

# MONITORING REPORT

## VIÑALES BIOMASS POWER PLANT



Document Prepared By Arauco Bioenergía S.A.

|                          |   |
|--------------------------|---|
| <b>Project Title</b>     | Viñales biomass power plant   |
| <b>Version</b>           | 6   |
| <b>Report ID</b>         | <i>Identification number of this document</i>   |
| <b>Date of Issue</b>     | 28/11/2016  |
| <b>Project ID</b>        | 1186  |
| <b>Monitoring Period</b> | 01-July-2014 to 31-December-2014  |
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**Table of Contents**

**1 Project Details ..... 3**

**1.1 Summary Description of the Implementation Status of the Project..... 3**

**1.2 Sectoral Scope and Project Type..... 5**

**1.3 Project Proponent..... 5**

**1.4 Other Entities Involved in the Project..... 5**

**1.5 Project Start Date..... 5**

**1.6 Project Crediting Period ..... 6**

**1.7 Project Location..... 6**

**1.8 Title and Reference of Methodology..... 6**

**1.9 Other Programs ..... 6**

**2 Implementation Status..... 8**

**2.1 Implementation Status of the Project Activity ..... 8**

**2.2 Deviations..... 16**

        2.2.1 Methodology Deviations ..... 16

        2.2.2 Project Description Deviations ..... 16

**2.3 Grouped Project..... 20**

**3 Data and Parameters ..... 21**

**3.1 Data and Parameters Available at Validation ..... 21**

**3.2 Data and Parameters Monitored ..... 27**

**3.3 Monitoring Plan..... 62**

**4 Quantification of GHG Emission Reductions and Removals ..... 66**

**4.1 Baseline Emissions ..... 66**

**4.2 Project Emissions..... 73**

**4.3 Leakage ..... 77**

**4.4 Net GHG Emission Reductions and Removals ..... 77**

**APPENDIX A: EMISSION FACTOR FOR CHILEAN CENTRAL INTERCONNECTED SYSTEM-SIC, 2014 ..... 82**

**APPENDIX B: Monitoring PLAN, critical equipment ..... 89**

## 1 PROJECT DETAILS

### 1.1 Summary Description of the Implementation Status of the Project

The Viñales power plant, located in the Viñales sawmill site of Celulosa Arauco y Constitución S.A. (from now on, Arauco<sup>1</sup>) consists of a 41 MW condensing-extracting turbo generator machine and a biomass fluidized-bed boiler of 210 ton/hr of high pressure steam capacity: The heat is used in the Viñales sawmill for wood-drying and part of the electric power is used in Viñales sawmill. The remaining electric power is injected in the SIC (Central interconnected system) grid for sale.

The project activity is designed to use own and third party biomass for steam and electric power generation. Biomass from industrial and forestry operations in Chile would be normally dumped in piles for natural decay.

The used technology for generating megawatt (MW) levels of electricity from biomass is the steam-Rankine cycle which involves heating pressurized water, with the resulting steam expanding to drive a turbine, and then condensing back to water for partial or full recycling to the boiler. A heat exchanger is used in some cases to recover heat from the flue gases to preheat combustion air, and a deaerator must be used to remove dissolved oxygen from water before it enters the boiler.

The project activity assists Chile's sustainable growth by providing electricity to the Viñales sawmill and to the SIC through biomass power generation, which is a clean and renewable energy source. Using the available natural resources in a rational way, the Viñales project activity helps promote the development of renewable energy sources in Chile, in particular the use of biomass generated as a byproduct of the forestry industry, which has a significant potential in the country. The project activity is a good example to demonstrate the viability of electricity generation as a source of revenue not only in the Plywood and Sawmill industries, but in all forest-related industries.

Relevant dates for the project activity:

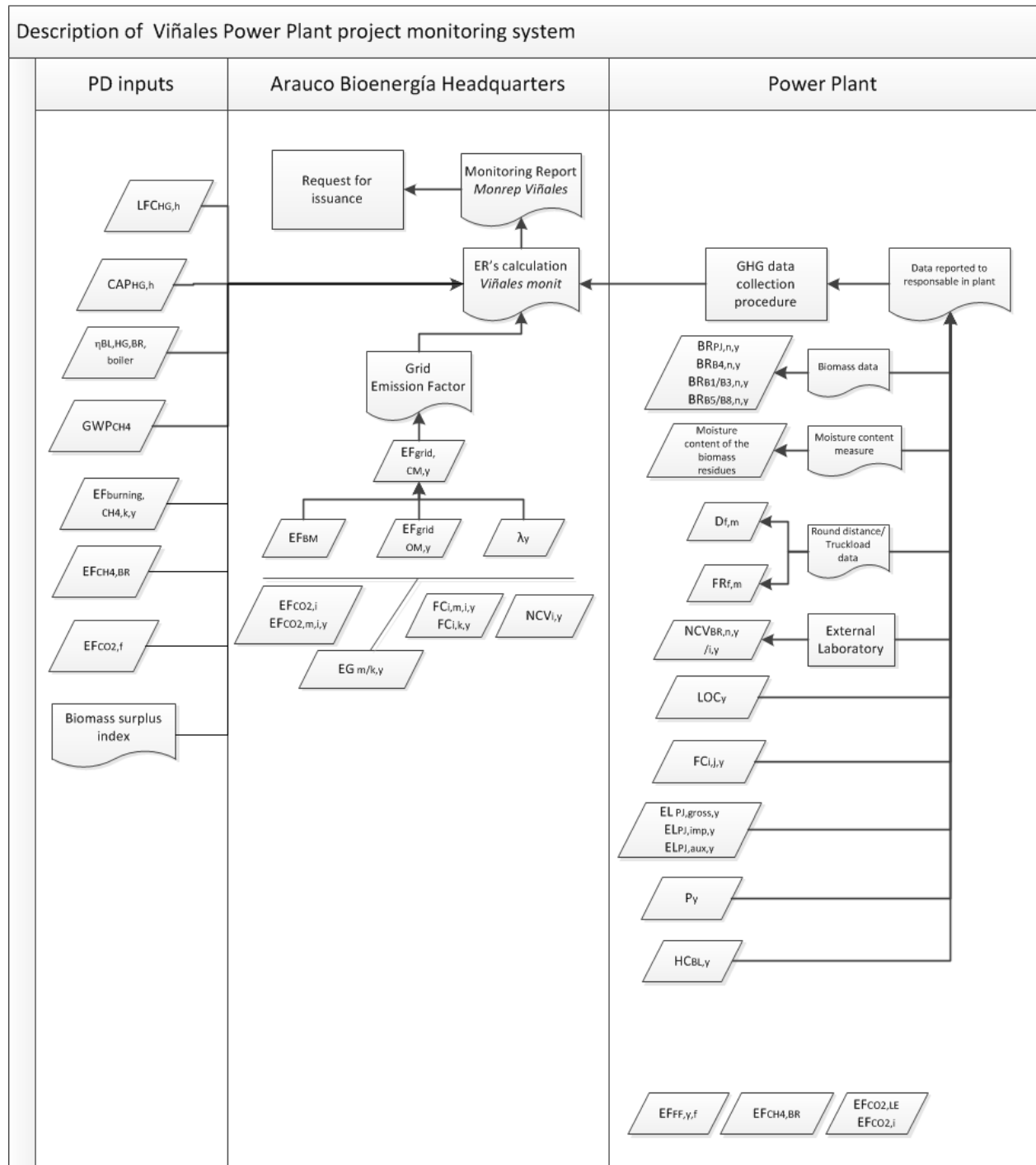
| Date (DD/MM/YY)          | Key events                            |
|--------------------------|---------------------------------------|
| January, 2010            | Construction start date               |
| July, 2012               | Commissioning date                    |
| 01/07/2014 to 31/12/2014 | The 1 <sup>st</sup> monitoring period |

During the current monitoring period, Project Participant presented a deviation to change the starting date of the crediting period due to a delay in the implementation of the Viñales on-site laboratory to monitor the moisture content of the different biomass types, which started to measure from July 2014. Then, total net emission reductions claimed in the 1<sup>st</sup> monitoring period (from July 1<sup>st</sup> 2014 to December 31<sup>th</sup> 2014) are 96,119 tCO<sub>2</sub>e.

The Project Participant, has implemented monitoring procedures according to the monitoring methodology chosen for this project activity. This monitoring methodology accounts for emission reductions in an accurate and conservative manner. The following diagram includes data collection procedure as: Data Parameters as HC<sub>BL,y</sub>, ELPJ<sub>gross,y</sub>, ELPJ<sub>imp,y</sub>, ELPJ<sub>aux,y</sub>, D<sub>f,m</sub>, FC<sub>i,j,y</sub>, BR<sub>PJ,n,y</sub>, BR<sub>B4,n,y</sub>, BR<sub>B1/B3,n,y</sub> and BR<sub>B5/B8,n,y</sub> are aggregated in excel files to obtain a monthly value that is reported in the emission reductions calculation file. All data is recorded in electronic tapes and

<sup>1</sup> Arauco is a leading forestry and pulp-producing company in the world.

archived two years following the end of the crediting period as is specified in the defined monitoring plan.



Even though during this monitoring period there were no emergency situations, the monitoring data management system defined in all the procedures the possibility of emergency occurrences (for example, IT failure system). The on-site personnel were instructed to inform opportunely any inconvenient with the monitoring system or the monitoring instrument. Viñales power plant counts

with a qualified electronic control area, which were the responsible of the continuity operation of the monitoring instruments.

## 1.2 Sectoral Scope and Project Type

The Viñales biomass power plant is a renewable energy supply side grid-connected project activity. It involves reduction of emission of greenhouse gases in the sector; more specifically, reduction of greenhouse gas emission sources from fuel combustion in energy industries, according to the list of sector/source categories indicated in Annex A of the Kyoto Protocol. The Viñales project activity is not a grouped project activity.

## 1.3 Project Proponent

|                   |   |
|-------------------|---|
| Organization name | Celulosa Arauco y Constitución S.A.                                   |
| Contact person    | Mr. Christian Rodriguez   |
| Title             | Head of Climate Change.   |
| Address           | El Golf Ave. 150, 7 <sup>th</sup> floor, Las Condes, Santiago, Chile. |
| Telephone         | 56-2-2462 3888  |
| Email             | christian.rodriguez@arauco.cl   |

## 1.4 Other Entities Involved in the Project

During 2014 Arauco included a new host party: United Kingdom of Great Britain and Northern Ireland. Project Participant opened two trading accounts under the EU ETS in the UK, so Arauco was requested to obtain a LoA (Letter of Approval) through the UK DNA (Environment Agency). For this reason, now Arauco (Celulosa Arauco y Constitución S.A.) appears as a Project Participant under Chile and UK. There are no other entities involved in the Viñales project activity.

|                     |     |
|---------------------|-----|
| Organization name   | N/A |
| Role in the project | N/A |
| Contact person      | N/A |
| Title               | N/A |
| Address             | N/A |
| Telephone           | N/A |
| Email               | N/A |

## 1.5 Project Start Date

19/05/2012

This is the date in which the Viñales power plant started generating electric power.

## 1.6 Project Crediting Period

According to current PD, the project crediting period start date is 01/01/2014. The first crediting period will last for 10 years, until 31/12/2023, and will be renewed 2 times, adding up to 30 years in total (3 x 10 years).

Due to logistic and administrative issues, Viñales project took some time to implement a laboratory on-site to monitor the moisture content of the different biomass types, which started to measure from July 2014.

For that reason, the Project Participant presented a Project Description Deviation to change crediting period starting date from 01/01/2014 to 01/07/2014. Details of this deviation are explained in section 2.2.2 of the present Monitoring Report.

## 1.7 Project Location

The project activity is located in Km. 5 of the M-50 road to Chanco, commune of Constitución in Maule Region. The nearest city is Constitución, located 3 Km. away from the new power plant.

The project activity coordinates in decimals are provided the table below:

| Latitude | Longitude |
|----------|-----------|
| -35.371° | -72.412°  |

## 1.8 Title and Reference of Methodology

The name of the approved baseline methodology applied to the proposed project activity is: ACM0006 (Version 12.1.1): “Consolidated methodology for electricity and heat generation from biomass”.

The baseline methodology of the project activity also relies on the following methodological tools:

- “Tool to calculate the emission factor for an electricity factor for an electricity system (Version 03.0.0)”
- “Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion (Version 02)”
- “Tool to determine the baseline efficiency of thermal or electric energy generation systems (Version 01)”
- “Tool for the demonstration and assessment of additionality (Version 7.0.0)”.
- “Tool to calculate baseline, project and/or leakage emissions from electricity consumption (Version 01)”
- “Tool for project and leakage emissions from transportation of freight (Version 1.1)”.

## 1.9 Other Programs

- Emissions Trading Programs and other Bindings Limits: The emission reductions associated to the Viñales project have not been used for compliance in any other emission trading program or to meet any kind of binding limits on GHG emissions during the current verification process.
- Other Forms of Environmental Credit: The Viñales project is not involved to any other form of GHG-related environmental credit for GHG emission reductions or removals other than the VCS Program.

- Participation under Other GHG Programs: The Viñales project participated in the ERNC market, created under the Law N°20.257, April, 2008 and therefore generated non-conventional energy certificates. This mechanism, however, is a non-GHG related environmental mechanism, so there are no double-counting issues involved with the VCS program in this case.

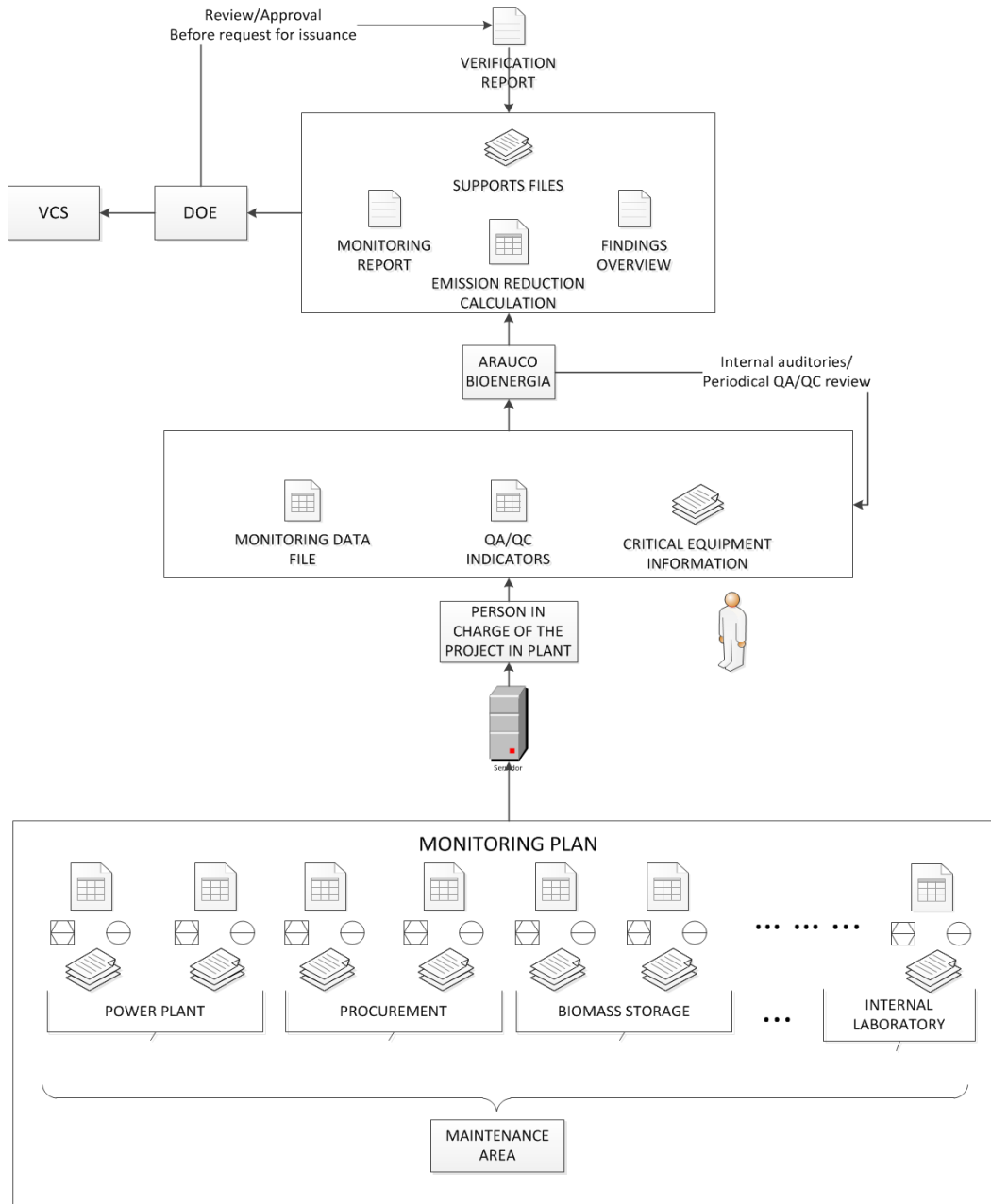
## 2 IMPLEMENTATION STATUS

### 2.1 Implementation Status of the Project Activity

As was exposed in section 1.1, the project participant has implemented procedures according to the monitoring methodology chosen, ACM0006 Version 12.1.1.

Arauco counts with on-site personnel (at the project activity site), who are in charge of gathering and registering all the required information described in the monitoring plan. Such duties are incorporated to the personnel's everyday activities to ensure continuity and high-quality standards. Quantity of biomass used, fossil fuel consumption and net quantity of electricity generated data is monitored continuously and automatically by the Data Control System (DCS). The data is recorded daily and then is aggregated monthly. The information is partially processed and stored on-site, and is sent periodically (monthly) to Arauco Bioenergía S.A. in Santiago for further and final processing (table formats, reports, etc.). With the information at this level, Arauco carries out the external verifications to verify the emission reduction of the Viñales Power Plant project activity periodically (i.e. once every year).

The following diagram shows the monitoring information flow implemented by Arauco Bioenergía S.A. for the project activity generation, calculation and reporting.

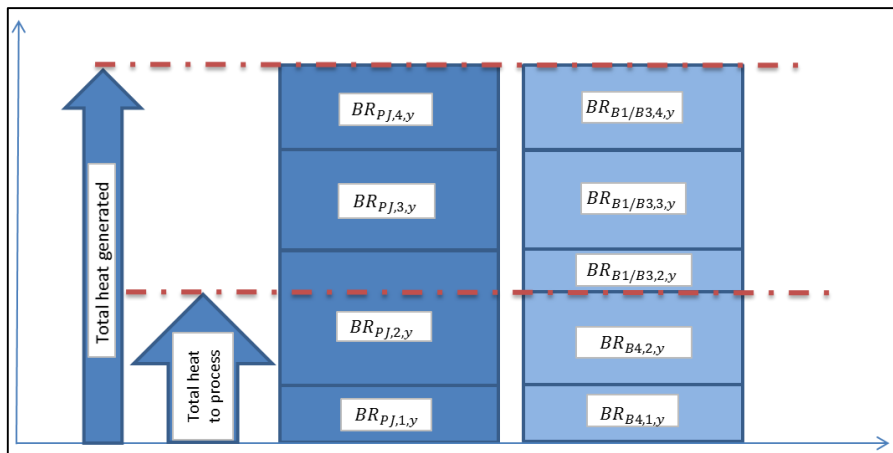


The Project Participant presents information about the operation of the project activity occurred during this monitoring period i.e. shutdowns/stoppages due to regular maintenance program and also irregular stoppages. The events identified are listed below:

|        | N° days | Total hrs. | Power plant       |            | Availability per month Power plant (%) |
|--------|---------|------------|-------------------|------------|--|
|        |         |            | Availability hrs. | Trips hrs. |  |
| jul-14 | 31      | 744        | 744.0             | 0          | 100.00%                                |
| aug-14 | 31      | 744        | 742.5             | 1.53       | 99.79%                                 |
| sep-14 | 30      | 720        | 718.9             | 1.15       | 99.84%                                 |
| oct-14 | 31      | 744        | 741.8             | 2.18       | 99.71%                                 |
| nov-14 | 30      | 720        | 360.0             | 360.00     | 50.00%                                 |
| dec-14 | 31      | 744        | 452.4             | 291.62     | 60.80%                                 |

From table above can be stated that during the monitoring period the general power plant stoppage was in November-December 2014, due to regular maintenance. Is important to note that there were no stoppages or maintenance activities during July, 2014.

Biomass management was implemented according description in current PD, page 57. The use of biomass residues was always prioritized over use of any fossil fuels. The saturated steam biomass boiler has run on the B4 baseline scenario biomass (sawdust and bark from industrial operations) according to the following diagram:



Biomass consumption in priority order according PD.

First column represent the total quantity of biomass combusted category n to obtain the total heat generated ( $BR_{PJ,n,y}$ ). Second column represent the total quantity of biomass combusted according defined scenarios.

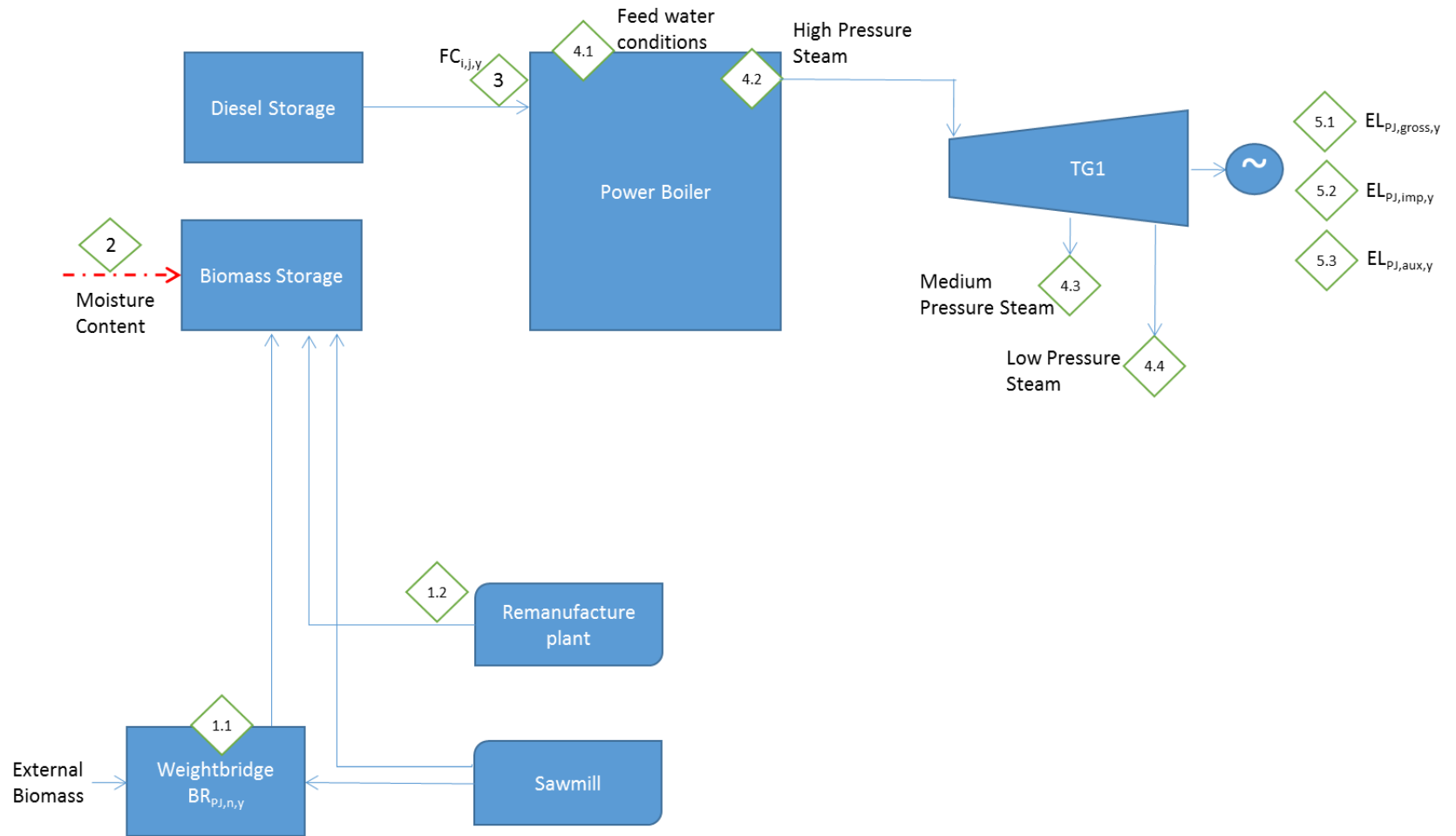
The above diagram indicates the order to combust biomass in power boiler. First biomass to be combusted is used to generate heat to process. Once the heat to process is provided, the rest of the combusted biomass generates energy power: first for satisfied plants demand, then to export the surplus to the grid.

The Power Plant chief estimates and designs a yearly consumption plan for the power boiler. According to this, the Biomass Chief determines the yearly biomass requirements. As a first step, the Biomass Chief checks biomass residues provisions in Viñales, El Cruce and remanufacture Sawmills<sup>2</sup>. The quantity of biomass residues that cannot be provided by these sawmills is ordered from Forestal Arauco, a subsidiary of Celulosa Arauco in charge of biomass supply to mills. Forestal Arauco proposes a supply plan that is assessed by the Viñales Biomass Chief through an on-site inspection (checking biomass source and absence of chemical contamination). In this inspection, the Biomass Chief measures the distance between suppliers and the power plant. If the inspection yields a positive result, the third party supplier is approved. Every biomass residue dispatch is checked at the Power Plant entrance from then on.

Project Participant was implemented a Monitoring plan according to methodology ACM0006 version 12.1.1 and Project description document (PD) version 03. The following diagram below shows all the relevant monitoring points in Power plant, including the instruments used to measure the variables that are part of the monitoring plan.

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<sup>2</sup> Viñales and Remanufacture sawmills are part of Viñales project's boundaries. El Cruce Sawmill is part of Celulosa Arauco but for project purpose is considered third party biomass.



| PARAMETER                          | ITEM                                      | TAG              | INSTRUMENT  |
|------------------------------------|---|------------------|---|
| BR <sub>Pj,n,y</sub>               | 1.1                                       | 611-49-001       | Weighbridge gate 1  |
|                                    | 1.2                                       | --               | Pneumatic transportation system (Calculated biomass residues) |
| Moisture content <sub>BR,n,y</sub> | 2   | N/A              | Digital weight meter  |
|                                    |   | N/A              | Oven  |
|                                    |   | N/A              | Electronic Moisture Analyzer                                  |
| FC <sub>i,j,y</sub>                | 3   | 663-FT-508       | Fossil fuel flow transmitter                                  |
|                                    |   | 663-FT-522       | Fossil fuel flow transmitter                                  |
|                                    | 4.1                                       | 663-PT-0106      | Feed water conditions Pressure gauge transmitter              |
|                                    |   | 663-TT-0111      | Feed water conditions temperature transmitter                 |
|                                    | 4.2                                       | 663-FT-0156      | High pressure line Flow transmitter                           |
|                                    |   | 663-PT-0155      | High pressure line Pressure gauge transmitter                 |
|                                    |   | 663-TT-0157      | High pressure line Temperature transmitter                    |
|                                    |   | 665-FT-9030      | High pressure line Flow transmitter                           |
|                                    |   | 665-PT-9040-A    | High pressure line Pressure gauge transmitter                 |
|                                    |   | 665-PT-9040-B    |   |
|                                    |   | 665-PT-9043-A    | High pressure line Pressure transmitter                       |
|                                    |   | 665-PT-9043-B    |   |
|                                    |   | 665-TT-9043-A    | High pressure line Temperature transmitter                    |
|                                    |   | 665-TT-9043-B    |   |
|                                    | 4.3                                       | 665-FT-9025      | Medium pressure line Flow transmitter                         |
|                                    |   | 665-FT-9051      |   |
|                                    |   | 665-PT-9001-A    | Medium pressure line Pressure gauge transmitter               |
|                                    | 665-PT-9001-B                             |                  |   |
|                                    | 4.4                                       | 665-TT-9026      | Medium pressure line temperature transmitter                  |
|                                    |   | 665-FT-9019      | Low pressure line Flow transmitter                            |
|                                    |   | 665-FT-9023      | Deareator steam flow transmitter                              |
|                                    |   | 665-PT-9002-A    | Low pressure line Pressure gauge transmitter                  |
| 665-PT-9002-B                      |   |                  |   |
| 665-PT-9002-C                      |   |                  |   |
| 665-TT-9024                        | Low pressure line temperature transmitter |                  |   |
| EL <sub>Pj,gross,y</sub>           | 5.1                                       | 8600-10          | Gross energy power generation Viñales_1_10_TG1                |
| EL <sub>Pj,imp,y</sub>             | 5.2                                       | SE-EI-0006/0007  | Import energy power generation Viñales_52B1_SIC_Viñales_66    |
|                                    |   | 8600-2_3         | Energy consumption Viñales_2_3_Viñales_Sawmill                |
| EL <sub>Pj,aux,y</sub>             | 5.3                                       | 669-EI-1603/1604 | Viñales_1_6_Combustible_residues_handle                       |
|                                    |   | 669-EI-1703/1704 | Viñales_1_7_CP_Power_Boiler                                   |
|                                    |   | 669-EI-1803/1804 | Viñales_1_8_CP_Power_Boiler                                   |
|                                    |   | 669-EI-1903/1904 | Viñales_1_9_CP_Power_Boiler                                   |
|                                    |   | 669-EI-1703/1804 | Viñales_1_11_Barra_1B_Management_office                       |

Suppliers, models, serial numbers and other relevant information is included in Appendix B of this monitoring report document.

