



VALIDATION REPORT BAKTEPE ENERJI A.S.

VALIDATION OF THE KAYADUZU 40MW WIND POWER PLANT, TURKEY

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BUREAU VERITAS CERTIFICATION

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VALIDATION REPORT

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Client: Baktepe Enerji A.S.	Client ref.: Ebubekir Fırtın
<p>Summary: Bureau Veritas Certification has made the validation of the Kayaduzu 40MW Wind Power Plant, Turkey project of Baktepe Enerji A.S. located in the province Amasya, 8 km north-east to the town of Merzifon in Turkey. on the basis of UNFCCC criteria for the CDM, Gold Standard Version 02.1 as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 12 of the Kyoto Protocol, the CDM rules and modalities and the subsequent decisions by the CDM Executive Board, as well as the host country criteria.</p> <p>The validation scope is defined as an independent and objective review of the project design document, the project's baseline study, monitoring plan and other relevant documents, and consisted of the following three phases: i) desk review of the project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) resolution of outstanding issues and the issuance of the final validation report and opinion. The overall validation, from Contract Review to Validation Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.</p> <p>The first output of the validation process is a list of Clarification and Corrective Actions Requests (CL and CAR), presented in Appendix A. Taking into account this output, the project proponent revised its project design document.</p> <p>In summary, it is Bureau Veritas Certification's opinion that the project correctly applies the baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" version 12. and meets the relevant UNFCCC requirements for the CDM and the relevant host country criteria.</p>	

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Project title: Kayaduzu 40MW Wind Power Plant, Turkey	
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Abbreviations

CAR	Corrective Action Request
CDM	Clean Development Mechanism
CER	Certified Emission Reductions
CL	Clarification Request
CO ₂	Carbon Dioxide
CO ₂ e	Carbon Dioxide Equivalent
DOE	Designated Operational Entity
EMRA	Energy Market Regulatory Authority (EPDK – Enerji Piyasasi Denetleme Kurulu)
FSR	Feedback Stakeholder Round
GHG	Green House Gas(es)
GS	Gold Standard
GS-VER-PDD	Project Design Document
I	Interview
IETA	International Emissions Trading Association
LSC	Local Stakeholder Consultation
MoV	Means of Verification
NGO	Non Government Organization
PDD	Project Design Document
PFA	Pre-feasibility Assessment
SD	Sustainable Development
TEIAS	Turkish Electricity Transmission Company (Turkiye Elektrik Iletim A.S.)
UNFCCC	United Nations Framework Convention for Climate Change
VER	Voluntary Emission Reductions
VVM	Validation and Verification Manual
EPDK	Republic Of Turkey Energy Market Regulatory Authority



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1 INTRODUCTION

Baktepe Enerji A.S. has commissioned Bureau Veritas Certification to validate its GS-VER project “Kayaduzu 40MW Wind Power Plant, Turkey” (hereafter called “the project”) at province Amasya, 8 km north-east to the town of Merzifon in Turkey. .

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

1.1 Objective

The validation serves as project design verification and is a requirement of all projects. The validation is an independent third party assessment of the project design. In particular, the project's baseline, the monitoring plan (MP), and the project's compliance with relevant UNFCCC, Gold Standard Version 02.1 and host country criteria are validated in order to confirm that the project design, as documented, is sound and reasonable, and meets the stated requirements and identified criteria. Validation is a requirement for all GS-VER projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of voluntary emission reductions (VERs).

UNFCCC criteria refer to Article 12 of the Kyoto Protocol, the CDM rules and modalities and the subsequent decisions by the CDM Executive Board, as well as the host country criteria.

1.2 Scope

The validation scope is defined as an independent and objective review of the project design document, the project's baseline study and monitoring plan and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules, Gold Standard Version 02.1 and associated interpretations.

The validation is not meant to provide any consulting towards the Baktepe Enerji A.S.. However, stated requests for clarifications and/or corrective actions may provide input for improvement of the project design.

1.3 Validation team

The validation team consists of the following personnel:



FUNCTION	NAME	CODE HOLDER*	TASK PERFORMED
Lead Verifier	Mrs.Fikriye Seda Yucel	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> DR <input checked="" type="checkbox"/> SV <input checked="" type="checkbox"/> RI
Verifier	Mr.Mehmet Kumru	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> DR <input type="checkbox"/> SV <input checked="" type="checkbox"/> RI
Technical Specialist	Mrs.Yildiz Arikan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> DR <input type="checkbox"/> SV <input type="checkbox"/> RI
Financial Specialist	Mr.Murat Gencer .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> DR <input type="checkbox"/> SV <input type="checkbox"/> RI
Internal Technical Reviewer (ITR)	Mrs. Ashok Mammen	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> DR <input type="checkbox"/> SV <input checked="" type="checkbox"/> RI
Specialist supporting ITR	Insert name of N.A.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> DR <input type="checkbox"/> SV <input type="checkbox"/> RI

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

2 METHODOLOGY

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

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

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

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

2.1 Review of Documents

The Project Design Document (GS-VER-PDD) submitted by Baktepe Enerji A.S. and additional background documents related to the project design and baseline, i.e. country Law, Guidelines for Completing the Project Design Document (GS-VER-PDD), Approved methodology, Gold Standard Version 02.1 Kyoto Protocol, Clarifications on Validation Requirements to be Checked by a Designated Operational Entity were reviewed.

To address Bureau Veritas Certification corrective action and clarification requests, Baktepe Enerji A.S. revised the GS-VER-PDD and resubmitted it on 11/2011.

The validation findings presented in this report relate to the project as described in the GS-VER-PDD version 10 dated 14.09.2012..

2.2 Follow-up Interviews

On 03/02/2011 Bureau Veritas Certification performed interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of Baktepe Enerji A.S. were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
Baktepe Enerji A.S. (project owner)	<ul style="list-style-type: none"> ➤ Design of the project activity ➤ The planning and the construction phase of the project ➤ Investment analysis ➤ Milestone of the project activity ➤ Sustainable development in the region ➤ Local stakeholder consultation meeting ➤ The meters and monitoring system ➤ Bird migration route ➤ Training of the employees ➤ Waste management ➤ Noise during operation ➤ Technology transfer ➤ Expropriation ➤ Health and safety precautions ➤ Personal protective equipment ➤ Working conditions
LOCAL Stakeholder	<ul style="list-style-type: none"> ➤ Sustainable development in the region ➤ Local stakeholder consultation meeting ➤ Expropriation ➤ Bird migration route ➤ Agriculture and forestry ➤ The condition of village roads ➤ Project's impact on local economy
FutureCamp Turkey (Consultant)	<ul style="list-style-type: none"> ➤ Local stakeholder consultation meeting ➤ Consideration of comments from the stakeholders ➤ Sustainable development in the region ➤ Additionality of the project activity ➤ Investment analysis ➤ Baseline determination ➤ Emission reduction calculations ➤ Bird migration route ➤ Noise during operation ➤ Training of the employees



2.3 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the validation is to raise the requests for corrective actions and clarification and any other outstanding issues that needed to be clarified for Bureau Veritas Certification positive conclusion on the project design.

Corrective Action Requests (CAR) is issued, where:

- (a) The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions;
- (b) The CDM methodology and Gold Standard requirements have not been met;
- (c) There is a risk that emission reductions cannot be monitored or calculated.

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

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

2.4 Internal Technical Review

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

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

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

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

The validation activity has been performed by the team by exercising utmost diligence and complete adherence to the CDM



methodology and Gold Standard Version 02.1 rules and requirements.

The review encompasses all aspects related to the project which includes project design, baseline, additionality, monitoring plans and emission reduction calculations, internal quality assurance systems of the project participant as well as the project activity, review of the stakeholder comments and responses, closure of CARs, CLs and FARs during the validation exercise, review of sample documents.

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

After the agreement of the responses on the 'Clarification Request' from the Lead Verifier as well as the PP(s) the finalized validation report is accepted for further processing such as uploading The final report in PDF format has been sent to project proponents.

3 VALIDATION CONCLUSIONS

In the following sections, the conclusions of the validation are stated.

The findings from the desk review of the original project design documents and the findings from interviews during the follow up visit are described in the Validation Protocol in Appendix A.

The Clarification and Corrective Action Requests are stated, where applicable, in the following sections and are further documented in the Validation Protocol in Appendix A. The validation of the Project resulted in 32 Corrective Action Requests (CARs) and 29 Clarification Requests (CLs). 3 Forward Action Requests (FARs).

The CARs and CLs were closed based on adequate responses from the Project Participant(s) which meet the applicable requirements. They have been reassessed before their formal acceptance and closure.

The number between brackets at the end of each section correspond to the VVM paragraph

3.1 Project design document (57)

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



3.2 Project description (64)

The process undertaken to validate the accuracy and completeness of the project description has been done through document review and the site visit. The proposed project activity does not involve the alteration of an existing installation or process. The project activity is a new built wind power project as validated through the site visit.

The project activity is a wind power plant located in Turkey, within the boundaries of Merzifon District of Amasya Province. The annual energy generation is estimated as 111,670 MWh. Generated electricity is being fed to the national grid. The annual average of emission reduction is estimated as 66,777 tCO₂e. The implementation of the project consists of 16 wind turbines with total capacity of 40MW. The project activity includes wind turbines with 2500kW installed capacity. The generated electricity will be fed to the national grid via a transmission line of 8km at the 33kVA Kayaduzu Transformer Substation.

The DOE hereby confirms that the project description in GS-VER-PDD (Section A.2) is accurate and complete in all respects.

3.3 Baseline and monitoring methodology

3.3.1 General requirement (76-77)

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

Applicability condition (a): Kayaduzu WPP is a grid connected renewable electricity generation project. Information is confirmed through the generation licence of the project and with the site visit.

Applicability condition (b): During site visit, it was confirmed that the project does not involve switching from fossil fuel use to renewable energy at the site of the project activity.

Applicability condition (c): The geographic and system boundaries for the relevant electricity grid can be clearly identified and information on the characteristics of the grid is available from TEIAS. All used information has been checked through the official web page.

The DOE hereby confirms that the selected baseline and monitoring methodology (ACM0002 Version 12), "tool for the demonstration and assessment of additionality" (Version 05.2) and "tool to calculate the emission factor for an electricity system" (Version 02) "tool to calculate project or leakage CO₂ emissions from fossil fuel combustion" (Version 02). "combined tool to identify the baseline scenario and demonstrate additionality. (Version 02.2) is previously approved by the CDM Executive Board, and is applicable to the project activity, which, complies with all the applicability conditions therein.



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

The DOE hereby confirms that used ex-ante parameters (baseline emission factors) conservative and appropriate.

3.3.2 Project boundary (80)

The DOE validated the project boundary by:

a) Site visit and the reference documentation, including FSR, generation license, equipment agreement. b) The locations of the turbines have been observed and the coordinated have been checked with the GPS device during the site visit.

For the baseline, CO₂ emissions are included in baseline calculation since fossil fueşs fired for electricity generation. CH₄ and N₂O emissions are neglected regarding to the methodology. For the project activity, project emissions are neglected regarding to the methodology since the project activity is a wind power plant.

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

3.3.3 Baseline identification (87-88)

The steps taken to assess the requirement given in paragraph 81 and 82 of the VVM are described below:

The baseline scenario has been identified in the with the selected baseline methodology ACM0002 Version 12. Regarding to the methodology the baseline has been identified as “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”.

Project participant has used the official published data, TEIAS statistics, on operating and build margin emission factors. The years considered for OM are 2006 and 2008 and the OM emission factor has calculated as 0.6534 tCO₂/MWh. The BM emission factor has calculated as 0.4469 tCO₂/MWh between 2004 and 2008. The project participant has applied weight average of the OM and BM as specified in the tool to arrive at the emission factor for the combined margin. Accordingly, the combined margin emission factor has calculated as 0.6018 tCO₂/MWh that was confirmed by the validation team with reviewing all the baseline calculation sheet equations and confirming the used parameters for the calculations.

Based on the above assessment, the DOE hereby confirms that:



- (a) All the assumptions and data used by the project participants are listed in the GS-VER-PDD, including their references and sources;
- (b) All documentation used is relevant for establishing the baseline scenario and correctly quoted and interpreted in the GS-VER-PDD;
- (c) Assumptions and data used in the identification of the baseline scenario are justified appropriately, supported by evidence and can be deemed reasonable;
- (d) Relevant national and/or sectoral policies and circumstances are considered and listed in the GS-VER-PDD;
- (e) The approved baseline methodology has been correctly applied to identify the most reasonable baseline scenario and the identified baseline scenario reasonably represents what would occur in the absence of the proposed GS-VER project activity.

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

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

The baseline calculation has been demonstrated through the baseline calculation excel sheet. The calculations and the parameters used have been checked by the validation team. The parameters are in line with the references.

Anthropogenic emission reduction is a function of the expected net amount of electricity produced, for the given project, which amounts to 111,670 MWh per annum. The annual emission reduction is 66,777tCO₂e. Over the crediting period of seven years, the total amount of emission reduction will reach 467,439 tCO₂e. For all calculations, the combined emission factor is 0.5980 tCO₂/MWh.

The baseline emissions BE_y has been calculated as following:

$$BE_y = EG_{PJ,y} \times EF_{grid, CMy}$$

Where:

BE_y = Baseline emissions in year y (tCO₂e/year)

EG_{PJ,y} = Quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the CDM project activity in year y (MWh/yr)

EF_{grid, CMy} = Combined margin CO₂ emission factor for grid connected power generation in year y

The project activity is a greenfield wind power plant where no renewable power plant was operated prior to the implementation of the project activity. Therefore:

$$EG_{PJ,y} = EG_{facility,y}$$



$$EG_{\text{facility},y} = 111,670 \text{ MWh/year}$$

The expected baseline emission for the full year production of the project is:

$$BE_y = 0.5980 \times 111,670 = 66,777 \text{ tCO}_2\text{e.}$$

Annual estimation of emissions reductions has been calculated as follows in line with the ACM0002/Version 12.

$$ER_y = BE_y - PE_y - LE_y$$

Where:

ER_y = Emission reductions in year y (tCO₂e/yr)

BE_y = Baseline emissions in year y (tCO₂e/yr)

PE_y = Project emissions in year y (t CO₂/yr)

LE_y = Leakage emissions in year y (tCO₂/yr)

Project emissions have been assumed to be zero in line with the methodology since the project activity is a wind power plant. No leakage emissions have been considered since energy generating equipment is not transferred from or to another activity.

Therefore, the annual emission reduction is estimated as:

$$ER_y = 66,777 - 0 - 0 = 66,777 \text{ tCO}_2\text{e.}$$

Based on the above assessment, the DOE hereby confirms that:

- (a) All assumptions and data used by the project participants are listed in the GS-VER-PDD, including their references and sources;
- (b) All documentation used by project participants as the basis for assumptions and source of data is correctly quoted and interpreted in the GS-VER-PDD;
- (c) All values used in the GS-VER-PDD are considered reasonable in the context of the proposed GS-VER project activity;
- (d) The baseline methodology has been applied correctly to calculate project emissions, baseline emissions, leakage and emission reductions;
- (e) All estimates of the baseline emissions can be replicated using the data and parameter values provided in the GS-VER-PDD.

The formulas and factors used in the calculation of GHG emissions are found to be transparent and correct by the validation team. The emission factors of fuels that are used in the calculations are taken from the IPCC default values at the lower limit of uncertainty at a 95% confidence interval as provided in table 1.4 of Chapter 1 of Vol.2 (Energy) of the 2006 IPCC Guidelines on National GHG Inventories, as suggested by the methodology. The efficiency factors of power plants are taken from Annex 1 of the "Tool to calculate the emission factor for an electricity system". The efficiency factors used are on the conservative side. All data presented in the baseline calculations are provided from official sources. Therefore, uncertainties of data sets were not estimated. There are no uncertainties in the calculations.



3.4 Additionality of a project activity (97)

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

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

3.4.1 Prior consideration of the clean development mechanism (104)

The DOE validated the project activity start date provided in the GS-VER-PDD by signature with Electromechanical Agreement which is date 06/10/2010. Baktepe Enerji decided to start the carbon certification process. The evidence for prior consideration of the GS-VER that board decision which is date 01/06/2009. The board decision shows that carbon reduction revenue was seriously considered in the decision proceed with the project activity. According to the above information the DOE confirms that prior consideration is met to EB 49 Annex 22 “Guidelines on the demonstration and assessment of prior consideration of the CDM”

3.4.2 Identification of alternatives (107)

The approved methodology, ACM0002 that is selected by the proposed project activity identifies the baseline scenario for the greenfield renewable power plants. Hence, no further analysis is required.

Complying with paragraph 107/VVM, the DOE was able to verify that the alternatives identified to the Project are credible and complete, and found that Step 1 of “Tool for the Demonstration and Assessment of Additionality” was applied appropriately.

3.4.3 Investment analysis (114)

The assessment and demonstration of additionality of the project has been done by using UNFCCC methodological tool, “Tool for the Demonstration and Assessment of Additionality”, Version 05.2. In applying this tool under sub-step 2a, Benchmark Analysis (Option III) has been chosen and the other options have been eliminated because, the proposed Project generates financial and economic benefits through the sales of electricity other than Voluntary Emissions Reduction (VER) related income.



Step 1: Identification of alternatives to the project activity consistent with current laws and regulations

Sub-step 1a, the following three alternatives are identified as the alternative scenarios that are likely to happen in the absence of the project activity:

Alternative 1: The proposed project activity undertaken without being registered as a GS VER project activity.

Alternative 2: Other realistic and credible alternative scenario(s) to the proposed GS VER project activity scenario that deliver electricity with comparable quality, properties and application areas, taking into account, where relevant, examples of scenarios identified in the underlying methodology;

Alternative 3: Continuation of the current situation, i.e. Kayadüzü WPP is not built.

From the alternatives listed above Alternative 1 and Alternative 3 are assessed to be realistic and credible alternatives. Alternative 2 is eliminated since the project owner has not a license in the other energy sector.

Analyzing the alternatives that are defined as realistic, it is seen that all scenarios are consistent with the baseline definition of ACM0002, Version 12.1.0. All of the alternatives comply with legal requirements, as they are practices currently present in the host country.

Step 2: Investment analysis

The project proponent used Step 2 'Investment Analysis' for the demonstration of the additionality of the project activity. Under Step 2- Investment Analysis there are four sub-steps.

Under sub-step 2a, Benchmark Analysis (Option III) is chosen. This chosen is also assessed to be appropriate by the validation team. The simple cost analysis (Option I) cannot be taken since the proposed project generates financial and economic benefits through the sales of electricity other than Voluntary Emissions Reduction related income. (Option II) is only applicable to projects where alternatives should be similar investment projects.

Under sub-step 2b, Project IRR is selected as a financial indicator. The selected benchmark is assessed to be applicable to the type of IRR calculated as per the guidelines given in 'The tool for the demonstration and assessment of additionality'. The benchmark value is 15% and derived from the World bank loan appraisal document as a banker view.

Under sub-step 2c, Project IRR is calculated. Project proponents have also submitted an excel sheet showing the details of the calculations. Some revisions have been made

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to these calculations until the latest version, which was submitted to the validation team together with the final PDD.

The reference documents for the IRR input were submitted to the validation team. The Project IRR is calculated as 9.67% that is lower than benchmark, 15%. The documents used to validate all the assumptions in IRR calculation are given below.

Parameters	Validated Value	Means of Validation
Annual electricity generation	111,670,000 kWh	Energy Assessment Report by Lahmayer dated 20.10.2010. Estimated emission reduction calculation is based on Lahmayer Energy Assessment Report. Third party assessment based on on-site measurements. Corresponding capacity factor was found reasonable
Electricity sales price	0.055 €/kWh	http://www.tbmm.gov.tr/develop/owa/kanunlar_sd.durumu?kanun_no=6094 The maximum purchase guarantee of the State in accordance with the Renewable Energy Law
Depreciation periods		
Turbines	10 years	National Regulations http://www.gib.gov.tr/fileadmin/user_upload/Yararli_Bilgiler/amortisman_oranlari2011.html
Electrical Equipments	20 years	
Investment Costs		
Turbine Cost	33,600,000 €	Electro Mechanical Purchase Agreement with Nordex. Electro mechanical cost of project based on agreement with Nordex.
Electrical Equipment Costs	4,399,160 €	Proposal of GÜNGÖR Elektrik for Electrical works dated 27.09.2010 Electrical works expenses is in line with general practice, found appropriate by the expert
Construction Works	421,114 €	Half of budget from Proposal of Sena İnşaat dated 18.10.2010. Construction works expenses is in line with general practice, found appropriate by the expert
Others	1,921,014 €	Calculation, For licencing, Development and Operation Cost During Construction , in line with general practice, found appropriate by the expert.
TOTAL	40,341,288 €	
Operating Expenses		
General & Administrative	177,778 €	Salaries for 5 staff and security service. Assumption based on market norms for comparable qualifications
Repair & Maintenance	720.000 €	Offer from Nordex, projected to 16 turbines
Other Costs	543,195 €	System usage fee and fee to Forestry Directorate http://www.epdk.org.tr/mevzuat/yonetmelik/elektrik/den



		geleme/yeni/duyilk.doc http://www.epdk.org.tr/mevzuat/yonetmelik/elektrik/den-geleme/dengelemeson.doc
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CAR17, CAR18 and CL29 have been raised in the process questioning the validity of the financial analysis inputs. Necessary explanations and documented evidence was supplied to the validation team and items that could not be validated were removed from the investment analysis input items, for conservativeness, hence CAR17, CAR18 and CL29 was closed. CAR 30 and CAR31 has been raised further validation of the debt and depreciation rates and this resulted in the revision of the IRR calculation hence the corrective actions were closed.

Under sub-step 2b: sensitivity analysis has been applied to the electricity price, investment cost, energy yield, operating cost for a decrease of 10% and for an increase of 10%.

Parameter	Electricity Price			Investment Cost			Energy Yield			Operating Cost		
	Variance	-10%	0%	+10%	-10%	0%	+10%	-10%	0%	+10%	-10%	0%
IRRs	5.81%	9.67%	13.46%	12.88%	9.67%	7.01%	5.81%	9.67%	13.46%	10.59%	9.67%	8.75%

Sensitivity analysis has been applied to the investment cost operating cost for a decrease of 10%, and for an increase of 10%,. Sensitivity analysis has been applied to the electricity tariff, operating cost and generation for a decrease of 10%, 10% and for an increase of 10%, Within the project context, the range of variations regarding the energy yield has been widened to -10% as per EB 62 Annex 5. It came out that the IRR increased to 13.46%, which is still a lower figure than the benchmark, which is 15%*

* <http://www->

[wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2009/05/11/000333037_20090511030724/Rendered/PDF/468080PAD0P112101Official0Use0Only1.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2009/05/11/000333037_20090511030724/Rendered/PDF/468080PAD0P112101Official0Use0Only1.pdf)



Wind power based generation is unable to benefit specifically from peak hour prices as a reservoir type hydro powered plant may do and the average wholesale price for electricity in 2011 has been determined as 14.07 Kr/ kWh (6.01 €cents/ kWh) while buying energy from generation companies that generate electricity from renewable energy sources . Assumed price set by law, 5.5 €c is conservative when compared and the 20% variation provides sufficient coverage.

Wind assessment reports have been based on site-specific, long term data and hence it can be assumed that the annual generation expectations are reliable, especially based on the more conservative P75 scenario.

In order to reach benchmark IRR, investment costs shall be decreased more than 15.77% and as it is fixed by the relevant contract, no mentionable fluctuation should be expected.

In order to reach benchmark IRR, annual operation decrease 59.1%.of annual operating costs consist of the turbine repair, maintenance and spare parts costs. This cost is set by the contract made with the turbine supplier (as validated through the relevant contract) and would not fluctuate considerably.

The above benchmark and accompanying sensitivity analyses reveal the fact that no alternative scenario can make the project pass the benchmark IRR expectation. Therefore, the project is not financially attractive

According to this sensitivity analysis, the IRR of the project activity rises up to 13.46% when the electricity price increase 10%. The IRR value decreases with the rise of the 5.81% when the electricity price decrease 10%.The DOE, based on the assessment result by the financial expert engaged, hereby confirms that the underlying assumptions are appropriate and the financial calculations are correct.

3.4.4 Barrier analysis (118)

Barrier Analysis is not carried out for the project activity.

3.4.5 Common practice analysis (121)

Under the common practice analysis section, an analysis of wind power plants in Turkey is provided.

First, an analysis of installed wind energy capacity in Turkey is provided. The analysis includes the location, owner company, installed capacity, business model of the project and VER status of wind power plants. There are 30 wind projects in operation as April 2011. The number of WPPs in the analysis is 30 and only five of them are not applied as VER projects. These projects (5 projects) which does not benefit from VER revenues is in a range of 0.85 to 10.2MW installed capacity or operated as a BOT (Build Own Operate). These projects are differs from the proposed project and installed capacity,



* size and per unit. The defined geographical area and existence of similar projects have been checked through the official web page EPDK.**†

The Investment Analysis and Common Practice Analysis have been applied for the project activity. The input values were confirmed through proposals and other sectoral data's were confirmed by the financial specialist through the sectoral knowledge. Common Practice Analysis data's were checked from TEIAS Statistics. The statements given under the common practice was validated based on the statistics of Turkish Electricity The DOE hereby confirms that the proposed GS VER project activity is not common practice.

