


VALIDATION REPORT



RINA

Document Prepared By RINA Services S.p.A.

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Summary:

Düzce-Aksu Elektrik Üretim A.S. has commissioned RINA to carry out the validation of the “Düzce-Aksu Hydro Electricity Power Plant” project in Turkey. This report summarizes the findings of the validation of the project, performed on the basis of VCS Version 3 criteria, GHG program applied as well as criteria given to provide for consistent project operations, monitoring and reporting.

The purpose of the proposed project activity is to generate renewable electricity to be delivered to the National Power Grid by utilizing water resources. The project activity is located at the Gölyaka town, Düzce Province, Turkey. The total installed capacity of the Project is 46.2 MW.

The objective of the Validation is to have an independent evaluation of a project activity by a designated operational entity against the requirements of the VCS Version 3 and GHG program applied, on the basis of the project design document. In particular, the project’s baseline, monitoring plan, and the project’s compliance with relevant VCS requirements, GHG program requirements and host Party criteria are validated in order to confirm that the project design, as documented, is sound and reasonable and meets the identified criteria. Validation is a requirement for all VCS projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of Voluntary Carbon Units (VCUs).

The validation scope is to review the VCS-PD against the VCS criteria which refer to VCS Version 3 standard and all the GHG program requirements.

Validation is not meant to provide any consultancy towards the project participants. However, stated requests for clarifications and/or corrective actions may have provided input for improvement of the project design.

In conclusion, it is RINA’s opinion that the project activity “Düzce-Aksu Hydro Electricity Power Plant”, in “Turkey”, as described in the VCS-PD version 2.02 of 19/04/2016, meets all relevant requirements for VCS activities and all relevant host Party criteria and correctly applies the baseline and monitoring methodology “ACM0002”, “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, version 16.0. of 28/11/2014. Hence RINA requests the registration of the project as a VCS project activity.

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1 INTRODUCTION

1.1 Objective

The objective of the Validation is to have an independent evaluation of a project activity by a designated operational entity against the requirements of the VCS Version 3 and GHG program applied, on the basis of the project design document. In particular, the project's baseline, monitoring plan, and the project's compliance with relevant VCS requirements, GHG program requirements and host Party criteria are validated in order to confirm that the project design, as documented, is sound and reasonable and meets the identified criteria. Validation is a requirement for all VCS projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of Voluntary Carbon Units (VCUs).

1.2 Scope and Criteria

The validation scope is to review the VCS-PD against the VCS criteria which refer to VCS Version 3.5 standard and all the GHG program requirements.

Validation is not meant to provide any consultancy towards the project participants. However, stated requests for clarifications and/or corrective actions may have provided input for improvement of the project design.

1.3 Level of assurance

All the revisions of the validation report before being submitted to the client were subjected to an independent internal technical review to confirm that all validation activities had been completed according to the pertinent RINA instructions.

The technical review was performed by a technical reviewer(s) qualified in accordance with RINA's qualification scheme for VCS and CDM validation and verification.

The validation team and the technical reviewers consist of the following personnel:

Role	Last Name	First Name	Country
Team Leader Validator	Degener	Sergio	Germany
Local Expert	Zor	Hasan	Turkey
Financial Expert	Raghavan	Nisha	England
Technical Reviewer	Valoroso	Rita	Italy
Technical Reviewer in Training	Tong	Wing Yu	Italy
Technical Reviewer (Final)	Rekha	Menon	India

RINA maintains a reasonable level of assurance as the emission reduction calculation are according to section 7.3.1 of the VCS standard, where is stated the level of assurance reasonable for validation and verification processes.

1.4 Summary Description of the Project

The purpose of the proposed project activity is to generate renewable electricity to be delivered to the National Power Grid by utilizing water resources. The project activity is located at the Gölyaka Town, Düzce Province, Turkey. The total installed capacity of the Project is 46.2 MW.

The starting date of the project activity and the start date of the crediting period is 25/04/2014. It has been verified by RINA that the starting date represents the start date of generation of electricity and supply to the electricity grid. It was observed during the site visit that the project is under construction, start of operation was 25/04/2014 as confirmed by the partial generation approval issued by the Turkish Ministry of Energy and Natural Resources /44/.

A crediting period of 10 years (renewable twice) has been chosen for the project, starting from 25/04/2014. The GHG emission reductions are estimated to be average 75,382 tCO_{2e} per year and over the ten -year crediting period.

2 VALIDATION PROCESS

2.1 Method and Criteria

Validation was conducted using RINA procedures in line with the requirements specified in the VCS Standard and all others GHG Programs Requirements.

The validation consists of the following three phases:

- Document review;
- Follow-up actions;
- The resolution of outstanding issues and the issuance of the final validation report.
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The following sections outline each step in more detail.

2.2 Document Review

The VCS-PD version 01 of 04/04/2011 and it's latest version number 2.02./01/ in particular the applicability of the methodology, the baseline determination, the additionality of the project activity, the starting date of the project, the monitoring plan, the emission reduction calculations provided in the form of a spreadsheet "Düzce_AksuHydro_CM_2012v2.0" /05/, were assessed as part of the validation.

The following table lists the documentation. that was reviewed during the validation.

/01/	Turkuaz Carbon Ltd.: VCS-PD for project activity "Düzce-AksuHydro Electricity Power Plant" in Turkey, version 1.0 of 04/04/2011. Turkuaz Carbon Ltd.: VCS-PD for project activity "Düzce-AksuHydro Electricity Power Plant" in Turkey, version 2.02. of 19/04/2016.
/02/	RINA: Signed participant list of all stakeholders involved during site-visit, 03/08/2011
/03/	CDM Executive Board: Validation and Verification Manual, version 01.2 EB55 of 30/07/2010. CDM Executive Board: Validation and Verification Standard, version 9.0 EB85 of 20/02/2015.
/04/	CDM Executive Board: Baseline and monitoring methodology "ACM0002", version "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", version 12.3.0. of 02/03/2012.

	CDM Executive Board: Baseline and monitoring methodology “ACM0002”, version “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, version 16.0. of 28/11/14.
/05/	Turkuaz Ltd.: Emission factor calculations “Düzce_CM_2010”, version 1, 04/04/2011 Turkuaz Ltd.: Emission factor calculations “Düzce_AksuHydro_CM_2012v2.0”, version 2, 19/04/2016
/06/	UNFCCC, Tool to determine the remaining lifetime of equipment, version 1, 16/10/2009.
/07/	CDM Executive Board: Tool to calculate the emission factor for an electricity system, Version 02.2.1.of 29/09/2011 CDM Executive Board: Tool to calculate the emission factor for an electricity system, Version 5.0.of 27/11/2015.
/08/	VCS: Project Description v3.0., 08/03/2011 VCS: Project Description v3.2., 08/10/2013
/09/	CDM Executive Board: Glossary of CDM terms, version 05 of 19/08/2009 CDM Executive Board: Glossary of CDM terms, version 08 of 20/02/2015
/10/	VCS: Voluntary Carbon Standard , v3.2., 01/02/2012 VCS: Voluntary Carbon Standard , v3.5., 25/03/2015
/11/	VCS: Voluntary Carbon Standard Program Guide, v3.3, 01/05/2012 VCS: Voluntary Carbon Standard Program Guide, v3.5., 08/10/2013
/12/	VCS: Program definitions v3.3., 01/05/2012 VCS: Program definitions v3.5., 08/10/2013
/13/	Turkuaz Carbon: IRR calculation sheet “Düzce_FinancialAnalysisv1.00”, version 1,04/04/2011. Turkuaz Carbon: IRR calculation sheet “Düzce-AksuHPPFinancialAnalysisv2.0”, version 2, 19/04/2016.
/14/	UNFCCC: Guidelines for objective demonstration and assessment of barriers, version 1, 16/10/2009 EB50 Annex 13
/15/	UNFCCC: Guidelines on the assessment of investment analysis, version 5, 15/07/2011 UNFCCC: Guidelines on the assessment of investment analysis, version 6, 24/07/2015
/16/	UNFCCC: Guidelines for the reporting and validation of plant load factors, version 1, 17/072009.
/17/	UNFCCC: “Tool for the demonstration and assessment of additionality” version 6.0.0. 25/11/2011. UNFCCC: “Tool for the demonstration and assessment of additionality” version 7.0.0. 23/11/2012.
/18/	TEIAS (Turkish Electricity Transmission Company) data publications to calculate the grid emission factor, accessed on 01/08/2011, www.teias.gov.tr /Turkish and English website)
/19/	Turkish requirements on meter equipment ICE/TSE 62053-22: Electricity metering

	equipment (a.c) – Particular requirements - Part 22: Static meters for active energy (Classes 0,2 S and 0,5 S, no version number, April 2005.
/20/	Ekobil Environmental and Agricultural Services Ltd.; Social Carbon Report “Düzce - Aksu Hydro Electric Power Plant, Turkey” version 1.0, 06/04/2011.
/21/	Düzce Provincial Directorate of Environment and Forestry: Certificate of exemption of EIA for the project activity, dated 16/07/2007.
/22/	Teias statistical report 2001-2012: http://www.teias.gov.tr/T%C3%BCrkiyeElektrik%C4%B0statistikleri/istatistik2012/istatistik%202012.htm to calculate the grid emission factor. .
/23/	Turkish official Gazette Nr. 25318: Environmental Impact Assessment (EIA) regulation dated 16/12/2003.
/24/	Turkish Gazette 24319, 15/02/2001, requirements on meter calibration.
/25/	National electricity expert report, operational lifetime of the technical equipment, published in 2001. http://www.kalkinma.gov.tr/Lists/zel%20htisas%20Komisyonu%20Raporlar/Attachments/72/ok585.pdf Last visited 07/10/2015
/26/	USAID: Turkish electricity Price Curve Analysis (2010-2011), 07/10/2015
/27/	General Directorate of State Hydraulic works, location of the hydro power projects in the host country (http://www.dsi.gov.tr)
/28/	Turkey Energy Market Regulatory Authority: Electricity Market Report for 2010
/29/	UNFCCC: Guidelines on Common Practice, version 02.0, 13/09/2013 UNFCCC: Guidelines on Common Practice, version 3.1, 03/06/2015
/30/	UNFCCC: Report of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, 28/11/2005 to 10/12/2005.
/31/	UNFCCC: Projects under validation: http://cdm.unfccc.int/Projects/Validation/index.html , accessed on 07/10/15.
/32/	Gold Standard: Projects listed (https://mer.markit.com/br-reg/public/index.jsp?s=ci), accessed on 07/10/2015
/33/	Turkish Value Added Tax Law, Number 3065 (18%), 02/11/1984
/34/	Turkish Income Tax Law, Number 5281 (20%), 01/05/2005
/35/	Renewable Energy Resources for the Purpose of Generating Electrical Energy, Law No. 5346 dated 10/05/2005.
/36/	Duzce-Aksu Generation License: dated 25/04/2014
/37/	Zhejiang Orient Engineering Co. Ltd., mechanical equipment purchase contract, 17/03/2008
/38/	General Directorate of State Hydraulic Works: Water usage agreement, 23/03/2006
/39/	EnerGY danismanlik: Pre-EIA Assessment, July 2007.
/40/	Teias: Grid Connection Agreement, 07/12/2006
/41/	Ministry of Social Security: confirmation on start date of construction, 16/11/2009.
/42/	Ziraat Bankasi A.S.: Loan Agreement 07/06/2010
/43/	Google Earth picture: Location of the project, submitted 19/04/2016
/44/	Ministry of Energy and Natural resources: Plant commissioning, 25/04/2014
/45/	Duzce Aksu CAD Map, Project surface area, submitted 19/04/2016
/46/	Turkish Energy Authority: Definition of renewable electricity price, 21/12/2006
/47/	Turkuaz Carbon: LSC meeting Minutes and communication with stakeholders during year 2010
/48/	Yolsu Mühendislik Hizmetler Ltd.: Feasibility Report, 01/ 2004
/49/	Düzce-Aksu Elektrik Üretim A.S.: Investment costs overview, submitted 19/04/2016
/50/	Energy Market regulatory Authority: List of hydro power plants including the generation and the electricity price paid, submitted 19/04/2016
/51/	International Renewable Energy Agency: http://www.irena.org/documentdownloads/publications/re_technologies_cost_analysis-hydropower.pdf , dated June 2012
/52/	Düzce-Aksu Elektrik Üretim A.S.: Monthly electricity delivered to the grid for the period April 2014 till March 2016, submitted 04/2016.

