | 106 | N/A | **N/A** | **N/A** |
| c. Was this shown by one of the following approaches? | VVM | 107 | | | |
| i. Demonstrate that the proposed CDM project activity would produce no financial or economic benefits other than CDM-related income. Document the costs associated with the proposed CDM project activity and the alternatives identified and demonstrate that there is at least one alternative which is less costly than the proposed CDM project activity. | VVM | 107 | N/A | **N/A** | **N/A** |
| ii. The proposed CDM project activity is less economically or financially attractive than at least one other credible and realistic alternative. | VVM | 107 | Rate of Return (IRR) on capital employed is calculated at 4.7% in version 1 of the PDD without carbon revenue whereas the benchmark selected is at **10%** | **OK** | **OK** |
| iii. The financial returns of the proposed CDM project activity would be insufficient to justify the required investment. | VVM | 107 | N/A | **N/A** | **N/A** |
| d. Is the period of assessment limited to the proposed crediting period of the CDM project activity? | EB 41 | Ann 45 | The period of assessment has been selected as 20 years; the period of assessment is not limited to the proposed crediting period which is 7 seven years. | **OK** | **OK** |
| e. Does the project IRR and equity IRR calculations reflect the period of expected | EB 41 | Ann 45 | The technical life time of the project is 46 years according to the production license. The assessment period for the | **CAR9** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| operation of the underlying project activity (technical lifetime), or - if a shorter period is chosen - include the fair value of the project activity assets at the end of the assessment period? | | | benchmark analysis is 20 years. Although the period for the benchmark analysis is shorter than the technical life time of the project; fair value of the assets has not been included at the end of the assessment period. | | |
| f. Does the IRR calculation include the cost of major maintenance and/or rehabilitation if these are expected to be incurred during the period of assessment? | EB 41 | Ann 45 | The cost for the maintenance and the spare parts have been identified in the operation costs sheet of the Aliağa Financials Workbook. The maintenance cost have been defined as 2500000 for the first ten 10 years and 3500000 afterwards.<br>1. Please clarify the assumption for the maintenance costs.<br>2. Please clarify the change of the operation cost after 10 years.<br>3. Please clarify the reason for considering the maintenance cost as 2500000 in the cash flow sheet for 10th and afterward ( cell 013-v13) | **CL42** | **OK** |
| g. Do the project participants justify the appropriateness of the period of assessment in the context of the underlying project activity, without reference to the proposed CDM crediting period? | EB 41 | Ann 45 | Please justify the appropriateness of the period of investment analysis assessment in the context of the underlying project activity. | **CL 43** | **OK** |
| h. Does the cash flow in the final year include a fair value of the project activity assets at the end of the assessment period? | EB 41 | Ann 45 | Please see c.e of this protocol. | Please see c.e of this protocol. | **OK** |
| i. Has the fair value been calculated in accordance with local accounting regulations where available, or international best practice? | EB 41 | Ann 45 | Please see c.e. of this protocol. | Please see c.e of this protocol. | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| j. Does the fair value calculations include both the book value of the asset and the reasonable expectation of the potential profit or loss on the realization of the assets? | EB 41 | Ann 45 | Please see c.e. of this protocol. | Please see c.e of this protocol. | **OK** |
| k. Was depreciation, and other non-cash items related to the project activity, which have been deducted in estimating gross profits on which tax is calculated, added back to net profits for the purpose of calculating the financial indicator (e.g. IRR, NPV)? | EB 41 | Ann 45 | Depreciation has been added back to net profits for the purpose of the calculating financial indicator.<br>The depreciation values defined in the cells E15-V15 in the cash flow sheet of the Aliaga_Financials_v7_01.07.2009sens-xls differ along the row. Please clarify the reason. | **CL 44** | **OK** |
| l. Has taxation been included as an expense in the IRR/NPV calculation in cases where the benchmark or other comparator is intended for post-tax comparisons? | EB 41 | Ann 45 | The taxation has been included as an expense in the IRR calculation | **OK** | **OK** |
| m. Are the input values used in all investment analysis valid and applicable at the time of the investment decision taken by the project participant? | EB 41 | Ann 45 | Please justify the amounts given above<br>1. The investment cost ( for all the sub items given in investment sheet of the Aliaga_Financials_v7_01.07.2009sens-xls.<br>2. The operation cost ( for all the sub items given in operation sheet of the Aliaga_Financials_v7_01.07.2009sens-xls.)<br>3. The loan amount and the loan conditions ( A1-A6 of the finance sheet of the Aliaga_Financials_v7_01.07.2009sens-xls. )<br>4. Electricity sales price ( c14 of the summary sheet of the Aliaga_Financials_v7_01.07.2009sens- | **CL45** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | xls. )<br>5. Carbon revenue ( c15 of the summary sheet of the Aliaga_Financials_v7_01.07.2009sens-xls.)<br>6. The currency conversion factors. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| n. Is the timing of the investment decision consistent and appropriate with the input values? | EB 41 | Ann 45 | Please clarify the investment decision date. | **CL46** | **OK** |
| o. Are all the listed input values been consistently applied in all calculations? | EB 41 | Ann 45 | The input values have been consistently applied in the calculations | **OK** | **OK** |
| p. Does the investment analysis reflect the economic decision making context at point of the decision to recomence the project in the case of project activities for which implementation ceases after the commencement and where implementation is recommenced due to consideration of the CDM? | EB 41 | Ann 45 | As validated through the site; the implementation has not ceased after the commencement | **OK** | **OK** |
| q. Have project participants supplied the spreadsheet versions of all investment analysis? | EB 41 | Ann 45 | Aliaga_Financials_v7_01.07.2009sens-xls has been received by the DOE for the draft protocol | **OK** | **OK** |
| r. Are all formulas used in this analysis readable and all relevant cells be viewable and unprotected? | EB 41 | Ann 45 | All formulas used in this analysis readable and all relevant cells be viewable and unprotected. Please clarify the formulas in the finance sheet . | **OK** | **OK** |
| s. In cases where the project participant does not wish to make such a spreadsheet available to the public has the PP provided an exact read-only or PDF copy for general publication? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| t. In case the PP wishes to black-out certain elements of the publicly available version, is it justifiable? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| u. Was the cost of financing expenditures (i.e. loan repayments and interest) included in the calculation of project IRR? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| v. In the calculation of equity IRR, has only the portion of investment costs which is financed by equity been considered as the net cash outflow? | EB 41 | Ann 45 | The portion of investment cost which is financed by equity has been considered as the net cash out flow in the C35&D35 of the cash flow without carbon sheet. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| w. Has the portion of the investment costs which is financed by debt been considered a cash outflow in the calcualtion of project IRR? (this is not allowed) | EB 41 | Ann 45 | Project IRR is not realised. | **N/A** | **N/A** |
| x. In cases where a benchmark approach is used is the applied benchmark appropriate to the type of IRR calculated? | EB 41 | Ann 45 | The benchmark selected has been defined as the following in section B5 of the PDD version 01. "*March 18th 2009 the yield on 2019 date Eurobonds denominated in Euros was 7.75%. This is taken as the benchmark because the term of the loan for the Project is 12 years and this is the closest available*."<br>1. Please clarify the investment decision date and present a benchmark value consistent with the investment decision date ( CL 46)<br>2. Please also present a benchmark value consistent with the end of the benchmark analysis.<br>3. Please justify the reason for not including risk premium into benchmark. | **CL47** | **OK** |
| | | | It has been stated that "*Acceptable IRR values for similar projects in Turkey are announced as at least 10%* for renewable projects which will benefit from the loans by World Bank*." In section B.5. of the PDD version 01. Also in the same section it has been stated that "*Comparing the IRR on Capital Employed for the project [4.7%] with the Eurobond interest rates shown above [7.5% for 10 years] and expected IRR values for renewable energy projects (**10%**) in Turkey, it is concluded that the investment is not financially attractive without VER revenue. The same* | **CL48** | **OK** |

[*] Announcement, Clean Energy Foundation, (http://www.temev.org.tr/duyurularS.htm)

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| | | | *amount of investment would bring a higher revenue through other financial instruments without credit and market risks. However, the carbon revenue may increase IRR on Capital Employed to 6.0* ***%*** *and the project becomes more attractive financially and comparable to other investment options.* "<br><br>1. Please clarify the benchmark value.<br>2. The reference for the acceptable IRR values for the World bank on the investments for the renewable energy projects was not accessible from the given reference. Please clarify. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
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| y. Has local commercial lending rates or weighted average costs of capital (WACC) selected as appropriate benchmarks for a project IRR? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| z. Has required/expected returns on equity selected as appropriate benchmark for an equity IRR? | EB 41 | Ann 45 | The expected return on the equity by the Eurobond has been selected as a benchmark value. | **OK** | **OK** |
| aa. In case benchmarks supplied by relevant national authorities selected is it applicable to the project activity and the type of IRR calculation presented? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| bb. In the cases of projects which could be developed by an entity other than the project participant is the benchmark applied based on publicly available data sources which can be clearly validated? | EB 41 | Ann 45 | This checklist question will be assessed after the benchmark selected by the project participant is clarified. | **To be assesed at the after CL 47&CL48 have been closed.** | **OK** |
| cc. Have internal company benchmarks/expected returns (including those used as the expected return on equity in the calculation of a weighted average cost of capital - WACC) been applied in cases where there is only one possible project developer? | EB 41 | Ann 45 | The proposed project may be developed by an entity other than the project participant hence the checklist question is N/A | **N/A** | **N/A** |
| dd. In such cases, have these values been used for similar projects with similar risks, developed by the same company or, if the company is brand new, would have been used for similar projects in the same sector in the country/region? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| ee. Has a minimum clear evidence of the resolution by the company's Board and/or shareholders | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| been provided to the effect as above? | | | | | |
| ff. Has a thorough assessment of the financial statements of the project developer - including the proposed WACC - to assess the past financial behavior of the entity during at least the last 3 years in relation to similar projects been conduted? | EB 41 | Ann 45 | N/A | **N/A** | **N/A** |
| gg. Does the risk premiums applied in the determination of required returns on equity reflect the risk profile of the project activity being assessed, established according to national/international accounting principles? (It is not considered reasonable to apply the rate general stock market returns as a risk premium for project activities that face a different risk profile than an investment in such indices.) | EB 41 | Ann 45 | Risk premium has not been applied. Although being a conservative approach a clarification has been requested. | **CL47** | **OK** |
| hh. Has an investment comparison analysis and not a benchmark analysis used when the proposed baseline scenario leaves the project participant no other choice than to make an investment to supply the same (or substitute) products or services? | EB 41 | Ann 45 | The baseline does not leave project participant no other choice than to make an investment to supply the same (or substitute) products or services; hence the checklist question is not applicable. | **N/A** | **N/A** |
| ii. Have variables, including the initial investment cost, that constitute more than 20% of either total project costs or total project revenues been subjected to reasonable variation (positive and negative) and the results of this variation been presented in the PDD and be reproducible in the associated spreadsheets? | EB 41 | Ann 45 | The sensitivity analysis have been carried out for the parameters given above; Investment Cost, Operating Cost, Electricity Sales revenue. The selected parameters constitute 20% of either total project costs or total project revenues. Hence it has been concluded that the selected parameters are appropriate. Results of this variation been presented in the PDD and be reproducible in the associated spreadsheets. | **OK** | **OK** |
| jj. Have a corrective action been raised for a | EB 41 | Ann | There is no parameter to be included in the sensitivity | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| variable to be included in the sensitivity analysis which constitute less than 20% and have a material impact on the analysis ? | | 45 | analysis which constitute less than 20% and have a material impact on the analysis. | | |
| kk. Is the range of variations selected is reasonable in the project context? | EB 41 | Ann 45 | This checklist question will be concluded after the CLS and CARS on the investment analysis have been concluded. | **Will be concluded after the CLs have been closed.** | **OK** |
| ll. Dos the variations in the sensitivity analysis at least cover a range of +10% and -10%, unless this is not deemed appropriate in the context of the specific project circumstances? | EB 41 | Ann 45 | The selected parameters cover a range of +10% and -10%. Please clarify the electricity sales price that will pass the benchmark value and discuss the probability of the scenario. | **CL49** | **OK** |
| mm. In cases where a scenario will result in the project activity passing the benchmark or becoming the most financially attractive alternative, is an assessment done of the probability of the occurrence of this scenario in comparison to the likelihood of the assumptions in the presented investment analysis, taking into consideration correlations between the variables as well as the specific socio-economic and policy context of the project activity? | EB 41 | Ann 45 | This checklist question will be concluded after the CLS and CARS on the investment analysis have been concluded. | **Will be concluded after the CLs have been closed** | **OK** |
| nn. Was a thorough assessment of all parameters and assumptions used in calculating the relevant financial indicator, and determine the accuracy and suitability of these parameters using the available evidence and expertise in relevant accounting practices conducted? | VVM | 109 | This checklist question will be concluded after the CLS and CARS on the investment analysis have been concluded. | **This checklist question will be concluded after the CLS and** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | | **CARS on the investment analysis have been concluded.** | |
| oo. Were the parameters cross-checked agains third-party or publicly available sources, such as invoices or price indices? | VVM | 109 | This checklist question will be concluded after the CLS and CARS on the investment analysis have been concluded. | **This checklist question will be concluded after the CLS and CARS on the investment analysis have been concluded.** | **OK** |
| pp. Were feasibility reports, public announcements and annual financial reports related to the proposed CDM project activity and the project participants reviewed? | VVM | 109 | This checklist question will be concluded after the CLS and CARS on the investment analysis have been concluded. | **This checklist question will be concluded after the CLS** | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | | **and CARS on the investment analysis have been concluded.** | |
| qq. Was the correctnes of computations carried out and documented by the project participants assessed? | VVM | 109 | The correctness of the computations have been checked. | **OK** | **OK** |
| rr. Was the sensitivity analysis by the project participants to determine under what conditions variations in the result would occur, and the likelihood of these conditions assessed? | VVM | 109 | The Sensitivity analysis have been carried out for the parameters that constitute %10 of the cost or revenue as requested in the ”Additionality Tool”. | **OK** | **OK** |
| ss. Is the type of benchmark applied is suitable for the type of financial indicator presented? | VVM | 110 | This checklist question will be assessed after the benchmark selected by the project participant is clarified. | **To be assesed at the after CL 47 and CL48 have been closed.** | **OK** |
| tt. Do any risk premiums applied determining the benchmark reflect the risks associated with the project type or activity? | VVM | 110 | Risk premium has not been applied. See CL 47 | **CL47** | **OK** |
| uu. To determine this, was it assessed | | | This checklist question will be assessed after the | **To be** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| whether it is reasonable to assume that no investment would be made at a rate of return lower than the benchmark by: | | | benchmark selected by the project participant is clarified. | **assesed at the after CL 47 and CL48 have been closed.** | |
| i. assessing previous investment decisions by the project participants involved? | VVM | 110 | This checklist question will be assessed after the benchmark selected by the project participant is clarified. | **To be assesed at the after CL 47 and CL48 have been closed.** | **OK** |
| i. determining whether the same benchmark has been applied? | VVM | 110 | This checklist question will be assessed after the benchmark selected by the project participant is clarified. | **To be assesed at the after CL 47 and CL48 have been closed.** | **OK** |
| i. determining if there are verifiable circumstances that have led to a change in the benchmark? | VVM | 110 | This checklist question will be assessed after the benchmark selected by the project participant is clarified. | **To be assesed at the after CL 47 and CL48** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | | **have been closed.** | |
| vv. Did the project participants rely on values from Feasibility Study Reports (FSR) that are approved by national authorities for proposed project activities? | VVM | 111 | The project participants do not rely on values from feasibility reports that are approved by national authorities for proposed project activities. | **N/A** | **N/A** |
| ww. If yes: | VVM | 111 | | **N/A** | **N/A** |
| i. has the FSR been the basis of the decision to proceed with the investment in the project, i.e. that the period of time between the finalization of the FSR and the investment decision is sufficiently short for the DOE to confirm that it is unlikely in the context of the underlying project activity that the input values would have materially changed? | VVM | 111 | N/ A | **N/A** | **N/A** |
| ii. Are the values used in the PDD and associated annexes fully consistent with the FSR? | VVM | 111 | N/A | **N/A** | **N/A** |
| iii. If not, was the appropriateness of the values validated? | VVM | 111 | N/A | **N/A** | **N/A** |
| iv. On the basis of its specific local and sectoral expertise, is confirmation provided, by cross-checking or other appropriate manner, that the input values from the FSR are valid and applicable at the time of the investment decision? | VVM | 111 | N/A | **N/A** | **N/A** |
| ***d. Barrier analysis*** | | | | | |
| a. Has barrier analysis been used to demonstrated the additionality of the proposed CDM project activity? | VVM | 113 | Barrier analysis has been used to demonstrate the additionality of the proposed CDM project activity. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| b. If yes, does the PDD demonstrate that the proposed CDM project activity faces barriers that: | VVM | 113 | Will be concluded after i-ii have been closed. | **Will be concluded after i-ii have been closed** | **OK** |
| i. prevent the implementation of this type of proposed CMD project activity? | VVM | 113 | Pls. see CL 38 | **CL 38** | **OK** |
| ii. do not prevent the implementation of at least one of the alternatives? | VVM | 113 | In sub step 3 b of the section B.5. PDD version 1.1.; it has been stated that government policies support nuclear energy development and the private investment is at minimal. Hence the barriers do not prevent the baseline situation. However, nuclear power plants are at a negligible level in the baseline situation in Turkey, hence the nuclear power plants do not represent the baseline situations. On the other hand; the incentive to the coal fired power plants is limited to the plants that will use domestic coal and whose capacity is over 1000 MW. This is also not a common practice. Please clarify the argument that the barriers do not prevent the implementation of at least one of the alternatives. | **CL50** | **OK** |
| c. Are there any issues that have a clear direct impact on the financial returns of the project activity, other than: risk related barriers, for example risk of technical failure, that could have negative effects on the financial performance; or barriers related to the unavailability of sources of finance for the project activity? {If yes, these issues cannot be considered barriers and shall be assessed by investment analysis. [Refer to (6.c) above]} | VVM | 114 | The given arguments under the investment barriers such as lack of incentives, fixes pricing, higher fees are directly related with financial analysis. Hence CL/CAR has been requested on the issue. See CL 38. | **CL38** | **OK** |
| d. Were the barriers determined as real by: | VVM | 115 | Will be concluded after i-iii have been closed | **Will be** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | | **concluded after i-iii have been closed** | |
| i. assssing the available evidence and/or undertaking interviews with relevant individuals (including members of industry associations, government officials or local experts if necessary) to determine whether the barriers listed in the PDD exist? | VVM | 115 | Lack of the infrastructure and the construction barrier is justified in the PDD version 1.1 ( See Cl 15 also). | **CL39** | **OK** |
| i. ensuring that existence of barriers is substantiated by independent sources of data such as relevant national legislation, surveys of local conditions and national or international statistics? | VVM | 115 | Lack of the infrastructure and the construction barrier is justified in the PDD version 1.1 ( See Cl 15 also). | **CL39** | **OK** |
| i. Is existence of a barrier substantiated only by the opinions of the project participants? (If yes, this barrier cannot be considered as adequately substantiated) | VVM | 115 | Lack of the infrastructure and the construction barrier is justified in the PDD version 1.1 ( See CL15 also). | **CL39** | **OK** |
| e. Were the barriers determined as preventing the implementation of the project activity but not the implementation of at least one of the possible alternatives by applying local and sectoral expertise to judge whether a barrier or set of barriers would prevent the implementation of the proposed CDM project activity and would not equally prevent implementation of *at least one of* the possible alternatives, in particular the identified baseline scenario? | VVM | 115 | .See CL 50 | **CL50** | **OK** |
| ***e. Common practice analysis*** | | | | | |
| a. Is this a large-scale, or first-of-its kind small-scale project activity? | VVM | 117 | The project activity is not the first of its kind. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| b. If yes, was common practice analysis carried out as a credibility check of the other available evidence used by the project participants to demonstrate additionality? | VVM | 117 | N/A | **N/A** | **N/A** |
| c. Was it assessed whether the geograpphical scope (e.g. defined region) of the common practice analysis is appropriate for the assessment of common practice related to the project activity's technology or industry type? (For certain technologis the relevatn region for assessment will be local and for others it may be transnational/global. | VVM | 118 | The assessment region has been defined as Turkey. Accordingly, the wind power plants throughout the country and the similar region have been listed by name and type. The geographical scope (e.g. defined region) of the common practice analysis is appropriate for the analysis.<br>In PDD version 01; projects that have been developed by private entity has been defined as "similar". All wind power plant projects in Turkey ( whole country) have been listed in table 7 of the PDD version 01. Among the similar projects that have comparable size with the proposed project in the same region have been listed.<br>The geographical scope; which is defined as Turkey; is appropriate for assessment of common practice. | **OK** | **OK** |
| d. Was a region other than the entire host country chosen? | VVM | 118 | Please see above | | |
| e. If yes, was the explanation why this region is more appropriate assessed? | VVM | 118 | N/A | **N/A** | **N/A** |
| f. Using official sources and local and industry expertise, was it determined to what extent similar and operational projects (e.g., using similar technology or practice), other than CDM project activities, have been undertaken in the defined region? | VVM | 118 | The wind projects in Turkey ( totally 29) have been listed in table 7 of the PDD version 1.1. in order to analyse the activities similar to the project activity.<br>However 89 wind projects have been observed by the DOE in the reference"http://www.epdk.gov.tr/lisans/elektrik/lisansdatabase/verilenuretim.asp." Please clarify and reassess step | **CL41** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| | | | 3a and 3b if necessary. | | |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| g. Are similar and operational projects, other than CDM project activities, already "widely observed and commonly carried out" in the defined region? | VVM | 118 | The wind projects in Turkey ( totally 29) have been listed in table 7 of the PDD version 1.1. in order to analyse the activities similar to the project activity.<br>However 89 wind projects have been observed by the DOE in the reference"http://www.epdk.gov.tr/lisans/elektrik/lisansdatabase/verilenuretim.asp." Please clarify and reassess step 3a and 3b if necessary. | **CL41** | **OK** |
| h. If yes, was it assessed whether there are essential distinctions between the proposed CDM project activity and the other similar activities? | VVM | 118 | The wind projects in Turkey ( totally 29) have been listed in table 7 of the PDD version 1.1. in order to analyse the activities similar to the project activity.<br>However 89 wind projects have been observed by the DOE in the reference"http://www.epdk.gov.tr/lisans/elektrik/lisansdatabase/verilenuretim.asp." Please clarify and reassess step 3a and 3b if necessary. | **CL41** | **OK** |
| ***5. Monotoring plan*** | | | | | |
| a. Does the PDD include a monitoring plan? | VVM | 120 | The PDD includes a monitoring plan. | **OK** | **OK** |
| b. Is this monitoring plan based on the approved monitoring methodology applied to the proposed CDM project activity? | VVM | 120 | The monitoring plan is based on ACM002 version 10. | **OK** | **OK** |
| c. Were the list of parameters required by the the selected methodology identified? | VVM | 121 | The required parameter by ACM002version10 has been defined as Quantity of net electricity generation supplied by the project plant to the grid in year y. | **OK** | **OK** |
| d. Does the monitoring plan contains all necessary parameters? | VVM | 121 | See CL 25 | **CL25** | **OK** |
| e. Are the parameters clearly described? | VVM | 121 | See CL 25 | **CL25** | **OK** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| f. Does the means of monitoring described in the plan comply with the requirements of the methodology? | VVM | 121 | The monitoring frequency has been defined as "continuous measurement and at least monthly recording" in the ACM002 version 10. Accordingly the monitoring frequency has been defined the same for Egy in B.7.1. of the PDD version 01.<br>It has been stated in section B.7.1. of the PDD version 1.1. that generated electricity will be monitored by the operator continuously and crosschecked with the invoices as required by ACM002 version 10. | **OK** | **OK** |
| g. Specific questions per methodology regarding parameters. | VVM | 121 | Please see table 2 of this protocol | **Pls see table 2 of this protocol** | **OK** |
| h. Are the monitoring arrangements described in the monitoring plan feasibl within the project design? | VVM | 121 | The monitoring arrangements described in the monitoring plan are feasible within the project design. | **OK** | **OK** |
| i. Are the following means of implementation of the monitoring plan sufficient to ensure that the emission reductions achieved by/resulting from the proposed CDM project activity can be reported ex post and verified: | VVM | 121 | During the interviews on site and the review of the plan ( the procedure) it has been concluded that the emission reductions achieved by/resulting from the proposed CDM project activity can be reported ex post and verified. However pls see CL 26&CL 27 | **CL26 CL27** | **OK** |
| i. data management procedures? | VVM | 121 | See CL 26&CL27 | **CL26 CL27** | **OK** |
| ii. quality assurance procedures? | VVM | 121 | See CL 26&CL27 | **CL26 CL27** | **OK** |
| iii. quality control procedures? | VVM | 121 | See CL 26&CL27 | **CL26 CL27** | **OK** |
| ***6. Sustainable development*** | | | | | |
| a. Does the CDM project activity assists Parties not included in Annex I to the Convention in achieving sustainable development? | VVM | 123 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| b. Does the letter of approval by the DNA of the host Party confirm the contribution of the proposed CDM project activity to the sustainable development of the host Party? | VVM | 124 | N/A | **N/A** | **N/A** |
| ***7. Local stakeholder consultation*** | | | | | |
| a. Were local stakeholders (public, including individuals, groups or communities affected, of likely to be affected, by the proposed CDM project activity or actions leading to the implementation of such an activity) invited by the PPs to comment on the proposed CDM project activity prior to the publication of the PDD on the UNFCCC website? | VVM | 126 | Pls see Table 3 of the Protocol | **See Table 3** | **See Table 3** |
| b. Have comments by local stakeholders that can reasonably be considered relevant for the proposed CDM project activity been invited? | VVM | 127 | Pls see Table 3 of the Protocol | **See Table 3** | **See Table 3** |
| c. Is the summary of the comments received as provided in the PDD complete? | VVM | 127 | Pls see Table 3 of the Protocol | **See Table 3** | **See Table 3** |
| d. Have the project participants taken due account of any comments received and described this process in the PDD? | VVM | 127 | Pls see Table 3 of the Protocol | **See Table 3** | **See Table 3** |
| ***8. Environmental impacts*** | | | | | |
| a. Have the project participants submitted documentation on the analysis of the environmental impacts of the project activity? | VVM | 129 | Pls see CL32 | **CL32** | **OK** |
| b. Have the project participants undertaken an analysis of environmental impacts? | VVM | 130 | Pls see CL32 | **CL32** | **OK** |
| c. Does the host Party require an environmental impact assessment? | VVM | 130 | Environmental Impact Assessment studies are not mandatory for the WEPPS in Turkey. | **N/A** | **N/A** |
| d. If yes, have the project participants undertaken | VVM | 130 | N/A | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | Clause | COMMENTS | Draft Concl. | Final Concl. |
|---|---|---|---|---|---|
| an environmental impact assessment? | | | | | |