3.5 Monitoring plan (124)

The DOE hereby confirms that the monitoring plan complies with the requirements of the methodology.

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

The monitoring plan has been defined in line with the monitoring methodology. The net electricity generation fed to grid by the project activity will be measured during monitoring.

- **EG_{facility,y}**: The only data that should be monitored is the amount of electricity that is annually fed into the grid by the plant. The electricity generation will be monitored continuously and recorded monthly by two meters. The measurement devices give the total gross electricity generated and the total electricity consumed by the wind farm. The difference of these two data is the net electricity generated. The data will be crosschecked with PMUM records.

The calibration and maintenance of the meters will be the responsibility of TEIAS and the project owner has no control over this calibration process.. the collected data will be kept during the crediting period and stored at least two years after the last issuance of VER credits for the project activity in the concerning crediting period.

- **Air Quality:**

“**CO and NMVOC**” : The reductions of CO and NMVOC emissions are monitored every monitoring period by calculation. The ratio between net electricity generation of the Project activity and grid has been calculated first, and host country emissions have been multiplied by this ratio in order to find emission reductions.

** <http://www.emra.org.tr/>

†



“**Dust Emission**” Level of dust emissions during construction of the project activity is monitored only once during the first verification by photos and confirmation letter from Muhtar.

- **Water Quality**

“**Cesspool discharge**”: Wastewater produced by workers during construction and operation phases will not be released to the environment but will be collected in an impermeable septic tank. Statement of wastewater treatment plant confirming that tanks are emptied there can as well be provided during the first verification.

- **Soil Condition**

Excavation Waste: Excavation waste which will be used as landscaping of the Project area.

- **Land Usage**

Lands that are used for grazing purposes shall be taken only for short period of time during construction. Usage of remaining lands for grazing activities by previous owners will be allowed.

- **Other Pollutants**

Solid Waste Disposal : Solid waste produced per person will be 1.34kg/day. The solid waste will firstly be separated for recycling if possible, if not it will be collected in rubbish bins and will be collected by Merzifon municipality. Amount of solid waste is monitored with a letter from Mayor of Kayadüzü Municipality.

Noise: The closest village of the project area is more than 2 km. regarding distance related noise graphic for industrial plants according to Regulation of Assessment and Management of Environmental Noise. This will be monitored with a letter from Mayor of Kayadüzü Municipality.

Road Conditions: Roads can be damaged during construction stage. As long as the construction stage is over, the roads shall be repaired.

- **Quality of employment**

Health and Safety Trainings: All staff will have trainings on Occupational Health and Safety issue.

- **Quantitative employment**

Number of local employment: For number of local employment: social insurance registries and receipts of employees.

- **Balance of Payment**

Money earned by locals: Private lands to be utilizes for the project activity will be compensated properly. Purchase agreements and payment receipts to the land owners.

Amount of avoided natural gas to be imported: Amount of avoided natural gas to be imported. The project helps to decrease the dependency of imported



natural gas. This parameter is monitored every year through electricity generation.

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

3.6 Sustainable development (127)

The sustainable development has been discussed under sustainable development matrix of GS Passport of the project activity. It is confirmed that project does not cause any negative impact on the sustainable development.

Amount of CO and NMVOC emissions will be reduced since the project activity does not combust fossil fuels. The reductions of CO and NMVOC emissions are monitored every monitoring period by calculation. The project will create new employments on the project region. The project will have positive impact balance of payment with avoided natural gas imported.

3.7 Local stakeholder consultation (130)

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

The project is a regular project since LSC meeting is realized. Stakeholder Consultation Meeting conducted 21 September 2010. The starting and finishing date of the stakeholder feedback round was verified through interviews with the stakeholders during the site visit.

There were no negative comments there is no design change due to the stakeholder comments. During site visit, the meeting with the stakeholders has been done and it is also confirmed that the locals has no negative opinion about the project.

On 03/02/2011, Bureau Veritas Certification performed interviews on the project site with project stakeholders. The villagers were interviewed about the effects caused by the project activity and no negative comment has been received. The villagers have also mentioned that the region is not at the bird migration route.

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

3.8 Environmental impacts (133)



The project activity is environmentally licensed by the competent authority. The “EIA not required certificate” dated 23/07/2009 was submitted to the validation team. During the site visit it was seen that the project provides job opportunities to local workers. The stakeholders were also present during the site visit. They were interviewed by the validator. All of the stakeholders that were interviewed were content with the project activity and the general opinion was that the project was beneficial for the surrounding villages.

4 VALIDATION OPINION

Bureau Veritas Certification has performed a validation of the Kayadüzü 40MW Wind Power Plant, Turkey Project in Turkey . The validation was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

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

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

By the wind power plant, the project is likely to result in reductions of GHG emissions partially. An analysis of the investment. , demonstrates that the proposed project activity is not a likely baseline scenario. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity. Given that the project is implemented and maintained as designed, the project is likely to achieve the estimated amount of emission reductions. The expected annual emission reduction is 66,777 tonnes of CO₂e.

The review of the project design documentation (version 10) and the subsequent follow-up interviews have provided Bureau Veritas Certification with sufficient evidence to determine the fulfillment of stated criteria. In our opinion, the project correctly applies and meets the relevant UNFCCC requirements for the GS-VER and the relevant host country criteria. Bureau Veritas Certification thus requests registration of ‘Kayadüzü 40MW Wind Power Plant, Turkey’ as GS-VER project activity.



5 REFERENCES

Category 1 Documents:

Documents provided by Type the Baktepe Enerji A.Ş. that relate directly to the GHG components of the project.

- /1/ GS-VER-PDD Version 01 dated 05/10/2010
- /2/ Gold Standard Passport, version 01 dated 14/01/2011
- /3/ Gold Standard Local Stakeholder Consultation Report dated 21/01/2011
- /4/ Baseline Excel sheet CM Calculation dated 14/01/2011
- /5/ GS-VER-PDD Version 02 dated 21/03/2011
- /6/ Gold Standard Passport, version 02 dated 21/03/2011
- /7/ GS-VER-PDD Version 03 dated 09/06/2011
- /8/ Gold Standard Passport, version 03 dated 09/06/2011
- /9/ Baseline Excel sheet CM Calculation dated 28/06/2011
- /10/ Baseline Excel sheet CM Calculation dated 13/10/2011
- /11/ GS-VER-PDD Version 04 dated 13/10/2011
- /12/ Gold Standard Passport, version 05 dated 24/11/2011
- /13/ GS-VER-PDD Version 05 dated 24/11/2011
- /14/ Baseline Excel sheet CM Calculation dated 24/11/2011
- /15/ GS-VER-PDD Version 06 dated 25/04/2012
- /16/ Baseline Excel sheet CM Calculation dated 25/04/2012
- /17/ GS-VER-PDD Version 07 dated 07/05/2012
- /18/ GS-VER-PDD Version 08 dated 17/05/2012
- /19/ GS-VER-PDD Version 09 dated 25/06/2012
- /20/ GS-VER-PDD Version 10 dated 14/09/2012
- /21/ Gold Standard Passport, version 06 dated 25/04/2012
- /22/ EIA not required decision given by Amasya Governorship Environment and Forestry Directorate on 23/07/2009
- /23/ Preliminary EIA Report dated May 2009 prepared by Mimko Muhendislik A.Ş.
- /24/ Baktepe Master Plan dated 14.06.2011
- /25/ Rental Contract dated 31/10/2010
- /26/ Bird Routes Decision Kayaduzu WPP dated 03/03/2010
- /27/ Carbon consultancy dated 22/07/2010 FutureCamp
- /28/ Construction proposal dated 21/06/2011
- /29/ Contract for Turbine supply and installation dated 06/10/2010
- /30/ Electrical Works Porposal with Güngör Elektrik 27/09/2010
- /31/ Wind Data Analysis and Energy Generation Report dated 20/10/2010 prepared by Lahmeyer International
- /32/ ODA Declaration dated 08/11/2010
- /33/ Ornithological Report of Kayaduzu dated 22/02/2010
- /34/ Loan Proposal Dated 20/08/2010 with Yapı Kredi Bank
- /35/ Board Decision of Baktepe Enerji dated 01/06/2009
- /36/ World Bank Benchmark Document "TURKEY Private Sector Renewable Energy and Energy Efficiency Project"



Category 2 Documents:

Background documents related to the design and/or methodologies employed in the design or other reference documents.

- /1/ Project Desing Document Form (GS-VER-PDD)
- /2/ Validation and Verification Manual, version 01.2
- /3/ Guidelines for Completing the Project Desing Document (CDM-PDD) and the Proposed New Baseline and Monitoring Methodologies (CDM-NM), version 07
- /4/ Approved consolidated baseline and monitoring metholdology ACM0002 version 12
- /5/ UNFCCC's Methodological Tool: "Tool for the demonstration and assessment of additionality", version 05.2
- /6/ UNFCCC's Methodological Tool: " Tool to calculate the emission factor for an electricity system" , version 02.



Persons interviewed:

List persons interviewed during the validation or persons that contributed with other information that are not included in the documents listed above.

- /1/ Bahtiyar il – Mayor of Kayadüzü Municipality
- /2/ Mr. Nihat Demirci – Villager
- /3/ Mr. Hasan Ko – Villager
- /4/ Mr. Salih Demirci – Worker
- /5/ Mr. Serdar Akan – Villager
- /6/ Mr. Mustafa Demirci – Villager

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7 CURRICULA VITAE OF THE DOE'S VALIDATION TEAM MEMBERS

Lead Verifier: Ms. Seda Yücel – Chemical Engineer, M.Sc Energy

Bureau Veritas Certification – Auditor/Trainer

Seda Yucel has over 2 years of experience in management systems and 4 years of experience in energy management in industry. She is a verifier for GHG Emission Reduction Projects. She has participated in various trainings on Gold Standard.

Verifier: Mehmet Kumru – Environmental Engineer

Bureau Veritas Certification – Auditor/Carbon Verifier

Mehmet Kumru is an has over 5 years experience in environmental and energy sectors. He is worked about renewable energy projects. He is a verifier for GHG Emission Reduction Projects. He is an auditor for ISO 14064 standard.**Baseline Specialist: Mrs. Yildiz Arikan - Assoc. Professor Dr**

Sabancı University, Faculty of Management

Yildiz Arikan is an Electrical engineer and she is working at Sabancı University. She has supported thesis related with energy. In addition, she has been conducting research studies on energy including "CO2 Emission Research" Studies. Academically, Yildiz Arikan is working also on GHG project since 2005.

Investment Analysis Specialists: Mr. Murat Gencer – Master of Economics

RiskTürk Software Development and Consultancy – Head of Financial Analysis Team

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

Internal Technical Review:

Dr. Ashok Mammen – PhD Oils and Lubricants



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

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APPENDIX A: COMPANY GS VER PROJECT VALIDATION PROTOCOL

Table 1 Validation requirements based on the Clean Development Mechanism Validation and Verification Manual (Version 01.2) and methodology ACM0002 (Version 11 – “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”)



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
1. Approval			COUNTRY A (insert the country name)	COUNTRY B (insert the country name)	
a. Have all Parties involved approved the project activity?	VVM	44	N/A		OK OK
b. Has the DNA of each Party indicated as being involved in the proposed CDM project activity in section A.3 of the PDD provided a written letter of approval? (If yes, provide the reference of the letter of approval, any supporting documentation, and specify if the letter was received from the project participation or directly from the DNA)	VVM	45	N/A		OK OK
c. Does the letter of approval from DNA of each Party involved:	VVM	45	N/A		OK OK
i. confirm that the Party is a Party of the Kyoto Protocol?	VVM	45.a	N/A		OK OK
ii. confirm that participation is voluntary?	VVM	45.b	N/A		OK OK
iii. confirm that, in the case of the host Party, the proposed CDM project activity contributes to the sustainable development of the country?	VVM	45.c	N/A		OK OK
iv. Refers to the precise proposed CDM project activity title in the PDD being submitted for registration?	VVM	45.d	N/A		OK OK
d. Is(are) the letter(s) of approval unconditional with respect to (i) to (iv) above?	VVM	46	N/A		OK OK
e. Has(ve) the letter(s) of approval been issued by the respective Party's designated national authority (DNA) and is valid for the CDM project activity under validation?	VVM	47	N/A		OK OK


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VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
f. Is there doubt with respect to the authenticity of the letter of approval?	VVM	48	N/A	OK	OK
g. If yes, was verified with the DNA that the letter of approval is authentic?	VVM	48	N/A	OK	OK
2. Participation			PP1 (insert PP1 name) PP2 (insert PP2 name)		
a. Have all project participants been listed in a consistent manner in the project documentation?	VVM	51	N/A	OK	OK
b. Has the participation of the project participants in the project activity been approved by a Party to the Kyoto Protocol?	VVM	51	N/A	OK	OK
c. Are the project participants listed in tabular form in section A.3 of the PDD?	VVM	52	N/A	OK	OK
d. Is the information in section A.3 consistent with the contact details provided in annex 1 of the PDD?	VVM	52	N/A	OK	OK
e. Has the participation of each of the project participants been approved by at least one Party involved, either in a letter of approval or in a separate letter specifically to approve participation? (Provide reference of the approval document for each of the project participants)	VVM	52	N/A	OK	OK
f. Are any entities other than those approved as project participants included in these sections of the PDD?	VVM	52	N/A	OK	OK
g. Has the approval of participation issued from the relevant DNA?	VVM	53	N/A	OK	OK
h. Is there doubt with respect to (g) above?	VVM	53	N/A	OK	OK
i. If yes, was verified with the DNA that the approval of participation is valid for the proposed	VVM	53	N/A	OK	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
CDM project participant?					
3. Project design document					
a. Is the PDD used as a basis for validation prepared in accordance with the latest template and guidance from the CDM Executive Board available on the UNFCCC CDM website?	VVM	55	Yes, the PDD used for validation has version number 03 (in effect as of 28 July 2006) which is in accordance with the latest template and guidance from the CDM Executive Board on the UNFCCC website.	OK	OK
Is the PDD in accordance with the applicable CDM requirements for completing the PDD?	VVM	56	Yes, PDD is in accordance with the applicable CDM requirements for completing the PDD. According to the comparison of the PDD with the PDD format (version number 03-in effect as of 28 July 2006), all titles have been included in the PDD.	OK	OK
b. In CDM-PDD section A.1 are the following provided?	EB 41	Ann 12		OK	OK
i. Title of project	EB 41	Ann 12	Title of the project is given as "Kayadüzü 40 MW Wind Power Plant, Turkey".	OK	OK
ii. Current version number and date of document	EB 41	Ann 12	Version number is 04 and is dated to 13/10/2011.	OK	OK
c. In CDM-PDD section A.2 are following provided (max. one page)?	EB 41	Ann 12		OK	OK
i. A brief description of the project activity covering purpose which includes the scenario existing prior to the start or project, present scenario and baseline scenario	EB 41	Ann 12	Please include: -purpose of project activity - scenario existing prior to the start or project - baseline scenario In section A.2.	CAR-1	OK
ii. Explanation on how the GHG emission reductions are effected	EB 41	Ann 12	Electricity generated will replace the grid electricity, which is constituted of different fuel sources, mainly fossil fuels.	OK	OK



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VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
iii. The PP's vies on the contribution of project activity to sustainable development	EB 41	Ann 12	<p>The contribution of the project to sustainable development is clearly defined in section A.2. of the PDD.</p> <p>Objective evidences have been provided for the ways to contribute to sustainable development:</p> <ul style="list-style-type: none"> -there are local employees in the plant -there are local purchases and related bills -trainings are given to employees -company has donated the mosque, the village head office and Kayaduzu village. 	OK	OK
			Please show objective evidence to DOE that roads damaged during construction will be repaired when the construction is over.	CL-1	OK
			Please clarify the DOE about the current situation of the application about land usage. If the fees have been paid please provide objective evidence about the payments.	CL-1	
iv. Are there any changes/modifications compared to the webhosted PDD?	EB 41	Ann 12	There are differences between the v1 and latest version of the PDD: baseline and IRR calculations have been corrected for some errors.	OK	OK
d. In CDM-PDD section A.3 are following provided in the tabular format?	EB 41	Ann 12	The information has been provided in tabular format.	OK	OK
i. List of project participants and parties	EB 41	Ann 12	The project participant company is Baktepe Enerji.	OK	OK
ii. Identification of Host Party			Turkey is a host country and has ratified the Kyoto Protocol but as she has not signed it yet she is only present in voluntary markets.	OK	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
iii. Indication whether the Party wishes to be considered as project participant	EB 41	Ann 12	Party does not wish to be a PP.	OK	OK
e. In CDM-PDD section A.4.1 are following provided?	EB 41	Ann 12		OK	OK
i. Technical description, location, host party(ies) and address as required	EB 41	Ann 12	Physical description and location have been given as: Project area is 37 km north-west to the province Amasya, in the Black Sea region of Turkey, 8 km north-east to the town of Merzifon.	OK	OK
ii. Detailed physical location with unique identification of the project activity (eg. Longitude/latitude) – not to exceed one page	EB 41	Ann 12	Coordinates have been provided in the PDD and also checked during site visit.	OK	OK
iii. Are there any changes/modifications compared to the webhosted PDD?	EB 41	Ann 12	There are differences between the v1 and latest version of the PDD: baseline and IRR calculations have been corrected for some errors.	OK	OK
f. In CDM-PDD section A.4.2 is the list of categories of project activities provided?	EB 41	Ann 12	Using the list of categories of project activities and of registered CDM project activities by category available on the UNFCCC CDM web site ³ , Kayadüzü WPP falls in: Scope number: 1 Sectoral scope: Energy industries, renewable sources.	OK	OK
g. In CDM-PDD section A.4.3 are following provided?	EB 41	Ann 12		OK	OK
i. A description of how environmentally safe and sound technology, and know-how, is transferred to the Host Party(ies)	EB 41	Ann 12	Please explain in details how technology and know how is transferred.	CAR-2	OK
ii. Explanation of purpose of project activity with	EB	Ann	Please include:	CAR-3	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
scenario existing prior to the start of project, scope or present activities and the baseline scenario	41	12	-purpose of project activity - scenario existing prior to the start or project - baseline scenario In section A.4.3		
iii. List and arrangement of the main manufacturing/production technologies, systems and equipments involved	EB 41	Ann 12	Specification of the turbines is provided. Supply agreement dated 6 October 2010 is for 16 turbines of 2,5 MW capacity. In section A.4.3, 18 turbines are mentioned. Also in section A.2. it is indicated that 15 X 2,5 MW and 1 X 1,5 MW will be installed. Also the license is for 39 MW but installed capacity is 40 MW. On pg:12, 20 turbines are mentioned. Installed capacity in the project site, PDD and license should be in line with each other. Production license is for 26 turbines. During site visit it was mentioned that an application for the renewal of the license was made. Please provide the application to DOE. Please clarify.	CAR-4	OK
iv. The emissions sources and GHGs involved	EB 41	Ann 12	The project activity will achieve emission reductions by avoiding CO2 emissions from the business-as-usual scenario electricity generation produced by mainly fossil fuel-fired power plants within the Turkish national grid.	OK	OK
v. Are there any changes/modifications compared	EB	Ann	There are differences between the v1 and latest	OK	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
to the webhosted PDD?	41	12	version of the PDD: baseline and IRR calculations have been corrected for some errors.		
h. In CDM-PDD section A.4.4 is the estimation of emission reductions provided as requested in a tabular format?	EB 41	Ann 12	Annual estimations of emission reductions, total emission reductions and number of crediting years is given in Section A.4.4. of the PDD. Information is in tabular format. Calculations will be checked by experts.	OK	OK
i. In CDM-PDD section A.4.5 is Information regarding Public funding provided?	EB 41	Ann 12	It is indicated that project does not obtain any public funding.	OK	OK
j. In CDM-PDD section B.1 are following provided?	EB 41	Ann 12		OK	OK
i. The approved methodology and version number	EB 41	Ann 12	For the determination of the baseline, the official methodology ACM0002 version 12, EB 56, "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", is applied.	OK	OK
ii. Any methodologies or tools which the above approved methodology draws upon and their version number	EB 41	Ann 12	For baseline calculation the "Tool to calculate the emission factor for an electricity system" and for additionality assessment the "Tool for the demonstration and assessment of additionality" is used. Please indicate version numbers of the tools throughout all the documents where the tools are mentioned.	CAR-5	OK
k. In CDM-PDD section B.2 are following provided?	EB 41	Ann 12		OK	OK
i. Justification of the choice of methodology that	EB	Ann	Please discuss all elements of the applicability	CAR-6	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
the project activity meets each of the applicability conditions	41	12	conditions of the methodology.		
ii. Documentations with references that had been used. This can be provided in Annex 3 instead	EB 41	Ann 12	There are no references.	OK	OK
I. In CDM-PDD section B.3 are following provided?	EB 41	Ann 12		OK	OK
i. Description of all sources and gases included in the project boundary in the table	EB 41	Ann 12	CO2 is considered as an emission source in the baseline scenario. This is a wind project and has no project emissions.	OK	OK
ii. A flow diagram of the project boundary physically delineating the project activity	EB 41	Ann 12	Operation diagram is included.	OK	OK
iii. The flow diagram with all equipments, systems and flows of mass and energy etc	EB 41	Ann 12	Operation diagram is included.	OK	OK
m. In CDM-PDD section B.4 are following provided?	EB 41	Ann 12		OK	OK
i. Explanation how the most plausible baseline scenario is identified in accordance with the selected baseline methodology	EB 41	Ann 12	The reason to choose the baseline scenario as “electricity delivered to the grid by the project activity which would have otherwise been generated by the operation of grid connected power plants and by the addition of new generation sources” is that project is installation of new grid connected renewable power plant, as indicated in ACM002.	OK	OK
ii. Justification of key assumptions and rationales	EB 41	Ann 12	Justification of the baseline selection is given in section b.4: -Energy demand in Turkey has been increasing with significant rates since ten years, and it is expected to continue at least for next ten years.	OK	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
			<p>- Even all operational plants, construction phase plants and licensed ones are taken into account lack of supply is projected after the year of 2014. So, there is significant need for electricity generation investments to satisfy demand, which means electricity to be generated by the project activity would otherwise be generated by new power plants to avoid power shortage in coming years.</p> <p><input type="checkbox"/> Fossil fuels will hold the dominance in generation mix for at least midterm period (till the end of 2018) with 75% share. Hydro included renewables will remain low with 24.5% share and non-hydro energy contribution will stay negligible with only 1.5% of total share by the end of that period. This also shows that most of new capacity additions will be fossil fuel fired power plants.</p>		
iii. Transparent illustration of all data used to determine the baseline scenario (variables, parameters, data sources, etc.)	EB 41	Ann 12	Reference 7 on pg 8 is not working. Please clarify reference 10 on pg:12	CAR-7	OK
iv. A transparent and detailed description of the identified baseline scenario, including a description of the technology that would be employed and/or the activities that would take place in the absence of the proposed project activity	EB 41	Ann 12	Baseline scenario is clearly identified: electricity delivered to the grid by the project activity which would have otherwise been generated by the operation of grid connected power plants and by the addition of new generation sources	OK	OK
v. Are there any changes/modifications compared to the webhosted PDD?	EB 41	Ann 12	There are differences between the v1 and latest version of the PDD: baseline and IRR calculations	OK	OK



VALIDATION REPORT

CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
			have been corrected for some errors.		
n. In CDM-PDD section B.5 are following provided?	EB 41	Ann 12		OK	OK
i. Explanation of how and why this project activity is additional and therefore not the baseline scenario in accordance with the selected baseline methodology	EB 41	Ann 12	Additionality is discussed in section B.5.	OK	OK
ii. Justification of key assumptions and rationales	EB 41	Ann 12	Assumptions have been checked and approved by experts.	OK	OK
iii. Transparent illustration of all data used to determine the baseline scenario (variables, parameters, data sources etc)	EB 41	Ann 12	Data and variables have been checked and approved by experts.	OK	OK
iv. Evidence that the incentive from the CDM was seriously considered in the decision to proceed with the project activity, if the starting date of the project activity is before the date of validation	EB 41	Ann 12	The project activity begins in 0610/2010, the date of electromechanical agreement. Prior consideration is proved with VER consultant contract which is dated to July 2010.	OK	OK
o. In CDM-PDD section B.6.1 are following provided?	EB 41	Ann 12		OK	OK
i. Explanation as to how the procedures, in the approved methodology to calculate project emissions, baseline emissions, leakage emissions and emission reductions are applied to the proposed project activity	EB 41	Ann 12	Determination of the emission reductions are explained in this section. Project emissions and leakage emissions are mentioned in section B.6.3.	OK	OK
ii. Equations used in calculating emission reductions	EB 41	Ann 12	Equations are provided.	OK	OK
iii. Explanation and justification for all relevant methodological choices, including different scenarios or cases, options and default values	EB 41	Ann 12	Methodological choices are explained	OK	OK