2.3 Interviews

The key personnel interviewed and the main topics of the interviews are summarized in the table below.

	Date	Name and Role	Organization	Topic
/a/	03/08/11	Asli Özcelik VCS Consultant	On behalf of Turkuaz Karbon Ltd.	VCS-PD development Financial Analysis, Local stakeholder consultation process, Baseline and additionality discussion, ER Calculations, VCS-PD overall information
/b/	03/08/11	Murat Özcelik VCS Consultant	On behalf of Turkuaz Karbon Ltd.	VCS-PD development Financial Analysis Local stakeholder consultation process Baseline and additionality discussion. ER Calculations VCS-PD overall information.
/c/	03/08/11	Erol Yang Civil Engineer	Bereket Enerji A.S. (owner of Düzce- Aksu Elektrik Üretim A.S., which is in charge of the development of the hydro project)	Construction issues
/d/	03/08/11	Haluk Atila Aksu Head of Village	Village head	Stakeholder
/e/	03/08/11	Basri Telci	Deputy Mayor	Stakeholder / Environmental and Construction Approval Social development.
/f/	03/08/11	Mehmet Arslan	Delegate Mayor	Stakeholder / Environmental and Construction Approval
/g/	03/08/11	Mehmet Eulideu	Muhtar	Stakeholder Environmental and construction approval
/h/	03/08/11	Metin Eratilla	Forestry Representative	Stakeholder

2.4 Site Inspections

On 03rd August 2011, RINA visited the project site, which is located at Gölyaka town, Düzce province, Turkey, to resolve questions and issues identified during the document review and to perform interviews with relevant stakeholders in the host country.

2.5 Resolution of Any Material Discrepancy

The objective of this phase of the validation is to resolve any outstanding issues which need to be clarified for RINA's positive conclusion on the project design.

A corrective action request (CAR) is raised if one of the following occurs:

- The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions.
- The VCS/GHG Program requirements have not been met.
- There is a risk that the emission reductions cannot be monitored or calculate.

A clarification request (CL) is raised if information is insufficient or not clear enough to determine whether the applicable VCS/CDM requirements have been met.

A forward action request (FAR) is raised during validation to highlight issues related to project implementation that require review during the first verification of the project activity. FARs shall not relate to the VCS/GHG Program requirements for registration.

2.6 Forward Action Request

No Forward Action Requests (FARs) have been raised during the validation process.

3 VALIDATION FINDINGS

The findings of the validation related to the project, as described in the VCS-PD version 1.0 of 04/04/2011 and its latest version 2.0.2 of 19/04/2016 /01/ are stated in the following sections.

The validation requirements, the means of validation and the results from validating the identified criteria are documented in more detail in the validation protocol in Appendix A.

3.1 Project Design

The purpose of the proposed project activity is to generate renewable electricity to be delivered to the Turkish National Grid by utilizing water resources. The project activity is located at the Gölyaka town, Düzce province in Turkey. The project consists of a hydro power project with an installed capacity of 46.2MW.

The project belongs to sectoral scope 1, energy industries –renewable energy, applicable as the project will generate electricity using hydrologic sources.

The project owner is Düzce-Aksu Elektrik Üretim A.S. from Turkey. The VCS consultants are Turkuaz Karbon Ltd. from Turkey.

The starting date of the project activity is 25/04/2014, when the plant started operation as per the plant commissioning confirmation /44/ and following VCS requirements /10/.

The project crediting period is 10 years, renewable twice. The start date of the first crediting period is 25/04/2014 till 24/04/2024 as per the VCS-PD version 2.0.2 /01/.

The project is a large scale project, as its installed capacity is above 15MW. Thus the proposed project activity is a large scale project, as it is not part of the small scale project options under the "Simplified modalities and procedures for small-scale development mechanism project activities".

The project consists of installation of 2 Horizontal Axis Pelton turbines with an installed capacity of 23.1 MW each, as confirmed with the turbine purchase contract /37/.

By checking the data base of UNFCCC /31/ and GS /32/ the audit team confirms that the proposed project has not participated nor it was rejected under other program. This was also confirmed by the written confirmation provided by the client. The project is applying the Social Carbon Standard /20/, but this does not represents a double counting of carbon credits.

The GHG emission reductions are estimated to be 75,382 tCO_{2e} per year and 753,820 tCO_{2e} over the ten years crediting period. The project is therefore a large scale project.

The expected operational lifetime of the project activity is 50 years, in line with the value reported in the national expert report /25/. Afterwards, a major equipment overhaul is required.

RINA was able to verify all the documented evidence listed above during the validation process and can confirm that data and considerations are complete and accurate.

RINA confirms that the description of the proposed VCS project activity, as contained in the VCS-PD sufficiently covers all relevant elements, is accurate and complete and that it provides the reader with a clear understanding of the nature of the proposed VCS project activity.

3.2 Application of Methodology

3.2.1 Title and Reference

The CDM approved baseline and monitoring methodology ACM002-Version 16.0.0: “Consolidated baseline methodology for grid-connected electricity generation from renewable sources” /04/ is correctly applied for the project activity.

The tools applied for the project activity were:

“Tool for the demonstration and assessment of additionality” /17/.

“Tool to calculate the emission factor for an electricity system” /07/.

3.2.2 Applicability

The proposed project activity meets the criteria defined in the baseline methodology as it ensures that:

- The project activity involves the installation of a new Greenfield run-of-river hydroelectric power plant at the Aksu River, Gölyaka Town, Düzce Province, Turkey /48/. At this site no renewable power plant was operated prior to the implementation of the project activity and the same was confirmed during the site visit.
- The project activity results in a new reservoir with a surface of 708,282 m² /45/. The resulting power density is therefore 65 W/m². The power density is higher than 4 W/m² as required by the methodology.
- The project does not include any retrofit, capacity addition or replacement of an existing power plant /48/.
- The project activity does not involve switching from fossil fuel use to renewable or biomass power plant /48/.

The project applies the “Tool for the demonstration and assessment of additionality” as:

- The use of the tool is not mandatory when proposing a new methodology. This does not applies for the project activity, as an existing methodology is being applied /04/.

- The use is mandatory, when applying an approved methodology which includes the tool. This is the case for the project activity, applying an approved methodology /04/.

The project applies the “Tool to calculate the emission factor for an electricity system” as:

- This tool may be applied to estimate the OM, BM and/or CM when calculating baseline emissions for a project activity that substitutes grid electricity that is where a project activity supplies electricity to a grid or a project activity that results in savings of electricity that would have been provided by the grid (e.g. demand-side energy efficiency projects). This criteria applies for the project activity, the project generates hydro power electricity and exports it to the national grid /44/ /48/;
- Under this tool, the emission factor for the project electricity system can be calculated either for grid power plants only or, as an option, can include off-grid power plants. Only grid power plants are included in the EF calculations /05/.
- In case of CDM projects the tool is not applicable if the project electricity system is located partially or totally in an Annex I country. The project is not a CDM project and located in Turkey/48/.
- In case any biofuel is used in the calculations, it’s value applied as CO₂ emission factor is zero.

RINA hereby confirms that the selected baseline and monitoring methodology has been previously approved by the CDM Executive Board, and is applicable to the Project, which complies with all the applicability conditions therein.

3.2.3 Project Boundary

According to the approved baseline and monitoring methodology ACM0002 /04/, the spatial extent of the project boundary includes the project power plant and all power plants connected physically to the electricity system that the CDM project power plant is connected to. Through assessing the Interconnection Agreement /40/, RINA validated that the project will generate electricity and it is connected to Turkey’s National Power Grid.

Emission Factor is calculated by Turkuaz Ltd. based on the data available /05/. The spatial extent of the project boundary is thus identified as the extent of the National Power Grid including the power plant of the project. The information above is clearly described in section 3.1. of the VCS-PD /01/. It is validated that the delineation in the VCS-PD of the project boundary is correct and meets the requirements of the selected baseline methodology and tool.

Source		Gas	Included?	Justification/Explanation
Baseline	CO ₂ emissions from electricity generation in fossil fuel fired power plants that are	CO ₂	Yes	Main emission source
		CH ₄	No	Minor emission source

	displaced due to the project activity	N ₂ O	No	Minor emission source
Project activity	For hydro power plants, emissions of CH ₄ from the reservoir.	CO ₂	No	Minor emission source
		CH ₄	No	Conservative. The project activity results in a new reservoir, with PD > 4 W/m ² . Therefore, no CH ₄ emissions are expected to occur.
		N ₂ O	No	Minor emission source

Emissions sources included in the project boundary are shown in the table below:

	GHGs involved	Description
Baseline emissions	CO ₂	Emissions from power generation in fossil fuel fired power plants delivering electricity to the grid that are displaced due to the project activity
Project emissions	N/A	Since the power density of the project activity is 65 W/m ² /45/, which is greater than 10W/m ² , project emission is regarded as zero according to the approved methodology /04/. Furthermore, the project owner will install an auxiliary diesel generator, the emissions can be neglected in line with the requirements of the methodology /04/. It is not foreseen that the emissions will contribute to more than 1% of the overall expected average annual emission reductions.
Leakage	N/A	No leakage is to be considered, since the project activity doesn't involve any transfer of energy generating equipment as per the signed equipment purchase agreement /37/

Emission sources which are not addressed by the applied methodology and which are expected to contribute more than 1% of the overall expected average annual emissions reduction have not been identified based on the physical site assessment.