Is important to note that some of the equipment describe in current PD, were changed during power plant stage construction. The following equipment present differences between the description in current PD and the current equipment installed in Power plant:

**Changes in TAG between PD and installed equipment:**

| Data variable monitored and name |   | TAG IN current PD | TAG IN POWER PLANT |
|----------------------------------|---|-------------------|--------------------|
| HC <sub>BL,y</sub>               | High pressure line pressure gauge transmitter | 663 PI-155        | 663 PT-0155        |
|                                  | High pressure line temperature transmitter    | 663 PI-157        | 663 TT-0157        |

**Equipment that were not defined in PD but are related to parameters measurements in the project:**

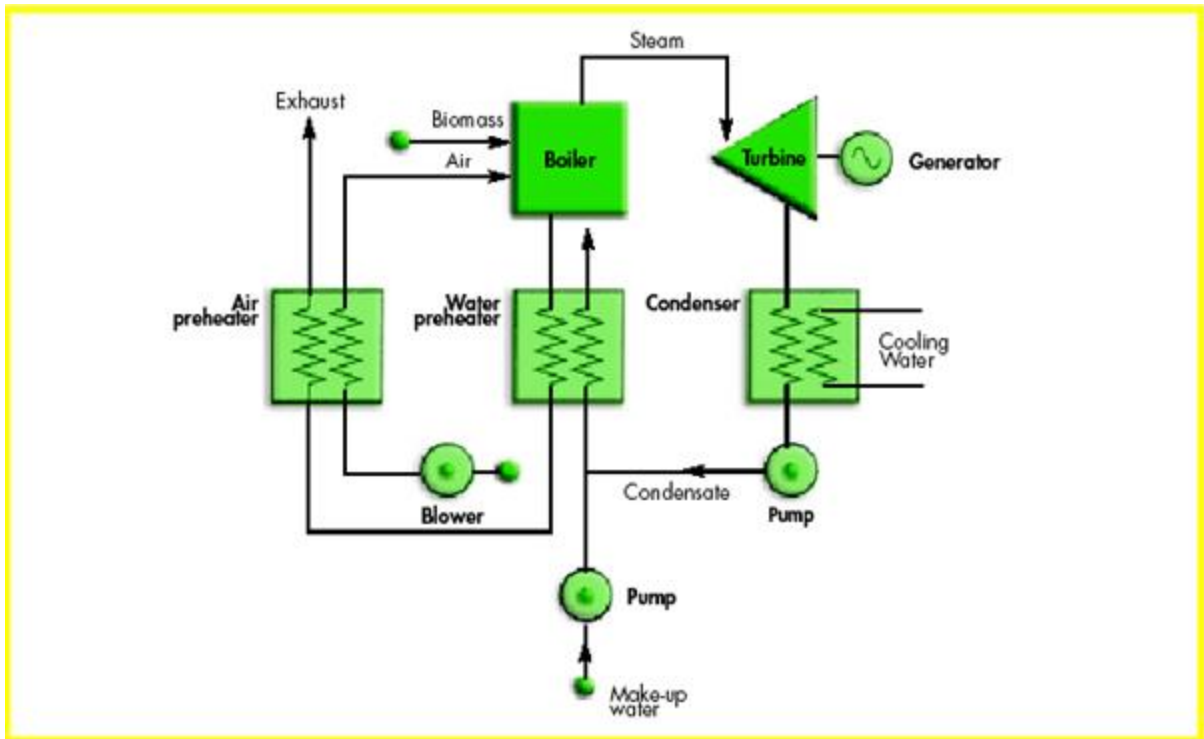
| Data variable monitored  |   | TAG           |                      |
|--------------------------|---|---------------|----------------------|
| HC <sub>BL,y</sub>       | Pressure transmitter                      | 665-PT-9043-A | High pressure line   |
|                          |   | 665-PT-9043-B |                      |
|                          | Temperature transmitter                   | 663-PT-0106   | Feed water condition |
|                          |   | 665-TT-9043-A | High pressure line   |
|                          | 665-TT-9043-B                             |               |                      |
|                          |   | 665-TT-9024   | Low pressure line    |
|                          |   | 663-TT-0111   | Feed water condition |
| FC <sub>i,j,y</sub>      | Fossil fuel flowmeter                     | 663-FT-508    |                      |
|                          | Fossil fuel transmitter                   | 663-FT-522    |                      |
| EL <sub>PJ,gross,y</sub> | Gross energy generated                    | 8600-10       |                      |
| EL <sub>PJ,imp,y</sub>   | Project electricity imports from the grid | 8600-2_3      | Viñales sawmill      |

The differences between current PD and the installed instruments did not affect monitoring plan continuity and, therefore, the emission reduction calculation was not affected either. Nevertheless, PP presented a deviation to current PD in section 2.2.2. There were no instruments replaced during the presented monitoring period until the date of this monitoring report.

The predominant technology in all parts of the world today for generating megawatt (MW) levels of electricity from biomass is the steam-Rankine cycle, which consists of direct combustion of biomass in a boiler to generate steam, which is then expanded through a turbine. The steam-Rankine technology is a mature technology, having been introduced into commercial use about 100 years ago. Most steam cycle plants are located at industrial sites, where the waste heat from the steam turbine is recovered and used for meeting industrial-process heat needs. Such combined heat and power (CHP), or cogeneration systems provide greater levels of energy services per unit of biomass consumed than systems that generate electric power only.

Steam turbines are designed as either “backpressure” or “condensing” turbines. CHP applications typically employ backpressure turbines, wherein steam expands to a pressure that is still substantially above ambient pressure. It leaves the turbine still as a vapor and is sent to satisfy

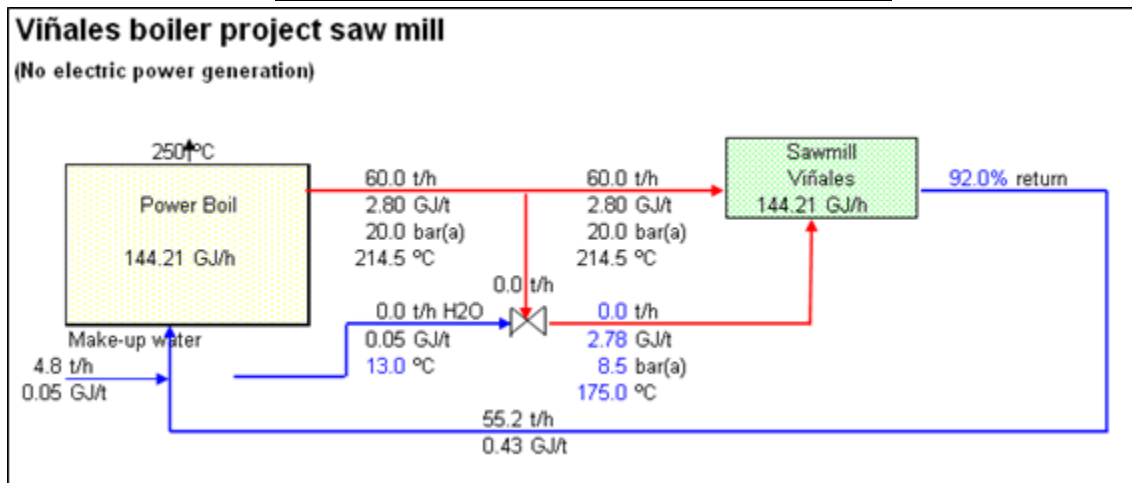
industrial heating needs, where it condenses back to water. It is then partially or fully returned to the boiler. Alternatively, if process steam demands can be met using only a portion of the available steam, a condensing extraction steam turbine (CEST) might be used. This design includes the capability for some steam to be extracted at one or more points along the expansion path for meeting process needs. Steam that is not extracted continues to expand to sub-atmospheric pressures, thereby increasing the amount of electricity generated per unit of steam compared to the backpressure turbine. The non-extracted steam is converted back to liquid water in a condenser that utilizes ambient air and/or a cold water source as the coolant. The condensed steam is then pumped back to the boiler.



**Schematic diagram of a biomass-fired steam-Rankine cycle for cogeneration using a condensing-extracting steam turbine.** Source: Williams & Larson, 1993 apud Kartha & Larson, 2000, p. 101.

The following diagrams show the power generation situation under a BAU (Business-As-Usual) situation, without investment in additional power generation capacity.

**The Viñales project without power cogeneration:**



**2.2 Deviations**

**2.2.1 Methodology Deviations**

There were no methodology deviations applied during this monitoring period.

**2.2.2 Project Description Deviations**

**Crediting period starting date:**

The baseline methodology applied to the VCS Viñales project clearly states that moisture content of the biomass residues (directly associated with the calculation of biomass residues on a dry-basis) must be measured on-site and for each batch of biomass of homogeneous quality (page 67 of ACM0006/Version 12.1.1).

Due to logistic and administrative issues, Viñales Power plant took some time to implement a laboratory on-site to monitor the moisture content of the different biomass types, which started to measure from July 2014.

According to that, Project Participant present a deviation to current PD and proposed a change in the starting date from 01/01/2014 to 01/07/2014. The reasons to delay the star date are:

- 1) The impossibility to measure directly all monitoring parameters would have compromised seriously the possibility of the project activity to generate CERs since this constitutes a direct non-compliance of the monitoring plan.
- 2) The impossibility to check the consistency of direct measurement of all monitored parameters as per procedure would have compromised the possibility of the project and generate a direct non-compliance of the standards of the monitoring plan.

Then, project start and change as follows:

|  | From       | To         |
|--|------------|------------|
| Star date 1 <sup>st</sup> crediting period   | 01/01/2014 | 01/07/2014 |
| Finish date 1 <sup>st</sup> crediting period | 31/12/2023 | 30/06/2024 |

Is important to emphasize that crediting period start date change does not affect the defined project initial conditions:

- Viñales power plant still is a Greenfield project, only biomass residues are used in the project plant, fossil fuels co-fired in the power boiler does not exceed the 80% of the total fuel, the implementation of the project does not result in an increase of the processing capacity, biomass residues used as fuel came from forestry or industrial operations and no chemical process is involved and biomass residues are not stored for more than one year. In conclusion, the applicability of the methodology ACM0006 Version 12.1.1 has not been modified.
- As was described in current PD Viñales biomass power plant project activity is not considered to be part of the common practice in the relevant and comparable industry (ies) in Chile and therefore, considered additional from a common practice analysis perspective. Additionality was not impacted by starting date change.
- Viñales project has not modified their project boundaries, then the definition of the baseline scenarios is the same defined in current PD. Appropriateness of the baseline scenario has not been impacted.

**Changes in QA/QC procedures for parameters  $EL_{PJ,gross,y}$ ,  $EL_{PJ,imp,y}$  and  $EL_{PJ,aux,y}$ :**

The current PD presented the following QA\_QC procedures according to the next table:

| Parameter         | QA_QC procedure Viñales biomass power plant PD (version 03)   |
|-------------------|---|
| $EL_{PJ,gross,y}$ | The consistency of metered electricity generation should be cross-checked with receipts from electricity sales (if available) and the quantity of fuels fired (e.g. check whether the electricity generation divided by the quantity of fuels fired results in a reasonable efficiency that is comparable to previous years). |
| $EL_{PJ,imp,y}$   | The consistency of metered electricity generation should be cross-checked with receipts from electricity sales (if available) and the quantity of fuels fired (e.g. check whether the electricity generation divided by the quantity of fuels fired results in a reasonable efficiency that is comparable to previous years). |
| $EL_{PJ,aux,y}$   | The consistency of metered electricity generation should be cross-checked with receipts from electricity sales (if available) and the quantity of fuels fired (e.g. check whether the electricity generation divided by the quantity of fuels fired results in a reasonable efficiency that is comparable to previous years). |

Is important to note that the electricity sales receipts are document that support only the electricity export from power plant to the grid, but could not support the gross electricity or the import electricity to plant by itself. To assure and control the quality of the parameters below is necessary consider the following key performance indicators:

| Parameter                | Applied QA_QC procedure Viñales biomass power plant during present monitoring period  |
|--------------------------|---|
| EL <sub>PJ,gross,y</sub> | <ul style="list-style-type: none"> <li>- Percentage difference between the export surplus energy to the grid with receipts from electricity sales (if available) are comparable to transmission losses.</li> <li>- Indicator between the electricity generation divided by the quantity of combusted biomass in Power boiler (e.g. check whether results in a reasonable efficiency that is comparable to previous years).</li> <li>- Measured energy displacement using dedicated equipment must be comparable to calculated energy displacement according methodology.</li> </ul>   |
| EL <sub>PJ,imp,y</sub>   | <ul style="list-style-type: none"> <li>- Percentage difference between Total power import and receipts from electricity purchases (if available).</li> <li>- Indicator between the electricity generation divided by the quantity of combusted biomass in Power boiler (e.g. check whether results in a reasonable efficiency that is comparable to previous years).</li> </ul>   |
| EL <sub>PJ,aux,y</sub>   | <ul style="list-style-type: none"> <li>- Percentage difference between the export surplus electricity to the grid plus sawmill consumption electricity with receipts from electricity sales (if available) are comparable to transmission losses.</li> <li>- Indicator between the electricity generation divided by the quantity of combusted biomass in Power boiler (e.g. check whether results in a reasonable efficiency that is comparable to previous years).</li> <li>- Measured energy displacement using dedicated equipment must be comparable to calculated energy displacement according methodology.</li> </ul> |

Project Participant propose the prior indicators as the QA\_QC procedures, considering the following describe terms:

Calculated Energy displacement from the grid = Gross quantity electricity generated in power plant + Project electricity imports from the grid - Total auxiliary electricity consumption for power plant operation.

Measured energy displacement= Grid energy export + Sawmill energy consumption.

Changes in QA\_QC procedures do not affect the defined monitoring plan in the current PD. There are no changes in the requirements to the applicability of the methodology. Additionality and

appropriateness of the baseline scenario have not been affected either because changes didn't impact prior consideration, common practices, barriers and project boundaries.

**Changes in critical equipment define in current PD:**

As is exposed in section 2.1, there are some differences between the equipment described in current PD and the installed monitoring equipment during the present monitoring period that could be describe as follows:

- 2 transmitter (pressure and temperature) whose TAG's were corrected (typo mistake)
- 3 pressure transmitters, 4 temperature transmitter, 2 fossil fuel transmitter and 2 energy meters that were included in a new PD version. Pressure and temperature transmitter replaced instruments that in current PD where mistakenly defined.

As is mentioned in section 2.1, the following changes must be taken account for this period and the subsequent:

1. *Changes in TAG between PD and installed equipment:*

| Data variable monitored and name |   | TAG IN current PD | TAG IN POWER PLANT |
|----------------------------------|---|-------------------|--------------------|
| HC <sub>BL,y</sub>               | High pressure line pressure gauge transmitter | 663 PI-155        | 663 PT-0155        |
|                                  | High pressure line temperature transmitter    | 663 PI-157        | 663 TT-0157        |

2. *Equipment that were not defined in PD but are related to parameters measurements in the project:*

| Data variable monitored  |   | TAG                  |                    |
|--------------------------|---|----------------------|--------------------|
| HC <sub>BL,y</sub>       | Pressure transmitter                      | 665-PT-9043-A        | High pressure line |
|                          |   | 665-PT-9043-B        |                    |
|                          | 663-PT-0106                               | Feed water condition |                    |
|                          | Temperature transmitter                   | 665-TT-9043-A        | High pressure line |
| 665-TT-9043-B            |   |                      |                    |
| 665-TT-9024              |   | Low pressure line    |                    |
|                          | 663-TT-0111                               | Feed water condition |                    |
| FC <sub>i,j,y</sub>      | Fossil fuel flowmeter                     | 663-FT-508           |                    |
|                          | Fossil fuel transmitter                   | 663-FT-522           |                    |
| EL <sub>PJ,gross,y</sub> | Gross energy generated                    | 8600-10              |                    |
| EL <sub>PJ,imp,y</sub>   | Project electricity imports from the grid | 8600-2_3             | Viñales sawmill    |

The differences between current PD and the installed instruments did not affect monitoring plan continuity and, therefore, the emission reduction calculation was not affected either.

As the previous deviation, changes in the equipment do not affect the defined monitoring plan in the current PD. All the parameters defined in the current PD as part of the monitoring plan are equally measured, controlled and registered. No changes were identified in the requirements to the applicability of the methodology. Additionality and appropriateness of the baseline scenario have not been affected either because changes didn't impact prior consideration, common practices, barriers and project boundaries. Additionality or the appropriateness of the baseline scenario, were not affected too. There were no instruments replaced during the presented monitoring period until the date of this monitoring report.

### **2.3 Grouped Project**

Not applicable.

3 DATA AND PARAMETERS

3.1 Data and Parameters Available at Validation

|                  |  |  |                        |  |   |   |
|------------------|--|--|------------------------|--|---|---|
| Data Parameter / | Biomass residues categories and quantities used for the selection of the baseline scenario and assessment of additionality.  |  |                        |  |   |   |
| Data unit        | (tCO <sub>2</sub> e/tCH <sub>4</sub> )   |  |                        |  |   |   |
| Description      | The biomass quantities provided in the table below were determined ex-ante in accordance with the pulp mill project studies. |  |                        |  |   |   |
| Source of data   | On-site assessment of biomass residues categories and quantities.  |  |                        |  |   |   |
| Value applied:   | See table below:   |  |                        |  |   |   |
|                  | Biomass residue category k   | Biomass residue type                         | Biomass residue source | Biomass residues fate in the absence of the project activity | Biomass residues use in project scenario                | Biomass residues quantity (dry tonnes/yr) |
|                  | 1  | Sawdust and bark from industrial operations. | On-site production     | Heat and power generation on-site (B4)                       | Heat and power generation on-site (biomass-only boiler) | 65,417                                    |
|                  | 2  | Sawdust and bark from industrial operations. | On-site production     | Dumped and/or burned in the open air (B1: and/or B3:).       | Heat and power generation on-site (biomass-only boiler) | 83,786                                    |
|                  | 3  | Sawdust and bark from industrial operations. | Off-site production    | Dumped and/or burned in the open air (B1: and/or B3:).       | Heat and power generation on-site (biomass-only boiler) | 128,052                                   |
|                  | 4  | Biomass from forestry operations.            | Off-site production    | Dumped and/or burned in the open air (B1: and/or B3:).       | Heat and power generation on-site (biomass-only boiler) | 35,500                                    |

|  |  |
|--|--|
| Justification of choice of data or description of measurement methods and procedures applied | The project Proponent hired reputed consultants for the development of the new power plant and the estimation ex-ante of the biomass types and quantities. |
| Purpose of the data  |  |
| Comments   | This parameter is related to the procedure for the selection of the baseline selection and assessment of additionality.                                    |

|  |  |
|--|--|
| Data Parameter /   | $P_x$  |
| Data unit  | cubic meters   |
| Description  | Quantity of the main product of the production process produced in year x from plants operated at the project site.  |
| Source of data   | On-site measurements.  |
| Value applied:   | <ul style="list-style-type: none"> <li>• 352,686 m<sup>3</sup>/yr of sawn timber from the sawmill</li> <li>• 88,203 m<sup>3</sup>/yr of processed wood products from the remanufacture plant.</li> </ul> <p>These production levels correspond to the average between the productions of 2012 and 2013 respectively. Production levels might vary from year to year, depending on the market conditions.</p> |
| Justification of choice of data or description of measurement methods and procedures applied | --   |
| Purpose of the data  | --   |
| Comments   | --   |

|                  |  |
|------------------|--|
| Data Parameter / | $CAP_{HG,h}$                                 |
| Data unit        | (GJ/h)                                       |
| Description      | Baseline capacity of heat generator h (GJ/h) |

|  |  |
|--|--|
| Source of data   | Reference plant design parameters.   |
| Value applied:   | 210 (GJ/h)   |
| Justification of choice of data or description of measurement methods and procedures applied | This parameter reflects the design maximum heat generation capacity (in GJ/h) of the baseline heat generation h. This parameter was determined by Arauco based on its previous experience with saturated heat generators in other sawmills and on the Viñales sawmill heat requirements. |
| Purpose of the data  | --   |
| Comments   | --   |

|  |   |
|--|---|
| Data Parameter /   | $LFC_{HG,h}$  |
| Data unit  | Ratio   |
| Description  | Baseline load factor of heat generator h (ratio).   |
| Source of data   | Reference plant design parameters.  |
| Value applied:   | 90%   |
| Justification of choice of data or description of measurement methods and procedures applied | This parameter reflects the maximum load factor (i.e the ratio between the “actual heat generation” of the heat generator and its “design maximum heat generation” along one year of operation) of the baseline heat generator h, taking into account downtime due to maintenance, seasonal operational patterns and any other technical constraints.<br><br>In this case, this parameters was determined from the baseline study carried out for the Viñales project and other similar/comparable projects in other Arauco sawmill facilities. |
| Purpose of the data  | --  |
| Comments   | --  |

|                  |  |
|------------------|--|
| Data Parameter / | $GWP_{CH_4}$   |
| Data unit        | ( $tCO_2e/tCH_4$ )   |
| Description      | Global Warming Potential of methane valid for the commitment period ( $tCO_2/tCH_4$ )    |
| Source of data   | IPCC Fourth Assessment Report (2007)   |
| Value applied:   | 21 for the second commitment period.<br>Shall be updated according to any future update. |

|  |   |
|--|---|
| Justification of choice of data or description of measurement methods and procedures applied | --  |
| Purpose of the data  | Calculation of baseline emissions and project emissions |
| Comments   | --  |

|  |   |
|--|---|
| Data Parameter /   | EF <sub>burning, CH<sub>4</sub>,k,y</sub>   |
| Data unit  | (tCH <sub>4</sub> /GJ)  |
| Description  | CH <sub>4</sub> emission factor for uncontrolled burning of the biomass residue type k during year y.   |
| Source of data   | Direct measurement before the start of the project activity.  |
| Value applied:   | <ul style="list-style-type: none"> <li>Biomass residues from industrial operations (mainly sawdust and bark from sawmills): 0.0008742 (tCH<sub>4</sub>/GJ) or 874.2 (Kg CH<sub>4</sub>/TJ). This value includes the adjustment of a conservativeness factor of 0.94.</li> <li>Biomass residues from forestry operations (mainly branches from harvesting, pruning and thinning operations): 0.00010146 (tCH<sub>4</sub>/GJ) or 101.46 (Kg CH<sub>4</sub>/TJ). This value includes the adjustment of a conservativeness factor of 0.89.</li> </ul>   |
| Justification of choice of data or description of measurement methods and procedures applied | The CH <sub>4</sub> measurement was performed for the biomass types that will be used as a result of the implementation of the Viñales project activity. For a detailed description on the methods used, please see Annex 3, page 123, of the current Project Description Document.   |
| Purpose of the data  | Calculation of baseline emissions.  |
| Comments   | Differences between IPCC default values and the measured values are due to the compactness level of the biomass residues burned. In case of the biomass from industrial operations, the biomass is densely packed allowing for very little oxygen in the combustion process. This leads to high methane emission factors. In the case of the biomass from forestry operations, the biomass (mainly branches) allow for plenty of oxygen during the combustion, which leads to much lower methane emission factors. The measured values are consistent with values obtained in other parts of the word under similar conditions. |

|  |  |
|--|--|
| Data Parameter /   | EF <sub>CH<sub>4</sub>,BR</sub>  |
| Data unit  | (tCH <sub>4</sub> /GJ)   |
| Description  | CH <sub>4</sub> emission factor for the combustion of biomass residues in the project plant (tCH <sub>4</sub> /GJ)   |
| Source of data   | On-site measurements or default values, as provided in Table 4 and 5 of the ACM0006 (Version 12.1.1).  |
| Value applied:   | 30 kg CH <sub>4</sub> /TJ (unadjusted factor)<br>41.1 kg CH <sub>4</sub> /TJ using conservativeness factor of 1.37 from Table 5 (maximum uncertainty).   |
| Justification of choice of data or description of measurement methods and procedures applied | The measured CH <sub>4</sub> emission factors are adjusted by a conservatism value, thus ensuring the appropriateness and conservativeness of the associated emission reduction calculation.<br>Likewise, the default emission factors provided by the methodology are conservative per se and are further adjusted using conservativeness factors provided by the methodology. This ensures the conservativeness of the emission reduction calculation. |
| Purpose of the data  | Calculation of baseline emissions.   |
| Comments   | The project Participant will use the default values in this case. However, the Project Participant might consider measuring this emission factor in the future. In such case, the Project Participant will present the corresponding request for deviation, in accordance with the VCS rules.  |

|  |  |
|--|--|
| Data Parameter /   | $\eta_{BL,HG,BR, boiler}$  |
| Data unit  | (%)  |
| Description  | Heat efficiency of the boiler (heat generator) that would have been installed in the baseline scenario.  |
| Source of data   | Baseline plant design parameter defined by Energy Industry consultant. The same value has been recently used by the Project Proponent in other similar emission reduction project activities under the CDM.  |
| Value applied:   | 85%  |
| Justification of choice of data or description of measurement methods and procedures applied | As stated above, the proposed value has been used in other similar emission reduction project activities implemented in Chile and has been suggested by reputable engineering and technology companies such as Metso and Andritz. The value is realistic and furthermore, leads to a more conservative emission reduction calculation than the default value that is proposed in the "Tool to determine the baseline efficiency of thermal or electric energy generation systems". |
| Purpose of the data  | Calculation of baseline emissions.   |
| Comments   | --   |

**Data and parameters not monitored from the tool: "Project and leakage emissions from road transportation of freight" (Version 01.0.0)**

| Data Parameter /                                  | $EF_{CO_2,f}$  |               |   |               |     |               |     |
|---|--|---------------|---|---------------|-----|---------------|-----|
| Data unit   | (g CO <sub>2</sub> /t km)  |               |   |               |     |               |     |
| Description                                       | Default CO <sub>2</sub> emission factor for freight transportation activity f.   |               |   |               |     |               |     |
| Source of data                                    |  |               |   |               |     |               |     |
| Value applied:                                    | <table border="1"> <thead> <tr> <th>Vehicle class</th> <th>Emission factor (g CO<sub>2</sub>/t km)</th> </tr> </thead> <tbody> <tr> <td>Light vehicle</td> <td>245</td> </tr> <tr> <td>Heavy vehicle</td> <td>129</td> </tr> </tbody> </table> <p>In this case, the Project Participant used the emission factor for heavy vehicle according to the type of vehicle used in the transportation of the biomass residues to Viñales power plant.</p> | Vehicle class | Emission factor (g CO <sub>2</sub> /t km) | Light vehicle | 245 | Heavy vehicle | 129 |
| Vehicle class                                     | Emission factor (g CO <sub>2</sub> /t km)  |               |   |               |     |               |     |
| Light vehicle                                     | 245  |               |   |               |     |               |     |
| Heavy vehicle                                     | 129  |               |   |               |     |               |     |
| Justification of choice of data or description of | The default value are proposed in the corresponding CDM tool and therefore are deemed conservative and appropriate in this case.   |               |   |               |     |               |     |

|  |  |
|--|--|
| measurement methods and procedures applied |  |
| Purpose of the data                        | Calculation of Project emissions.  |
| Comments                                   | Applicable to Option B. The default CO <sub>2</sub> emission factors take into account emissions generated by loaded outbound trips and empty return trips. The default emission factor used have been derived based on custom design transient speed-time-gradient drive cycle (adapted from the international FIGE cycle), vehicle dimensional data, mathematical analysis of loading scenarios, and dynamic modelling based on engine power profiles, which, in turn, are a function of gross vehicle mass (GVM), load factor, speed/acceleration profiles and road gradient. The following assumptions on key parameters have been made: an average driving speed of 30 km/h, an average gradient of 1% and a load factor attained when biomass is transported is assumed. |