**TABLE 2 BASELINE AND MONITORING METHODOLOGIES: ACM 0002 version 10**

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 1. Baseline Methodology | | | | | |
| 1. 1. Applicability | | | | | |
| 1.1.1. Does the project activity generate electricity from a renewable source? | | DR | Yes the project activity generates electricity from a renewable source. | **OK** | **OK** |
| 1.1.2. Is the power connected to the grid? | | DR | The power is connected to grid as validated through the production license. | **OK** | **OK** |
| 1.1.3 If answer to question above is 'No', whether it displaces the electricity generated in grid ? | | DR | N/A | **N/A** | **N/A** |
| 1.1.4 Is the baseline methodology used in conjunction with the approved monitoring methodology ACM0002 | | DR | The baseline methodology used is in conjunction with the approved monitoring methodology. | **OK** | **OK** |
| 1.1.5 Does the project activity relate to electricity capacity additions from renewable sources? | | DR | The project is an installation of a new WEPP as which has been validated during the site visit. | **N/A** | **N/A** |
| 1.1.6 Does proposed project activity falls in either of the categories – Green filed Power Project, Power capacity expansion, Energy efficiency Improvement / Fuel Switch | | DR | The project falls under the category of Green Field project as it involves the construction of a new hydro electric power plant which has been validated during the site visit. | **OK** | **OK** |
| 1.1.7 Can the geographic and system boundaries for the relevant electricity grid be clearly identified? | | DR | Yes, the geographic and system boundaries for the relevant electricity grid be clearly identified through the web site of TEIAS ( Turkish Electricity Transmission Company) | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 1.1.8 Is the information on the characteristics of the grid available? | | DR | The information on the characteristics of the grid is available through the web site of TEIAS ( Turkish Electricity Transmission Company) | **OK** | **OK** |
| 1.1.9 Will the Project activity consume in-house biomass or will it be purchased from outside? | | DR | Project will not consume biomass in any stage, as it is a hydropower plant. | **N/A** | **N/A** |
| 1.1. 10 Will implementation of Project result in increase in processing capacity of raw input? | | DR | Implementation of the Project will not result in increase in processing capacity of raw input. | **N/A** | **N/A** |
| 1.1.12 Will biomass to be used by Project activity be stored for more than one year? | | DR | N/A | **N/A** | **N/A** |
| 1.1.13 Will biomass require significant energies (like Processing) other than transportation? | | DR | N/A | **N/A** | **N/A** |
| 1.1.14 Is material and energy balance (heat and steam requirements for the processes) information available and assessed Old plants Proposed plants | | DR | N/A | **N/A** | **N/A** |
| 1. 2. Project boundary | | | | | |
| 1.2.1. Did the project participant account for the $CO_2$ emission from electricity generation in fossil fuel fired power that is displaced due to project activity? | | DR | The project is an installation of a new WEPP hence the checklist question is N/A. | **N/A** | **N/A** |
| 1.2.2 Did the project participant account for the CO2 emission from Heat generation in fossil fuel based power that is displaced due to project activity? | | DR | N/A | **N/A** | **N/A** |
| 1.2.2. Does the spatial extent of the project boundary include the power plant at project site, means of transportation of biomass and all power plants connected physically to the electricity system that the CDM project power plant is | | DR | The project is a WEPP project hence the question not applicable. | **N/A** | **N/A** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| connected to? | | | | | |
| 1.2.3 Is 'Biomass dumped or left to decay or burned in uncontrolled manner without utilizing for energy purposes most likely scenario? | | DR | The project is a WEPP project hence the question not applicable. | **N/A** | **N/A** |
| 1.2.4 If answer to Question 1.2.3 is Yes, then are CH4 emissions in the project boundary are included? | | DR | The project is a WEPP project hence the question not applicable. | **N/A** | **N/A** |
| 1.2.5 If answer to Question 1.2.3 is Yes, then are CH4 emissions calculated in a conservative manner using emission factors for uncontrolled burning of biomass? | | DR | The project is a WEPP project hence the question not applicable. | **N/A** | **N/A** |
| 1.2.6 Whether choice of inclusion/exclusion $CH_4$ emissions in project and baseline are documented in PDD? | | DR | $CH_4$ emissions have been excluded in the baseline for simplification. The justification has been documented in Table 3 of the PDD version01. $CH_4$ emissions have been defined as minor emission source for the baseline in ACM002 version 10 hence the assumption has been accepted.<br>$CH_4$ emissions have been excluded from the project activity. The choice is justified as the there is no emission form the wind power plant. ACM 0002 version does not define any emission source for the wind power plant hence the justification documented in Table 3 of the PDD version 01 has been accepted. | **OK** | **OK** |
| 1.2.7. Is the regional project electricity system identified by the spatial extent of the power plants that can be dispatched without significant transmission constraints? | | DR | In section B.4. of the PDD version 01 the relevant electrical power system has been defined as the Turkish National Grid System.<br><br>The justification has been as the following: *According to the " Tool to calculate the emission factor for an electricity system", Version 01, a project electricity system has to be defined by* | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| | | | *the spatial extent of power plants that are physically dispatched without significant transmission constraints.* | | |
| 1.2.8 Whether N2O has been excluded as GHG source within the project boundary? | | DR | According to ACM0002 Version 10 for Hydro power projects $N_2O$ is a minor emission source and is negligible as an emission source. | **OK** | **OK** |
| 1.2.9. Are the assumptions made in determining the project electricity system defined and justified? | | DR | Please justify the electricity system definition according to the "*Tool to calculate the emission factor for an electricity system"* which requires to the assess the transmission constraints and document the justification. | **CL51** | **OK** |
| 1.2.10. Does the application of this methodology result in a clear grid boundary? | | DR | Please justify the electricity system definition according to the "*Tool to calculate the emission factor for an electricity system"* which requires to the assess the transmission constraints and document the justification. | **CL51** | **OK** |
| 1.2.11. Does the application of this methodology result in a given country specific variations in grid management policies? | | DR | NO | **N/A** | **N/A** |
| 1.2.12. If answer to question is yes then whether DNA of the host country provides the delineation of grid boundaries. | | DR | N/A | **N/A** | **N/A** |
| 1.2.13. If answer to question is no whether DNA guidance is available for defining the boundary. | | DR | In Turkey; there is no DNA yet. | **OK** | **OK** |
| 1.2.14. If answer to question is no whether the layered dispatch system (e.g. state/provincial/regional/national) the | | DR | There is not a layered dispatch system in Turkey. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| regional grid is used | | | | | |
| 1.2.15. If the regional grid is not used whether the national or state grid is used. | | DR | The national grid has been used. | **OK** | **OK** |
| 1.3. Identification of alternative baseline scenarios | | | | | |
| 1.3.1. Are Realistic and credible alternatives separately determined for power, biomass and Heat? | | DR | The baseline scenario is defined as *"Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) described in the "Tool to Calculate the emission factor for an electricity system"* as given in ACM0002 version 10 as the project activity is the installation of a new grid-connected renewable power plant/unit. | **OK** | **OK** |
| 1.3.2. Are the various options for alternatives explained in PDD? | | DR | Yes, various options for alternatives were explained in PDD according to Additionality tool version 5.2. | **OK** | **OK** |
| 1.3.3. Is the explanation of these options transparent and complete | | DR | The explanation of the alternatives are transparent and complete | **OK** | **OK** |
| 1.3.4 Did the project participant provide evidence and supporting documents to exclude baseline options that do not comply with legal and regulatory requirements; or depend on key resources such as fuels, materials or technology that are not available at the project site? | | DR | **N/A** | **N/A** | **N/A** |
| 1.3.5 Are the calculations for baseline are as per latest version of ACM 0002 as required by this methodology? | | DR | The calculations have been realized according to the ACM002 version 10. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 1.3.6 Are transmission & Distribution losses neglected as required by the methodology? | | DR | The transmission & distribution losses are neglected as required by the methodology. | **OK** | **OK** |
| 1.3.7 Is quantity of electricity required for operation of plant subtracted? | | DR | Yes the electricity supplied to the grid has been taken into consideration as net electricity. However this step will be concluded through verification . | **OK** | **OK** |
| 1.3.8 Where EG-historical is the average of historical electricity delivered by the existing facility to the Grid, whether spanning all data from the most recent available year (or month, week or other time period) to the time at which the facility was constructed, retrofit, or modified in a manner that significantly affected output (i.e., by 5% or more), expressed in MWh per year. A minimum of 5 years (120 months) (excluding abnormal years) of historical generation data is required in the case of hydro facilities. | | DR | **N/A** | **OK** | **OK** |
| 1.3.9. Whether a minimum of three years data is referred and used in case the project is non-hydro? | | DR | The project is a WEPP hence the checklist question is N/A. | **OK** | **OK** |
| 1.3.10. Is it required to estimate the point in time when the existing equipment would need to be replaced in the absence of project activity? | | DR | The project is an installation of a new power plant; hence the question N/A | **--** | **--** |
| 1.3.11 If the answer to question is Yes Whether project participants have taken any of the two approaches, indicated in the ACM0002 into account? | | DR | **N/A** | **OK** | **OK** |
| 1.3.12 Whether the typical average technical lifetime of the type equipment is determined and documented taking into account common practices in the sector and country e.g. based on industry surveys, statistics, and technical literature? | | DR | The project is an installation of a new power plant; hence the question N/A | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 1.3.13. Whether the common practices of the responsible company regarding the replacement schedules is evaluated and documented, e.g. based on historical replacement records for such equipment? | | DR | The project is an installation of a new power plant; hence the question N/A | **OK** | **OK** |
| 1.3.14. Whether the baseline emission factor is calculated as a combined margin consisting of the combination of operating margin (OM) and build margin factors according to three steps indicated in the methodology ACM0002? | | DR | The baseline emission factor is calculated as a combined margin consisting of the combination of operating margin and build margin as indicated in step 6 of the section B.6.1 of the PD rev01. | **OK** | **OK** |
| | | DR | The three steps indicated in the methodology ACM0002 has been applied during the calculations. | **OK** | **OK** |
| 1.3.15 Whether the weighted average applied by project participant is fixed for a crediting period. | | DR | The weighted average applied by the project participant is fixed for a crediting period. However, pls see CAR6&CAR7 | **CAR5&CAR7** | **OK** |
| 1.3.16. Whether operating margin emission factors calculations are based on one of the four methods described in the methodology ACM 0002? | | DR | The operating margin emission factors has been calculated by the Simple OM methodology which is one of the four methods described in the Methodology ACM 0002. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| | | DR | It has been stated in section B.4 of the PDD version 01 that the simple OM method has been selected due to lack of data which is required by the other options. | **OK** | **OK** |
| | | DR | Simple OM method has also three options. Simple OM method option C has been selected. | **OK** | **OK** |
| 1.3.17 Is the most likely baseline scenario 'electricity production from other sources feeding into the grid? | | DR | Yes the most likely baseline scenario is the electricity production from other sources feeding into the grid. | **OK** | **OK** |
| 1.3.18 If the project activity modifies or retrofits an existing electricity generation facility, is the guidance by EB08 taken into account? | | DR | No, the project does not modify or retrofit an existing electricity generation facility. | **OK** | **OK** |
| 1.4. Additionality | | | | | |
| 1.4.1. Was the additionality of the project activity demonstrated and assessed using the latest version of the "Tool for demonstration and assessment of additionality"? | | DR | The methodological tool for the demonstration and assessment of the additionality has been defined as "Tool for Additionality Tool ", Version 5.1. in section B.1 of the PDD rev01. | **OK** | **OK** |
| 1.5 Project Emissions | | | | | |
| 1.5.1. Are the relevant project emissions indicators have been considered? | | DR | Project emissions have been considered as "0" . The justification has been given section B.4 of the PDD version 01. The assumptions are in line with the ACM002 version 10. | **OK** | **OK** |
| 1.5.2 Are the project emissions arising out of transportation of biomass and/or on site use of fossil fuel and/or $CO_2$ emissions due to on site electricity consumption and/or Methane emissions from combustion of biomass residues | | DR | The proposed project is an installation of a new WEPP. Hence the checklist question is N/A | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| | | | | | |
| 1.5.3 Is the approach for project emissions conservative and transparent ? | | DR | The approach for the project emissions have been given in section B4 of the PDD version 01. The approach is transparent | **OK** | **OK** |
| 1.5.4 In case of Methane emissions due to combustion of biomass, are the relevant IPCC values are taken in to account with appropriate uncertainty ? | | DR | The proposed project is an installation of a new WEPP. Hence the checklist question is N/A | **N/A** | **N/A** |
| 1.6. Baseline Emissions | | | | | |
| 1.6.1. Are the baseline emissions determined according to the formula $BE_y = EG_y \times EF_y$ ? | | DR | 1. Yes, the baseline emissions are determined according to the formula:<br>2. $BE_y = EG_y \times EF_y$ | **OK** | **OK** |
| 1.6.2. Were the Emissions Factor for displaced electricity calculated as in ACM0002? | | DR | As Simple OM method is used; calculating the Emissions Factor for displaced electricity is not required. (Only required in Dispatch data analysis OM) | **OK** | **OK** |
| 1.6.3 Were the baseline emissions for heat correctly represent the existing situation of heat generation? | | DR | N/A | **OK** | **OK** |
| 1.6.4 Whether 'life time aspects' are taken into account if required so by applicable scenario? | | DR | No. There is no applicable scenario which requires taking "life time aspects" into account. Therefore the checklist question is N/A. | **OK** | **OK** |
| 3. 1.6.5 Does project account for baseline emissions due to natural decay or uncontrolled burning of anthropogenic sources of biomass residues ? | | DR | N/A | **OK** | **OK** |
| 4. 1.6.6 Does project account for quantity of biomass residues used as a result of the project activity ? | | DR | N/A | | |
| 1.7. Leakage | | | | | |
| 1.7.1. Are the leakage considered? | | DR | According to ACM 002 version 10; no leakage is considered. In addition; during the site tour it has been validated that there is no equipment | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| | | | transferred form the project site. | | |
| 1.7.2. Have any credits been claimed for the project on account of reducing the emissions due to power plant construction, fuel handling and land inundation below the level of the baseline scenario? | | DR | No. No credits have been claimed for the project on account of reducing the emissions due to power plant construction, fuel handling and land inundation below the level of the baseline scenario. | **OK** | **OK** |
| 1.7.3 Has it been demonstrated that biomass availability from the region is abundant enough & that the use of the biomass residues does not result in increased fossil fuel consumption elsewhere ? | | | N/A | **OK** | **OK** |
| 1.7.4 Is this demonstration done through one of the options L1 to L3 as recommended by the methodology? | | | N/A | **OK** | **OK** |
| 1.7.5 When either L2 or L3 is chosen as a option, the radius for procurement of biomass is at least 20 km and not more than 200 km in any case? | | | N/A | **OK** | **OK** |
| 1.7.6 Where Project cannot demonstrate the procurement of biomass in above stated limits, is leakage penalty applied? | | | N/A | **OK** | **OK** |
| 1.8. Emission Reduction | | | | | |
| 1.8.1. Did the emissions reductions were determined according to the formula ERy = $ER_{heaty}$ + $ER_{electricity}$ y + $BE_{biomassy}$ –$PE_y$ – $L_y$ | | DR | $ER_y$ is calculated as follows: $ER_y = BE_y – PE_y - LE_y$ | **OK** | **OK** |
| 1.8.2 Are the emission reduction calculations for displacement of power done as appropriate to chosen scenario ? | | DR | The project is a green field power plant project; hence the checklist question is N/A | **OK** | **OK** |
| 1.8.3. Were all values chosen in a conservative manner and was the choice justified? | | DR | Pls see CAR3, CAR4, CAR5 and CAR7. | Pls see CAR3,CAR4, CAR5 and CAR7 | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 1.8.4. Whether an estimate of likely project emission reductions for the proposed crediting period is prepared as part of the PDD? | | DR | An estimate of likely project emission reductions for the proposed crediting period is prepared and shown in Table in section B.6.4. of the PD. | **OK** | **OK** |
| 1.8.5. Whether the estimate in principle employs the same methodology ACM0006? | | | Project is not biomass residue, therefore checklist question is N/A | **N/A** | **N/A** |
| 1.8.6. Whether the emission factor is determined ex-post during monitoring? | | DR | EF is determined as ex-ante as stated under section B.6.3. Step 2 | **OK** | **OK** |
| 1.8.7. If yes whether project participants have used models or other tools to estimate the emission reductions prior to validation? | | | N/A | **OK** | **OK** |
| 2. Monitoring Methodology | | | | | |
| 2.1. Applicability | | | | | |
| 2.1.1. Does the project activity generate electricity from a renewable source? | | DR | The project generates electricity from a renewable source. | **OK** | **OK** |
| 2.1.2. Is the power connected to the grid? | | DR | The power is connected to grid as validated through the feasibility report. | **OK** | **OK** |
| 2.1.3. Does the project activity relate to electricity capacity additions from renewable sources? | | DR | The project activity relates capacity additions from renewable sources. | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 2.1.4. Is fuel switch done in the process? | | DR | Since the project is the installation a new WEPP, the question is not applicable to the project. | **OK** | **OK** |
| 2.1.5. Can the geographic and system boundaries for the relevant electricity grid be clearly identified? | | DR | The geographic and system boundaries for the relevant electricity grid may be clearly identified. | **OK** | **OK** |
| 2.1.6. Is the information on the characteristics of the grid available? | | DR | The information on the characteristics of the grid is available. | **OK** | **OK** |
| 2.2. Monitoring Methodology | | | | | |
| 2.2.1. Does the monitoring plan require monitoring of increased electricity generation from the proposed project activity? | | DR | The monitoring plan requires monitoring of increased electricity generation from proposed project activity | **OK** | **OK** |
| 2.2.2 Does monitoring takes in to account the lower value between (a) the net quantity of electricity generated in the new power unit that is installed as part of the project activity and (b) the difference between the total net electricity generation from firing the same type(s) of biomass at the project site (EG total,y) and the historical generation of the existing power unit(s), (EG historic, 3yr) based on the three most recent years. | | DR | **N/A** | **OK** | **OK** |
| 2.2.3. Does the methodology requires monitoring of Data needed to recalculate the operating margin emission factor, if needed, based on the choice of the method to determine the operating margin (OM), consistent with ACM0002? | | DR | Ex-ante option has been used for the calculations. In accordance; the methodology does not require monitoring of data needed to recalculate the operating margin emission factor | **OK** | **OK** |
| 2.2.4. Does the monitoring plan require monitoring of Data needed to recalculate build margin emission factor, if needed, consistent with ACM0002? | | DR | Ex-ante option has been used for the calculations. In accordance; the methodology does not require monitoring of Data needed to recalculate the operating margin emission factor | **OK** | **OK** |