By checking the information and physical site visit, RINA can confirm that the project boundary and emission sources described in the VCS-PD are accurate and complete, and also that the selected sources and gases are justified for the proposed project activity.

The combined margin (CM) is then calculated as the sum of 50% of the BM and OM and it is considered to be correct.

3.2.4 Baseline Scenario

According to the approved baseline and monitoring methodology ACM0002 /04/, the baseline scenario for new installed power plants like the project validated herewith is:

“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 ex-ante estimation methods was selected for the OM and BM emission factor based on the most recent information available at the time of start of the validation of the VCS-PD version 1.0 /01/, from the Turkish Statistical Reports 2009-2011 /22/ published in the TEIAS website, available at the time of start of validation..

Only grid connected power plants were taken into account in the calculations. Simple OM method (ex-ante option) calculation was used as per the “Tool to calculate the emission factor from an electricity system” /07/, as the share of “low cost/must run” are below 50% /05/.

RINA was able to verify the documented evidence listed above during the validation process and can confirm that the approved baseline methodology ACM0002 version 16.0.0. /04/ has been correctly applied in the VCS-PD and the confirmed baseline scenario reasonably represents what would occur in the absence of the proposed CDM project activity. Ex-ante option was used for the calculation of the BM.

3.2.5 Additionality

Investment analysis is selected to demonstrate the additionality of the project.

The proposed project generates economic benefits other than CDM income from selling of electricity and the baseline scenario is the continuation of the current situation (electricity supplied by the grid) that does not involve any investment; based on that the simple cost analysis and the investment comparison analysis are not applicable for the project activity. A benchmark approach is considered appropriate thus the benchmark analysis has been correctly applied as per the requirements of the additionality tool /17/. Furthermore, the guidelines on the assessment of investment analysis have been followed.

Benchmark:

The project is calculating the equity IRR, as valid option as per the additionality tool /17/ and the guidelines on the assessment of investment analysis /15/ as the project has a debt component, therefore equity benchmark is used for comparison and assessment of the additionality. The applied benchmark is 13.3 %. There are no default values for equity benchmark in the investment analysis guidelines /15/ for Turkey, but the Moody’s index for the country was Ba3 (between December 2005 and January 2010), when the investment decision on proceeding with the project took place (17/03/2008 turbines purchase agreement /37/) and the civil works started /41/, same as other countries which are listed in the guideline, for example Tunisia. 13.3% is then considered as correct.

Input parameters:

Parameters	Unit	Value	Source	Validation Assessment and cross check
Capacity	MW	46.2	In line with the project FSR /48/.	The installed capacity is approved and confirmed in the plant commissioning document /44/.
Plant Load Factor	%	34.93	The value is calculated based on the approved FSR /48/ and the grid connection agreement /40/.	Correct calculated by third party The plant operated for almost 2 years now, the generation has been 90,000 MWh the first year and 120,000 MWh the second year. The expected value is conservative in regards to the investment analysis.
Annual Electricity Generation	Mwh	141,370	The value is calculated based on the approved FSR /48/ and the grid connection agreement /40/.	Correct calculated by third party The plant operated for almost 2 years now, the generation has been 90,000 MWh the first year and 120,000 MWh the second year. The expected value is conservative in regards to the investment analysis.
Total investment	USD	75,994,712	Total investment costs are based on the investment data of the feasibility study report /48/. The document was available at the time of the investment decision /37, 41, 42/.	The cost represent about 1.7 million USD per installed MW, by crosschecking with a paper published with the International Energy Agency /51/, the estimations provided in the paper for medium scale projects are between 1 to 7 million USD per MW. The project costs can be therefore considered correct and conservative, as they are below level of the presented range. Furthermore, the PP prepared an internal report with the actual project costs /49/, where is shown that the real costs were about 17% higher than the expectations in the FSR.
Operating costs	USD	611,254	Included in the FSR /48/	The presented costs represent around 0,8 % of the investment costs. As per the paper published by the Energy International Agency /51/, the costs are about 1 to 2,5% of the investment costs, therefore the presented costs can be considered conservative as they are lower than the range of the presented costs.
Electricity price	USD/ Kwh	0.073	Electricity price based on the Turkish energy law 5346 from 10/05/2005 /35/.	Crosschecked with the Turkish Electricity Price Curve Analysis (2010-2011) /26/, where is reported that the values in 2011

				the electricity price are around 0.073 USD/Kwh. The price used for calculations can be considered correct and it is fixed for HEPP projects.
Debt	USD	60,000,000	Based on the agreements signed with the banks /42/.	As per the signed document.
VAT	%	18	V.A.T. Law No:3065, applicable for the project activity /33/.	Law 3065 is still applicable in turkey, the VAT of 18% is therefore correctly included in the IRR calculations.
Income Tax	%	20	Income Tax Law number 5281, applicable for the project activity /34/.	Law 5281 is still applicable in turkey, the income Tax of 20% is therefore correctly included in the IRR calculations.

The assessment involves checking the data input taken from documents, adoption of correct accounting principle and arithmetical accuracy. We have checked the documents and ensured that right input has been taken in the project cost and projections. The accounting principles adopted with respect computation of interest during construction, block of assets, pro rata expenses and tax computation are found to be in order. The arithmetical accuracy is also found to be correct. The principle adopted by the project developer for computing equity IRR is in conformity with the “Guidance on the Assessment of Investment Analysis “. IRR has been computed for 20 years and the final book value of the project activity after the defined calculation time has been included in the calculations, as it is recommended by the guideline for investment analysis /15/. The fair book value is considered correct calculated as result of the total investment costs discounting the amortisation over the defined calculation period. The fair value can be therefore considered correct.

The equity IRR has been calculated to be 10.02 %, below the defined equity benchmark of 13.3%.

Sensitivity analysis:

Parameter	Changes/variation		Probability of the situation
	+10%	8.12%	
Total investment cost	-10%	12,99%	The Project has been constructed already, a decreasing of the investment costs is not possible anymore. The investment costs are in line with the international costs per MW for similar projects /51/, the Project cannot cross the benchmark through reduction of the costs.
	+10%	11,43%	
Electricity selling price	+10%	11,43%	The electricity price must increase by 23.85% for the project to cross the benchmark. The price is fixed for the project activity /50/, variation is not to be expected.
	-10%	8,57%	
Annual operational Cost	+10%	9,95%	The project would not cross the benchmark even if the O&M costs are reduced to 0. As the O&M can be considered conservative based on the comparison with international average values /51/, even if
	-10%	10,10%	

			the O&M costs are reduced to 0, the benchmark would not be crossed, the assessment is therefore not relevant.
Electricity generated	+10%	11,43%	The electricity generated must increase by 23.85% for the Project to cross the benchmark.
	- 10%	8.57%	The real electricity generation data has been requested, the Project generated 117 GWh /52/, in 2015, about 15% less than expected at validation stage. The electricity generation forecast can be therefore be consider conservative.

Common practice analysis:

As per the "Guidelines on Common Practice"/29/, following steps has been assessed.

Step 1: Output range (+/-50%)

The range to analysis the project activity goes from 23.10 MW to 69.30 MW.

Step 2: Similar projects in the geographical area, same measure and energy source, same quality of output, within the range calculated in step 1 and which started operation before the proposed project activity.

Geographical area: The geographical area considered for the assessment is within the borders of the Eastern Black Sea Catchment area. Turkey has a big land extension with very different development conditions in the different areas of the country. It can be considered that there are therefore special distinctions between the different regions. An investment, as a HEPP, cannot be compared with similar projects being developed in other areas of the country, due to the very different technical and investment conditions which result in a completely different risk analysis for each investment. To analyze similar projects within the catchment of the project and not in the whole country is considered correct.

There is 1 similar projects in the defined geographical area. The similar project is the Tefen HPP project.

Step 3: Projects which are not under validation or registered under a carbon standard shall be defined as Nall. In This case, Nall is 1.

Step 4: Define the projects different to the project activity.

The projects are considered similar, so $N_{diff} = 0$.

Step 5: The factor $F = 1 - N_{diff} / N_{all}$ shall be calculated.

As per the requirements of the tool, the calculation is $1 - 0 / 2 = 1$

As the factor $N_{all} - N_{diff}$ is not greater than 3, the project is not common practice in the defined geographical area..

Conclusion

RINA can confirm that all data, rationales, assumptions, justifications and documentation provided by the project participants to support demonstration of additionality are credible and reliable.

By assessing the evidences presented and cross-checking the information contained in, RINA considers the reasoning for the proposed project additionality demonstration is credible and reasonable, i.e. the proposed project has the ability to reduce anthropogenic emissions of greenhouse gases by sources below those that would have occurred in the absence of the registered CDM project activity.

3.2.6 Quantification of GHG Emission Reductions and Removals

The emission reductions ER_y of the project activity during the crediting period is the difference between the baseline emissions BE_y , project emissions PE_y and emissions due to leakage LE_y , which are listed as follows:

1) Baseline Emissions (BE_y): (tCO_2e) are the product of the baseline grid emission factor ($EF_{grid,CM,y}$ in tCO_2e/MWh) times the net electricity supplied by the project activity to the grid ($EG_{BL,y}$ in MWh).

2) Project Emissions (PE_y): the project activity is a newly built hydropower project activity with no reservoir. The constructed regulation pound has a power density of $65 W/m^2 /45/$, which is larger than $10W/m^2$. As per the applied methodology ACM0002 version 16.0.0 /04/, the project emissions are Zero.

3) Leakage (LE_y): no leakage emissions are considered for the project activity. According to the project cost report /51/, no equipment is transferred from other activities. Thus, the emission reductions are calculated as the following formulae:

$$ER_y = BE_y - PE_y - LE_y$$

The baseline grid emission factor for the project activity is determined ex-ante as a CM, consisting of the combination of OM and BM according to "Tool to calculate the emission factor for an electricity system" /07/. The VCS-PD version 02.02 of 19/04/2016 /01/, is correctly applied the most recent data vintage for the baseline emissions calculation /05/.

The following data were used for baseline emissions calculation:

- Country specific data for net calorific value and amount of consumption of each type of fossil fuel /22/;
- IPCC 2006 default values for emission factors of each type of fossil fuel;
- The total electricity generated by each power plant /22/.

According to the statistical data from Teias /22/, the low-cost/must-run resources in the last five years prior start of validation constitute less than 50% of the total grid generation. Therefore, it is justified that the OM is calculated using the simple OM method. OM is calculated to be $0.65716 tCO_2e/MWh$ as a generation weighted average for the year 2009, 2010 and 2011.

BM is calculated to be $0.40930 tCO_2e/MWh$.