### 3.2 Data and Parameters Monitored

|   |  |
|---|--|
| Data / Parameter  | Biomass residues categories and quantities used in the project activity.   |
| Data unit   | <ul style="list-style-type: none"> <li>- Type</li> <li>- Source</li> <li>- Fate in the absence of the project activity</li> <li>- Use in the project scenario</li> <li>- Quantity (BDt)</li> </ul>   |
| Description   | The biomass quantities were monitored continuously in the project plant, according to proper industry standards.   |
| Source of data  | On-site measurement and calculations.  |
| Description of measurement methods and procedures to be applied | <p>Most of the internal biomass residues were measured at the entrance of the biomass power plant, using dedicated weight bridges. The rest of the internal biomass residues that are transported by pneumatic transportation system was estimated by the internal supplier (Viñales Sawmill and Remanufacture Plant) according Annex 1, page 113, current PD.</p> <p>The external biomass residues, from industrial and Forestry operations third parties, was measured using dedicated weight bridges.</p> <p>Dry weight of all biomass residues was subsequently determined using the biomass moisture content of the corresponding biomass type.</p> |

|                                   |   |  |  |  |   |                                    |
|-----------------------------------|---|--|--|--|---|------------------------------------|
| Frequency monitoring/recording of | Data monitored continuously and aggregated as appropriate, to calculate emissions reductions.   |  |  |  |   |                                    |
| Value monitored:                  | Biomass residues category   | Biomass residues type                  | Biomass residue source                 | Biomass residues fate in the absence of the project activity | Biomass residues use in project scenario                | Biomass residues quantity (BDt/yr) |
|                                   | 1   | Sawdust and bark industrial operations | On-site production                     | Heat and power generation on-site (B4)                       | Heat and power generation on-site (biomass only boiler) | 52,740                             |
|                                   | 2   | Sawdust and bark industrial operations | On-site production                     | Dumped and/or burned in the open air (B1:/B3:)               | Heat and power generation on-site (biomass only boiler) |                                    |
|                                   | 3   | Sawdust and bark industrial operations | Off-site from third parties facilities | Dumped and/or burned in the open air (B1:/B3:)               | Heat and power generation on-site (biomass only boiler) | 66,681                             |
|                                   | 4   | Bark, branches, from harvest, prune or | Off-site from forestry operations      | Dumped and/or burned in the open air (B1:/B3:)               | Heat and power generation on-site (biomass only boiler) | 0                                  |
| Monitoring equipment              | <p>Type: Weighbridge 1 GSE 460</p> <p>Accuracy class: Class III (+/- 30 kg)</p> <p>Serial number: 152069</p> <p>Calibration frequency: Biannual</p> <p>Dates of calibration: 24/04/2014-21/07/2014-25/10/2014</p> <p>Validity: 24/04/2015 (As reference).</p>   |  |  |  |   |                                    |
| QA/QC procedures to be applied    | <p>Project Participant crosschecked the measurement with an annual energy balance that is based on purchased quantities and stock changes. The result for QA/QC in the current period (July to December) was an efficiency of 69.42% in the power boiler. According to provider information, power boiler efficiency could be</p> |  |  |  |   |                                    |

|                     |   |
|---------------------|---|
|                     | <p>between 66%-86%, then, yearly energy balance is in an acceptable range. Nevertheless, is important consider that the stoppages due to failures or programmed affects the results of the monthly energy balance.</p>  |
| Purpose of the data | Calculation of baseline emissions and project emissions   |
| Calculation method  | <p>For the biomass residues generated on-site that are transported by the pneumatic transportation system, consider equations described in Annex 1, page 113, current PD.</p> $[1]BR \text{ Brushing process} = a \cdot b \cdot Dr$ $[2] BR \text{ Logging process} = c \cdot d \cdot Dr$ $[3]BR \text{ finger - joints} = m \cdot q \cdot Dr$ $[4]BR \text{ band - sawing} = e \cdot f \cdot g \cdot Dr$ $[5]BR \text{ molding process} = (h - i) \cdot (1 - j) \cdot Dr + k \cdot l \cdot Dr$ $[6]BR \text{ squaring process} = r \cdot s \cdot Dr$ $[7]BR \text{ Viñales sawmill plant} = I \cdot \left(1 - \frac{S_o}{(S_i \cdot fc)}\right) \cdot Ds$ <p>Where:</p> <p>Dr : Wood density (Kg/m<sup>3</sup>)</p> <p>a: Green wod volume consumption of the brushing machine (m<sup>3</sup>)</p> <p>b: Real (unadjusted) performance factor of the brushing machine (number).</p> <p>c: Logs volume consumption (m<sup>3</sup>)</p> <p>d: Performance factor for the production of wood-splinter. This parameter is determined based on empirical measurements (number).</p> <p>m: Sawdust volume generated from processing one wood-blank in the finger-joint process (m<sup>3</sup>)</p> <p>q: Amount of wood-blocks produced in the finger-joint process (number).</p> <p>e: Wood thickness that is being sawed (m)</p> <p>f: Linear meters of cuts along the thickness of the wood-blanks (m)</p> <p>g: Cut width (0.0022 m)</p> <p>h: Wood-blank volume consumed by the molding machine (m<sup>3</sup>)</p> <p>i: Sawdust volume generated from cutting the wood-blanks to the specified thickness (m<sup>3</sup>)</p> <p>j: Performance index from consuming wood-blanks and producing wood-moldings. This factor is calculated from the geometry of the wood molding (number for each type of molding).</p> <p>k: Molding volume production (m<sup>3</sup>)</p> <p>l: Process performance (number)</p> <p>r: Input volume moldings to the process (m<sup>3</sup>)</p> |

|          |   |
|----------|---|
|          | <p>s: Process performance (number. Empirical, determined for the process)</p> <p>I: Wood volume consumed by the shaving process (m<sup>3</sup>)</p> <p>S<sub>o</sub>: Wood section that exists the shaving process (m<sup>2</sup>)</p> <p>S<sub>i</sub>: Wood section that enters the shaving process (m<sup>2</sup>)</p> <p>fc: Wood correction factor due to wood drying as a result of the shaving process (number).</p> |
| Comments | --  |

|   |   |
|---|---|
| Data / Parameter  | For biomass residues categories for which scenarios B1: B2: or B3: is deemed a plausible baseline alternative, project participants shall demonstrate that is a realistic and credible alternative scenario.  |
| Data unit   | Tonnes  |
| Description   | <ul style="list-style-type: none"> <li>- Quantity of available biomass residues of type n in the region.</li> <li>- Quantity of biomass residues of type n that are utilized in the defined geographical region.</li> <li>- Availability of a surplus of biomass residues type n (which cannot be sold or utilized) at the ultimate supplier to the project and a representative sample of other suppliers in the defined geographical region.</li> </ul> |
| Source of data  | Official national Survey and statistic.   |
| Description of measurement methods and procedures to be applied | Not applicable in this case.  |
| Frequency of monitoring/recording                               | At the validation stage for biomass residues categories identified ex-ante, and always that new biomass residues categories are included during the crediting period.   |
| Value monitored:  | Not applicable in this case.  |
| Monitoring equipment  | Not applicable in this case.  |
| QA/QC procedures to be applied                                  | Not applicable in this case.  |
| Purpose of the data   | Leakage   |
| Calculation method  | Not applicable in this case.  |
| Comments  | Biomass residues used during CP1MP1 (Sawdust and Bark from industrial operations, on-site and off-site) were according biomass residues definition in current PD (page 3) and Viñales Validation Report (page 11). There are not new biomass residues categories to declare. Therefore, according to methodology ACM0006 version  |

|  |   |
|--|---|
|  | 12.1.1 is not necessary to present another biomass surplus index study. |
|--|---|

|   |  |  |                        |  |   |   |  |
|---|--|--|------------------------|--|---|---|--|
| Data / Parameter  | BR <sub>PJ,n,y</sub>   |  |                        |  |   |   |  |
| Data unit   | Tonnes   |  |                        |  |   |   |  |
| Description   | Quantity of biomass residues of category n used in the project activity in year y.   |  |                        |  |   |   |  |
| Source of data  | On-site measurements.  |  |                        |  |   |   |  |
| Description of measurement methods and procedures to be applied | <p>Most of the internal biomass residues were measured at the entrance of the biomass power plant, using dedicated weight bridges. The rest of the internal biomass residues that are transported by pneumatic transportation system was estimated by the internal supplier according Annex 1, page 113, current PD.</p> <p>The external biomass residues was measured using dedicated weight bridges.</p> <p>Dry weight of all biomass residues was subsequently determined using the biomass moisture content of the corresponding biomass type.</p> |  |                        |  |   |   |  |
| Frequency of monitoring/recording                               | Data monitored continuously and aggregated as appropriate, to calculate emission reductions.   |  |                        |  |   |   |  |
| Value monitored:  |  | Biomass residues type                  | Biomass residue source | Biomass residues fate in the absence of the project activity | Biomass residues use in project scenario                | Biomass residues quantity (dry tonnes/yr) |  |
|   | BR <sub>PJ,1,y</sub>   | Sawdust and bark industrial operations | On-site                | Heat and power generation on-site (B4)                       | Heat and power generation on-site (biomass only boiler) | 22,863                                    |  |
|   | BR <sub>PJ,2,y</sub>   | Sawdust and bark industrial operations | On-site                | Dumped and/or burned in the open air (B1 and or B3)          | Heat and power generation on-site (biomass only boiler) | 29,877                                    |  |
|   | BR <sub>PJ,3,y</sub>   | Sawdust and bark industrial operations | Off-site               | Dumped and/or burned in the open air (B1 and or B3)          | Heat and power generation on-site (biomass only boiler) | 66,681                                    |  |

|                                | BR <sub>PJ,4,y</sub>   | Biomass from forestry operations | Of-site | Dumped and/or burned in the open air (B1 and or B3) | Heat and power generation on-site (biomass only boiler) | 0 |  |
|--------------------------------|--|----------------------------------|---------|---|---|---|--|
| Monitoring equipment           | Type: Weighbridge 1 GSE 460<br>Accuracy class: Class III (+/- 30 kg)<br>Serial number: 152069<br>Calibration frequency: Biannual<br>Dates of calibration: 24/04/2014-21/07/2014-25/10/2014<br>Validity: 24/04/2015 (As reference).   |                                  |         |   |   |   |  |
| QA/QC procedures to be applied | Project Participant crosschecked the measurement with an annual energy balance that is based on purchased quantities and stock changes. Due to current Monitoring period duration is only six months, PP presented an energy balance for total monitoring period. The result for QA/QC in the current period (July to December) was an efficiency of 69.42% in the power boiler. According to provider information, power boiler efficiency could be between [66%-86%], then, yearly energy balance is in an acceptable range. PP calculated a monthly power boiler efficiency for internal control. The differences with QA/QC range in monthly efficiencies are due to maintenance outages. Nevertheless, monthly efficiencies variation do not affected the monitoring period power boiler efficiency that is in the expected values. |                                  |         |   |   |   |  |
| Purpose of the data            | Calculation of baseline emissions and project emissions.   |                                  |         |   |   |   |  |
| Calculation method             | BR <sub>PJ,1,y</sub> is obtained adding to the measured fraction transported by truck from Viñales sawmill and remanufacture plant, the calculated fraction of internal biomass transported by pneumatic system. Biomass residues by pneumatic transportation system are calculated by the internal suppliers according algorithms described in annex 1 of current PD.   |                                  |         |   |   |   |  |
| Comments                       | The biomass residue quantities used should be monitored separately for each type of biomass residue and each source.   |                                  |         |   |   |   |  |

|                                    |  |
|------------------------------------|--|
| Data / Parameter                   | BR <sub>B4,n,y</sub>   |
| Data unit                          | (Tonnes in dry basis /BDt)   |
| Description                        | Quantity of biomass residues of category n used in the project activity in year y for which the baseline scenario is B4:         |
| Source of data                     | On-site measurement.   |
| Description of measurement methods | Internal and external biomass residues were measured at the entrance of the biomass power plant, using dedicated weight bridges. |

|                                   |   |  |                        |  |   |   |  |
|-----------------------------------|---|--|------------------------|--|---|---|--|
| and procedures to be applied      | <p>A fraction of the internal biomass residues that are transported by pneumatic transportation system was estimated according Annex 1, page 113, current PD.</p> <p>Dry weight of all biomass residues was subsequently determined using the biomass moisture content of the corresponding biomass type.</p>   |  |                        |  |   |   |  |
| Frequency of monitoring/recording | Data monitored continuously and aggregated as appropriate, to calculate emission reductions.  |  |                        |  |   |   |  |
| Value monitored:                  | Biomass residues category   | Biomass residues type                  | Biomass residue source | Biomass residues fate in the absence of the project activity | Biomass residues use in project scenario                | Biomass residues quantity (dry tonnes/yr) |  |
|                                   | BR <sub>B4,1,y</sub>  | Sawdust and bark industrial operations | On-site                | Heat and power generation on-site (B4)                       | Heat and power generation on-site (biomass only boiler) | 22,863                                    |  |
| Monitoring equipment              | <p>Type: Weighbridge 1 GSE 460</p> <p>Accuracy class: Class III (+/- 30 kg)</p> <p>Serial number: 152069</p> <p>Calibration frequency: Biannual</p> <p>Dates of calibration: 24/04/2014-21/07/2014-25/10/2014</p> <p>Validity: 24/04/2015 (As reference).</p>   |  |                        |  |   |   |  |
| QA/QC procedures to be applied    | <p>Project Participant crosschecked the measurement with an annual energy balance that is based on purchased quantities and stock changes. Due to current Monitoring period duration is only six months, PP presented an energy balance for total monitoring period. The result for QA/QC in the current period (July to December) was an efficiency of 69.42% in the power boiler. According to provider information, power boiler efficiency could be between [66%-86%], then, yearly energy balance is in an acceptable range. PP calculated a monthly power boiler efficiency for internal control. The differences with QA/QC range in monthly efficiencies are due to maintenance outages. Nevertheless, monthly efficiencies variation do not affected the monitoring period power boiler efficiency that is in the expected values.</p> |  |                        |  |   |   |  |
| Purpose of the data               | Calculation of baseline emissions and project emissions.  |  |                        |  |   |   |  |
| Calculation method                | According to methodology ACM0006 Version 12.1.1, step 3, pages 32 to 39.  |  |                        |  |   |   |  |

|          |  |
|----------|--|
| Comments | According to Step 1.4 of methodology ACM0006 (Version 12.1.1) all these biomass residue types are used in the power boiler (heat generator) exclusively. As a result, the monitored quantities of biomass residues used in the project was directly allocated to that heat generator in the baseline scenario. |
|----------|--|

|   |  |  |                        |  |   |   |  |
|---|--|--|------------------------|--|---|---|--|
| Data / Parameter  | BR <sub>B1/B3,n,y</sub>  |  |                        |  |   |   |  |
| Data unit   | (Tonnes on dry basis)  |  |                        |  |   |   |  |
| Description   | Quantity of biomass residues of category n used in the project activity in year y for which the baseline scenario is B1: or B3:  |  |                        |  |   |   |  |
| Source of data  | On-site measurements.  |  |                        |  |   |   |  |
| Description of measurement methods and procedures to be applied | <p>Fraction of external biomass residues in baseline scenario B1: or B3: were measured at the entrance of the biomass power plant, using dedicated weight bridges.</p> <p>Dry weight of all biomass residues was subsequently determined using the biomass moisture content of the corresponding biomass type.</p> |  |                        |  |   |   |  |
| Frequency of monitoring/recording                               | Data monitored continuously and aggregated as appropriate, to calculate emission reductions.   |  |                        |  |   |   |  |
| Value monitored:  |  | Biomass residues type                  | Biomass residue source | Biomass residues fate in the absence of the project activity | Biomass residues use in project scenario                | Biomass residues quantity (dry tonnes/yr) |  |
|   | BR <sub>B1/B3,2,y</sub>  | Sawdust and bark industrial operations | On-site                | Dumped and/or burned in the open air (B1 and or B3)          | Heat and power generation on-site (biomass only boiler) | 29,877                                    |  |
|   | BR <sub>B1/B3,3,y</sub>  | Sawdust and bark industrial operations | Off-site               | Dumped and/or burned in the open air (B1 and or B3)          | Heat and power generation on-site (biomass only boiler) | 66,681                                    |  |
|   | BR <sub>B1/B3,4,y</sub>  | Biomass from forestry operations       | Off-site               | Dumped and/or burned in the open                             | Heat and power generation on-site                       | 0   |  |

|                                |   |  |  |                    |                       |  |  |
|--------------------------------|---|--|--|--------------------|-----------------------|--|--|
|                                |   |  |  | air (B1 and or B3) | (biomass only boiler) |  |  |
| Monitoring equipment           | <p>Type: Weighbridge 1 GSE 460<br/>         Accuracy class: Class III (+/- 30 kg)<br/>         Serial number: 152069<br/>         Calibration frequency: Biannual<br/>         Dates of calibration: 24/04/2014-21/07/2014-25/10/2014<br/>         Validity: 24/04/2015 (As reference).</p>   |  |  |                    |                       |  |  |
| QA/QC procedures to be applied | <p>Project Participant crosschecked the measurement with an annual energy balance that is based on purchased quantities and stock changes. Due to current Monitoring period duration is only six months, PP presented an energy balance for total monitoring period. The result for QA/QC in the current period (July to December) was an efficiency of 69.42% in the power boiler. According to provider information, power boiler efficiency could be between [66%-86%], then, yearly energy balance is in an acceptable range. PP calculated a monthly power boiler efficiency for internal control. The differences with QA/QC range in monthly efficiencies are due to maintenance outages. Nevertheless, monthly efficiencies variation do not affected the monitoring period power boiler efficiency that is in the expected values.</p> |  |  |                    |                       |  |  |
| Purpose of the data            | Calculation of baseline emissions and project emissions.  |  |  |                    |                       |  |  |
| Calculation method             | According to methodology ACM0006 Version 12.1.1, step 5, pages 44 to 46.  |  |  |                    |                       |  |  |
| Comments                       | --  |  |  |                    |                       |  |  |

|   |  |
|---|--|
| Data / Parameter  | $EF_{FF,y,f}$  |
| Data unit   | (tCO <sub>2</sub> /GJ)   |
| Description   | CO <sub>2</sub> emission factor for fossil fuel type f in year y.  |
| Source of data  | Default value. 2006 IPCC Guidelines on National GHG Inventories. Table 1.4 Chapter 1 of Vol.2. In the upper limit of uncertainty at a 95% confidence interval. |
| Description of measurement methods and procedures to be applied | Not applicable.  |
| Frequency of monitoring/recording                               | The Project Participant corroborate appropriateness the value for the current monitoring period.   |
| Value monitored:  | 0.0748 (tCO <sub>2</sub> /GJ) for Diesel.<br>0.0788 (tCO <sub>2</sub> /GJ) for Fuel Oil.   |

|                                |  |
|--------------------------------|--|
| Monitoring equipment           | --   |
| QA/QC procedures to be applied | Not applicable.  |
| Purpose of the data            | Calculation of baseline emissions and project emissions. |
| Calculation method             | Not applicable.  |
| Comments                       | --   |

|   |   |
|---|---|
| Data / Parameter  | EF <sub>CH<sub>4</sub>,BR</sub>   |
| Data unit   | (tCH <sub>4</sub> /GJ)  |
| Description   | CH <sub>4</sub> emission factor for the combustion of biomass residues in the project plant.  |
| Source of data  | Default values from the table 4 and 5 of ACM0006 (Version 12.1.1) methodology.  |
| Description of measurement methods and procedures to be applied | Not applicable.   |
| Frequency of monitoring/recording                               | Not applicable.   |
| Value monitored:  | 30 (kg CH <sub>4</sub> /TJ) with an uncertainty conservativeness factor of 1.37 (corresponds to the maximum uncertainty of 300%).   |
| Monitoring equipment  | Not applicable.   |
| QA/QC procedures to be applied                                  | Not applicable.   |
| Purpose of the data   | Calculation of baseline emissions and project emissions.  |
| Calculation method  | Not applicable.   |
| Comments  | Monitoring of this parameter for project emissions is required, since in this case CH <sub>4</sub> emissions from biomass combustion are included in the project boundary. A conservative factor was applied, as specified in the baseline methodology. |

|                  |  |
|------------------|--|
| Data / Parameter | EF <sub>CO<sub>2</sub>,LE</sub>  |
| Data unit        | (tCO <sub>2</sub> /GJ)   |
| Description      | CO <sub>2</sub> emission factor of the most carbon intensive fossil fuel used in the country.  |
| Source of data   | Combustible use in Chile published by CNE: "Balance Nacional de Energia 2014: Energía Global." <a href="http://energiaabierta.cne.cl/balance-">http://energiaabierta.cne.cl/balance-</a> |

|   |   |
|---|---|
|   | <a href="#">energetico/</a> and default CO <sub>2</sub> emission factors for combustion in Table 1.4. 2006 IPCC Guidelines for National Greenhouse Gas Inventories. |
| Description of measurement methods and procedures to be applied | --  |
| Frequency of monitoring/recording                               | Every re-validation process.  |
| Value monitored:  | Gas Coke and lignite Coke: 0.119 tCO <sub>2</sub> e/GJ<br>Not used in this case, since leakage is assumed to be 0 for the present monitoring period.                |
| Monitoring equipment  | --  |
| QA/QC procedures to be applied                                  | --  |
| Purpose of the data   | Calculation of leakage.   |
| Calculation method  | Not applicable.   |
| Comments  | --  |

|   |   |
|---|---|
| Data / Parameter  | HC <sub>BL,y</sub>  |
| Data unit   | (GJ)  |
| Description   | Baseline process heat generation in year y.   |
| Source of data  | On-site measurements and calculations.  |
| Description of measurement methods and procedures to be applied | This parameter was determined as the difference of the enthalpy of the process heat loads in the project activity minus the enthalpy of the feed-water, the boiler blow-down and any condensate return to the heat generators. The respective enthalpies were determined based on the mass flows, the temperatures and, in case of superheated steam, the pressure. An appropriate thermodynamic equations may be used to calculate the enthalpy as a function of temperature and pressure. |
| Frequency of monitoring/recording                               | Calculation based on continuously monitored data an aggregated as appropriate.  |
| Value monitored:  | 367,094 (GJ)  |
| Monitoring equipment  | 663-PT-0155<br>Type: Pressure gauge transmitter for Power Boiler Endress & Hauser Cerebar S//PMP75-ACC1WB1UBGAU<br>Accuracy class: +/- 0.075%<br>Serial number: D500C90109C<br>Calibration frequency: 18 months<br>Date of calibration: 21/10/2013-17/11/2014   |

|  |  |
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|  | <p>Validity: 16/05/2016</p> <p>663-FT-0156<br/> Type: Flow transmitter for Power Boiler Endress &amp; Hauser Cerebar S//PMP75-ACC7FB1DAVUDA63M-AB2BBD.<br/> Accuracy class: +/- 0.075%<br/> Serial number: D501F50109D<br/> Calibration frequency: 18 months<br/> Date of calibration: 24/10/2013-18/11/2014<br/> Validity: 17/05/2016</p> <p>663-TT-0157<br/> Type: Temperature sensor for the Power Boiler Endress &amp; Hauser TH53-8A23E2E2B31AK.<br/> Accuracy class: ≤ ±0.05%<br/> Serial number: 266161<br/> Calibration frequency: 2 years by PP's protocol.<br/> Measurement range: 0 – 600 °C<br/> Assembling and calibration date: 24/08/2011<br/> Validity: 23/08/2013</p> <p>665-PT-9040-A / 665-PT-9040-B<br/> Type: Pressure gauge transmitter High pressure line Rosemount 2051TG4A2B21AB4Q4.<br/> Accuracy class: ±0.05%<br/> Serial number: 32601 (A) – 32602 (B)<br/> Calibration frequency: 18 months.<br/> Date of calibration: 24/10/2013-19/11/2014<br/> Validity: 18/05/2016</p> <p>665-FT-9030<br/> Type: Flow transmitter high pressure line Rosemount 2051CD2F02A1A55Q4.<br/> Accuracy class: ±0.05%.<br/> Serial number: 33712<br/> Calibration frequency: 18 months.<br/> Date of calibration: 21/10/2013-19/11/2014<br/> Validity: 18/05/2016</p> <p>665-TT-9043-A / 665-TT-9043-B</p> |
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|  | <p>Type: Steam Temperature transmitter high pressure line Rosemount 644HANAJ6Q4.<br/>         Accuracy class: <math>\pm 0.05\%</math><br/>         Serial number: 0271902 (A) / 0219846 (B)<br/>         Calibration frequency: 2 years.<br/>         Date of calibration: 03/01/2013<br/>         Validity: 02/01/2015</p>   |
|  | <p>665-PT-9001-A /665-PT-9001-B<br/>         Type: Pressure gauge transmitter Medium pressure Line. Rosemount 2051TG3F2B21AB4Q4.<br/>         Accuracy class: <math>\pm 0.05\%</math><br/>         Serial number: 32561 (A) / 32562 (B)<br/>         Calibration frequency: 18 months.<br/>         Date of calibration: 24/10/2013<br/>         Validity: 23/04/2015</p> |
|  | <p>665-FT-9025<br/>         Type: Steam flow transmitter Medium pressure Line. Rosemount 2051CD2F02A1AS5Q4-0305RC32B11B4.<br/>         Accuracy class: <math>\pm 0.05\%</math><br/>         Serial number: 33711<br/>         Calibration frequency: 18 months.<br/>         Date of calibration: 22/10/2013-19/11/2014<br/>         Validity: 18/05/2016</p>             |
|  | <p>665-FT-9051<br/>         Type: Steam flow transmitter Medium pressure Line. Rosemount 2051CD2F02A1AS5Q4-0305RC32B11B4.<br/>         Accuracy class: <math>\pm 0.05\%</math><br/>         Serial number: 107763<br/>         Calibration frequency: 18 months.<br/>         Date of calibration: 21/10/2013-19/11/2014<br/>         Validity: 18/05/2016</p>            |
|  | <p>665-TT-9026<br/>         Type: Steam Temperature transmitter Medium pressure line Rosemount 644HFNAJ6Q4<br/>         Accuracy class: <math>\pm 0.15^{\circ}\text{C}</math>.<br/>         Serial number: 0271897<br/>         Calibration frequency: 2 years</p>  |

|  |  |
|--|--|
|  | <p>Assembling and calibration date: 09/09/2011<br/> Validity: 08/09/2013</p> <p>665-PT-9002-A / 665-PT-9002-B / 665-PT-9002-C<br/> Type: Pressure gauge transmitter Low pressure line Rosemount 2051TG2A2B21AB4Q4.<br/> Accuracy class: <math>\pm 0.05\%</math><br/> Serial number: 32598 (A) / 32599 (B) / 32600 (C)<br/> Calibration frequency: 18 months.<br/> Date of calibration: 24/10/2013-19/11/2014<br/> Validity: 18/05/2016</p> <p>665-FT-9019<br/> Type: Steam flow transmitter Low pressure line. Rosemount 2051CD2F02A1AS5Q4.<br/> Accuracy class: <math>\pm 0.05\%</math><br/> Serial number: 33709 0033709<br/> Calibration frequency: 18 months.<br/> Date of calibration: 22/10/2013-19/11/2014<br/> Validity: 18/05/2016</p> <p>665-FT-9023<br/> Type: Deaerator steam pressure flow transmitter Rosemount 2051CD2F02A1AS5Q4-0305RC32B11B4.<br/> Accuracy class: <math>\pm 0.05\%</math><br/> Serial number: 33710<br/> Calibration frequency: 18 months.<br/> Date of calibration: 21/10/2013-19/11/2014<br/> Validity: 18/05/2016</p> <p>665-TT-9024<br/> Type: Steam Temperature transmitter Low pressure line Rosemount 644HFNAJ6Q4<br/> Accuracy class: <math>\pm 0.15^{\circ}\text{C}</math>.<br/> Serial number: 0271896<br/> Calibration frequency: 2 years<br/> Assembling and calibration date: 09/09/2011<br/> Validity: 08/09/2013</p> <p>663-PT-0106</p> |
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|                                       | <p>Type: Pressure gauge transmitter Feed water condition Endress + Hauser PMD75-ARC1WB1UBGAU.<br/>         Accuracy class: <math>\pm 0.075\%</math><br/>         Serial number: D500BE0109C<br/>         Calibration frequency: According to supplier recommendation, PP define 18 months if was necessary.<br/>         Assembling and calibration date: 03/09/2011-24/11/2014<br/>         Validity: 23/05/2016</p> <p>663-TT-0111<br/>         Type: Steam temperature transmitter Feed water condition Rosemount 644HFNAJ6Q4.<br/>         Accuracy class: <math>\pm 0.15^{\circ}\text{C}</math>.<br/>         Serial number: 265913<br/>         Calibration frequency: 2 years.<br/>         Assembling and calibration date: 30/08/2011<br/>         Validity: 29/08/2013*<br/>         *Last calibration was 13/11/2015 and equipment verified in all span. No calibration was needed.</p>  |       |  |            |      |              |      |                 |      |               |      |
|---------------------------------------|---|-------|--|------------|------|--------------|------|-----------------|------|---------------|------|
| <p>QA/QC procedures to be applied</p> | <p>Heat quantities are directly measured by dedicated steam flow meters and pressure/temperature meters. The associated uncertainty is very low, since these parameters are key to the production processes of the Viñales plant and therefore, receive periodic maintenance as part of the production control system.</p> <p>According to PD, version 07, the consistency of metered net heat generation should be cross-checked with receipts from sales (if available) and the quantity of fuels fired (e.g. check whether the net heat generation divided by the quantity of fuels fired results in a reasonable thermal efficiency that is comparable to comparable to previous years). The thermal efficiency index obtained for CP1MP1 was compared every month since there were no historical efficiency indexes from previous monitoring periods. The monthly comparison resulted in a reasonable value, as can be seen below:</p> <table border="1" data-bbox="799 1539 1252 1864"> <thead> <tr> <th>Month</th> <th>Steam/Biomass Index<br/>[Ton steam/Ton biomass]</th> </tr> </thead> <tbody> <tr> <td>July, 2014</td> <td>2.51</td> </tr> <tr> <td>August, 2014</td> <td>2.64</td> </tr> <tr> <td>September, 2014</td> <td>2.80</td> </tr> <tr> <td>October, 2014</td> <td>2.38</td> </tr> </tbody> </table> | Month | Steam/Biomass Index<br>[Ton steam/Ton biomass] | July, 2014 | 2.51 | August, 2014 | 2.64 | September, 2014 | 2.80 | October, 2014 | 2.38 |
| Month                                 | Steam/Biomass Index<br>[Ton steam/Ton biomass]  |       |  |            |      |              |      |                 |      |               |      |
| July, 2014                            | 2.51  |       |  |            |      |              |      |                 |      |               |      |
| August, 2014                          | 2.64  |       |  |            |      |              |      |                 |      |               |      |
| September, 2014                       | 2.80  |       |  |            |      |              |      |                 |      |               |      |
| October, 2014                         | 2.38  |       |  |            |      |              |      |                 |      |               |      |

|                     |  |             |
|---------------------|--|-------------|
|                     | November, 2014   | 2.07        |
|                     | December, 2014   | 2.67        |
|                     | <b>Average</b>   | <b>2.51</b> |
|                     | <p>QA/QC index tolerance range [2.0-4.2] was defined according to design energy balance for the power boiler (“Design data of the boiler for training 17 to 20.pdf”, Kvaerner pulping power division) using quantity of live steam divided by quantity of wet combusted biomass. Then, average value is in the expected range.</p>   |             |
| Purpose of the data | Calculation of baseline emissions.   |             |
| Calculation method  | Not applicable.  |             |
| Comments            | <p>There are no evidence of calibration during the monitoring period for the following instruments:</p> <p>-663-TT-0157 (High pressure line) 665-TT-9026 (Medium pressure line) 665-TT-9024 (Low pressure line) 663-TT-0101 (Feed water conditions): Equipment that monitored temperature in steam lines. These measurements check temperature set point and there are no directly involved in emission reduction calculation. Set points Pressure and temperature of steam lines to calculate enthalpies involved in <math>HC_{BL,y}</math> were properly defined and presented during Viñales validation process. Adjustments aren't necessities</p> <p>-663-PT-0106 (Feed water conditions): Equipment that monitored pressure in feed water line. This measurement checks pressure set point and there is no directly involved in emission reduction calculation. Set points Pressure and temperature of steam lines to calculate enthalpies involved in <math>HC_{BL,y}</math> were properly defined and presented during Viñales validation. Corrections aren't necessities.</p> |             |

|   |  |
|---|--|
| Data / Parameter  | $EL_{PJ,gross,y}$  |
| Data unit   | (MWh)  |
| Description   | Gross quantity of electricity generated in all power plants which are located at the project site and included in the project boundary in year y.    |
| Source of data  | On-site measurement.   |
| Description of measurement methods and procedures to be applied | Parameter was measured using proper electric meters, calibrated and maintained according to manufacture specification and proper industry standards. |
| Frequency of monitoring/recording                               | Continuously and aggregated as appropriate, to calculate emission reductions.  |
| Value monitored:  | 114,940 (MWh)  |