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p. In CDM-PDD section B.6.2 are following provided?	EB 41	Ann 12		OK	OK
i. A compilation of information on the data and parameters that are not monitored throughout the crediting period but that are determined only once and thus remains fixed throughout the crediting period AND that are available when validation is undertaken	EB 41	Ann 12	Fixed parameters are provided	OK	OK
ii. The actual value period	EB 41	Ann 12	Data sources are checked and approved by experts.	OK	OK
iii. Explanation and justification for the choice of the source of data	EB 41	Ann 12	Sources of data are provided.	OK	OK
iv. Clear and transparent references or additional documentation in Annex 3	EB 41	Ann 12	Annex 3 is used for extra information.	OK	OK
v. Where values have been measured, a description of the measurement methods and procedures (e.g. which standards have been used), indicated the responsible person/entity having undertaken the measurement, the date of measurement(s) and the measurement results	EB 41	Ann 12	Values are not measured.	OK	OK
q. In CDM-PDD section B.6.3 are following provided?	EB 41	Ann 12		OK	OK
i. A transparent ex ante calculation of project emissions, baseline emissions (or, where applicable, direct calculation of emission reductions) and leakage emissions expected during the crediting period, applying all relevant equations provided in the approved	EB 41	Ann 12	The proposed project activity involves the generation of electricity by development of a wind farm. The generation of electricity does not result in greenhouse gas emissions and therefore is taken as 0 tCO ₂ /year.	OK	OK



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methodology			LEy is 0, as it is not considered according to ACM0002 Baseline emissions include only CO2 emissions from electricity generation in fossil fuel fired power plants that are displaced due to the project activity.		
			Annual emission reductions are 67,203 in the excel sheet and PDD table 4 but different in PDD pg 34. Please clarify.	CL-18	OK
ii. Documentation how each equation is applied, in a manner that enables the reader to reproduce the calculation	EB 41	Ann 12	Calculations are reproducible	OK	OK
iii. Additional background information and or data in Annex 3, including relevant electronic files (i.e. spreadsheets)	EB 41	Ann 12	Additional data is checked for consistency.	OK	OK
r. In CDM-PDD section B.6.4 are the results of the ex ante estimation of emission reductions for all years of the crediting period, provided in a tabular format?	EB 41	Ann 12	Table is in tabular format.	OK	OK
s. In CDM-PDD section B.7.1 are following provided?	EB 41	Ann 12		OK	OK
i. Specific information on how the data and parameters that need to be monitored would actually be collected during monitoring for the project activity	EB 41	Ann 12	Monitoring of electricity delivered to the grid is explained in details.	OK	OK
ii. For each parameter the following below information, using the table provided:	EB 41	Ann 12		OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
a. The source(s) of data that will be actually used for the proposed project activity (e.g. which exact national statistics). Where several sources may be used, explain and justify which data sources should be preferred.	EB 41	Ann 12	Source of data is on site measurement.	OK	OK
b. Where data or parameters are supposed to be measured, specify the measurement methods and procedures, including a specification which accepted industry standards or national or international standards will be applied, which measurement equipment is used, how the measurement is undertaken, which calibration procedures are applied, what is the accuracy of the measurement method, who is the responsible person/entity that should undertake the measurements and what is the measurement interval; (i) A description of the QA/QC procedures (if any) that should be applied; (ii) Where relevant: any further comment. Provide any relevant further background documentation in Annex 4.	EB 41	Ann 12	Measurement method is that: -Two electricity meters will be placed -Electricity will be measured hourly and readings monthly: On every month's last day, the production index will be taken from the main as well as the reserve meter -A protocol, which shows the measured data (including electricity amount supplied by the plant and received from the grid) will be signed from the Kayadüzü WPP Manager and a responsible person from the State Authorities (TEİAŞ – Turkish Electricity Transmission Company).	OK	OK
t. In CDM-PDD section B.7.2 are following provided?	EB 41	Ann 12		OK	OK
i. A detailed description of the monitoring plan	EB 41	Ann 12	Monitoring plan is detailed.	OK	OK
ii. The operational and management structure that	EB	Ann	For the operation of Kayadüzü WPP hierarchy is	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
the project operator will implement in order to monitor emission reductions and any leakage effects generated by the project activity	41	12	planned and is included in the PDD.		
iii. The responsibilities for and institutional arrangements for data collection and archiving	EB 41	Ann 12	Please state who is responsible for data collection and storage.	CAR-8	OK
iv. Indication that the monitoring plan reflect good monitoring practice appropriate to the type of project activity	EB 41	Ann 12	For wind projects, it is appropriate to monitor EG data only. Monitoring plan is good practice.	OK	OK
v. Relevant further background information in Annex 4	EB 41	Ann 12	No additional information is used other than given in B.7	OK	OK
u. In CDM-PDD section B.8 are following provided?	EB 41	Ann 12		OK	OK
i. Date of completion of the application of the methodology to the project activity study in DD/MM/YYYY	EB 41	Ann 12	Date of completion of the application of the methodology to the project activity study in 05/11/2010.	OK	OK
ii. Contact information of the person(s)/entity(ies) responsible for the application of the baseline and monitoring methodology to the project activity	EB 41	Ann 12	Name of the company is Baktepe Enerji A.S according to the license. Please revise company name.	CAR-9	OK
			Please provide name of responsible person for the baseline.	CAR-9	OK
iii. Indication if the person/entity is also a project participant listed in Annex 1	EB 41	Ann 12	FutureCamp Türkiye is not a project participant.	OK	OK
v. In CDM-PDD section C.1.1 are following provided?	EB 41	Ann 12		OK	OK
i. The starting date of a CDM project activity, which is the earliest of the date(s) on which the implementation or construction or real action of a project activity begins/has begun (EB33, Para	EB 41	Ann 12	The project activity begins in 0610/2010, the date of electromechanical agreement.	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
76/CDM Glossary of terms/EB41, Para 67)					
ii. A description of how this start date has been determined, and a description of the evidence available to support this start date	EB 41	Ann 12	The project activity begins in 0610/2010, the date of electromechanical agreement.	OK	OK
iii. If this starting date is earlier than the date of publication of the CDM-PDD for global stakeholder consultation by a DOE, description in Section B.5 contain a of how the benefits of the CDM were seriously considered prior to the starting date (EB41, Para 68).	EB 41	Ann 12	The project activity begins in 0610/2010, the date of electromechanical agreement. Prior consideration is proved with VER consultant contract which is dated to July 2010.	OK	OK
w. In CDM-PDD section C.1.2 is the expected operational lifetime of the project activity in years and months provided?	EB 41	Ann 12	The expected lifetime of the Kayadüzü WPP is 20 years.	OK	OK
x. In CDM-PDD section C.2 is it stated whether the project activity will use a renewable or a fixed crediting period and is C.2.1 or C.2.2 completed accordingly?	EB 41	Ann 12	A renewable crediting period is used.	OK	OK
y. In CDM-PDD section C.2.1 is it indicated that each crediting period shall be at most 7 years and may be renewed at most two times, provided that, for each renewal, a designated operational entity determines and informs the Executive Board that the original project baseline is still valid or has been updated taking account of new data where applicable?	EB 41	Ann 12	Please indicate if the crediting period is to be renewed.	CL-3	OK
z. In CDM-PDD section C.2.1.1 are dates in the following format: (DD/MM/YYYY) provided?	EB 41	Ann 12	Starting date of the crediting period is the commercial start of the plant: 01/01/2012.	OK	OK
aa. In CDM-PDD section C.2.1.2 is the length of the first crediting period in years and months	EB 41	Ann 12	The length of the first crediting period is 7 years, 0 months.	OK	OK



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provided?					
bb. In CDM-PDD section C.2.2 is the fixed crediting period at most ten (10) years provided?	EB 41	Ann 12	Fixed crediting period is not applicable.	OK	OK
cc. In CDM-PDD section C.2.2.1 are the dates provided in the following format: (DD/MM/YYYY)?	EB 41	Ann 12	N/A	OK	OK
dd. In CDM-PDD section C.2.2.2 is the length of the crediting period in years and months Provided?	EB 41	Ann 12	N/A	OK	OK
ee. In CDM-PDD section D.2 are the conclusions and all references to support documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the Host Party, if environmental impacts are considered significant by the project participants or the Host, provided?	EB 41	Ann 12	GSP and LSC Report is referred for environmental impacts.	OK	OK
ff. In CDM-PDD section E.1 are the following provided?	EB 41	Ann 12		OK	OK
i. The process by which comments by local stakeholders have been invited and compiled. An invitation for comments by local stakeholders shall be made in an open and transparent manner, in a way that facilitates comments to be received from local stakeholders and allows for a reasonable time for comments to be submitted.	EB 41	Ann 12	GSP and LSC Report is referred for stakeholder comments.	OK	OK
ii. The project activity is described in a manner, which allows the local stakeholders to understand the project activity, taking into account confidentiality provisions of the CDM modalities and procedures.	EB 41	Ann 12	GSP and LSC Report is referred for stakeholder comments.	OK	OK



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iii. The local stakeholder process has been completed before submitting the proposed project activity to the DOE for validation.	EB 41	Ann 12	LSC is completed before validation started.	OK	OK
gg. In CDM-PDD section E.2 are following provided?	EB 41	Ann 12		OK	OK
i. Identification of local stakeholders that have made comments	EB 41	Ann 12	GSP and LSC Report is referred for stakeholder comments.	OK	OK
ii. A summary of these comments.	EB 41	Ann 12	GSP and LSC Report is referred for stakeholder comments.	OK	OK
hh. In CDM-PDD section E.3 is the explanation of how due account have been taken of comments received from local stakeholders provided?	EB 41	Ann 12	GSP and LSC Report is referred for stakeholder comments.	OK	OK
ii. In CDM-PDD Annex 1 are the following provided?	EB 41	Ann 12		OK	OK
i. Contact information of project participants	EB 41	Ann 12	Contact information of Baktepe Enerji is provided.	OK	OK
ii. For each language cal listed in section A.3 the following mandatory fields: Organization, Name of contact person, Street, City, Postfix/ZIP, Country, Telephone and Fax or e-mail	EB 41	Ann 12	Address is provided.	OK	OK
jj. In CDM-PDD Annex 2 is information from Parties included in Annex I on sources of public funding for the project activity which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties provided?	EB 41	Ann 12	Please include ODA declaration in PDD.	CL-4	OK
kk. In CDM-PDD Annex 3 is the background	EB	Ann	Annex 3 is provided. Data will be checked by	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
information used in the application of the baseline methodology provided?	41	12	experts.		
II. In CDM-PDD Annex 4 is the background information used in the application of the monitoring methodology provided?	EB 41	Ann 12	No additional information is used other than given in B.7	OK	OK
4. Project description					
a. Does the PDD contain a clear description of the project activity that provides the reader with a clear understanding of the precise nature of the project activity and the technical aspects of its implementation?	VVM	58	PDD includes a clear description. Confusion regarding turbine numbers is questioned in CAR-1.	OK	OK
b. Is the description of the proposed CDM project activity as contained in the PDD:	VVM	59		OK	OK
i. sufficiently covering all relevant elements?	VVM	59	PDD includes all relevant elements.	OK	OK
ii. accurate?	VVM	59	Confusion regarding turbine numbers is questioned in CAR-1.	OK	OK
iii. providing the reader with a clear understanding of the nature of the proposed CDM project activity?	VVM	59	Description provides the reader with a clear understanding of the nature of the project.	OK	OK
iv. Are there any changes/modifications compared to the webhosted PDD?	VVM	59	There are differences between the v1 and latest version of the PDD: baseline and IRR calculations have been corrected for some errors.	OK	OK
c. Is the proposed CDM project activity in existing facilities or or utilizing existing equipments?	VVM	60	No, project is installation of a new WPP.	OK	OK
d. Is the CDM project activity one of the following types:	VVM	60		OK	OK
i. Large scale?	VVM	60	Project is large scale (40 MW).	OK	OK
ii. Non-bundled small scale projects with emission reductions exceeding 15,000 tonnes per year?	VVM	60	N/A	OK	OK



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iii. Bundled small scale projects, each with emission reductions not exceeding 15,000 tonnes?	VVM	60	N/A	OK	OK
e. If yes to l and (d) above, was a physical site inspection conducted to confirm that the description in the PDD reflects the proposed CDM project activity, unless other means are specified in the methodology?	VVM	60	N/A	OK	OK
f. If yes to (d.iii) above, was the number of physical site visits base on sampling?	VVM	60	N/A	OK	OK
g. If yes is the sampling size appropriately justified through statistical analysis?	VVM	60	N/A	OK	OK
h. For other individual proposed small scale CDM project activities with emission reductions not exceeding 15,000 tonnes per year, was a physical site inspection conducted?	VVM	61	N/A	OK	OK
i. For all other proposed CDM project activities not referred to in paragraphs 59 – 61, was a physical site inspection conducted?	VVM	62	Yes, a site visit was conducted on 3/2/2011.	OK	OK
j. If no, was it appropriately justified?	VVM	62	N/A	OK	OK
k. Does the proposed CDM project activity involve the alteration of an existing installation or process?	VVM	63	No, it is greenfield plant.	OK	OK
l. If yes, does the project description clearly state the differences resulting from the project activity compared to the pre-project situation?	VVM	63	N/A	OK	OK
5. Baseline and monitoring methodology					
a. General requirement					


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a. Do the the baseline and monitoring methodologies selected by the project participants comply with the methodologies previously approved by the CDM Executive Board?	VVM	65	Baseline is selected accordingly with the methodology.	OK	OK
b. Is the selected methodology applicable to the project activity?	VVM	66	Methodology is applicable	OK	OK
c. Had the PP correctly applied the selected methodology?	VVM	66	Methodology is correctly applied.	OK	OK
d. Had the selected methodology been correctly applied with respect to project boundary?	VVM	67	Methodology is correctly applied.	OK	OK
e. Had the selected methodology been correctly applied with respect to baseline identification?	VVM	67	Methodology is correctly applied.	OK	OK
f. Had the selected methodology been correctly applied with respect to Algorithms and/or formulae used to determine emission reductions?	VVM	67	Methodology is correctly applied.	OK	OK
g. Had the selected methodology been correctly applied with respect to additionality?	VVM	67	Methodology is correctly applied.	OK	OK
i. Has the additionality of the project activity been demonstrated and assessed using the latest version of the "Tool for the demonstration and assessment of additionality" agreed by the Board, which is available on the UNFCCC website?	ACM	0002 v.11	Additionality is demonstrated using the latest version of the "Tool for the demonstration and assessment of additionality"	OK	OK
h. Had the selected methodology been correctly applied with respect to monitoring methodology?	VVM	67	Methodology is correctly applied.	OK	OK
b. Applicability of the selected methodology to					



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the project activity					
a. Is the selected baseline and monitoring methodology, previously approved by the CDM Executive Board, applicable to the project activity? Is the used version valid?	VVM	68	Methodology ACM0002 version 12, EB 56, "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" is applicable and version is valid.	OK	OK
i. This methodology is applicable to grid-connected renewable power generation project activities that (a) install a new power plant at a site where no renewable power plant was operated prior to the implementation of the project activity (new power plants); (b) involve a capacity addition; (c) involve a retrofit of (an) existing plant(s); or (d) involve a replacement of (an) existing plant(s).	ACM	0002 v.11	Please discuss all elements of the applicability conditions of the methodology.	CAR-10	OK
b. Has the DOE applied specific guidance provided by the CDM Executive Board in respect to the applicable approved methodology?	VVM	69	Methodology is referred to cross check the baseline application.	OK	OK
c. Is the methodology correctly quoted?	VVM	70		OK	OK
d. Are the applicability conditions of the methodology met?	VVM	71	Applicability conditions are discussed. Methodology is applicable.	OK	OK
i. The project activity is the installation, capacity addition, retrofit or replacement of a power plant/unit of one of the following types: hydro power plant/unit (either with a run-of-river reservoir or an accumulation reservoir), wind power plant/unit, geothermal power plant/unit, solar power plant/unit, wave power plant/unit or tidal power plant/unit	ACM	0002 v.11	Project is grid-connected greenfield renewable power generation project activity	OK	OK
ii. In the case of capacity additions, retrofits or	ACM	0002	N/A	OK	OK



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replacements (except for wind, solar, wave or tidal power capacity addition projects which use Option 2: on page 10 to calculate the parameter EGPJ,y): the existing plant started commercial operation prior to the start of a minimum historical reference period of five years, used for the calculation of baseline emissions and defined in the baseline emission section, and no capacity expansion or retrofit of the plant has been undertaken between the start of this minimum historical reference period and the implementation of the project activity.		v.11			
iii. In case of hydro power plants, one of the following conditions must apply: - The project activity is implemented in an existing reservoir, with no change in the volume of reservoir; or - The project activity is implemented in an existing reservoir, where the volume of reservoir is increased and the power density of the project activity, as per definitions given in the Project Emissions section, is greater than 4 W/m ² ; or - The project activity results in new reservoirs and the power density of the power plant, as per definitions given in the Project Emissions section, is greater than 4 W/m ² .	ACM	0002 v.11	N/A	OK	OK
iv. The methodology is not applicable to the	ACM	0002	The project does not involve switching from fossil	OK	OK



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following conditions. Please confirm - Project activities that involve switching from fossil fuels to renewable energy sources at the site of the project activity - Biomass fired power plants; - Hydro power plants that result in new reservoirs or in the increase in existing reservoirs where the power density of the power plant is less than 4 W/m ² .		v.11	fuels to renewable energy at the site of the project activity. This is a wind project.		
v. In the case of retrofits, replacements, or capacity additions, this methodology is only applicable if the most plausible baseline scenario, as a result of the identification of baseline scenario, is “the continuation of the current situation, i.e. to use the power generation equipment that was already in use prior to the implementation of the project activity and undertaking business as usual maintenance”.	ACM	0002 v.11	N/A	OK	OK
e. Is the project activity expected to result in emissions other than those allowed by the methodology?	VVM	71	No, there won't be any extra emissions.	OK	OK
f. Is the choice of the methodology justified?	VVM	71	The choice of methodology ACM0002 version 12, is justified as the proposed project activity meets its applicability criteria.	OK	OK
g. Have the project participants shown that the project activity meets each of the applicability conditions or the approved methodology?	VVM	71	Applicability conditions are discussed. Methodology is applicable.	OK	OK
h. Have the project participants shown that the	VVM	71	Applicability conditions are discussed.	OK	OK


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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
project activity meets each of the applicability conditions of any tool or other methodology component referred to the methodology?			Methodology is applicable.		
i. Are each of the applicability conditions of the “Tool to calculate the emission factor for an electricity system” met?	EB 50	Ann 40	Please discuss applicability conditions of the “Tool to calculate the emission factor for an electricity system”.	CAR- 11	OK
ii. Are each of the applicability conditions of the “Tool for the demonstration and assessment of additionality” met?	EB 39	Ann 10	Please discuss applicability conditions of the “Tool for the demonstration and assessment of additionality”.	CAR- 12	OK
iii. Are each of the applicability conditions of the “Combined tool to identify the baseline scenario and demonstrate additionality” met?	EB 28	Ann 14	This tool is not used.	OK	OK
iv. Are each of the applicability conditions of the “Tool to calculate project or leakage CO ₂ emissions from fossil fuel combustion” met?	EB 41	Ann 11	This tool is not used.	OK	OK
i. Is the DOE, based on local and sectoral knowledge, aware that comparable information is available from sources other than that used in the PDD?	VVM	71	References about additionality have been checked by experts.	OK	OK
j. If yes, was the PDD cross checked against the other sources to confirm that the project activity meets the applicability conditions of the methodology? (provide the reference to these choices)	VVM	71	Applicability of the methodology is validated during site visit.	OK	OK
k. Can a determination regarding the applicability of the selected methodology to the proposed CDM project activity be made?	VVM	72	Methodology is applicable to the project.	OK	OK
l. If no, clarification of the methodology was requested, in accordance with the guidance	VVM	72	N/A	OK	OK



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provided by the CDM Executive Board?					
m. If answer to (5.b.d) above is “no”, revision or deviation from the methodology was requested, in accordance with the guidance provided by the CDM Executive Board?	VVM	73	N/A	OK	OK
n. If yes to (5.b.l) and (5.b.m) above, a request for registration was submitted before the CDM Executive Board has approved the proposed deviation or revision?	VVM	74	N/A	OK	OK
c. Project boundary					
a. Does the PDD correctly describe the project boundary, including the physical delineation of the proposed CDM project activity included within the project boundary for the purpose of calculating project and baseline emissions for the proposed CDM project activity?	VVM	78	In section B.3.please clearly indicate project boundaries that are considered during determination of project and baseline emissions.	CAR-13	OK
i. Does the extent of the project boundary, as described in the PDD, includes the project power plant and all power plants connected physically to the electricity system that the CDM project power plant is connected to?	ACM	0002 v11	According to the methodology the spatial extent of the project boundary includes the project power plant and all power plants connected physically to the electricity system that the project power plant is connected to.	OK	OK
ii. Are the greenhouse gases and emission sources that are included in or excluded from the project boundary shown in a table format as per applicable methodology?	ACM	0002 v 11	Emissions are shown in tabular format. CO2 is included as baseline emission.	OK	OK
b. Is the delineation in the PDD of the project boundary correct and include identification of all locations, processes and equipment including secondary equipment and associated processes	VVM	79	Boundary includes all elements.	OK	OK



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such as logistics etc.?					
c. Does the delineation in the PDD of the project boundary meet the requirements of the selected baseline?	VVM	79	Boundary meets the requirements of the selected baseline	OK	OK
d. Have changes been made to the project boundary in comparison to the webhosted PDD. If yes please comment on the reason for the changes.	VVM	79	There are differences between the v1 and latest version of the PDD: baseline and IRR calculations have been corrected for some errors.	OK	OK
e. Have all sources and GHGs required by the methodology been included within the project boundary?	VVM	79	CO2 is included as baseline emission and it is in line with the methodology.	OK	OK
f. Does the methodology allow project participant to choose whether a source or gas is to be included within the project boundary	VVM	79	No, methodology is clear about which emissions to include.	OK	OK
g. If yes, have the project participants justified that choice?	VVM	79	N/A	OK	OK
h. If yes, is the justification provided reasonable? (provide reference to the supporting documented evidence provided by the project participants)	VVM	79	N/A	OK	OK
d. Baseline identification					
a. Does the PDD identify the baseline for the proposed CDM project activity, defined as the scenario that reasonably represents the anthropogenic emissions by sources of GHGs that would occur in the absence of the proposed CDM project activity?	VVM	81	Yes, in the baseline scenario, the electricity delivered to the grid by the project would have otherwise been generated by the operation of grid-connected power plants.	OK	OK
b. Has any procedure contained in the methodology to identify the most reasonable baseline scenario, been	VVM	82	There is no procedure in the methodology, it is clearly described f language celd WPP.	OK	OK



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correctly applied?					
i. If the project activity is the install a new grid-connected renewable power plant/unit (language added), is the baseline scenario identified appropriately in accordance with the ACM0002 ver.11?	ACM	0002 v11	Please refer above.	OK	OK
ii. If the project activity is a capacity addition to existing grid-connected renewable power plant/unit, is the baseline scenario identified appropriately in accordance with the ACM0002 ver. 11? And is the point of time at which the generation facility would likely be replaced or retrofitted (DATE Baseline Retrofit) reasonably defined?	ACM	0002 v11	Please refer above.	OK	OK
iii. If the project activity is the retrofit or replacement of existing grid-connected renewable power plant/unit, is the baseline scenario identified following the step-wise procedure in accordance with the ACM0002 ver.11?	ACM	0002 v11	Please refer above.	OK	OK
iv. Are the realistic and credible alternative baseline scenarios for power generation appropriately identified following the Step 1 of the “Combined tool to identify the baseline scenario and demonstrate additionality”? (Step 1)	ACM	0002 v11	Please refer above.	OK	OK
v. Are the realistic and credible alternative baseline scenarios i.e. P1, P2 and P3 appropriately applied Barrier analysis following	ACM	0002 v11	Please refer above.	OK	OK



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the Step 2 of the “Combined tool to identify the baseline scenario and demonstrate additionality”? (Step 2)					
vi. If more than one alternative is remaining after Step 2, is Investment analysis appropriately applied (apply an Investment Comparison as per step 3 of the “Combined tool to identify the baseline scenario and demonstrate additionality” or a Benchmark Analysis as per step 2b of the “Tool for the demonstration and assessment of additionality”)? (Step 3)	ACM	0002 v11	Please refer above.	OK	OK
c. Does the selected methodology require use of tools (such as the “Tool for the demonstration and assessment of additionality” and the “Combined tool to identify the baseline scenario and demonstrate additionality”) to establish the baseline scenario?	VVM	82	Please refer above.	OK	OK
d. If yes, was the methodology consulted on the application of these tools? (In such cases, the guidance in the methodology shall supersede the tool.)	VVM	82	Please refer above.	OK	OK
e. Does the methodology require several alternative scenarios to be considered in the identification of the most reasonable baseline scenario?	VVM	83	Please refer above.	OK	OK
f. If yes, are all scenarios that are considered by the project participants and are supplementary to those required by	VVM	83	Please refer above.	OK	OK



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the methodology reasonable in the context of the proposed CDM project activity?					
g. Has any reasonable alternative scenario been excluded?	VVM	83	Please refer above.	OK	OK
h. Is the baseline scenario identified reasonably supported by:	VVM	84	Please refer above.	OK	OK
i. Assumptions?	VVM	84	Please refer above.	OK	OK
ii. Calculations?	VVM	84	Please refer above.	OK	OK
iii. Rationales?	VVM	84	Please refer above.	OK	OK
i. Are the documents and sources referred to in the PDD correctly quoted and interpreted?	VVM	84	Please refer above.	OK	OK
j. Was the information provided in the PDD cross checked with other verifiable and credible sources, such as local expert opinion, if available? (identify the sources)	VVM	84	Please refer above.	OK	OK
k. Have all applicable CDM requirements been taken into account in the identification of the baseline scenario for the proposed CDM project activity?	VVM	85	Please refer above.	OK	OK
l. Have a language atn policies and circumstances been identified and correctly considered in the PDD, in accordance with the guidance by the CDM Executive Board?	VVM	85	Please refer above.	OK	OK
m. Does the PDD provide a verifiable description of the identified baseline	VVM	86	Yes, the baseline is clearly described in the PDD.	OK	OK



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scenario, including a description of the technology that would be employed and/or the activities that would take place in the absence of the proposed CDM project activity?					
e. Algorithms and/or formulae used to determine emission reductions					
a. Do the steps taken and equations applied to calculate project emissions, baseline emissions, leakage and emission reductions comply with the requirements of the selected baseline and monitoring?	VVM	89	Calculations comply with the requirements of the selected baseline	OK	OK
b. Have the equations and parameters in the PDD been correctly applied with respect those in the select approved methodology?	VVM	90	Equations and parameters are correctly applied	OK	OK
i. Are the Project emissions appropriately calculated?	ACM	0002 v.11	Project emissions are zero for wind power plants.	OK	OK
ii. Are the Baseline emissions appropriately calculated specifically for greenfield plants or (b) retrofit and replacements or (c) capacity additions?	ACM	0002 v.11	Generation efficiencies for coal and lignite is said to be taken from a presentation of Mr. Sefer Bütün, stating that for pulverized lignite PPs, the highest electrical efficiency rate is 38%. However in the calculations this value has been utilized for coal and for lignite the efficiency has been taken as 41.5%.	CL-20	
			The reference source for Gross Electricity supplied to the grid by relevant sources (2006-2008) provides generation data up to 2007. Please clarify.		