The CM grid emission factor of the grid is determined ex-ante for the 10 years crediting period following the applied methodology ACM0002 /04/, based on the most recent information available. It has been calculated as the weighted average ($wOM=0.5$, $wBM=0.5$) of OM emission factor and the BM emission factor. The combined margin emission factor is calculated as $0.5332 tCO_2e/MWh$.

The annual net electricity supplied by the project activity to the grid is estimated to be $141.37 GWh$ in the VCS-PD /01/ as stated in the plant commissioning document /44/.

Hence, the annual emission reductions generated by the project activity is calculated to be $75,382 tCO_2e/yr$ ($=141.37 GWh * 0.5332 CO_2e/MWh$) over the selected 10 years renewable crediting period.

The estimation can be replicated using the data and parameter values provided in the VCS-PD version 02.02 /01/ and supporting file ER calculation spreadsheet /05/ submitted for registration.

RINA thus confirms that the GHG emission reduction calculations are complete and transparent, and the data accuracy has been verified. No other project emission or leakage sources contributing more than 1% and not mentioned by the methodology has been found.

3.2.7 Methodology Deviations

The project activity does not deviate from the applicable methodology ACM0002 /04/.

3.2.8 Monitoring Plan

The approved baseline and monitoring methodology ACM0002, "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", version 16.0.0. /04/ has been applied. The

monitoring plan is in accordance with the monitoring methodology; the monitoring plan will give opportunity for real measurement of achieved emission reductions.

RINA has checked all the parameters presented in the monitoring plan against the requirements of the methodology; no deviations relevant to the project activity have been found in the plan.

RINA confirms that the monitoring arrangements described in the monitoring plan are feasible within the project design, and the means of implementation of the monitoring plan are sufficient to ensure the emission reductions achieved by/resulting from the proposed CDM project activity can be reported ex post and verified.

The monitoring plan makes provisions for the measurement of the following parameters which will allow an ex-post assessment of emission reductions. The project activity will supply electricity to the Turkish grid, thus, the project participants will monitor ex-post the following parameters:

- EG_y: redundant meter devices will be installed to assure correctness of the values and to estimate the net electricity supplied to the grid in year y. The electricity will be continuously monitored and at least monthly recorded through the invoices issued to TEIAS, as 100% of the generated electricity will be supplied to the grid, through the meter installed at the connection point between the project activity and the power grid. The meters maintenance falls under the responsibility of TEIAS, which calibrates the equipment every 10 years /24/. The meter accuracy is +/- 0.2%, in line with the Turkish requirement for metering equipment /19/.
- CapPJ: Installed capacity of the hydropower plant after the implementation of the project activity. It is not foreseen to change the installed capacity of the project, but the audit team will be able to verify the situation on site during verification activities by checking the nameplate capacities at the equipment. The installed capacity is confirmed by the plant commissioning document /44/.
- APJ: The water surface is defined by calculation as per topographic information available, in which the reservoir area can be defined. The results will be reported once during each monitoring period. Topographical draws are submitted for validation purposes to demonstrate surface area at full capacity /45/.

RINA checked these parameters described in of the VCS-PD and confirmed that 1) the title, unit, description, source of data and value are correct and in line with the documentation prepared by the project consultants and physical site visit; 2) the measurement of the parameters are appropriately described and in line with the applied methodology.

The organizational and management structure, including the responsibilities for monitoring, data collection, reporting and QA/QC procedures are clearly described in the VCS-PD version 02.02 /01/. The documentation related to the carbon credit issuance will be prepared by experienced carbon consultants. The information for the preparation of the documents will be based mainly on the data provided by the electricity meters. Data quality assurance is done by the employees of the company, which are experienced in energy projects, as the company is developing and has developed other hydro projects in the region, as the Dereli HEPP project, also registered as a VCS project. Each issuance request will be audited by an external company as per the VCS requirements.

RINA validated through physical visit, interviews with the relevant persons, cross check with the relevant national regulations /19/ and confirmed that the management arrangements described in the monitoring

plan is feasible within the project design and the data management and QA/QC procedures are sufficient to ensure that the emission reductions can be reported ex post and verified.

It is RINA's opinion that the monitoring plan is in compliance with the requirements of the applied methodology and the project participants are able to implement the monitoring plan.

3.3 Non-Permanence Risk Analysis

N/A, no non permanence risks associated to the project activity, no analysis required.

3.4 Environmental Impact

The project has obtained a certificate of Exemption for the EIA process /21/ by the Provincial Directorate of Environment and Forestry, as the project has an installed capacity lower than 50 MW and therefore is considered out of the scope of the EIA regulation that was applicable during the period of application.

The minimal impact of the project to the environment will be monitored by the PP and reported to the Ministry of Environment as per local rules and regulations.

3.5 Comments by stakeholders

Prior to the start and during the validation process, communication with the local stakeholders was started and kept. The copies of the available documentation about the communication with the stakeholders have been provided /47/. During the site visit /02/, stakeholders from near villages were consulted to check their knowledge about the project. Noted that they were well aware of the project and confirmed that the communication flow with the developing company and the neighbors is working properly.

A summary of the stakeholders' communication has been incorporated in the VCS-PD version 2.01 /01/ and has been verified by RINA, and it is noted that the local government and the residents agreed with the construction of the project activity, and it is the common view that the project activity will bring social and economic benefits to the local people. As per the stakeholder's comments, it can be concluded that the local population agree with the development of the project activity.

RINA can confirm that the process is adequate and credible for local stakeholder consultation.

4 VALIDATION CONCLUSION

RINA Services S.p.A (RINA) has performed validation of the project activity “Düzce-Aksu Hydro Electricity Power Plant” in Turkey, with regard to the relevant requirements for VCS activities.

The review of the final VCS-PD version 2.01 /01/ and the subsequent follow-up interviews have provided RINA with sufficient evidence to determine the fulfillment of the stated criteria.

The project correctly applies the approved baseline and monitoring methodology “ACM0002: Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, version 16.0.0. /04/.

By generating renewable energy from hydropower plant, the project results in reduction of CO₂ emissions that are real measurable and giving long-term benefits to the mitigation of climate change. It is demonstrated that the project 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.

The total emission reductions from the “Düzce-Aksu Hydro Electricity Power Plant” are estimated to be on an average 75,382 tCO₂e per year over the selected 10 years crediting period renewable twice. The emission reduction forecast has been checked and it is deemed likely that the stated amount is achieved given that the underlying assumptions do not change.

The monitoring plan provides for the monitoring of the project’s emission reductions. The monitoring arrangements described in the monitoring plan are feasible within the project design and it is RINA’s opinion that the project participants are able to implement the monitoring plan.

In conclusion, it is RINA’s opinion that the project activity “Düzce-Aksu Hydro Electricity Power Plant” in Turkey, as described in the VCS-PD, version 02.02 of 19/04/2016, meets all relevant VCS requirements and all relevant host Party criteria and correctly applies the baseline and monitoring methodology “ACM0002: Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, version 16.0.0. /04/.

RINA thus requests registration of the project as a VCS project activity.

APPENDIX A

VALIDATION PROTOCOL

TABLE 1 REQUIREMENTS CHECKLIST

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
A Description of Project Activity					
A.1 Title of the project activity					
A.1.1.	Title of the project activity, revision number and date of VCS-PD. State the clearly identifiable title of the project activity, the version number and the date of the VCS-PD.	/01/	DR	The title of the project activity is "Düzce-AksuHydro Electricity Power Plant". version1.0 of 04/04/2011.	OK
A.1.2	Does the project comply with the applicable requirements for completing the VCS-PDs?	/01/ /11/	DR	The project does not fully comply with "VCS Program Guide", version 3.2. of 01/02/2012 for completing the VCS-PD. The VCS-PD version 01 does not include reference to the plant load factor as per the guidelines for the reporting and validation of plant load factors and project development timelinesto assess the starting date of the project activity.	CAR-1 OK
A.2 Description of the proposed project activity					
A.2.1	Does the PDD contain an accurate description of the project activity and provide the reader with a clear understanding of the precise nature of the project activity and the technical aspects of its implementation? How was the design of the project assessed?	/01/ /11/	DR, I	The project activity consists of the construction of one Greenfield hydroelectric power plants (HEPPs). It will be located on Aksu River, Düzce Province in Turkey's. The rated capacity of the project is 46.2 MW.	OK

¹ MoV: DR document review, I interview, CC cross checking

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
				<p>The generated electricity will be delivered to the Turkish Power Grid which is dominated by fossil-fuel fired power plant. The annual expected generation is 141,37GWh, which represents the emission reductions of 74,680 tons of CO₂ per year.</p> <p>As per the situation seen during the site visit, the project is under construction. The evidence on forecasted generation and technical information on the installed capacity shall be provided to confirm the information of the VCS-PD.</p>	GL1	
A.2.2	Does the project activity involve alteration of existing installations? If yes, have the differences between pre-project and post-project activity been clearly described in the PDD?	/01/	DR, I	As seen during site visit, the project is being newly installed, no alteration of an existing project takes place.		OK
A.2.3	Does the project expect a "Grouped Projects"?	/01/ /10/	DR, I	The total installed capacity of the projects is 46.2 MW, which falls under the large VCS scale project guidelines /11/. The project does not fall under "Grouped Projects".		OK
A.3 Ownership and other programs (VCS Standard Version 3 § 3.12)- Project eligibility (VCS Standard Version 3 § 3.4.1)						
A.3.1	Does the Proof of title is available and in accordance with the "right of use" of VCS requirements?	/01/	DR	The proof of title for water use, environmental and construction permit were not available during the site visit..	GL2	OK
A.3.2	Does the project activity reduce GHG emissions from activities that are included in an emission trading program or take place in a jurisdiction or sector in which binding limits are established on GHG emissions?	/01/	DR	The evidences as per VCS standard is not available to demonstrate whether the project activity is included in emission trading program.	GL3	OK

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
A.3.3	Does the project have created another form of GHG-related environmental credit?	/01/	DR	The evidences as per VCS standard is not available to demonstrate whether the project activity is included in emission trading program.	GL3	OK
A.3.4	Does the project is registered under another approved GHG program?	/01/	DR	Through cross checked with other common GHG programmes, it can be confirmed that the project is not registered under other GHG programmes. But further evidence as per VCS standard is not available whether the project activity has created another form of GHG-related environmental credit.	GL3	OK
A.3.5	Does the project is rejected under other GHG program?	/01/	DR	The audit team performed a cross check with other GHG programme information by searching on their websites and using common searching tools,, no rejection of the project activity was found.		OK
A.4 Technical description of the project						
A.4.1	Is the project location clearly defined? (VCS Standard Version 3 § 3.11)	/01/	DR, I	Yes, the project location is clearly defined in the VCS-PD version 1.0. The location is the Düzce province, Turkey. The project's geographical coordinates are no included. To identify the unique project activity, the PP shall include the coordinates of the power house and the dam in the VCS-PD.	GAR2	OK
A.4.2	Does the project is categorized as "project" or "mega project"? (VCS Standard Version 3 § 3.10)	/01/ /05/	DR	The project will generate less than 1,000,000 tCO ₂ reductions, therefore it is categorized as a "project" activity as presented in the emission reduction calculation sheet. . Final confirmation can be given once the supporting evidence on generation is available.	GL1	OK