| <p>Monitoring equipment</p>           | <p>8600-10<br/>                 Type: Energy Meter Gross Power Measurement Schneider Electric ION 8600<br/>                 Accuracy class: +/- 0.2%<br/>                 Serial number: LT-1012A701-01<br/>                 Calibration frequency: 7 years<br/>                 Date of last calibration: 24/12/2010<br/>                 Validity: 23/12/2017</p>  |   |  |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
|---------------------------------------|--|---|--|--|--|--|--|------------------------------|------|----|-----------|-----------|-----------|-----------|-----|------|-------|----------|----------|-----|---------|----------------------|--------|-------|----------|----------|------|---------|----------------------|-----------|-------|----------|----------|-----|---------|----------------------|---------|-------|----------|----------|-----|---------|----------------------|----------|-------|---------|----------|---------|---------|---------------------|----------|-------|----------|----------|---------|---------|----------------------|--|---|---|-------------------|--|----------------------------------|---------------------------------------|-------------------|--------|----------|----------|------|--------|----------|----------|------|--------|----------|----------|------|--------|----------|----------|------|--------|----------|----------|-------------|--------|----------|----------|-------------|
| <p>QA/QC procedures to be applied</p> | <p>1. – Monthly rate between receipts from electricity sales (if available) and the calculated displacement of the grid is within a range of <math>\pm 2\%</math>.</p> <table border="1" data-bbox="618 615 1438 877"> <thead> <tr> <th></th> <th>Sale Electricity invoice (A)</th> <th>Gross quantity of electricity generated</th> <th>Total electricity import from the grid</th> <th>Total electricity consumption Viñales complex*</th> <th>Calculated displacement of the grid* (B)</th> <th>QA/QC Rate A/B [<math>\pm 2\%</math>]</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>n°</td> <td>MWh/month</td> <td>MWh/month</td> <td>MWh/month</td> <td>MWh/month</td> <td>[ ]</td> </tr> <tr> <td>July</td> <td>37993</td> <td>17,810.5</td> <td>23,962.6</td> <td>0.0</td> <td>5,940.8</td> <td>18,021.8 <b>0.99</b></td> </tr> <tr> <td>August</td> <td>38538</td> <td>14,579.4</td> <td>20,479.0</td> <td>11.4</td> <td>5,824.3</td> <td>14,666.1 <b>0.99</b></td> </tr> <tr> <td>September</td> <td>39187</td> <td>16,628.3</td> <td>22,537.9</td> <td>7.7</td> <td>5,597.0</td> <td>16,948.6 <b>0.98</b></td> </tr> <tr> <td>October</td> <td>39774</td> <td>16,783.2</td> <td>22,768.8</td> <td>5.7</td> <td>5,915.3</td> <td>16,859.1 <b>1.00</b></td> </tr> <tr> <td>November</td> <td>40422</td> <td>8,046.3</td> <td>10,853.5</td> <td>1,347.8</td> <td>4,452.9</td> <td>7,748.4 <b>1.04</b></td> </tr> <tr> <td>December</td> <td>41091</td> <td>10,936.9</td> <td>14,338.4</td> <td>1,859.4</td> <td>4,678.1</td> <td>11,519.7 <b>0.95</b></td> </tr> </tbody> </table> <p>*Without considering theoretical pneumatic transportation energy consumption of 254.2 MWh/month</p> <p>November and December Index is out of QA/QC acceptable range.</p> <p>2. - Index between electricity generation divided by the quantity of combusted biomass in Power boiler results in a reasonable efficiency comparable to yearly statistic range:</p> <table border="1" data-bbox="646 1108 1227 1493"> <thead> <tr> <th></th> <th>A</th> <th>B</th> <th>QA/QC [0.83-1.34]</th> </tr> </thead> <tbody> <tr> <td></td> <td>Gross electricity generation MWh</td> <td>Combusted biomass in power boiler BDt</td> <td>Index MWh/BDt A/B</td> </tr> <tr> <td>Jul/14</td> <td>23,962.6</td> <td>22,944.6</td> <td>1.04</td> </tr> <tr> <td>Ago/14</td> <td>20,479.0</td> <td>19,510.4</td> <td>1.05</td> </tr> <tr> <td>Sep/14</td> <td>22,537.9</td> <td>17,707.3</td> <td>1.27</td> </tr> <tr> <td>Oct/14</td> <td>22,768.8</td> <td>23,451.1</td> <td>0.97</td> </tr> <tr> <td>Nov/14</td> <td>10,853.5</td> <td>17,296.7</td> <td><b>0.63</b></td> </tr> <tr> <td>Dec/14</td> <td>14,338.4</td> <td>18,511.3</td> <td><b>0.77</b></td> </tr> </tbody> </table> <p>November and December were out of the QA/QC range. Is important to note that boiler electricity efficiency change when Power plant is carrying out a programmed stoppage.</p> <p>3. - Percentage difference between Measured energy displacement using dedicated equipment and calculated energy displacement according methodology must be equal or bigger than zero (i.e. Measured energy shall be mayor than calculated energy displacement).</p> |   | Sale Electricity invoice (A)           | Gross quantity of electricity generated        | Total electricity import from the grid   | Total electricity consumption Viñales complex* | Calculated displacement of the grid* (B) | QA/QC Rate A/B [ $\pm 2\%$ ] | 2014 | n° | MWh/month | MWh/month | MWh/month | MWh/month | [ ] | July | 37993 | 17,810.5 | 23,962.6 | 0.0 | 5,940.8 | 18,021.8 <b>0.99</b> | August | 38538 | 14,579.4 | 20,479.0 | 11.4 | 5,824.3 | 14,666.1 <b>0.99</b> | September | 39187 | 16,628.3 | 22,537.9 | 7.7 | 5,597.0 | 16,948.6 <b>0.98</b> | October | 39774 | 16,783.2 | 22,768.8 | 5.7 | 5,915.3 | 16,859.1 <b>1.00</b> | November | 40422 | 8,046.3 | 10,853.5 | 1,347.8 | 4,452.9 | 7,748.4 <b>1.04</b> | December | 41091 | 10,936.9 | 14,338.4 | 1,859.4 | 4,678.1 | 11,519.7 <b>0.95</b> |  | A | B | QA/QC [0.83-1.34] |  | Gross electricity generation MWh | Combusted biomass in power boiler BDt | Index MWh/BDt A/B | Jul/14 | 23,962.6 | 22,944.6 | 1.04 | Ago/14 | 20,479.0 | 19,510.4 | 1.05 | Sep/14 | 22,537.9 | 17,707.3 | 1.27 | Oct/14 | 22,768.8 | 23,451.1 | 0.97 | Nov/14 | 10,853.5 | 17,296.7 | <b>0.63</b> | Dec/14 | 14,338.4 | 18,511.3 | <b>0.77</b> |
|                                       | Sale Electricity invoice (A)   | Gross quantity of electricity generated | Total electricity import from the grid | Total electricity consumption Viñales complex* | Calculated displacement of the grid* (B) | QA/QC Rate A/B [ $\pm 2\%$ ]                   |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| 2014                                  | n°   | MWh/month                               | MWh/month                              | MWh/month                                      | MWh/month                                | [ ]  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| July                                  | 37993  | 17,810.5                                | 23,962.6                               | 0.0  | 5,940.8                                  | 18,021.8 <b>0.99</b>                           |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| August                                | 38538  | 14,579.4                                | 20,479.0                               | 11.4   | 5,824.3                                  | 14,666.1 <b>0.99</b>                           |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| September                             | 39187  | 16,628.3                                | 22,537.9                               | 7.7  | 5,597.0                                  | 16,948.6 <b>0.98</b>                           |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| October                               | 39774  | 16,783.2                                | 22,768.8                               | 5.7  | 5,915.3                                  | 16,859.1 <b>1.00</b>                           |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| November                              | 40422  | 8,046.3                                 | 10,853.5                               | 1,347.8  | 4,452.9                                  | 7,748.4 <b>1.04</b>                            |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| December                              | 41091  | 10,936.9                                | 14,338.4                               | 1,859.4  | 4,678.1                                  | 11,519.7 <b>0.95</b>                           |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
|                                       | A  | B                                       | QA/QC [0.83-1.34]                      |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
|                                       | Gross electricity generation MWh   | Combusted biomass in power boiler BDt   | Index MWh/BDt A/B                      |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Jul/14                                | 23,962.6   | 22,944.6                                | 1.04                                   |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Ago/14                                | 20,479.0   | 19,510.4                                | 1.05                                   |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Sep/14                                | 22,537.9   | 17,707.3                                | 1.27                                   |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Oct/14                                | 22,768.8   | 23,451.1                                | 0.97                                   |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Nov/14                                | 10,853.5   | 17,296.7                                | <b>0.63</b>                            |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Dec/14                                | 14,338.4   | 18,511.3                                | <b>0.77</b>                            |  |  |  |  |                              |      |    |           |           |           |           |     |      |       |          |          |     |         |                      |        |       |          |          |      |         |                      |           |       |          |          |     |         |                      |         |       |          |          |     |         |                      |          |       |         |          |         |         |                     |          |       |          |          |         |         |                      |  |   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |

|        | A                                    | B                                       | C                                  | QA/QC ≥ 0                   |
|--------|--------------------------------------|---|------------------------------------|-----------------------------|
|        | Measured exported energy to grid MWh | Measured energy sawmill consumption MWh | Calculated energy displacement MWh | Difference %<br>((A+B)-C)/C |
| Jul/14 | 17,848.6                             | 2,557.0                                 | 20,324.5                           | 0.40%                       |
| Ago/14 | 14,606.0                             | 2,440.4                                 | 16,846.3                           | 1.19%                       |
| Sep/14 | 16,663.1                             | 2,323.3                                 | 19,013.0                           | <b>-0.14%</b>               |
| Oct/14 | 16,814.9                             | 2,531.5                                 | 19,135.8                           | 1.10%                       |
| Nov/14 | 8,059.2                              | 1,179.3                                 | 7,854.0                            | 17.63%                      |
| Dec/14 | 10,957.3                             | 1,294.2                                 | 11,548.4                           | 6.09%                       |

September Index is out of QA/QC acceptable range.

Accordinging QA/QC cross check 1 and 2, November and December 2014 presents a significant difference due to programmed yearly Power plant Stoppage. As the process of the power plant is continuous, is not possible to execute the maintenance/calibration, for the majority of the instruments of the power plant, out of the general plant shutdown. One of the main tasks that are performed during the stoppage is the maintenance of the substation located in power plant site. This is a highly risky task that needs to de-energize certain plant's areas to accomplish. The aforementioned areas includes the equipment that register the energy imports and exports from and to the grid. Is in this process where the most substantial difference between the Constitucion substation and the power plant equipment are presented, because the substation continuous measuring. It's important to note that the general shutdown in 2014 was singularly extensive due to a major intervention in the turbogenerator. Nevertheless, Calculated energy displacement is conservative comparing with measured and invoice energy displacement from the grid, because the measured energy displacement in Constitucion substation is bigger than the calculated energy displacement.

Deviation in cross check 3, September, 2014, registered a calculated energy displacement that is not conservative compared with measured energy displacement. PP corrected and used measured quantity grid energy displacement for the final reported value.

|                     |                                    |
|---------------------|------------------------------------|
| Purpose of the data | Calculation of baseline emissions. |
| Calculation method  | Not applicable.                    |
| Comments            | --                                 |

|                  |                        |
|------------------|------------------------|
| Data / Parameter | EL <sub>PJ,imp,y</sub> |
| Data unit        | (MWh)                  |

| Description   | Project electricity imports from the grid in year y.   |   |       |                                |                        |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
|---|--|---|-------|--------------------------------|------------------------|--|-----------|--|---------------------------------------|---|----|--------------------------------|------------------------|--------|-----|-----|--|--|---|--------|-----|-----|-------|------|-------|--------|-----|-----|-------|-----|-------|--------|-----|-----|-------|-----|-------|--------|-------|-------|-------|---------|-------|--------|-------|---------|-------|---------|-------|
| Source of data  | On-site measurements.  |   |       |                                |                        |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Description of measurement methods and procedures to be applied | Parameter was measured using proper electric meters, calibrated and maintained according to manufacture specification and proper industry standards.   |   |       |                                |                        |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Frequency of monitoring/recording                               | Continuously and aggregated as appropriate, to calculate emission reductions.  |   |       |                                |                        |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Value monitored:  | 1,390 (MWh)  |   |       |                                |                        |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Monitoring equipment  | <p>SE-EI-0006/0007</p> <p>Type: Energy Meter Import Power Measurement Schneider Electric ION 8600</p> <p>Accuracy class: +/- 0.2%</p> <p>Serial number: PT-1012A934-01</p> <p>Calibration frequency: 7 years</p> <p>Date of last calibration: 06/06/2011</p> <p>Validity: 05/06/2018</p> <p>8600-2_3</p> <p>Type: Energy Meter Sawmill consumption Schneider Electric ION 8600</p> <p>Accuracy class: +/- 0.2%</p> <p>Serial number: MT-1010A242-01</p> <p>Calibration frequency: 7 years</p> <p>Date of last calibration: 09/10/2010</p> <p>Validity: 08/10/2017</p>  |   |       |                                |                        |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| QA/QC procedures to be applied                                  | <p>- Consistency of metered electricity was checked percentage difference between Total power import and receipts from electricity purchases. The difference between measures and invoices are exposed in table below:</p> <table border="1"> <thead> <tr> <th></th> <th>A</th> <th>B</th> <th colspan="2">C</th> <th>QA/QC ≤ 0</th> </tr> <tr> <th></th> <th>Import electricity to power plant MWh</th> <th>Import electricity to Sawmill plant MWh</th> <th>n°</th> <th>Import electricity invoice MWh</th> <th>Index %<br/>((A+B)-C)/C</th> </tr> </thead> <tbody> <tr> <td>Jul/14</td> <td>0.0</td> <td>0.0</td> <td></td> <td></td> <td>-</td> </tr> <tr> <td>Ago/14</td> <td>5.4</td> <td>6.0</td> <td>13334</td> <td>11.4</td> <td>-0.09</td> </tr> <tr> <td>Sep/14</td> <td>2.9</td> <td>4.8</td> <td>00090</td> <td>7.7</td> <td>-0.14</td> </tr> <tr> <td>Oct/14</td> <td>5.1</td> <td>0.6</td> <td>00198</td> <td>5.7</td> <td>-0.15</td> </tr> <tr> <td>Nov/14</td> <td>528.3</td> <td>819.5</td> <td>00295</td> <td>1,346.7</td> <td>-0.08</td> </tr> <tr> <td>Dec/14</td> <td>848.0</td> <td>1,011.4</td> <td>00439</td> <td>1,858.9</td> <td>-0.03</td> </tr> </tbody> </table> |   | A     | B                              | C                      |  | QA/QC ≤ 0 |  | Import electricity to power plant MWh | Import electricity to Sawmill plant MWh | n° | Import electricity invoice MWh | Index %<br>((A+B)-C)/C | Jul/14 | 0.0 | 0.0 |  |  | - | Ago/14 | 5.4 | 6.0 | 13334 | 11.4 | -0.09 | Sep/14 | 2.9 | 4.8 | 00090 | 7.7 | -0.14 | Oct/14 | 5.1 | 0.6 | 00198 | 5.7 | -0.15 | Nov/14 | 528.3 | 819.5 | 00295 | 1,346.7 | -0.08 | Dec/14 | 848.0 | 1,011.4 | 00439 | 1,858.9 | -0.03 |
|   | A  | B                                       | C     |                                | QA/QC ≤ 0              |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
|   | Import electricity to power plant MWh  | Import electricity to Sawmill plant MWh | n°    | Import electricity invoice MWh | Index %<br>((A+B)-C)/C |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Jul/14  | 0.0  | 0.0                                     |       |                                | -                      |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Ago/14  | 5.4  | 6.0                                     | 13334 | 11.4                           | -0.09                  |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Sep/14  | 2.9  | 4.8                                     | 00090 | 7.7                            | -0.14                  |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Oct/14  | 5.1  | 0.6                                     | 00198 | 5.7                            | -0.15                  |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Nov/14  | 528.3  | 819.5                                   | 00295 | 1,346.7                        | -0.08                  |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |
| Dec/14  | 848.0  | 1,011.4                                 | 00439 | 1,858.9                        | -0.03                  |  |           |  |                                       |   |    |                                |                        |        |     |     |  |  |   |        |     |     |       |      |       |        |     |     |       |     |       |        |     |     |       |     |       |        |       |       |       |         |       |        |       |         |       |         |       |

|                     | <p>Import electricity invoices report the total import electricity from the grid to Viñales complex (Sawmill and power plant). QA/QC index is according quality assurance criteria.</p> <p>- Index between electricity generation divided by the quantity of combusted biomass in Power boiler results in a reasonable efficiency comparable to yearly statistic range:</p> <table border="1" data-bbox="649 630 1226 1018"> <thead> <tr> <th></th> <th>A</th> <th>B</th> <th>QA/QC [0.83-1.34]</th> </tr> <tr> <th></th> <th>Gross electricity generation MWh</th> <th>Combusted biomass in power boiler BDt</th> <th>Index MWh/BDt A/B</th> </tr> </thead> <tbody> <tr> <td>Jul/14</td> <td>23,962.6</td> <td>22,944.6</td> <td>1.04</td> </tr> <tr> <td>Ago/14</td> <td>20,479.0</td> <td>19,510.4</td> <td>1.05</td> </tr> <tr> <td>Sep/14</td> <td>22,537.9</td> <td>17,707.3</td> <td>1.27</td> </tr> <tr> <td>Oct/14</td> <td>22,768.8</td> <td>23,451.1</td> <td>0.97</td> </tr> <tr> <td>Nov/14</td> <td>10,853.5</td> <td>17,296.7</td> <td><b>0.63</b></td> </tr> <tr> <td>Dec/14</td> <td>14,338.4</td> <td>18,511.3</td> <td><b>0.77</b></td> </tr> </tbody> </table> <p>November and December were out of the QA/QC range. Is important to note that boiler electricity efficiency change when Power plant is carrying out a programmed stoppage. Nevertheless, average Monitoring period QA/QC (0.96) is in quality assurance criteria.</p> |                                       | A                 | B | QA/QC [0.83-1.34] |  | Gross electricity generation MWh | Combusted biomass in power boiler BDt | Index MWh/BDt A/B | Jul/14 | 23,962.6 | 22,944.6 | 1.04 | Ago/14 | 20,479.0 | 19,510.4 | 1.05 | Sep/14 | 22,537.9 | 17,707.3 | 1.27 | Oct/14 | 22,768.8 | 23,451.1 | 0.97 | Nov/14 | 10,853.5 | 17,296.7 | <b>0.63</b> | Dec/14 | 14,338.4 | 18,511.3 | <b>0.77</b> |
|---------------------|--|---------------------------------------|-------------------|---|-------------------|--|----------------------------------|---------------------------------------|-------------------|--------|----------|----------|------|--------|----------|----------|------|--------|----------|----------|------|--------|----------|----------|------|--------|----------|----------|-------------|--------|----------|----------|-------------|
|                     | A  | B                                     | QA/QC [0.83-1.34] |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
|                     | Gross electricity generation MWh   | Combusted biomass in power boiler BDt | Index MWh/BDt A/B |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Jul/14              | 23,962.6   | 22,944.6                              | 1.04              |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Ago/14              | 20,479.0   | 19,510.4                              | 1.05              |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Sep/14              | 22,537.9   | 17,707.3                              | 1.27              |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Oct/14              | 22,768.8   | 23,451.1                              | 0.97              |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Nov/14              | 10,853.5   | 17,296.7                              | <b>0.63</b>       |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Dec/14              | 14,338.4   | 18,511.3                              | <b>0.77</b>       |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Purpose of the data | Calculation of baseline emissions and project emissions.   |                                       |                   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |
| Calculation method  | <p>Equipment SE-EI-0006/0007 measured total power quantity import to Viñales complex (Viñales sawmill and Power plant). To calculate power import to Power plant is important to consider the available power generation in Viñales complex. The following cases define the quantity of imported electricity to Power plant:</p> <p>1.- Project electricity imports to Power plant are equal to zero when Available power generation is more or equal to Viñales sawmill energy process demand. When Viñales complex use imported power is necessary to calculate the quantity used in power plant:</p> <p>- Project electricity imports are more than zero when Available power generation is less than Viñales sawmill energy process demand, and is possible to determine as follows:</p> <p>Project electricity imports = Available power generation + Total power import - Electricity import to Viñales sawmill process from the grid</p>  |                                       |                   |   |                   |  |                                  |                                       |                   |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |      |        |          |          |             |        |          |          |             |

|          |  |
|----------|--|
|          | Available power generation = Gross quantity electricity generated in power plant - export surplus energy to the grid – Internal Transmission losses before Grid injection. |
| Comments | --   |

|   |   |
|---|---|
| Data / Parameter  | EL <sub>PJ,aux,y</sub>  |
| Data unit   | (MWh)   |
| Description   | Total auxiliary electricity consumption required for the operation of the power plants at the project site in year y.   |
| Source of data  | On-site measurements.   |
| Description of measurement methods and procedures to be applied | Parameter was measured using proper electric meters, calibrated and maintained according to manufacture specification and proper industry standards.  |
| Frequency of monitoring/recording                               | Continuously and aggregated as appropriate, to calculate emission reductions.   |
| Value monitored:  | 21,608 (MWh)  |
| Monitoring equipment  | <p>Viñales_1_6_Manejo_Desechos_Comb<br/>TAG: 669-EI-1603/1604 (1-6)<br/>Brand: Schneider Electric<br/>Model: Ion 7550<br/>Serial number: LI-1010A261-02<br/>Accuracy: +/- 0.2%<br/>Calibration frequency: 7 years<br/>Date of last calibration: 12/10/2010<br/>Validity: 11/10/2017</p> <p>Viñales_1_7_CP_Caldera_Poder<br/>TAG: 669-EI-1703/1704 (1-7)<br/>Brand: Schneider Electric<br/>Model: Ion 7550<br/>Serial number: LI-1010A263-02<br/>Accuracy class: +/- 0.2%<br/>Calibration frequency: 7 years<br/>Date of last calibration: 12/10/2010<br/>Validity: 11/10/2017</p> <p>Viñales_1_8_CP_Caldera_Poder<br/>TAG: 669-EI_1803/1804 (1-8)</p> |

|                                       | <p>Brand: Schneider Electric<br/>         Model: Ion 7550<br/>         Serial number: LI-1010A264-02<br/>         Accuracy class: +/- 0.2%<br/>         Calibration frequency: 7 years<br/>         Date of last calibration: 12/10/2010<br/>         Validity: 11/10/2017</p> <p>Viñales_1_9_CP_Caldera_Poder<br/>         TAG: 669-EI-1903/1904 (1-9)<br/>         Brand: Schneider Electric<br/>         Model: Ion 7550<br/>         Serial number: LI-1010A262-02<br/>         Accuracy: +/- 0.2%<br/>         Calibration frequency: 7 years<br/>         Date of last calibration: 14/10/2010<br/>         Validity: 13/10/2017</p> <p>Viñales_1_11_Barra_1B_Ed_Administración<br/>         TAG: 669-EI-1703/1804 (1-11)<br/>         Brand: Schneider Electric<br/>         Model: Ion 7550<br/>         Serial number: LI-1010A265-02<br/>         Accuracy: +/- 0.2%<br/>         Calibration frequency: 7 years<br/>         Date of last calibration: 12/10/2010<br/>         Validity: 11/10/2017</p>   |           |   |  |  |  |  |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
|---------------------------------------|--|-----------|---|--|--|--|--|--|------------------------------|------|----|-----------|-----------|-----------|-----------|-----------|-----|------|-------|----------|----------|-----|---------|----------|-------------|--------|-------|----------|----------|------|---------|----------|-------------|-----------|-------|----------|----------|-----|---------|----------|-------------|---------|-------|----------|----------|-----|---------|----------|-------------|----------|-------|---------|----------|---------|---------|---------|-------------|----------|-------|----------|----------|---------|---------|----------|-------------|
| <p>QA/QC procedures to be applied</p> | <p>1. - Monthly rate between receipts from electricity sales (if available) and the calculated displacement of the grid is within a range of <math>\pm 2\%</math>.</p> <table border="1" data-bbox="618 1409 1433 1675"> <thead> <tr> <th></th> <th colspan="2">Sale Electricity invoice (A)</th> <th>Gross quantity of electricity generated</th> <th>Total electricity import from the grid</th> <th>Total electricity consumption Viñales complex*</th> <th>Calculated displacement of the grid* (B)</th> <th>QA/QC Rate A/B [<math>\pm 2\%</math>]</th> </tr> <tr> <th>2014</th> <th>n°</th> <th>MWh/month</th> <th>MWh/month</th> <th>MWh/month</th> <th>MWh/month</th> <th>MWh/month</th> <th>[ ]</th> </tr> </thead> <tbody> <tr> <td>July</td> <td>37993</td> <td>17,810.5</td> <td>23,962.6</td> <td>0.0</td> <td>5,940.8</td> <td>18,021.8</td> <td><b>0.99</b></td> </tr> <tr> <td>August</td> <td>38538</td> <td>14,579.4</td> <td>20,479.0</td> <td>11.4</td> <td>5,824.3</td> <td>14,666.1</td> <td><b>0.99</b></td> </tr> <tr> <td>September</td> <td>39187</td> <td>16,628.3</td> <td>22,537.9</td> <td>7.7</td> <td>5,597.0</td> <td>16,948.6</td> <td><b>0.98</b></td> </tr> <tr> <td>October</td> <td>39774</td> <td>16,783.2</td> <td>22,768.8</td> <td>5.7</td> <td>5,915.3</td> <td>16,859.1</td> <td><b>1.00</b></td> </tr> <tr> <td>November</td> <td>40422</td> <td>8,046.3</td> <td>10,853.5</td> <td>1,347.8</td> <td>4,452.9</td> <td>7,748.4</td> <td><b>1.04</b></td> </tr> <tr> <td>December</td> <td>41091</td> <td>10,936.9</td> <td>14,338.4</td> <td>1,859.4</td> <td>4,678.1</td> <td>11,519.7</td> <td><b>0.95</b></td> </tr> </tbody> </table> <p>*Without considering theoretical pneumatic transportation energy consumption of 254.2 MWh/month</p> <p>November and December Index is out of QA/QC acceptable range.</p> |           | Sale Electricity invoice (A)            |  | Gross quantity of electricity generated        | Total electricity import from the grid   | Total electricity consumption Viñales complex* | Calculated displacement of the grid* (B) | QA/QC Rate A/B [ $\pm 2\%$ ] | 2014 | n° | MWh/month | MWh/month | MWh/month | MWh/month | MWh/month | [ ] | July | 37993 | 17,810.5 | 23,962.6 | 0.0 | 5,940.8 | 18,021.8 | <b>0.99</b> | August | 38538 | 14,579.4 | 20,479.0 | 11.4 | 5,824.3 | 14,666.1 | <b>0.99</b> | September | 39187 | 16,628.3 | 22,537.9 | 7.7 | 5,597.0 | 16,948.6 | <b>0.98</b> | October | 39774 | 16,783.2 | 22,768.8 | 5.7 | 5,915.3 | 16,859.1 | <b>1.00</b> | November | 40422 | 8,046.3 | 10,853.5 | 1,347.8 | 4,452.9 | 7,748.4 | <b>1.04</b> | December | 41091 | 10,936.9 | 14,338.4 | 1,859.4 | 4,678.1 | 11,519.7 | <b>0.95</b> |
|                                       | Sale Electricity invoice (A)   |           | Gross quantity of electricity generated | Total electricity import from the grid | Total electricity consumption Viñales complex* | Calculated displacement of the grid* (B) | QA/QC Rate A/B [ $\pm 2\%$ ]                   |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| 2014                                  | n°   | MWh/month | MWh/month                               | MWh/month                              | MWh/month                                      | MWh/month                                | [ ]  |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| July                                  | 37993  | 17,810.5  | 23,962.6                                | 0.0                                    | 5,940.8  | 18,021.8                                 | <b>0.99</b>                                    |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| August                                | 38538  | 14,579.4  | 20,479.0                                | 11.4                                   | 5,824.3  | 14,666.1                                 | <b>0.99</b>                                    |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| September                             | 39187  | 16,628.3  | 22,537.9                                | 7.7                                    | 5,597.0  | 16,948.6                                 | <b>0.98</b>                                    |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| October                               | 39774  | 16,783.2  | 22,768.8                                | 5.7                                    | 5,915.3  | 16,859.1                                 | <b>1.00</b>                                    |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| November                              | 40422  | 8,046.3   | 10,853.5                                | 1,347.8                                | 4,452.9  | 7,748.4                                  | <b>1.04</b>                                    |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |
| December                              | 41091  | 10,936.9  | 14,338.4                                | 1,859.4                                | 4,678.1  | 11,519.7                                 | <b>0.95</b>                                    |  |                              |      |    |           |           |           |           |           |     |      |       |          |          |     |         |          |             |        |       |          |          |      |         |          |             |           |       |          |          |     |         |          |             |         |       |          |          |     |         |          |             |          |       |         |          |         |         |         |             |          |       |          |          |         |         |          |             |

2. - Index between electricity generation divided by the quantity of combusted biomass in Power boiler results in a reasonable efficiency comparable to yearly statistic range:

|        | A                                | B                                     | QA/QC [0.83-1.34] |
|--------|----------------------------------|---------------------------------------|-------------------|
|        | Gross electricity generation MWh | Combusted biomass in power boiler BDt | Index MWh/BDt A/B |
| Jul/14 | 23,962.6                         | 22,944.6                              | 1.04              |
| Ago/14 | 20,479.0                         | 19,510.4                              | 1.05              |
| Sep/14 | 22,537.9                         | 17,707.3                              | 1.27              |
| Oct/14 | 22,768.8                         | 23,451.1                              | 0.97              |
| Nov/14 | 10,853.5                         | 17,296.7                              | <b>0.63</b>       |
| Dec/14 | 14,338.4                         | 18,511.3                              | <b>0.77</b>       |

November and December were out of the QA/QC range. Is important to note that boiler electricity efficiency change when Power plant is carrying out a programmed stoppage.

3. - Percentage difference between Measured energy displacement using dedicated equipment and calculated energy displacement according methodology must be equal or bigger than zero (i.e. Measured energy shall be mayor than calculated energy displacement).

|        | A                                    | B                                       | C                                  | QA/QC ≥ 0                |
|--------|--------------------------------------|---|------------------------------------|--------------------------|
|        | Measured exported energy to grid MWh | Measured energy sawmill consumption MWh | Calculated energy displacement MWh | Difference % ((A+B)-C)/C |
| Jul/14 | 17,848.6                             | 2,557.0                                 | 20,324.5                           | 0.40%                    |
| Ago/14 | 14,606.0                             | 2,440.4                                 | 16,846.3                           | 1.19%                    |
| Sep/14 | 16,663.1                             | 2,323.3                                 | 19,013.0                           | <b>-0.14%</b>            |
| Oct/14 | 16,814.9                             | 2,531.5                                 | 19,135.8                           | 1.10%                    |
| Nov/14 | 8,059.2                              | 1,179.3                                 | 7,854.0                            | 17.63%                   |
| Dec/14 | 10,957.3                             | 1,294.2                                 | 11,548.4                           | 6.09%                    |

September Index is out of QA/QC acceptable range.