| CHECKLIST QUESTION | Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| 2.2.5. Does the monitoring plan require monitoring of data needed to calculate fugitive carbon dioxide and methane emissions and carbon dioxide emissions from combustion of fossil fuels required to operate the geothermal power plant ? | | DR | The project is an installation of a wind power plant project. So, the question is not applicable to the project. | **OK** | **OK** |
| 2.3. Quality Control (QC) and Quality Assurance (QA) Procedures | | | | | |
| 2.3.1. Did all measurements use calibrated measurement equipment that is regularly checked for its functioning? | | DR | All measurements (namely measurement of net electricity to the grid) is planned to be carried out by calibrated equipments. | **OK** | **OK** |
| 5. 2.3.2 Are frequency of monitoring the parameters defined hourly/daily ? | | DR | All measurements (namely measurement of net electricity to the grid) is planned ot be monitored continuously and recorded monthly. | **OK** | **OK** |

**TABLE 3– VALIDATION REQUIREMENTS BASED ON THE GOLD STANDARD PASSPORT REQUIREMENTS**

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| ***A. Project Title*** | | | | | |
| a. Is the Project title given in the Passport the same as in the PDD? | T-1.6 | | The project title given in the passport is Aliağa Wind Farm. The title is the same given in the PDD. | **OK** | **OK** |
| ***B. Project Description*** | | | | | |
| a. Is the Project description given in the Passport consistent with the one given in the PDD? | T-1.6 | | The project description given in the passport is consistent with the one given in the PDD. | **OK** | **OK** |
| b. Has the estimated start date of construction been given under the Project description? | Annex R | | The estimated date of construction has been given as may 2009 in the PDD version 01. Hence it is accepted.<br><br>The estimated period for construction is expected to be 32 months.<br>▪ Please supply a proof for validation of the estimated construction period. | **CL52** | **OK** |
| ***C. Proof of project eligibility*** | | | | | |
| ***C.1. Scale of Project*** | | | | | |
| a. Has the scale of the Project activity been defined as per Gold Standard Toolkit Section 1.2.? | T-1.2 | | The project is defined as a large scale project in the Passport. | **OK** | **OK** |
| b. Does the project proponent have a written statement (e.g. in the PDD) against de-bundling of the project? (De-bundling of small and large-scale projects to create micro-scale projects is not allowed. | T-3.5.1 | | Please clarify if the project is a debundled project and include a written statement in the PDD. | **CL53** | **OK** |
| ***C.2. Host Country*** | | | | | |
| a. Does the host country have cap on its GHG emissions? | T-1.2.2 | | The host country, Turkey does not have a cap on GHG gasses. | **OK** | **OK** |
| b. If the answer to the above question is yes, then has the Project proponent provided an official approval from the | T-1.2.2 | | N/A | **OK** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| relevant local authorities stating that an equivalent amount of allowances will be retired to back-up the GS VERs issued? | | | | | |
| c. If the host country does not have a cap on its GHG emissions, has it been stated in the Passport? | T-1.2.2 | | It has been in section C.2. of the passport that Turkey dose not have a quantative reduction target under the Kyoto Protocol | **OK** | **OK** |
| ***C.3. Project Type*** | | | | | |
| a. Is the Project a Renewable Energy Supply Project or an End-use Energy Efficiency Improvement Project? (If not, the validation has to be aborted) | T-1.2.3 | | The project is renewable energy supply project. | **OK** | **OK** |
| b. Has the Project type and eligibility of the Project activity been defined as per Annex C of Gold Standard Toolkit? | T-1.2.3 | | Annex C of the Gold Standard Toolkit does not have a specific eligibility criteria for Wind Power Plants. Hence there is no specific explanation given in the passport under section C.3. | **OK** | **OK** |
| c. Has a previous announcement of the project going ahead without the revenues from carbon credits been made? | T-1.2.6 | | It has been stated in section C.3. of the passport that a previous announcement of has not been made. | **OK** | **OK** |
| d. If the answer to the above question is yes, has the project subsequently been cancelled or the design has been significantly revised? | T-1.2.6 | | N/A | **OK** | **OK** |
| e. If the answer to question © is no, have the Project Proponents provided a pre-announcement statement under section C.3 in the Gold Standard Passport, attesting that no such previous announcement has been made? | T-1.2.6 | | It has been stated in section C.3. of the passport that a previous announcement of has not been made. | **OK** | **OK** |
| ***C.4. Greenhouse Gas*** | | | | | |
| a. Does the project reduce emissions of one or more of the following an GHG? Carbon dioxide, methane, nitrous oxide? | T-1.2.4 | | The project reduces Carbon dioxide gasses as indicated under section C.4. of the PDD | **OK** | **OK** |
| ***C.5. Project registration type*** | | | | | |
| a. Does the project apply the correct project cycle (regular | T-3.5.1 | | The project applies the regular project cycle | **OK** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| vs. pre-feasibility assessment)? | | | | | |
| b. Is the Project activity a regular registration? | T-1.2.6 | | The project has been estimated to start in May 2009. Please supply the date of registration/ application to the GS. | **CL54** | **OK** |
| c. Is the Project activity a retroactive registration? | T-1.2.6 | | See C.5.B. | **OK** | **OK** |
| d. If the answer to the above question is yes, has the Project proponents applied to the Gold Standard for the pre-feasibility assessment? | T-1.2.6 | | See C.5.B. | **OK** | **OK** |
| e. If the answer to the above question is yes, then has the Project proponent provided the Gold Standard pre-feasibility assessment feedback to the DOE? | T-2.5 | | See C.5.B. | **OK** | **OK** |
| f. Does the Project activity need preliminary evaluation? (Large hydro or palm-oil related project as defined in Annex C of the Toolkit) | T-2.5 | | The project is large scale wind power plant project. Hence there is no need for preliminary evaluation. | **OK** | **OK** |
| g. If the answer to the above question is yes, has the Project proponents applied to the Gold Standard for the pre-feasibility assessment? | T-2.5 | | N/A | **OK** | **OK** |
| h. If the answer to the above question is yes, then has the Project proponent provided the Gold Standard pre-feasibility assessment feedback to the DOE? | T-2.5 | | N/A | **OK** | **OK** |
| i. Has the Project activity been rejected by UNFCCC? | T-2.5 | | Turkey can not benefit from the CDM projects under UNFCCC at the date of validation since the deliberation has been ongoing. Since the checklist question is N/A | **OK** | **OK** |
| j. If the answer to the above question is yes, has the Project proponents applied to the Gold Standard for the pre-feasibility assessment? | T-2.5 | | N/A | **OK** | **OK** |
| k. If the answer to the above question is yes, then has the Project proponent provided the Gold Standard pre-feasibility assessment feedback to the DOE? | T-2.5 | | N/A | **OK** | **OK** |
| l. Are there any double counting occurring with other certification schemes? | T-3.5.1 | | There is no double counting occurring with other certification schemes. | **OK** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| ***D. Unique project identification*** | | | | | |
| ***D.1. GPS-coordinates of Project location*** | | | | | |
| a. Has the Project proponent stated the exact GPS coordinates of Project location for point source activities and the boundaries for projects spread over a broader area? | T-1.6 | | The coordinates of the project location has been indicated in D.1 of the GS passport. | **OK** | **OK** |
| b. For Programme of Activity projects have the Project Proponent explained the reasoning behind the definition of the project location and coordinates carefully? | T-1.6 | | The proposed project is not under programme of activity hence the checklist question is N/A | **OK** | **OK** |
| ***D.2. Map*** | | | | | |
| a. Have the coordinates been illustrated with a map? (Optional) | T-1.6 | | The coordinates of each turbine has been illustrated on the map in the PDD version 1.1. Hence it is accepted by the DOE. | **OK** | **OK** |
| ***E. Outcome stakeholder consultation process*** | | | | | |
| ***E.1. Assessment of stakeholder comments*** | | | | | |
| a. Has the Project proponent inserted the "Table ii-Assessment of Stakeholder Comments" which was given under section B5 of the Stakeholder Consultation Report? | Annex R, E.1 | | Table ii-Assessment of Stakeholder Comments" has been inserted in section E of the passport. | **OK** | **OK** |
| b. Has the Project proponent given a summary of alterations based on stakeholders comments? | Annex R, E.1 | | | | |
| c. Has an invitation tracking table been filled out? | T-3.5.1 | | The invitation tracking table has been filled. | **OK** | **OK** |
| d. Are copies of invitations published/sent out available? | T-3.5.1 | | Please supply the invitation mails/faxes sent for stakeholder consultation meeting.<br>Please also clarify if the invitations / non technical summary of the project were also announced in the public places. | **CL55** | **OK** |
| e. Has a non-technical summary in local languate been | T-3.5.1 | | A non technical summary in local language has not | **CAR1** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| included in the Local Stakehlder Consultation report, as well as an English summary? | | | been included in the consultation report. Please also clarify if the non technical summary has been communicated to the stakeholders during the invitation process. | **0** | |
| f. Is a participant list presented? | T-3.5.1 | | List of participants have been presented in B.3. of the stake holder consultation report. Participants to the meeting are male except the representatives of the Pioneer Carbon. Please clarify how the potential participants have been invited actively to the meeting and what action has been taken to include the views of different genders to the stakeholder consultation process. | **CL56** | **FAR** |
| g. Are stakeholder evaluation forms available? | T-3.5.1 | | Stakeholder evaluation forms are available in the LSC Report. | **OK** | **OK** |
| h. Are minutes of the meeting(s) available? | T-3.5.1 | | Minutes of meeting has been included in the LSC Report. | **OK** | **OK** |
| i. Has due account been made on comments received? | T-3.5.1 | | Comments received and the responses have been documented in the stakeholder consultation report. . | **OK** | **OK** |
| j. If stakeholders required a revisit fo the sustainable development assessment, has this been done? | T-3.5.1 | | In the minutes of meeting ( in section B.5. of the LSC Report) it has been stated that necessary precautions have been indicated for avoiding dust. It has been stated that parameters for air quality, water quantity, soil condition, biodiversity will be monitored in accordance with the Environmental Management Plan. Please clarify the monitoring measures such as indicating the way of monitoring for these parameters. | **CL57** | **OK** |
| k. Is the consolidated sustainable development matrix presented based on own 'preliminary' scoring and the matrix from the outcome of the blind stakeholder | T-3.5.1 | | The consolidated matrix presented based on own "preliminary" scoring and the matrix from the outcome of the blind stake holder exercise have | **CL58** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| exercise. | | | been presented in the Gold Standard Local Stakeholder Consultation Report. However please clarify the following issues;<br>1. The ”water quality and quantity “ indicator has been marked as “0” in both “blind sustainable matrix” and the “own sustainable matrix” however the same indicator has been marked as “+” in the consolidated sustainable matrix. Please clarify.<br>2. Other pollutants have been marked as “+” in the blind sustainable matrix. The same parameter has been marked as 0 in the consolidated matrix. Please clarify how the issue was resolved.<br>3. Human and institutional capacity has been marked 0 in the out come of blind sustainable matrix. The same parameter has been marked as “+” in the outcome of own sustainable matrix and in consolidated matrix. Please clarify how the stakeholders were convinced that institutional capacity will increase. | | |
| l. Were comments accepted and received by email or other means actually considered? | T-3.5.1 | | Please clarify if there are any comments received by e-mail or other means concerning the stakeholder consultation process. | **CL59** | **OK** |
| ***E.2. Stakeholder Feedback Round (Can be performed in parallel to the validation process)*** | | | | | |
| a. Has the Project proponent organized a stakeholder feedback round to give feedback to the stakeholders on how their comments have been taken into account? | T-2.11 | | The stakeholder feedback round has been organised | **OK** | **OK** |
| b. Did the stakeholder feedback round include a physical | T-2.11 | | The approach for the stakeholder feedback round | **OK.** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| meeting? (optional) | | | does not include a physical meeting. | | |
| c. Have all the stakeholders invited for participation in the Local Stakeholder Consultation been included in the Stakeholder Feedback Round? | T-2.11 | | The stakeholders invited for participation has been included in the Feedback round as validated from the receipts. | **OK** | **OK** |
| d. Have all of the following documents been made available to the public for a period of at least two months prior to completion of the validation:<br>a. The Latest version of the complete PDD (including the EIA, if applicable);<br>b. A non-technical summary of the project (in appropriate local language(s)); and English summary.<br>c. The (revised) Passport<br>d. if applicable, supporting documentation such as an environmental impact assessment (EIA) (if available, in appropriate local language(s)); in the case of an EIA, at least a one-page English summary is required<br>e. Additional, non-translated information must be made available as well and shall be translated to the local language upon any justified request of a stakeholder. | T-3.5.1 | | The documents were posted on the following website on 2nd December 2010http://www.climatecare.org/projects/consultations/, | **OK** | **OK** |
| e. Did the Project proponent also prepare hard copies to be publicly displayed at local places like the post Office, municipality, etc? | T-2.11 | | The approach includes informing of villagers by faxing the report and the summary of PDD. However the approach does not include displaying the hard copies to local places. | **CL60** | **OK** |
| f. If the Project is a retroactive Project, did the stakeholder feedback round include a site visit by the stakeholders participating in the process? | T-2.11 | | The project is not a retroactive project. | **N/A** | **OK** |
| g. If the Project is a retroactive Project, did the Project proponent follow the guidance provided by the Gold Standard in the pre-feasibility assessment? | T-2.11 | | The project is not a retroactive project. | **N/A** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| h. Does the stakeholder feedback round report given in the Passport include the following information:<br>a. How the feedback round was organized (A description of the procedure followed to invite comments, including addressing all the details of the oral hearing such as place, date, participants, language, local or national Gold Standard NGO supporters, etc.),<br>b. What the outcomes of the feedback round are (All written or oral comments received.)<br>c. How did the Project proponents followed up on the feedbacks. (The argumentation on whether or not comments are taken into account and the respective changes to the project design.) | T-3.5.1 | | The stakeholder feedback round has not started yet. | **To be assessed after the period has been completed.** | **OK** |
| ***F. Outcome Sustainability assessment*** | | | | | |
| ***F.1. 'Do no harm' Assessment*** | | | | | |
| a. Has the Project proponents considered the critical issues for their Project type that are listed in Annex C of Gold Standard? | T-2.4.1 | | The wind power plants has no critical issues to be considered in Annex C of Gold Standard. | **N/A** | **N/A** |
| b. Have the Project participants discussed all of the safeguarding principles with the stakeholders? | T-2.4.1 | | Please clarify and document how the safeguarding principles were discussed with the stakeholders. | **CL61** | **OK** |
| c. Have the Project participants introduced mitigation measures for the safeguarding principles with a medium to high risk? | T-2.4.1 | | The project participant discussed only labor standards. High noise level in operation and during construction has been considered as a critical issue.<br>The mitigation measures have been included as ear plugs.<br>Please discuss all safeguarding principles; rate risks and include the mitigation measures in passport.<br>Please also consider that there is also risk of | **CAR11** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | exposure to high voltage risk of the project.<br>Please also consider that there may be risks for people accessing the site. | | |
| d. Does the 'Do No Harm' Assessment base on accurate information and have the reference sources been included? | T-3.5.1 | | Please clarify the expected noise level during construction and operation and the type of earplugs to be provided to mitigate.<br>Please also consider the CAR11 above. | **CL62** | **OK** |
| ***F.2. Sustainable Development matrix*** | | | | | |
| a. Has the Sustainable Development Matrix table been inserted in the Passport? | Annex R, F.2 | | Sustainable development matrix has been included into the passport. | **OK** | **OK** |
| b. Has the project been scored on the following indicators?:<br>a. Environmental<br>b. Social<br>c. Technological<br>d. Economic | T-2.4.2 | | The project has been scored on environmental, social, technological and economic parameters. | | |
| c. Have the corresponding parameters to represent the status of each of the indicators been selected? | T-2.4.2 | | Parameters have been selected for the status of each indicator selected for the sustainability matrix. However, please clarify the following issues;<br>1. Indicator for airquality has been given as electricity generation by the project. The selected parameter does not represent the parameter.<br>2. Mitigation measures have been presented in table F.2. of the PDD for the soil condition. However no parameter has been selected to represent the status of the indicator.<br>3. Employee records have been selected for quality of employment. Employee records are the records for tracking the indicator. Please clarify the parameter selected that represents the | **CL63** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | quality of employment.<br>4. Employee social security records have been selected as an indicator for livelihood of the poor. Employee social security records are the records for tracking the indicator. Please clarify the parameter selected that represents the livelihood of the poor.<br>5. National statistics on resource share in electricity generation and consumption per capita has been identified as an indicator for the "access to affordable and clean energy services". The indicator selected represents the parameter ; however please clarify the source that the relavant data to be accessed.<br>6. Employee records on training has been identified as an indicator for the human and instutitional capacity. The indicator does not reflect the instutional capacity. | | |
| d. Is the baseline situation and the situation aimed for the project described for each parameter? | T-2.4.2 | | The baseline situation and the situation aimed for the project has been described in sustainabilirty matrix in the Passport. Please clarify the folllowing issues;<br>▪ Baseline situation for air quality, quality of employment, water quantitiy and quality, biodiversity, human and institutianal capacity , balance of payments and investment, livelihood of the parameter and quantative employment , soil condition, income generation and technology transfer and technological self-reliance has not been described. Please clarify the Baseline situation and justify the choices and data sources. | **CL64** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | ▪ Future target for the parameters quality of employment, livelihood of the poor, access to affordable and clean technologies, quantative employment and income generation and technology transfer and technological self-reliance has not been presented in section G of the passport. Please clarify future target for the parameters and justify the choices and data sources. | | |
| e. Are the indicators connected to the localized MDG's (Milenium Development Goals) when possible? | T-2.4.2 | | The indicators namely; Livelihood of the poor, human and institutional capacity are not linked to the localized Millennium Development Goals. Although trees will be cut during the project; the issue has not also been related with the localized MDG's (Millennium Development Goals). | **CAR12** | **OK** |
| f. Was the reason for choice of the parameters described? | T-2.4.2 | | The reason for the choice of parameters was defined in the Passport. Pls see CL 63&64 | **CL63 CL64** | **OK** |
| g. Have all of the indicators been scored 'negative', 'positive' or 'neutral' in comparison with the baseline situation? | T-2.4.2 | | All the indicators have been scored 'negative', 'positive' or 'neutral'. However since the baseline for some parameters are not described; the score for the indicators could not be assessed by the DOE. This checklist question will be assessed after the baseline for each parameter has been defined. | **OK** | **OK** |
| h. If there are any 'negative' indicators, are there any mitigation measures for these indicators? | T-2.4.2 | | It has been stated that necessary precautions will be taken for species under conservation by international conventions for the biodiversity parameter. However; the mitigation and the monitoring measures have not been identified for the biodiversity parameter in section F.2. of the | **CL65** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
|---|---|---|---|---|---|
| | | | passport. Please clarify the mitigation and the monitoring measures and justify the choices and the data sources. | | |
| i. Has the matrix been filled by the stakeholders during the Local Stakeholder Consultation? | T-2.4.2, | | Blind sustainable development matrix exercise has been included into the agenda of the meeting as indicated in section B of the Gold Standard Local Stakeholder Consultation Report ( OK)<br>Outcome of blind sustainable matrix has been given in section C.2. of the Gold Standard Local Stakeholder Consultation Report ( OK)<br>▪ The approach for the blind sustainable matrix has been identified in section B of the Gold Standard Local Stakeholder Consultation Report ( OK)<br>▪ Please supply the records for the blind sustainable matrix exercise to the DOE for validation. | **CL66** | **OK** |
| j. Were there any negative scores duing the stakeholder consultation? | T-2.4.2 | | ▪ There are no negative scores indicated during the stakeholder consultation report. | **OK** | **OK** |
| k. If the answer to the above question is yes, has the sustainability assessment been revisited? | T-2.4.2 | | N/A | **OK** | **OK** |
| l. Have the project indicators been classified in three categories namely “environment”, “social development” and “economic and technological development” under the sustainable development matrix? | Annex I | | The project indicators have not been classified in three categories namely “environment”, “social development” and “economic and technological development”. | **OK** | **OK** |
| m. Does the project contribute positively to least at two of the three categories and neutral to the third category? | T-2.4.2 | | The project contributes positively to the “environment”, “social development” and “economic and technological development”. However the conclusion will be realized after the CL on the scoring of the parameters will be concluded. | **To be assessed after the CL&CARs** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | | **on the scoring of the parameters have been completed.** | |
| n. Is the matrix based on existing sources of information? (can include data from existing reports, results from stakeholder consultations, and experiences with similar projects in similar situations, etc. Where data are unavailable or are of poor quality, or severely outdated, independent opinions and expert judgments can also be used.) | T-3.5.1 | | ▪ National statistics on resource share in electricity generation and consumption per capita has been identified as an indicator for the "access to affordable and clean energy services". The indicator selected represents the parameter ; however please clarify the source that the relevant data to be accessed.<br>▪ The explanation on water quality and water quantity parameters have not been based on existing sources of information.<br>▪ Environmental management plan has been referred for the "other pollutants" parameter. Please clarify the content of the environmental management plan.<br>▪ This checklist question will also be assessed after with the CLs based on the identification of the baseline ( See CL65) | **CL 67** | **OK** |
| o. Are the data or expert opinions presented in a sufficient degree of detail and transparency? | T-3.5.1 | | The current situation of parameter "Access to the affordable and clean energy services" has been defined as 0.3 % 2007. The data source have been given as Turkish Electricity Transmission Company. Please give the full reference of the | **CL68** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | source. In addition please present the calculation transparently methodology so that the result may be reproducible. | | |
| p. Are the data uncertainties clearly stated, if possible with associated margins of error? | T-3.5.1 | | Data uncertainties are not clearly stated. Please clarify the data uncertainties. | **CL69** | **OK** |
| q. Is the scoring reproducible and verifiable? | T-3.5.1 | | This checklist question will be concluded after the F.2.A-P has been concluded. | **This checklist question will be concluded after the F.2.A-P has been concluded.** | **OK** |
| r. Does the project demonstrate clear benefits in terms of sustainable development? | T-2.4.2 | | This checklist question will be concluded after the F.2.a-q has been concluded. | **This checklist question will be concluded after the F.2.a-q has been** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | | **concluded.** | |
| ***G. Sustainability Monitoring Plan*** | | | | | |
| a. Are the mitigation actions included in the monitoring plan? | T-2.4.3 | | Mitigation actions are not included in the monitoring plan. | **CAR13** | **OK** |
| b. Are all the non-neutral indicators included in the monitoring plan? | T-2.4.3 | | 1. Among the indicators that are marked as positive; air quality, quality of employment, livelihood of the poor, access to affordable clean energy services, quantative employment and income generation and technology transfer and technological self reliance parameters are included in the monitoring plan. However human and institutional indicator which is also marked as positive is not included in the monitoring plan.<br>2. The soil condition parameter and the biodiversity indicators which have been neutralized by the mitigation measures are not included into the monitoring plan. | **CL70** | **OK** |
| c. Is the current status (or expected status under the baseline) of the parameters, the future status and the way they will be monitored described in the monitoring plan? | T-2.4.3 | | 1. The current status for air quality, quality of employment, livelihood of the poor, quantative employment and income generation, technology transfer and the technological self reliance have not been presented in the monitoring plan.<br>2. The current situation of parameter " Access to the affordable and clean energy services" has been defined as 0.3 % 2007 (OK)<br>3. Future target for the parameters namely; quality of employment, livelihood of the | **CL71** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | poor, quantative employment and income generation, technology transfer and technological self reliance.<br>4. This checklist question will also be assessed with the CLs based on the content of the sustainable development matrix in terms of the parameters included in the table.<br>5. This checklist question will also be assessed with the CLs based on the selection of the indicators for the parameters. | | |
| d. Have the project proponents identified parameters that can be used to properly monitor each non-neutral Sustainable Development Indicator according Annex I of the Toolkit? | T-2.4.3 | | See CL70 | **CL70** | **OK** |
| e. Are chosen parameters relevant to the indicators? | T-3.5.1 | | See CL70&CL71 | **CL70 CL71** | **OK** |
| f. Are these parameters planned to be monitored over the crediting period and on a recurrent basis? | T-2.4.3 | | 1. All the parameters except “livelihood of the poor” included in the monitoring plan are planned to be monitored annually throughout the operation. Please clarify the reason for monitoring the “livelihood of the poor” indicator once in the operation.<br>2. This checklist question will also be assessed with the CLs based on the content of the sustainable development matrix in terms of the parameters included in the table.<br>3. This checklist question will also be assessed with the CLs based on the selection of the indicators for the | **CL72** | **OK** |