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iii. Are the Leakage appropriately calculated?	ACM	0002 v.11	Leakage emissions are zero for wind power plants.	OK	OK
iv. Are the Emission reductions appropriately calculated?	ACM	0002 v.11	Emission reductions are appropriately calculated	OK	OK
c. Have project participants prepared as part of the CDM-PDD an estimate of likely emission reductions for the proposed crediting period? This estimate should, in principle, employ the same methodology as selected for the calculation of emission reductions. Where the grid emission factor (EFCM,grid,y) is determined ex post during monitoring, project participants may use models or other tools to estimate the emission reductions prior to validation.	ACM	0002 v.11	Likely emission reductions are given.	OK	OK
d. Does the methodology provide for selection between different options for equations or parameters?	VVM	90	<p>Step 1: The national grid is used as electric power system for project activity.</p> <p>Step 2: Option I: Only grid power plants are included in the calculation.</p> <p>Step 3: The ex ante option is selected for Simple OM method, with the most recent data for the baseline calculation stemming from the years 2006 to 2008.</p> <p>Step 4: Option B is chosen to calculate the Simple</p>	OK	OK



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			<p>OM, as there is no power plant specific data available, renewable power generation are considered as low-cost power sources and amount of electricity supplied to the grid by these sources is known.</p> <p>Step 5: "The set of power capacity additions in the electricity system that comprise 20% of the system generation (in MWh) and that have been built most recently" is used to identify the sample group</p>		
e. If yes, has adequate justification been provided (based on the choice of the baseline scenario, context of the proposed CDM project activity and other evidence provided)?	VVM	90	Justifications are provided	OK	OK
f. If yes, have correct equations and parameters been used, in accordance with the methodology selected?	VVM	90	Refer to (5.e.b) above	-	-
g. Will data and parameters be monitored throughout the crediting period of the proposed CDM project activity?	VVM	91	EG generation data will be monitored continuously.	OK	OK
h. If no, and these data and parameters will remain fixed throughout the crediting period, are all data sources and assumptions:	VVM	91	Parameters are not fixed	OK	OK
i. Appropriate and correct?	VVM	91	N/A	OK	OK
ii. Applicable to the proposed CDM project	VVM	91	N/A	OK	OK



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activity?					
iii. Resulting in a conservative estimate of the emission reductions?	VVM	91	N/A	OK	OK
i. Will data and parameters be monitored on implementation and hence become available only after validation of the project activity?	VVM	91	N/A	OK	OK
j. If yes, are the estimates provided in the PDD for these data and parameters reasonable?	VVM	91	N/A	OK	OK
6. Additionality of a project activity					
a. Does the PDD describe how a proposed CDM project activity is additional?	VVM	94	Additionality is described in section B.5.	OK	OK
b. Does the CDM-PDD state the latest version of the additionality tool being used?	ACM	0002 v.11	"Tool for the demonstration and assessment of additionality version 05.2" is used and it is the latest version.	OK	OK
c. Were the following steps of the tool to assess additionality used:	EB 39	Ann 10		OK	OK
i. Identification of alternatives to the project activity?	EB 39	Ann 10	<p>Alternatives to the project activity have been determined as:</p> <p>a) The proposed project activity undertaken without being registered as a GS VER project activity.</p> <p>b) Continuation of the current situation, i.e. Kayadüzü WPP is not built.</p>	OK	OK
ii. Investment analysis to determine that the proposed project activity is either: 1) not the most economically or financially attractive, or 2) not	EB 39	Ann 10	Investment analysis shows that the proposed project activity is unlikely to be economically attractive without the revenues from VERs as	OK	OK



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economically or financially feasible?			even the maximum IRR result for the best case scenario.		
iii. Barriers analysis?	EB 39	Ann 10	Barriers analysis is not used.	OK	OK
iv. Common practice analysis?	EB 39	Ann 10	Common practice analysis has been used.	OK	OK
d. In step 1 (i) have all the sub-steps as below been followed?	EB 39	Ann 10		OK	OK
i. Sub-step 1a: Define alternatives to the project activity	EB 39	Ann 10	Alternatives have been defined.	OK	OK
ii. Sub-step 1b: Consistency with mandatory laws and regulations	EB 39	Ann 10	Consistency with mandatory laws and regulations has been discussed.	OK	OK
e. Have the following alternatives been included while defining alternatives as per sub-step 1a?	EB 39	Ann 10		OK	OK
i. (a) The proposed project activity undertaken without being registered as a CDM project activity;	EB 39	Ann 10	Considered. Found realistic.	OK	OK
ii. I(c) If applicable, continuation of the current situation (no project activity or other alternatives undertaken).	EB 39	Ann 10	Considered. Found realistic.	OK	OK
f. Has the project participant included the technologies or practices that provide outputs or services with comparable quality, properties and application areas as the proposed CDM project activity and that have been implemented previously or are currently being introduced in the relevant country/region?	EB 39	Ann 10	Being a private entity, Baktepe doesn't have to invest power investments even proposed project activity. Also, since Baktepe has license only for wind power investment and since in the proposed project area there is no hydro or other sources for electricity generation, other project activities delivering same electricity in the same project area is not realistic	OK	OK



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g. Has the outcome of Step 1a: Identified realistic and credible alternative scenario(s) to the project activity done correctly? Please briefly mention the outcome.	EB 39	Ann 10	<p>for project participant.</p> <p>Two realistic and credible alternative scenarios are identified for the project activity:</p> <p>a) The proposed project activity undertaken without being registered as a GS VER project activity.</p> <p>b) Continuation of the current situation, i.e. Kayadüzü WPP is not built.</p>	OK	OK
h. Is the alternative(s) in compliance with all mandatory applicable legal and regulatory requirements, even if these laws and regulations have objectives other than GHG reductions, e.g. to mitigate local air pollution.?	EB 39	Ann 10	<p>Please discuss in details how the alternatives comply with the mentioned regulations and please show objective evidences related to compliance with regulations.</p>		
			<p>Regarding the compliance of the project activity with regulations:</p>		
			<p><u>Construction permit</u>: during site visit DOE was informed that a report from TUBITAK related to the “confirmation that the WPP could be built in project site as there is a military airport and aviation training zone in the district” is waited as a prerequisite for construction permit. Please provide the results of the report and the related permit when available.</p> <p>(an investigation was made by a private company called AGENA but the government asked for a TUBITAK report)</p> <p>Application for construction permit was made on</p>	CAR- 14	OK



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			7.10.2008. During site visit DOE was informed that an application was made on 18.01.2011 to the government regarding the expropriation of grazing areas. Please provide results of the application to DOE.		
			Rent permit of the site of the office buildings will be provided to DOE.		
			Please provide documents showing compliance with the regulations about excavation (excavation plans and permits)		
			EIA not required document is given to Baktepe as the precautions foreseen in the PIF are sufficient. Please show objective evidences that these precautions (PIF page: 61-64) are taken: Cesspool discharge Solid waste disposal Excavation waste Dust Noise Official document that the project site is not in destinations of birds.		
i. If an alternative does not comply with all mandatory applicable legislation and regulations, has it been shown that, based on an examination of current practice in the country or region in which the law or regulation applies, those applicable legal or regulatory requirements are	EB 39	Ann 10	N/A	OK	OK



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systematically not enforced and that noncompliance with those requirements is widespread in the country?					
j. Has the outcome of Step 1b: Identified realistic and credible alternative scenario(s) to the project activity that are in compliance with mandatory legislation and regulations taking into account the enforcement in the region or country and EB decisions on national and/or sectoral policies and regulations done correctly? Please state the outcome.	EB 39	Ann 10	Please clearly state the outcomes after each step of the methodology.	CAR- 29	OK
k. Has PP selected Step 2 (Investment analysis) or Step 3 (Barrier analysis) or both Steps 2 and 3?	EB 39	Ann 10	PP selected Step 2 (Investment analysis).	OK	OK
l. In step 2, have all the sub-steps as below been followed?	EB 39	Ann 10		OK	OK
i. Sub-step 2a: Determine appropriate analysis method;	EB 39	Ann 10	Appropriate analysis method has been determined as benchmark analysis as there is no alternative project activity for a comparison of the attractiveness of an investment.	OK	OK
ii. Sub-step 2b: Option I. Apply simple cost analysis;	EB 39	Ann 10	N/A	OK	OK
iii. Sub-step 2b: Option II. Apply investment comparison analysis;	EB 39	Ann 10	N/A	OK	OK
iv. Sub-step 2b: Option III. Apply benchmark analysis;	EB 39	Ann 10	Benchmark analysis is used.	OK	OK
v. Sub-step 2c: Calculation and comparison of financial indicators (only applicable to Options II and III);	EB 39	Ann 10	Equity IRR is calculated.	OK	OK
vi. Sub-step 2d: Sensitivity analysis (only	EB	Ann	Sensitivity analysis is applied.	OK	OK


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applicable to Options II and III).	39	10			
m. In sub-step 2a has the determination of appropriate method of analysis done as per the guidance as below?	EB 39	Ann 10		OK	OK
i. Simple cost analysis if the CDM project activity and the alternatives identified in Step 1 generate no financial or economic benefits other than CDM related income (Option I).	EB 39	Ann 10	Please discuss in the PDD why simple cost analysis and comparison analysis are not used.	CL-21	
ii. Otherwise, use the investment comparison analysis (Option II) or the benchmark analysis (Option III). Specify option used with justification.	EB 39	Ann 10	Please discuss in the PDD why simple cost analysis and comparison analysis are not used.	CL-21	
n. Has the below guideline followed for sub-step 2b Option I. Apply simple cost analysis? Document the costs associated with the CDM project activity and the alternatives identified in Step1 and demonstrate that there is at least one alternative which is less costly than the project activity.	EB 39	Ann 10	N/A	OK	OK
o. Has the below guideline followed for sub-step 2b Option II. Apply investment comparison analysis? Identify the financial indicator, such as IRR, NPV, cost benefit ratio, or unit cost of service most suitable for the project type and decision-making context. Please specify	EB 39	Ann 10	N/A	OK	OK
p. Has the below guideline followed for Sub-step 2b: Option III. Apply benchmark analysis?	EB 39	Ann 10		OK	OK
i. Identify the financial/economic indicator, such as IRR, most suitable for the project type and decision context.	EB 39	Ann 10	Equity IRR is calculated.	OK	OK



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<p>ii. When applying Option II or Option III, the financial/economic analysis shall be based on parameters that are standard in the market, considering the specific characteristics of the project type, but not linked to the subjective profitability expectation or risk profile of a particular project developer. Only in the particular case where the project activity can be implemented by the project participant, the specific financial/economic situation of the company undertaking the project activity can be considered.</p>	EB 39	Ann 10	<p>All parameters and inputs used in the financial analysis are in line with market conditions. They are not subjective and they don't depend on project or project owners' specific features.</p>	OK	OK
<p>iii. Discount rates and benchmarks shall be derived from: (a) Government bond rates, increased by a suitable risk premium to reflect private investment and/or the project type, as substantiated by an independent (financial) expert or documented by official publicly available financial data; (b) Estimates of the cost of financing and required return on capital (e.g. commercial lending rates and guarantees required for the country and the type of project activity concerned), based on bankers views and private equity investors/funds' required return on comparable projects; (c) A company internal benchmark (weighted average capital cost of the company), only in the particular case referred to above in 2. The project developers shall demonstrate that this benchmark has</p>	EB 39	Ann 10	<p>IRR figure in the world bank document is used as a reference as a benchmark.</p>	OK	OK


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been consistently used in the past, i.e. that project activities under similar conditions developed by the same company used the same benchmark; (d) Government/official approved benchmark where such benchmarks are used for investment decisions; (e) Any other indicators, if the project participants can demonstrate that the above Options are not applicable and their indicator is appropriately justified. Please specify benchmark and justify.					
q. Has the below guideline followed for Sub-step 2c: Calculation and comparison of financial indicators (only applicable to Options II and III)?	EB 39	Ann 10		OK	OK
i. Calculate the suitable financial indicator for the proposed CDM project activity and, in the case of Option II above, for the other alternatives. Include all relevant costs (including, for example, the investment cost, the operations and maintenance costs), and revenues (excluding CER revenues, but possibly including inter alia subsidies/fiscal incentives, ODA, etc, where applicable), and, as appropriate, non-market cost and benefits in the case of public investors if this is standard practice for the selection of public investments in the host country.	EB 39	Ann 10	All relevant costs are taken into consideration in the analysis.	OK	OK
ii. Present the investment analysis in a transparent manner and provide all the relevant assumptions, preferably in the CDM-PDD, or in	EB 39	Ann 10	All calculations are transparent and easy to follow up.	OK	OK



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separate annexes to the CDM-PDD.					
iii. Justify and/or cite assumptions.	EB 39	Ann 10	All assumptions are cited and justified.	OK	OK
iv. In calculating the financial/economic indicator, the project's risks can be included through the cash flow pattern, subject to project-specific expectations and assumptions.	EB 39	Ann 10	The project risks are taken into consideration in the sensitivity analysis.	OK	OK
v. Assumptions and input data for the investment analysis shall not differ across the project activity and its alternatives, unless differences can be well substantiated.	EB 39	Ann 10	There is no unexpected figures the analysis inputs considering the project size and etc.	OK	OK
vi. Present in the CDM-PDD a clear comparison of the financial indicator for the proposed CDM activity. Please specify details for above.	EB 39	Ann 10	The IRR calculated is compared by the IRR stated in the world bank document.	OK	OK
r. Has the below guideline followed for Sub-step 2d: Sensitivity analysis (only applicable to Options II and III)? Include a sensitivity analysis that shows whether the conclusion regarding the financial/economic attractiveness is robust to reasonable variations in the critical assumptions.	EB 39	Ann 10	Sensitivity analysis shows that the financial/economic attractiveness is robust to reasonable variations in the critical assumptions. However, no scenario in the sensitivity analysis makes the project attractable.	OK	OK
s. Has the outcome of Step 2 clearly mentioned with justification?	EB 39	Ann 10	Outcome is stated as that the benchmark of 15% (World Bank Benchmark) does clearly exceed the resulting equity IRRs, thus rendering the project activity economically unattractive.	OK	OK
t. In step 3: Barrier analysis have all the sub-steps as below been followed?	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
i. Sub-step 3a: Identify barriers that would prevent the implementation of the proposed CDM project activity;	EB 39	Ann 10	Barrier analysis is not used.	OK	OK



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ii. Sub-step 3 b: Show that the identified barriers would not prevent the implementation of at least one of the alternatives (except the proposed project activity).	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
u. Has the below guideline followed for Sub-step 3a: Identify barriers that would prevent the implementation of the proposed CDM project?	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
i. (a) Investment barriers: For alternatives undertaken and operated by private entities: Similar activities have only been implemented with grants or other non-commercial finance terms. No private capital is available from domestic or international capital markets due to real or perceived risks associated with investment in the country where the proposed CDM project activity is to be implemented, as demonstrated by the credit rating of the country or other country investments reports of reputed origin.	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
ii. (b) Technological barriers: Skilled and/or properly trained labor to operate and maintain the technology is not available in the relevant country/region, which leads to an unacceptably high risk of equipment disrepair and malfunctioning or other underperformance; Lack of infrastructure for implementation and logistics for maintenance of the technology, Risk of technological failure: the process/technology failure risk in the local	EB 39	Ann 10	Barrier analysis is not used.	OK	OK


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circumstances is significantly greater than for other technologies that provide services or outputs comparable to those of the proposed CDM project activity, as demonstrated by relevant scientific literature or technology manufacturer information, The particular technology used in the proposed project activity is not available in the relevant region.					
iii. I Barriers due to prevailing practice: The project activity is the “first of its kind”.	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
iv. (d) Other barriers, preferably specified in the underlying methodology as examples.	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
v. Has the outcome from Step 3a clearly mentioned in PDD?	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
w. Has the below guideline followed for Sub-step 3 b: Show that the identified barriers would not prevent the implementation of at least one of the alternatives (except the proposed project activity)?	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
i. If the identified barriers also affect other alternatives, explain how they are affected less strongly than they affect the proposed CDM project activity. In other words, demonstrate that the identified barriers do not prevent the implementation of at least one of the alternatives. Any alternative that would be prevented by the barriers identified in Sub-step 3a is not a viable alternative, and shall be eliminated from consideration.	EB 39	Ann 10	Barrier analysis is not used.	OK	OK



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ii. Provide transparent and documented evidence, and offer conservative interpretations of this documented evidence, as to how it demonstrates the existence and significance of the identified barriers and whether alternatives are prevented by these barriers.	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
iii. The type of evidence to be provided should include at least one of the following: (a) Relevant legislation, regulatory information or industry norms; (b) Relevant (sectoral) studies or surveys (e.g. market surveys, technology studies, etc) undertaken by universities, research institutions, industry associations, companies, bilateral/multilateral institutions, etc; (c) Relevant statistical data from national or international statistics; (d) Documentation of relevant market data (e.g. market prices, tariffs, rules); (e) Written documentation of independent expert judgments from industry, educational institutions (e.g. universities, technical schools, training centres), industry associations and others. Please specify.	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
x. Has the outcome from Step 3 clearly mentioned in PDD?	EB 39	Ann 10	Barrier analysis is not used.	OK	OK
y. In step 4: C language ctice analysis has all the sub-steps as below followed?	EB 39	Ann 10		OK	OK
i. Sub-step 4a: Analyze other activities similar to the proposed project activity;	EB 39	Ann 10	Similar activities have been discussed. Please provide a reproducible reference for table	CL-5	OK



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			12.		
ii. Sub-step 4b: Discuss any similar Options that are occurring.	EB 39	Ann 10	Similar options have been discussed.	OK	OK
z. Has the below guideline followed for Sub-step 4a: Analyze other activities similar to the proposed project activity? Provide an analysis of any other activities that are operational and that are similar to the proposed project activity. Other CDM project activities are not to be included in this analysis. Provide documented evidence and, where relevant, quantitative information. On the basis of that analysis, describe whether and to which extent similar activities have already diffused in the relevant region.	EB 39	Ann 10	<p>Other activities similar to the proposed project activity have been analyzed and shown in table 12. similarity of the projects with own project is discussed as:</p> <p>Two of the projects given in Table 12 (No. 29 and 30) are realized as BOT (Build Operate Transfer) plants.</p> <p>Three of the projects given in Table 12 (No. 1, 10 and 11) there are no further information on the circumstances for their implementation, however, due to small capacity; these projects could be considered as R&D investment of the companies and cannot be considered similar activity.</p> <p>All other projects given in Table 12 are realized as VER projects. Karakurt, Bares and Sebenoba projects (No. 3, 12 and 15) are registered as VER+. All remaining 22 projects are developed as GS-VER projects.</p> <p>The observed activities in the Turkish wind market can either not be considered similar, as they are languagealised under a different environment, or do not have to be included in this</p>	OK	OK



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			analysis since the language is as VER or VER applicants. Thus, no similar options occur. References have been provided for the statements.		
aa. Has the below guideline followed for Sub-step 4b: Discuss any similar Options that are occurring? If similar activities are identified, then it is necessary to demonstrate why the existence of these activities does not contradict the claim that the proposed project activity is financially/economically unattractive or subject to barriers. This can be done by comparing the proposed project activity to the other similar activities, and pointing out and explaining essential distinctions between them that explain why the similar activities enjoyed certain benefits that rendered it financially/economically attractive (e.g., subsidies or other financial flows) and which the proposed project activity cannot use or did not face the barriers to which the proposed project activity is subject. In case similar projects are not accessible, the PDD should include justification about non-accessibility of data/information.	EB 39	Ann 10	Please refer to above answer.	OK	OK
bb. Has the outcome from Step 4 clearly mentioned in PDD?	EB 39	Ann 10	The observed activities in the Turkish wind market can either not be considered similar, as they were realized under a different environment, or do not have to be included in this analysis since they are	OK	OK



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			realized as VER or VER applicants. Thus, no similar options occur, showing that wind power is far from being common practice in Turkey.		
cc. Has it been proved that the project is additional?	EB 39	Ann 10	Project is additional	OK	OK
a. Prior consideration of the clean development mechanism					
a. Is the project activity start date prior to the date of publication of the PDD for stakeholder comments?	VVM	98	Date of electromechanical equipment contract date is set to be project starting date. Please include a timeline which shows the milestones of the project so that it can be checked which date is the adequate start date.	CAR- 15	OK
b. If yes, were the CDM benefits considered necessary in the decision to undertake the project as a proposed CDM project activity?	VVM	98	During the site visit an e-mail (request of proposal of PP from VER consultant) was mentioned as a proof of prior consideration. Please provide the proof to DOE.	CL-6	OK
c. Is the start date of the project activity, reported in the PDD, in accordance with the "Glossary of CDM terms", which states that "The starting date of a CDM project activity is the earliest date at which either the implementation or construction or real action of a project activity begins."?	VVM	99	Date of electromechanical equipment contract date (06/10/2010) is set to be project starting and investment decision date. This is first real action for the project.	OK	OK
d. Does the project activity require construction, retrofit or other modifications?	VVM	99	Yes, project involves construction.	OK	OK
e. If yes, is it ensured that the date of commissioning cannot be considered as the	VVM	99	Date of electromechanical equipment contract date (06/10/2010) is set to be project starting and investment	OK	OK



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project activity start date?			decision date. This is first real action for the project.		
f. Is it a new project activity (a project activity with a start date on or after 02 August 2008) or an existing project activity (a project activity with a start date before 02 August 2008)?	VVM	100	Project is a new project activity.	OK	OK
g. For a new project, for which PDD has not been published for global stakeholder consultation or a new methodology proposed to the CDM Executive Board before the project activity start date, had PPs informed the host Party DNA and the UNFCCC secretariat in writing of the commencement of the project activity and of their intention to seek CDM status? (Provide reference to such confirmation from host Party DNA and UNFCCC secretariat).	VVM	101	N/A	OK	OK
h. For an existing project activity, for which the start date is prior to the date of publication of the PDD for global stakeholder consultation, are the following evidences provided:	VVM	102	N/A	OK	OK
ii. evidence that must indicate that awareness of the CDM prior to the project activity start date, and that the benefits of the CDM were a decisive factor in the decision to proceed with the project, including, inter alia:	VVM	102	N/A	OK	OK
a. minutes and/or notes related to the consideration of the decision by the Board of Directors, or equivalent, of the project participant, to undertake the project as a proposed CDM project activity?	VVM	102	N/A	OK	OK