According QA/QC cross check 1 and 2, November and December 2014 presents a significant difference due to programmed yearly Power plant Stoppage. As the process of the power plant is continuous, is not possible to execute the maintenance/calibration, for the majority of the instruments of the power plant, out of the general plant shutdown. One of the main tasks that are performed during the stoppage is the maintenance of the substation located in power plant site. This is a highly risky task that needs to de-energize certain plant's

|                     |   |
|---------------------|---|
|                     | <p>areas to accomplish. The aforementioned areas includes the equipment that register the energy imports and exports from and to the grid. Is in this process where the most substantial difference between the Constitucion substation and the power plant equipment are presented, because the substation continuous measuring. It's important to note that the general shutdown in 2014 was singularly extensive due to a major intervention in the turbogenerator. Nevertheless, Calculated energy displacement is conservative comparing with measured and invoice energy displacement from the grid, because the measured energy displacement in Constitucion substation is bigger than the calculated energy displacement.</p> <p>Deviation in cross check 3, September, 2014, registered a calculated energy displacement that is not conservative compared with measured energy displacement. PP corrected and used measured quantity grid energy displacement for the final reported value.</p> |
| Purpose of the data | Calculation of baseline emissions.  |
| Calculation method  | <p>According to current PD, page 94, the electricity consumption associated to pneumatic transportation system that carries the biomass from the sawmill and the remanufacturer plants from July to December was calculated as:</p> $348.5 \text{ KW} * (8,760 \text{ hr/yr} * 0.5) / (1,000 \text{ KWh/GWh}) = 1.53 \text{ GWh/yr.}$ <p>This result is equal to 254 MWh/month that was added to the measured auxiliary electric power consumption for the monitored period.</p>  |
| Comments            | --  |

|   |   |  |  |
|---|---|--|--|
| Data / Parameter  | NCV <sub>BR,n,y</sub>   |  |  |
| Data unit   | (GJ/tonnes of dry matter)   |  |  |
| Description   | Net calorific value of biomass residue of category n in year y (GJ/tonne on dry-basis)  |  |  |
| Source of data  | On-site measurements  |  |  |
| Description of measurement methods and procedures to be applied | Measurements were carried out by a reputed laboratory, according to international standards. NCV was measured on a dry-basis. |  |  |
| Frequency of monitoring/recording                               | At least every six months, taking at least three samples for each measurement.  |  |  |
| Value monitored:  |   | NCV <sub>BR,n,y</sub><br>(GJ/ton-dry matter) |  |
|   | BR <sub>PJ,1,y</sub>  | 18.89  |  |
|   | BR <sub>PJ,3,y</sub>  | 18.85  |  |

|   | BRPJ,4,y   | --                            |                               |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
|---|--|-------------------------------|-------------------------------|-------------------------------|------------------------|--|---------------------|--------------|--------------|--------------|--|-------------------------------|-------------------------------|-------------------------------|---|-------------------------------|-------------------------------|-------------------------------|
| Monitoring equipment  | Not applicable. Net calorific values were measured locally by third party laboratory.  |                               |                               |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
| QA/QC procedures to be applied                                    | <p>The consistency of this measurements were compared with values of others projects and relevant data source. Results of these cross-checks were deemed reasonable, as can be seen from table below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="3"></th> <th colspan="2">Trupan<br/>CDM Ref:0259</th> <th>Viñales<br/>VCS 1186</th> </tr> <tr> <th>1st semester</th> <th>2nd semester</th> <th>2nd semester</th> </tr> </thead> <tbody> <tr> <td> <b>NCV<sub>Industrial</sub></b><br/>                     operations on-site, 1<br/>                     and 2,2014                 </td> <td>                     4,158 Kg/Kcal<br/>                     17.38 GJ/BDt                 </td> <td>                     4,179 Kg/Kcal<br/>                     17.47 GJ/BDt                 </td> <td>                     4,519 Kg/Kcal<br/>                     18.89 GJ/BDt                 </td> </tr> <tr> <td> <b>NCV<sub>Industrial</sub></b><br/>                     operations off-<br/>                     site,3,2014                 </td> <td>                     4,503 Kg/Kcal<br/>                     18.82 GJ/BDt                 </td> <td>                     4,208 Kg/Kcal<br/>                     17.59 GJ/BDt                 </td> <td>                     4,509 Kg/Kcal<br/>                     18.85 GJ/BDt                 </td> </tr> </tbody> </table> <p>* <math>NCV [GJ/BDt] = NCV [Kg/Kcal] * 0.00418</math>.</p> <p>This results are according to average value defined by IPCC guideline, 2006: 15.6 TJ/000ton with a range between 7.9 and 31.0 TJ/000ton. TJ/000ton is equivalent to GJ/BDt</p> |                               |                               |                               | Trupan<br>CDM Ref:0259 |  | Viñales<br>VCS 1186 | 1st semester | 2nd semester | 2nd semester | <b>NCV<sub>Industrial</sub></b><br>operations on-site, 1<br>and 2,2014 | 4,158 Kg/Kcal<br>17.38 GJ/BDt | 4,179 Kg/Kcal<br>17.47 GJ/BDt | 4,519 Kg/Kcal<br>18.89 GJ/BDt | <b>NCV<sub>Industrial</sub></b><br>operations off-<br>site,3,2014 | 4,503 Kg/Kcal<br>18.82 GJ/BDt | 4,208 Kg/Kcal<br>17.59 GJ/BDt | 4,509 Kg/Kcal<br>18.85 GJ/BDt |
|   | Trupan<br>CDM Ref:0259   |                               | Viñales<br>VCS 1186           |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
|   | 1st semester   | 2nd semester                  | 2nd semester                  |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
|   | <b>NCV<sub>Industrial</sub></b><br>operations on-site, 1<br>and 2,2014   | 4,158 Kg/Kcal<br>17.38 GJ/BDt | 4,179 Kg/Kcal<br>17.47 GJ/BDt | 4,519 Kg/Kcal<br>18.89 GJ/BDt |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
| <b>NCV<sub>Industrial</sub></b><br>operations off-<br>site,3,2014 | 4,503 Kg/Kcal<br>18.82 GJ/BDt  | 4,208 Kg/Kcal<br>17.59 GJ/BDt | 4,509 Kg/Kcal<br>18.85 GJ/BDt |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
| Purpose of the data   | Calculation of baseline emissions and project emissions.   |                               |                               |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
| Calculation method  | Not applicable.  |                               |                               |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |
| Comments  | --   |                               |                               |                               |                        |  |                     |              |              |              |  |                               |                               |                               |   |                               |                               |                               |

|   |   |
|---|---|
| Data / Parameter  | Moisture content of the biomass residues  |
| Data unit   | %   |
| Description   | Moisture content of each biomass residues type k.   |
| Source of data  | On-site measurement.  |
| Description of measurement methods and procedures to be applied | <p>The biomass residue moisture content was monitored and registered by periodic samples from each biomass type burned in the power boiler.</p> <p>Humidity content was obtained evaporating the water of the samples and measuring the weight before and after the water has been evaporated. This process was carried out in dedicated equipment.</p> |

|                                   |  |  |   |
|-----------------------------------|--|--|---|
| Frequency of monitoring/recording | Continuously. Daily samples of biomass residues from industrial and forest operations were taken for moisture content measurement.   |  |   |
| Value monitored:                  |  |  | <b>Moisture content<br/>CP1 MP1<br/>(%)</b> |
|                                   | BR <sub>PJ,1,y</sub>   |  | 40.9%                                       |
|                                   | BR <sub>PJ,3,y</sub>   |  | 56.0%                                       |
|                                   | BR <sub>PJ,4,y</sub>   |  | --  |
| Monitoring equipment              | <p>Electronic moisture analyzer Sartorius MA150C<br/>           Accuracy class: Class I/+-0.001 gr.<br/>           Serial number: 27008246<br/>           Calibration frequency: Once a year<br/>           Date of last calibration: 02/10/2014<br/>           Validity: 01/10/2015 (estimated)</p> <p>Laboratory Oven MEMMERT UFE 600<br/>           Accuracy class: +/- 0.5%<br/>           Serial number: G611.0831<br/>           Calibration frequency: 12 months<br/>           Date of calibration: 28/08/2014<br/>           Validity: 27/08/2015</p> <p>Laboratory Digital scale Sartorius TE1502S<br/>           Accuracy class:<br/>           Serial number: 27402265<br/>           Calibration frequency: 12 months<br/>           Dates of calibration: 02/10/2014<br/>           Validity: 01/10/2015</p> |  |   |
| QA/QC procedures to be applied    | --   |  |   |
| Purpose of the data               | Calculation of baseline emissions and project emissions.   |  |   |
| Calculation method                | <p>Moisture content is determined using the following equation:<br/>           Moisture content, biomass type I (%) = [(Sw-Sd)/Sw]*100<br/>           Where:<br/>           Sw: Wet biomass residue type I sample weight.<br/>           Sd: Bone-dry biomass residue type I weight.</p>   |  |   |
| Comments                          | --   |  |   |

| Data / Parameter  | P <sub>y</sub>  |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
|---|---|--|---|--|---|--|---|-------------|---------|---------|---------|----------------|--------|--------|--------|
| Data unit   | m <sup>3</sup> /yr.   |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Description   | Quantity of the main product of the production process produced in year y from plants operated at the project site.   |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Source of data  | On-site measurements.   |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Description of measurement methods and procedures to be applied | --  |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Frequency of monitoring/recording                               | Annually, aggregated as appropriate.  |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Value monitored:  | Sawn timber: 382,092 m <sup>3</sup> /yr.<br>Processed wood: 92,971 m <sup>3</sup> /yr.  |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Monitoring equipment  | Not applicable.   |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| QA/QC procedures to be applied                                  | <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>Value applied in PD<br/>m<sup>3</sup>/yr</th> <th>Value obtained in 2014<br/>m<sup>3</sup>/yr</th> <th>Maximum potential production 2014<br/>m<sup>3</sup>/yr</th> </tr> </thead> <tbody> <tr> <td>Sawn timber</td> <td>352,686</td> <td>382,092</td> <td>422,400</td> </tr> <tr> <td>Processed wood</td> <td>88,203</td> <td>92,971</td> <td>96,000</td> </tr> </tbody> </table> <p>The maximum potential production was not exceeded during the presented monitoring period, according to table above.</p> |  |   |  | Value applied in PD<br>m <sup>3</sup> /yr | Value obtained in 2014<br>m <sup>3</sup> /yr | Maximum potential production 2014<br>m <sup>3</sup> /yr | Sawn timber | 352,686 | 382,092 | 422,400 | Processed wood | 88,203 | 92,971 | 96,000 |
|   | Value applied in PD<br>m <sup>3</sup> /yr   | Value obtained in 2014<br>m <sup>3</sup> /yr | Maximum potential production 2014<br>m <sup>3</sup> /yr |  |   |  |   |             |         |         |         |                |        |        |        |
| Sawn timber   | 352,686   | 382,092                                      | 422,400   |  |   |  |   |             |         |         |         |                |        |        |        |
| Processed wood  | 88,203  | 92,971                                       | 96,000  |  |   |  |   |             |         |         |         |                |        |        |        |
| Purpose of the data   | --  |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Calculation method  | Not applicable.   |  |   |  |   |  |   |             |         |         |         |                |        |        |        |
| Comments  | Quantity of the main product of the production process is assessed by Viñales Sawmill and Remanufacture plant.  |  |   |  |   |  |   |             |         |         |         |                |        |        |        |

|                  |   |
|------------------|---|
| Data / Parameter | LOC <sub>y</sub>                              |
| Data unit        | Hours.  |
| Description      | Length of the operational campaign in year y. |
| Source of data   | On-site measurements.                         |

|   |  |
|---|--|
| Description of measurement methods and procedures to be applied | Records and sum the hours of operation of the project activity facilities during year y. |
| Frequency of monitoring/recording                               | Continuously.  |
| Value monitored:  | 656 [Hrs]  |
| Monitoring equipment  | Not applicable.  |
| QA/QC procedures to be applied                                  | Not applicable.  |
| Purpose of the data   | Calculation of baseline emissions.   |
| Calculation method  | Not applicable.  |
| Comments  | --   |

**Data and parameters monitored from the tool: “Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion” (Version 02)**

|   |  |
|---|--|
| Data / Parameter  | FC <sub>i,j,y</sub>  |
| Data unit   | ton/y or m <sup>3</sup> /y   |
| Description   | Quantity of fuel type I combusted in process j during the year y.  |
| Source of data  | On-site measurements.  |
| Description of measurement methods and procedures to be applied | On-site fossil fuel consumption will be calculated in this case.   |
| Frequency of monitoring/recording                               | Continuously.  |
| Value monitored:  | - Diesel consumption in the power boiler due to operational reasons: 36.437 (ton/y)<br>- LPG consumption in the power boiler due to operational reasons: 0.038 (ton/y)<br>- Diesel consumption due to on-site biomass transportation from the gate to the power boiler conveyor belts and front loaders: 29.52 (ton/y)<br>- Diesel consumption due to forestry biomass processing: 0 (ton/y) |
| Monitoring equipment  | 663-FT-0508<br>Type: Fossil fuel flow transmitter. Endress+Hausser 83F40-AABSAAACBAAK<br>Accuracy class: +/- 0.1%<br>Serial number: D606EA16000  |

|                                |   |
|--------------------------------|---|
|                                | <p>Calibration frequency: According to supplier recommendation, PP adopted a calibration frequency of 5 years.</p> <p>Dates of calibration: 08/08/2011</p> <p>Validity: 07/18/2016</p> <p>663-FT-0522</p> <p>Type: Fossil fuel flow transmitter. Endress+Hausser 83F25-AABSAAACBAAK</p> <p>Accuracy class: +/- 0.1%</p> <p>Serial number: D606E916000</p> <p>Calibration frequency: According to supplier recommendation, PP define 5 years.</p> <p>Dates of calibration: 02/08/2011</p> <p>Validity: 01/08/2016</p>  |
| QA/QC procedures to be applied | <p>Project Participant crosschecked the measurement with an annual energy balance that is based on purchased quantities and stock changes. Due to current Monitoring period duration is only six months, PP presented an energy balance for total monitoring period. The result for QA/QC in the current period (July to December) was an efficiency of 69.42% in the power boiler. According to provider information, power boiler efficiency could be between [66%-86%], then, yearly energy balance is in an acceptable range. PP calculated a monthly power boiler efficiency for internal control. The differences with QA/QC range in monthly efficiencies are due to maintenance outages. Nevertheless, monthly efficiencies variation do not affected the monitoring period power boiler efficiency that is in the expected values.</p> |
| Purpose of the data            | Calculation of project emissions.   |
| Calculation method             | <p>Fossil fuel consumption due to on-site biomass transportation: This could be the transportation of biomass residues from the conveyor belts and the consumption of the front loaders. The project participant obtained a specific diesel consumption for all the vehicles involved biomass transporting. The total amount of diesel consumed due to on-site biomass transportation was the sum of all the vehicles used for on-site biomass transportation.</p>  |
| Comments                       | --  |

|                  |  |
|------------------|--|
| Data / Parameter | NCV <sub>i,y</sub>   |
| Data unit        | GJ/ton   |
| Description      | Weighted average net calorific value of fuel type i in year y. |
| Source of data   | 2006 IPCC guideline. Table 1.2, chapter 1 of vol.2.            |

|   |   |
|---|---|
| Description of measurement methods and procedures to be applied | Not applicable.   |
| Frequency of monitoring/recording                               | Any future revision of the IPCC guideline should be taken into account.   |
| Value monitored:  | NCV <sub>Diesel,y</sub> : 43.3 GJ/ton<br>NCV <sub>Fuel oil,y</sub> : 41.7 GJ/ton<br>NCV <sub>LPG,y</sub> : 52.20 GJ/ton |
| Monitoring equipment  | Not applicable.   |
| QA/QC procedures to be applied                                  | Not applicable  |
| Purpose of the data   | Calculation of project emissions.   |
| Calculation method  | Not applicable  |
| Comments  | --  |

|   |  |
|---|--|
| Data / Parameter  | EF <sub>CO<sub>2</sub>,i</sub>   |
| Data unit   | tCO <sub>2</sub> /GJ   |
| Description   | Weighted average CO <sub>2</sub> emission factor of fuel type I in year y.   |
| Source of data  | 2006 IPCC guideline. Table 1.2, chapter 1 of vol.2.  |
| Description of measurement methods and procedures to be applied | Not applicable.  |
| Frequency of monitoring/recording                               | Any future revision of the IPCC guideline should be taken into account.  |
| Value monitored:  | EF <sub>CO<sub>2</sub>,diesel</sub> : 0.0748 tCO <sub>2</sub> /GJ<br>EF <sub>CO<sub>2</sub>,Fuel oil</sub> : 0.0788 tCO <sub>2</sub> /GJ<br>EF <sub>CO<sub>2</sub>,LPG</sub> : 0.0656 tCO <sub>2</sub> /GJ |
| Monitoring equipment  | Not applicable.  |
| QA/QC procedures to be applied                                  | Not applicable   |
| Purpose of the data   | Calculation of project emissions.  |
| Calculation method  | Not applicable   |
| Comments  | --   |

Data and parameters monitored from the tool: "Project and leakage emissions from road transportation of freight" (Version 01.1)

|   |  |
|---|--|
| Data / Parameter  | $D_{f,m}$  |
| Data unit   | Km   |
| Description   | Return trip road distance between the origin and destination of freight transportation activity $f$ in monitoring period $m$ .                 |
| Source of data  | Records of vehicle operator and/or records by project participant.   |
| Description of measurement methods and procedures to be applied | Determined once for each freight transportation activity $f$ for a reference trip using the vehicle odometer or any other appropriate sources. |
| Frequency of monitoring/recording                               | Updated whenever the road distance or the source changes.  |

| Value monitored: | Suppliers              | Source                  | Distance (km)   |
|------------------|------------------------|-------------------------|-----------------|
|                  |                        | As. El Cruce            | Cruce Empedrado |
|                  | As. El Cruce           | Cruce Empedrado         | 18.90           |
|                  | As. Mestre             | constitución            | 1.98            |
|                  | As. Mestre             | constitución            | 1.98            |
|                  | As. Mestre             | constitución            | 1.98            |
|                  | As. Mestre             | constitución            | 1.98            |
|                  | As. Viñales            | constitución            | 0.68            |
|                  | As. Viñales            | constitución            | 0.52            |
|                  | As. Viñales            | constitución            | 0.00            |
|                  | Cmpc                   | constitución            | 13.70           |
|                  | Cn. Acopio Cent. Ast.  | constitución            | 0.00            |
|                  | Cn. Santa Javiera      |                         | 81.6            |
|                  | Com. Radiata del Maule | As. Hernan Valdes       | 37.60           |
|                  | Com. Radiata del Maule | As. Hernan Valdes       | 37.60           |
|                  | Com. Radiata del Maule | As. Hernan Valdes       | 37.60           |
|                  | Com. Radiata del Maule | As. Opazo               | 3.89            |
|                  | Com. Radiata del Maule | As. Opazo               | 3.89            |
|                  | Com. Radiata del Maule | As. Eduardo Muñoz       | 10.30           |
|                  | Com. Radiata del Maule | As. Eduardo Muñoz       | 10.30           |
|                  | Com. Radiata del Maule | As. Eduardo Muñoz       | 10.30           |
|                  | Damian Fuentes         |                         | 39.3            |
|                  | Damian Fuentes         |                         | 39.3            |
|                  | Eduardo Muñoz          |                         | 10.3            |
|                  | Eduardo Muñoz          |                         | 10.3            |
|                  | Eduardo Muñoz          |                         | 10.3            |
|                  | Forestal Arauco        | Cn. Camur               | 10.2            |
|                  | Forestal Arauco        | Cn. Camur               | 10.2            |
|                  | Forestal Arauco        | Cn. Camur               | 10.2            |
|                  | Forestal Arauco        | Cn. Cumbres del Maule   | 9.39            |
|                  | Forestal Arauco        | Cn. Descortezado Canbar | 0.8             |
|                  | Forestal Arauco        | Cn. Espinoza            | 10.9            |
|                  | Forestal Arauco        | Cn. Espinoza            | 10.9            |
|                  | Forestal Arauco        | Cn. Jorge Duran         | 7.62            |
|                  | Forestal Arauco        | Cn. Jorge Duran         | 7.62            |
|                  | Forestal Arauco        | Cn. Mestre              | 1.98            |
|                  | Forestal Arauco        | Cn. Planta Constitución | 8.05            |
|                  | Forestal Arauco        | Cn. San Ramon Nuñez     | 5.43            |
|                  | Forestal Arauco        | Cn. San Ramon Nuñez     | 5.43            |
|                  | Forestal Arauco        | Cn. Tilleria            | 7.66            |
|                  | Forestal Arauco        | Cn. Tilleria            | 7.66            |
|                  | Forestal Arauco        | Cn. Tilleria            | 7.66            |
|                  | Oc. Espinoza san Ramon | Oc. Espinoza san Ramon  | 10.9            |
|                  | Héctor Alarcón         | Chanco                  | 58.3            |
|                  | Héctor Alarcón         | Chanco                  | 58.3            |
|                  | Héctor Alarcón         | Chanco                  | 58.3            |
|                  | Luis Flores E.I.R.L.   | constitución            | 9.38            |
|                  | Luis Flores E.I.R.L.   | constitución            | 9.38            |
|                  | Luis Flores E.I.R.L.   | constitución            | 9.38            |
|                  | Maderas Martin         | constitución            | 2.83            |
|                  | Maderas Martin         | constitución            | 2.83            |
|                  | Maderas Martin         | constitución            | 2.83            |
|                  | Manuel Muñoz           | constitución            | 20.9            |
|                  | Manuel Muñoz           | constitución            | 20.9            |
|                  | Manuel Muñoz           | constitución            | 20.9            |
|                  | Mauricio Muñoz         | constitución            | 6.17            |
|                  | Mauricio Muñoz         | constitución            | 6.17            |
|                  | Pta. Santa Javiera     | San Javier              | 81.6            |
|                  | Pta. Santa Javiera     | San Javier              | 81.6            |
|                  | Remanufactura          | constitución            | 0.82            |
|                  | Remanufactura          | constitución            | 0               |
|                  | Soc. Maderera E. Ltda. | Empedrado               | 36.9            |

|                                |                                   |
|--------------------------------|-----------------------------------|
| Monitoring equipment           | Not applicable.                   |
| QA/QC procedures to be applied | Not applicable                    |
| Purpose of the data            | Calculation of project emissions. |
| Calculation method             | Not applicable                    |
| Comments                       | --                                |

|   |  |
|---|--|
| Data / Parameter  | $FR_{f,m}$   |
| Data unit   | [ton]  |
| Description   | Total mass of freight transported in freight transportation activity f in monitoring period m. |
| Source of data  | Records by project participant.  |
| Description of measurement methods and procedures to be applied | Not applicable.  |
| Frequency of monitoring/recording                               | Continuously.  |
| Value monitored:  | 110,228 ton  |
| Monitoring equipment  | Not applicable.  |
| QA/QC procedures to be applied                                  | Not applicable   |
| Purpose of the data   | Calculation of project emissions.  |
| Calculation method  | Not applicable   |
| Comments  | --   |

**Data and parameters monitored from the tool: “Tool to calculate the emission factor for an electricity system (Version 03.0)”**

|   |  |
|---|--|
| Data / Parameter  | $FC_{i,m,y}$ , $FC_{i,k,y}$  |
| Data unit   | Mass or volume unit  |
| Description   | Amount of fuel type i consumed by power plant/unit m, k or n in year y |
| Source of data  | CDEC-SIC public information.   |
| Description of measurement methods and procedures to be applied | Not applicable.  |

|                                   |  |
|-----------------------------------|--|
| Frequency of monitoring/recording | Annually for the first crediting period.               |
| Value monitored:                  | See the grid emission factor calculation spread sheet. |
| Monitoring equipment              | Not applicable.  |
| QA/QC procedures to be applied    | Not applicable   |
| Purpose of the data               | Calculation of baseline emissions.                     |
| Calculation method                | Not applicable   |
| Comments                          | --   |

|   |   |
|---|---|
| Data / Parameter  | NCV <sub>i,y</sub>  |
| Data unit   | GJ/mass or volume   |
| Description   | Net calorific value (energy content) of fossil fuel type i in year y.   |
| Source of data  | CNE (National Energy commission) yearly energy balance.   |
| Description of measurement methods and procedures to be applied | Not applicable.   |
| Frequency of monitoring/recording                               | Annually for the first crediting period.  |
| Value monitored:  | NCV <sub>Pet coke,2014</sub> : 27.8 (GJ/ton)<br>NCV <sub>Diesel,2014</sub> : 43.3 (GJ/ton)<br>NCV <sub>IFO 180,2014</sub> : 41.8 (GJ/ton)<br>NCV <sub>Natural Gas,2014</sub> : 35.2 (TJ/MMm3)<br>NCV <sub>Coal,2014</sub> : 27.8 (GJ/ton)<br>NCV <sub>Butane,2014</sub> : 45.6 (GJ/ton)<br>NCV <sub>Propane,2014</sub> : 45.6 (GJ/ton)  |
| Monitoring equipment  | Not applicable.   |
| QA/QC procedures to be applied                                  | Not applicable  |
| Purpose of the data   | Calculation of baseline emissions.  |
| Calculation method  | Not applicable  |
| Comments  | In the National energy balance information was not specify if the Calorific values are net or gross. To be conservative, PP applied the guideline of IPCC 2006 (Volume 2, Chapter 1, page 1-16, section 1.4.1.2): "The difference between NCV and GCV is the latent heat of vaporization of the water produced during combustion of the fuel. As a consequence for coal and oil, the NCV is about 5 percent less than |

|  |  |
|--|--|
|  | the GCV For most forms of natural and manufactured gas, the NCV is about 10 percent less.” |
|--|--|

|   |  |
|---|--|
| Data / Parameter  | EF <sub>CO2,i,y</sub> , EF <sub>CO2,m,i,y</sub>  |
| Data unit   | [tCO <sub>2</sub> /GJ]   |
| Description   | CO <sub>2</sub> emission factor of fossil fuel type i used in power unit m in year y.  |
| Source of data  | 2006 IPCC guideline. Table 1.2, chapter 1 of vol.2.  |
| Description of measurement methods and procedures to be applied | Not applicable.  |
| Frequency of monitoring/recording                               | Annually for the first crediting period.   |
| Value monitored:  | EF <sub>CO2,Diesel,2014</sub> : 0.0726 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,IFO 180,2014</sub> : 0.0755 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,Natural Gas,2014</sub> : 0.0543 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,Coal,2014</sub> : 0.0928 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,Petcoke,2014</sub> : 0.0829 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,Butane,2014</sub> : 0.0616 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,Propane,2014</sub> : 0.0616 (tCO <sub>2</sub> /GJ)<br>EF <sub>CO2,Natural Gas Liquid,2014</sub> : 0.0543 (tCO <sub>2</sub> /GJ) |
| Monitoring equipment  | Not applicable.  |
| QA/QC procedures to be applied                                  | Not applicable   |
| Purpose of the data   | Calculation of baseline emissions.   |
| Calculation method  | Not applicable   |
| Comments  | --   |

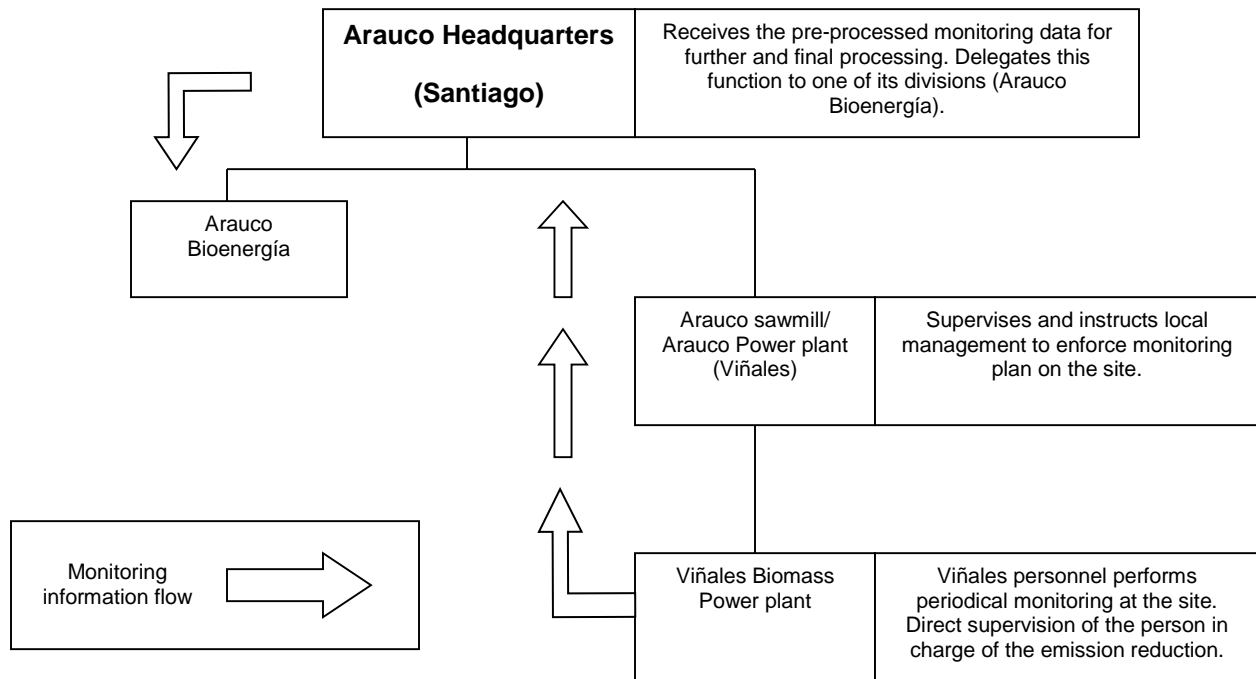
|   |   |
|---|---|
| Data / Parameter  | EG <sub>m,y</sub> , EG <sub>k,y</sub>                         |
| Data unit   | [MWh]   |
| Description   | Net electricity generated by power plant/unit m, k in year y. |
| Source of data  | CDEC-SIC public information                                   |
| Description of measurement methods and procedures to be applied | Not applicable.   |
| Frequency of monitoring/recording                               | Annually for the first crediting period.                      |

|                                |   |
|--------------------------------|---|
| Value monitored:               | See the Appendix at the end of this Monitoring Report |
| Monitoring equipment           | Not applicable.                                       |
| QA/QC procedures to be applied | Not applicable  |
| Purpose of the data            | Calculation of baseline emissions.                    |
| Calculation method             | Not applicable  |
| Comments                       | --  |

### 3.3 Monitoring Plan

The monitoring plan designed for Project Viñales Power plant VCS, describes the periodic data procurement by the current design document and point 3.2 of this monitoring report. The objective of a monitoring plan is guarantee the quality and assurance control of the parameters, allowing the yearly calculation of the emission reductions associated to project Viñales.

Project participant had defined the steps to follow a correctly critical parameters monitoring plan in “Monitoreo variables críticas proyecto VCS Viñales.pdf”. Parameters are collected and supported in file “Viñales monitoring plan 2014.xlsx” for the current monitoring period. Required parameters to assure and control the quality of the monitoring plan were reported monthly to Arauco’s headquarters in file RPG Viñales 2014.xlsx as is indicated in the following diagram:



As is described in point 2.1, Arauco counts with on-site personnel in charge of gathering and registering all the required information described in the monitoring plan. Such duties are incorporated to the personnel’s everyday activities to ensure continuity and high-quality standards.

Using a Data Control System (DCS) electricity generated data is monitored continuously and automatically supported in their corresponding files daily or monthly frequency according monitoring plan definition. The information is partially processed and stored on-site, and is sent monthly to Arauco Bioenergía S.A. in Santiago for further and final processing. An internal verification is carried out every month to review the key performance indicators (KPI) and an annually internal verification to check the implementation level of the monitoring report.