| CHECKLIST QUESTION | GS Ref. | MoV | COMMENTS | Draft Concl | Final Concl |
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| | | | parameters. | | |
| g. Are all mitigation measures put in place to prevent violation or the risk of violating a safeguarding principle of the 'Do No Harm' Assessment or to 'neutralize' a Sustainable Development Indicator included in the monitoring plan? | T-2.4.3 | | The mitigation measures included in the "Do No harm Assessment" are not included in the Sustainability Monitoring Plan. | **CAR14** | **OK** |
| h. Is the sustainability monitoring plan clear about who will monitor with what frequency? | T-3.5.1 | | The sustainability monitoring plan is not clear about who will monitor with what frequency. | **CAR15** | **OK** |
| i. Is the monitoring plan feasible? | T-3.5.1 | | The monitoring plan is feasible. | **OK** | |
| ***ANNEX 1 ODA declaration*** | | | | | |
| a. Does the project receive ODA under the condition that the credits coming out of the project are transferred to the donor country? | T-3.5.1 | | It is not clear if the project receives ODA Official Development Assistance Declaration statement signed by the project owner | **CL73** | **OK** |
| b. Is a scanned copy of the Official Development Assistance Declaration statement signed by the project owner given in Annex 1? | Annex D | | It is not clear if the project receives and Official Development Assistance Declaration statement signed by the project owner | **CL73** | **OK** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| **CAR1**<br>The brief description of the project given in section A.2. of the PDD does not include the scenario existing prior to the start of the implementation of the project activity. | | **Summary of project owner response 1:**<br>Car 1:In Section A.2. This part is updated and the scenario existing prior to the project activity is included in PDD version 1.2. | **Validation team conclusion 1**<br><br>In version 1.2. of the PDD it has been stated that Turkey 42 GW of total installed power generation capacity and the country gets one third of its electricity from hydroelectric generation, one third from natural gas and one quarter from coal." The references given which is publicly |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| | | | available ( * http://www.gwec.net/index.php?id=133) have been reviewed from the internet. In accordance the statistical values given are also crosschecked from the internet site of TEIAS.<br><br>**<u>Corrective action request has been closed.</u>** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| **CAR2**<br>The brief description of the project given in section A.2. of the PDD ver 1.1. does not include the baseline scenario ( in case the baseline scenario is the same as the scenario existing prior to the start of the project activity, please state that both are the same ) | | **Summary of project owner response 1:**<br>CAR 2: What is given in the description as the estimated GHG reduction is based on the same baseline scenario discussed in the relevant section of the PDD a sentence explaining this added in the PDD version 1.2. | **Validation team conclusion 1**<br><br>In PDD version 1.2 it has been added that GHG reduction is based on the same baseline scenario. The explanation has been found sufficient.<br><br>**Corrective action has been closed.** |
| **CAR3**<br>The explanation and the justification of the data source have been given in section B.6.2. of the PDD version 01,<br>The MoEF of Turkey, Türkiye Çevre Atlası and EIPPCB Reference Document on | | **Summary of project owner response 1:**<br>CAR3-The CM EF is recalculated using the values provided at the annex of the<br>"Tool to calculate emission factor for | **Validation team conclusion 1:**<br>Calculation of $EF_{EL}$ using default generation efficiencies have been given as the following in |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| Best Available Techniques for Large Combustion Plants have been used for the data source for the energy efficiency parameter in the tabular format in section B.6.2 of the PDD version 1.1. The assumption has been justified in section B.6.3 and the values used are presented in table 12 in of the PDD version 1.1. However, the referenced document (Türkiye Çevre Atlası) has been published in 2004 and refers to data from power plants of all vintages in operation. On the other hand, the BM comprises most recently built power plants which are expected to be of higher efficiency. Hence please correct the efficiency factors using the default efficiency factor in the TOOL (for new power plants built after 2000) and revise your calculations and the PDD accordingly. | | an electricity sector version 001."And the related parts are corrected in the PDD version 1.2 and the calculations are corrected as well. | version 1.2. of the PDD.<br><br>**Genera Efficie**<br>Coal 39.0%<br>Lignite 39.0%<br>Fuel Oil 39.5%<br>Diesel 39.5%<br>LPG 60.0%<br>Naphta 60.0%<br>Natural Gas 60.0%<br><br>The generation efficiencies have been obtained from Tool to calculate emission factor for an electricity sector version 001. The selection of the type of thermal poer |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | plants have been approved by the baseline specialist in line with similar projects and the sector knowledge.<br>**Corrective action request is closed.** |
| **CAR4**<br>Turkish Electrical Distribution Company Web Site (www.teias.gov.tr) has been referenced for the source of electricity capacity addition parameter in the tabular format in section B.6.2 of the PDD has been justified In step 2 of section B.6.3 stating that the annual generation capacity data for each plant is not available for 2006 and 2007. Please revise the calculations ; the assumption and the references given in the PDD using the detailed lists that are given in the annexes | | **Summary of project owner response 1:**<br>CAR 4:Calculations Updated and the corrections are made in the PDD. | **Validation team conclusion 1:**<br><br>The projection reports have been used for the identification of cohort of built margin. The detailed list has also been given in the PDD version 02. The calculations have been and the PDD version 1.2. includes |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| of capacity projection reports that are also available on the TEIAS website. Please present the list of plants in the PDD alsoversion 1.1. On the other hand the selection. | | | the corrected assumptions and the values. The built margin has been calculated as 0.4.<br>**Corrective action request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CAR5**<br>Relevant equations presented in the tool have been used for calculation of OM. However, the please correct the application of the formulae as required by the methodology for the below comments.<br>3. The Simple OM Option C has method been used. This requires application of the following formula:<br>$EF_{grid,OMsimple,y} = \frac{\sum_i FC_{i,y} \times NCV_{i,y} \times EF_{CO2,i,y}}{EG_y}$<br>Obviously, each year 's (y) NCV has to be multiplied with the same year's FC and EF. However, average NCV value ( 2005-2007) has been applied in the calculations. The impact on the results will be minimal but correction is necessary to comply with | | **Summary of project owner response 1:**<br>**CAR5-** Corrected in the PDD version 1.2<br>**Project owner response 2:**<br>The correction is made in the $EF_{CM}$ calculation excel sheet version 2.2 (Aliaga_CM_2009_v.2.2.xls). and the relevant parts of the Financial analysis xls and the PDD version 2 is also updated according to the new result. Please also note that the tool has been updated to version 2 as ver 1.1 of the tool has expired. In accordance with the same, option C is now denoted as Option B as per the current version of the tool | **Validation team conclusion1**<br>1. The formulae has been changed as the following in Aliaga_CM_2009_v2.1 as the following "EF y =D4/1000*D18*D32" which indicates that amount of fuel consumption is multiplied by the NCV of that fuel for the specific year and the emission factor of that specific fuel. It is concluded that each year 's (y) NCV has been multiplied with the same year's FC |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| the methodology ( CAR requested)<br>4. Also the OM shall be calculated as a generation weighted average as requested by the tool ( CAR requested) | | | and EF.( OK)<br>2. For calculating the operating margin emission factor for the electricity system, the weighted average of the emission factors for the most recent years should be calculated based on the net electricity supplied to the grid by all power plants serving the system, not including low-cost must run plants . In the excel sheet named OM Calculations the weighting is done based on total net |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | supply, as it can be seen from the quoted formula below:<br>• . =((J23*J6)+(K23*K6)+(L6*L23))/(SUM(J6:L6))<br>• It should be corrected as ((J23*J12))+(K23*K12)+L23*L12))/(SUM(J12:L12))<br>**Corrective action request is still open.**<br><br>**Validation team conclusion 2**<br><br>The formuleas have |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | been corrected in version 02 of the PDD.<br>**The corrective action is closed.** |
| **CAR6**<br>The OM value has been computed correctly, however the following issues needs correction.<br><br>1. In the Excel worksheet for OM calculations, the fuel consumptions in different physical units are summed up. For example, in 2006 there appears to be a total fuel consumption of 75 057 578 – this number has no meaning as it includes the sum of t and $m^3$.<br><br>2. In Table 11 p.29 of the PDD, imports in 2005 are given as 1798.1 GWh whereas the Excel calculations uses 636 GWh (which is consistent with the TEİAŞ | | **Summary of project owner response 1:**<br>**CAR 6:** Corrected in the PDD version 1.2 | **Validation team conclusion 1**<br><br>The formulae has been changed as the following in Aliaga_CM_2009_v2.1 as the following "EF y =D4/1000*D18*D32" which indicates that amount of fuel consumption is multiplied by the NCV of that fuel for the specific year and the emission factor of that |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| statistics). Hence, the total amount of supply to the grid in the PDD and the Excel are also different. | | | specific fuel.<br>The correction has been accepted.<br>**The corrective action request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| **CAR7**<br>Relevant equations presented in the tool have been used for calculation of BM. However, the please correct the application of the formulae as required by the methodology for the below comments.<br><br>1. The BM formula is as follows:<br><br>$$EF_{grid,BM,y} = \frac{\sum_m EG_{m,y} \times EF_{EL,m,y}}{\sum_m EG_{m,y}}$$<br><br>Obviously, the EF for each year has to be calculated separately whereas in the | | **Summary of project owner response 1:**<br>CAR7: Corrected in the PDD version 1.2 | **Validation team conclusion 1**<br>o In Aliaga_CM_2009_v2.1 EF for each year has been computed separately.<br>o In Aliaga_CM_2009_v2.1 EF Aliaga_CM_2009_v2.1 BM has been computed as the generation weighted average based on the net generation values. The approach is conservative.<br>**Corrective action request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| computations the formula is used over the total for 2005-2007.<br>2. Also the BM shall be calculated as a generation weighted average. | | | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| **CAR8**<br>**1.** Please give the proof for the investment cost given in investment cost worksheet cost given C5-C20<br>**2.** Please supply the insurance policy to validate the insurance cost given in Operation cost sheet.<br>**3.** Please supply the insurance policy to validate the insurance cost given in Operation cost sheet.<br>**4.** Please supply the proof for the maintenance fee given in the operation cost worksheet.<br>**5.** Please supply the calculation details for the staff + labour cost given in the operation cost worksheet ( on the number of people and job title basis )<br>**6.** Please supply the details for the repayment of capital and loan instalments from the bank.<br>**7.** Please correct the input in the IRR table ( 598028 was repeated 11 times | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>1. The evidences of the financial analysis are attached as documents numbered:<br>2. Investment Cost as a set of documents in the zipped folder(21a)<br>3. Cost of Insurance Policy as (21b) Same as above<br>4. Evidence for maintenance fee as (21c)<br>5. (Year 1-2 22.500 EUR per WTG per annum 22.500 EUR * 36 WTG = **810.000 EUR** Year 3-5 30.000 EUR per WTG per annum 30.000 EUR * 36 WTG = **1.080.000 EUR**Year 6- | **Validation team conclusion 1**<br>1. No proof has been received<br>2. No proof has been received<br>3. No proof has been received<br>4. No proof has been received<br>5. No proof has been received<br>6. No proof has been received<br>7. Corrected in version 1.2.<br>8. The depreciation is considered as 10 years which is also in |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| **8.** The depreciation has been identified as 10 year in the cost worksheet for the all project which is in line legislation however The depreciation is considered for 20 years in the cash flow work sheet please correct.<br>**9.** The depreciation has been considered without VAT in the cash flow worksheet. However the deductible VAT is not the total VAT in the investment cost sheet. Please clarify<br>**10.** Equity IRR please include it also in IRR on Capital employed. The deductible VAT is considered in Equity IRR please include it also in IRR on Capital employed.<br>**11.** While calculating the net cash flow the own capital is included, however the net income is not included. Please add it. | | 20 40.000 EUR per WTG per annum 40.000 EUR * 36 WTG = **1.440.000 EUR**) Calculations of the staff labour cost details as (21d) In this calculation the project owner considered gross salaries for: 1 site manager, 12 electric and Mechanics technicians, 5 security staff, 1 office boy and 1 driver. They also considered, the cost of staff carrying minibus, 2 rent cars and their diesel costs and other costs such as food, electricity, teledon ISDN.<br>6. Details of the loan as (21e)<br>7. We could not see this error, but believe it no longer exists<br>8. Corrected<br>9. The VAT cost for services and goods procured in Turkey has | line with the regulation<br>9. VAT reclaims have been linked to dynamic link. The clarification is closed.<br>10. Deductible VAT is a has been also applied in IRR Capital Employed<br>11. Net income is included in the new cash inflow calculation.<br>**The corrective action request is still open.**<br>**Validation team conclusion 2:**<br>The proofs have been verified.<br>**Clarification request** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | been made into a dynamic link, as has the VAT reclaim<br>10. Done<br>11. Done | **is closed.** |
| **CAR9**<br>The technical life time of the project is 46 years according to the production license. The assessment period for the benchmark analysis is 20 years. Although the period for the benchmark analysis is shorter than the technical life time of the project; fair value of the assets has not been included at the end of the assessment period. | | **Summary of project owner response 1:**<br>CAR 9:Although the Production Licence is 46 years, the life of the equipment installed is 20 years, so 20 years is taken as the project life | **Validation team conclusion 1**<br>Accepted by the validation team.<br>**Corrective action request is closed.** |
| **CAR10**<br>A non technical summary in local language has not been included in the consultation report.<br>Please also clarify if the non technical | | **Summary of project owner response 1:**<br>The non Technical Summary is attached to this document (14). As explained in CL 55 it was provided to | **Validation team conclusion 1:**<br>**Corrective action request has been closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| summary has been communicated to the stakeholders during the invitation process. | | the villagers and was sent as the attachment of the official invitation. | |
| **CAR11**<br>The project participant discussed only labor standards. High noise level in operation and during construction has been considered as a critical issue.<br>The mitigation measures have been included as ear plugs.<br>Please discuss all safeguarding principles; rate risks and include the mitigation measures in passport.<br>Please also consider that there is also risk of exposure to high voltage risk of the project.<br>Please also consider that there may be risks for people accessing the site. | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>The site is safeguarded and access to project site is only possible under the supervision of the security team. In addition to all the turbines are fenced and the fences are grounded to avoid any 3rd party injury or accident related to high voltage. Similarly the immediate switch gear area and the main control chamber and substation is also fenced and guarded.<br>The Passport is updated to be uploaded to the registry see version fnl2 | **Validation team conclusion 1**<br>**No response.**<br>**Corrective action request is still open.**<br>**Validation team conclusion 2**<br>The clarification is accepted for the high voltage.<br>**The corrective action request is closed.** |
| **CAR12** | | **Summary of project owner** | **Validation team** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| The indicators namely; Livelihood of the poor, human and institutional capacity are not linked to the localized Millennium Development Goals.<br>Although trees will be cut during the project; the issue has not also been related with the localized MDG's (Millennium Development Goals). | | **response 1:**<br>**CAR 12:**<br>Re-assessed and kept "0". The cut trees are re-planted in coordination with MoEF local authority. | **conclusion 1:**<br>In version 2 of the passport, Livelihood of the poor, human and institutional capacity are kept 0 for conservativeness. In accordance human and institutional capacity has been linked to target 1B.<br>**Corrective action request is closed.** |
| **CAR14**<br>The mitigation measures included in the "Do No harm Assessment" are not included in the Sustainability Monitoring Plan. | | **Summary of project owner response 1:**<br>CAR 14:The only do no harm issue is related to labour standards and this is also included to the SDMP in the version fln2 of the Passport.<br>**Project owner response 2:** | **Validation team conclusion 1:**<br>Please clarify the hazards such as electricity shock, fall from height, etc<br>**Clarification is not** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | Please see the revised version of the monitoring plan at the version 2 of the PDD. | **closed.**<br>**Validation team conclusion 2:**<br>**Correctvie action request has been closed.** |
| **CAR15**<br>The sustainability monitoring plan is not clear about who will monitor with what frequency. | | **Summary of project owner response 1:**<br>CAR 15:The missing parts are updated.<br>**Project owner response 2:**<br>Please see document (22) Monitoring manual | **Validation team conclusion 1:**<br>**Will be assessed after the above clarification has been closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL1**<br>The project scenario has been defined as the following by the PP in section A.2. of the PDD version 1.1;<br>''Bergama RES Enerji Üretim A.Ş. plans to build 36 wind turbines, each having a capacity of 2.5 MW in Aliağa Borough of İzmir. The project aims to supply a portion of the country's electricity demand as well as to contribute to Turkish economy. The total installed power will be 90 MW and the annual electricity generation is calculated as 275,782 MWh. The project will be accomplished in 32 months and the project life is expected to be 49 years. The 3-blade turbines will be imported from Europe for the project. Towers, wiring, transformers and electro-mechanical equipment will preferably be purchased from local producers. The electricity generated by the wind turbines will be transferred to the switchgear through | | **Summary of project owner response 1:**<br>CL1-1The Electricity Production licence is attached to this document (1) and uploaded to the GS registry. | **Validation team conclusion 1**<br>CL1-1<br>The electricity license has been reviewed by the DOE and the installed capacity of the proposed project has been validated. |
| | | CL1-2 After indicating that the project owner plans to built up the project the requested time line is included in the PDD as a foot note.<br><br>4-The turbines are selected to be Nordex N90 2.5 MW turbines. Their brochures are attached to this document for the validation of their technical properties. As the wind industry is new and Nordex turbines | CL1-2<br>1. Please clearly state the investment decision date in the PDD.<br>2. Please supply project schedule.<br>4. The brochures of the turbines have been reviewed by the |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| underground wiring and will be passed to the interconnection with the national grid via 60 utility poles, each 35m high, placed on the ground along 18 kms.''<br><br>1. Along with the above paragraph; means of validation is given below: Please supply the electricity generation licence as an annex to the PDD (to be uploaded to the GS registry) for validation of number of turbines and installed capacity of the project. (36 turbines; each 2.5 MW, 90 MW installed capacity is given by the PP in the PDD). (CL requested)<br><br>2. spread sheet named "Aliaga_Financials_v7_01.07.2009sens-xls". Please clarify the investment decision date, start date of the construction, expected commissioning date with relevant proofs. Please revise the relevant | | are up and running since 2002 (http://www.nordex-online.com/en/produkte-service/wind-turbines/n90-25-mw.html?no_cache=1) and as the turbines are designed to extend the service life of each one of the turbines. The Nordex declares that the turbines are designed to last for 20 years (p3 of the Nordex Brochure (2))<br>5- Attached you may find the underground wiring project and a page from the Interconnection Agreement (3) that justifies the characteristics of the overhead transmission line.<br>6-The document (3) submitted provides the grid connection point. | validation team and the technical lifetime of the turbines have been accepted as 20 years. ( OK)<br>5. The transmission line agreement has been reviewed by the validation team and it has been justified that The electricity generated by the wind turbines will be transferred to the switchgear through underground wiring and will be passed to the interconnection with the national grid via 60 utility poles, each 35m high, placed |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| sections of the PDD and the calculations if needed ( CL requested).<br>3. The generation licence has been given for 49 years by the EİAŞ. It is agreed that the license is valid for 49 years ( OK)<br>4. The technical life time of the project is mostly dependant on the life time of the turbines. Please supply relevant data (Publicly available benchmarks, publicly available reports of specialists, catalogue of the turbines etc) to validate the technical life of time of the turbines ( CL).<br>5. Please justify characteristics of the transmission line (underground wiring to be passed to the interconnection with the national grid via 60 utility poles, each 35m high, placed on the ground along 18 kms is given in the PDD) ( CL) .<br>6. Please clarify the connection point to the grid ( CL). | | | on the ground along 18 kms.'' ( OK)<br>6. In PDD version 1.2. it has been stated that The connection point will be Viking TM, 154 KV bara. The connection point has been validated from the energy production license ( OK) .<br><br>**Clarification request is still open.**<br><br>**Validation team conclusion 2**<br><br>1. The statement has been added to the PDD version 2. The |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | board decision dated 02.6.2008 has been seen by the validation team.<br>2. The project schedule attached been seen.<br><br>**<u>Clarification request is closed.</u>** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL2**<br>The way that the proposed project activity will reduce GHG emissions has been defined by the PP as the following in section A.2. of the PDD ver 1.1. as the following:<br>'Considering that the majority of the installed capacity for electricity generation is in form of fossil fuel power plants in the country; the project will contribute to clean energy generation. The project is estimated to reduce approximately 174,018 tonnes of $CO_2e$ per annum which would have been released from the generation of same amount of electricity by grid-connected power plants. Turkey, being in a region with continuous and powerful wind resources, has great potential to utilise the renewable wind resources for electricity generation.'<br><br>Means of validation about the above statement is given below:<br>5. The statement that "the majority of the installed capacity of electricity generation is in form of fossil fuel power plants in the country" has been checked from EUAS 2008 report by the DOE from the official internet site of EUAS –Electricity | | **Summary of project owner response 1:**<br>CL2-2: The reference requested is given as a footnote in the version 1.2 of the PDD. | **Validation team conclusion 1:**<br><br>CL2-2:<br><br>The referenced sites have been accessed by the validation team. Hence it is concluded that project participant described the way that the project activity will reduce GHG emissions in PDD version 1.2. and the statements have been referenced.<br><br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL3**<br>The view of the project participants on the contribution of the project activity has been presented in section A.2. of the PDD rev 01 in relation with the Millennium Development Goal – No:9 of Turkey as the following:<br>"The project will utilise local resources for electricity production. This will stimulate the economic development as wind power, being an infinite and natural resource, is more ecologically and financially sustainable than other choices.<br>From a local perspective, the project will provide job opportunities for local people and create household income for them. Associated works such as wiring will be done by local companies and this will increase their technological capacity in renewable energy projects and will | | **Summary of project owner response 1:**<br>CL 3-2: The project owner explains the experience gained by their subcontractors as follows : "Our subcontractors is able to enhance their knowledge for preparing the infrastructure for the more complex European standards that has been adapted for latest technology wind power plants."<br>Other technology related contribution aspects of the project are explained by the project owner as follows:<br>"We can define the technology transfer wise contributions of the projects under these headlines:<br>- We are recruiting especially recently graduated Turkish technicians (mostly locals) and train | **Validation team conclusion 1:**<br>CL 3-2: The contract for the wiring has been reviewed.<br>CL3-3: The subcontractor agreement has been reviewed by the validation team. It has been concluded that local purchasing of the wiring will create household income.<br>CL3-4 : The list of jobs created have been reviewed by the DOE. Please supply social security records |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| stimulate the local economy as well.''<br><br>Means of validation has been given below:<br><br>1. Since the proposed project is an energy production project from renewable sources and that the project results in no GHG emissions; it is also agreed by the DOE that the project will contribute to sustainable development (OK).<br><br>2. It has been stated in section A.2. of the PDD that ".procurement of wiring will stimulate the technological capacity in renewable energy sector". Please clarify how the technology used in project (especially for wiring) differs from the common practice in the region/ country (CL requested).<br><br>3. It has been agreed that local purchasing of the wiring service will create house hold income. Please supply purchase agreement etc. to the DOE to | | them to be a competitive wind turbine operator and technician with both the knowledge of the most recent wind turbine technology in the world. In order to fulfill this task we send them to trainings in Germany as well having the foreign instructors giving their training sessions in Turkey.<br>- Our subcontractors is able to enhance their knowledge for preparing the infrastructure for the more complex European standards that has been adapted for latest technology wind power plants.<br>-We have used local subcontractors for civil works both for designing and constructing the plant. These companies were instructed by the German Turbine company to fulfill their standards on applications as | **Clarification request is still open.**<br><br>**Validation team conclusion -2:**<br>**The social security records have been validated by the validation team.**<br><br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| prove that that the wiring will be done by local firms(CL requested).<br>4. It has been stated that the local workforce will be employed. Please clarify the number of persons to be employed and job descriptions of the potential local recruitments (CL requested).. | | well routine visual checks by site meetings were applied. Therefore civil companies in Turkey now can comply with unique design and application requirements of wind farm constructions.<br>-With the know-how coming from the other sectors of the industry, service providers as well as local manufacturers of some components of the wind turbine is now able to give specific services or produce such components designed for the wind farms which opened them a new sales market in Turkey."<br><br>**Summary of project owner response 1:**<br>CL3-3: The Subcontractor agreement (4) is attached to this document. | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | CL3-4:During the construction phase there were 35 people working under the main Company and there were in total 427 people working for the subcontractors. The summary of the jobs created are given in the document (4a and 4b) attached.<br>And at the operational phase there are: 1 Chef and 1 Cleaning staff recruited from the nearby village; 1 Site Manager, 2 Maintenance Personnel and 3 Substation Operator recruited from İzmir.<br><br>**Project owner response 2:**<br>The Social security records are provided as document (4c) | |
| **CL4**<br>Means of validation on listing of project participants are given below:<br>1. Bergama RES Enerji Üretim A.Ş., | | **Summary of project owner response 1:**<br>CL4-4 is corrected by inserting footnotes to the relevant points | **Validation team conclusion 1:**<br>CL4-4: In version 1.2 of the PDD it has been |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| JPMorgan Ventures Energy Corporation are the parties involved in the project. (OK)<br>2. The parties involved are listed in the A.3. of the PDD using the tabular format. ( OK)<br>3. The contact information has been provided in Annex 1 of the PDD. (OK)<br>4. Please clarify in the tabular format if Bergama RES Enerji Üretim A.Ş. and JPMorgan Ventures Energy Corporation private or public entities. ( CL) | | indicating that both are private entities. | indicated that both parties are private entities.<br>**Clarification request is closed.** |
| **CL5**<br>A description of how environmentally safe and sound technology, and know-how, is transferred to the Host Party(ies) have been given in section A.4.3. of PDD ver 1.1. means of validation have been given below:<br><br>1. In section A.4.2. of the PDD version 1.1., it is stated that the wind power | | **Summary of project owner response 1:**<br>CL-5 -2-3:<br>The project is going to be installing Nordex N90/2500 high speed high efficiency turbines. The specifications and advantages of these turbines are given in the attached Nordex Catalog (2) and | **Validation team conclusion 1:**<br><br>The catalogue has been reviewed by the validation team and it has been concluded that the project uses environmentally safe |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| projects are environmentally safe in comparison with the fossil fuel fired plants ( OK)<br>2. In section A.4.2. of the PDD version 1.1., it has been stated that the turbine blades have the ability to change angles according to wind direction. It has been agreed by the DOE that ability of changing the angles to the wind direction will increase the generation efficiency. Please supply the catalogue for the validation of the technical specifications.( CL )<br>3. In the PDD, it has been stated that high speed, 3 blade wind turbines will be used for the project. It is also concluded that those turbines are lighter and cheaper than low speed turbines, operating with a low torque and a low rate of rotation. Please supply a document/ reference that the turbines are lighter and cheaper in comparison with the similar capacity turbines. ( CL) | | can also be found in Nordex's international WEB site (http://www.nordex-online.com/en) | and sound technology.<br><br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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<tr><th>Draft report clarifications and corrective action requests by validation team</th><th>Ref. to checklist question Table 1 and 2</th><th>Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed.</th><th>Validation team conclusion</th></tr>
<tr><td><u>CL6</u><br>List and arrangement of the main manufacturing/ production technologies, systems and equipments involved have been given in section A.4 of the PDD ver 1.1. Means of validation (in addition to those given in Table 1.1.d ( of this protocol) have been given below:<br>1. The project comprises 36 wind turbines, each having 2.5MW capacity. Please supply purchase agreement for validation of the capacity of each turbine ( 2.5 MW is given by the PP in the PDD)( CL requested in Table 1.1.d above)<br>2. Please supply the electricity generation license for validation of installed capacity of the project. ( 90 MW is given by the PP in the PDD) )( CL requested in Table 1.1.d above)<br>3. Please supply the DOE the catalogue of the turbine to validate the rotor diameter</td><td></td><td><u>Summary of project owner response 1:</u><br>CL6-1-The turbine Supply and Installation agreement (5)is provided<br>CL6-2 Electricity generation license (1) is provided.<br>CL6-3 Turbine Catalogue is provided (2).<br>CL6-4 The list of equipments that will be installed is as follows:<br><table><tr><th>Name of Part</th><th>Unit</th></tr><tr><td>Anchor Parts</td><td>36</td></tr><tr><td>Tower Section 1</td><td>36</td></tr><tr><td>Tower Section 2</td><td>36</td></tr><tr><td>Tower Section 3</td><td>36</td></tr><tr><td>Tower Section 4</td><td>36</td></tr><tr><td>Tower Equipment</td><td>36</td></tr><tr><td>Tower Bolts</td><td>36</td></tr><tr><td>Blade 1</td><td>36</td></tr></table></td><td><u>Validation team conclusion 1:</u><br>CL6-1: The project comprises 36 wind turbines, each having 2.5MW capacity as validated through purchase agreement.<br>CL6-2: The installed capacity of the proposed project is 90 MW as validated through the generation license<br>CL6-3: The towers will be 80 m high and 3m in diameter, built on a foundation with dimensions 20mx20mx3m. The diameter of the blades</td></tr>
</table>