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
A.4.3	Does the project design engineering reflect current good practices? Would the technology result in a significantly better performance than any commonly used technologies in the host Country?	/01//	DR, I	The documentation on project design is requested to be provided.	CL1	OK
B. Application of a baseline and monitoring methodology						
B.1 Methodology applied						
B.1.1	Does the project activity apply an approved methodology and the correct version thereof?	/01/ /04/ /07/ /17/	DR, I	<p>The VCS-PD version 01 has correctly applied the approved methodology “ACM0002” “<i>Consolidated baseline methodology for grid-connected electricity generation from renewable sources</i>”. All applicability conditions as per methodology are included in the VCS-PD.</p> <p>The VCS-PD shall apply the latest version of the methodology and tools namely the “Tool to calculate the emission factor from an electricity system and the additionality tool..</p>	CAR3	OK
B.2 Applicability criteria of the methodology/tools						
B.2.1	How was it validated that the project activity complies with the applicability criteria?	/01/ /04/	DR, I	The project activity, for energy generation component, meets the criteria of the approved methodology ACM0002-Version 12.3.0 eventhough the VCS-PD version 01 applies version 12.0.1 of the methodology:: “ <i>Consolidated baseline methodology</i>		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
			<p>for grid-connected electricity generation from renewable sources”, under the following conditions:</p> <p>Criteria 1: the project activity generates electricity using hydro resources and supplies electricity to the nationalgrid;</p> <p>Criteria 2: The project will deliver the generated electricity to the Turkish GridEvidence requested.</p> <p>Criteria 3: the project activity is a newly built hydropower plant at a site where there was no renewable energy power plant operating prior to the implementation of the project activity, as it wasconfirmed during site visit as the project was under construction;</p> <p>Criteria 4: the project activity results in a new regulation pond with the power density of 342W/m², which is greater than 4W/m²;</p> <p>Supporting information on the surface area shall be provided.</p> <p>Criteria 5: The project does not involve the addition of renewable energy generation units to an existing renewable power generation facility, as the project consists in the installation of new power plants, as seen during site visit.</p> <p>Criteria 6: The project does not involve retrofit or replacement of any power unit.</p> <p>Criteria 7: The project does not involve the switch of fossil fuel to renewable energy sources, is not a biomass power plant or is not a hydro power plant with a new reservoir where the</p>	<p>CL1 CL4</p>	

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
B.2.2	Is the selected baseline one of the baseline(s) described in the methodology and this hence confirms the applicability of the methodology?	/01/ /04/	DR, I	power density is less than 4W/m ² . The baseline is defined by the methodology /4/ to be that the electricity delivered to the grid by the project would have otherwise been generated by the operation of grid connected power plants and by the addition of new generation sources.		OK
B.3 Project boundary						
B.3.1	Is the project boundary are clearly defined and in accordance with the applied methodology?	/01/ /04/	DR	The boundary is not clearly defined as per the methodology /04/, as the spatial extent of the project in addition to all plants connected to the grid. The VCS-PD description of the connection point to the grid, which shall be confirmed through supporting information. Furthermore, it is not clearly indicated that the project boundary is the project power plant and all the power plants connected to the turkish national electricity grid	CL5	OK
B.3.2	What are the project's system boundaries (components and facilities used to mitigate GHGs)?	/01/ /04/ /05/	DR, I	As per the on-site visit, it is confirmed that the project boundary includes the project site and all power plants connected to the Turkish National Grid but supporting documentation is not available. The exact components as defined by the methodology /04/ are the power plant, and all power plant connected to the national grid, but see CL5.	CL5	OK
B.3.3	Which sources are identified for the project? Does the identified project boundary cover all possible sources	/01/ /04/	DR	Only CO ₂ is considered as the main source of baseline emission for the		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
linked to the project activity?			proposed project. CH ₄ emissions from the reservoir are not taken into account as project emissions, as the power density of the project is higher than 10 W/m ² . This is in compliance with ACM0002-Version 12.3.0 and version 12.1.0. applied in the VCS-PD version 1.0. Furthermore, CO ₂ emissions due to diesel consumption as auxiliary power are taken into account in the project activity..		
B.3.4 Does the project involve other emissions sources not foreseen by the methodologies that may question the applicability of the methodology? Do these sources contribute by more than 1% to the estimated emission reductions of the project?	/01/	DR	There is no emission source which should be included in the VCS-PD. The possible consumption of diesel in the backup generator will be monitored but it is expected that the emission will be less than 1% to the estimated emission reductions of the project..	CL1	OK
B.4 Baseline scenario identification					
B.4.1 Which baseline scenarios have been identified? Is the list of the baseline scenarios complete?	/01/ /03/ /04/	DR, I	As the baseline scenario is defined by the methodology, no other alternatives were presented in the VCS-PD which is in line with the latest version of the validation and verification manual.		OK
B.4.2 How have the other baseline scenarios been eliminated in order to determine the baseline?	/01/ /04/	DR, I	Please refer to B.3.1.		OK
B.4.3 What is the baseline scenario? Is the determination of the baseline scenario in accordance with the guidance in the methodology?	/01/ /04/	DR	Please refer to section B.3.1.		OK
B.4.4 Has the baseline scenario been determined using conservative assumptions? Does the baseline scenario sufficiently take into account relevant national and/or sectoral policies, macro-economic	/01/ /04/	DR	Not applicable.		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
trends and political aspirations?					
B.5 Additionality determination (VCS Standard Version 3 § 3.15)					
B.5.1 What tool does the project use to assess additionality? Is this in line with the methodology?	/01/ /04/ /17/	DR, I	In line with the applied approved methodology ACM0002: “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, the PP demonstrate the additionality through the “Tool for the demonstration and assessment of additionality”.	CAR3	OK
B.5.2 What is the project additionality mainly based on?	/01/ /04/ /13/	DR, I	The project additionality has been conducted based on investment analysis.		OK
B.5.2 Investment analysis					
B.5.2.1 What is the analysis method used to determine whether the proposed project activity is not (a) the most economically or financially attractive; or (b) economically or financially feasible, without the revenue from the sale of certified emission reductions?	/01/ /04/ /13/ /17/	DR	Since the proposed project activity generates economic benefits other than CDM income and the baseline scenario is the continuation of the current situation (the electricity delivered to the grid by the project activity that otherwise would have been generated by the operation of grid-connected power plants and by the addition of new generation sources) that does not involve any investment, the benchmark analysis has been applied.		OK
B.5.2.2 What the financial indicator is used?	/01/ /04/ /13/ /17/	DR, I	The PP compared the project IRR against a Benchmark based on WACC. The benchmark was calculated based on country data The	CL6	OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion	
			defined benchmark is 10.6%. Supporting information used to calculate the benchmark and to demonstrate the date of the investment decision reported is not available.. Furthermore, the benchmark value is not consistent throughout the PDD and also the IRR sheet.			
B.5.2.3	Does the income tax calculation take depreciation into account? Is the depreciation year in accordance with normal accounting practice in the Host Country?	/01/ /13/	DR, I	Depreciation has been included in the calculations. Supporting document shall be provided for tax and depreciation values used.	GL7	OK
B.5.2.4	Is the time period of the investment analysis and operating time of the project realistic? Has salvage value been taken into account? Is the working capital returned in the last year of the operation?	/01/ /13/ /15/	DR, I	The period of calculation is 20 years, in line with the recommendations of the investment analysis guidelines. The salvage value used shall be supported with evidences.	CAR4	OK
B.5.2.5	Cross-check of main parameters used in the financial analysis: electricity generation, electricity tariff, investment costs, operating and maintenance costs, taxes, other costs. The main parameters can be changed for the different project category.	/01/ /13/ /17/	DR, I	The main parameters shall be crosschecked with third party evidences, furthermore: - For the electricity price, the value used for the firm and secondary electricity shall be confirmed, as the electricity generated by the project can be sold directly to big consumers with no fixed price (is arranged between the parties). It shall be demonstrated that the expected electricity price can be considered conservative.. All input values used in the investment analysis needs to be supported with independent/real sources. The input values shall be consistent between the IRR calculation sheet and the VCS-PD	CAR5	OK
B.5.2.6	Sensitivity analysis: have the key parameters contributing to more than 20% of the revenue/costs	/01/ /13/	DR, I	The sensitivity analysis is included in the calculation sheet. Investment		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
during operating or implementation been identified?	/17/		costs, O&M costs, Electricity revenue and electricity production were included.		
B.5.2.7 Sensitivity analysis: is the range of variations is reasonable in the project activity? The main parameters can be changed for the different project category.	/01/ /13/	DR, I	See CAR5	CAR5	OK
B.5.2.8 Have the key parameters been varied to reach the benchmark and the likelihood of this happening been justified to be small?	/01/ /13/	DR, I	The variations required to reach the benchmark were not included in the IRR calculation sheet, but included in the VCS-PD.	CAR6	OK
B.5.3 Barrier analysis					
B.5.3.1 Are the barriers identified complimentary to a potential investment analysis?	/01/ /17/	DR, I	No barriers were presented in the VCS-PD in line with the requirements of the additionalty tool, which allows to perform only investment analysis to present the additionalty of the project.		OK
B.5.3.2 How were the investment barriers assessed to be real? How does VCS alleviate the investment barriers?	/01/	DR	N/A		OK
B.5.3.3 Is the project activity prevented by the investment barriers and at least one of the possible alternatives to the project activity is feasible under the same circumstances?	/01/	DR	N/A		OK
B.5.3.4 How were the technological barriers assessed to be real? How does VCS alleviate the technological barriers?	/01/	DR	N/A		OK
B.5.3.5 Is the project activity prevented by the technological barriers and is at least one of the possible alternatives to the project activity is feasible under the same circumstances?	/01/	DR	N/A		OK
B.5.3.6 How were the barriers due to prevailing practise assessed to be real? How does VCS alleviate the barriers due to prevailing practice?	/01/	DR	N/A		OK
B.5.3.7 Is the project activity prevented by the barriers due to prevailing practice and is at least one of the possible	/01/	DR	N/A		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
alternatives to the project activity is feasible under the same circumstances?					
B.5.3.8 How were the other barriers assessed to be real? How does VCS alleviate the other barriers?	/01/	DR	N/A		OK
B.5.3.9 Is the project activity prevented by the other barriers and is at least one of the possible alternatives to the project activity is feasible under the same circumstances?	/01/	DR	N/A		OK
B.5.4 Common practice analysis					
B.5.4.1 What are the geographical scope and scope of technology of the common practice analysis?	/01/ /17/	DR	The proposed project activity is a large scale project that generates electricity based on hydrological sources. The region used is the river basin, The whole country has been used to assess the common practice, the analysis shall be performed following the guidance available in the latest version of the additionality tool.	CAR3	OK
B.5.4.2 How many similar non-CDM-projects exist in the region within the scope?	/01//	DR	Please refer to section B.5.4.1.	CAR3	OK
B.5.4.3 How were possible essential distinctions between the project activity and similar activities assessed?	/01/	DR	Please refer to section B.5.4.1.	CAR3	OK
B.5.4.4 What is the data source(s) used for the common practice analysis?	/01/	DR	Please refer to section B.5.4.1.	CAR3	OK
B.5.5 Conclusion on the additionality assessment					
B.5.5.1 What is the conclusion with regard to the additionality of the project activity?	/01/ /17/	DR, 1, CC	Please refer to the sections related to additionality, i.e. section B.5.1 to section B.5.4.	CAR3 CAR4 CAR5 CAR6 CL6 CL7	OK
B.6 Calculation of GHG emission reductions					