A briefly description of the applied monitoring plan is described in the following table:

| Data / Parameter    | Description   | Responsible                    | Procurement source area     | Monitoring frequency  | Generating/Measuring method  | Recording method   |
|---------------------|---|--------------------------------|-----------------------------|---|--|--|
| 1 $BF_{P,n,y}$      | Quantity of biomass residue of category n used in the project activity in year y  | Power plant Engineer in charge | Biomass Procurement Area    | Continuously  | 1.- Appropriate equipment installed<br>2.- Calculation method according PD | Monthly recording and aggregated.<br>File: Recepción biomasa B_Carbono_mmmm_YYYY.xls |
| 2 $BF_{B4,y}$       | Quantity of biomass residue of category n used in the project activity in year y for which the baseline scenario is B4;                           |                                |                             |   |  |  |
| 3 $BF_{B4B3,y}$     | Quantity of biomass residue of category n used in the project activity in year y for which the baseline scenario is B1: or B3;                    |                                |                             |   |  |  |
| 4 $BF_{B5B6,y}$     | Quantity of biomass residue of category n used in the project activity in year y for which the baseline scenario is B5; B6;, B7: or B8:           |                                |                             |   |  |  |
| 5 $EF_{F,y,f}$      | CO <sub>2</sub> emission factor for fossil fuel type f in year y  | Arauco Bioenergia              | External and public source. | At least annually   | Consulting public IPCC values  | Annually recording.<br>File: Viñales monit CP1MP1 yymmdd.xlsx                        |
| 6 $EF_{CH_4,R}$     | CH <sub>4</sub> emission factor for the combustion of biomass residues in the project plant.  |                                |                             |   |  |  |
| 7 $EF_{CO_2,LE}$    | CO <sub>2</sub> emission factor of the most carbon intensive fossil fuel used in the country.   |                                |                             |   |  |  |
| 8 $HC_{B,y}$        | Baseline process heat generation in year y.   | Power plant Engineer in charge | Operation Area/DCS          | Continuously and aggregated monthly                                   | 1.- Appropriate equipment installed<br>2.- Calculation method according PD | Monthly recording.<br>File: Operaciones YYYY.xls                                     |
| 9 $EL_{p,igross,y}$ | Gross quantity of electricity generated in all power plants which are located at the project site and included in the project boundary in year y. | Power plant Engineer in charge | idem                        | Continuously  | 1.- Appropriate equipment installed  | Monthly recording and aggregated.<br>File: Operaciones YYYY                          |
| 10 $EL_{p,imp,y}$   | Project electricity imports from the grid in year y.  |                                |                             |   |  |  |
| 11 $EL_{p,aux,y}$   | Total auxiliary electricity consumption required for the operation of the power plants at the project site in year y.                             |                                |                             |   |  |  |
| 12 $NCV_{B8,n,y}$   | Net calorific value of biomass residue of category n in year y.   | Power plant Engineer in charge | External laboratory         | Every six months, taking at least three samples for each measurement. | Samples and laboratory process applied by third party.                     | Measured according defined frequency.<br>File: NCV YYYY.xls                          |

| Data / Parameter | Description                              | Responsible                    | Procurement source area     | Monitoring frequency  | Generating/Measuring method   | Recording method   |
|------------------|--|--------------------------------|-----------------------------|---|---|--|
| 13               | Moisture content of the biomass residues | Power plant Engineer in charge | Internal Laboratory         | Daily average by type of biomass. Mean value calculated at least annually | Samples and laboratory process applied by internal laboratory. Equipment involved described in point 3.2. | Daily recording and obtain a monthly average.<br>File: Base de datos Contenido de Humedad PBV_mmmm_YY.xls    |
| 14               | $P_y$                                    | Power plant Engineer in charge | Production control/SAP      | Annually  | Products are registered using SAP system.   | Monthly recorded.<br>File: Producción Aserradero YYYY - Pter mmYY.xls  |
| 15               | $LOC_y$                                  | Power plant Engineer in charge | DCS System/Operation Area   | Monthly and annually aggregated.  | Information registered in Power Plant.  | Daily registered and annually aggregated.<br>File: Consumos mes de mmmm YYYY.xls                             |
| 16               | $FC_{i,y}$                               | Power plant Engineer in charge | Instrumentation Area/DCS    | Continuously and monthly aggregated.                                      |   | Daily recorded and monthly aggregated.<br>File: Recepción biomasa B_Carbono_mmmm_YYYY - Operaciones YYYY.xls |
| 17               | $NCV_y$                                  | Power plant Engineer in charge | External and public source. | At least annually   | Consulting public IPCC values   | Annually recording.<br>File: Viales monit CP1MP1 ymmdd.xls   |
| 18               | $EF_{CO_2}$                              | Power plant Engineer in charge | Biomass Procurement Area    | Continuously and annually aggregated.                                     | Provider Geographical references according information in Biomass residues invoices from suppliers.       | Monthly recorded an annually aggregated.<br>File: Recepción biomasa B_Carbono_mmmm_YYYY.xls                  |
| 19               | $D_{f,m}$                                | Power plant Engineer in charge | External and public source. | Annually  | Consulting third parties data base. Directly obtained by the CDEC-SIC Dispatch Center or                  | Annually recording and processing.<br>File: Emission Factor SIC 2014 ACM0002 Ver12 ver1 Viales.xlsx          |
| 20               | $FR_{f,m}$                               | Power plant Engineer in charge | External and public source. | Annually  | Default values indicated in IPCC 2006 Guideline (Volume 2, Chapter 1, page 1-16).                         | Annually recording and processing.<br>File: Emission Factor SIC 2014 ACM0002 Ver12 ver1 Viales.xlsx          |
| 21               | $FC_{i,m,y}, FC_{i,k,y}$                 | Arauco Bioenergia              | External and public source. | Annually  |   |  |
| 22               | $NCV_y$                                  | Arauco Bioenergia              | External and public source. | Annually  |   |  |
| 23               | $EG_{m,y}, EG_{k,y}$                     | Arauco Bioenergia              | External and public source. | Annually  |   |  |
| 24               | $EF_{CO_2,i,y}$<br>$EF_{CO_2,m,i,y}$     | Arauco Bioenergia              | External and public source. | Annually  |   |  |

#### 4 QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS

Please note the following:

1. - Differences in baseline and project emission calculations included in tables below are due to the fact that all calculations are done directly in excel spreadsheets with full decimals (no rounding), this implies a decimal precision that is not carried onto word formatted tables because decimals are shown truncated and rounded down. Exact values can be viewed directly in emission reduction calculation spreadsheet.
2. - In emission reduction calculation spreadsheet (Version 2), sheet “Summary” the final result of Baseline and Project activity emissions are truncated and rounded in a conservative way.
3. - Since the emission reduction calculation for the project activity was done monthly, in some cases year-averages were employed the calculations presented below.

##### 4.1 Baseline Emissions

According to ACM0006 (Version 12.1.1), baseline emissions are calculated using equation 2 as follows:

$$BE_y = EL_{BL,GR,y} \cdot EF_{EG,GR,y} + \sum_f FF_{BL,HG,y,f} \cdot EF_{FF,y,f} + EL_{BL,FF/GR,y} \cdot \min(EF_{EG,GR,y}, EF_{EG,FF,y}) + BE_{BR,y}$$

Where:

|                   |   |
|-------------------|---|
| $BE_y$            | Baseline emissions in year y (tCO <sub>2</sub> ).   |
| $EL_{BL,GR,y}$    | Baseline minimum electricity generation in the grid in year y (MWh).  |
| $EF_{EG,GR,y}$    | Grid emission factor in year y (tCO <sub>2</sub> /MWh).   |
| $FF_{BL,HG,y,f}$  | Baseline fossil fuel demand for process heat in year y (GJ/yr).   |
| $EF_{FF,y,f}$     | CO <sub>2</sub> emission factor for fossil fuel type f in year y (tCO <sub>2</sub> /GJ).  |
| $EL_{BL,FF/GR,y}$ | Baseline uncertain electricity generation in the grid or on-site in year y (MWh/yr).  |
| $EF_{EG,FF,y}$    | CO <sub>2</sub> emission factor for electricity generation with fossil fuels at the project site in the baseline in year y (tCO <sub>2</sub> /MWh). |
| $BE_{BR,y}$       | Baseline emissions due to disposal of biomass residues in year y (tCO <sub>2</sub> e).  |
| $y$               | Year of the crediting period.   |
| $f$               | Fossil fuel type.   |

ACM0006 (Version 12.1.1) describe the algorithm used to determine the data above as following:

##### **Determine biomass availability, generation and capacity constraints, efficiencies and power emission factors**

###### 1.1. Determine total baseline process heat generation

As is described in PD, page 52, the amount of process heat that would be generated in baseline during year y (HC<sub>BL,y</sub>) was determined as the difference of the enthalpy of the process heat (steam) supplied to process heat loads in the project activity minus the enthalpy of the feed water, the boiler blow-down and any condensate return to heat generator.

The enthalpies were determined using an on-line tool<sup>3</sup> as a function of turbine condition design for temperature and pressure and monitored continuously to ensure that pressure and temperature stay in an acceptable range around these conditions.

1.2. Determine total baseline electricity generation

Using equation 3 (page 25) of ACM0006 (Version 12.1.1) the baseline electricity generation in the grid can be calculated as follows:

$$EL_{BL,y} = EL_{PJ,gross,y} + EL_{PJ,imp,y} - EL_{PJ,aux,y}$$

Data:

|  |                          | 2014          |
|--|--------------------------|---------------|
| (1) Gross quantity of electricity generated.   | EL <sub>PJ,gross,y</sub> | 114,940 (MWh) |
| (2) Project electricity imports from the grid.   | EL <sub>PJ,imp,y</sub>   | 1,390 (MWh)   |
| (3) Total auxiliary electricity consumption required for the operation of the power plant. | EL <sub>PJ,aux,y</sub>   | 20,083 (MWh)  |
| (4) Auxiliary electricity consumption due to pneumatic transportation system.              |                          | 1,525 (MWh)   |

Applying QA/QC procedure, PP compared the monthly calculated energy displacement from de grid against monthly measured invoices. A positive difference was found for September 2014. PP corrected energy displacement using data invoice for this month. Final baseline electricity generation capacity en year 2014 was corrected in the following table:

Calculations:

|   |                    |                   | 2014         |
|---|--------------------|-------------------|--------------|
| (5) Monitored Baseline electricity generation capacity in year y. | EL <sub>BL,y</sub> | (1)+(2)-[(3)+(4)] | 94,722 (MWh) |
| (5) Corrected Baseline electricity generation capacity in year y* | EL <sub>BL,y</sub> |                   | 94,661 (MWh) |

\* Corrected value was used to final calculation of the baseline emissions reduction

1.3 Determine the baseline capacity of electricity generation

As is defined in PD, page 53, the project activity baseline does not considered on-site power generation. All the power electricity would be generated in grid-connected power plants.

$$CAP_{EG,total,y} = 0$$

1.4. Determine the baseline availability of biomass residues

As is described in PD, page 53, the biomass type that was used for heat generation in Viñales sawmill during this monitoring period was sawdust and bark from industrial operations. Quantity of heat to process was measured by dedicated equipment described in pages 32 to 34 in the present document.

<sup>3</sup> [http://www.peacesoftware.de/einigewerte/wasser\\_dampf\\_e.html](http://www.peacesoftware.de/einigewerte/wasser_dampf_e.html) (reference consulting date: February, 2016)

1.5 Determine the efficiencies of heat generators and efficiencies and heat-to-power ratio of heat engines

As described PD, page 54, and Validation report, page 17, only option 1: “Default values should be chosen” is applicable to the project. Nevertheless, as is indicated in validation report an efficiency of 100%, proposed by “Tool to determine the baseline of thermal or electric energy generation system” it would not result in the most conservative scenario. The lower the baseline heat generator efficiency, the lower would be the amount of biomass associated with power generation. Consequently, the lower recommended efficiency by Andritz and Metso for the project’s heat generator is 85%.

As describes current PD, page 54, there is no fossil fuel based power generation identified as part of the baseline scenario. Then:

$$EF_{EG,FF,y} = EF_{EG,GR,y}$$

1.7 Determination of the emission factor of the grid electricity generation

The parameter  $EF_{EG,GR,y}$  should be determined as the combined margin  $CO_2$  emission factor for the grid to which the project activity is connected in year  $y$ , calculated according to the “Tool to calculate the emission factor for an electricity system (Version 03.0.0)”.

- The relevant electricity system is the Central Interconnected System of Chile (SIC), the largest of the fourth transmission systems in Chile, accounting for about 75% of the power generation capacity of the country and supplying. SIC has no interconnection with any other transmission system in Chile or in the region.
- According current PD, step 2 is not applicable in this case
- According current PD, page 55, option b was chosen to calculate the Operating Margin (OM). In this case the OM emission factor is calculated using the simple/adjusted method. The Project Participant used ex-post data to calculate this parameter, that is, the coefficient was calculated in year in which the project generation occurs, in this case corresponds to year 2014.

The Project Participant used data from 2014 to determine the lambda factor that expresses the percentage of the time when low-cost/must-run sources were on the margin:

$$\lambda_y = \lambda_{2014} = 0.0000$$

The rest of the parameters used to calculate the  $EF_{EG,GR,y}$  for 2014 were obtained from the CDEC-SIC dispatch centre (official and public information).

- The calculation of the  $EF_{grid,OM-adj,y}$  is as follows:

-  $CO_2$  emission of non-low cost/must-run power sources for 2014:

$$\sum_{i,j} F_{i,j,2014} \cdot COEF_{i,j} = 16,629,928 \text{ (tCO}_2\text{/y)}$$

- The total power generation in the SIC by non-low-cost/must-run power sources in 2014:

$$\sum_j GEN_{j,2014} = 22,702,572 (Mwh/y)$$

- The CO<sub>2</sub> emissions of low-cost/must run power sources in 2014. Note that since in Chile low-cost/must run power sources include mostly hydro energy, the total emissions for this part of the equation are low:

$$\sum_{i,k} F_{i,k,2014} \cdot COEF_{i,k} = 462,943 (tCO_2/y)$$

- Total power generation in the SIC by low-cost/must-run resources for 2014:

$$\sum_j GEN_{j,2014} = 28,059,495 (Mwh/y)$$

Replacing the above values in the equation used to calculate the EF<sub>electricity,y</sub> for year 2014, the operating margin results:

$$EF_{OM,2014} = (1 - 0.0000) \cdot \frac{16,629,928}{22,702,572} (tCO_2/Mwh) + 0.0000 \cdot \frac{462,943}{28,059,495} (tCO_2/Mwh)$$

$$EF_{OM,2014} = EF_{OM,simple\ adjusted,2014} = 0.732 (tCO_2/Mwh)$$

- According to 2014 SIC data, the group of plants that accounts for the largest generation in each year are the ones responsible for the 20% of the total generation in 2014. These plants are considered to calculate the Build Margin for 2014:

$$EF_{BM,2014} = 0.657 (tCO_2/Mwh)$$

As in the previous case, the Build Margin calculation also considered official CDEC-SIC data and/or other official data publicly available.

- Having obtained the Operating Margin EF<sub>grid,OM,y</sub> and the Build Margin EF<sub>grid,BM,y</sub>, and considering the default value of (0.5) for the weights W<sub>OM</sub> and (0.5) for the W<sub>BM</sub>, it is possible to calculate EF<sub>grid,CM,y</sub> for 2014. The results obtained were the following:

Data:

|                            |                         | 2014                          |
|----------------------------|-------------------------|-------------------------------|
| (1) Operating Margin (OM). | EF <sub>grid,OM,y</sub> | 0.732 (tCO <sub>2</sub> /MWh) |

|                                    |                         |                               |
|------------------------------------|-------------------------|-------------------------------|
| (2) Build Margin (BM).             | EF <sub>grid,BM,y</sub> | 0.657 (tCO <sub>2</sub> /MWh) |
| (3) Weighting of Operating Margin. | W <sub>OM</sub>         | 50%                           |
| (4) Weighting of Build Margin.     | W <sub>BM</sub>         | 50%                           |

Calculations:

|                                       |                         |   |
|---------------------------------------|-------------------------|---|
|                                       |                         | <b>2014</b>                                   |
| (5) Combined Margin calculation (CM). | EF <sub>grid,CM,y</sub> | (1)*(3)+(2)*(4) 0.695 (tCO <sub>2</sub> /MWh) |

**Determine the minimum baseline electricity generation in the grid**

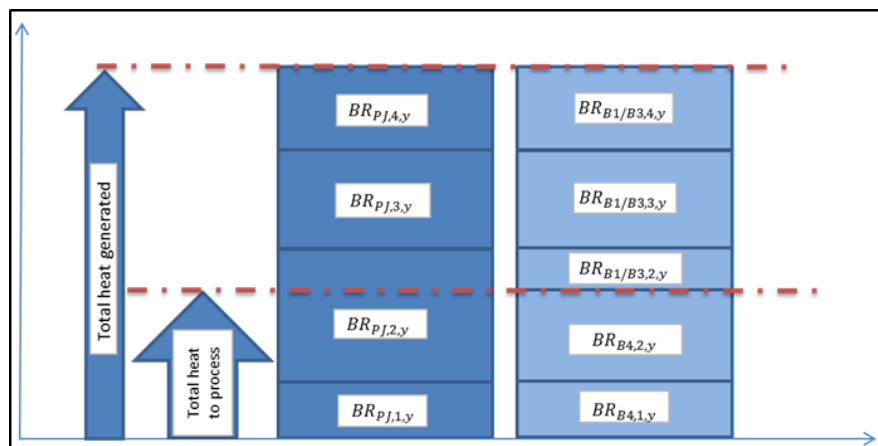
Current PD, page 57, describes calculation of this parameter using equation 13 of ACM0006 (Version 12.1.1) methodology:

$$EL_{BL,GR,y} = \max[0, EL_{BL,y} - CAP_{EG,total,y}]$$

**Determine the baseline biomass-based heat and power generation**

Determination of the baseline biomass-based heat generation and the baseline biomass-based cogeneration of process heat and electricity and heat extraction

The following diagram present biomass priority order during CP1MP1.



Biomass consumption in priority order during CP1MP1.

First column represent the total quantity of biomass combusted category n to obtain the total heat generated (BR<sub>PJ,n,y</sub>). Second column represent the total quantity of biomass combusted according defined scenarios.

As is described in the current PD, page 58, (equation 14 in ACM0006 Ver12.1.1) was used to calculate the amount of heat generated with biomass residues.

$$HG_{BL,BR,y} = \sum_h \sum_n (BR_{B4,n,h,y} \cdot NCV_{BR,n,y} \cdot \eta_{BL,HG,BR,h})$$

Data:

|  |                      |                 |
|--|----------------------|-----------------|
|  |                      | <b>2014</b>     |
| (1) Biomass mix from internal industrial operations. | BR <sub>PJ,1,y</sub> | 52,740 (BDt/yr) |

|   |                         |                          |
|---|-------------------------|--------------------------|
| (2) Net calorific value (NCV) of biomass mix from internal industrial operations. | NCV <sub>BR,1,y</sub>   | 18.89 (GJ/BDt)           |
| (3) Biomass mix from external industrial operations                               | BR <sub>PJ,3,y</sub>    | 66,681 (BDt/yr)          |
| (4) Net calorific value (NCV) of biomass mix from external industrial operations. | NCV <sub>BR,3,y</sub>   | 18.85 (GJ/BDt)           |
| (5) Baseline biomass-based heat generation efficiency of heat generator           | $\eta_{BL,HG,BR}$       | 85%                      |
| (A) Total measured heat generated   | $[(1)*(2)+(3)*(4)]*(5)$ | <b>1,915,140 (GJ/yr)</b> |

|   |                                   | 2014                    |
|---|-----------------------------------|-------------------------|
| (B) Total heat to process   |                                   | <b>367,094 (BDt/yr)</b> |
| (6) Mix of biomass from internal industrial operations BR <sub>PJ,1,y</sub> , heat generation.                    | $(1)*(2)*(5)$                     | 367,094 (GJ/BDt)        |
| (7) Biomass mix from external industrial operations   | (B)-(6)                           | 0 (GJ/BDt)              |
| (8) Mix of biomass from internal industrial operations, heat generation   | BR <sub>B4,1,y</sub>              | 22,863 (BDt/yr)         |
| (9) Mix of biomass from external industrial operations BR <sub>B4,3,y</sub> , heat generation                     | $(7)/[(4)*(5)]$                   | 0 (BDt/yr)              |
| (10) Biomass mix from external industrial operations, electricity generation                                      | (A)-(B)                           | 1,548,048 (GJ/yr)       |
| (11) Mix of biomass from internal industrial operations, electricity generation, attributable to project activity | $(8)/[(2)*(5)]$                   | 29,877 (BDt/yr)         |
| (12) Mix of biomass from external industrial operations, electricity generation, attributable to project activity | $[(10)-[(11)*(2)*(5)]]/[(4)*(5)]$ | 66,681 (BDt/yr)         |

***Determination of the baseline demand for fossil fuels to meet the balance of process heat and corresponding electricity generation***

*Determination of the baseline fossil fuel based cogeneration of process heat and electricity and remaining process heat demand and baseline heat generation to meet the fossil-based cogeneration of heat and power and the heat to meet the balance of process heat*

Both are not applicable, since there would be no fossil-fuel-based heat generators identified in baseline scenario (page 58 and 59, current PD). 100% of the heat demand by the saturated biomass boiler in baseline scenario.

***Determination of the baseline emissions due to uncontrolled burning or decay of biomass residues***

According to ACM0006 Version 12.1.1, baseline emissions are determined separately for biomass residues categories for which scenarios B1 and B3 (aerobic decay or uncontrolled burning) apply, and for biomass residues categories for which scenario B2 (anaerobic decay) apply. According to current PD (page 59), the biomass residues that are used for heat and power generation due to the implementation of the project activity would be dumped or left to decay under mainly aerobic conditions (B1) or burnt in an uncontrolled manner without utilizing them for energy purposes (B3), PP proceed to equation (36) of methodology ACM0006 version 12.1.1, multiplying the quantity of biomass residues with the net calorific value and an appropriate emission factor, as follows:

$$BE_{BR,B1/B3,y} = GWP_{CH_4} \cdot \sum_n BR_{B1/B3,n,y} \cdot NCV_{BR,n,y} \cdot EF_{BR,n,y}$$

|  |   | 2014                             |
|--|---|----------------------------------|
| (13) CH <sub>4</sub> Global Warming Potential  | GWP <sub>CH<sub>4</sub></sub>                               | 21                               |
| (14) Adjusted CH <sub>4</sub> factor for uncontrolled burning, biomass from industrial operations. | EF <sub>BR,3,y</sub>  | 874.2 ((Kg CH <sub>4</sub> /TJ)) |
| (15) Total emissions BE <sub>BR,B1/B3,y</sub>  | (((11)*((14)*(13)*(2)/1000)+(12)*((14)*(13)*(4)/1000))/1000 | <b>33,434 (tCO<sub>2</sub>e)</b> |

**Calculate baseline emissions**

According to equation 2 (page 22) of the ACM0006 version 12.1.1:

$$BE_y = EL_{BL,GR,y} \cdot EF_{EG,GR,y} + \sum_f FF_{BL,HG,y,f} \cdot EF_{FF,y,f} + EL_{BL,FF/GR,y} \cdot \min(EF_{EG,GR,y}, EF_{EG,FF,y}) + BE_{BR,y}$$

Since the baseline scenario is that the current practice continues, i.e. the biomass related to the project activity would be disposed and not utilized for electricity generation. The emission reductions then, result from the avoidance of biomass open-air burning and the electric power generated with fossil fuels. According to this, the baseline emissions for year y were calculated according to the following resumed formula (page 59, current PD).

|   |                          | 2014                          |
|---|--------------------------|-------------------------------|
| (1) Baseline minimum electricity generation in the grid in year y.  | EL <sub>BL,GR,y</sub>    | 94,661 (MWh)                  |
| (2) Grid emission factor in year y.   | EF <sub>EG,GR,y</sub>    | 0.695 (tCO <sub>2</sub> /MWh) |
| (3) Baseline fossil fuel demand for process heat in year y.   | FF <sub>BL,HG,y,f</sub>  | 0 (GJ)                        |
| (4) CO <sub>2</sub> emission factor for fossil fuel type f in year y.   | EF <sub>FF,y,f</sub>     | 0.0748 (tCO <sub>2</sub> /GJ) |
| (5) Baseline uncertain electricity generation in the grid or on-site in year y.   | EL <sub>BL,FF/GR,y</sub> | 0 (MWh)                       |
| (6) CO <sub>2</sub> emission factor for electricity generation with fossil fuels at the project site in the baseline in year y. | EF <sub>EG,FF,y</sub>    | 0.695 (tCO <sub>2</sub> /MWh) |
| (7) Baseline emissions due to disposal of biomass residues in year y  | BE <sub>BR,y</sub>       | 33,434 (tCO <sub>2</sub> e)   |

|   |                    |                                  |
|---|--------------------|----------------------------------|
| <b>(8) Baseline emissions in year y</b> | <b>(1)*(2)+(7)</b> | <b>99,193 (tCO<sub>2</sub>e)</b> |
|---|--------------------|----------------------------------|

## 4.2 Project Emissions

The anthropogenic emissions by sources of GHGs of the project activity in year y ( $PE_y$ ) can be determined using equation 37 of the ACM0006 Version 12.1.1 as follows:

$$PE_y = PE_{FF,y} + PE_{GR1,y} + PE_{GR2,y} + PE_{TR,y} + PE_{BR,y} + PE_{ww,y} + PE_{BG2,y} + PE_{BC,y}$$

Where:

|              |  |
|--------------|--|
| $PE_y$       | Total project activity emissions (tCO <sub>2</sub> eq/yr).   |
| $PE_{FF,y}$  | Project emissions due to fossil fuel consumption at the project site (tCO <sub>2</sub> eq/yr).   |
| $PE_{GR1,y}$ | Project emissions due to electricity imports from the grid to the project site (tCO <sub>2</sub> /yr).   |
| $PE_{GR2,y}$ | Emissions due to a reduction in electricity generation at the project site as compared to the baseline scenario in year y (tCO <sub>2</sub> /yr) |
| $PE_{TR,y}$  | Project emissions due to transport of the biomass residues to the project plant (tCO <sub>2</sub> /yr).  |
| $PE_{BR,y}$  | Project emissions from the combustion of biomass residues (tCO <sub>2</sub> /yr).  |
| $PE_{ww,y}$  | Emissions from the production of biogas in year y (tCO <sub>2</sub> e/yr)  |
| $PE_{BG2,y}$ | Emissions from the production of biogas in year y (tCO <sub>2</sub> /yr)   |
| $PE_{BC,y}$  | Project emissions associated with the cultivation of land to produce biomass in year y (tCO <sub>2</sub> e/yr)                                   |

According current PD (page 61) considering the particular circumstances of the present project activity, the following simplification apply in this case:

|                  |  |
|------------------|--|
| $PE_{GR2,y} = 0$ | In this case, there would be no electricity generation in the baseline scenario.                           |
| $PE_{ww,y} = 0$  | There are no anaerobic treatment of waste water generated from the treatment of biomass residues (if any). |
| $PE_{BG2,y} = 0$ | The project activity does not imply the production of biogas   |
| $PE_{BC,y} = 0$  | The project activity does not contemplate the cultivation of land to produce biomass.                      |

Then, equation 37 simplifies and reduces to the following:

$$PE_y = PE_{FF,y} + PE_{GR1,y} + PE_{TR,y} + PE_{BR,y}$$

### 1.- Determination of $PE_{FF,y}$

The project activity implies additional fossil fuel consumption due to:

- Operational reasons associated to additional biomass consumption (e.g. biomass too wet in winter, etc.).
- On-site additional biomass transportation.

According the “Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion”, CO<sub>2</sub> emissions from fossil fuel combustion in process j are calculated based on the quantity of fuels combusted and the CO<sub>2</sub> emission coefficient of those fuels, as follows:

$$PE_{FF,y} = \sum_i FC_{i,j,y} \cdot COEF_{i,y}$$

Where:

|              |  |
|--------------|--|
| $FC_{i,j,y}$ | Quantity of fuel type i combusted in process j during the year y (mass or volume unit/yr). |
|--------------|--|

$COEF_{i,y}$  CO<sub>2</sub> emission factor for the fossil fuel of type i used in the power boiler (tCO<sub>2</sub>/kg).

A) Fossil Fuel consumption in the power boiler

Data:

|   |                                | 2014                          |
|---|--------------------------------|-------------------------------|
| (1) Diesel used in the power boiler due to operational reasons. | $FC_{diesel,project\ plant,y}$ | 36.44 (t/y)                   |
| (2) Diesel net calorific value.                                 | $NCV_{FF,diesel,y}$            | 42.89 (GJ/t)                  |
| (3) Diesel CO <sub>2</sub> emission factor.                     | $EF_{FF,y,diesel}$             | 0.0748 (tCO <sub>2</sub> /GJ) |

|  |                             | 2014                          |
|--|-----------------------------|-------------------------------|
| (4) LPG used in the power boiler due to operational reasons. | $FC_{LPG,project\ plant,y}$ | 0.04 (t/y)                    |
| (5) LPG net calorific value.                                 | $NCV_{FF,LPG,y}$            | 46.33 (GJ/t)                  |
| (6) LPG CO <sub>2</sub> emission factor.                     | $EF_{FF,y,LPG}$             | 0.0656 (tCO <sub>2</sub> /GJ) |

Calculations:

|   |                           | 2014                      |
|---|---------------------------|---------------------------|
| (7) Emissions due to fossil fuel consumption in the power boiler. | $(1)*(2)*(3)+(4)*(5)*(6)$ | 117 (tCO <sub>2</sub> /y) |

B) Fossil fuel consumption due to on-site transportation of biomass residues

Data:

|  |                               | 2014                          |
|--|-------------------------------|-------------------------------|
| (1) Fossil fuel used for on-site biomass transportation due to the project activity. | $FC_{diesel,project\ site,y}$ | 36.72 (t/y)                   |
| (2) Fossil fuel net calorific value.   | $NCV_{FF,diesel,y}$           | 42.89 (GJ/t)                  |
| (3) Fossil fuel CO <sub>2</sub> emission factor.                                     | $EF_{FF,y,diesel}$            | 0.0748 (tCO <sub>2</sub> /GJ) |

Calculations:

|  |               | 2014                      |
|--|---------------|---------------------------|
| (4) Emissions due to fossil fuel consumption for on-site transportation. | $(1)*(2)*(3)$ | 118 (tCO <sub>2</sub> /y) |

C) Fossil fuel consumption for processing biomass residues from forest operations

Data:

|   |                                     | 2014                          |
|---|-------------------------------------|-------------------------------|
| (1) Fossil fuel used for processing biomass from forestry operations. | $FC_{diesel,biomass\ processing,y}$ | 0 (t/y)                       |
| (2) Fossil fuel net calorific value.                                  | $NCV_{FF,diesel,y}$                 | 43.30 (GJ/t)                  |
| (3) Fossil fuel CO <sub>2</sub> emission factor.                      | $EF_{FF,y,diesel}$                  | 0.0748 (tCO <sub>2</sub> /GJ) |

Calculations:

|  |             |                         |
|--|-------------|-------------------------|
|  |             | <b>2014</b>             |
| (4) Emissions due to fossil fuel consumption for processing forestry biomass residues. | (1)*(2)*(3) | 0 (tCO <sub>2</sub> /y) |

Then, the Carbon dioxide emissions from on-site consumption of fossil fuel was:

|  |   |                                |
|--|---|--------------------------------|
|  |   | <b>2014</b>                    |
| Emissions due to fossil fuel consumption in the power boiler.                      | FC <sub>diesel,project site,y</sub>       | 117 (tCO <sub>2</sub> /y)      |
| Emissions due to fossil fuel consumption for on-site transportation                | FC <sub>diesel,project site,y</sub>       | 118 (tCO <sub>2</sub> /y)      |
| Emissions due to fossil fuel consumption for processing forestry biomass residues. | FC <sub>diesel,biomass processing,y</sub> | 0 (tCO <sub>2</sub> /y)        |
| <b>Total emissions.</b>  | <b>PE<sub>FF,y</sub></b>                  | <b>235 (tCO<sub>2</sub>/y)</b> |

2.- Determination of PE<sub>GR1,y</sub>

If electricity is imported from the grid to the project site during year y, corresponding emissions should be accounted for as project emissions, as follows:

$$PE_{GR1,y} = EF_{EG,GR,y} \cdot EL_{PJ,imp,y}$$

Data:

|  |                        |                               |
|--|------------------------|-------------------------------|
|  |                        | <b>2014</b>                   |
| (1) Project electricity imports from the grid. | EL <sub>PJ,imp,y</sub> | 1,390 (MWh)                   |
| (2) Grid emission factor.                      | EF <sub>EG,GR,y</sub>  | 0.695 (tCO <sub>2</sub> /MWh) |

Calculations:

|                         |                |                           |                                |
|-------------------------|----------------|---------------------------|--------------------------------|
|                         |                | <b>2014</b>               |                                |
| <b>Total emissions.</b> | <b>(1)*(2)</b> | <b>PE<sub>GR1,y</sub></b> | <b>965 (tCO<sub>2</sub>/y)</b> |

3.- Determination of PE<sub>TR,y</sub>

Emission were determined using latest version of the tool "Project and leakage emissions from road transportation of freight".