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iii. reliable evidence from project participants that must indicate that continuing and real actions were taken to secure CDM status for the project in parallel with its implementation, including, inter alia:	VVM	102	N/A	OK	OK
a. contract with consultants for CDM/PDD/methodology services?	VVM	102	N/A	OK	OK
b. Emission Reduction Purchase Agreements or other documentation related to the sale of the potential CERs (including correspondence with multilateral financial institutions or carbon funds)?	VVM	102	N/A	OK	OK
c. evidence of agreements or negotiations with a DOE for validation services?	VVM	102	N/A	OK	OK
d. submission of a new methodology to the CDM Executive Board?	VVM	102	N/A	OK	OK
e. publication in newspaper?	VVM	102	N/A	OK	OK
f. interviews with DNA?	VVM	102	N/A	OK	OK
g. earlier correspondence on the project with the DNA or the UNFCCC secretariat?	VVM	102	N/A	OK	OK
h. Has the chronology of events including time lines been appropriately captured and explained/detailed in the PDD?	VVM	102	N/A	OK	OK
b. Identification of alternatives					
a. Does the approved methodology that is selected by the proposed CDM project activity prescribe the baseline scenario and hence no further analysis is required?	VVM	105	Yes, the approved methodology that is selected by the proposed VER project activity prescribes the baseline scenario. No further analysis is required.	OK	OK


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b. If no, does the PDD identify credible alternatives to the project activity in order to determine the most realistic baseline scenario?	VVM	105	No, baseline is clearly described. There is no need for determining alternatives.	OK	OK
c. Does the list of alternatives given in the PDD assure that:	VVM	106		OK	OK
i. the list of alternatives includes as one of the options that the project activity is undertaken without being registered as a proposed CDM project activity?	VVM	106	List of alternatives includes as one of the options that the project activity is undertaken without being registered as a proposed GD VER project activity	OK	OK
ii. the list contains all plausible alternatives that the DOE, on the basis of its local and sectoral knowledge, considers to be viable means of supplying the outputs or services that are to be supplied by the proposed CDM project activity?	VVM	106	The list contains all plausible alternatives.	OK	OK
iii. the alternatives comply with all applicable and enforced legislation?	VVM	106	Please discuss in details how the alternatives comply with the mentioned regulations and please show objective evidences related to compliance with regulations	CAR-16	OK
c. Investment analysis					
a. Has investment analysis been used to demonstrate the additionality of the proposed CDM project activity?	VVM	108	Investment analysis has been used to demonstrate the additionality of the proposed CDM activity.	OK	OK
b. If yes, does the PDD provide evidence that the proposed CDM project activity would not be:	VVM	108		OK	OK
i. the most economically or financially attractive alternative?	VVM	108	The PDD provides evidence that the proposed project activity is not the most	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
			financially alternative.		
ii. economically or financially feasible, without the revenue from the sale of certified emission reductions (CERs)?	VVM	108	The project is not feasible without the CER revenue.	OK	OK
c. Was this shown by one of the following approaches?	VVM	109		OK	OK
i. The proposed CDM project activity would produce no financial or economic benefits other than CDM-related income. Document the costs associated with the proposed CDM project activity and the alternatives identified and demonstrate that there is at least one alternative which is less costly than the proposed CDM project activity.	VVM	109	Electricity revenue is obtained. N/A	OK	OK
ii. The proposed CDM project activity is less economically or financially attractive than at least one other credible and realistic alternative.	VVM	109	N/A	OK	OK
iii. The financial returns of the proposed CDM project activity would be insufficient to justify the required investment.	VVM	109	IRR is below the benchmark.	OK	OK
d. Is the period of assessment limited to the proposed crediting period of the CDM project activity?	EB 51	Ann 58	The analysis is done for a 20 years period and it is not limited to the crediting period.	OK	OK
e. Does the project IRR and equity IRR calculations reflect the period of expected operation of the underlying project activity (technical lifetime—, —r - if a shorter period is c—os—n - include the fair value of the project activity assets at the end of	EB 51	Ann 58	The fair value calculation is not correct. It should have been the difference between the initial asset value and the total depreciated amount during the analysis period. It is not just 5% of the initial asset value. Please also correct the depreciation periods by considering the link as followed.	CAR- 30	



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
the assessment period?			http://www.gib.gov.tr/fileadmin/user_upload/Yararli_Bilgiler/amortisman_oranlari2011.html		
f. Does the IRR calculation include the cost of major maintenance and/or rehabilitation if these are expected to be incurred during the period of assessment?	EB 51	Ann 58	All necessary cost items are included in the analysis.	OK	OK
g. Do the project participants justify the appropriateness of the period of assessment in the context of the underlying project activity, without reference to the proposed CDM crediting period?	EB 51	Ann 58	The assessment period of the project is in line with the crediting period.	OK	OK
h. Does the cash flow in the final year include a fair value of the project activity assets at the end of the assessment period?	EB 51	Ann 58	The fair value calculation is not correct. It should have been the difference between the initial asset value and the total depreciated amount during the analysis period. It is not just 5% of the initial asset value.	CAR- 30	
i. Has the fair value been calculated in accordance with local accounting regulations where available, or international best practice?	EB 51	Ann 58	The fair value calculation is not correct. It should have been the difference between the initial asset value and the total depreciated amount during the analysis period. It is not just 5% of the initial asset value.	CAR- 30	
j. Does the fair value calculations include both the book value of the asset and the reasonable expectation of the potential profit or loss on the realization of the assets?	EB 51	Ann 58	The fair value calculation is not correct. It should have been the difference between the initial asset value and the total depreciated amount during the analysis period. It is not just 5% of the initial asset value.	CAR- 30	
k. Was depreciation, and other non-cash items related to the project activity, which have been deducted in estimating gross profits on which tax is calculated, added back to net profits for the purpose of calculating the financial indicator (e.g. IRR, NPV)?	EB 51	Ann 58	Depreciation is added back to the net profits to obtain the cash flow. But, the depreciation periods should be corrected.	CAR- 31	
l. Has taxation been included as an expense in the	EB	Ann	Tax is a cash outflow item in the analysis.	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
IRR/NPV calculation in cases where the benchmark or other comparator is intended for post-tax comparisons?	51	58			
m. Are the input values used in all investment analysis valid and applicable at the time of the investment decision taken by the project participant?	EB 51	Ann 58	No extraordinary figure is noticed in terms of being up-to-date at the time of investment.	OK	OK
n. Is the timing of the investment decision consistent and appropriate with the input values?	EB 51	Ann 58	The investment decision date is given in PDD clearly.	OK	OK
o. Are all the listed input values been consistently applied in all calculations?	EB 51	Ann 58	The input values have been consistently applied in the calculations	OK	OK
p. Does the investment analysis reflect the economic decision making context at point of the decision when the project in the case of project activities for which implementation ceases after the commencement and where implementation is recommenced due to consideration of the CDM?	EB 51	Ann 58	As validated through the site; the implementation has not ceased after the commencement	OK	OK
q. Have project participants supplied the spreadsheet versions of all investment analysis?	EB 51	Ann 58	All necessary spreadsheets are supplied.	OK	OK
r. Are all formulas used in this analysis readable and all relevant cells be viewable and unprotected?	EB 51	Ann 58	All formulas used in this analysis are readable and all relevant cells are viewable and they are unprotected.	OK	OK
s. In cases where the project participant does not wish to make such a spreadsheet available to the public has the PP provided an exact read-only or PDF copy for general publication?	EB 51	Ann 58	N/A	OK	OK
t. In case the PP wishes to black-out certain elements of the publicly available version, is it	EB 51	Ann 58	N/A	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
justifiable?					
u. Was the cost of financing expenditures (i.e. loan repayments and interest) included in the calculation of project IRR?	EB 51	Ann 58	N/A Project IRR is not calculated.	OK	OK
v. In the calculation of equity IRR, has only the portion of investment costs which is financed by equity been considered as the net cash outflow?	EB 51	Ann 58	The debt repayment calculation seems wrong. Principal payment must be equal and the interest expenses are decreasing in time. This is a common application in energy project finance debts. Please check the calculations.	CAR- 32	
w. Has the portion of the investment costs which is financed by debt been considered a cash outflow in the calculation of equity IRR? (this is not allowed)	EB 51	Ann 58	The debt repayment calculation seems wrong. Equal principal payment is a common application in energy project finance debts. Please check the calculations.	CAR- 32	
x. Was a pre-tax benchmark be applied?	EB 51	Ann 58	The analysis is done based on the after tax values and the benchmark is applied accordingly.	OK	OK
y. In cases where a post-tax benchmark is applied, is actual interest payable taken into account in the calculation of income tax?	EB 51	Ann 58	N/A		
z. In such situations, was interest calculated according to the prevailing commercial interest rates in the region, preferably by assessing the cost of other debt recently acquired by the project developer and by applying a debt-equity ratio used by the project developer for investments taken in the previous three years?	EB 51	Ann 58	The interest is calculated by the commercial interest rates agreed with the bank.	OK	OK
aa. In cases where a benchmark approach is used is the applied benchmark appropriate to the type of IRR calculated?	EB 51	Ann 58	The benchmark is appropriate to the calculated IRR	OK	OK
bb. Has local commercial lending rates or weighted average costs of capital (WACC) selected as	EB 51	Ann 58	N/A Equity IRR is calculated.	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
appropriate benchmarks for a project IRR?					
cc. Has required/expected returns on equity selected as appropriate benchmark for an equity IRR?	EB 51	Ann 58	Appropriate benchmark is used to compare with the equity IRR.	OK	OK
dd. In case benchmarks supplied by relevant national authorities selected is it applicable to the project activity and the type of IRR calculation presented?	EB 51	Ann 58	N/A	OK	OK
ee. In the cases of projects which could be developed by an entity other than the project participant is the benchmark applied based on publicly available data sources which can be clearly validated?	EB 51	Ann 58	N/A	OK	OK
ff. Have internal company benchmarks/expected returns (including those used as the expected return on equity in the calculation of a weighted average cost of capital - WACC) been applied in cases where there is only one possible project developer?	EB 51	Ann 58	N/A	OK	OK
gg. In such cases, have these values been used for similar projects with similar risks, developed by the same company or, if the company is brand new, would have been used for similar projects in the same sector in the country/region?	EB 51	Ann 58	N/A	OK	OK
hh. Has a minimum clear evidence of the resolution by the company's Board and/or shareholders been provided to the effect as above?	EB 51	Ann 58	N/A	OK	OK
ii. Has a thorough assessment of the financial statements of the project developer - including the proposed WACC - to assess the past	EB 51	Ann 58	N/A	OK	OK


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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
financial behavior of the entity during at least the last 3 years in relation to similar projects been conducted?					
jj. Does the risk premiums applied in the determination of required returns on equity reflect the risk profile of the project activity being assessed, established according to national/international accounting principles? (It is not considered reasonable to apply the rate general stock market returns as a risk premium for project activities that face a different risk profile than an investment in such indices.)	EB 51	Ann 58	Since the benchmark figure is taken from the world bank document, there is no capm calculation in which the risk premium is used so the question is n/a for this project.	OK	OK
kk. Has an investment comparison analysis and not a benchmark analysis used when the proposed baseline scenario leaves the project participant no other choice than to make an investment to supply the same (or substitute) products or services?	EB 51	Ann 58	The baseline does not leave project participant no other choice than to make an investment to supply the same (or substitute) products or services; hence the checklist question is not applicable.	OK	OK
ll. Have variables, including the initial investment cost, that constitute more than 20% of either total project costs or total project revenues been subjected to reasonable variation (positive and negative) and the results of this variation been presented in the PDD and be reproducible in the associated spreadsheets?	EB 51	Ann 58	All variables, including the initial investment cost, that constitute more than 20% of either total project costs or total project revenues been subjected to reasonable variation (positive and negative) and the results of this variation been presented in the PDD and be reproducible in the associated spreadsheets.	OK	OK
mm. Have a corrective action been raised for a variable to be included in the sensitivity analysis which constitute less than 20% and have a	EB 51	Ann 58	There is no more parameter needed to be included in the sensitivity analysis which constitute less than 20% and have a material	OK	OK


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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
material impact on the analysis ?			impact on the analysis.		
nn. Is the range of variations selected is reasonable in the project context?	EB 51	Ann 58	10% of variations are reasonable to see the project risks.	OK	OK
oo. Dos the variations in the sensitivity analysis at least cover a range of +10% and -10%, unless this is not deemed appropriate in the context of the specific project circumstances?	EB 51	Ann 58	The sensitivity analysis and obtained results are appropriate. There is nothing to do more.	OK	OK
pp. In cases where a scenario will result in the project activity passing the benchmark or becoming the most financially attractive alternative, is an assessment done of the probability of the occurrence of this scenario in comparison to the likelihood of the assumptions in the presented investment analysis, taking into consideration correlations between the variables as well as the specific socio-economic and policy context of the project activity?	EB 51	Ann 58	All scenarios in the sensitivity analysis can happen by one by or together. There is no major exception expected due to the correlation impact or the probability occurrence.	OK	OK
qq. Was the plant load factor defined ex-ante in the CDM-PDD according to one of the following options:	EB 48	Ann 11	As this is a wind power plant, question is N/A.	OK	OK
i. The plant load factor provided to banks and/or equity financiers while applying the project activity for project financing, or to the government while applying the project activity for implementation approval?	EB 48	Ann 11	As this is a wind power plant, question is N/A.	OK	OK
ii. The plant load factor determined by a third party contracted by the project participants (e.g. an engineering company)?	EB 48	Ann 11	As this is a wind power plant, question is N/A.	OK	OK
rr. Was a thorough assessment of all parameters	VVM	111	All parameters and assumptions used in calculating	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
and assumptions used in calculating the relevant financial indicator, and determine the accuracy and suitability of these parameters using the available evidence and expertise in relevant accounting practices conducted?			the relevant financial indicator are verified. The accuracy and suitability of these parameters are checked. All relevant accounting practices conducted are determined.		
ss. Were the parameters cross-checked against third-party or publicly available sources, such as invoices or price indices?	VVM	111	All financial figures are cross checked (Exchange rate, tax rate, risk premium etc)	OK	OK
tt. Were feasibility reports, public announcements and annual financial reports related to the proposed CDM project activity and the project participants reviewed?	VVM	111	They all are reviewed.	OK	OK
uu. Was the correctness of computations carried out and documented by the project participants assessed?	VVM	111	The correctness of computations is checked.	OK	OK
vv. Was the sensitivity analysis by the project participants to determine under what conditions variations in the result would occur, and the likelihood of these conditions assessed?	VVM	111	There is no need to do further improvement in the sensitivity analysis.	OK	OK
ww. Is the type of benchmark applied is suitable for the type of financial indicator presented?	VVM	112	The benchmark calculation is suitable for the IRR calculation	OK	OK
xx. Do any risk premiums applied determining the benchmark reflect the risks associated with the project type or activity?	VVM	112	Since the benchmark figure is taken from the world bank document, there is no capm calculation in which the risk premium is used so the question is n/a for this project.	OK	OK
yy. To determine this, was it assessed whether it is reasonable to assume that no investment would be made at a rate of return lower than the benchmark by:	VVM	112		OK	OK


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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
i. assessing previous investment decisions by the project participants involved?	VVM	112	n/a There is no information if there is a previous project that the investor participated.	OK	OK
ii. determining whether the same benchmark has been applied?	VVM	112	N/A	OK	OK
iii. determining if there are verifiable circumstances that have led to a change in the benchmark?	VVM	112	N/A	OK	OK
zz. Did the project participants rely on values from Feasibility Study Reports (FSR) that are approved by national authorities for proposed CDM project activities?	VVM	113	Please provide a table of IRR inputs clearly indicating --input name --input value --name of reference document --page/column number of related value	CAR- 17	
aaa. If yes:	VVM	113		OK	OK
i. has the FSR been the basis of the decision to proceed with the investment in the project, i.e. that the period of time between the finalization of the FSR and the investment decision is sufficiently short for the DOE to confirm that it is unlikely in the context of the underlying project activity that the input values would have materially changed?	VVM	113	There is no big gap between the input values of the project on investment decision date and the realized values.	OK	OK
ii. Are the values used in the PDD and associated annexes fully consistent with the FSR?	VVM	113	The values presented in PDD are in line with the FSR.	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
iii. If not, was the appropriateness of the values validated?	VVM	113	N/A	OK	OK
iv. On the basis of its specific local and sectoral expertise, is confirmation provided, by cross-checking or other appropriate manner, that the input values from the FSR are valid and applicable at the time of the investment decision?	VVM	113	The input values are validated by DOE. Closed	OK	OK
d. Barrier analysis					
a. Has barrier analysis been used to demonstrated the additionality of the proposed CDM project activity?	VVM	115	Barrier analysis has not been used.	OK	OK
b. If yes, does the PDD demonstrate that the proposed CDM project activity faces barriers that:	VVM	115	Barrier analysis has not been used.	OK	OK
i. prevent the implementation of this type of proposed CMD project activity?	VVM	115	Barrier analysis has not been used.	OK	OK
ii. do not prevent the implementation of at least one of the alternatives?	VVM	115	Barrier analysis has not been used.	OK	OK
c. Are there any issues that have a clear direct impact on the financial returns of the project activity, other than: risk related barriers, for example risk of technical failure, that could have negative effects on the financial performance; or barriers related to the unavailability of sources of finance for the project activity? {If yes, these issues cannot be considered barriers and shall be assessed by investment analysis. [Refer to (6.c) above]}	VVM	116	Barrier analysis has not been used.	OK	OK
i. language using the available evidence	VVM	117	Barrier analysis has not been used.	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
and/or undertaking interviews with relevant individuals (including members of industry associations, government officials or local experts if necessary) to determine whether the barriers listed in the PDD exist?					
ii. ensuring that existence of barriers is substantiated by independent sources of data such as relevant national legislation, surveys of local conditions and national or international statistics?	VVM	117	Barrier analysis has not been used.	OK	OK
iii. Is existence of a barrier substantiated only by the opinions of the project participants? (If yes, this barrier cannot be considered as adequately substantiated)	VVM	117	Barrier analysis has not been used.	OK	OK
d. Were the barriers determined as preventing the implementation of the project activity but not the implementation of at least one of the possible alternatives by applying local and sectoral expertise to judge whether a barrier or set of barriers would prevent the implementation of the proposed CDM project activity and would not equally prevent implementation of at least one of the possible alternatives, in particular the identified baseline scenario?	VVM	117	Barrier analysis has not been used.	OK	OK
e. Common practice analysis					
a. Is this a proposed large-scale, or first-of-its kind small-scale project activity?	VVM	119	Project is large scale.	OK	OK
b. If yes, was common practice analysis carried out as a credibility check of the other available	VVM	119	Common practice analysis was carried out	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
evidence used by the project participants to demonstrate additionality?					
c. Was it assessed whether the geographical scope (e.g. defined region) of the common practice analysis is appropriate for the assessment of common practice related to the project activity's technology or industry type? (For certain technologies the relevant region for assessment will be local and for others it may be transnational/global.	VVM	120	Analysis has been carried out for the whole country, Turkey.	OK	OK
d. Was a region other than the entire host country chosen?	VVM	120	Analysis has been carried out for the whole country, Turkey.	OK	OK
e. If yes, was the explanation why this region is more appropriate assessed?	VVM	120	N/A	OK	OK
f. Using official sources and local and industry expertise, was it determined to what extent similar and operational projects (e.g., using similar technology or practice), other than CDM project activities, have been undertaken in the defined region?	VVM	120	Similar and operational projects have been tabulated in table 12. Please provide a reproducible reference for the table.	CL-7	OK
g. Are similar and operational projects, other than CDM project activities, already "widely observed and commonly carried out" in the defined region?	VVM	120	The observed activities in the Turkish wind market can either not be considered similar, as they were realized under a different environment, or do not have to be included in this analysis since they are realized as VER or VER applicants. Thus, no similar options occur, showing that wind power is far from being common practice in Turkey.	OK	OK
h. If yes, was it assessed whether there are essential distinctions between the proposed CDM	VVM	120	Distinctions are clearly stated in the PDD:	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
project activity and the other similar activities?			<p>Two of the projects given in Table 12 (No. 29 and 30) are realized as BOT (Build Operate Transfer) plants</p> <p>Three of the projects given in Table 12 (No. 1, 10 and 11) there are no further information on the circumstances for their implementation, however, due to small capacity; these projects could be considered as R&D investment of the companies and cannot be considered similar activity</p> <p>All other projects given in Table 12 are realized as VER projects. Karakurt, Bares and Sebenoba projects (No. 3, 12 and 15) are registered as VER+. All remaining 22 projects are developed as GS-VER projects</p>		
7. Monitoring plan					
a. Does the PDD include a monitoring plan?	VVM	122	Yes, the monitoring plan is included in the PDD:	OK	OK
b. Is this monitoring plan based on the approved monitoring methodology applied to the proposed CDM project activity?	VVM	122	Monitoring plan is based on the approved monitoring methodology.	OK	OK
c. Were the list of parameters required by the the selected methodology identified?	VVM	123	Electricity generation data is monitored.	OK	OK
d. Does the monitoring plan contains all necessary parameters?	VVM	123	Monitoring plan includes information about measurement methods, calibration and responsibilities.	OK	OK
e. Are the parameters clearly described?	VVM	123	Parameter is clearly described.	OK	OK
f. Does the means of monitoring described in the plan comply with the requirements of the	VVM	123	All information required by the methodology is provided.	OK	OK


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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
methodology?					
g. Are all data and parameters monitored as per monitoring methodology?	ACM	0002 v.11	Data and parameters are monitored as per monitoring methodology	OK	OK
h. Are all data collected as part of monitoring archived electronically and kept at least for 2 years after the end of the last crediting period?	ACM	0002 v.11	The collected data will be kept by Baktepe during the crediting period and until two years after the last issuance of VERs for the Kayadüzü WPP activity for that crediting period.	OK	OK
i. Are 100% of the data monitored, if not indicated otherwise?	ACM	0002 v.11	Please state if % 100 of the data will be monitored.	CL-8	OK
j. Are measurements conducted with calibrated measurement equipment according to relevant industry standards?	ACM	0002 v.11	Ministry of Trade and Industry (Ministry) is responsible from control and calibration of the meters. Periodic calibration of the meters will be done every 10 years. While operating the meters for the first time, a protocol will be signed for initial acceptance of the meters. Please provide a copy of this document to DOE when it is available.	CL-9	OK
k. Are the monitoring provisions in the tools referred to in the methodology correctly applied?	ACM	0002 v.11	Monitoring is correctly applied.	OK	OK
l. Are the monitoring arrangements described in the monitoring plan feasible within the project design?	VVM	123	Monitoring is feasible.	OK	OK
m. Are the following means of implementation of the monitoring plan sufficient to ensure that the emission reductions achieved by/resulting from the proposed CDM project activity can be reported ex post and verified:	VVM	123		OK	OK
i. data management procedures?	VVM	123	Data management procedures are sufficient	OK	OK



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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
ii. quality assurance procedures?	VVM	123	For quality all regulations are implemented.	OK	OK
iii. quality control procedures?	VVM	123	For quality all regulations are implemented.	OK	OK
8. Sustainable development					
a. Does the CDM project activity assists Parties not included in Annex I to the Convention in achieving sustainable development?	VVM	125	Turkey is not a host party. This question is not applicable.	OK	OK
b. Does the letter of approval by the DNA of the host Party confirm the contribution of the proposed CDM project activity to the sustainable development of the host Party?	VVM	126	Turkey is not a host party, it does not have a DNA. This question is not applicable.	OK	OK
9. Local stakeholder consultation					
a. Were local stakeholders (public, including individuals, groups or communities affected, of likely to be affected, by the proposed CDM project activity or actions leading to the implementation of such an activity) invited by the PPs to comment on the proposed CDM project activity prior to the publication of the PDD on the UNFCCC website?	VVM	128	Yes, stakeholders were invited for a meeting and comment on the proposed project activity. PDD has not been published on the GS website yet (as by 07/02/2011). Please clarify.	CL-10	OK
• Have comments by local stakeholders that can reasonably be considered relevant for the proposed CDM project activity been invited?	VVM	129	Yes, stakeholders were invited to comment on the proposed project activity.	OK	OK
b. Is the summary of the comments received as provided in the PDD complete?	VVM	129	LSC comments received are included in the LSC Report.	OK	OK
c. Have the project participants taken due account of any comments received and described this process in the PDD?	VVM	129	No alterations have been made upon comments.	OK	OK
10. Environmental impacts					


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CHECKLIST QUESTION	Ref.	§	COMMENTS	Draft Concl	Final Concl
a. Have the project participants submitted documentation on the analysis of the environmental impacts of the project activity?	VVM	131	Yes, PP has submitted the project introduction report and EIA Not Required to validation team.	OK	OK
1. Have the project participants undertaken an analysis of environmental impacts?	VVM	132	Please refer to 11.1. above.	OK	OK
b. Does the host Party require an environmental impact assessment?	VVM	132	Please refer to 11.1. above.	OK	OK
c. If yes, have the project participants undertaken an environmental impact assessment?	VVM	132	Please refer to 11.1. above.	OK	OK