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| and the height of the tower ( It is indicated that The towers will be 80 m high and 3m in diameter, built on a foundation with dimensions 20mx20mx3m. The diameter of the blades is 90m.) Please give present the average lifetime of equipments, load factors and efficiency for the turbines in the PDD. Please justify the data that will be presented.<br>4. Please include a list of equipments ( including the monitoring equipments) that will be installed. | | <table><tr><td>Blade 2</td><td>36</td></tr><tr><td>Blade 3</td><td>36</td></tr><tr><td>Nacelle incl. Accessories</td><td>36</td></tr><tr><td>Drive Train</td><td>36</td></tr><tr><td>Cooling Hood</td><td>36</td></tr><tr><td>Hub</td><td>36</td></tr><tr><td>Converter Cabinet</td><td>36</td></tr><tr><td>Accessory and Consumable Container</td><td>36</td></tr><tr><td>Scada Equipment</td><td>1</td></tr></table><br>**Project owner response 2:**<br><br>The monitoring equipment have been added in the above table in PDD v 2<br><br>The power curve that is specific to turbines and the overall efficiency of | is 90m as validated through the catalogue. Please give present the load factors and efficiency for the turbines in the PDD. Please justify the data that will be presented.<br>CL6-4: Please include a list of equipments ( including the monitoring equipments) that will be installed in the PDD.<br>**Clarification request is still open.**<br><br>**Validation team conclusion 2**<br>CL 6-3 The efficiency |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>**Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed.** | Validation team conclusion |
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| | | the wind farm based on the relevant page of the site specific micrositing report (the DEWI report-in zip file Document no 21) is added together with the above list of equipments that are going to be installed in the project site. The Elster electricity meters are added at the last row of the above table as the monitoring equipment.<br>Please note that the meters belongs to TEİAŞ. | factor has been validated 35% and the AEP has been validated as 275.8 GWh from rhe micrositing project – DEWI report<br>CL 6-4 The list of equipments have been added to the PDD version as validated from the DEWI report.<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL7**<br>The tools that the methodology is used in conjunction with are given in section B.1. of the PDD version 1.1. The methodology is used in conjunction with the following tools;<br>▪ Tool for the Demonstration and Assessment of Additionality; Version 5.2.<br>▪ Tool to calculate the emission factor for an electricity system; Version 01.1.<br>▪ Tool to calculate project or leakage CO2 emissions from fossil fuel combustion; Version 02.<br>▪ Combined tool to identify the baseline scenario and demonstrate additionality; Version 02.2.<br>Please clarify the tool used for the demonstration of the additionality. | | **Summary of project owner response 1:**<br>CL 7:<br>For the demonstration of additionally the Version 5.2 of the "<br>Tool for the demonstration and assessment of additionality" which is also attached (6) is utilized. | **Validation team conclusion 1**<br>In section B.1. of the PDD version 1.2. the tool used f or the demonstration of Additionallity has been clarified as the Version 5.2 of the "<br>Tool for the demonstration and assessment of additionality,<br><br>**The clarification request is closed.** |
| **CL8**<br>The applicability conditions and the justifications have been given in PDD | | **Summary of project owner response 1:**<br>CL8-1:The electricity generation | **Validation team conclusion 1**<br>CL8-1: The |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| version 01. Means of validation for justification of each applicability criteria among ACM002 version 10 is given below:<br><br>1. Please supply the electricity generation license to validate the justification for the first applicability criteria ( The justification given in section B.2. of the PDD ver 1.1 is that the Aliağa WPP Project is a grid-connected renewable power generation project that adds electricity from wind power.'') CL requested in Table 1.1.d above<br>2. For the second and the third applicability criteria; the justification that the project is not a capacity addition or replacement project has been validated during the site visit. It has been concluded that the project site has been vacant before the project. ( OK) | | license (1) is provided and uploaded to the GS registry. | applicability criteria that the Aliağa Wind Farm is a grid-connected renewable power generation project that adds electricity from wind power has been validated through the connection agreement and the generation license.<br>It has been justified that the proposed project fulfils the requirement.<br><br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL9**<br>The assumptions for the and the justifications related with the baseline are presented in section B.4. of the PDD version 1.1. Means of validation is given below:<br>1. The PP justified the assumption that the Turkish national grid is dominated by thermal resources, by stating that Thermal power resources constitute 65.5% of the total installed capacity, followed by hydropower with a share of 32.8% in section B.4. of the PDD rev 1.1. The assumption is referenced to EUAŞ 2007 report. However 2008 EUAS report is the document only publicly available at the date of validation at the official web site of EUAS. Please reassess the assumption according to 2008 report.<br>2. The PP justified the assumption that weight of thermal power plants (and thus emission factor) will remain same over the | | **Summary of project owner response 1:**<br>CL 9-1The calculations are reassessed and that section is corrected in the PDD version 1.2 the report used in these updates are the year 2009-2018 projection reports published on EMRA's Web site .<br>CL9-2 The PP understands that the DOE is referring to the table that is a part of the Figure 6. As this figure was taken from the National communication report it is not possible to alter it. However there is a slight decrease in the weight of the thermal power plants in Turkey, it is anticipated that the overall %of Thermal power plants will remain significantly high. An explanation about Figure 6 is inserted in the version 1.2 of the PDD. | **Validation team conclusion 1**<br>CL9-1: In version 1.2. of the PDD it has been stated that<br>Turkey relies on fossil fuel for electricity generation, most of which is done by state-owned power plants. The Electricity Generation Company (EÜAŞ), a state organisation, together with its affiliated organizations manages 64.52% (26,980.8 MW) of total installed capacity of 41.817.20 MW in 2008. Thermal power |