Data:

|  |   |                 |
|--|---|-----------------|
|  |   | <b>2012</b>     |
| (1) Total mass of freight transported in freight transportation activity f.        | FR <sub>f,m</sub>                       | 110,228 (BDt/y) |
| (2) Weight average calculation.  | Σ[D <sub>f,m</sub> *FR <sub>f,m</sub> ] | 2,333,652       |
| (3) Default CO <sub>2</sub> emission factor for freight transportation activity f. | EF <sub>CO2</sub>                       | 129             |

Calculations:

|                  |                           |                    |                           |
|------------------|---------------------------|--------------------|---------------------------|
|                  |                           | <b>2012</b>        |                           |
| Total emissions. | [(2)*(3)]/10 <sup>6</sup> | PE <sub>TR,y</sub> | 301 (tCO <sub>2</sub> /y) |

4.- Determination of  $PE_{BR,y}$

As project activity includes emissions due to uncontrolled burning or decay of biomass residues in baseline calculation, then PP shall include emissions from the combustion of biomass residues that are calculated as follows (equation 40, ACM0006 version 12.1.1, page 49):

$$PE_{BR,y} = GWP_{CH_4} \cdot EF_{CH_4,BR} \cdot \sum_n BR_{PJ,n,y} \cdot NCV_{BR,n,y}$$

Data:

|  |                | 2014                             |
|--|----------------|----------------------------------|
| (1) CH <sub>4</sub> Global Warming Potential.  | $GWP_{CH_4}$   | 21                               |
| (2) Adjusted CH <sub>4</sub> emission factor for controlled burning, biomass residues.                               | $EF_{CH_4,BR}$ | 0.000030 (kgCH <sub>4</sub> /TJ) |
| (3) Conservativeness factor.   |                | 1.37                             |
| (4) Biomass residues (sawdust and bark) from internal industrial operations attributable to project activity.        | $BR_{PJ,1,y}$  | 29,877 (BDt/y)                   |
| (5) Biomass residues (mix of sawdust and bark) from external industrial operations attributable to project activity. | $BR_{PJ,3,y}$  | 66,681 (BDt/y)                   |
| (6) Biomass residues (mix of sawdust and bark) from forestry operations.   | $BR_{PJ,4,y}$  | 0 (BDt/y)                        |
| (7) Net calorific value (NCV) of biomass residues from on-site industrial ops.                                       | $NCV_{BR,1,y}$ | 18.89 (GJ/t)                     |
| (8) Net calorific value (NCV) of biomass residues (mix of sawdust and bark) from off-site industrial ops.            | $NCV_{BR,3,y}$ | 18.85 (GJ/t)                     |
| (9) Net calorific value of biomass residues (mix of sawdust and bark) from on-site industrial op.*                   | $NCV_{BR,4,y}$ | 0.00 (GJ/t)                      |

Calculations:

|                  |   |             | 2014                        |
|------------------|---|-------------|-----------------------------|
| Total emissions. | $(1)*[(2)*(3)]*[(4)*(7)+(5)*(8)+(6)*(9)]$ | $PE_{BR,y}$ | 1,572 (tCO <sub>2</sub> /y) |

Total project emissions

| Project emission sources.  |                          | 2014                            |
|--|--------------------------|---------------------------------|
| Emissions due to fossil fuel consumption at the project site.            | $PE_{FF,y}$              | 235 (tCO <sub>2</sub> e)        |
| Emissions due to grid electricity imports to the project site.           | $PE_{GR1,y}$             | 965 (tCO <sub>2</sub> e)        |
| Emissions due to transport of the biomass residues to the project plant. | $PE_{TR,y}$              | 301 (tCO <sub>2</sub> e)        |
| Emissions from the combustion of biomass residues.                       | $PE_{BR,y}$              | 1,572 (tCO <sub>2</sub> e)      |
| <b>Total project activity emissions (*).</b>                             | <b><math>PE_y</math></b> | <b>3,073 (tCO<sub>2</sub>e)</b> |

(\* ) Calculations are done directly in excel spreadsheets with full decimals (no rounding), this implies a decimal precision that is not carried onto word formatted tables because decimals are shown truncated and rounded up. Exact values can be viewed directly in emission reduction calculation spreadsheet.

### 4.3 Leakage

According to the detailed Excel spreadsheet presented during the validation process Viñales Power Plant Project, the supply/demand indexes for each biomass types consumed by the project activity are clearly higher than 1.25 as is established by the criteria of the ACM0006 (Version12.1.1). Viñales Validation Report (page 16 and 17) indicates that the project activity counts with enough biomass locally, and therefore, is not causing other biomass plants in the area to switch to fossil fuels.

As described section 3.3 of the registered PD, page 65 supply/demand indexes that Project Participant has performed in a detailed research, is anticipated that there are no leakage from the implementation of the project activity.

$$L_y = 0$$

### 4.4 Net GHG Emission Reductions and Removals

| Year                            | Baseline emissions or removals (tCO <sub>2</sub> e)* | Project emissions or removals (tCO <sub>2</sub> e)** | Leakage emissions (tCO <sub>2</sub> e) | Net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|---------------------------------|--|--|--|--|
| 2014<br>(01/07/2014-31/12/2014) | 99,193   | 3,074  | 0                                      | 96,119   |
| <b>Total</b>                    | 99,193   | 3,074  | 0                                      | 96,119   |

\*Baseline emissions calculation in table above may present some minor imprecision with tables in section 4.3 due to some decimal conservative rounding-down.

\*\*Project emissions calculations in table above may present some minor imprecision with tables in section 4.3 due to some decimal conservative rounding-up.

#### **Remarks on difference from estimated emissions reduction in current PD**

The emission reductions for the present monitoring period were 96,119 VCU's. This amount is 26% lower than the half of the emission reductions estimated in registered PD (258,093 VCU's for completely year 2014 and 129,046 VCU's estimated for July to December, 2014). This last difference could be explained by the following reasons:

#### *1.-Combined margin used in the monitoring period emissions reduction calculation:*

|                                      |                         | PD Values             |              | MR ver6      |
|--------------------------------------|-------------------------|-----------------------|--------------|--------------|
|                                      |                         | 2014                  | Jul-Dec 2014 | Jul-Dec 2014 |
| Combined Margin for the CDM activity | (tCO <sub>2</sub> /GWh) | 687.84                | 687.84       | 694.68       |
|                                      |                         | Percentual difference |              | 1.0%         |

In current Monitoring period Combined margin (CM) differs from the one used in the PD's estimation by 1.00%. While CM in PD was calculated with public data reported during 2011, CM used in last MR was calculated using 2014 public data, according to monitoring plan requirements.

2.-Biomass and fossil fuels data:

| Biomass fuel data   |                | PD Values                           |              | MR ver6      |
|---|----------------|-------------------------------------|--------------|--------------|
|   |                | 2014                                | Jul-Dec 2014 | Jul-Dec 2014 |
| <b>Internal biomass from industrial operations</b>                              |                |                                     |              |              |
| Net calorific value   | (TJ / 000 ton) | 18.50                               | 18.50        | 18.89        |
| Average moisture content of biomass   | (% wet basis)  | 50.0%                               | 50.0%        | 40.9%        |
| <b>Third party biomass from industrial operations</b>                           |                |                                     |              |              |
| Net calorific value   | (TJ / 000 ton) | 18.50                               | 18.50        | 18.85        |
| Average moisture content of biomass   | (% wet basis)  | 50.0%                               | 50.0%        | 56.0%        |
| <b>Third party biomass from forestry operations</b>                             |                |                                     |              |              |
| Net calorific value   | (TJ / 000 ton) | 18.50                               | 18.50        |              |
| Average moisture content of biomass   | (% wet basis)  | 50.0%                               | 50.0%        |              |
| CH <sub>4</sub> conversion factor (CH <sub>4</sub> /C)                          | (number)       | 1.3                                 | 1.3          | 1.3          |
| CH <sub>4</sub> Global Warming Potential  | (number)       | 21.0                                | 21.0         | 21.0         |
| <b>Methane emission factor for controlled biomass burning</b>                   |                |                                     |              |              |
| CH <sub>4</sub> emission factor (1)   | (Kg/TJ)        | 30.00                               | 30.00        | 30.00        |
| Conservativeness factor (3)   | (number)       | 1.37                                | 1.37         | 1.37         |
| Adjusted CH <sub>4</sub> emission factor  | (Kg/TJ)        | 41.10                               | 41.10        | 41.10        |
| <b>Controlled burning factor, biomass from internal industrial operations</b>   |                | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>15.97</b> | <b>15.97</b> |
| <b>Controlled burning factor, biomass from external industrial operations</b>   |                | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>15.97</b> | <b>15.97</b> |
| <b>Controlled burning factor, biomass from forestry operations</b>              |                | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>15.97</b> | <b>15.97</b> |
| <b>Methane emission factors for uncontrolled biomass burning</b>                |                |                                     |              |              |
| <u>Third party biomass from industrial operations</u>                           |                |                                     |              |              |
| CH <sub>4</sub> factor for biomass uncontrolled burning (2)                     | (Kg/TJ)        | 930.0                               | 930.0        | 930.0        |
| Conservativeness factor (4)   | (%)            | 0.94                                | 0.94         | 0.94         |
| Adjusted CH <sub>4</sub> default factor   | (Kg/TJ)        | 874.2                               | 874.2        | 874.2        |
| <b>Uncontrolled burning factor, biomass from internal industrial operations</b> |                | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>339.6</b> | <b>339.6</b> |
| <b>Uncontrolled burning factor, biomass from external industrial operations</b> |                | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>339.6</b> | <b>339.6</b> |
| <u>Third party biomass from forestry operations</u>                             |                |                                     |              |              |
| CH <sub>4</sub> factor for biomass uncontrolled burning (2)                     | (Kg/TJ)        | 114.0                               | 114.0        |              |
| Conservativeness factor (4)   | (%)            | 0.89                                | 0.89         |              |
| Adjusted CH <sub>4</sub> default factor   | (Kg/TJ)        | 101.5                               | 101.5        |              |
| <b>Uncontrolled burning factor, biomass from forestry operations</b>            |                | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>39.4</b>  | <b>39.4</b>  |

Fossil fuel data

| Diesel                       |                         | PD Values                           |              | MR ver6      |
|------------------------------|-------------------------|-------------------------------------|--------------|--------------|
|                              |                         | 2014                                | Jul-Dec 2014 | Jul-Dec 2014 |
| Net calorific value          | (GJ / ton)              | 43.30                               | 43.30        | 42.89        |
| Emission factor              | (tCO <sub>2</sub> / GJ) | 0.07480                             | 0.07480      | 0.07480      |
| Fuel density                 | (Kg/l)                  | 0.97                                | 0.97         | 0.84         |
| <b>CO2 Conversion factor</b> |                         | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>3,239</b> | <b>3,208</b> |
| Fuel oil                     |                         | 2014                                | Jul-Dec 2014 | Jul-Dec 2014 |
|                              |                         |                                     |              |              |
| Net calorific value          | (GJ / ton)              | 41.70                               | 41.70        |              |
| Emission factor              | (tCO <sub>2</sub> / GJ) | 0.07880                             | 0.07880      |              |
| Fuel density                 | (Kg/l)                  | 0.93                                | 0.93         |              |
| <b>CO2 Conversion factor</b> |                         | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> | <b>3,286</b> | <b>3,286</b> |
| LPG                          |                         | 2014                                | Jul-Dec 2014 | Jul-Dec 2014 |
|                              |                         |                                     |              |              |
| Net calorific value          | (GJ / ton)              |                                     |              | 46.33        |
| Emission factor              | (tCO <sub>2</sub> / GJ) |                                     |              | 0.06563      |
| Fuel density                 | (Kg/l)                  |                                     |              | 0.51         |
| <b>CO2 Conversion factor</b> |                         | <b>(tCO<sub>2</sub>eq/ 000 ton)</b> |              | <b>3,041</b> |

Meaning difference of the fossil fuel data during monitoring period 2014 are:

- Moisture content values of the different types of biomass differs from the values estimated during validation process.
- Controlled burning emission factor for forestry operations biomass was not required, because the monitoring period didn't use this type of biomass.

- Fossil fuel used to start the ignition in the power boiler was LPG, not Fuel oil, which was the option during validation process. Values for net calorific value and fuel density were taken from national information supplied by fossil fuels providers.

3.-Baseline operational parameters:

**POWER PLANT OPERATIONAL PARAMETERS**

|   |                 | PD Values             |                | MR ver6        |
|---|-----------------|-----------------------|----------------|----------------|
| Biomass consumption data  |                 | 2014                  | Jul-Dec 2014   | Jul-Dec 2014   |
| Power boiler efficiency (*)   | (%)             | 85.0%                 | 85.0%          | 85.0%          |
| <b>Total biomass consumption in the cogeneration plant</b>                | <b>(BDt/yr)</b> | <b>312,755</b>        | <b>156,378</b> | <b>119,421</b> |
| Own biomass from industrial operations                                    | (BDt/yr)        | 149,203               | 74,601         | 52,740         |
| Third party biomass from industrial operations                            | (BDt/yr)        | 128,052               | 64,026         | 66,681         |
| Biomass from forestry operations  | (BDt/yr)        | 35,500                | 17,750         | 0              |
| Biomass attributable to the baseline scenario (heat generation)           |                 | (BDt/yr)              | 65,417         | 32,708         |
|   |                 | Percentual difference |                | -30%           |
| Biomass attributable to the CDM project activity (electricity generation) |                 | (BDt/yr)              | 247,338        | 123,669        |
| Own biomass from industrial operations                                    | (BDt/yr)        | 83,786                | 41,893         | 29,877         |
| Third party biomass from industrial operations                            | (BDt/yr)        | 128,052               | 64,026         | 66,681         |
| Biomass from forestry operations  | (BDt/yr)        | 35,500                | 17,750         | 0              |
| <b>Total biomass consumption in the cogeneration plant</b>                | <b>(BDt/yr)</b> | <b>312,755</b>        | <b>156,378</b> | <b>119,421</b> |
|   |                 | Percentual difference |                | -24%           |

Note: Since the biomass attributable to heat generation in the Viñales sawmill is less than the total biomass from industrial operations generated on-site, the biomass attributable to the project activity includes all the biomass types.

During 2014 Viñales power plant restricted the electricity generation due to constraint in the transmission line, then, Viñales Power plant needed less quantity of combustible biomass to satisfy the energy requirements. In this way, Viñales power plant did not need to use biomass residues from forestry operations. This type of biomass is the last option to use in the power boiler due to its cost (gathering, transportation and conditioning). The energy generated in the power boiler for heat and electricity was obtained from internal and external biomass from industrial operations.

|  |                          | PD Values             |              | MR ver6      |
|--|--------------------------|-----------------------|--------------|--------------|
| Fossil fuel consumption data   |                          | 2014                  | Jul-Dec 2014 | Jul-Dec 2014 |
| <b>Off-site fossil fuel consumption:</b>                                     |                          |                       |              |              |
| Off-site biomass transportation  |                          |                       |              |              |
| Average distance between supplying mills and Power Plant                     | (km)                     | 120                   | 120          | 120          |
| Specific CO2 emission factor of freight (heavy trucks default factor)        | (gCO <sub>2</sub> /t km) | 129                   | 129          | 129          |
| <b>On-site fossil fuel consumption:</b>                                      |                          |                       |              |              |
| Fossil fuel consumption in the project plant:                                |                          |                       |              |              |
| Total diesel due to operational reasons                                      | (ton/yr)                 | 50                    | 25           | 36.44        |
| Total LPG due to operational reasons   | (ton/yr)                 |                       |              | 0.04         |
| Total diesel used to increase power output                                   | (ton/yr)                 | 0                     | 0            | 0            |
| Fossil fuel consumption for aux. equipment and systems related to gen of H&P |                          |                       |              |              |
| Diesel consumption for on-site biomass transportation                        | (lt/yr)                  | 85,198                | 42,599       | 43,716       |
|  |                          | Percentual difference |              | 3%           |

The difference between the estimated quantity of on-site fossil-fuel consumption and the actually consumed during the monitoring period is not significant in the final result.

**Grid emission savings**

|  |                             | PD Values      |                | MR ver6       |
|--|-----------------------------|----------------|----------------|---------------|
|  |                             | 2014           | Jul-Dec 2014   | Jul-Dec 2014  |
| Baseline electricity generation  | (MWh/yr)                    | 291,180        | 145,590        | 94,661        |
| Baseline emissions due to minimum grid electricity displacement                    | (tCO <sub>2</sub> /yr)      | 200,285        | 100,143        | 65,759        |
| Baseline emissions due to fossil fuel demand for process heat generation in year y | (tCO <sub>2</sub> /yr)      | 0              | 0              | 0             |
| Baseline emissions due to uncertain electricity generation in the grid in year y   | (tCO <sub>2</sub> /yr)      | 0              | 0              | 0             |
| <b>Total emissions</b>   | <b>(tCO<sub>2</sub>/yr)</b> | <b>200,285</b> | <b>100,143</b> | <b>65,759</b> |

Percentual difference -34%

**Emissions from biomass uncontrolled burning**

|  |                               | 2014          | Jul-Dec 2014  | MR ver6       |
|--|-------------------------------|---------------|---------------|---------------|
|  |                               |               |               | Jul-Dec 2014  |
| Own biomass from industrial operations         | (BDt/yr)                      | 83,786        | 41,893        | 29,877        |
| Third party biomass from industrial operations | (BDt/yr)                      | 128,052       | 64,026        | 66,681        |
| Biomass from forestry operations               | (BDt/yr)                      | 35,500        | 17,750        | 0             |
| <b>Total emissions</b>                         | <b>(tCO<sub>2</sub>eq/yr)</b> | <b>73,345</b> | <b>36,673</b> | <b>33,434</b> |

Percentual difference -9%

As was mentioned before the electricity generation during the monitoring period was restricted due to constraint in the transmission line. That condition result in a difference of 34% below the estimated baseline emissions due to the electricity displacement from the grid.

**4.-Project operational parameters:**

**Emissions from fossil fuel consumption at the project site**

|                        |                             | PD Values  |              | MR ver6      |
|------------------------|-----------------------------|------------|--------------|--------------|
|                        |                             | 2014       | Jul-Dec 2014 | Jul-Dec 2014 |
| Diesel consumption     | (ton/yr)                    | 133        | 66           | 73.16        |
| LPG consumption        | (ton/yr)                    |            |              | 0.04         |
| <b>Total emissions</b> | <b>(tCO<sub>2</sub>/yr)</b> | <b>430</b> | <b>215</b>   | <b>235</b>   |

Percentual difference 9%

**Emissions due to grid electricity imports to the project site**

|   |                             | 2014         | Jul-Dec 2014 | MR ver6      |
|---|-----------------------------|--------------|--------------|--------------|
|   |                             |              |              | Jul-Dec 2014 |
| Grid electricity import to the Viñales site | (GWh/yr)                    | 1.5          | 0.8          | 1.4          |
| <b>Total emissions</b>                      | <b>(tCO<sub>2</sub>/yr)</b> | <b>1,032</b> | <b>516</b>   | <b>965</b>   |

Percentual difference 87%

Note: This estimate is consistent with 4% of downtime of the biomass power plant.

During the monitoring period, a bigger grid electricity import was measured and registered due to a prolong maintenance stoppage between second week of November and second week of December. Usually, maintenance stoppage are not longer than 10 days.

**Emissions from biomass transportation to the Power Plant**

|   |                             | PD Values      |               | MR ver6        |
|---|-----------------------------|----------------|---------------|----------------|
|   |                             | 2014           | Jul-Dec 2014  | Jul-Dec 2014   |
| Third party biomass from industrial operations                          | (BDt/yr)                    | 128,052        | 64,026        |                |
| Biomass from forestry operations  | (BDt/yr)                    | 35,500         | 17,750        |                |
| <b>Total biomass transported to the power plant</b>                     | <b>(BDt/yr)</b>             | <b>163,552</b> | <b>81,776</b> | <b>110,228</b> |
| Biomass attributable to the project activity                            | (BDt/yr)                    | 247,338        | 123,669       | 96,558         |
| Biomass transported to the plant and attributed to the project activity | (BDt/yr)                    | 163,552        | 81,776        |                |
| Average return trip distance from origin to destination                 | (km)                        | 240            | 240           | 21             |
| Biomass supply from 3rd parties (wet)                                   | (t/yr)                      | 327,104        | 163,552       |                |
| <b>Total emissions</b>  | <b>(tCO<sub>2</sub>/yr)</b> | <b>10,127</b>  | <b>5,064</b>  | <b>301</b>     |

Percentual difference -94%

For calculation of the emissions due to biomass transportation to the power plant in the monitoring period, was used Tool 12 “Methodological tool: Project and leakage emissions from transportation of freight” against an estimation using an average suppliers distance and an average quantity of the wet biomass supply from 3<sup>rd</sup> parties. Comparing the result between them, is important to note that estimation in PD considered an average distance of 240 km from suppliers to plant. The measured weight average distance during the monitoring period was 21 km and implicate less emissions than the estimated.

### Emissions from the combustion of biomass residues

|  |                              | PD Values    |              | MR ver6      |
|--|------------------------------|--------------|--------------|--------------|
|  |                              | 2014         | Jul-Dec 2014 | Jul-Dec 2014 |
| Own biomass from industrial operations         | (BDt/yr)                     | 83,786       | 41,893       | 29,877       |
| Third party biomass from industrial operations | (BDt/yr)                     | 128,052      | 64,026       | 66,681       |
| Biomass from forestry operations               | (BDt/yr)                     | 35,500       | 17,750       | 0            |
| <b>Total emissions</b>                         | <b>(tCO<sub>2</sub>e/yr)</b> | <b>3,949</b> | <b>1,975</b> | <b>1,572</b> |

Note: According to the ACM0006 (Version 12.1.1) project emissions are calculated only for the biomass residue types attributable to the project activity (i.e. related to electricity generation).

Percentual difference -20%

The emissions from the combustion of biomass residues is less than the estimated emissions in PD, due to the minor quantity of biomass residues burned in the power boiler. As was explained before, that condition result from the constraint in the transmission line and the consequential reduction in the electricity generation.

### 5.-Net emissions of the project activity:

#### BASELINE EMISSIONS

|                                   |                              | PD Values      |                | MR ver6       |
|-----------------------------------|------------------------------|----------------|----------------|---------------|
|                                   |                              | 2014           | Jul-Dec 2014   | Jul-Dec 2014  |
| Grid emission savings             | (tCO <sub>2</sub> /yr)       | 200,285        | 100,143        | 65,759        |
| CH <sub>4</sub> emissions savings | (tCO <sub>2</sub> e/yr)      | 73,345         | 36,673         | 33,434        |
| <b>TOTAL BASELINE EMISSIONS</b>   | <b>(tCO<sub>2</sub>e/yr)</b> | <b>273,631</b> | <b>136,815</b> | <b>99,193</b> |

Percentual difference -27%

#### PROJECT EMISSIONS

|  |                              | PD Values     |              | MR ver6      |
|--|------------------------------|---------------|--------------|--------------|
|  |                              | 2014          | Jul-Dec 2014 | Jul-Dec 2014 |
| Emissions from fossil fuel consumption at the project site   | (tCO <sub>2</sub> /yr)       | 430           | 215          | 235          |
| Emission due to grid electricity imports to the project site | (tCO <sub>2</sub> /yr)       | 1,032         | 516          | 965          |
| Emissions from biomass transportation to the Power Plant     | (tCO <sub>2</sub> /yr)       | 10,127        | 5,064        | 301          |
| Emissions from the combustion of biomass residues            | (tCO <sub>2</sub> e/yr)      | 3,949         | 1,975        | 1,572        |
| <b>TOTAL PROJECT EMISSIONS</b>                               | <b>(tCO<sub>2</sub>e/yr)</b> | <b>15,538</b> | <b>7,769</b> | <b>3,073</b> |

Percentual difference -60%

#### NET EMISSIONS OF THE PROJECT ACTIVITY

|                             |                              | PD Values      |                | MR ver6       |
|-----------------------------|------------------------------|----------------|----------------|---------------|
|                             |                              | 2014           | Jul-Dec 2014   | Jul-Dec 2014  |
| Total baseline emissions    | (tCO <sub>2</sub> e/yr)      | 273,631        | 136,815        | 99,193        |
| Total project emissions     | (tCO <sub>2</sub> e/yr)      | 15,538         | 7,769          | 3,074         |
| <b>NET EMISSION SAVINGS</b> | <b>(tCO<sub>2</sub>e/yr)</b> | <b>258,093</b> | <b>129,046</b> | <b>96,119</b> |

Percentual difference -26%

The difference between the estimated quantity emission reduction in PD and the calculated emission reduction presented in this monitoring report result in 26% under the expected emissions reduction. The meaningful reasons are:

- Baseline emissions: Lower baseline electricity generation during the current monitoring period due to constraint in the transmission line.
- Project emissions: Difference between the estimated supplying distance in PD and the measured average distance during the present monitoring period result in decreasing emission related to biomass transportation.

APPENDIX A: EMISSION FACTOR FOR CHILEAN CENTRAL INTERCONNECTED SYSTEM-SIC, 2014

| Power plants            | FUEL TYPE | Net annual operation corrected by CDEC-SIC (MWh) | Power plants            | FUEL TYPE | Net annual operation corrected by CDEC-SIC (MWh) |
|-------------------------|-----------|--|-------------------------|-----------|--|
| <b>Run of the river</b> |           |  | <b>Run of the river</b> |           |  |
| 1 Los Molles            | Hydro     | 23,412   | 49 Juncalito            | Hydro     | 2,952  |
| 2 Sauce Andes           | Hydro     | 4,651  | 50 El Tártaro           | Hydro     | 0  |
| 3 Aconcagua Ublanco     | Hydro     | 13,961   | 51 Guayacán             | Hydro     | 75,731   |
| 4 Aconcagua Ujuncal     | Hydro     | 107,042  | 52 Confluencia          | Hydro     | 374,872  |
| 5 Los Quilos            | Hydro     | 186,649  | 53 Mariposas            | Hydro     | 23,150   |
| 6 Florida               | Hydro     | 90,376   | 54 Los Corrales         | Hydro     | 6,026  |
| 7 Maitenes              | Hydro     | 108,540  | 55 Los Corrales II      | Hydro     | 5,524  |
| 8 Alfalfal              | Hydro     | 694,244  | 56 Carena               | Hydro     | 64,024   |
| 9 Queltehue             | Hydro     | 307,176  | 57 Diuto                | Hydro     | 24,735   |
| 10 Puntilla             | Hydro     | 95,913   | 58 Dongo                | Hydro     | 21,887   |
| 11 Volcan               | Hydro     | 89,861   | 59 Mallarauco           | Hydro     | 25,341   |
| 12 Los Morros           | Hydro     | 11,513   | 60 Licán                | Hydro     | 85,175   |
| 13 Sauzal 50Hz          | Hydro     | 386,364  | 61 Chacayes             | Hydro     | 446,674  |
| 14 Sauzal 60Hz          | Hydro     | 0  | 62 Muchi                | Hydro     | 3,047  |
| 15 Sauzalito            | Hydro     | 68,023   | 63 La Arena             | Hydro     | 17,959   |
| 16 Curillínque          | Hydro     | 504,974  | 64 Reza                 | Hydro     | 8,596  |
| 17 San Ignacio          | Hydro     | 174,098  | 65 Purísima             | Hydro     | 2,312  |
| 18 Loma Alta            | Hydro     | 223,833  | 66 Allipén              | Hydro     | 18,117   |
| 19 Rucue                | Hydro     | 765,480  | 67 El Canelo            | Hydro     | 17,398   |
| 20 Pullínque            | Hydro     | 218,701  | 68 Nalcas               | Hydro     | 28,524   |
| 21 Pilmaiquén           | Hydro     | 249,997  | 69 Callao               | Hydro     | 11,401   |
| 22 Capullo              | Hydro     | 67,020   | 70 Rucatayo             | Hydro     | 269,084  |
| 23 Peuchén              | Hydro     | 91,050   | 71 Renaico              | Hydro     | 47,293   |
| 24 Mampil               | Hydro     | 143,547  | 72 Providencia          | Hydro     | 26,349   |
| 25 Chacabuquito         | Hydro     | 112,206  | 73 Don Walterio         | Hydro     | 22,901   |
| 26 Antuco               | Hydro     | 1,281,925  | 74 Roblería             | Hydro     | 15,928   |
| 27 Abanico              | Hydro     | 258,581  | 75 MC1                  | Hydro     | 44,040   |
| 28 Isla                 | Hydro     | 401,815  | 76 MC2                  | Hydro     | 11,675   |
| 29 Machicura            | Hydro     | 429,635  | 77 Ensenada             | Hydro     | 5,127  |
| 30 Eyzaguirre           | Hydro     | 4,978  | 78 Río Huasco           | Hydro     | 4,322  |
| 31 Quilleco             | Hydro     | 315,016  | 79 San Andrés           | Hydro     | 103,350  |
| 32 El Rincón            | Hydro     | 1,705  | 80 El Llano             | Hydro     | 4,518  |
| 33 Chiburgo             | Hydro     | 59,155   | 81 Las Vertientes       | Hydro     | 10,384   |
| 34 Palmucho             | Hydro     | 241,176  | 82 Laja 1               | Hydro     | 59,349   |
| 35 Hornitos             | Hydro     | 164,648  | 83 Los Hierros          | Hydro     | 104,654  |
| 36 Puclaro              | Hydro     | 1,526  | 84 Maisan               | Hydro     | 1,900  |
| 37 Ojos de Agua         | Hydro     | 48,176   | 85 Los Padres           | Hydro     | 4,410  |
| 38 Coya                 | Hydro     | 87,672   | 86 Alto Renaico         | Hydro     | 0  |
| 39 Lircay               | Hydro     | 122,580  | 87 Quillaileo           | Hydro     | 545  |
| 40 El Manzano           | Hydro     | 26,291   | 88 Pichilonco           | Hydro     | 1,548  |
| 41 Pehui                | Hydro     | 7,456  | 89 Donguil              | Hydro     | 1,386  |
| 42 Triful Triful        | Hydro     | 5,630  | 90 María Elena          | Hydro     | 2,086  |
| 43 La Paloma            | Hydro     | 0  | 91 Collil               | Hydro     | 2,184  |
| 44 Trueno               | Hydro     | 24,946   | 92 Doña Hilda           | Hydro     | 342  |
| 45 San Clemente         | Hydro     | 15,997   | 93 El Arrayán           | Hydro     | 248  |
| 46 Los Bajos            | Hydro     | 33,329   | 94 Contra               | Hydro     | 1,247  |
| 47 Auxiliar del Maipo   | Hydro     | 21,828   | 95 Boquiamargo          | Hydro     | 4,778  |
| 48 La Higuera           | Hydro     | 459,352  | 96 Los Colonos          | Hydro     | 1,221  |