Table 2 Legal Requirements

CHECKLIST QUESTION	Ref.	MoV *	COMMENTS	Draft Concl	Final Concl
1. Legal requirements					
1.1. Is the project activity environmentally licensed by the competent authority?	2	DR	EIA Not Required document has been presented to validation team.	OK	OK
1.2. Are the conditions of the environmental license being met?	2	DR	EIA Not Required document has been presented to validation team.	OK	OK
1.3 Are the conditions of the Designated National Authority being met?	2	DR	There are no conditions of DNA.	OK	OK

**TABLE 3 – Validation requirements based on the Gold Standard Passport Requirements (version 2.1)**

CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
A. Project Title				
a. Is the Project title given in the Passport the same as in the PDD?	T-1.6	Project titles are in line with each other.	OK	OK
B. Project Description				
a. Is the Project description given in the Passport consistent with the one given in the PDD?	T-1.6	Descriptions are consistent with each other but there is a CAR about installed capacity. Please revise GSP when the CAR in the PDD is corrected. Annual emission reduction data is not the same with the data in the PDD. Please clarify.	CL-11	
b. Has the estimated start date of construction been given under the Project description?		Please provide estimated start date of construction been given under the Project description.	CL-12	OK
C. Proof of project eligibility				
C.1. Scale of Project				
a. Has the scale of the Project activity been defined as per Gold Standard Toolkit Section 1.2.1?	T-1.2.1	Project is large scale.	OK	OK
b. Does the project proponent have a written statement (e.g. in the PDD) against de-bundling of the project?	T-3.5.1	Project is large scale so bundling is not a subject.	OK	OK



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
(De-bundling of small and large-scale projects to create micro-scale projects is not allowed.				
C.2. Host Country				
a. Does the host country have cap on its GHG emissions?	T-1.2.2	As explained in Section C2, Turkey is the host country and it has no cap.	OK	OK
b. If the answer to the above question is yes, then has the Project proponent provided an official approval from the relevant local authorities stating that an equivalent amount of allowances will be retired to back-up the GS VERs issued?	T-1.2.2	N/A	OK	OK
c. If the host country does not have a cap on its GHG emissions, has it been stated in the Passport?	T-1.2.2	As explained in Section C2, Turkey is the host country and it has no cap.	OK	OK
C.3. Project Type				
a. Is the Project a Renewable Energy Supply Project or an End-use Energy Efficiency Improvement Project? (If not, the validation has to be aborted)	T-1.2.3	Project is a Renewable Energy Supply Project.	OK	OK
b. Has the Project type and eligibility of the Project activity been defined as per Annex C of Gold Standard Toolkit?	T-1.2.3	In section C.3 project is referred to as a geothermal project. Please clarify and discuss eligibility as per Annex C.	CAR-18	OK
c. Has a previous announcement of the project going ahead without the revenues from carbon credits been made?	T-1.2.3	No previous announcement of the project going ahead without the revenues from carbon credits has been made. Kayaduzu 40 MW GPP refers to a geothermal power plant. Please clarify.	CAR-19	OK
d. If the answer to the above question is yes, has the project subsequently been cancelled or the design has been significantly revised?	T-1.2.3	N/A	OK	OK


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e. If the answer questionII(c) is no, have the Project Proponents provided a pre-announcement statement under section C.3 in the Gold Standard Passport, attesting that no such previous announcement has been made?	T-1.2.3	Yes, it is indicated that "There has been no pre-announcement statement regarding the execution of the project without the inclusion of carbon revenues".	OK	OK
C.4. Greenhouse Gas				
a. Does the project reduce emissions of one or more of the following an GHG? Carbon dioxide, methane, nitrous oxide?	T-1.2.4	Project reduces CO2 emissions.	OK	OK
C.5. Project registration type				
a. Does the project apply the correct project cycle (regular vs. pre-feasibility assessment)?	T-3.5.1	Project applies to regular cycle.	OK	OK
b. Is the Project activity a regular registration?	T-1.2.5	Project applies to regular cycle.	OK	OK
c. Is the Project activity a retroactive registration?	T-1.2.5	No	OK	OK
a. If the answer to the above question is yes, has the Project proponents applied to the Gold Standard for the pre-feasibility assessment?	T-1.2.5	N/A	OK	OK
b. If the answer to the above question is yes, then has the Project proponent provided the Gold Standard pre-feasibility assessment feedback to the DOE?	T-1.2.5	N/A	OK	OK
c. Does the Project activity need preliminary evaluation? (Large hydro or palm-oil related project)	T-1.2.5	N/A	OK	OK
d. If the answer to the above question is yes, has the Project proponents applied to the Gold Standard for the pre-feasibility assessment?	T-1.2.5	N/A	OK	OK
e. If the answer to the above question is yes, then has	T-	N/A	OK	OK


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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
the Project proponent provided the Gold Standard pre-feasibility assessment feedback to the DOE?	1.2.5			
f. Has the Project activity been rejected by UNFCCC?	T-1.2.5	No, Project activity has not been rejected by UNFCCC.	OK	OK
g. If the answer to the above question is yes, has the Project proponents applied to the Gold Standard for the pre-feasibility assessment?	T-1.2.5	N/A	OK	OK
h. If the answer to the above question is yes, then has the Project proponent provided the Gold Standard pre-feasibility assessment feedback to the DOE?	T-1.2.5	N/A	OK	OK
i. Are there any double counting occurring with other certification schemes?	T-3.5.1	The only other mechanism of carbon crediting in Turkey other than GS is VCS. A search in VCS registry retrieves no results. There is no double counting.	OK	OK
D. Unique project identification				
D.1. GPS-coordinates of Project location				
a. Has the Project proponent stated the exact GPS coordinates of Project location for point source activities and the boundaries for projects spread over a broader area?	T-1.6	Coordinates are provided and were checked during site visit.	OK	OK
a. For Programme of Activity projects have the Project Proponent explained the reasoning behind the definition of the project location and coordinates carefully?	T-1.6	This is not a Programme of Activity project.	OK	OK
D.2. Map				
a. Have the coordinates been illustrated with a map? (Optional)	T-1.6	Detailed maps are presented in the PDD.	OK	OK
E. Outcome stakeholder consultation process				



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
E.1. Assessment of stakeholder comments				
b. Has the Project proponent inserted the "Table ii- Assessment of Stakeholder Comments" in section B5 of the Stakeholder Consultation Report?	Annex R, E.1	"Assessment of Stakeholder Comments" table has been inserted. Comments are about risks of wind turbines and employment opportunities.	OK	OK
c. Has the Project proponent inserted a summary of alterations based on stakeholders comments?	Annex R, E.1	There are no alterations based on the comments.	OK	OK
d. Has an invitation tracking table been filled out?	T-3.5.1	Yes an invitation tracking table has been filled.	OK	OK
e. Are copies of invitations published/sent out available?	T-3.5.1	Copies of invitations are available in the LSC Report.	OK	OK
f. Has a non-technical summary in language been included in the Local Stakeholder Consultation report, as well as an English summary?	T-3.5.1	Turkish version of nontechnical summary is attached as annex to LSC report.	OK	OK
g. Is a participant list presented?	T-3.5.1	Participant list is presented.	OK	OK
a. Are stakeholder evaluation forms available?	T-3.5.1	Original forms are available in the LSC Report.	OK	OK
b. Are minutes of the meeting(s) available?	T-3.5.1	Minutes of the meeting are available in the LSC Report.	OK	OK
c. Has due account been made on comments received?	T-3.5.1	There are no alterations based on the comments.	OK	OK
d. If stakeholders required a revisit of the sustainable development assessment, has this been done?	T-3.5.1	There were no comments from stakeholders which substantiate project modification. There is no need to revisit the sustainable development assessment.	OK	OK
h. Is the consolidated sustainable development matrix presented based on own 'preliminary' scoring and the matrix from the outcome of the blind stakeholder exercise.	T-3.5.1	Yes, consolidated matrix is formed based on own 'preliminary' scoring and the matrix from the outcome of the blind stakeholder exercise.	OK	OK


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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
i. Were comments accepted and received by email or other means actually considered?	T-3.5.1	There were no comments received by other means.	OK	OK
E.2. Stakeholder Feedback Round (Can be performed in parallel to the validation process)				
b. Has the Project proponent organized a stakeholder feedback round to give feedback to the stakeholders on how their comments have been taken into account?	T-2.11	According to LSC Report, the stakeholder feedback round shall be finalized in December 2010. Please provide updated information and objective evidence for the date of SFR beginning.	CL-13	OK
c. Did the stakeholder feedback round include a physical meeting? (optional)	T-2.11	No.	OK	OK
d. Have all the stakeholders invited for participation in the Local Stakeholder Consultation been included in the Stakeholder Feedback Round?	T-2.11	All the stakeholders have been invited	OK	OK
e. Have all of the following documents been made available to the public for a period of at least two months prior to completion of the validation: <ul style="list-style-type: none"> a. The Latest version of the complete PDD (including the EIA, if applicable); b. A non-technical summary of the project (in appropriate local language(s)); and English summary. c. The (revised) Passport d. if applicable, supporting documentation such as an environmental impact assessment (EIA) (if available, in appropriate local language(s)); in the case of an EIA, at least a one-page English summary is required e. Additional, non-translated information must be made available as well and shall be translated 	T-3.5.1	Documents have been made available to the public	OK	OK


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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
to the local language upon any justified request of a stakeholder.				
f. Did the Project proponent also prepare hard copies to be publicly displayed at local places like the post Office, municipality, etc?	T-2.11	Hard copies were delivered.	OK	OK
g. If the Project is a retroactive Project, did the stakeholder feedback round include a site visit by the stakeholders participating in the process?	T-2.11	N/A	OK	OK
h. If the Project is a retroactive Project, did the Project proponent follow the guidance provided by the Gold Standard in the pre-feasibility assessment?	T-2.11	N/A	OK	OK
i. Does the stakeholder feedback round report given in the Passport include the following information: a. How the feedback round was organized (A description of the procedure followed to invite comments, including addressing all the details of the oral hearing such as place, date, participants, language, local or national Gold Standard NGO supporters, etc.), b. What the outcomes of the feedback round are (All written or oral comments received.) c. How did the Project proponents followed up on the feedbacks. (The argumentation on whether or not comments are taken into account and the respective changes to the project design.)	T-3.5.1	Report includes all required information.	OK	OK
F. Outcome Sustainability assessment				
F.1. 'Do no harm' Assessment				
e. Has the Project proponents considered the critical	T-	There are no critical issues for wind projects.	OK	OK


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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
issues for their Project type that are listed in Annex C of Gold Standard?	2.4.1			
f. Have the Project participants discussed all of the safeguarding principles with the stakeholders?	T-2.4.1	DNH assessment is not clearly visible in the GSP. Please reorganize the page settings. According to the assessment in the LSC Report, all of the safeguarding principles have been discussed.	OK	OK
g. Have the Project participants introduced mitigation measures for the safeguarding principles with a medium to high risk?	T-2.4.1	Safeguarding principles have been scored with a medium to high risk.	OK	OK
h. Does the 'Do No Harm' Assessment base on accurate information and have the reference sources been included?	T-3.5.1	Reference are provided for the DNH Assessment.	OK	OK
		For safeguarding principle number 8, health and safety trainings are mentioned. During site visit the following were observed: -Nordex equipment agreement has a training for 1 week for technicians. This training has not been realized yet. -Technicians have training on the operation of WPP from another private company, too. -2 of the subcontractor companies have been provided with safety trainings on 26-01-2011. -Please provide records for the trainings given to the other subcontractors. -Please provide records on first aid trainings.	CAR-20	OK
F.2. Sustainable Development matrix				
a. Has the Sustainable Development Matrix table been inserted in the Passport?	Annex R, F.2	The SDM in the GSP and LSC Report are not the same. As LSC report should not be revised once it is prepared, the SDM in the GSP is the basis for this	OK	OK



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
		assessment.		
b. Has the project been scored on the following indicators?: a. Environmental b. Social c. Technological d. Economic	T-2.4.2	Indicators have been classified accordingly.	OK	OK
c. Have the corresponding parameters to represent the status of each of the indicators been selected?	T-2.4.2	Parameter for "Technology transfer and technological self-reliance" is not adequate. Please clarify.	CAR-21	OK
d. Is the baseline situation and the situation aimed for the project described for each parameter?	T-2.4.2	Please confirm that the baseline for "Human and institutional capacity" contains olives related jobs for women. During the site visit no olive trees were seen.	CAR-22	OK
e. Are the indicators connected to the localized MDG's (Milenium Development Goals) when possible?	T-2.4.2	Yes, indicators are connected to the localized MDG's (Milenium Development Goals).	OK	OK
f. Was the reason for choice of the parameters described?	T-2.4.2	Please revise choice of the parameter for "Technology transfer and technological self-reliance".	CAR-23	OK
g. Have all of the indicators been scored 'negative', 'positive' or 'neutral' in comparison with the baseline situation?	T-2.4.2			
		Water quality: To be on the conservative side, please revise this section selecting the baseline as the preproject scenario.		
		Biodiversity: It is indicated in GSP that "Position and operation of turbines may have some negative impact on biodiversity. One of these impacts may be on endangered species and habitats". Please explain what kind of mitigation measure is determined for this.	CAR-24	OK
		Soil condition: It is indicated in GSP that "Some pieces of lands will be purchased for the project activity which		



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
		are being used for agriculture before the project. Remaining lands after project activity will be left usage to owners for agriculture activities". During the site visit validation team was told that the land was only used for grazing purposes. Please clarify.		
		Other pollutants: It is indicated in GSP that "The distance of the project to closest settlement (Çobanören village) is more than 2 km". During the site visit this village was not mentioned and closest village was introduces as Cavunur. Please clarify.		
		Reference 11 on pg 18 of the GSP is not clear to DOE. Please clarify.		
		It is indicated in PIF pg 49 that "permission will be obtained from Ministry of Nature that the project does not interfere with bird migration routes". Please provide the said document.		
		Please provide a reference for "the report prepared based on 127 researches in 10 countries".		
		Quality of employment: Proof for trainings were asked in Do No Harm Assessment of this protocol.		
		AKRES WPP is mentioned on page 18. Please clarify.		
		Human and institutional capacity: The scoring is (+) but the explanation contains expression " pre and post project situation for this parameter is zero". Please clarify.		
		Quantitative employment and income generation: In the GSP pg: 19, the project is claimed to create new employments with social insurance. Please provide <u>objective evidence by a third party</u> that employees have		


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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
		social insurances.		
h. If there are any 'negative' indicators, are there any mitigation measures for these indicators?	T-2.4.2	No.	OK	OK
a. Has the matrix been filled by the stakeholders during the Local Stakeholder Consultation?	T-2.4.2,	Yes, stakeholders filled a matrix.	OK	OK
i. Were there any negative scores during the stakeholder consultation?	T-2.4.2	No, almost all of the scores are positive.	OK	OK
j. If the answer to the above question is yes, has the sustainability assessment been revisited?	T-2.4.2	N/A	OK	OK
k. Have the project indicators been classified in three categories namely "environment", "social development" and "economic and technological development" under the sustainable development matrix?		Indicators have been classified accordingly.	OK	OK
l. Does the project contribute positively to least at two of the three categories and neutral to the third category?	T-2.4.2,	Project contributes positively to least at two of the three categories.	OK	OK
m. Is the matrix based on existing sources of information? (can include data from existing reports, results from stakeholder consultations, and experiences with similar projects in similar situations, etc. Where data are unavailable or are of poor quality, or severely outdated, independent opinions and expert judgments can also be used.)	T-3.5.1	Reference 8 on pg 17 is not clear to DOE. Please clarify.	CL-14	OK
n. Are the data or expert opinions presented in a sufficient degree of detail and transparency?	T-3.5.1	There are no expert opinions.	OK	OK
		The amount for "Balance of payments and investment" on pg 16 "27,093 Euro" is not reproducible by DOE. Please clearly indicate the calculations used to find the number.	CAR-25	OK



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
		Please clearly indicate how "future targets for parameters" have been calculated.	CAR-25	OK
o. Are the data uncertainties clearly stated, if possible with associated margins of error?	T-3.5.1	There are no data uncertainties.	OK	OK
p. Is the scoring reproducible and verifiable?	T-3.5.1	Scoring is verifiable.	OK	OK
q. Does the project demonstrate clear benefits in terms of sustainable development?	T-2.4.2	Project has benefits on sustainable development.	OK	OK
G. Sustainability Monitoring Plan				
a. Are the mitigation actions included in the monitoring plan?	T-2.4.3	Please revise monitoring plan if necessary after considering the baseline for water quality as pre project scenario.	CL-15	OK
		Please also clarify if the land of project area is used for agriculture.	CL-15	OK
		Regarding "Quantitative employment and income generation" it is not clear to DOE the expression "Private lands to be utilized for the project activity will be compensated properly". Please clarify.	CL-15	OK
b. Are all the non-neutral indicators included in the monitoring plan?	T-2.4.3	If land usage is to be monitored it should not be scored as zero. Please clarify.	CAR-26	OK
		If "Human and institutional capacity" is scored positive, it should be monitored, please clarify.	CAR-26	OK
c. Is the current status (or expected status under the baseline) of the parameters, the future status and the way they will be monitored described in the monitoring plan?	T-2.4.3	Current status, future status and the way they will be monitored are described.	OK	OK
d. Have the project proponents identified parameters that can be used to properly monitor each non-neutral	T-2.4.3	Comments on parameters have been provided in above CARs.	OK	OK



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
Sustainable Development Indicator according Annex I of the Toolkit?				
e. Are chosen parameters relevant to the indicators?	T-3.5.1	Parameters are relevant to the indicators.	OK	OK
		Reference 12 and 13 on pg 21 is not clear to DOE. Please clarify.	CL-16	OK
		Reference 14 on pg 23 is not clear to DOE. Please clarify.	CL-16	OK
f. Are these parameters planned to be monitored over the crediting period and on a recurrent basis?	T-2.4.3	Parameters will be monitored continuously or after construction. Frequencies are adequate.	OK	OK
g. Are all mitigation measures put in place to prevent violation or the risk of violating a safeguarding principle of the 'Do No Harm' Assessment or to 'neutralize' a Sustainable Development Indicator included in the monitoring plan?	T-2.4.3	Mitigation measures related to trainings are included in the monitoring plan.	OK	OK
h. Is the sustainability monitoring plan clear about who will monitor with what frequency?	T-3.5.1	Responsibilities are clearly stated.	OK	OK
i. Is the monitoring plan feasible?	T-3.5.1	"Photos of excavators watering the ground in summer season will be taken" is given as a way of monitoring. Please determine a more realistic way of monitoring.	CAR-27	OK
		Feasibility of the comment will be commented when CARs and CLs about monitoring plan are closed.	CAR-27	OK
ANNEX 1 ODA declaration				
b. Does the project receive ODA under the condition that the credits coming out of the project are transferred to the donor country?	T-3.5.1	Project does not receive ODA.	OK	OK
c. Is a scanned copy of the Official Development	Annex	ODA declaration is provided in the PDD and GSP.	OK	OK



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CHECKLIST QUESTION	GS Ref.	COMMENTS	Draft Concl	Final Concl
Assistance Declaration statement signed by the project owner given in Annex 1?	D			

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Table 4 Resolution of Corrective Action and Clarification Requests

Draft report clarifications and corrective action requests by validation team	Ref. to checklist question in table 1 and 2	Summary of project owner response	Validation team conclusion
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<p>CAR-1 Please include: -purpose of project activity - scenario existing prior to the start or project - baseline scenario In section A.2.</p>	<p>Table 1 3.c.i</p>	<ul style="list-style-type: none"> - Purpose of the project is provided already in Version 1 of the PDD. Please see page 2-3. - Scenario is as well provided in Section A.2 page 2. - Additional sentence is added for clarification regarding baseline scenario. - <p>Response to Review 1:</p> <p>Prior to the start or project, the land, where the project site is, has been used for grazing purposes. After construction stage has been finished, the land will be further used for grazing purposes.</p>	<p>Review 1:</p> <p>In section A.4.3. of the PDD, it is stated that “The specific goals of the project are to reduce GHG and other emissions, help stimulate the growth of wind power industry, create local employment, as well as differentiate the electricity generation mix.”.</p> <p>Baseline scenario is indicated as “In case no wind power plant is built, the 111,760 MWh generated electricity would be provided by conventional power plants fed with fossil fuels.”</p> <p>Please also state the scenario existing prior to the start or project, what existed in the project site, how the land was used etc.</p> <p>The clarification request is still open.</p> <p>Review 2:</p> <p>Explanation is added to PDD.</p> <p>The clarification request is closed.</p>
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<p>CAR-2 Please explain in details how technology and know how is transferred.</p>	<p>Table 1 3.g.i</p>	<p>In section A. 2 page 3-4 some clarifications regarding know-how and technology are added.</p>	<p>Review 1: Technology transfer is explained in section A.2. The clarification request is closed.</p>
<p>CAR-3 Please include: -purpose of project activity - scenario existing prior to the start or project - baseline scenario In section A.4.3</p>	<p>Table 1 3.g.ii</p>	<p>Please see CAR.1. In section A.4.3 some information regarding baseline scenario and scenario prior the project is already implemented. Some additional information is added regarding the purpose of the project.</p>	<p>Review 1: In section A.4.3. of the PDD, it is stated that “The specific goals of the project are to reduce GHG and other emissions, help stimulate the growth of wind power industry, create local employment, as well as differentiate the electricity generation mix.”. It is explained that “The business-as-usual scenario and the scenario existing prior this wind farm electricity would be produced produced by mainly fossil fuel-fired power plants within the Turkish national grid” The clarification request is closed.</p>
<p>CAR-4</p>	<p>Table 1 3.g.iii</p>		



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<p>Specification of the turbines is provided.</p> <p>Supply agreement dated 6 October 2010 is for 16 turbines of 2,5 MW capacity. In section A.4.3, 18 turbines are mentioned.</p>		<p>The number of turbines in section A..4.3. has been corrected from 18 to 16.</p> <p>Response to Review 1:</p> <p>The number of turbines in section B.4 has been corrected from 18 to 16.</p>	<p>Review 1:</p> <p>Number of turbines is corrected in the PDD except for section B.4. Please clarify.</p> <p>Review 2:</p> <p>Correction is made. OK</p>
<p>Also in section A.2. it is indicated that 15 X 2,5 MW and 1 X 1,5 MW will be installed.</p>		<p>Also in Section A.2 the correct number of turbines has been added.</p>	<p>16 turbines of 2,5 MW capacity are mentioned in the PDD.OK</p>



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<p>Also the license is for 39 MW but installed capacity is 40 MW.</p>		<p>Baktepe has granted generation license as IPP for 39 MW wind power plant by Energy Market Regulatory Authority (EMRA) and this license was issued in June 2004. However, as the latest installed capacity of the plant is 40 MW, Baktepe has applied for an update of the current license. This will be issued after construction has been finished. Furthermore, according to the local regulations, increase factor of 3% is allowed without a request for new license. To see the regulations please see following link: http://www.enerji.gov.tr/mevzuat/3154/Elektrik_Tesisleri_Proje_Yonetmeligi.pdf</p> <p>Response to Review 1: Although project license has 39 MW, the regulation gives the possibility to upgrade the project at the time of commission. That is why it is intended to be upgraded to 40 MW just before commissioning. In regards of this, We suggest to open a FAR to be checked at the time of first verification by DOE. Please check regulation for detailed information (article 5, clause 23) http://www.alomaliye.com/2009/elektrik_tesisleri.htm</p>	<p>Review 1: Please provide license upgrade application document. Please inform the DOE about current situation of the application.</p> <p>Review 2: According to item 23 of the regulation, license can be revised before commissioning. A FAR will be raised to see the revised license during first verification. OK</p>
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<p>On pg:12, 20 turbines are mentioned.</p>		<p>The number of turbines has been corrected.</p> <p>Response to Review 1: see CAR 4 above. Number of turbines has been corrected.</p>	<p>Number of turbines is corrected in the PDD except for section B.4. Please clarify.</p> <p>Review 2: Correction is made.OK</p>
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<p>Installed capacity in the project site, PDD and license should be in line with each other.</p> <p>Production license is for 26 turbines. During site visit it was mentioned that an application for the renewal of the license was made. Please provide the application to DOE.</p>	<ul style="list-style-type: none"> - Baktepe has granted generation license as IPP for 39 MW wind power plant by Energy Market Regulatory Authority (EMRA) and this license was issued in June 2004. However, as the latest installed capacity of the plant is 40 MW, Baktepe has applied for an update of the current license. This will be issued after construction has been finished. Furthermore, according to the local regulations, increase factor of 3% is allowed without a request for new license. Therefore, the installed capacity on side is 40 MW and is currently in line with the PDD. - The application for the new license has been provided to the DOE during the on-side visit. <p>Response to Review 1:</p> <p>See CAR 4 above.</p> <p>Although project license has 39 MW, the regulation gives the possibility to upgrade the project at the time of commission. That is why it is intended to be upgraded to 40 MW just before commissioning. In regards of this, We suggest to open a FAR to be checked at the time of first verification by DOE. Please check regulation for detailed information (article 5, clause 23)</p> <p>http://www.alomaliye.com/2009/elektrik_tesisleri.htm</p>	<p>Please provide license upgrade application document. Please inform the DOE about current situation of the application.</p> <p>The application has not been presented to DOE. Please provide the document.</p> <p>Review 2:</p> <p>According to item 23 of the regulation, license can be revised before commissioning. A FAR will be raised to see the revised license during first verification. OK</p> <p>The clarification request is closed.</p>
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<p>CAR-5 For baseline calculation the “Tool to calculate the emission factor for an electricity system” and for additionality assessment the “Tool for the demonstration and assessment of additionality” is used.</p> <p>Please indicate version numbers of the tools throughout all the documents where the tools are mentioned.</p>	<p>Table 1 3.j.ii</p>	<p>The corresponding version numbers of the applied tools have been added in text in PDD.</p> <p>Response to Review 1:</p> <p>Section B.3 of the PDD has been revised; tool and version have been added.</p>	<p>Review 1:</p> <p>In section B.3. tool version is 12. Please revise.</p> <p>In the PDD, section b.3. please indicate which tool is used.</p> <p>The clarification request is still open.</p> <p>Review 2:</p> <p>Versions are correct.</p> <p>The clarification request is closed.</p>
<p>CAR-6 Please discuss all elements of the applicability conditions of the methodology.</p>	<p>Table 1 3.k.i</p>	<p>The different applicability conditions have been discussed in section B. 2. Some criteria are skipped as they are applicable only for hydro project and the project at hand is no hydro project.</p>	<p>Review 1:</p> <p>Applicability criteria are discussed in details. Methodology is applicable.</p> <p>The clarification request is closed.</p>
<p>CAR-7 Reference 7 on pg 8 is not working. Please clarify reference 10 on pg:12</p>	<p>Table 1 3.m.iii</p>	<p>The link provided in Footnote 7 is relevant also here. The Information provided in text can be found in the presentation in the link of Footnote 7.</p>	<p>Review 1:</p> <p>References have been clarified.</p> <p>The clarification request is closed.</p>