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| crediting period by stating that '' The thermal resources will still comprise 72.5% of total capacity in 2020.'' The weight of thermal sources according to the years are as follows according to the table 7 in section B.4 (of the PDD rev1) : 0,77 in 2005; 0,79 in 2010 ; 0,7 in 2015 and 0.72 in 2020. Since it seems that the share of the fossil fuels will decrease to 0.77 to 0.72 please reassess the assumption.<br>3. The PP stated in section B.4. of the PDD version 1.1. that; they used IPCC min values for the emission factor of fossil fuels of which national values are not announced. This statement is in line with the tool "Tool to calculate the emission factor for an electricity system". Consequently, the statement has been validated by the DOE. | | | resources constitutes 66 % of the total installed capacity, followed by hydropower with a share of 33% and only 1 % of Turkey's installed capacity is coming from Wind Power Plants. The given reference is EMRA site. The assumption has been accepted by the validation team.<br>CL9-2 The explanation is accepted by the validation team<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL10**<br>Generally, all data used to determine the baseline scenario is presented transparently in the PDD version 1.1. However, please clarify the following issues.<br>1. The statement that ''The Electricity Generation Company (EÜAŞ), manages 58.47% (23,874 MW) of total installed capacity (40,834 MW).'' has been referenced to EÜAŞ 2007 report. However 2008 EÜAŞ report is publicly available at the date of validation at the official web site of EUAŞ. Please reassess the statement according to 2008 report ( CL requested )<br>2. The projection for the increase by 7.7 % in the electricity demand annually so that the demand will be 242 TWh in 2010 | | **Summary of project owner response 1:**<br>CL10-1 Based on the 2009-2018 projections report, EUAS together with its affiliates manages around 64.52% of the installed capacity in Turkey this number is corrected in the PDD v 2.1.<br>CL10-2 These projections and assumptions for year 2020 are taken from the first national communication of Turkey on Climate Change and that part of the PDD v. 1.1 has been re-referenced properly in version 1.2.<br>CL 10-3:<br>The numbers related to Turkey's GHG emissions and share of primary energy consumption and the share of electricity production in that | **Validation team conclusion 1:**<br>CL10-1: The projection report which indicates the most recent data available has been accepted by the validation team.<br>CL10-2: The full reference of the report has been indicated in version 1.2. of the PDD. The source has been accepted by the validation team.<br>CL 10-3: ''CO2 emission from electricity generation has been calculated as 167,800 kt, which |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| and 500 TWh in 2020; has been referenced to IEA report in section B.4 of the PDD ver 1.1. Please give full reference for the report ( CL requested ).<br><br>3. It has been stated in section B.4 of the PDD that ''$CO_2$ emission from electricity generation has been calculated as 167,800 kt, which accounts 76.7% of total net GHG emission of Turkey in 2004.''. The statement has been referenced to First National Communication of Turkey on Climate Climate Change ( CL requested ).<br><br>4.<br><br>The assumption that; ''The average efficiency of lignite power plants in Turkey is only 32%.'' has been referenced to IEA report in section B.4 of the PDD ver 1.1. Please give full reference for the report ( CL requested ) | | is revised based on the recent most bulletin on the GHG inventory published by TurkStat. Also the references and explanations referring to the first national communication is updated. Please see the version 1.2 of the PDD.<br><br>**Project owner response 2:**<br><br>CL.10-4 Plant efficiency values are not computed but the default efficiency values indicated in the "**Tool to calculate the emission factor for an electricity system v.0**2" Annex 1 p.23. The same can be referred from Table 14 of PDD ver 2 | accounts 76.7% of total net GHG emission of Turkey in 2004 has been justified from the Turkish Statistics Institution Statistics Bulletin. The clarification has been accepted<br><br>CL 10-4 Please clarify how the energy efficiency values for lignite power plants have been computed.<br><br>**Clarification request is still open.**<br><br>**Validation team response 2:** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **The clarification has been accepted.** |
| **CL11**<br>Key assumptions for demonstrating the additionality has been presented in section B.5. of the PDD version 1.1. Please clarify the following issues.<br>1. In Substep 1 a – Alternative 3 clause of section B.5 of PDD version 1.1; it has been stated that there are exploitable renewable (tidal/wave/small hydro/geothermal) and biomass energy sources at the project site. Please justify the rationale.<br>2. In Substep 1 a – Alternative 3 clause of section B.5 of PDD version 1.1; it has been stated that solar photovoltaic power generation of the comparable size 90 MW is not financially feasible because of its cost per unit energy generated. Please | | **Summary of project owner response 1:**<br>CL11-<br>I was unable to find these in the PDD Please clarify. | **Validation team conclusion 1**<br>In version 2 of the PDD, the realistic alternative has been defied as Scenario (b): Continuation of the current situation, i.e. electricity will continue to be generated by the existing generation mix operating in the Turkey regional grid. The clarification request has been accepted.<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| justify the rationale. | | | |
| **CL12**<br>In subsection 2.c.-Section B.5 of PDD version 1.1., it has been stated that acceptable IRR values for similar projects in Turkey are announced as at least 10% for renewable projects which will benefit from the loans by World Bank. The reference given ( http://www.temev.org.tr/duyurularS) could not be reached. | | **Summary of project owner response 1:**<br>CL12-The referenced document was removed from the web site<br><br>**Project owner response 2:**<br>But the print out of the web page that we referred to is found and submitted as document (18). If need be the TEMEV chairman Prof. Dr. Demir İnan can be contacted for the source of the page (idi@hacettepe.edu.tr), this is also indicated in the referencing footnote. | **Validation team conclusion 1**<br>Please supply document.<br>**Clarification request is still open.**<br><br>**Validation team conclusion2:**<br>Since WACC benchmark has been computed, the World bank benchmark has been not been used.<br><br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL13**<br>In PDD version 1.1. -Section B.5 Subsection 3. a.; it has been stated that; since June 2008 the lending banks have made it much more difficult for project developers to raise debt finance for their projects. It has been also stated that the increased tariff offered by the government since 2005 has helped to overcome some of these barriers, but the overall financial position is still less favourable than it was a year ago. Please give the justification and related reference to prove that the barrier would prevent the implementation of the proposed project activity from being carried out.( Please consider that the barriers should include barriers other than financial / economic barriers). | | **Summary of project owner response 1:**<br>CL13-This part of the PDD is updated considering the barriers that are not included in the financial analysis and those that are different than financial barriers. Please see version 1.2.<br>**Project owner response 2:**<br>In version 2 of the PDD the barrier analysis is reconsidered and as per the tool for assessment and demonstration of additionality, if we use investment analysis route for proving additionality, the barrier analysis route is only optional. Therefore, in accordance with the tool we have not used barrier analysis in the project | **Validation team conclusion 1**<br>In version 1.2. of the PDD the revised investment barriers are;<br>"Payback Period and Usage: In general, wind farm investment costs are about 40% higher than those of a comparable coal-fired power plant, in terms of cost per unit of installed capacity ($/MWh).<br>Furthermore, the utilisation hours of wind farms are about one third of those of a coal-fired power |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | plant*. Therefore, the high initial investment cost leads to a longer payback period and a higher investment risk on project financing compared to more conventional fossil-fired power plants that constitute the majority of the baseline.<br>Higher Proportional Interconnection Fees: The annual fee for the usage of the interconnection line is determined in accordance with the established capacity of the power plant by |

* www.bwea.com/energy/rely.html

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | TEİAŞ. However, conventional power plants tend to utilise 80-85% of their established capacity whereas wind power plants only utilise 30-45%. This means a thermal power plant and wind power plant with the same established capacity will pay the same annual fee but the wind power plant will produce significantly less electricity and therefore the fee will be a higher proportion of annual revenues."<br>The given barriers above are related with |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | finance.<br>**The clarification request is still open.**<br><br>**Validation team conclusion 2**<br>The clarification has been accepted by the validation team.<br>**The clarification request is closed.** |
| **CL14**<br>In substep 2 – Option III; it has been stated that clearly that the yield on 2019 date Eurobonds denominated in Euros was 7.75%. It has been stated that Eurobond Rates in Turkish market for eight to thirty years periods have been determined and given in Table 4 | | **Summary of project owner response 1:**<br>CL14:The graphic is updated using the graphic which was published closed to the investment decision date and the report that graphic is taken is attached to this document (7). | **Validation team conclusion 1**<br>The eurobondrate has been selected with a maturity of 10 years where as the IRR has been realised for 20 years. Please select a |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| (http://www.isbank.com.tr/fiyatoran/fiyatgoster.asp). However the table and the reference given for the table could not be reached. | | Also Since the 7.75% rate is better shown on the graphic we have omitted the table 4 and the related reference.<br>**Project owner response 2:**<br><br>Further Response: The EuroBond is taken as a benchmark because the investment is made in Euros. The Eurobond index is only 10 years. We believe that despite this, it is the most representative benchmark and is therefore applicable.<br><br>Nevertheless, the DOE will note that the other hard currency index (the USD Eurobond) has a very similar yield for year 20 as year 10 (within 25 basis points). | bench mark value applicable to the benchmark analysis period.<br>**Clarification request is not closed.**<br>**Validation team conclusion 2**<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | Bureau Veritas has very recently validated a project ("Grid connected electricity generation from renewable sources: Belen, 30MW Wind Power Project; Turkey") which used the 10 year Eurobond rate for a 20 year time horizon IRR. The Gold Standard has reviewed the Validation report and not questioned the analysis. We therefore request that BV consider the approach as acceptable in the circumstances<br>We have updated our Benchmark calculation with the volatility values for the investment decision date. We would like to take your attention to the fact that we are using the highest maturity date available for the Eurobond rate we have chosen, at the date of investment decision. (please see document( A)-The pdf print out of the bond rates at the date of IDD) A USD bond with a maturity date in year 2030 gives a higher value (ours is 7.15% whereas the USD | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | bond is 7.26%, therefore our approach is conservative. (Volatility excel sheet is also provided as document (26) Please also note that the Eurobond rates are now taken from the Ziraatbank web site referenced in the Financial analysis work book's relevant sheets and lines.. | |
| **CL15**<br>In clause (b) Lack of infrastructure - Technological Barriers of Substep 3-b/Step 3 /section B.5. of the PDD rev 1.1.; it has been stated that TEİAŞ has limited the capacity of the wind power to 5% of the short circuit capacity of the high voltage transmission line into which wind power is fed. Also it has been stated that many projects with high potential capacity (and therefore lower costs per installed MW) cannot be realised as the capacity is limited by the capacity of transmission line | | **Summary of project owner response 1:**<br>CL15:The difference is occurring due to the efficiency difference between a wind power plant (around 35% to maximum 40%), and a natural gas burning thermal power plant (up to 60%). Therefore although they have the same capacity but the amount paid by the wind power plant gets more expensive as it produces less electricity with the same capacity. This is also explained in the version | **Validation team conclusion 1:**<br>1) Please clarify how the carbon credit will help this barrier<br>2) It not clear that the named barrier prevents the project.<br>**The clarification is still open.**<br><br>**Validation team** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| to the grid. Please justify the assumption. | | 1.2 of the PDD.<br>**Project owner response 2:**<br>Further Response: As indicated above on CL 12 we are no longer using a barrier analysis to justify additionality. | **conclusion 2**<br>The clarification has been accepted.<br>**The clarification request is closed.** |