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion	
B.6.1 Baseline emissions						
B.6.1.1	Are the calculations documented according to the approved methodology and in a complete and transparent manner?	/01/ /05/ /07/	DR, I	According to the approved methodology ACM0002-Version 12.3.0, and the version applied for the VCS-PD v.12.1.0. the baseline emissions are the product of electrical energy baseline expressed in MWh of electricity produced by the renewable generating unit multiplied by the grid emission factor. The emission factor is a combined margin and according to the methodological tool to calculate the emission factor for an electricity system has been calculated as weighted average of OM and BM, which are selected for the first crediting period as 0.5.		OK
B.6.1.2	Have conservative assumptions been used when calculating the baseline emissions and are the uncertainty estimates properly addressed?	/01/ /05/ /07/ /18/	DR, I	The baseline emission factor is determined ex ante according to the methodological tool "Tool to calculate the emission factor for an electricity system" Version 02.as the weighted average of OM and BM. The weight of OM and BM are selected for the first crediting period as 0.5 as requested by the methodological tool. The combined margin emission factor is determined ex-ante based on the most recent information available at the date of the commencement of the validation, as it was crosscheck with the source during the site visit. The grid emission factor is calculated bysed on information published by TEIAS (Turkish Electricity Transmission Company) in the website. The combined grid emission	CAR1 CAR7	OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion	
			<p>factor of the Turkish Grid is calculated as 0.52826tCO₂e/MWh. The calculation of the operating margin and build margin emission factors has been documented electronically in a spreadsheet and includes all data used to calculate the emissions factors as required by the methodological tool “Tool to calculate the emission factor for an electricity system” Version 02. The EF calculation is not done in accordance with the latest version of the methodological tool available on the UNFCCC website. Moreover the VCS-PD has to be updated with the latest version of the tool to calculate emission factor. The baseline emission calculations can be only confirmed once the plant load factor has been confirmed as per guidelines to assess PLF.</p>			
B.6.2 Project emissions						
B.6.2.1	<p>Are the calculations documented according to the approved methodology and in a complete and transparent manner?</p>	/01/ /04/	DR, I	<p>According to the project design, the power density is calculated as 342W/m², which is higher than the threshold of 10W/m² given by the methodology, therefore, no project emissions need to be accounted with reference to the applicable methodology. The emissions related to the consumption of diesel fuel for auxiliary energy generation will be measured and discounted from the emission reduction calculations.</p>	GL4	OK

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
B.6.2.2	Have conservative assumptions been used when calculating the project emissions and are the uncertainty estimates properly addressed?	/01/	DR, I	Please refer to section B.6.2.1	CL4	OK
B.6.3 Leakage						
B.6.3.1	Are the calculations documented according to the approved methodology and in a complete and transparent manner?	/01/	DR, I	According to the approved methodology, no leakage emissions are considered. The main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport). These emissions sources are neglected.		OK
B.6.3.2	Have conservative assumptions been used when calculating the leakage and are the uncertainty estimates properly addressed?	/01/	DR, I	Please refer to section B.6.3.1		OK
B.6.4 Emission reductions						
B.6.4.1	Has the methodology been correctly applied to calculate the emission reductions and can this be replicated by the data provided in the PDD and supporting files to be submitted for registration?	/01/ /05/	DR, I	Please refer to section B.6.1 to B.6.3. Table 15 of the PDD is incorrect and not in line with the methodology. No baseline emissions have been reported. Furthermore, the total estimated ERs in chapter 1.7 is incorrect.	CL1 CL4 CAR7 CAR8	OK
B.6.5 Data and parameters that are available at validation and that are not monitored						

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
B.6.5.1	How were the parameters available at validation verified?	/01/ /05/	DR, I	The following default values have been applied in the emission reductions calculation. The OM and BM are calculated ex-ante, so the CM Emission Fraction of the power grid is fixed over the first crediting period: 0.52826tCO ₂ e/MWh has been reported in the VCS-PD, the final value could be adjusted once the update from the tool is performed. CAP _{BL} and A _{BL} are not reported in the VCS-PD version 1.0..	CAR7 CAR9	OK
B.7 Monitoring plan						
B.7.1 Data and parameters monitored						
B.7.1.1	Does the monitoring plan described in the PDD comply with the requirements of the methodology?	/01/ /04/	DR, I	The parameters to be monitored are not in line with the requirements of the latest version of the methodology ACM002.	CAR10	OK
B.7.1.2	Does the monitoring plan contain all necessary parameters and are they clearly described?	/01/ /04/	DR, I	The only parameter monitored are the net electricity supplied to the grid and the diesel consumption. All parameters requested by the methodology shall be included in the VCS-PD. Furthermore, information on diesel consumption is not consistent in the VCS-PD, as it is a parameter included to be monitored, but other parts of the VCS-PD states that the consumption will not be monitored and consumption will be neglected.	CAR40	OK
B.7.1.3	Is the measurement equipment described? Is the accuracy of the measurement equipment addressed	/01/	DR, I	Information on the monitoring equipment has been included, taking into account the national requirements	CAR10	OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
and deemed appropriate? Are the requirements for maintenance and calibration of measurement equipment described and deemed appropriate?	/19/		for the measurement equipment. The meters installed comply with ICE/TSE 62053-22: Electricity metering equipment (a.c) – Particular requirements - Part 22: Static meters for active energy (Classes 0,2 S and 0,5 S), required in Turkey.		
B.7.1.4 Is the monitoring frequency adequate for all monitoring parameters? Is it in line with the monitoring methodology?	/01/ /04/	DR, I	Please refer to section B.7.1.1.	CAR10	OK
B.7.1.5 Is the recording frequency adequate for all monitoring parameters? Is it in line with the monitoring methodology?	/01/ /04/	DR, I	Please refer to section B.7.1.1.	CAR8	OK
B.7.2 Monitoring of sustainable development indicators/environmental impacts					
B.7.2.1 Is the monitoring of sustainable development indicators/ environmental impacts warranted by legislation in the host country?	/01/ /04/ /20/	DR, I	According to the approved methodology ACM0002-Version 12.1.0., the sustainable development indicators need not to be monitored. The monitoring of sustainable indicators is not required. Furthermore, the project is requesting registration under the Social Carbon Standard, which will include sustainable development indicators.		OK
B.7.2.2 Does the monitoring plan provide for the collection and archiving of relevant data concerning environmental, social and economic impacts?	/01/ /21/	DR, I	There is a certificate of exception of EIA for the project activity, as the installed capacity is under 50MW. This item falls under the Social Carbon Standard component, as there is no local requirements to monitor these		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion	
			parameters.			
B.7.2.3	Are the sustainable development indicators in line with stated national priorities in the host country?	/01/ /04/	DR, I	Please refer to section B.7.2.2.		OK
B.7.3 Management, quality assurance and quality control						
B.7.3.1	How has it been assessed that the monitoring arrangements described in the monitoring plan are feasible within the project design?	/01/	DR, I	At the date of the site visit, it was found that no monitoring arrangement was installed; anyway RINA can confirm that the monitoring arrangements described in the monitoring plan are feasible within the project design, taking also into account that the project owner has already plenty of experience in hydro installations.		OK
B.7.3.2	Are procedures identified for day-to-day records handling (including what records to keep, storage area of records and how to process performance documentation)?	/01/	DR, I	Data to be used for emission reductions calculation will be aggregated, summarized, calculated and recorded in both electronic by the monitoring responsible and paper form every month in form of invoices.		OK
B.7.3.3	Are the data management and quality assurance and quality control procedures sufficient to ensure that the emission reductions achieved by/resulting from the project can be reported ex post and verified?	/01/	DR, I	All the electricity meters will be calibrated according to national standard to assure the correctness of the readings from the meters. The readings from the meters will be cross checked with sales receipts. The VCS-PD is inconsistent in defining	CAR11	OK

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
				<p>if the electricity metered supplied to the grid will be crosschecked with the electricity invoices or the PMUM website.</p> <p>Meter calibration and test falls under the responsibility of the national authorities, therefore the PP does not have access to the electricity meters.</p>		
B.7.3.4	Will all monitored data required for verification and issuance be kept for two years after the end of the crediting period or the last issuance of VCUs, for this project activity, whichever occurs later?	/01/	DR, I	The information has been included in the VCS-PD.		OK
C. Duration of the project activity and crediting period.						
C.1 Start date of project activity						
C.1.1	What is the expected starting date of the project activity and how has been determined? When was the first construction activity?	/01/	DR, I	The starting date is 01/01/2012, date in which is the expected date to start operation. Timeline needs to be provided, as requested.	CL8	OK
C.1.2	What is the expected operational lifetime of the project activity? Is it reasonable?	/01/ /22/	DR, I	Lifetime of the project is reported to be 20 years. Supporting document required to assess if the value comply with the "Tool to determine the remaining lifetime of equipment". The webpage provided as source cannot be accessed. .	CL9	OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion	
C.2 Start date of crediting period						
C.2.1	What is the expected starting date of the proposed project activity? Does the crediting period start eight week after the request for registration?	/01/	DR, I	Start of crediting period is in line with the starting date of the project, 01/01/2012.	CL8	OK
C.2.2	What is the length of the crediting period? Is it clearly defined and reasonable?	/01/	DR, I	The crediting period is 10 years. Reasonable for the type of technology to be used for the project activity.		OK
D. Environmental Impact						
D.1.1	Has an analysis of the environment impacts of the project activity been undertaken? Is it clearly and sufficiently described in the PDD?	/01/	DR, I	No EIA is required as per national laws. The certificate of the non-requirement of EIA is included in the VCS-PD and was provided to the audit team for revision.- The region where the project is being constructed has also other hydro power plants.		OK
D.1.2	Will the project create any adverse environmental effects? Are transboundary environmental impacts considered in the analysis?	/01/	DR, I	EIA is not required by national law. There are no mayor impacts defined in the VCS-PD but the Project Presentation Report submitted to the authorities was not available during site visit..	CL10	OK
D.1.3	Is the analysis of the environmental impacts required by the legislation of the host Country? If yes, has the EIA has been approved by local Government? Does the approval contain any conditions that need monitoring?	/01/ /21/	DR, I	Please refer to section D.1.1.		OK

