

VALIDATION REPORT OF INNER MONGOLIA JINGNENG SAIHAN WIND FARM PHASE II PROJECT



China Environmental United Certification Center Co., Ltd.

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Summary:

Beijing International New Energy Co., Ltd. has commissioned China Environmental United Certification Center Co., Ltd (CEC) to carry out a validation of Inner Mongolia Jingneng Saihan Wind Farm Phase II Project on the basis of all applicable VCS Standard Version 3.2.

The project activity has been registered as a CDM project on 09/06/2011 with the UNFCCC reference number as 4795. The project activity began generating electricity on 27/10/2009. The completion date of the final validation report submitted to the CDM program to request registration is within two years of the project start date. This is in line with the relevant requirement of VCS Standard.

According to VCS Standard that are registered in Two GHG Programs issued by VCS Association, the project registered under CDM program is eligible to create Voluntary Carbon Units (VCUs) for the emission reductions prior to the CDM program from 27/10/2009 to 08/06/2011.

The criteria used for validation include relative VCS Standard and templates. In compliance with the VCS Standard, this gap validation is to cover a validation of the cover page and sections 1.2, 1.3, 1.5, 1.6, 1.7, 1.9, 1.10, 1.12.1, 1.12.2, 1.12.3, 1.12.4 and 1.13 of the VCS Project Description template.

The first output of the validation process is 1 Corrective Actions Request (CAR). Project Participant took corrections and revised the project design document. The CAR was successfully closed.

In summary, it is CEC's opinion that project, as described in the VCS PD version 02 dated 13/09/2012, meets all relevant VCS requirements. CEC thus requests the registration of the Project as a VCS Project activity.

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1 VALIDATION FINDINGS

The proposed project is located in Suniteyouqi, Xilinguole League, Inner Mongolia Autonomous Region, People's Republic of China, with a total installed capacity of 48MW. The proposed project is invested by Beijing International New Energy Co., Ltd. The estimated annual net electricity supply to the grid and average annual emission reductions of the proposed project are 118,560 MWh and 112,655 tCO₂e, respectively.

CAR01 was raised: Please revise the VCS PD applying the most updated requirements and PD template. The revised PD was submitted and checked to be correct. CAR01 was closed.

1.2 Sectoral Scope and Project Type

1) According to the CDM-AP adopted list of sectoral scopes, which is based on the list of sectors and sources contained in Annex A of the Kyoto Protocol, the project falls into Sectoral Scope 1: Energy industries (renewable - / non-renewable sources).

2) CEC confirms that the project is not a grouped project.

1.3 Project Proponent

On 19/06/2012, the validation team performed a physical site inspection and on-site interviews with project stakeholders. Representatives of the PP and the consultant were interviewed. The detailed project proponent information is as below:

Project owner: Beijing International New Energy Co., Ltd.

Address: No.29 Caoqiao Road, Fengtai District Beijing, P.R.China

Contact name: LIU Yinping

Tel: +86-10- 64522595

Email: liuyinping@bjnewenergy.com

1.5 Project Start Date

As the definition of the "project start date" in VCS Standard is the date on which the project began generating GHG emission reductions or removals. CEC verifies the statement named "First Date of Operation" which shows that the project started operation on 27/10/2009, before CDM registration date of 09/06/2011.

1.6 Project Crediting Period

The starting date of VCS crediting period of the project is 27/10/2009 (the date of project started operation). The end date of VCS crediting period is 08/06/2011, before 09/06/2012 of the starting date of the CDM crediting period. The coverage year is from 2009 to 2011.

1.7 Project Scale and Estimate GHG Emission Reductions or Removals

Projects are categorized by size according to their estimated average annual GHG emission reductions or removals, as follows:

- 1) Projects: Less than or equal to 1,000,000 tCO₂e per year; and
- 2) Mega projects: Greater than 1,000,000 tCO₂e per year.

The annual estimated emission reductions of Inner Mongolia Jingneng Saihan Wind Farm Phase II Project is 112,655 tCO₂e, so the project is categorized to type 1) Projects.