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<p>CAR-8 Please state who is responsible for data collection and storage.</p>	<p>Table 1 3.t.iii</p>	<p>Please see monitoring plan in Passport, as well as Section B.7.1 and B.7.2.</p> <p>Response to Review 1: The plant manager or specialist, appointed by the plant manager, will be responsible for data collection and storage.</p>	<p>Review 1:</p> <p>As understood from the GSP, plant manager will be responsible for data collection ad storage. Please state this clearly in the PDD.</p> <p>The clarification request is still open.</p> <p>Review 2:</p> <p>Explanation is added to PDD.</p> <p>The clarification request is closed.</p>
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VALIDATION REPORT

<p>CAR-9 Name of the company is Baktepe Enerji A.S according to the license. Please revise company name.</p>	<p>Table 1 3.u.ii</p>	<p>The company name has been revised to Baktepe Elektrik in both documents PDD and Passport.</p> <p>Response to Review 1: Name of the company has been corrected.</p>	<p>Review 1:</p> <p>There is a reference besides each CAR/CL request. In CAR-9 reference is Table 1- 3.u.ii. If this question of the protocol is seen, it will be clear that the question about section B.8 of the PDD and name of the company should only be changed in this section.</p> <p>Name of the company is Baktepe Enerji A.S according to the license. Please revise company name throughout the PDD.</p> <p>Review 2:</p> <p>Company name is Baktepe Enerji in the PDD. OK</p>
<p>Please provide name of responsible person for the baseline.</p>		<p>Name of responsible person have been added in section B. 8</p>	<p>Name of the responsible is provided.OK</p> <p>The clarification request is closed.</p>
<p>CAR-10 Please discuss all elements of the applicability conditions of the methodology.</p>	<p>Table 1 5.b.a.i</p>	<p>See answer CAR 6.</p>	<p>Review 1:</p> <p>Applicability criteria are discussed in details. Methodology is applicable.</p> <p>The clarification request is closed.</p>



VALIDATION REPORT

<p>CAR-11 Please discuss applicability conditions of the “Tool to calculate the emission factor for an electricity system”.</p>	<p>Table 1 5.b.h.i</p>	<p>Additional information on the applicability conditions of the “Tool to calculate the emission factor for an electricity system” have been added in section B.6.1.</p>	<p>Review 1: Applicability criteria are discussed in details. Tool is applicable. The clarification request is closed.</p>
<p>CAR-12 Please discuss applicability conditions of the “Tool for the demonstration and assessment of additionality”.</p>	<p>Table 1 5.b.h.ii</p>	<p>Additional information on the applicability conditions of the “Tool for the demonstration and assessment of additionality” in section B.5.</p>	<p>Review 1: Applicability criteria are discussed in details. Tool is applicable. The clarification request is closed.</p>
<p>CAR-13 In section B.3.please clearly indicate project boundaries that are considered during determination of project and baseline emissions.</p>	<p>Table 1 5.c.a</p>	<p>In section B.3, clarification is added regarding the project boundary.</p>	<p>Review 1: According to the methodology the spatial extent of the project boundary includes the project power plant and all power plants connected physically to the electricity system that the project power plant is connected to. The clarification request is closed.</p>
<p>CAR-14</p>	<p>Table 1 6.h</p>		
<p>Please discuss in details how the alternatives comply with the mentioned regulations and please show objective evidences related to compliance with regulations.</p>		<p>Section B.5, sub-step 1b has been revised and it is shown that the alternatives comply with the mentioned regulations. This is also proven by the authorizations and operation permits obtained.</p>	<p>Review 1: Alternatives are in compliance with the regulations.OK</p>



VALIDATION REPORT

Regarding the compliance of the project activity with regulations:			
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VALIDATION REPORT

<p>Construction permit: during site visit DOE was informed that a report from TUBITAK related to the “confirmation that the WPP could be built in project site as there is a military airport and aviation training zone in the district” is waited as a prerequisite for construction permit. Please provide the results of the report and the related permit when available.</p> <p>(an investigation was made by a private company called AGENA but the government asked for a TUBITAK report)</p> <p>Application for construction permit was made on 7.10.2008.</p>		<p>Application for expropriation was done by Project developer to EMRA and the decision for expropriation was taken based on public interest by EMRA. This is enough for Project developer to start construction and complete the project. Expropriation, on the other hand, is carried by EMRA through governmental institutions and may not result before commissioning of the Project. Thus, the question and request is not relevant.</p> <p>While construction has already started, construction permit does not depend on TUBITAK report. However we can still provide the report when it is ready. But, validation of Project should not depend on TUBITAK report, because the issue here is not a relevant question.</p> <p>Response to Review 1: According to the local regulations, while the project is on grassing area and the fact that it is a renewable project there is no need for construction permission. Moreover, the license itself gives permission for project developer to start for construction. Please take this into account.</p>	<p>Review 1: Please clarify if the project has a construction permit.</p> <p>Review 2: Explanation is accepted. OK</p>
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VALIDATION REPORT

<p>During site visit DOE was informed that an application was made on 18.01.2011 to the government regarding the expropriation of grazing areas. Please provide results of the application to DOE.</p>		<p>Application for expropriation was done by Project developer to EMRA and the decision for expropriation was taken based on public interest by EMRA . This is enough for Project developer to start construction and complete the project. Expropriation, on the other hand, is carried by EMRA through governmental institutions and may not result before commissioning of the Project. Thus, the question and request is not relevant. However we can still provide the results when it is ready or during the first verification period.</p>	<p>Review 1: A FAR will be raised to monitor the status of expropriation issues.OK</p>
<p>Rent permit of the site of the office buildings will be provided to DOE.</p>		<p>Please see attached document “Building site rental agreement”.</p>	<p>Review 1: Rent documents are provided.OK</p>
<p>Please provide documents showing compliance with the regulations about excavation (excavation plans and permits)</p>		<p>Please note that it was stated in the PIF of the project (page 20) that project developer will comply with the “regulation on control of excavation and construction waste” with number of 25406 dated to 18.03.2004.</p>	<p>Review 1: Request is closed.OK</p>



VALIDATION REPORT

<p>EIA not required document is given to Baktepe as the precautions foreseen in the PIF are sufficient. Please show objective evidences that these precautions (PIF page: 61-64) are taken:</p> <p>Cesspool discharge Solid waste disposal Excavation waste Dust Noise Official document that the project site is not in destinations of birds.</p>		<p>Please note that as the project is still in very early stage, such objective evidence cannot be shown. Furthermore, this question is not relevant for the validation. Such references and evidences can be shown first during first verification period.</p> <p>Regarding the reference for the birds, as mentioned in earlier CAR, the report will be provided as it is ready.</p> <p>Response to Review 1:</p> <ul style="list-style-type: none"> - All parameters have been added in the monitoring plan of the GSP. They shall be verified once during first verification. - Official document showing that the project site is not in the destinations of birds is provided. Please see attachment. 	<p>Review 1: Please include these parameters in the monitoring plan of the SD Matrix.</p> <p>Review 2: Parameters have been added in the monitoring plan of the SD Matrix.OK</p>
			<p>The clarification request is closed.</p>



VALIDATION REPORT

<p>CAR-15 Date of electromechanical equipment contract date is set to be project starting date. Please include a timeline which shows the milestones of the project so that it can be checked which date is the adequate start date.</p>	<p>Table 1 6.a.a</p>	<p>Timeline is already included in Section B.5.</p> <p>Response to Review 1: Although these documents and related dates have been provided to DOE on site meeting, we would provide once more here.</p> <ul style="list-style-type: none"> - The date of loan agreement is: 27 October 2010 - The date of Electromechanical purchase: 06 October 2010 - The date of carbon consultancy agreement: 22 July 2010 <p>Please find the documents attached.</p> <p>Response to Review 2: Timeline is corrected in PDD Table 8 as stated.</p>	<p>Review 1:</p> <p>Please provide documents showing dates of loan agreement, request for consultancy and start of construction. Dates should be validated to determine first real action for the project.</p> <p>The clarification request is still open.</p> <p>Review 2:</p> <p>Loan proposal is dated to 20/08/2010 and loan agreement is dated to 27/10/2010. Equipment contract is dated to 06/10/2010 (investment decision date). Please revise timeline and section C.1.1. accordingly.</p> <p>The clarification request is still open.</p> <p>Review 3:</p> <p>Timeline is in line with the reference documents provided.</p> <p>The clarification request is closed.</p>
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VALIDATION REPORT

<p>CAR-16 Please discuss in details how the alternatives comply with the mentioned regulations and please show objective evidences related to compliance with regulations</p>	<p>Table 1 6.b.c.ii i</p>	<p>See CAR 14.</p>	<p>Review 1: Alternatives are in compliance with the regulations. The clarification request is closed.</p>
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VALIDATION REPORT

<p>CAR-17 Please provide a table of IRR inputs clearly indicating --input name --input value --name of reference document --page/column number of related value</p>	<p>Table 1 6.c.zz</p>	<p>Please note that some of the data used for the IRR calculations is very sensitive and in some cases even confidential. Therefore, this information cannot be provided in the PDD.</p> <p>Response to Review 1: See CAR 15</p> <p>Response to Review-1: Submitted proposal of Sena İnşaat is the earliest proposal in hand which can be based on investment analysis. PP is in opinion that as investment decision date (06/10/2010) and construction proposal date (18/10/2010) is too close, these proposal budget was also applicable during investment decision and can be used as an evidence for construction cost. However, to be more conservative, only half of this price is used in investment analysis to demonstrate that, even half price of this cost doesn't lead project to be economically attractive.</p>	<p>Review 1: The DOE does not request this information to be published in the PDD anyway. The references of the data in IRR excel sheet is provided in the excel sheet besides the data but please provide the loan agreement and electromechanical purchase agreement (full documents) so that this data can be validated.</p> <p>Review 2: All IRR inputs have been validated with documents dated before the investment decision date except for "construction works cost". This cost was not known at time of investment decision date. Please clarify how this is conservative.</p> <p>The clarification request is still open.</p> <p>Review 3: Construction cost is validated with construction proposal which is dated later but still very close to investment decision date.</p> <p>The clarification request is closed.</p>
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VALIDATION REPORT

		<p>Response to Review 1: All analyses and feasibility studies were done according to the value from energy assessment report P75. That is why this value is also taken for IRR calculation.</p>	<p>Please explain why the “estimated generation of 111,670 MWh per year” data is taken from the “Kayaduzu_Energy-Assessment-Report” and not the license.</p> <p>The clarification request is still open.</p> <p>Review 2: Explanation is accepted.</p> <p>The clarification request is closed.</p>
<p>CAR-18 In section C.3 project is referred to as a geothermal project. Please clarify and discuss eligibility as per Annex C.</p>	<p>Table 2 C.3.b</p>	<p>In section C.3, project type is corrected and now refer to wind project. Please note that eligibility criteria provided in Annex C are not relevant for wind projects. They are only relevant for hydro, biomass, biogas, waste heat recovery, waste gas recovery, fossil fuel co-generation, waste incineration, relighting, end-use fossil fuel switching.</p>	<p>Review 1: Information is corrected.</p> <p>The clarification request is closed.</p>
<p>CAR-19 No previous announcement of the project going ahead without the revenues from carbon credits has been made.</p> <p>Kayaduzu 40 MW GPP refers to a geothermal power plant. Please clarify.</p>	<p>Table 2 C.3.c</p>	<p>The fact that the Kayaduzu has been referred as geothermal in the documentation is a typing mistake. This mistake has been corrected and now the project is referred as wind project.</p>	<p>Review 1: Information is corrected.</p> <p>The clarification request is closed.</p>


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<p>CAR-20 For safeguarding principle number 8, health and safety trainings are mentioned. During site visit the following were observed:</p> <ul style="list-style-type: none"> -Nordex equipment agreement has a training for 1 week for technicians. This training has not been realized yet. -Technicians have training on the operation of WPP from another private company, too. -2 of the subcontractor companies have been provided with safety trainings on 26-01-2011. -Please provide records for the trainings given to the other subcontractors. -Please provide records on first aid trainings. 	<p>Table 2 F.1.h</p>	<p>There has been training for subcontractors on fire fighting and control for 36 employees and on occupational health and safety for 28 employees. There are no personnel certificates for each employee, but the document attached explains who received the trainings.</p> <p>And moreover this is not an issue for validation, as it is stated in Gold Standard Passport. This issue and request for proving documents should be raised at the time of first verification. Thus, the question and request is not relevant</p>	<p>Review 1:</p> <p>Training records have been provided.</p> <p>The clarification request is closed.</p>
<p>CAR-21 Parameter for “Technology transfer and technological self-reliance” is not adequate. Please clarify.</p>	<p>Table 2 F.2.c</p>	<p>Project type has been corrected from geothermal to wind. So the parameter is now adequate.</p>	<p>Review 1:</p> <p>Parameter is now adequate.</p> <p>The clarification request is closed.</p>
<p>CAR-22 Please confirm that the baseline for “Human and institutional capacity” contains olives related jobs for women. During the site visit no olive trees were seen.</p>	<p>Table 2 F.2.d</p>	<p>The baseline provided in the passport was wrong. Now the factor has been revised and updated.</p>	<p>Review 1:</p> <p>Baseline for “Human and institutional capacity” is now adequate.</p> <p>The clarification request is closed.</p>
<p>CAR-23 Please revise choice of the parameter for “Technology transfer and technological self-reliance”.</p>	<p>Table 2 F.2.f</p>	<p>Please see CAR 22</p>	<p>Review 1:</p> <p>Parameter is now adequate.</p> <p>The clarification request is closed.</p>



VALIDATION REPORT

CAR-24	Table 2 F.2.g		
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VALIDATION REPORT

<p>Water quality: To be on the conservative side, please revise this section selecting the baseline as the pre-project scenario.</p>		<p>There is no reason to revise this parameter. Such revision might be more conservative but not so realistic. It is proven that the project will have this positive effect. Furthermore, calculations are provided with the excel sheet for CM. Moreover, several similar projects have been already registered with that parameter.</p> <p>In the baseline, thermal power plants discharges significant amount of waste water to the environment after usage for cooling etc. Hence, with the project activity considerable amount of water discharge will be avoided with substituting partially thermal power plants. For Wastewater discharged by thermal PPs in 2008 see: http://www.turkstat.gov.tr/PreHaberBul tenleri.do?id=6171&tb_id=2.</p> <p>Response to Review 1:</p> <ul style="list-style-type: none"> - In order to be conservative as possible the, it is considered that the project does not have any positive impact on the local water quality. Therefore, continuation of pre-project scenario is considered as baseline and future target of the project. 	<p>As each project has its own conditions, DOE doesn't take into account how other projects are validated. Project is neutral when preproject scenario is considered. However, as the SD matrix is not related to the baseline scenario, it is not acceptable that a wind project may have positive impact on local water quality and sustainable development in the region. Please revise.</p> <p>Review 2:</p> <p>Water quality is scored as zero. OK</p>
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<p>Biodiversity: It is indicated in GSP that "Position and operation of turbines may have some negative impact on biodiversity. One of these impacts may be on endangered species and habitats". Please explain what kind of mitigation measure is determined for this.</p>		<p>The statement "Position and operation of turbines may have some negative impact on biodiversity. One of these impacts may be on endangered species and habitats" is wrong. This statement is general statement for wind projects. However, in the Passport is further explained that this is not the case. However, in order to avoid confusions this statement have been deleted.</p> <p>Response to Review 1:</p> <ul style="list-style-type: none"> - Statement has been now deleted. Reference has been corrected. 	<p>The statement is not deleted.</p> <p>There are no endemic species around project area. (Pg 49 of PIF) . Please revise reference (Pg 37 in PIF)</p> <p>Review 2:</p> <p>The statement is deleted. Reference has been corrected. OK</p>
<p>Soil condition: It is indicated in GSP that "Some pieces of lands will be purchased for the project activity which are being used for agriculture before the project. Remaining lands after project activity will be left usage to owners for agriculture activities". During the site visit validation team was told that the land was only used for grazing purposes. Please clarify.</p>		<p>The indicator "Soil condition" have been revised and corrected. The land has been used only for grazing purposes. After construction has been finalized, the land will be further used for grazing.</p>	<p>Explanation is accepted.OK</p>
<p>Other pollutants: It is indicated in GSP that "The distance of the project to closest settlement (Çobanören village) is more than 2 km". During the site visit this village was not mentioned and closest village was introduced as Cavunur. Please clarify.</p>		<p>The village name has been revised</p>	<p>Correction is done.OK</p>



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Reference 11 on pg 18 of the GSP is not clear to DOE. Please clarify.		Reference has been now clearly identified in Passport.	Reference is clear. There are no endemic species around project area.OK
It is indicated in PIF pg 49 that “permission will be obtained from Ministry of Nature that the project does not interfere with bird migration routes”. Please provide the said document.		For this process, there has been a work of ornithologist to analyze the bird routes in sense of Kayadüzü project. The report will be provided to DOE as soon as it is ready. Response to Review 1: There is already a report of ornithologist to analyze the bird routes, please see the attachment.	Please provide the report when it is ready. Review 2: Comment of Ministry on report of ornithologist is provided to DOE.OK
Please provide a reference for “the report prepared based on 127 researches in 10 countries”.		Please note that this description have been taken out of the PIF document. Please see PIF for reference.	OK
Quality of employment: Proof for trainings were asked in Do No Harm Assessment of this protocol.		Proofs for trainings are still not available as the project is very early stage. Furthermore, such proofs are not relevant for the validation but for the verification. Such evidence shall be provided during first verification.	As trainings are added to the monitoring plan, request is closed. OK
AKRES WPP is mentioned on page 18. Please clarify.		This name is typing mistake. It is now taken out of the document.	OK
Human and institutional capacity: The scoring is (+) but the explanation contains expression “ pre and post project situation for this parameter is zero”. Please clarify.		Scoring has been revised to 0.	Scoring has been revised to 0.OK



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Quantitative employment and income generation: In the GSP pg: 19, the project is claimed to create new employments with social insurance. Please provide objective evidence by a third party that employees have social insurances.		As the project is at very early stage, such references are not available. Furthermore, this question is not relevant for the validation process but for the verification. References will be available for the DOE during the first verification period. Response to Review 1: This section has been revised and this parameter updated.	Mitigation measure for “Quantitative employment and income generation” is not relevant. Please clarify. Review 2: Correction is accepted.OK
			The clarification request is closed.
CAR-25	Table 2 F.2.n		Review 1:
The amount for “Balance of payments and investment” on pg 16 “27,093 Euro” is not reproducible by DOE. Please clearly indicate the calculations used to find the number.		The number is based on the excel sheet calculations for CM. In the passport is now as well shortly explained.	Calculations are reproducible.OK
Please clearly indicate how “future targets for parameters” have been calculated.		The future targets are calculated with excel tool for CM calculations. Please see in the excel tool for more detail. Response to Review 1: Please note that below each table in the excel sheet, reference is already available.	For future targets of air quality, water quality and balance of payments, please provide references to cells in the excel sheet. Review 2: Calculations have references.OK
			The clarification request is closed.
CAR-26	Table 2 G.b		Review 1:



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<p>If land usage is to be monitored it should not be scored as zero. Please clarify.</p>		<p>This parameter is scored as zero as there is not negative or positive effect on the used land. However, as some land that is used for grazing is taken during construction time, to be conservative and we shall monitor until this during the first verification</p>	<p>OK</p>
<p>If “Human and institutional capacity” is scored positive, it should be monitored, please clarify.</p>		<p>Scoring has been revised to 0.</p>	<p>Scoring has been revised to 0.OK</p>
			<p>The clarification request is closed.</p>
<p>CAR-27</p>	<p>Table 2 G.i</p>		
<p>“Photos of excavators watering the ground in summer season will be taken” is given as a way of monitoring. Please determine a more realistic way of monitoring.</p>		<p>Please note that the construction period is short and mainly during winter season. Also most probably, dust calculation in PIF will turn to be under legal limit. Please notice that dust emissions have negligible impact. Furthermore, no better way of monitoring has been identified. Moreover, further registered projects have been using the same parameter. For further more realistic presentation of this parameter statement of Muhtar, only during first monitoring period, has been also added to Monitoring Plan.</p>	<p>Review 1: It is not a parameter for a certain project how other projects have been validated. Conditions could be different in each case. As the muhtars statement is added to the MP, request is closed.OK</p>



VALIDATION REPORT

<p>Feasibility of the MP will be commented when CARs and CLs about monitoring plan are closed.</p>			<p>Review 2: Monitoring plan is feasible.OK The clarification request is closed.</p>
<p>CAR-28 Please give the loan repayment structure details. Are there any other costs related to the loan such as commissions (management, import and quarantine letter) and commitment fees and etc.?</p>		<p>Response 1: Leasing Proposal of Yapi Kredi Leasing is used for IRR calculation (see YKL-Proposal-2010-08-20). This proposal is based on fix annual payments for the loan. There are some costs for commissions but to be conservative side they are not considered in IRR calculation.</p>	<p>Review 1: In terms of being conservative the explanation is acceptable.OK</p>



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<p>Please present the calculation behind the yearly interest payment figure. It shouldn't be equal in all years but decreasing in time.</p>	<p>The loan utilized for the project activity and proposal used for IRR calculation are for leasing and payments are rents (equal annual repayments), so, annual debt and interest payments are same for 12 years. Please refer to leasing proposal.</p> <p>Response to Review-1:</p> <p>IRR Calculation has been revised. Now, interest payments are decreasing and principal payments are increasing by years. Total of interest and principal payments are equal during payment period.</p> <p>Interest payments are indicated separately in IRR analysis and now IRR calculated after tax.</p> <p>Resulted IRRs in PDD are also updated according to new results.</p> <p>Response to Review-2:</p> <p>In IRR Analysis, leasing proposal of YKB is being considered. For leasing, repayment amounts for each year is fixed during repayment period. Therefore, while payment for interest is decreasing, payment for principal is increasing by years.</p>	<p>Review 1:</p> <p>The sum of principal and interest payments must be equal during the repayment period. However, interest payments should decrease and the principal payment should increase in time. And, since interest expenses have impact on the tax payment they must be indicated and calculated separately in the IRR analysis. Please note that pre tax IRR calculation is not suitable for the world bank benchmark rate. Please clarify.</p> <p>Review 2:</p> <p>The debt repayment calculation seems wrong. Principal payment must be equal and the interest expenses are decreasing in time. This is a common application in energy project finance debts. Please check the calculations.</p> <p>Review 3:</p> <p>Since it is stated that the debt is a leasing finance.</p> <p>The corrective action request is closed.</p>
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VALIDATION REPORT

<p>Please explain if the interest expenses during the construction period is paid by equity or added to the loan amount.</p>		<p>There is no interest payment during construction. The annual equal repayments start after 14 months of construction. Equity amount is the 28% of the total investment cost.</p>	<p>OK</p>
<p>Please calculate the fair value by subtracting the total depreciation figure from the original asset value. So, please calculate depreciation in the analysis. Please apply different depreciation periods for each asset classes.</p>		<p>The report of Worldbank, submitted for benchmark identification doesn't clearly states whether the equity returns are before or after tax. Hence to be conservative, the benchmark is considered as before tax and IRR analysis is designed accordingly. No depreciation is applied as the IRR analysis is before tax.</p> <p>Response to Review-1: Depreciation figures are added to investment analysis and IRRs are calculated after tax.</p> <p>Response to Review-2 OK.</p>	<p>The equity IRR figure of 15% taken from the world bank document is after tax figure. So, please calculate the after tax IRR which means that depreciation should be calculated in the analysis.</p> <p>Review 2: Depreciation periods should be checked</p> <p>Review 3: Since there is no profit generated during that period, there is no tax occurred.</p> <p>The corrective action request is closed.</p>
<p>Please delete the figures of Interest Payment in 2030 and 2031.</p>		<p>Figures are deleted.</p>	<p>OK</p>



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Please present if there is VAT on the asset items.		VAT is not considered in IRR calculation.	OK
In the interest cost sensitivity, it is understood that additional investment amount is financed by equity only. So, please explain why the interest payment changes when there is a change in investment cost		IRR analysis is revised and know only 28% of the additional investment amount is financed with equity which is in line with Proposal of Yapi Kredi.	OK
Please present the change in the electricity price in percentage terms in the sensitivity table.		It is done. Response to Review-1: Table-10 in PDD already presents the IRR results after sensitivity analysis.	Please present the sensitivity table in PDD as it is in the IRR analysis. Review 2: Table 10 Equity IRRs (after tax) according to different parameters (EP is 55€/MWh) is updated in section B.5. The corrective action request is closed..
In PDD it is stated that “The equity IRR (after tax) of Kayadüzü WPP is calculated on the basis of expected cash flows...”. In Excel spreadsheet it is seen that pre tax IRR is calculated. Please clarify pre or post tax IRR is calculated.		It is pre-tax. Response to Review-1: Depreciation figures are added to investment analysis and IRRs are calculated after tax.	The equity IRR figure of 15% taken from the world bank document is after tax figure. So, please calculate the after tax IRR which means that depreciation should be calculated in the analysis. Review 2: OK



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World bank document is published in May '09. It must be in line with the investment decision in order to set the benchmark rate of 15% which is stated in the document. DOE will check whether it is suitable or not when the investment decision date is clarified (after the loan agreement is provided). If the timing of decision date is not very close the document publishing date, please apply CAPM to obtain the benchmark rate.		Please see the loan agreement attached.	OK
Please give reference for the loan interest rate. Please give information whether the loan rate is floated or fixed.		Please refer to revised IRR analysis (Investment&Financials) for interest rate reference.	OK
In PDD it is stated that: "Without adding any risk premium to the benchmark, which is 15%,...". The statement in the world bank document refers to a benchmark including all concepts including the country and project risks and risk free rate. So, please deduct this sentence from the PDD.		Sentence in the PDD has been revised.	OK
			The clarification request is still open. The clarification request is closed.
CAR-29 Please clearly state the outcomes after each step of the methodology.		Response 1: It is now clearly stated the outcomes after each step of the Additionality tool.	Review 1 Outcomes are provided. The clarification request is closed.