Checklist Question		Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
D.1.4	Is it the project in line with the current environmental legislation in the host Country?	/01/	DR, I	The construction and environmental permit needs to be provided to the audit team to assess compliance with current legislation.	CL2	OK
E. Local stakeholder consultation						
E.1.1	Are the local stakeholders being invited by the PP?	/01/	DR, I	The local stakeholder consultation was carried out by the VCS consultant. More accurate information on the meetings performed and the comments received by the stakeholders, together with the response provided, shall be included in the PDD. Supporting documents shall be provided.	CAR40	OK
E.1.2	Area the stakeholders invited is considered as regards commenting the proposed project activity?	/01/	DR, I	Refer to E.1.1.	CAR40	OK
E.1.3	Is the summary of the comments received from the stakeholders, provided in the VCS-PD complete?	/01/	DR, I	Refer to E.1.1.	CAR40	OK
E.1.4	Has due account been taken by the project participants of any stakeholder comments received?	/01/	DR, I	Refer to E.1.1.	CAR40	OK
E.1.5	If a stakeholder consultation process is required by regulations/laws in the host Country, has the stakeholder consultation process been carried out in accordance with such regulations/laws?	/01/	DR, I	The stakeholder consultation process is not required by regulations of laws in Turkey. During the site visit, the major of the local community was visited to clarify the local requirements on		OK

Checklist Question	Ref.	MoV ¹	Comments	Draft Conclusion	Final Conclusion
			stakeholder meeting requirements.		

TABLE 2 RESOLUTION OF CORRECTIVE ACTION REQUESTS AND CLARIFICATION REQUESTS

Corrective action and/ or clarification requests	Reference to Table 2	Response by project participants	Validation Conclusion
CAR1 The Plant Load Factor, in line with the guidelines for assessing the plant load factor, and project development timelines shall be included in the VCS-PD.	A.1.2.	Corrected Please see version 2.0 of the PDD	The plant load factor complies with the requirements, at it is the one used for the approval of the authorities during project implementation. CAR is closed.
CAR2 The coordinates of the power house and the dam shall be included in the VCS-PD.	A.4.1.	Corrected Please see version 2.0 of the PDD	The coordinates are now correctly included in the VCS-PD. CAR is closed.
CAR3 The VCS-PD shall apply the latest version of the methodology and tools.	B.1.1.	Corrected Please see version 2.0 of the PDD	The information has been included in the revised VCS-PD /01/, were latest version of methodology and tools have been applied /04/ /07/. CAR is considered closed.
CAR4 Further information and inclusion of the salvage value shall be included in line with the guidelines for assessment of the investment analysis.	B.5.2.4.	Corrected Please see version 2.0 of the PDD	The investment analysis sheet was updated /13/ including the information as per the FSR /48/. Information included, CAR closed.
CAR5 Third party evidences in relation to the input values of the investment analysis shall be provided. Furthermore: -electricity price: the price given by the renewable energy law in Turkey is considered the minimum value that a project can obtain. The electricity generated by the project can be sold directly to big consumers with no fixed price (is arranged between the parties). It shall be demonstrated that the expected electricity price can be considered conservative. The electricity price for the firm and secondary electricity used for calculation shall be further supported. - All input values of used for calculations of the IRR shall be confirmed with third party/real values. - PP provide details of actual debt obtained for the project. Has the debt equity ratio and interest	B.5.2.5.	The project owner acquired the project with a preped feasibility report that was outdated at the time of investment decision. Accordingly the project owner revised the investment cost values by multiplying the unit meters or tonnages (like excavation tonnes) with the DSI (host country government authority that determines the unit prices of construction works or other works related to hydropower plant developments) fixed unit prices for the year 2009. They have then submitted these revised tables (document17) to the Banking institutions and secured the 60,000	Information included, CAR closed. The investment analysis sheet was updated /13/ including the information as per the FSR /48/.The electricity price is based on the RE law. The contracts has been provided to assess that the values for O&M costs and investment costs are in line with the expectations at the time of investment decision. CAR closed.

Corrective action and/ or clarification requests	Reference to Table 2	Response by project participants	Validation Conclusion
<p>rates of the actual loans been considered in the financial analysis. The input values shall be consistent between the IRR calculation sheet and the VCS-PD</p>		<p>USD loan that is substantiated by the document (10) The operation cost numbers are estimates also provided by the project owner, and the Turbine Cost was already known before the investment decision date (Document 3b). Please note that not all the numbers in the feasibility report have increased but some numbers such as the turbine cost was decreased. So it is clear that the project owner made sound and reasonable estimates. We have utilized the realized loan repayment schedule as this was pretty much known at the time of investment decision. Please see the new documents and the version 2.0 of the PDD.</p>	
<p>CAR6 The variations required to reach the benchmark were not included in the IRR calculation sheet.</p>	B.5.2.8.	<p>Corrected Please see version 2.0 of the PDD and the Financial analysis sheet</p>	<p>The investment analysis sheet was updated /13/, the sensitivity analysis has been corrected accordingly. Information included, CAR closed.</p>
<p>CAR7 The Grid emission factor shall be calculated using the latest available tool.</p>	B.6.1.1.	<p>Corrected Please see version 2.0 of the PDD</p>	<p>The EF sheet /05/ has been updated and is in line with the requirements of the latest version of the "Tool to calculate the emission factor from an electricity system" /07/. Information included, CAR closed.</p>
<p>CAR8 Table 15 of the PDD is incorrect and not in line with the methodology. No baseline emissions have been reported. Furthermore, the total estimated ERs in chapter 1.7 is incorrect.</p>	B.5.2.8.	<p>Corrected Please see version 2.0 of the PDD</p>	<p>VCS-PD /01/ corrected and in line with the methodology /04/, CAR closed.</p>
<p>CAR9 Parameters available at validation, CAP_{BL} and A_{BL} are not included in the VCS-PD version 1.0.</p>	B.6.5.1.	<p>Corrected Please see version 2.0 of the PDD</p>	<p>VCS-PD /01/ corrected, CAR closed.</p>

Corrective action and/ or clarification requests	Reference to Table 2	Response by project participants	Validation Conclusion
<p>CAR10 The VCS-PD does not include all parameters to be monitored in line with the requirements of the methodology ACM0002. Furthermore, information on diesel consumption is not consistent in the VCS-PD, as is a parameter included to be monitored, but other parts of the VCS-PD states that the consumption will not be monitored and consumption will be neglected.</p>	B.7.1.1.	Corrected Please see version 2.0 of the PDD	VCS-PD /01/ corrected, CAR closed.
<p>CAR11 The VCS-PD is inconsistent in defining if the electricity metered supplied to the grid will be crosschecked with the electricity invoices or the PMUM website.</p>	B.7.3.4.	Corrected Please see version 2.0 of the PDD	VCS-PD /01/ corrected, CAR closed.
<p>CAR12 The VC-PD does not include the meeting dates, comments from the stakeholders and response provided by the PP. Supporting documents are not available.</p>	E.1.1.	The Project was exempt from the full EIA process therefore there was not a LSC meeting for the purpose of explaining the EIA or project but the major stakeholders such as the government bodies were informed about the peculiarities of the project via correspondences .This is substantiated by document (14)	The information has been included in the revised VCS-PD /01/, furthermore, supporting evidence on the stakeholder meeting was provided /47/. Information included, CAR closed.
<p>CL1 The evidence on forecasted generation and information on the technical equipment shall be provided to confirm the information provided in the PDD. Evidence on the connection of the project to the grid is not available.</p>	A.2.1. A.4.2. A.4.3. B.2.1. B.3.4.	Provided Please see document (7) See FSR provided as document (15)	The FSR was provided to the audit team /48/. Further information provided, CL closed.
<p>CL2 The proof of title, environmental and construction permit were not available during the site visit..</p>	A.3.1. D.1.4.	See documents (16) (5) (6) and (9)	Further information provided, CL closed

Corrective action and/ or clarification requests	Reference to Table 2	Response by project participants	Validation Conclusion
<p>CL3 The evidences as per VCS standard is not available to demonstrate whether the project activity is included in emission trading program or in the jurisdiction in which binding limits are established on GHG emissions. Furthermore, a statement on the creation of another form of GHG environmental credits, in line with VCS requirements, shall be provided.</p>	<p>A.3.2. A.3.3.</p>	<p>Please see version 2.0 of the PDD</p>	<p>The project has not been found in other project registries /31-32/. Further information provided, CL closed.</p>
<p>CL4 Supporting information to confirm the surface area of the reservoir and therefore the applicability is not available. Furthermore, the value is not consistent trough out the VCS-PD</p>	<p>B.2.1. B.6.2.1. B.6.2.2.</p>	<p>Please see document 13</p>	<p>CAD Draw for the surface area provided /45/. Further information provided, CL closed.</p>
<p>CL5 The connection of the project to the electricity grid is not available. Furthermore, it is not clearly indicated that the project boundary is the project power plant and all the power plants connected to the turkish national electricity grid</p>	<p>B.3.1.</p>	<p>Please see the connectivity agreement and the version 2.0 of the PDD</p>	<p>The grid connection agreement is available /40/. Further information provided, CL closed.</p>
<p>CL6 The information used to calculate the benchmark is not available. It shall be further confirmed why the PP has not considered a publicly available benchmark such as PLR of the central bank of the country as the benchmark. Furthermore, evidence to demonstrate the investment decision was made on 04/02/2008 is not available. Also, the benchmark value is not consistent throughout the PDD and also the IRR sheet.</p>	<p>B.5.2.2.</p>	<p>The benchmark is revised as the default bench mark please see version 2.0 of the PDD</p>	<p>The information has been included in the revised VCS-PD /01/ and in the revised IRR calculation sheet /13/. Further information provided, CL closed.</p>
<p>CL7 Supporting documentation to evidence the depreciation and taxes applied is not available. PP to provide the explanation and statutory support for VAT.</p>	<p>B.5.2.3.</p>	<p>Please see version 2.0 of the PDD and the fiancial analysis</p>	<p>The information has been included in the revised VCS-PD /01/ and in the revised IRR calculation sheet /13/. Further information provided, CL closed.</p>

Corrective action and/ or clarification requests	Reference to Table 2	Response by project participants	Validation Conclusion
CL8 Supporting documentation shall be provided to proof that operation of the plant started on 01/12/2011.	C.1.1. C.2.1.	The dates in the milestones table (table 1 in the PDD corrected and substantiated please see document list at the end of financial analysis work book.	Document provided /44/, confirming the starting date of the project on 25/04/2014. CL closed.
CL9 Supporting documentation shall be provided to assess if the value comply with the “Tool to determine the remaining lifetime of equipment”. The webpage provided as source cannot be accessed	C.1.2.	Please see version 2.00 of the PDD	The information has been included in the revised VCS-PD /01/ and it is in line with the requirements of the “Tool to determine the remaining lifetime of equipment” /06/. Further information provided, CL closed
CL10 The Project Presentation Report submitted to the authorities regarding the environmental impacts was not available.	D.1.2.	Please see document (5)	The project has obtained all approvals from the authorities, the report has been provided to the audit team /39/. CL is considered closed.