1.9 Project Location

The project location is checked with the GPS, the coordinates are east longitude of 112°51'00" and north latitude of 42°37'00".

1.10 Conditions Prior to Project Initiation

This project is a newly built power project Inner Mongolia Jingneng Saihan Wind Farm Phase II Project (hereafter referred as the Project) is located at Suniteyouqi, Xilinguole League, Inner Mongolia Autonomous Region, People's Republic of China. The Project involves installation and operation of 24 sets of wind turbines, each of which has a rated capacity of 2,000kW.

Prior to the start of implementation of the project activity, there is no power generation unit at the site of the proposed project. The scenario is North China Power Grid providing the same electricity service as the project. North China Power Grid is dominated by the fossil-fuel fired power plants.

1.12.1 Proof of Title

This project is owned by Beijing International New Energy Co., Ltd.. Relevant evidences for the proof of title, such as the Business License and LoA issued by NDRC of China have been verified via documentation provided. It is confirmed that the owner has the ownership of reductions generated from the project.

1.12.2 Emissions Trading Programs and Other Binding Limits

This project was only registered under CDM program on 09/06/2011. GHG emission reductions generated by the project during the CDM crediting period will be accounted as CERs. So the ending day of VCS crediting period is the day of 08/06/2011. Only GHG emission reductions achieved from 27/10/2009 to 08/06/2011 will be considered as VCUs, i.e., no emissions reductions by the project activity during the same time will be counted in two different GHG programs at the same time (no double counting).

1.12.3 Participation under Other GHG Programs

This project has only applied for CDM support and has been registered on 09/06/2011 without any rejection under other GHG programs. The UNFCCC reference number is 4795.

1.12.4 Other Forms of Environmental Credit

This project is located in China and is developed and owned by Beijing International New Energy Co., Ltd., it is a Chinese Enterprise. The project only creates CER credits and VCU credits; the generation periods of the two systems have been verified and found not overlapped with each other.

It is confirmed that the project has not created another form of environmental credit.

1.13 Additional Information Relevant to the Project

Eligibility Criteria

The project is not a grouped project.

Leakage Management

According to the baseline methodology ACM0002 version 12.1.0, the leakage of the proposed project is not considered.

Commercially Sensitive Information

All the commercially sensitive information has been included from the public version project description.

Further Information

There is no additional relevant legislative, technical, economic, sectoral, social, environmental, geographic, site-specific and temporal information that may have a bearing on the eligibility of the project, the net GHG emission reductions or removals, or the quantification of the project's net GHG emission reductions or removals.

2 VALIDATION CONCLUSION

Beijing International New Energy Co., Ltd. has commissioned China Environmental United Certification Center Co., Ltd (CEC) to carry out a validation of Inner Mongolia Jingneng Saihan Wind Farm Phase II Project on the basis of all applicable requirements of VCS Standard Version 3.2.

The project activity has been registered as a CDM project on 09/06/2011 with the UNFCCC reference number as 4795. The project activity began generating electricity on 27/10/2009. According to VCS Standard that are registered in Two GHG Programs issued by VCS Association, the project registered under CDM program is eligible to create Voluntary Carbon Units (VCUs) for the emission reductions prior to the CDM program from 27/10/2009 to 08/06/2011.

The criteria used for validation include relative VCS Standard and templates. In compliance with the VCS Standard, this gap validation is to cover a validation of the cover page and sections 1.2, 1.3, 1.5, 1.6, 1.7, 1.9, 1.10, 1.12.1, 1.12.2, 1.12.3, 1.12.4 and 1.13 of the VCS Project Description template.

In summary, it is CEC's opinion that project, as described in the VCS PD version 02 dated 13/09/2012, meets all relevant VCS requirements. The project is likely to achieve the emission reduction specified in the Project Design documents. CEC thus requests the registration of the Project as a VCS Project activity.

Beijing, 14/09/2012



XU Linghua

Verification Team Leader

Beijing, 18/09/2012



TANG Dingding

Chairman of Board

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