| Power plants              | FUEL TYPE   | Net annual operation corrected by CDEC-SIC (MWh) | FUEL CONSUMPTION      | UNIT     |
|---------------------------|-------------|--|-----------------------|----------|
| <b>Thermics</b>           |             |  |                       |          |
| 97 Taltal 2 GNL           | LNG         | 114,017  | 34.547                | MM-m3std |
| 98 Taltal 2               | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 99 Taltal 2 Diesel        | Diesel      | 1,254  | 0.319                 | 000'ton  |
| 100 Taltal 1 GNL          | LNG         | 76,748   | 23.255                | MM-m3std |
| 101 Taltal 1              | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 102 Taltal 1 Diesel       | Diesel      | 7,356  | 1.872                 | 000'ton  |
| 103 D. Almagro            | Diesel      | 204  | 0.069                 | 000'ton  |
| 104 El Salvador           | Diesel      | 77   | 0.026                 | 000'ton  |
| 105 Guacolda 1            | Coal        | 1,111,660  | 400.198               | 000'ton  |
| 106 Guacolda 2            | Coal        | 1,170,503  | 421.381               | 000'ton  |
| 107 Guacolda 3            | Coal        | 1,097,217  | 384.026               | 000'ton  |
| 108 Guacolda 4            | Coal        | 1,139,333  | 398.767               | 000'ton  |
| 109 Huasco TG             | Diesel      | 393  | 0.137                 | 000'ton  |
| 110 Huasco TG IFO         | IFO 180     | 90   | 0.034                 | 000'ton  |
| 111 L.Verde TG            | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 112 Los Vientos TG        | Diesel      | 10,064   | 2.701                 | 000'ton  |
| 113 Nehuenco              | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 114 Nehuenco Diesel       | Diesel      | 228,247  | 37.056                | 000'ton  |
| 115 Nehuenco GNL          | LNG         | 1,055,742  | 208.298               | MM-m3std |
| 116 Nehuenco TG 9B        | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 117 Nehuenco TG 9B Diesel | Diesel      | 4,721  | 1.311                 | 000'ton  |
| 118 Nehuenco TG 9B GNL    | LNG         | 1,979  | 0.625                 | MM-m3std |
| 119 Nehuenco II           | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 120 Nehuenco II Diesel    | Diesel      | 104,476  | 16.956                | 000'ton  |
| 121 Nehuenco II GNL       | LNG         | 1,891,163  | 342.679               | MM-m3std |
| 122 San Isidro            | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 123 San Isidro Diesel     | Diesel      | 19,929   | 3.797                 | 000'ton  |
| 124 San Isidro GNL        | LNG         | 1,698,099  | 344.714               | MM-m3std |
| 125 San Isidro II         | Natural Gas | 3  | 0.001                 | MM-m3std |
| 126 San Isidro II Diesel  | Diesel      | 38,367   | 6.623                 | 000'ton  |
| 127 San Isidro II GNL     | LNG         | 2,324,468  | 419.889               | MM-m3std |
| 128 Ventanas 1            | Coal        | 707,526  | 293.623               | 000'ton  |
| 129 Ventanas 2            | Coal        | 1,116,847  | 443.388               | 000'ton  |
| 130 Nueva Ventanas        | Coal        | 1,998,541  | 759.445               | 000'ton  |
| 131 L.Verde               | Coal        | 0  | NO GENERATION IN 2014 |          |
| 132 Nueva Renca GNL       | LNG         | 414,530  | 83.929                | MM-m3std |
| 133 Nueva Renca FA        | LPG         | 22,370   | 4.426                 | 000'ton  |
| 134 Nueva Renca FA GNL    | LNG         | 3,668  | 0.926                 | MM-m3std |
| 135 Nueva Renca           | LNG         | 0  | NO GENERATION IN 2014 |          |
| 136 Nueva Renca Diesel    | Diesel      | 708,058  | 135.355               | 000'ton  |

|     | Power plants        | FUEL TYPE   | Net annual operation corrected by CDEC-SIC (MWh) | FUEL CONSUMPTION      | UNIT     |
|-----|---------------------|-------------|--|-----------------------|----------|
|     | <b>Thermics</b>     |             |  |                       |          |
| 137 | Renca U1            | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 138 | Renca U2            | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 139 | Campiche            | Coal        | 1,973,623  | 770.131               | 000'ton  |
| 140 | Constitución A.     | Biomass     | 29,585   | NO FOSSIL FUEL        |          |
| 141 | Constitución A. IFO | Fuel oil 6  | 0  | NO GENERATION IN 2014 |          |
| 142 | Petropower          | Petcoke     | 444,843  | 200.179               | 000'ton  |
| 143 | Laja                | Biomass     | 36,245   | NO FOSSIL FUEL        |          |
| 144 | Bocamina            | Coal        | 477,434  | 181.425               | 000'ton  |
| 145 | Bocamina 2          | Coal        | 0  | NO GENERATION IN 2014 |          |
| 146 | Arauco              | Biomass     | 86,655   | NO FOSSIL FUEL        |          |
| 147 | San Fco. Mostazal   | Diesel      | 91   | 0.028                 | 000'ton  |
| 148 | Cholguán            | Biomass     | 75,106   | NO FOSSIL FUEL        |          |
| 149 | Cholguán IFO        | Fuel oil 6  | 0  | NO GENERATION IN 2014 |          |
| 150 | Licantén            | Biomass     | 23,572   | NO FOSSIL FUEL        |          |
| 151 | Licantén LN         | Biomass     | 21,387   | NO FOSSIL FUEL        |          |
| 152 | Valdivia            | Biomass     | 200,372  | NO FOSSIL FUEL        |          |
| 153 | Valdivia Biomasa    | Biomass     | 123,691  | NO FOSSIL FUEL        |          |
| 154 | Valdivia IFO        | Fuel oil 6  | 1,558  | 0.499                 | 000'ton  |
| 155 | Antihue TG          | Diesel      | 59,168   | 13.765                | 000'ton  |
| 156 | Horcones TG         | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 157 | Horcones Diesel     | Diesel      | 9  | 0.003                 | 000'ton  |
| 158 | TG_Coronel          | Natural Gas | 2,411  | NO GENERATION IN 2014 |          |
| 159 | TG_Coronel Diesel   | Diesel      | 20,601   | 5.161                 | 000'ton  |
| 160 | Nueva Aldea         | Biomass     | 82,941   | NO FOSSIL FUEL        |          |
| 161 | Nueva Aldea 2       | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 162 | Nueva Aldea 3       | Biomass     | 274,810  | NO FOSSIL FUEL        |          |
| 163 | Viñales             | Biomass     | 178,458  | NO FOSSIL FUEL        |          |
| 164 | Candelaria 1        | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 165 | Candelaria 1 Diesel | Diesel      | 6,773  | 1.840                 | 000'ton  |
| 166 | Candelaria 1 GNL    | LNG         | 2,115  | 0.665                 | MM-m3std |
| 167 | Candelaria 2        | Natural Gas | 0  | NO GENERATION IN 2014 |          |
| 168 | Candelaria 2 Diesel | Diesel      | 5,936  | 1.612                 | 000'ton  |
| 169 | Candelaria 2 GNL    | LNG         | 796  | 0.250                 | MM-m3std |
| 170 | Curanilahue         | Diesel      | 95   | 0.022                 | 000'ton  |
| 171 | Lebu                | Diesel      | 146  | 0.035                 | 000'ton  |
| 172 | Cañete              | Diesel      | 189  | 0.046                 | 000'ton  |
| 173 | Los Sauces          | Diesel      | 554  | 0.134                 | 000'ton  |
| 174 | Los Sauces II       | Diesel      | 243  | 0.061                 | 000'ton  |

|     | Power plants       | FUEL TYPE   | Net annual operation corrected by CDEC-SIC (MWh) | FUEL CONSUMPTION      | UNIT    |
|-----|--------------------|-------------|--|-----------------------|---------|
|     | <b>Thermics</b>    |             |  |                       |         |
| 175 | Traiguen           | Diesel      | 158  | 0.038                 | 000'ton |
| 176 | Victoria           | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 177 | Curacautin         | Diesel      | 704  | 0.155                 | 000'ton |
| 178 | Ancud              | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 179 | Collipulli         | Diesel      | 0  | 0.000                 | 000'ton |
| 180 | Quellon            | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 181 | Yungay G1          | Natural Gas | 0  | NO GENERATION IN 2014 |         |
| 182 | Yungay G2          | Natural Gas | 0  | NO GENERATION IN 2014 |         |
| 183 | Yungay G3          | Natural Gas | 0  | NO GENERATION IN 2014 |         |
| 184 | Yungay Diesel 1    | Diesel      | 87   | 0.024                 | 000'ton |
| 185 | Yungay Diesel 2    | Diesel      | 57   | 0.014                 | 000'ton |
| 186 | Yungay Diesel 3    | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 187 | Yungay 4 CC        | Diesel      | 53   | 0.016                 | 000'ton |
| 188 | Casablanca 1       | Diesel      | 39   | 0.010                 | 000'ton |
| 189 | Casablanca 2       | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 190 | Las Vegas          | Diesel      | 95   | 0.023                 | 000'ton |
| 191 | Curauma            | Diesel      | 81   | 0.021                 | 000'ton |
| 192 | Concon             | Diesel      | 111  | 0.027                 | 000'ton |
| 193 | Escuadrón (ex FPC) | Biomass     | 77,824   | NO FOSSIL FUEL        |         |
| 194 | Constitución 1     | Diesel      | 1,569  | 0.442                 | 000'ton |
| 195 | Maule              | Diesel      | 588  | 0.166                 | 000'ton |
| 196 | Monte Patria       | Diesel      | 0  | 0.000                 | 000'ton |
| 197 | Punitaqui          | Diesel      | 36   | 0.010                 | 000'ton |
| 198 | Esperanza 1        | Diesel      | 23   | 0.006                 | 000'ton |
| 199 | Esperanza 2        | Diesel      | 38   | 0.009                 | 000'ton |
| 200 | Esperanza TG       | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 201 | Degan              | Diesel      | 340  | 0.074                 | 000'ton |
| 202 | Olivos             | Diesel      | 6,556  | 1.477                 | 000'ton |
| 203 | Totoral            | Diesel      | 105  | 0.024                 | 000'ton |
| 204 | Quintay            | Diesel      | 203  | 0.047                 | 000'ton |
| 205 | Placilla           | Diesel      | 148  | 0.034                 | 000'ton |
| 206 | Chiloé             | Diesel      | 0  | NO GENERATION IN 2014 |         |
| 207 | Quellon II         | Diesel      | 1,624  | 0.386                 | 000'ton |
| 208 | Colmito            | Diesel      | 5,861  | 1.461                 | 000'ton |
| 209 | Los Pinos          | Diesel      | 127,882  | 24.684                | 000'ton |
| 210 | Chuyaca            | Diesel      | 1,505  | 0.358                 | 000'ton |
| 211 | Chuyaca 2          | Diesel      | 0  | NO GENERATION IN 2014 |         |

|     | Power plants             | FUEL TYPE   | Net annual operation corrected by CDEC-SIC (MWh) | FUEL CONSUMPTION      | UNIT     |
|-----|--------------------------|-------------|--|-----------------------|----------|
|     | <b>Thermics</b>          |             |  |                       |          |
| 212 | Skretting                | Diesel      | 2  | 0.000                 | 000'ton  |
| 213 | Cenizas                  | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 214 | Santa Lidia              | Diesel      | 293  | 0.078                 | 000'ton  |
| 215 | Trapén                   | Diesel      | 25,422   | 5.586                 | 000'ton  |
| 216 | Los Espinos              | Diesel      | 45,146   | 9.959                 | 000'ton  |
| 217 | San Gregorio             | Diesel      | 77   | 0.017                 | 000'ton  |
| 218 | Linares Norte            | Diesel      | 35   | 0.008                 | 000'ton  |
| 219 | Biomar                   | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 220 | Eagon                    | Diesel      | 459  | 0.102                 | 000'ton  |
| 221 | Salmofood I              | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 222 | Salmofood II             | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 223 | Teno                     | Diesel      | 11,968   | 2.630                 | 000'ton  |
| 224 | Newen Diesel             | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 225 | Newen Butano             | LPG         | 23,629   | 5.807                 | 000'ton  |
| 226 | Newen Propano            | LPG         | 860  | 0.209                 | 000'ton  |
| 227 | Newen Gas Natural        | Natural Gas | 20   | 0.068                 | MM-m3std |
| 228 | Newen Mezcla Butano/P    | LPG         | 0  | NO GENERATION IN 2014 |          |
| 229 | Watts I                  | Diesel      | 5  | 0.001                 | 000'ton  |
| 230 | Watts II                 | Diesel      | 11   | 0.002                 | 000'ton  |
| 231 | Multiexport I            | Diesel      | 3  | 0.000                 | 000'ton  |
| 232 | Multiexport II           | Diesel      | 4  | 0.001                 | 000'ton  |
| 233 | Los Álamos               | Diesel      | 7  | 0.002                 | 000'ton  |
| 234 | Cardones (ex-Tierra Ama  | Diesel      | 41   | 0.010                 | 000'ton  |
| 235 | Quintero DIESEL A        | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 236 | Quintero DIESEL B        | Diesel      | 0  | NO GENERATION IN 2014 |          |
| 237 | Quintero GNL A           | LNG         | 96,464   | 30.962                | MM-m3std |
| 238 | Quintero GNL B           | LNG         | 148,893  | 45.853                | MM-m3std |
| 239 | Louisiana Pacific        | Diesel      | 22   | 0.005                 | 000'ton  |
| 240 | El Peñón                 | Diesel      | 63,868   | 14.117                | 000'ton  |
| 241 | San Lorenzo de D. de Alr | Diesel      | 110  | 0.038                 | 000'ton  |
| 242 | San Lorenzo de D. de Alr | Diesel      | 39   | 0.015                 | 000'ton  |
| 243 | San Lorenzo de D. de Alr | Diesel      | 172  | 0.056                 | 000'ton  |
| 244 | Tapihue                  | Natural Gas | 1,591  | 0.472                 | MM-m3std |
| 245 | Termopacífico            | Diesel      | 3,246  | 0.702                 | 000'ton  |
| 246 | Loma Los Colorados       | Biomass     | 3,499  | NO FOSSIL FUEL        |          |
| 247 | Loma Los Colorados II    | Biomass     | 130,695  | NO FOSSIL FUEL        |          |

|     | Power plants          | FUEL TYPE  | Net annual operation corrected by CDEC-SIC (MWh) | FUEL CONSUMPTION      | UNIT     |
|-----|-----------------------|------------|--|-----------------------|----------|
|     | <b>Thermics</b>       |            |  |                       |          |
| 248 | Emelda U1             | IFO 180    | 97   | 0.029                 | 000'ton  |
| 249 | Emelda U2             | IFO 180    | 48   | 0.015                 | 000'ton  |
| 250 | Colihues IFO          | IFO 380    | 30,891   | 6.868                 | 000'ton  |
| 251 | Colihues DIE          | Diesel     | 0  | NO GENERATION IN 2014 |          |
| 252 | Curicó                | Coal       | 0  | NO GENERATION IN 2014 |          |
| 253 | Punta Colorada IFO    | IFO 380    | 22,093   | 5.059                 | 000'ton  |
| 254 | Punta Colorada Diesel | Diesel     | 620  | 0.125                 | 000'ton  |
| 255 | Cabrero               | Biomass    | 55,016   | NO FOSSIL FUEL        |          |
| 256 | Calle Calle           | Diesel     | 3,183  | 0.704                 | 000'ton  |
| 257 | Cem Bio Bio IFO       | Fuel oil 6 | 25,857   | 5.693                 | 000'ton  |
| 258 | Cem Bio Bio DIESEL    | Diesel     | 478  | 0.092                 | 000'ton  |
| 259 | Polincay              | Diesel     | 0  | NO GENERATION IN 2014 |          |
| 260 | Southern              | Diesel     | 1  | 0.000                 | 000'ton  |
| 261 | Lautaro               | Diesel     | 28   | 0.008                 | 000'ton  |
| 262 | HBS                   | Biomass    | 2,847  | NO FOSSIL FUEL        |          |
| 263 | Tomaval               | LNG        | 2,910  | 0.000                 | MM-m3std |
| 264 | Skretting Osorno      | Diesel     | 31   | 0.006                 | 000'ton  |
| 265 | Energía Pacífico      | Biomass    | 95,773   | NO FOSSIL FUEL        |          |
| 266 | Lonquimay             | Diesel     | 164  | 0.044                 | 000'ton  |
| 267 | Tirúa                 | Diesel     | 49   | 0.020                 | 000'ton  |
| 268 | Lautaro-Comasa        | Biomass    | 192,434  | NO FOSSIL FUEL        |          |
| 269 | Lautaro-Comasa 2      | Biomass    | 51,161   | NO FOSSIL FUEL        |          |
| 270 | Danisco               | Diesel     | 0  | 0.000                 | 000'ton  |
| 271 | Contulmo              | Diesel     | 188  | 0.042                 | 000'ton  |
| 272 | JCE                   | Diesel     | 28   | 0.006                 | 000'ton  |
| 273 | Santa María           | Coal       | 2,424,526  | 866.349               | 000'ton  |
| 274 | Estancilla            | Diesel     | 85   | 0.020                 | 000'ton  |
| 275 | Trebal Mapocho        | Biomass    | 41,221   | NO FOSSIL FUEL        |          |
| 276 | Laja CMPC             | Biomass    | 84,297   | NO FOSSIL FUEL        |          |
| 277 | Tamm                  | Biomass    | 318  | NO FOSSIL FUEL        |          |
| 278 | Ancali                | Biomass    | 6,316  | NO FOSSIL FUEL        |          |
| 279 | Santa Fe              | Biomass    | 429,698  | NO FOSSIL FUEL        |          |
| 280 | Santa Marta           | Biomass    | 97,343   | NO FOSSIL FUEL        |          |
| 281 | Santa Irene           | Biomass    | 2,895  | NO FOSSIL FUEL        |          |
| 282 | Las Pampas            | Biomass    | 1,315  | NO FOSSIL FUEL        |          |
| 283 | CMPC Pacífico         | Biomass    | 175,967  | NO FOSSIL FUEL        |          |
| 284 | Leon (Ex Coelemu)     | Biomass    | 17,873   | NO FOSSIL FUEL        |          |
| 285 | Energía Bio Bio       | Biomass    | 40,592   | NO FOSSIL FUEL        |          |
| 286 | Biocruz               | Biomass    | 3,065  | NO FOSSIL FUEL        |          |
| 287 | CMPC Santa Fe         | Biomass    | 4,516  | NO FOSSIL FUEL        |          |

|     | Power plants              | FUEL TYPE | Net annual operation corrected by CDEC-SIC (MWh) |
|-----|---------------------------|-----------|--|
|     | <b>Reservoirs</b>         |           | <b>12,661,019</b>                                |
| 288 | El Toro                   | Hydro     | 944,157  |
| 289 | Rapel                     | Hydro     | 478,836  |
| 290 | Canutillar                | Hydro     | 961,551  |
| 291 | Cipreses                  | Hydro     | 270,207  |
| 292 | Colbun                    | Hydro     | 1,957,369  |
| 293 | Pehuenche                 | Hydro     | 2,269,059  |
| 294 | Pangue                    | Hydro     | 1,835,108  |
| 295 | Ralco                     | Hydro     | 2,617,045  |
| 290 | Angostura                 | Hydro     | 1,288,991  |
|     | <b>Wind</b>               |           | <b>1,210,614</b>                                 |
| 291 | Canela 1                  | Wind      | 27,331   |
| 292 | Canela 2                  | Wind      | 129,530  |
| 293 | Lebu (Cristoro)           | Wind      | 11,805   |
| 294 | Total (eólica)            | Wind      | 88,599   |
| 295 | Monte Redondo             | Wind      | 108,597  |
| 296 | Ucuquer                   | Wind      | 19,108   |
| 297 | Ucuquer 2                 | Wind      | 8,104  |
| 298 | Talinay                   | Wind      | 228,856  |
| 299 | Punta Colorada eólico     | Wind      | 21,469   |
| 300 | Negrete                   | Wind      | 94,948   |
| 301 | El Arrayán                | Wind      | 183,873  |
| 302 | San Pedro                 | Wind      | 77,764   |
| 303 | Eólica Los Cururos        | Wind      | 149,229  |
| 304 | Eólica Punta Palmeras     | Wind      | 27,636   |
| 305 | Eólica Taltal             | Wind      | 29,561   |
|     | <b>Solar</b>              |           | <b>373,786</b>                                   |
| 306 | Tambo Real                | Sun       | 3,772  |
| 307 | SDGx01                    | Sun       | 1,442  |
| 308 | Salvador RTS              | Sun       | 5,266  |
| 309 | Llanos de Llampos         | Sun       | 218,498  |
| 310 | Solar San Andrés          | Sun       | 99,136   |
| 311 | Santa Cecilia             | Sun       | 5,631  |
| 312 | Techos de Altamira        | Sun       | 22   |
| 313 | Solar Diego de Almagro    | Sun       | 25,589   |
| 314 | Solar PSF Pama            | Sun       | 2,040  |
| 315 | Solar PSF Lomas Coloradas | Sun       | 2,181  |
| 316 | Solar Las Terrazas        | Sun       | 851  |
| 317 | Solar PV Salvador         | Sun       | 6,480  |
| 318 | Solar Hornitos            | Sun       | 474  |
| 319 | Solar Chañares            | Sun       | 2,342  |

## APPENDIX B: MONITORING PLAN, CRITICAL EQUIPMENT

| <i>Name</i>  | <i>Parameter</i>   | <i>TAG - PTV</i>   | <i>Manufacturer</i> | <i>Model</i>                               | <i>Serial number</i>        | <i>Span</i>                      | <i>Accuracy</i> |
|--|--------------------|--------------------|---------------------|--|-----------------------------|----------------------------------|-----------------|
| Power Boiler pressure gauge transmitter High pressure line | HC <sub>BL,y</sub> | 663-PT-0155        | ENDRESS + HAUSER    | Cerabar S // PMP75-ACC1WB1UBGAU            | D500C90109 C                | 0 - 120 Bar                      | ±0.075%         |
| Power boiler Flow transmitter High pressure line           | HC <sub>BL,y</sub> | 663-FT-0156        | ENDRESS + HAUSER    | Cerabar S // PMP75-ACC7FB1DAVUDA63M-AB2BBD | D501F50109D                 | 0 – 200 inch H <sub>2</sub> O    | ±0.075%         |
| Temperature transmitter High pressure line                 | HC <sub>BL,y</sub> | 663-TT-0157        | ENDRESS + HAUSER    | TH53-8A23E2E2B31AK                         | 266161                      | 0-600°C                          | ±0.75%          |
| Pressure gauge transmitter High pressure line              | HC <sub>BL,y</sub> | 665-PT-9040-A/B    | ROSEMOUNT           | 2051TG4A2B21AB 4Q4                         | 32601(A)-32602(B)           | 0 – 140 bar (G)                  | ±0.05% of span  |
| Flow transmitter high pressure line                        | HC <sub>BL,y</sub> | 665-FT-9030        | ROSEMOUNT           | 2051CD2F02A1A55Q4                          | 33712                       | (0 a 200) inH <sub>2</sub> O     | ±0.05% of span  |
| Temperature transmitter High pressure line                 | HC <sub>BL,y</sub> | 665-TT-9043-A-B    | ROSEMOUNT           | 644HANAJ6Q4                                | 0271902(A)-0219846(B)       | 0-650 °C                         | ±0.03% of span  |
| Pressure gauge transmitter Medium pressure line            | HC <sub>BL,y</sub> | 665-PT-9001-A-B    | ROSEMOUNT           | 2051TG3F2B21AB4Q4                          | 32561(A)- 32562(B)          | (0 a 18) Bar                     | ±0.05% of span  |
| Flow transmitter Medium pressure line                      | HC <sub>BL,y</sub> | 665-FT-9025        | ROSEMOUNT           | 2051CD2F02A1AS5Q4 - 0305RC32B11B4          | 33711                       | 0-45,564 inch H <sub>2</sub> O   | ±0.05% of span  |
| Flow transmitter Medium pressure line                      | HC <sub>BL,y</sub> | 665-FT-9051        | ROSEMOUNT           | 2051CD2F02A1AS5Q4 - 0305RC32B11B4          | 107763                      | 0 – 40 ton/h                     | ±0.05% of span  |
| Temperature transmitter Medium pressure line               | HC <sub>BL,y</sub> | 665-TT-9026        | ROSEMOUNT           | 644HFNAJ6Q4                                | 0271897                     | 0-450 °C                         | ±0.03% of span  |
| Pressure gauge transmitter Low pressure line               | HC <sub>BL,y</sub> | 665-PIC-9002-A-B-C | ROSEMOUNT           | 2051TG2A2B21AB4Q4                          | 32598(A)-32599(B)- 32600(C) | 0 – 10 bar (G)                   | ±0.05% of span  |
| Steam flow transmitter Low pressure line                   | HC <sub>BL,y</sub> | 665-FT-9019        | ROSEMOUNT           | 2051CD2F02A1AS5Q4                          | 33709 0033709               | 0 – 30 ton/h                     | ±0.05% of span  |
| Deaerator steam flow transmitter Low pressure line         | HC <sub>BL,y</sub> | 665-FT-9023        | ROSEMOUNT           | 2051CD2F02A1AS5Q4 - 0305RC32B11B4          | 33710                       | 0 – 19,982 inch H <sub>2</sub> O | ±0.05% of span  |
| Temperature transmitter Medium pressure line               | HC <sub>BL,y</sub> | 665-TT-9024        | ROSEMOUNT           | 644HFNAJ6Q4                                | 0271896                     | 0-450 °C                         | ±0.03% of span  |
| Feed water conditions pressure transmitter                 | HC <sub>BL,y</sub> | 663-PT-0106        | ENDRESS + HAUSER    | PMD75-ARC1WB1UBGAU                         | D500BE0109C                 | 0 – 120 bar (G)                  | ±0.075%         |
| Feed water conditions temperature transmitter              | HC <sub>BL,y</sub> | 663-TT-0111        | ROSEMOUNT           | 644HFNAJ6Q4                                | 265913                      | 0-200 °C                         | ±0.03% of span  |

| <i>Name</i>                          | <i>Parameter</i>           | <i>TAG - PTV</i>        | <i>Manufacturer</i> | <i>Model</i>                     | <i>Serial number</i> | <i>Span</i>            | <i>Accuracy</i> |
|--------------------------------------|----------------------------|-------------------------|---------------------|----------------------------------|----------------------|------------------------|-----------------|
| Energy meter Gross power generation  | EL <sub>PJ, gross, y</sub> | 8600-10                 | SCHNEIDER ELECTRIC  | ION 8600                         | LT-1012A701-01       | kWh-kVARH Entregada    | ± 0.2%          |
| Energy meter Import power generation | EL <sub>PJ, imp, y</sub>   | SE-EI-0006/0007 (52-B1) | SCHNEIDER ELECTRIC  | ION 8600                         | PT-1012A934-01       | kWh-kVARH Recibida     | ± 0.2%          |
| Energy meter Import power generation | EL <sub>PJ, imp, y</sub>   | 8600-2_3                | SCHNEIDER ELECTRIC  | ION 8600                         | MT-1010A242-01       | kWh-kVARH Recibida     | ± 0.2%          |
| Energy meter (1-6)                   | EL <sub>PJ, aux, y</sub>   | 669-EI-1603/1604 (1-6)  | SCHNEIDER ELECTRIC  | ION 7550                         | LI-1010A261-02       | kWh-kVARH Entregada    | ± 0.2%          |
| Energy meter (1-7)                   | EL <sub>PJ, aux, y</sub>   | 669-EI-1703/1704 (1-7)  | SCHNEIDER ELECTRIC  | ION 7550                         | LI-1010A263-02       | kWh-kVARH Entregada    | ± 0.2%          |
| Energy meter (1-8)                   | EL <sub>PJ, aux, y</sub>   | 669-EI-1803/1804 (1-8)  | SCHNEIDER ELECTRIC  | ION 7550                         | LI-1010A264-02       | kWh-kVARH Entregada    | ± 0.2%          |
| Energy meter (1-9)                   | EL <sub>PJ, aux, y</sub>   | 669-EI-1903/1904 (1-9)  | SCHNEIDER ELECTRIC  | ION 7550                         | LI-1010A262-02       | kWh-kVARH Entregada    | ± 0.2%          |
| Energy meter (1-11)                  | EL <sub>PJ, aux, y</sub>   | 669-EI-1703/1804 (1-11) | SCHNEIDER ELECTRIC  | ION 7550                         | LI-1010A265-02       | kWh-kVARH Entregada    | ± 0.2%          |
| Weighbridge gate 1                   | BR <sub>PJ, n, y</sub>     | 611-49-001              | PESAMATIC (GSE)     | Sistema de Pesaje dinámico (460) | v4.0.0 (162069)      | 0-30.000 Kgs.          | Class III       |
| Digital weight meter                 | Moisture content           | -                       | Sartorius           | TE1502S                          | 27402265             | 0 - 1500 gr            |                 |
| Oven                                 | Moisture content           | -                       | MEMMERT             | UFE 600                          | G611.0831            | 30 - 250°C             | ±0.5 °C         |
| Electronic moisture analyser         | Moisture content           | -                       | Sartorius           | MA 150C                          | 27008246             | 40 - 180°C<br>0-150 gr | ±0.05%          |
| Fossil fuel Flow transmitter         | FCi <sub>j, y</sub>        | 663-FT-508              | ENDRESS + HAUSER    | 83F40-AABSAAACBAAK               | D606EA16000          | 0-70 Ton/Hr            | ±0.1%           |
| Fossil fuel Flow transmitter         | FCi <sub>j, y</sub>        | 663-FT-522              | ENDRESS + HAUSER    | 33F25-AABSAAACBAAK               | D606E916000          | 0-70 Ton/Hr            | ±0.5%           |