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<p>CAR-30 The fair value calculation is not correct. It should have been the difference between the initial asset value and the total depreciated amount during the analysis period. It is not just 5% of the initial asset value. Please also correct the depreciation periods by considering the link as followed. http://www.gib.gov.tr/fileadmin/user_upload/Yararli_Bilgiler/amortisman_oranlari2011.html</p>		<p>Depreciation periods are revised. As assets are fully depreciated at the end of operation period (20 yrs) fair value becomes zero. IRR Analysis (IRR_Kayaduzu_2011-11-24.xls) is revised accordingly and IRR results in PDD are updated.</p>										
<p>CAR-31 Depreciation is added back to the net profits to obtain the cash flow. But, the depreciation periods should be corrected.</p>		<p>Depreciation periods are corrected.</p>	<p>Review 1 : Depreciation periods are defined as;</p> <table border="1" data-bbox="1592 675 2085 847"> <thead> <tr> <th></th> <th>Time (year)</th> <th>Depreciation rate</th> </tr> </thead> <tbody> <tr> <td>For turbines</td> <td>10</td> <td>10,00%</td> </tr> <tr> <td>For electrical equipment</td> <td>20</td> <td>5,00%</td> </tr> </tbody> </table> <p>The depreciation quantity is stated 2012 - 2022 (3,58Million €/year), 2022 – 2031 (0,22Million €/year) in IRR_Kayaduzu_2011-11-24.xls</p> <p>The corrective action request is closed.</p>		Time (year)	Depreciation rate	For turbines	10	10,00%	For electrical equipment	20	5,00%
	Time (year)	Depreciation rate										
For turbines	10	10,00%										
For electrical equipment	20	5,00%										



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<p>CAR-32 The debt repayment calculation seems wrong. Principal payment must be equal and the interest expenses are decreasing in time. This is a common application in energy project finance debts. Please check the calculations.</p>		<p>Response to Review-2: In IRR Analysis, leasing proposal of YKB is being considered. For leasing, repayment amounts are fixed during repayment period. Therefore, while payment for interest is decreasing, payment for principal is increasing by years.</p>	<p>Review -1 Since it is stated that the debt is a leasing finance. The corrective action request is closed.</p>
<p>CL-1 Please show objective evidence to DOE that roads damaged during construction will be repaired when the construction is over.</p>	<p>Table 1 3.c.iii</p>	<p>There is a commitment by Baktepe Enerji to Special Provincial Administration of Amasya regarding damages to the roads. The commitment confirms that all damages to the roads by project activity will be repaired afterwards. The document is attached.</p>	<p>Road conditions is added to the monitoring plan. The commitment is also provided.OK</p>



VALIDATION REPORT

<p>Please clarify the DOE about the current situation of the application about land usage. If the fees have been paid please provide objective evidence about the payments.</p>		<p>Application was done to EMRA (EPDK) and EMRA is responsible to carry relevant work of expropriation. There is no fee payment for land usage.</p> <p>Response to Review 1:</p> <p>Expropriation has been finalized by EPDK and related documents and payments are attached.</p> <p>Response to Review-2: "BAKTEPE_IMAR-PLANI.pdf" is attached now to the validation protocol.</p>	<p>Please update the DOE about expropriation process.</p> <p>Review 2:</p> <p>Attachments are not provided.</p> <p>The clarification request is still open.</p> <p>Review 3: The file of "BAKTEPE_IMAR-PLANI.pdf" is provided.</p> <p>The clarification request is closed.</p>
			<p>The clarification request is still open.</p>
<p>CL-3 Please indicate if the crediting period is to be renewed.</p>	<p>Table 1 3.y</p>	<p>Indication regarding the crediting period is added in the section B.</p> <p>Response to Review 1:</p> <p>In section C in the PDD is now clearly indicated that renewable crediting period shall be used.</p>	<p>Review 1:</p> <p>The change should also be made in the PDD as the reference to this CL is Table 1 which is about the question list for ACM0002.</p> <p>The clarification request is still open.</p> <p>Review 2:</p> <p>Renewable crediting period is used.</p> <p>The clarification request is closed.</p>



VALIDATION REPORT

<p>CL-4 Please include ODA declaration in PDD.</p>	<p>Table 1 3.jj</p>	<p>Please see Annex I of the Passport</p>	<p>Review 1: ODA declaration is provided. The clarification request is closed.</p>
<p>CL-5 Similar activities have been discussed. Please provide a reproducible reference for table 12.</p>	<p>Table 1 6.y.i</p>	<p>A new working link has been added as reference to table 12. Response to Review 1: A new working link has been added as reference to table 12.</p>	<p>Review 1: Reference 25 of the PDD is not the correct reference for table 12. Please clarify. The clarification request is still open. Review 2: Reference is corrected. The clarification request is closed.</p>



VALIDATION REPORT

<p>CL-6 During the site visit an e-mail (request of proposal of PP from VER consultant) was mentioned as a proof of prior consideration. Please provide the proof to DOE.</p>	<p>Table 1 6.a.b</p>	<p>Please see forwarded e-mail. Response to Review 1: See attachment.</p>	<p>Review 1: Request of proposal from VER consultant is dated 29 March 2010. Equipment contract which is first real action for the project is dated to 6/10/2010. VER revenues are considered before investment began. The clarification request is closed.</p>
<p>CL-7 Similar and operational projects have been tabulated in table 12. Please provide a reproducible reference for the table.</p>	<p>Table 1 6.e.ff.</p>	<p>See CL 5! Response to Review 1: See response to CL5</p>	<p>Review 1: Reference 25 of the PDD is not the correct reference for table 12. Please clarify. The clarification request is still open. Review 2: Reference is corrected. The clarification request is closed.</p>



VALIDATION REPORT

<p>CL-8 Please state if % 100 of the data will be monitored.</p>	<p>Table 1 7.i.i</p>	<p>All data required to be monitored shall be 100% monitored.</p>	<p>Review 1: All data required to be monitored will be 100% monitored. The clarification request is closed.</p>
<p>CL-9 Ministry of Trade and Industry (Ministry) is responsible from control and calibration of the meters. Periodic calibration of the meters will be done every 10 years. While operating the meters for the first time, a protocol will be signed for initial acceptance of the meters. Please provide a copy of this document to DOE when it is available.</p>	<p>Table 1 7.i.j.</p>	<p>Please note that such protocol shall be available and provided to the DOE during the first verification.</p>	<p>Review 1: A FAR will be opened to see the first meter reading protocol as a proof of first calibration. The clarification request is closed.</p>
<p>CL-10 Yes, stakeholders were invited for a meeting and comment on the proposed project activity. PDD has not been published on the GS website yet (as by 07/02/2011). Please clarify.</p>	<p>Table 1 9.a.</p>	<p>Project has been listed on the GS webpage with number GS950. Please see https://gs1.apx.com/myModule/rpt/myrpt.asp?r=111</p>	<p>Review 1: Project is now listed. Stakeholders were invited for comments before PDD publication. The clarification request is closed.</p>



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<p>CL-11 Descriptions are consistent with each other but there is a CAR about installed capacity. Please revise GSP when the CAR in the PDD is corrected.</p> <p>Annual emission reduction data is not the same with the data in the PDD. Please clarify.</p>	<p>Table 2 B.a</p>	<p>Annual emission reduction is revised in the Passport in accordance with the data in the PDD.</p> <p>Response to Review 1: Installed capacity has been updated. See also answers to CL 11</p> <p>Response to Review-2: Annual Emission Reduction estimation in GSP revised to be in line with PDD.</p>	<p>Review 1: The annual emissions data are not in line with each other in the GSP and PDD. The clarification request is still open.</p> <p>Review 2: Data are still different in the PD and GSP. The clarification request is still open.</p> <p>Review 3: Annual emission reduction estimation is revised as 67.203tCO₂. in GS_Passport_Kayaduzu_2011-11-24. The clarification request is closed.</p>
<p>CL-12 Please provide estimated start date of construction been given under the Project description.</p>	<p>Table 2 B.b</p>	<p>Start date of construction has been provided in the project description.</p>	<p>Review 1: Construction has started November 2010 and is expected that the generation of electricity will start as of June 2011 and will have an operational life of 20 years The clarification request is closed.</p>



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<p>CL-13 According to LSC Report, the stakeholder feedback round shall be finalized in December 2010. Please provide updated information and objective evidence for the date of SFR beginning.</p>	<p>Table 2 E.2.b</p>	<p>The LSC feedback round has not been finalized yet. As long as there is update on this issue, further information shall be provided.</p> <p>Response to Review 1: Information regarding SFR has been integrated in the GS Passport.</p>	<p>Review 1: Please provide SFR information when available.</p> <p>The clarification request is still open.</p> <p>Review 1: SFR is realized between 17 January 25 March 2011.</p> <p>The clarification request is closed.</p>
<p>CL-14 Reference 8 on pg 17 is not clear to DOE. Please clarify.</p>	<p>Table 2 F.2.m</p>	<p>Reference 8 has been now clearly identify.</p>	<p>Review 1: Reference is clear now.</p> <p>The clarification request is closed.</p>
<p>CL-15 Please revise monitoring plan if necessary after considering the baseline for water quality as pre project scenario.</p>	<p>Table 2 G.a</p>	<p>No revisions have been done.</p>	<p>Review 1: Issue is questioned in an above CAR.</p>
<p>Please also clarify if the land of project area is used for agriculture.</p>		<p>Land has been used for grazing purposes and after construction stage has been ended it will be further used for grazing.</p>	<p>Explanation is accepted.</p>
<p>Regarding “Quantitative employment and income generation” it is not clear to DOE the expression “Private lands to be utilized for the project activity will be compensated properly”. Please clarify.</p>		<p>As the project is at very early stage, more specific information is not available. Payment of fee to land owners will be submitted during first verification.</p>	<p>Expropriation issue is questioned in another CAR.</p>



VALIDATION REPORT

			The clarification request is closed.
CL-16	Table 2 G.e		Review 1:
Reference 12 and 13 on pg 21 is not clear to DOE. Please clarify.		References are now clearly identified.	Review 1: Reference is clear now.OK
Reference 14 on pg 23 is not clear to DOE. Please clarify.		References are now clearly identified.	Reference is clear now.OK The clarification request is closed.
CL-17 Please define technical lifetime and operational lifetime of the project as per CDM tools (for example EB50 annex 15).		Response 1: Technical lifetime and operational lifetime of the project have been defined in accordance to the CDM Guidelines.	Review 1: According to equipment specifications, lifetime is 20 years. The clarification request is closed.
CL-18 Annual emission reductions are 67,203 in the excel sheet and PDD table 4 but different in PDD pg 34 and pg 2. Please clarify.		Response 1: Annual emissions reductions have been corrected on page 2 and 34 of the PDD to 67,203 tCO2.	Review 1: Correction is made. The clarification request is closed.
CL-19 Please provide a reference for Euro/TL parity. Parity should be on date of investment decision date (6/10/2010)		EURO/TL parity on investment decision date is added to the cell C31 of 'Investment&Financials' sheet of 'IRR_Kayaduzu_2011-10-13.xls'.	Review 1: Reference is provided. The clarification request is closed.
CL-20			



VALIDATION REPORT

<p>Generation efficiencies for coal and lignite is said to be taken from a presentation of Mr. Sefer Bütün, stating that for pulverized lignite PPs, the highest electrical efficiency rate is 38%. However in the calculations this value has been utilized for coal and for lignite the efficiency has been taken as 41.5%.</p>	<p>For ÇAN lignite power plant, efficiency rate, which is 41.5%, is presented separately in page 20 of the same of Mr. Sefer Bütün. This rate is used in CM calculation sheet and average of lignite power plants (38.63%) is used for BM calculation.</p> <p>For coal power plants as justified in CM calculation excel sheet, 41.5% rate from Annex of the tool is used.</p> <p>Response to Review-1:</p> <p>Sefer Bütün is ex-general manager of EUAS. As he has right of representation of EUAS (State Electricity Generation Company), any kind of written information by him about his company can be deemed to be official. Maximum efficiency rate is used to be conservative. As Elbistan-B plant is a pulverized PP, and as in provided presentation (page 18) it is clearly stated that maximum efficiency rate for EUAS's pulverized PPs is 38%, it is considered to be appropriate use this rate for Elbistan-B plant</p>	<p>Review 1:</p> <p>The reference Sefer Bütün is not an official report. Moreover, there is no plant-specific efficiency rate given. It says that the maximum efficiency can be 38%. How can it be assured that the Elbistan plant operates at maximum efficiency ? Referencing the TOOL appendix is more appropriate for a PDD which opts for international recognition. In other word, 39% efficiency can be used.</p> <p>The clarification request is still open.</p>
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VALIDATION REPORT

		<p>Response to Review-2:</p> <p>Efficiency rates for all coal and lignite power plants are revised to be 41.50, ie. max. default values in Annex-1 of “Tool to calculate the emission factor for an electricity system” for PFBS technology.</p> <p>Whole emission factor calculation and emission reduction calculation part of PDD is revised accordingly.</p>	<p>Review 2:</p> <p>The efficiency data in the presentation represents secondary data based on calculations and assumptions which are not provided and therefore the data cannot be directly verified. Moreover, the data given in the range of 35-38% is a general efficiency statement for all lignite fired public power plants based on data up to year 2007. In the BM calculations on the other hand the efficiency value is used for power plants commissioned in year 2006. As such, the presentation does not cover the newly commissioned plants’ efficiency data. A higher efficiency should be expected for new plants so that the 39% recommended in the TOOL is appropriate for the Elbistan plants. The 41.5% used for Çan may remain unchanged as it is a conservative assumption.</p> <p>The clarification request is still open.</p>
<p>The reference source for Gross Electricity supplied to the grid by relevant sources (2006-2008) provides generation data up to 2007. Please clarify.</p>		<p>References for annual generation amounts are corrected.</p>	<p>Review 1:</p> <p>The correction has been made.</p> <p>The clarification request is closed.</p>



VALIDATION REPORT

<p>CL21 Does the PDD describe that the incentive from the CDM was seriously considered in the decision to proceed with the project activity? No description provided. Please do</p>	<p>Please refer to two paragraphs below Table 8 in page 18 of the PDD.</p> <p>Response two Review-1:</p> <p>Description is added to the second paragraph after Table-8 in page 18 of the PDD.</p> <p>Response to Review:3</p> <p>Year is corrected. According to the guidelines (EB62, Annex 13: http://cdm.unfccc.int/Reference/Guidclarif/reg/reg_guid04.pdf) "Evidence to support this would include, inter alia, minutes and/or notes related to the consideration of the decision by the Board of Directors, or equivalent, of the project participant, to undertake the project as a CDM project activity" is required for the project activities with start date before 2 August 2008. However, start date of proposed project activity is after 2 August 2008 (6 October 2010). For the project activities with start date after 2 August 2008, the Guidelines state that "...UNFCCC shall be notified within six months of the project activity start date and shall contain the precise geographical location and a brief description of the proposed project activity, using the standardized form F-CDM-Prior Consideration". In our perspective, correct interpretation of this requirement to GS-VER projects is to inform Gold Standard about project activity within six month of project activity. In that respect, Gold Standard team is informed with the project activity on 27/08/2010 and invited to LSC meeting with non-tech PDD of the project. E-mail to GS with invitation and Non-tech PDD is submitted to DOE as an attachment of this protocol.</p>	<p>Review 1: Please add the description.</p> <p>The clarification request is still open.</p> <p>Review 2: Description has been added in PDD.</p> <p>The clarification request is closed.</p> <p>Review 3: "Aforementioned project implementation schedule shows us that Baktepe started to consideration of VER before project start date by contracting CDM consultant on 22/07/2012, which demonstrates that VER Revenue has decisive impact on decision of proceeding to the project." <ol style="list-style-type: none"> 1) Please check the year 2) How does contracting CDM consultant demonstrates that VER revenue has "decisive impact on decision of proceeding to the project."? This can also be considered as exploring for an additional revenue for the project. <p>As per guidelines "Evidence to support this would include, inter alia, minutes and/or notes related to the consideration of the decision by the Board of Directors, or equivalent, of the project participant, to undertake the project as a CDM project activity.</p> </p>
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VALIDATION REPORT

CL22 No timeline provided. Please do		Please refer to Table 8 in page 18 of the PDD.	Review 1: Timeline is stated as table 8 in the PDD. The clarification request is closed.



VALIDATION REPORT

<p>CL23 Input values not provided. Please do. (Please note that all documents used in demonstrating additionality cannot be considered confidential.)</p>		<p>Input values are provided in page 19 of the PDD. As loan related figures are considered strictly confidential by the project owner they are not revealed in the PDD. However, all input data and supporting documents are already submitted to DOE as a spreadsheet.</p> <p>Response to Review-3:</p> <p>References for input values of Investment Analysis are added to the table in page 19 of the PDD.</p>	<p>Review 1: Please add main input data of IRR as in table.</p> <p>The clarification request is still open.</p> <p>Review 2: No response has been given.</p> <p>The clarification request is still open.</p> <p>Review 3: No relevant documentation or references are provided for justifying the IRR input values. PDD page 19 states "Supporting documents are available to DOE"</p> <p>As per PDD guidelines for demonstrating additionality it is required to "Explain and justify key assumptions and rationales. Provide relevant documentation or references. Illustrate in a transparent manner all data used to assess the additionality of the project activity (variables, parameters, data sources etc.)."</p>
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VALIDATION REPORT

<p>CL24 PDD does not address the likelihood of the variations of the sensitivity conditions</p>		<p>Likelihood of variations of parameters are discussed in page 20 of the PDD.</p> <p>Response to Review-1:</p> <p>IRR inputs, other than loan related inputs are added to the table in page 19 of the PDD.</p>	<p>Review 1: Likelihood of variations of parameters are given in page 20 of the PDD.</p> <p>The clarification request is closed.</p>
<p>CL25 PDD states “By the end of 2008, the latest year for which the official statistics are published by the time of PDD submission to DOE”</p> <p>VR states under references “GS-VER-PDD Version 01 dated 05/10/2010”</p> <p>Please clarify</p>		<p>Baseline calculation in PDD was done on 05.10.2010. At that time, the most recent data for OM and BM calculation was for 2008, as Turkish Statistics Institute (TUIK) announces the electricity generation and transmission statistics 10 months after the relevant year, which is by the end of September 2010 for the year of 2009. (See Official Statistics Program: http://www.tuik.gov.tr/rip/rip_programi.pdf, page 97, item 4.3.1).</p>	<p>Review 1: Baseline calculation was done on 05.10.2010. Since Turkish Statistics Institute (TUIK) announces the electricity generation and transmission statistics 10 months after the relevant year. The year of 2009 is not considered .</p> <p>The clarification request is closed.</p>



VALIDATION REPORT

<p>CL26 Only 2006-2008 have been considered in the calculations. Project start date is 06/10/2010. Please clarify why 2009 was not considered, since previous 3 years have to be considered.</p>		<p>Baseline calculation in PDD was done on 05.10.2010. At that time, the most recent data for OM and BM calculation was for 2008, as Turkish Statistics Institute (TUIK) announces the electricity generation and transmission statistics 10 months after the relevant year, which is by the end of September 2010 for the year of 2009. (See Official Statistics Program: http://www.tuik.gov.tr/rip/rip_programi.pdf, page 97, item 4.3.1).</p>	<p>Review 1: Baseline calculation was done on 05.10.2010. Since Turkish Statistics Institute (TUIK) announces the electricity generation and transmission statistics 10 months after the relevant year. The year of 2009 is not considered . The clarification request is closed.</p>
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VALIDATION REPORT

<p>CL27 PDD states “Starting date of the first crediting period is the commercial start of the plant: 01/01/2012. “</p> <p>Crediting period start date can be after the registration of the project.</p>	<p>It is not clear for PP, why crediting period start date shall be after the registration of the project.</p> <p>According to GS Rules: V.a.2.1. For VER project activities proceeding under the regular project cycle, the start date of the Gold Standard Crediting Period shall be the date of start of operation or a maximum of two years prior to Gold Standard registration, whichever occurs later. (ref: http://www.cdmgoldstandard.org/wp-content/uploads/2011/10/GSv2.1_Requirements-11.pdf page 36)</p> <p>It is clear from above rule start of operation if the project activity is the start date of the crediting period.</p> <p>By the way, commercial start date in the PDD is revised to be 17/03/2012, which is the actual date for plant operation.</p>	<p>Review 1: Commercial start date is defined as 17/03/2012</p> <p>The clarification request is closed.</p>
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VALIDATION REPORT

<p>CL28 Please define the procedure of determine lifetime of equipment. Please choose one and define in PDD. 1.Tool to determine the remaining lifetime of equipment. 2.Datasheet 3.Default values.</p>		<p>Lifetime of equipment is determined in accordance of information provided by turbine provider (Nordex). Method used to determine lifetime of equipment is inserted in page 7 of PDD ver.10</p>	<p>Review 1: Lifetime of equipment is determined in accordance datasheet. Datasheet link is provided as footnote 4. , The clarification request is closed.</p>
<p>CL29 Please discuss about what is the likelihood conditions for benchmark. As per PDD guidelines for demonstrating additionality it is required to “Explain and justify key assumptions and rationales. Provide relevant documentation or references. Illustrate in a transparent manner all data used to assess the additionality of the project activity (variables, parameters, data sources etc.).”</p>		<p>Assessment of likelihood of conditions to reach benchmark for each parameters used in financial analysis is provided in Section B.5, Sub-step 2.d of the PDD. Energy generation report for Kayaduzu project is submitted to DOE again as a reference for assessment of likelihood for energy yield amount. IRR analysis of project activity is also provided to DOE, in order to check increase or decrease rates to reach benchmark, which are provided in assessment.</p>	<p>Review 1: Likelihood conditions have been discussed in PDD. The clarification request is closed.</p>
<p>FAR-1 First meter reading document (to be signed when the plant begins to generate electricity) of TEIAS should be seen as a proof of first calibration.</p>			



VALIDATION REPORT

<p>FAR-2 Expropriation process has started for grazing areas. The status of this process should be followed in first verification.</p>			
<p>FAR-3 According to item 23 of the regulation, license can be revised before commissioning. This FAR is raised to see the revised license during first verification.</p>			