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| **CL16**<br>Please give reference for figure 6 ( which shows Breakdown of actual and expected generating capacity by primary sources and figure 7 (which shows the development of installed capacity by public and private sectors (MW) (1984-2007)). | | **Summary of project owner response 1:**<br>CL 16 Reference provided | **Validation team conclusion 1:**<br>Figure 7 has been reviewed from the given reference.<br>**Clarification request is closed.** |
| **CL17**<br>The statement that; ‘’The growth in private sector investment in the energy sector is slowing, at a time when government incentives have been reduced while government investment continues at a steady rate.’’ has been referenced to ”10 years Projection of Generation and Installed Capacity for Turkey, 2008-2017, TEİAŞ’’; and ’’Türkiyede Yap İşlet Devret Modeli, Dr. Erol İmre’’. The web references have also been checked by the | | **Summary of project owner response 1:**<br>CL17: These statements are taken from the year 2007-2017 projection reports published at EMRA’s web site.<br><br>**Project owner response 2:**That sentence is not a “quotation” but a comment based on the bullet points listed above that particular sentence. The references in the footnotes 28 | **Validation team conclusion 1**<br>Please clarify the specific part.<br>**Clarification request is still open.**<br><br>**Validation team conclusion 2**<br>The references have been validated. |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| DOE. The references are available on the net; however please clarify the specific part of the reports that are related with the statement. | | and 29 (and 27) are for the immediate lines they refer to.<br><br>The bullet points and the concluding sentence are based on Figure 10 which is taken from the 1st National Communication of Turkey on Climate Change, as indicated on the footnote number 26. | **The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL18**<br>One of the rationales in step 4.b of the section B.5 in PDD rev 1.1. is that; ''Investment in Wind Power in Turkey has been minimal.'' The rationale has been justified by statement that; ''Although wind has increased since 2005, the share of wind in the primary energy mix of Turkey is still insignificant''. The statement has been visualized in Figure 8. Please give the refence for Figure 8. | | **Summary of project owner response 1:**<br>CL18.The graphic in Figure 8 is given based on 2007-2017 electricity market projection reports published on EMRA's web site. The reference is provided in version 1.2. | **Validation team conclusion 1**<br>The graphic in figure 8 has been reviewed through the reference given. (The statement that 10 years Projection of Generation and Installed Capacity for Turkey, 2008-2017, TEİAŞ). In accordance the statistics on the TEIAS website has also been reviewed and the justification has been accepted since there is no significant difference between the values.<br>**The clarification** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL 19**<br>One of the rationales in step 4.b of the section B.5 in PDD rev 1.1. is that ''Within private sector energy investment, wind is in the minority.'' The rationale has been justified by the statement that ''Wind investment is in a minority of 22% in 2007''. The reference given could not be accessed. | | **Summary of project owner response 1:**<br>CL19: The comment was made upon the data given by a speech the Minister of Energy and Natural Resources has given at the Turkish house of Parliament. The reference is checked and corrected, in version 1.2 of the PDD. | **Validation team conclusion 1**<br>The reference has been checked and accepted by the validation team since the given reference has been a formal speech of the Minister of Energy and Natural Resources<br>**The clarification request is closed.** |
| **CL 20**<br>It was stated that VER revenue was seriously considered in the decision to proceed with the project activity. Please clarify. | | **Summary of project owner response 1:**<br>CL 20:The board decision (8) attached to this document and also the official letter from the Yapı Kredi Bank that provided the loan (9) are proofs. | **Validation team conclusion 1**<br>The board decision dated 2.6.2008 indicates that VER revenue was seriously considered at the |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | investment decision date. In addition also the official letter from the Yapı Kredi Bank that provided the loan considering the VER revenues.<br>It is concluded that that VER revenue was seriously considered in the decision to proceed with the project activity.<br>**Clarification request is closed.** |
| **CL 21**<br>The project start date is ( according to the definition in EB 41 Ann 12 C.1. has been defined as the start of construction) May 2009. Please justify the date of | | **Summary of project owner response 1:**<br>CL21-The proof of construction start date (17 July 2009)is added as document (10) But the investment | **Validation team conclusion 1**<br>The construction start date has been validated through the |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| construction with an appropriate proof. | | decision date is considered 2 June 2008 (Document number 8).<br>**Project owner response 2:**<br>The Project owner explains that they have only been able to decide for sure to continue with the investment only after they have considered Carbon finance as a revenue. A detailed project timeline is added as document number (16-Aliaga Project Schedule). Also major events, related to the project are given in Table 1, in the version 2 of the PDD. | social security application for the Aliağa project site<br>Please clarify how the investment decision date is selected. The referenced document ( reference 8) includes only the decision for the carbon credit. )<br>**Clarification request is still open.**<br>**Validation team conclusion 2**<br>The project timeline and the bank letter regarding the carbon finance has been validated by the validation team.<br>**The clarification** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **request is closed.** |
| **CL22**<br>A compilation of information on the data and parameters that are not monitored throughout the crediting period but that are determined only once and thus remains fixed throughout the crediting period and that are available when validation is undertaken is given in the tabular format in section B.6.2. of the PDD VER<br><br>Please clarify the reason for including the FDy parameter into the tabular format which will be monitored throughout the crediting period and will not remain fixed throughout the crediting period. | | **Summary of project owner response 1:**<br>CL22:<br>That parameter was put there erroneously, it is removed from there and that part is corrected on PDD v.1.2. | **Validation team conclusion 1**<br>The clarification has been accepted by the validation team.<br>**The clarification request is closed.** |
| **CL23**<br><br>Clear and transparent references have been presented in the tabular format or | | **Summary of project owner response 1:**<br>CL 23-Corrected in the PDD version 1.2 | **Validation team conclusion 1**<br>▪ GEN I,y has been removed form |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| additional information have been presented in Annex 3 for the parameters used in the calculation of CM emission factor. However please clarify/ correct the following issues.<br><br>▪ The data source for GENi, y is not given in the tabular format in section B.6.2. of the PDD.<br><br>▪ The data source for NCV has been referenced as teias.gov.tr. in section B.6.2. of the PDD. However TEİAS announces the heating values and the NCVS are calculated by the PP. Please clarify the calculation methodology in the tabular format. | | **Project owner response 2:**<br>CL-23 Further response:Table 9 is included in the body of the PDD (section B.6.3) to enable better understanding of the applications of each step to calculate the combined margin emission factor. But on page 48 of the PDD the data source is given in detail (see the last rows in red). To further improve we have added the content of table 9 at the bottom of the data as a summary of the NCV values.<br>The number of tables are re-arranged (to make sure all the tables have a caption) in PDD version 2. The so called table 12 became table 13. Similar to the explanation below the, this data is taken into table 13 to be able explain the calculation of the CM step by step. Table 13 explains | the tabular format which is line with the Tool to calculate emission factor of an electricity system<br><br>▪ The calculation methodology of NCV is given as the following in PDD version 1.2 “As data on the NCV is not published directly on the TEIAS website, this data is calculated using the heating values of fuels and the volume or mass of fuels consumed for each year” . The calculation methodology is |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| ▪ NCV values have been transparently given in Table 8 of the PDD in section B.6.3. of the PDD version 1.1. However, the table is not referenced in the tabular format in section B.6.2. of the PDD version 1.1.<br>Annex 3 has been referenced for the for the parameters ''COEF i,j,y," and '' electrical generation efficiency '' but the values are given in table 12. Please clarify. ( Please also see CAR3 for the assumption of energy generation efficiency values) | | how the electrical generation efficiency data is used yet the source of the data is given in Annex 3 page.45 indicated in RED colour (used for the calculation of both $EF_{grid,OM,Simple,y}$ and $EF_{EL,m,y}$ given in detail in table 13. | accepted by the validation team.<br>▪ Annex 3 is referenced for the NCV values in the tabular format in section B.6.2. of the PDD version 1.2. However Annex 3 does not include NCV values however, Table 9 includes the NCV values. Please clarify.<br>▪ Annex 3 has been referenced for the for the parameters ''COEF i,j,y," and '' electrical generation efficiency '' but the values are given in |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | table 12. Please clarify<br>**Clarification request is not closed.**<br><br>**Validation team conclusion 2**<br>The tables and the explanations and the references have been revised in the PDD version 2.<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL24**<br>The equations used for exante calculations are documented in section B.6.1 of the PDD version 01. The definitions of the variables in the formulae given in section B.6.1 of the PDD are not correct, e.g. the variable GEN in the PDD version 1.1. is not defined as net electricity generated as required by the TOOL (still the calculations in the Excel are based correctly on net values). However please clarify the definition of the parameter in section B.6.1. and B.6.2. of the PDD ( CL requested) | | **Summary of project owner response 1:**<br>**CL 24:** Corrected in the PDD version 1.2 | **Validation team conclusion 1**<br>The formulae has been reworded as the following in version 1.2. of the PDD.<br>The formulae is in line with the " Tool to calculate the emission factor of an electricity system"<br>$EF_{grid,OMsimple,y} = \frac{\sum_i FC_{i,y} \times NCV_{i,y} \times EF_{CO2}}{EG_y}$<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL25**<br>The sources of data that will be actually used for the proposed project activity have been presented in section B.7.1. of the PDD version Please clarify the following issues.<br>1. The data source for the Egy has been presented as "Amount of Electricity supplied to the Grid by the proposed project" in section B.7.1. of the PDD version 1.1. Please clarify the data source according to the subtitle "III. Monitoring-Parameters and Data to be monitored" - ACM002 version 10.<br>2. Please clarify the data source for FDy considering the CL22 .<br>3. The parameter EGy has been defined as amount of net electricity supplied to the grid by the proposed project according to ACM002 version 10. However the definition in section B.7.2. | | **Summary of project owner response 1:**<br>CL 25:Clarified and Corrected in the PDD version 1.2 | **Validation team conclusion 1**<br>EGy definition has been corrected I accordance with ACM 002 version 10 .<br>Fdy parameters has been deleted.<br><br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| does not include the definition of net electricity ( however it is defined in section B.7.2.); please correct for accuracy. | | | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL 26**<br>It has been stated that in section B.7.2 in PDD ver 1.1. that the sustainable development indicators will not be monitored. However the sustainability monitoring plan has been included in the passport. Please clarify. | | **Summary of project owner response 1:**<br>All the documents that are cross related are updated. | **Validation team conclusion 1**<br>Section B.7.2. has been revised in version 02 of the PDD. Section B.7.2. of the PDD version includes a reference to Annex4. Annex 4 now includes the references.<br>The clarification request is closed. |
| **CL 27**<br>The responsibilities for institutional arrangements for data collection and archiving have been given in section B.7.2. of the PDD REV 1. | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>**12.** The Monitoring report in Annex 4 is updated In addition to this the | **Validation team conclusion 1:**<br>**No response. The clarification request is still open.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| However, please clarify the within the company for reading the records and comparing with the invoices | | invoices are removed from the monitoring report due to a change in invoicing practice as a result of the change in Market Financial Reconciliation Centre (PMUM).The regulation change is given in document (19).In addition to this an internal document (Monitoring Manual –Document number (22)) that will clarify how the monitoring will be performed.. | **Validation team response 2:**<br>The monitoring plan details have been given in the internal procedure.<br>However the formal monitoring plan is to be prepared in accordance with the guidance on PDD. Hence please clarify the recording and monitoring frequency in the monitoring plan also.<br><br>**The clarification is still open**<br>**Review.3** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **The clarification request is closed.** |
| **CL28**<br>Contact information of the people; Aslı Sezer Özçelik ( representing JP Morgan Ventures Energy Corporation) and Tolga Bilgin ( representing Bergama Rüzgar Enerjisi Santrali Elektrik Üretim A.Ş.) are given in Annex 1.<br>Please clarify the specific responsibilities Aslı Sezer Özçelik and Tolga Bilgin considering the application of the baseline and monitoring methodology to the project activity. | | **Summary of project owner response 1:**<br>CL 28: Tolga Bilgin is CEO of the company and the project. His responsibility is to make sure that the power plant is built and operated in compliance with the Turkish rules and Regulations and his team supply us with the necessary information and data for the preparation of the Monitoring report. Aslı Sezer Özçelik is the carbon project implementation manager and her responsibility is to draft the monitoring report and check the quality and accuracy of the data and information provided for the monitoring report.<br>**Project owner response 2:** | **Validation team conclusion 1:**<br>**Pls see CL 27**<br><br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | Further response: As explained above the monitoring plan is updated in version 2 of the PDD, and a monitoring manual is provided to further explain roles and responsibilities of the people (Document 22) | |
| **CL29**<br>Please clarify the starting date of the project and supply the evidence available to support this start date into the section C.1. of the PDD. | | **Summary of project owner response 1:**<br>CL 29:Construction start date is 17 July 2009 and the evidence is supplied as document (10) attached. | **Validation team conclusion 1**<br>Please clarify the start date of the project in the PDD.<br>**Clarification request is not closed.**<br><br>**Validation team conclusion 2**<br>The social security records have been validated . |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **The clarification request is closed.** |
| **CL30**<br>The expected operational lifetime of the project activity has been given as 25 years in section C.1.2 of the PDD version 01. Please state operational lifetime of the project activity in years and months. | | **Summary of project owner response 1:**<br>CL 30 : The months are added as "0" Months.<br>**Project owner response 2:**<br>Further explanation: The life span of the project is considered to be 20 years with an explanation at the foot note, in version 2 of the PDD (footnote 47). The service life of the turbines is indicated as 20 years in the Nordex N90 catalogue by the manufacturer. Therefore we choose to consider service life of a turbine as the project lifetime. | **Validation team conclusion 1**<br>The expected operational life time of the project has been indicated as 20 years 0 months in version 02 of the PDD. However total crediting period is identified as 21 years. Please clarify.<br>**The clarification request is open**<br>**Validation team conclusion 2**<br>The total crediting years is still 21 years .<br>**The clarification still open** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL31**<br>In section C.2.1 of the PDD version 01; it has been indicated that the length of the first crediting period is 7 years, 0 months. However the number of renewal of the crediting period and the conditions have not been indicated in section C.2.1 of the PDD version 01. | | **Summary of project owner response 1:**<br>CL 31:Updated<br>**Project owner response 2:**<br>Further explanation: Corrected in PDD. | **Validation team conclusion 1:**<br>The expected operational life time of the project has been indicated as 20 years 0 months in version 02 of the PDD. However total crediting period is identified as 21 years. Please clarify.<br>**The clarification request is open**<br>**Validation team conclusion 2**<br>The total crediting years is corrected.<br>**The clarification** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **request is closed.** |
| **CL32**<br>Environmental Impact Assessment (EIA) is not mandatory for wind power plants according to the national legislations.<br><br>It has been stated in section D.1 of the PDD that EIA is not required for the project activity after reviewing the project documents for the Aliağa WPP project by the Ministry of Environment. EIA exemption document has been seen by the DOE.<br><br>The precautions for Air Quality, Water & Wastewater Management, Soil Pollution, Solid Waste and Biodiversity has been summarized in the PDD section D.1. Please supply the documents that were submitted to the MoE so that cross check may be realized. | | **Summary of project owner response 1:**<br>CL 32.The hard copy of the Document the "Project Presentation Document(Proje Tanıtım Dosyası)" supplied to the MoEF was sent to the DOE in September 2009. Please check your archive.<br>The Annex4-Monitoring information is updated ,n parallel with the revised LSC report, in version 1.2 of the PDD. | **Validation team conclusion 1:**<br>1. The project presentation document has been reviewed.<br>2. Annex 4 has been updated.<br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| It has been stated in the PDD section D.1. that Air Quality, Water & Wastewater Management, Soil Pollution, Solid Waste and Biodiversity will be monitored. However the issues namely, Water & Wastewater Management, Soil Pollution, Solid Waste and Biodiversity have not been included into the monitoring plan. | | | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL 33**<br>Three comments have been received during the stakeholder consultation meeting. The comments received have been documented. Please clarify the local stakeholders that have made comments. | | **Summary of project owner response 1:**<br>CL33 The comments came mainly from the Muhtar Mr. Ali Duman. The LSC feed back forms are provided (11) to the DOE.<br>**Project owner response 2:**<br>The LSC feed back forms are provided in a pdf file. | **Validation team conclusion 1**<br>Please supply the LSC feedbackforms.<br>**Clarification request is still open.**<br><br>**Validation team conclusion 2**<br>The LSC forms have been reviewed.<br><br>**The clarification request is closed.** |
| **CL34**<br>In section E.3 it has been stated that the comments noted during the LSC have been reviewed. It was concluded that there were no significant effect that would require a revision in the project design. | | **Summary of project owner response 1:**<br>**CL 34:**<br>The project owner helped<br>**Project owner response 2:**<br>The project developer made a water | **Validation team conclusion 1**<br><br>During the site tour it has been stated that alternative ways to |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| The request on the electricity supply to the water pumps was discussed in section E.3. of the PDD version 1.1.; it was concluded the request was not possible since the electricity produced will be supplied to the grid. On the other hand; it has been stated in the PDD that alternative ways to support the water supply system will be investigated during project realisation. Please clarify how the monitoring will be realised. | | survey drilling for 300 m but they could not find any water. The document to prove this is attached as document number (20)<br>Also the Project owner helped the local farmers improve their stonewalls within which they keep their livestock during winter times. | support the water supply system will be investigated during project realisation and it was also stated in the PDD. Please clarify.<br>**The clarification request is still open.**<br><br>**Validation team conclusion 2**<br>The report for site survey regarding the drill has been reviewed.<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL 35**<br>Bankers' view has been used a benchmark for the project IRR. It has been stated that the acceptable IRR values for the loan agreement is 10 % for energy investments according to World bank. The reference given is not accessible from the given adress. Please supply the full document.<br>The eurobondrates have also been presented in the PDD, please clarify if the given value is a benchmark value. | | **Summary of project owner response 1:**<br>Further explanation has been given as to why government back securities are viewed as benchmarks in the market. Furthermore, assurance is given that the data supplied are from an independent unit within J.P. Morgan which cannot be influenced by the Project Participant in its research (which is available to the public)<br>**Project owner response 2:**<br>As explained in the PDD the referenced WEB page was removed, but the print of the referenced WEB page is provided to the DOE as document number (18). The original of this document is archived by the Chairmen of TEMEV Prof. Dr. Demir İnan (**idi@hacettepe.edu.tr**). | **Validation team conclusion 1**<br>The document is not available.<br>**Clarification request is not closed.**<br><br>**Validation team conclusion2**<br>Since the World Bank benchmark is not used for performing financial additionality. The same has been omitted from the PDD.<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | The given Eurobond rate is a value to base the benchmark. The details of how the benchmark and the weighted average cost of capital is calculated is given in the financial analysis work book's relevant sheet (the last one). | |
| **CL36**<br>1. The operation and maintenance cost has been given as 4147168 for the afterwards than 5th year however the it has been calculated as 5 147 168 in the operation cost work sheet in cell D8. Please clarify the difference .<br>2. The land cost is calculated as Investment cost x 0.05x 0.15. Please clarify the calculation Please also clarify why the calculation is different for first ten years from the latter. | | **Summary of project owner response 1:**<br>CL 36 :<br>1-There are now 3 different maintenance cost periods. This is because as the Turbines get older, there is expected to be more wear and tear and the costs will rise<br>2: The Land rent is calculated by the government as a percentage of original investment cost. It now remains constant This is also explained further in document (24) | **Validation team conclusion1**<br>Accepted and closed. |
| **CL37**<br>It has been stated that The project activity | | **Summary of project owner** | **Validation team** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| is not financially attractive compared to other options and the carbon revenue increases returns to a level that makes the extra risks worth taking.<br>Please clarify benchmark value in the outcome also. | | **response 1:**<br>CL 37:The benchmark is now explained in some detail in the PDD as being the Yield on government back EuroBonds during the period in June 2008 when the investment decision was taken. EuroBonds are chosen as they are in the same currency as the majority of project investment and income.<br>**Project owner response 2:**<br>In version 2 of the PDD the CAPM model is implemented and the Bench Mark is determined including the overall country risk and how it is selected is clearly explained. Also A tab in the financial analysis excel workbook is given. | **conclusion 1:**<br>The CAPM Model is reviewed the clarification request is closed. |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL38**<br>Finance, Lack of incentives, fixed pricing, higher fees, uncertainties on the future energy policies have been defined as barriers under the investment barriers in section B.5. of the PDD version 01.1. Means of validation are given below:<br>1. Fixes pricing and finance and higher fees have already been included in the investment analysis. Hence, the barriers subject to investment analysis would not be included in the barrier analysis according to Guidance on Investment Analysis annex of the Additionality Tool.<br>2. Please justify the assumptions raised under the lack of incentives barrier in order to prove that the barriers raised may prevent the project from occurring ( the assumptions are a) that the government provides a 10 year purchase | | **Summary of project owner response 1:**<br>CL 38:The barriers have been re-assessed as have the outcome of 3a&B<br>**Project owner response 2:**<br>In version 2 Barrier analysis is removed as explained above | **Validation team conclusion 1:**<br>**No response**<br>**Clarification is not closed.**<br>**Validation team conclusion 2:**<br>The clarification is closed. |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| contract b) the opportunity to transfer and of state owned coal fired power plants )<br><br>3. It is stated that uncertainties in on the future energy policies is also a barrier for the WEPPs. Please clarify and justify how the proposed project ( or WEPPs ) have been affected from these barriers.<br><br>4. Please demonstrate in the PDD that the financing of the project was assured only due to the benefit of the GS.<br><br>5. Please reassess the out come of 3a and 3b | | | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL39**<br>Please clearly state and justify how the technological barriers presented in section B.5. of the PDD version 01.1 prevents the proposed project activity.<br>Please reassess the outcome of 3a and 3b. | | **Summary of project owner response 1:**<br>CL 39:Explained that Wind is a very low proportion of the energy mix in Turkey and so equipment must be imported and staff trained overseas. | **Validation team conclusion 1:**<br>Explanation has been found sufficient.<br>**Clarification request is closed.** |
| **CL40**<br>Outcome of Step 3 is not clearly presented. | | **Summary of project owner response 1:**<br>CL 40:This has been re-assessed | **Validation team conclusion 1:**<br>Outcome of Step 3 has been defined clearly in PDD version 1.2.<br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL41**<br>The wind projects in Turkey ( totally 29) have been listed in table 7 of the PDD version 1.1. in order to analyse the activities similar to the project activity.<br>However 89 wind projects have been observed by the DOE in the reference"http://www.epdk.gov.tr/lisans/elektrik/lisansdatabase/verilenuretim.asp."<br>Please clarify and reassess step 3a and 3b if necessary. | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>The Guidelines for the Additionality Tool state "Other CDM project activities (registered project activities and project activities which have been published on the UNFCCC website for global stakeholder consultation as part of the validation process) are not to be included in this analysis." As all of the listed projects are entered for registration with a standard ,they have all been excluded | **Validation team conclusion 1**<br>**No response**<br>**Clarification request is still open.**<br>**Validation team conclusion 2**<br>The clarification is accepted.<br>**The clarification request is closed.** |
| **CL42**<br>The cost for the maintenance and the spare parts have been identified in the operation costs sheet of the Aliağa Financials Workbook. The maintenance | | **Summary of project owner response 1:**<br>**CL 42:**<br>The document (12) shows the maintenance costs. | **Validation team conclusion 1:**<br>The maintenance cost has been validated |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| cost have been defined as 2500000 for the first ten 10 years and 3500000 afterwards.<br>1. Please clarify the assumption for the maintenance costs.<br>2. Please clarify the change of the operation cost after 10 years.<br>3. Please clarify the reason for considering the maintenance cost as 2500000 in the cash flow sheet for 10th and afterward ( cell 013-v13) | | **2:** This is because the maintenance cost increases – see 3 below<br>**3:** As the turbines get older, there is more wear and tear, so the maintenance cost will increase. | from the maintenance agreement.<br>**Clarification request is closed.** |
| **CL 43**<br>Please justify the appropriateness of the period of investment analysis assessment in the context of the underlying project activity. | | **Summary of project owner response 1:**<br>CL43:The project life is expected to be minimum 20 years due to the catalogue life time indicated (by the manufacturer) for the turbines. | **Validation team conclusion 1:**<br>The selection of the period of investment analysis has been found appropriate by the validation team in |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | accordance with the catalogue lifeme and in comparison with similar projects.<br><br>**Clarification request is closed.** |
| **CL 44**<br>Depreciation has been added back to net profits for the purpose of calculating financial indicator.<br>The depreciation values defined in the cells E15-V15 in the cash flow sheet of the Aliaga_Financials_v7_01.07.2009sens-xls differ along the row. Please clarify the reason. | | **Summary of project owner response 1:**<br>CL 44:Rectified | **Validation team conclusion 1:**<br>**Clarfication request is closed.** |
| **CL45**<br>Please justify the amounts given above<br>1. The investment cost (for all the sub items given in investment sheet of the | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>CL45 | **Validation team conclusion 1:**<br>The investments costs nad operations costs |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| Aliaga_Financials_v7_01.07.2009sens-xls.<br>2. The operation cost (for all the sub items given in operation sheet of the Aliaga_Financials_v7_01.07.2009sens-xls.)<br>3. The loan amount and the loan conditions ( A1-A6 of the finance sheet of the Aliaga_Financials_v7_01.07.2009sens-xls. )<br>4. Electricity sales price ( c14 of the summary sheet of the Aliaga_Financials_v7_01.07.2009sens-xls. )<br>5. Carbon revenue ( c15 of the summary sheet of the Aliaga_Financials_v7_01.07.2009sens-xls.)<br>The currency conversion factors. | | The evidences for the financial analysis are provided as indicated above in CAR8 Especially for the item 1 to 3. The documents for these are numbered 21a to e.<br>4- Electricicty price is taken as 5.5 Euro cent as this is the guaranteed price by the renewable energy law.<br>5-For Carbon revenue , the VER prices are not announced or determined by an open market mechanism such as EU ETS. However in the financial analysis we have chosen an indicative price based on the commercially sensitive company data and professional judgement. | have been verified through the documents supplied<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL46**<br>Please clarify the investment decision date. | | CL 46 The Board decision of the company (8) is attached confirming the final investment decision date to be 2.06.2008. | **Validation team conclusion 1:**<br>The board of decision has been validated by the validation team.<br>**The clarification request is closed.** |
| **CL47**<br>The benchmark selected has been defined as the following in section B5 of the PDD version 01. "March 18th 2009 the yield on 2019 date Eurobonds denominated in Euros was 7.75%. This is taken as the benchmark because the term of the loan for the Project is 12 years and this is the closest available."<br>1. Please clarify the investment decision date and present a benchmark value consistent with the investment decision date ( CL 46) | | **Summary of project owner response 1:**<br>CL 47:<br>1-The investment decision date is 2 June 2008, as shown in the document (8). The Government Bond rates are taken at this date.<br>**Project owner response 2:**<br>2: Please see the Response in CL14 as it applies here<br>3- As requested we have added a risk premium for Turkey | **Validation team conclusion**<br>**The investment decision date is accepted.**<br>o |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| 2. Please also present a benchmark value consistent with the end of the benchmark analysis.<br>3. Please justify the reason for not including risk premium into benchmark. | | | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL48**<br>It has been stated that "Acceptable IRR values for similar projects in Turkey are announced as at least 10%* for renewable projects which will benefit from the loans by World Bank." In section B.5. of the PDD version 01. Also in the same section it has been stated that "Comparing the IRR on Capital Employed for the project [4.7%] with the Eurobond interest rates shown above [7.5% for 10 years] and expected IRR values for renewable energy projects (**10%**) in Turkey, it is concluded that the investment is not financially attractive without VER revenue. The same amount of investment would bring a higher revenue through other financial instruments without credit and market risks. However, the carbon revenue may increase IRR on Capital Employed to 6.0 | | **Summary of project owner response 1:**<br>CL 48<br>1-See, Step 2b part 6<br>**Project owner response 2:**<br>2- As also indicated above the referenced WEB page was removed the PDF version of it is given in document (18).the original file can be obtained from the Chairman of the TEMEV Prof. Dr. Demir İNAN (idi@hacettepe.edu.tr | **Validation team conclusion 1:**<br>1. Agreed<br>2. The reference has been reviewed..<br>**Clarification request is closed.** |

* Announcement, Clean Energy Foundation, (http://www.temev.org.tr/duyurularS.htm)