TABLE 3 FORWARD ACTION REQUEST

Forward action request	Reference to Table 2	Response by project participants	Validation Conclusion
FAR 1			

CERTIFICATO DI QUALIFICA PER GLI SCHEMI VOLONTARI*
QUALIFICATION CERTIFICATE FOR VOLUNTARY SCHEMES*

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Sergio Alejandro Degener

è qualificato come:
is qualified as:

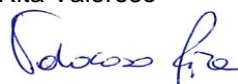
TEC, VAL, VER

per le seguenti aree tecniche:
for the following technical areas:

AREE TECNICHE <i>TECHNICAL AREAS</i>	DESCRIZIONE DELL'AREA TECNICA <i>TECHNICAL AREA DESCRIPTION</i>	SCOPO SETTORIALE <i>SECTORAL SCOPE</i>
1.1	Thermal energy generation	1
1.2	Renewables	1
13.1	Solid waste and wastewater	13
13.2	Manure	13

REVISIONE <i>REVISION</i>	DATA <i>DATE</i>	MOTIVAZIONI PER LA REVISIONE <i>REASON FOR THE REVISION</i>
0	19/07/2016	First issue with new template (this certificate is linked to CDM qualification)

Responsabile di schema
Scheme Leader
Rita Valoroso



*SCHEMI VOLONTARI/ VOLUNTARY SCHEMES: ACR American Carbon Registry, CCB The Climate, Community & Biodiversity Alliance, GS Gold Standard, JI Joint Implementation, SCS Social Carbon Standard, VCS Verified Carbon Standard.

TEC: Technical expert; VAL: Validator; VER: Verifier; TL: Team leader; FIN EXP: Financial Expert; ITRP: Independent technical reviewer

RINA Services S.p.A. è accreditato/riconosciuto da
RINA Services S.p.A. is accredited /recognized by

UNFCCC	quale Entità Operativa Designata (DOE), per condurre la Validazione e la Verifica di Progetti CDM <i>as Designated Operational Entity (DOE), to carry out Validation and Verification of CDM Projects</i>
VCSA	per condurre la Validazione e la Verifica di Progetti VCS <i>to carry out Validation and Verification of VCS Projects</i>
GS Foundation	per condurre la Validazione e la Verifica di Progetti GS <i>to carry out Validation and Verification of GS Projects</i>
Ecologica Institute	per condurre la Validazione e la Verifica di rapporti SCS <i>to carry out Validation and Verification of SCS Reports</i>
American Carbon Registry ACR	per condurre la Validazione e la Verifica di Progetti ACR <i>to carry out Validation and Verification of ACR projects</i>
The Climate, Community & Biodiversity Alliance CCB	per condurre la Validazione e la Verifica di Progetti co-benefit CCB <i>to carry out Validation and Verification of co-benefit CCB projects</i>



RINA

CERTIFICATO DI QUALIFICA GHG
GHG QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Hasan Zor

è qualificato come¹:
is qualified as:

LOCAL EXPERT
(Turkish mother tongue)

per le seguenti aree tecniche:
for the following technical areas:

Table with 4 columns: AREA TECNICA, CODICE RINA, SCOPO SETTORIALE, CODICE RINA. All cells contain dashes.

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

Table with 3 columns: REVISIONE, DATA, MOTIVAZIONI PER LA REVISIONE. Row 1: 0, 23-03-2011, -

Il Responsabile di Schema
Scheme Manager

Il Resp. Tecnico della Divisione
Head of CRT

[Handwritten signature]

[Handwritten signature]

¹ Legend:

- VAL: Validator
VER: Verifier
TEC: Technical Expert
TL: Team Leader
TEC-FIN: Financial Expert
DET: Determiner
CDM: Clean Development Mechanism
VCS: Verified Carbon Standard
GS: Gold Standard
SCS: Social Carbon Standard
JI: Joint Implementation

RINA Services S.p.A. è accreditato da UNFCCC, quale Entità Operativa Designata (DOE), per condurre la Validazione e la Verifica di Progetti CDM, da VCSA, quale Validatore /Verificatore VCS, per condurre la Validazione e la Verifica di Progetti VCS, da GS Foundation, quale Validatore / Verificatore GS, per condurre la Validazione e la Verifica di Progetti GS, da Ecologica Institute quale Validatore/Verificatore SCS, per condurre la Validazione e la Verifica di rapporti SCS

RINA Services S.p.A. is accredited by the UNFCCC, as Designated Operational Entity (DOE), to carry out Validation and Verification of CDM Projects, by the VCSA, as VCS Validator/Verifier, to carry out Validation and Verification of VCS Projects, by the GS Foundation, as GS Validator/Verifier, to carry out Validation and Verification of GS Projects and by the Ecologica Institute, as SCS Validator/Verifier, to carry out Validation and Verification of SCS Reports



RINA

CERTIFICATO DI QUALIFICA QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Nisha Raghavan

è qualificato come¹:
is qualified as:

CDM-FIN-EXP

per le seguenti aree tecniche:
for the following technical areas:

--

AREE TECNICHE TECHNICAL AREAS	DESCRIZIONE DELL'AREA TECNICA TECHNICAL AREA DESCRIPTION	SCOPO SETTORIALE SECTORAL SCOPE
-	-	-

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE REVISION	DATA DATE	MOTIVAZIONI PER LA REVISIONE REASON FOR THE REVISION
0	20-10-2010	-
2	01-06-2012	Annual revision

Il Resp. QPT
Head of QPT

¹ Legend:

VAL: Validator
VER: Verifier
TEC: Technical Expert
TL: Team Leader
FIN-EXP: Financial Expert
DET: Determiner

CDM: Clean Development Mechanism
VCS: Verified Carbon Standard:
GS: Gold Standard
SCS: SocialCarbon Standard
JI: Joint Implementation

RINA Services S.p.A. è accreditato da UNFCCC, quale Entità Operativa Designata (DOE), per condurre la Validazione e la Verifica di Progetti CDM, da VCSA per condurre la Validazione e la Verifica di Progetti VCS, da GS Foundation, per condurre la Validazione e la Verifica di Progetti GS, da Ecologica Institute per condurre la Validazione e la Verifica di rapporti SCS

RINA Services S.p.A. is accredited by the UNFCCC, as Designated Operational Entity (DOE), to carry out Validation and Verification of CDM Projects, by the VCSA, to carry out Validation and Verification of VCS Projects, by the GS Foundation, to carry out Validation and Verification of GS Projects and by the Ecologica Institute, to carry out Validation and Verification of SCS Reports

CERTIFICATO DI QUALIFICA PER GLI SCHEMI VOLONTARI*
QUALIFICATION CERTIFICATE FOR VOLUNTARY SCHEMES*

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Rita Valoroso

è qualificato come:
is qualified as:

TEC, VAL, VER, TL, ITRP

per le seguenti aree tecniche:
for the following technical areas:

AREE TECNICHE TECHNICAL AREAS	DESCRIZIONE DELL'AREA TECNICA TECHNICAL AREA DESCRIPTION	SCOPO SETTORIALE SECTORAL SCOPE
1.2	Renewables	1
3.1	Energy demand	3
13.1	Solid waste and wastewater	13

REVISIONE REVISION	DATA DATE	MOTIVAZIONI PER LA REVISIONE REASON FOR THE REVISION
0	19/07/2016	First issue with new template (this certificate is linked to CDM qualification)

Responsabile QPT
Head of QPT
Laura Severino



*SCHEMI VOLONTARI/ VOLUNTARY SCHEMES: ACR American Carbon Registry, CCB The Climate, Community & Biodiversity Alliance, GS Gold Standard, JI Joint Implementation, SCS Social Carbon Standard, VCS Verified Carbon Standard.

TEC: Technical expert; VAL: Validator; VER: Verifier; TL: Team leader; FIN EXP: Financial Expert; ITRP: Independent technical reviewer

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VCSA	per condurre la Validazione e la Verifica di Progetti VCS <i>to carry out Validation and Verification of VCS Projects</i>
GS Foundation	per condurre la Validazione e la Verifica di Progetti GS <i>to carry out Validation and Verification of GS Projects</i>
Ecologica Institute	per condurre la Validazione e la Verifica di rapporti SCS <i>to carry out Validation and Verification of SCS Reports</i>
American Carbon Registry ACR	per condurre la Validazione e la Verifica di Progetti ACR <i>to carry out Validation and Verification of ACR projects</i>
The Climate, Community & Biodiversity Alliance CCB	per condurre la Validazione e la Verifica di Progetti co-benefit CCB <i>to carry out Validation and Verification of co-benefit CCB projects</i>

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QUALIFICATION CERTIFICATE FOR VOLUNTARY SCHEMES*

Si attesta che il sig./sig.ra:
 We declare that Mr/Mrs/Ms:

Tong Yan

è qualificato come:
 is qualified as:

TEC, VAL, VER, TL

per le seguenti aree tecniche:
 for the following technical areas:

AREE TECNICHE <i>TECHNICAL AREAS</i>	DESCRIZIONE DELL'AREA TECNICA <i>TECHNICAL AREA DESCRIPTION</i>	SCOPO SETTORIALE <i>SECTORAL SCOPE</i>
1.1	Thermal energy generation	1
1.2	Renewables	1
13.1	Solid waste and wastewater	13

REVISIONE <i>REVISION</i>	DATA <i>DATE</i>	MOTIVAZIONI PER LA REVISIONE <i>REASON FOR THE REVISION</i>
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Responsabile di schema
 Scheme Leader
 Rita Valoroso



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QUALIFICATION CERTIFICATE FOR VOLUNTARY SCHEMES*

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Rekha Menon

è qualificato come:
is qualified as:

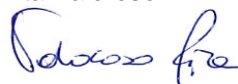
TEC, VAL, VER, TL, ITRP

per le seguenti aree tecniche:
for the following technical areas:

AREE TECNICHE TECHNICAL AREAS	DESCRIZIONE DELL'AREA TECNICA TECHNICAL AREA DESCRIPTION	SCOPO SETTORIALE SECTORAL SCOPE
1.2	Renewables	1
2.1	Electricity distribution	2
13.1	Solid waste and wastewater	13
13.2	Manure	13
14.1	Afforestation and reforestation	14

REVISIONE REVISION	DATA DATE	MOTIVAZIONI PER LA REVISIONE REASON FOR THE REVISION
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Responsabile di schema
Scheme Leader
Rita Valoroso



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