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **%** and the project becomes more attractive financially and comparable to other investment options. "<br><br>1. Please clarify the benchmark value.<br>2. The reference for the acceptable IRR values for the World bank on the investments for the renewable energy projects was not accessible from the given reference. Please clarify. | | | |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL49**<br>The selected parameters cover a range of +10% and -10%. Please clarify the electricity sales price that will pass the benchmark value and discuss the probability of the scenario. | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>Since the sales price is based on the open electricity market, it is open for fluctuations. The prices cannot be forecasted beforehand and we need to put a margin on the current price. Seasonal characteristics, faults in the big power plants etc. may create fluctuations on sales price daily and seasonally. So we have chosen a + -10% fluctuation in electricity price. As also indicated in the PDD (all versions) the benchmark is passed only with marginal fluctuations in the investment cost and electricity sales price. | **Validation team conclusion 1:**<br>**No response . Clarification has not been closed.**<br><br>**Validation team conclusion2**<br><br>The clarification request is closed. |
| **CL50**<br>In sub step 3 b of the section B.5. PDD version 1.1.; it has been stated that | | **Summary of project owner response 1:**<br>CL 50:This has been updated. | **Validation team conclusion 1:**<br>In version 1.2. of the |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| government policies support nuclear energy development and the private investment is at minimal. Hence the barriers do not prevent the baseline situation. However, nuclear power plants are at a negligible level in the baseline situation in Turkey, hence the nuclear power plants do not represent the baseline situations. On the other hand; the incentive to the coal fired power plants is limited to the plants that will use domestic coal and whose capacity is over 1000 MW. This is also not a common practice. Please clarify the argument that the barriers do not prevent the implementation of at least one of the alternatives. | | **Project owner response 2:**<br>Further Explanation: The barrier analysis is removed in version 2 of the PDD. In line with the new version of the tool as explained above. | PDD the arguments has been based on the following arguments.<br>“<br>Payback Period and Usage: Grid connected plants have higher load factors and lower investment costs per MW installed capacity<br>Higher Proportional Interconnection Fees: for the baseline generation the high load factors mean that the interconnection fee is a lower proportion of overall costs and revenues.<br>Technological |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | Barriers: The baseline power generation from fossil fuels in Turkey are well established and so do not face the barriers of lack of know-how and expertise like the wind power industry." Please justify the statements with appropriate proofs.<br><br>**Clarification is still open.**<br><br>**Validation team conclusion 2:**<br>**The clarification is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL51**<br>Please justify the electricity system definition according to the "Tool to calculate the emission factor for an electricity system" which requires to the assess the transmission constraints and document the justification. | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>As indicated on page 30 of the PDD version 2, this is defined as "Therefore, for the case of the subject project activity "the project electricity system" and "the connected system" are same, and the Turkish National Grid is used as the "project electricity system". It is also confirmed by TEIAS that the Turkish grid is interconnected. There isn't any independent or regional grid system in any region of Turkey." Also The map of the Turkish Electricity Grid is given in Figure 13. | **Validation team conclusion 1:**<br>No response<br>**Clarification is not closed.**<br>**Validation team conclusion 2:**<br>**The clarification is closed.** |
| **CL52**<br>The estimated date of construction has been given as may 2009 in the PDD version 01. Hence it is accepted. | | **Summary of project owner response 1:**<br>**CL 52 :**<br>The proof of construction start date | **Validation team conclusion 1:**<br>Please update the commissioning date |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| The estimated period for construction is expected to be 32 months.<br>▪ Please supply a proof for validation of the estimated construction period. | | is given as document (10) and the proof of Commissioning is provided in document (13). The construction period in the field is realized to be 11 months shorter than anticipated.<br>**Project owner response 2:**<br>Updated in version 2 of the PDD | and the tables relevantly.<br>**Clarification is not closed.**<br><br>**Validation team conclusion:**<br>The assumption is accepted since it conservative.<br>**Clarification is closed.** |
| **CL53**<br>Please clarify if the project is a de bundled project and include a written statement in the PDD. | | **Summary of project owner response 1:**<br>**Project owner response 2:**<br>**13.** Project is not part of a bundled project activity, | **Validation team conclusion 1:**<br>No response<br>**Clarification is not closed.**<br><br>**Validation team conclusion 1:** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **Clarification is closed.** |
| **CL54**<br>The project has been estimated to start in May 2009. Please supply the date of registration/ application to the GS. | | **Summary of project owner response 1:**<br>This date is shown in the GS registry.<br>**Project owner response 2:**<br>The LSC was held on 7 November 2008, But the report was uploaded to the registry on 3rd of September 2009. The Company got registered to the Social Security system on 17/07/2009, The site visit with DOE was on 25th of August 2009. The feedback round to the GS for the LSC report completed on 15/10/2009, As the uploading of the LSC report was delayed we will be organising an other meeting at the international Stakeholder feedback round to make sure everything is | **Validation team conclusion 1:**<br>Please supply the proof that the project is not under retroactive registration.<br>**Clarification is not closed.**<br><br>**Validation team conclusion 2:**<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | covered especially on the side of local stake holders. It is indicated in the registry and the passport that the project is registered as a normal track version 2.1 project please visit the registry or see attached document (27) | |
| **CL55**<br>Please supply the invitation mails/faxes sent for stakeholder consultation meeting.<br>Please also clarify if the invitations / non technical summary of the project were also announced in the public places. | | **Summary of project owner response 1:**<br>The Muhtars of the villages that may be affected are visited approximately two weeks prior to the LSC meeting. A sample of the invitation is provided (14), this also includes non technical summary in the local language. At the beginning of LSC meeting the non technical summary is read and copies are left for the villagers, in the village. | **Validation team conclusion 1:**<br>**The clarification is closed.** |
| **CL56**<br>List of participants have been presented in B.3. of the stake holder consultation report. Participants to the meeting are | | **Summary of project owner response 1:**<br>As shown in Document (14) all the local government and central | **Validation team conclusion 1:**<br>The clarification is accepted. The issue |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| male except the representatives of the Pioneer Carbon. Please clarify how the potential participants have been invited actively to the meeting and what action has been taken to include the views of different genders to the stakeholder consultation process. | | government bodies are invited, invitations are followed up by phone calls. However, the female didn't attend the LSC meeting. A few of the local women have been contacted during the site visits and the project is explained to them, they said ask and communicate to our men, and all we would expect is creation of jobs for the young.<br>**Project owner response 2:**<br>Due to the delay of the uploading of the LSC report we will be holding an other meeting in the project site for the international stake holder feedback round process we will do our best to reach women in this meeting. | will followed in the verification stage.<br>**The clarification is closed.** |
| **CL57**<br>Please supply the stakeholder evaluation forms to the DOE. | | **Summary of project owner response 1:**<br>CL 57 Please see document (11) | **Validation team conclusion 1:**<br>The stake holder |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | evaluation forms have been reviewd by the DOE and validated the feed back received is in line the PDD.<br>**The clarification request is closed.** |
| **CL58**<br>In the minutes of meeting ( in section B.5. of the LSC Report) it has been stated that necessary precautions have been indicated for avoiding dust. It has been stated that parameters for air quality, water quantity, soil condition, biodiversity will be monitored in accordance with the Environmental Management Plan. Please clarify the monitoring measures such as indicating the way of monitoring for these parameters. | | **Summary of project owner response 1:**<br>CL 58:<br>This part is updated in Annex 4 of the PDD v. 1.2.<br>**Project owner response 2:**<br>The monitoring procedures are provided in as a separate document called “Monitoring Manual for Aliağa Wind Farm Project” The document is attached as document (22) | **Validation team conclusion 1:**<br>Please include the monitoring procedures<br>**Clarification is not closed.**<br>**Validation team conclusion 2**<br>**The clarification is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | |
| **CL59**<br>The consolidated matrix presented based on own "preliminary" scoring and the matrix from the outcome of the blind stake holder exercise have been presented in the Gold Standard Local Stakeholder Consultation Report. However please clarify the following issues;<br>1. The "water quality and quantity " indicator has been marked as "0" in both "blind sustainable matrix" and the "own sustainable matrix" however the same indicator has been marked as "+" in the consolidated sustainable matrix. Please clarify.<br>2. Other pollutants have been marked as "+" in the blind sustainable matrix. The same parameter has been marked as 0 in the consolidated matrix. Please clarify how the issue was resolved. | | **Summary of project owner response 1:**<br>CL 59<br>1-This was made by mistake corrected to "0"<br>2-The project has no air born or other polluting potential, and has very limited footprint compared to large dams, thermal power plants etc. So the parameter was evaluated to be + in the own sustainability matrix but consolidated to "0" for the prupose of conservancy.<br>3-This is corrected to "0" to be conservative. Although the improved watering ponds help the support of local domestic cattle. | **Validation team conclusion 1:**<br>Clarification has been accepted by the validation team.<br>**Clarificiation is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| 3. Human and institutional capacity has been marked 0 in the out come of blind sustainable matrix. The same parameter has been marked as "+" in the outcome of own sustainable matrix and in consolidated matrix. Please clarify how the stakeholders were convinced that institutional capacity will increase. | | | |
| **CL60**<br>Please clarify if there are any comments received by e-mail or other means concerning the stakeholder consultation process. | | **Summary of project owner response 1:**<br>CL 60 No there are no other comments. | **Validation team conclusion 1:**<br>**Clarification request is closed**. |
| **CL62**<br>Please clarify and document how the safeguarding principles were discussed with the stakeholders. | | **Summary of project owner response 1:**<br>CL 62 This was explained to them during the LSC meeting. | **Validation team conclusion 1:**<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| **CL63**<br>Please clarify the expected noise level during construction and operation and the type of earplugs to be provided to mitigate.<br>Please also consider the CAR11 above. | | **Summary of project owner response 1:**<br>CL 62:The expected noise level was indicated in the Pre-EIA document and the earplugs provided to the workers are those that fully cover the ear of the worker and were compliant with the regulations and requirements of the Ministry of Labour and Social Security. | **Validation team conclusion 1:**<br>**The clarification request is closed.** |
| **CL64**<br><br>Parameters have been selected for the status of each indicator selected for the sustainability matrix. However, please clarify the following issues;<br>▪ Indicator for airquality has been given as electricity generation by the project. The selected parameter does not represent the parameter.<br>▪ Mitigation measures have been | | **Summary of project owner response 1:**<br>**CL 64:**<br>1:The parameter given is electricity generation is an indirect parameter and by the use of annual electricity generation the amount of the GHG that is not going to be released to the atmosphere will be calculated as tonnes of CO2 equivalent.<br>2:The monitoring data is updated | **Validation team conclusion 1:**<br><br>1.The parameter is accepted.<br>2.The clarification is accepted.<br>3.The clarification is accepted.<br>4. The assumption |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| presented in table F.2. of the PDD for the soil condition. However no parameter has been selected to represent the status of the indicator.<br>▪ Employee records have been selected for quality of employment. Employee records are the records for tracking the indicator. Please clarify the parameter selected that represents the quality of employment.<br>▪ Employee social security records have been selected as an indicator for livelihood of the poor. Employee social security records are the records for tracking the indicator. Please clarify the parameter selected that represents the livelihood of the poor.<br>▪ National statistics on resource share in electricity generation and consumption per capita has been identified as an indicator for the "access to affordable and clean energy services". The indicator selected | | and the issue related to soil due to the removal of some forest cover during the construction of the access roads is going to be observed, as a mitigation measure, only during the first monitoring period based on the report of the department of Forestry.<br>3.This parameter will be satisfied by providing a safe and clean working environment to the workers and will be shown by pictures.<br>4.That parameter is set to "0" in the updated LSC report and this parameter is omitted as it is very difficult to prove the contribution of the project to the livelihood of the poor.<br>5.This parameter is also re-assessed and set to "0" as it is very difficult to monitor.<br>6-This parameter is corrected and | has been accepted since the approach is conservative<br>5.The assumption has been accepted since the approach is conservative<br>6. The assumption has been accepted since the approach is conservative<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| represents the parameter ; however please clarify the source that the relavant data to be accessed.<br>▪ Employee records on training has been identified as an indicator for the human and instutitional capacity. The indicator does not reflect the instutional capacity. | | set to "0". | |
| **CL65**<br>The baseline situation and the situation aimed for the project has been described in sustainabilirty matrix in the Passport. Please clarify the folllowing issues;<br>1. Baseline situation for air quality, quality of employment, water quantitiy and quality, biodiversity, human and institutianal capacity , balance of payments and investment, livelihood of the parameter and quantative employment , soil condition, income generation and technology transfer and technological self- | | **Summary of project owner response 1:**<br>**CL 65**<br>1-This part is updated in the passport please see the new version.<br>2-These parameters are reassessed and since it is very difficult to monitor these will be considered as neutral "0" and will not be monitored. | **Validation team conclusion 1:**<br>for air quality, quality of employment, water quantitiy and quality, biodiversity, human and institutianal capacity , balance of payments and investment, livelihood of the parameter and quantative employment , soil |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| reliance has not been described. Please clarify the Baseline situation and justify the choices and data sources.<br>2. Future target for the parameters quality of employment, livelihood of the poor, access to affordable and clean technologies, quantative employment and income generation and technology transfer and technological self-reliance has not been presented in section G of the passport. Please clarify future target for the parameters and justify the choices and data sources.<br>7.1.1 | | | condition, income generation and technology transfer and technological self-reliance has not been described. Please clarify the Baseline situation and justify the choices and data sources.<br>2. No target has been set for the parameters in the sustainability monitoring plan which also includes parameters scored as "+". Please clarify.<br>**Clarification request is still open.**<br>**Validation team conclusion 2** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **Clarification request is closed.** |
| **CL66**<br>It has been stated that necessary precautions will be taken for species under conservation by international conventions for the biodiversity parameter. However; the mitigation and the monitoring measures have not been identified for the biodiversity parameter in section F.2. of the passport. Please clarify the mitigation and the monitoring measures and justify the choices and the data sources. | | **Summary of project owner response 1:**<br>CL 66-This is updated in Annex 4 of the PDD.<br>**Project owner response 2:**<br>So far no dead birds are observed, around the project site. If there are any, they will be logged by the patrolling security guards. For, noise pollution, use of ear plugs by workers during construction and operation is a mitigation measure. The same can be obderved during first verification.<br>In addition to these a monitoring manual is presented as document (22) to clearly define how the monitoring will be performed. | **Validation team conclusion 1**<br>In Annex 4 of the PDD it has been stated that if dead birds are seen , they will be logged. Please clarify the responsibilities.<br>In addition for the noise parameter, earplugs have been stated as a mitigation measure. Please clarify the measurement indicator.<br>**Clarification request is still open.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | **Validation team conclusion 2**<br>The monitoring manual includes the monitoring.<br>**Clarification request is closed.** |
| **CL67**<br>Blind sustainable development matrix exercise has been included into the agenda of the meeting as indicated in section B of the Gold Standard Local Stakeholder Consultation Report ( OK)<br>Outcome of blind sustainable matrix has been given in section C.2. of the Gold Standard Local Stakeholder Consultation Report ( OK)<br>The approach for the blind sustainable matrix has been identified in section B of the Gold Standard Local Stakeholder Consultation Report ( OK) | | **Summary of project owner response 1:**<br>CL67 The scanned copies of the blind sustainable development matrix results are presented in document (11)<br>Re-sent. | **Validation team conclusion 1:**<br>**The scanned copies have not been sent . Please resend.**<br><br>**Validation Team conclusion 2:**<br>The scanned copies have beeen reviewed.<br>**The clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| ▪ Please supply the records for the blind sustainable matrix exercise to the DOE for validation. | | | |
| **CL 68**<br>1. National statistics on resource share in electricity generation and consumption per capita has been identified as an indicator for the "access to affordable and clean energy services". The indicator selected represents the parameter ; however please clarify the source that the relevant data to be accessed.<br>2. The explanation on water quality and water quantity parameters have not been based on existing sources of information.<br>3. Environmental management plan has been referred for the "other pollutants" parameter. Please clarify the content of the environmental management plan.<br>4. This checklist question will also be | | **Summary of project owner response 1:**<br>CL 68:<br>1-Although the contribution of the project to the production of clean and affordable energy is obvious, in our final assessments, since the monitoring of this parameter is very difficult and to be conservative this parameter is set to "0".<br>2- as explained in the passport, the project activity will neither have a positive nor negative effect on water quality and quantity<br>3-The environmental management plan is presented to the MoEF and | **Validation team conclusion 1:**<br>1 The assumption has been accepted for conservativeness.<br>2. Water quality and quantitiy at the project area is not identified as the baseline in referring to the EIA etc.<br>3 Please include the relevant part of the EIA management plan to the monitoring plan.<br>In addition, water |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| assessed after with the CLs based on the identification of the baseline ( See CL65) | | the project is going to comply with the regulations regarding the control of solid waste, waste oil and waste water. The environmental management plan is included in the Pre-EIA (Project Description File) of the project that was sent to the DOE in September 2009.<br>+-Please explain what you request at this part of the CL 68.<br>**Project owner response 2:**<br>Please see the monitoring Plan in version 2 of the PDD and the monitoring manual for Aliağa (22) | quality and quantity parameter has been indicated as "0" after the mitigation measures. In accordance please include the parameter in the sustainability matrix.<br>**Clarification request is closed.** |
| **CL69**<br>The current situation of parameter "Access to the affordable and clean energy services" has been defined as 0.3 % 2007. The data source have been given as Turkish Electricity Transmission Company. Please give the full reference of the | | **Summary of project owner response 1:**<br>CL 69<br>As explained above this parameter is decided to be kept to "0" and is not going to be monitored. Please consider your assessment regarding | **Validation team conclusion 1:**<br>The assumption has been accepted for conservativeness.<br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| source. In addition please present the calculation transparently methodology so that the result may be reproducible. | | this . | |
| **CL70**<br>Data uncertainties are not clearly stated. Please clarify the data uncertainties. | | **Summary of project owner response 1:**<br>CL70- Please explain at what part of the data to be monitored you are referring to. As the Wind Power plant's production is highly dependent on the accuracy of the measurement of electricity supplied to the national grid, the meters are regularly checked and maintained and no uncertainty is expected in the data.<br>**Project owner response 2:**<br>Please see the monitoring manual and the updated version of the monitoring plan in version 2 of the PDD. | **Validation team conclusion 1:**<br>Please clarify the uncertainity of the meters according to the standards. And please state the calibration responsibilities and double checking procedures in the PDD.<br>**Clarification request has not been closed.**<br>**Validation team conclusion2** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | | The monitoring manual has been reviewed.<br>**The clarification request is closed.** |
| **CL71**<br>1. Among the indicators that are marked as positive; air quality, quality of employment, livelihood of the poor, access to affordable clean energy services, quantative employment and income generation and technology transfer and technological self reliance parameters are included in the monitoring plan. However human and institutional indicator which is also marked as positive is not included in the monitoring plan.<br>2. The soil condition parameter and the biodiversity indicators which have been neutralized by the mitigation measures are not included into the monitoring plan. | | **Summary of project owner response 1:**<br>CL 71<br>1-The indicators are re assessed and revised in passport.<br>2-the soil quality that may be impacted due to removal of trees is going to be monitored by controlling the implementation of the tree plantation plan of the local authority of MoEF's forestry department. This is a mitigation action that will be checked once at the initial verification, as indicated in the monitoring manual.<br>**Project owner response 2:** | **Validation team conclusion 1:**<br>1. Assumption has been accepted for conservativeness.<br>2. The assumption has been accepted. Please supply the agreement with the MoEF.<br>**Clarification request has not been closed.**<br>**Validation team** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| | | The protocol with the local forestry department of the MoEF is provided as document (23) | **conclusion 1**<br>The protocol has been reviewed.<br>**The clarification request is closed.** |
| **CL72**<br>1. The current status for air quality, quality of employment, livelihood of the poor, quantative employment and income generation, technology transfer and the technological self reliance have not been presented in the monitoring plan.<br>2. The current situation of parameter " Access to the affordable and clean energy services" has been defined as 0.3 % 2007 (OK)<br>3. Future target for the parameters namely; quality of employment, livelihood of the poor, quantative employment and income generation, technology transfer and technological self reliance. | | **Summary of project owner response 1:**<br>CL 72<br>1-The monitoring plan is correcting in accordance with the new changes.<br>For the CL72's other check list questions please re-assess the situation after revising our updates. | **Validation team conclusion 1**<br>**Clarification request is closed.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| 4. This checklist question will also be assessed with the CLs based on the content of the sustainable development matrix in terms of the parameters included in the table.<br>5. This checklist question will also be assessed with the CLs based on the selection of the indicators for the parameters. | | | |
| **CL73**<br>1. All the parameters except "livelihood of the poor" included in the monitoring plan are planned to be monitored annually throughout the operation. Please clarify the reason for monitoring the "livelihood of the poor" indicator once in the operation.<br>2. This checklist question will also be assessed with the CLs based on the content of the sustainable development matrix in terms of the parameters included | | **Summary of project owner response 1:**<br>**CL73:**<br>please re-assess the situation after revising our updates. | **Validation team conclusion 1:**<br>**Will be assessed after the above clarification has been closed.**<br><br>**Validation team conclusion 2**<br>**Clarification request** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
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| in the table.<br>This checklist question will also be assessed with the CLs based on the selection of the indicators for the parameters. | | | **is closed.** |
| **CL74**<br>It is not clear if the project receives ODA Official Development Assistance Declaration statement signed by the project owner | | **Summary of project owner response 1:**<br>CL 74:<br>The ODA declarations (15)are uploaded to the registry. | **Validation team conclusion 1:**<br>The ODA declarations have been checked from the registry.<br>**The Clarification has been closed.** |
| **CL75**<br>PDD, IRR on Capital Employed result is compared by the Eurobond rates and the theory behind is acceptable. However, please also compare the IRR on Equity result with the benchmark rate to be found by the CAPM. At this point, country and equity risk premiums should also have been taken into consideration to reach the | | **Summary of project owner response 1:**<br>CL 75:<br>This is done in the PDD version 2. | **IRR on capital is compared to WACC which is correct. WACC calculation is correct as well.**<br>**Closed** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| benchmark rate. | | | |
| CL76<br>As it is seen from the IRR analysis, 10 year is used to find the depreciation amounts for the investment as a whole. However,, depreciation ratios should be different in different asset classes. Please apply the Turkish Accounting Rules for the depreciation calculations.<br><br>689.000€ is used to calculate the VAT amount for the electric works. (please see cell "c16" in sheet "Investment Cost"). However, the electric works amount is given as 6.890.000€ in the investment breakdown. Please correct the VAT calculation part.<br><br>Please explain the rationale behind the increasing maintenance & spare parts costs during the analysis period. | | Please see the revised version of the PDD (version 2.0) and the Aliafaga_Financials PDD version 2 (2).xls V.A.T. and IRR related issues are addressed and corrected.<br><br>As the turbines get older the maintenance and spare parts costs are anticipated to increase in time. This situation is similar to a new car, the maintenance costs gets higher as the engine ages. | **There is nothing corrected in terms of depreciation period. Different asset classes should have different depreciation periods. Please revise the depreciation periods accordingly.**<br><br>**689.000 of VAT is corrected.**<br>**Closed**<br><br>**Increasing maintenance costs is acceptable.** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| Please apply corporate tax deduction in the years when there is a financial gain due to the previous years' financial losses.<br><br>Altough it is stated that there is a 7 years of VER crediting period In PDD, in IRR analysis VER income is valid for 20 years. Please change the VER crediting period to 7 years in the IRR analysis.<br>Please clearly state the period of investment. In PDD it is shown that the investment is completed in 1 year. | | | **Closed**<br><br>**There is no financial losses so the question is N/A.**<br>**Closed**<br><br>**There is no correction done for the VER crediting period. Please reduce the period to 7 years as it is stated in PDD**<br>**Not closed**<br><br>**Investment period is 1 year.**<br>**Closed** |

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question Table 1 and 2 | Summary of project owner response<br>Please summarise the change in the PDD or the project. Please also give reference to the version of the revised PDD and the section if needed. | Validation team conclusion |
|---|---|---|---|
| CL77<br>Please give a reference rate of foreign currencies to convert the TRY based cost items. | | As indicated in the Financial Analysis PDD version 2 (2) document in sheet "Operation Cost" The Euro TL conversion is considered as 1.95 TL=1€<br><br>As indicated in the Financial Analysis PDD version 2 (2) document in sheet "Operation Cost" The Euro TL conversion is considered as 1.95 TL=1€<br>The FX rate we have provided is a liberal market value for the time of decision for investment and was obtained from the graphic at the following web site: "**http://www.xe.com/currencycharts/?from=EUR&to=TRY&view=5Y"**. Although we believe that this was a more conservative value, we have changed our reference to the web page of TCMB, and the currency to the one suggested by the DOE in version 2.1 of the financial analysis. | Please give the date of fx rate. The investment decision dates fx rate is 1.9065.<br>**Not closed**<br><br>**Validation team conclusion 2:**<br>Reviewed and accepted.<br>**The clarification request has been closed.** |