

MONITORING REPORT FORM
Version 01 - in effect as of: 28/09/2010

CONTENTS

- A. General description of the project activity
 - A.1. Brief description of the project activity
 - A.2. Project participants
 - A.3. Location of the project activity
 - A.4. Technical description of the project
 - A.5. Title, reference and version of the baseline and monitoring methodology applied to the project activity
 - A.6. Monitoring period of the project activity and related information
 - A.7. Name of responsible person(s)/entity(ies)
- B. Implementation of the project activity
 - B.1. Implementation status of the project activity
 - B.2. Revision of the monitoring plan
 - B.3. Request for deviation applied to this monitoring period
 - B.4. Notification or request of approval of changes
- C. Description of the monitoring system
- D. Data and parameters monitored
 - D.1. Data and parameters used to calculate baseline emissions
 - D.2. Data and parameters used to calculate project emissions
 - D.3. Data and parameters used to calculate leakage emissions
 - D.4. Other relevant data and parameters
- E. Emission reductions calculation
 - E.1. Baseline emissions calculation
 - E.2. Project emissions calculation
 - E.3. Leakage calculation
 - E.4. Emission reductions calculation
 - E.5. Comparison of actual emission reductions with estimates in the registered CDM-PDD
 - E.6. Remarks on difference from estimated value
- F. Clarification of clauses 1.12, 1.13, 1.14, 8.1 and 8.2 of the VCS PD template

MONITORING REPORT
Version 02 on 22/08/2011^[1]

Hebei Kangbao Sanxiatian Wind Farm Project
Reference number: 3312
The first monitoring period (from 01/12/2009 to 25/11/2010)

SECTION A. General description of the project activity

A.1. Brief description of the project activity:

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Kangbao Sanxiatian Wind Farm Project (hereinafter referred to as the Project) is a greenfield grid-connected wind power project. The Project is invested, constructed and operated by Hebei Construction Investment New Energy Co., Ltd. The total installed capacity of the Project is 49.5 MW equipped with 33 sets of wind turbines with a unit installed capacity of 1,500 kW.

The objective of the Project is to generate electricity by using wind resource and deliver the generated electricity to the North China Power Grid (NCPG) via a 110 kV transmission line. As a renewable energy source, the Project generates emission reductions (hereinafter referred to as ERs) by avoiding CO₂ emissions from the same amount of electricity from NCPG, which is mainly dominated by fossil fuel-fired power plants.

The Project was started construction on 01/05/2009^[2] and was commissioned on 28/11/2009, which should be considered as the project start date as per its definition. In accordance with relevant requirements under the CDM, emission reductions achieved before the CDM registration date (i.e. 26/11/2010) cannot be claimed as CERs. Furthermore, the crediting period under VCS cannot overlap with that under the CDM. Therefore, the VCS crediting period covering the period from 28/11/2009 can meet aforementioned requirements. This Monitoring Report focuses on the ERs generated by the Project merely from 01/12/2009 to 25/11/2010, giving up the ERs generated from 28/11/2009 to 30/11/2009 for simplification. The actual ERs of the Project achieved in this monitoring period (from 01/12/2009 to 25/11/2010) are 143,980 tCO₂e.

A.2. Project Participants

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Name of Party involved (*) ((host) indicates a host Party)	Private and/or public entity(ies) project participants (*) (as applicable)	Kindly indicate if the Party involved wishes to be considered as project participant (Yes/No)
P.R.China (host)	Hebei Construction Investment New Energy Co., Ltd. (the Project Owner)	Yes

A.3. Location of the project activity:

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The Project is located in Kangbao County, Zhangjiakou City, Hebei Province, and P.R.China. The project has central geographical coordinates with east longitude of 114°29'47.3" and north latitude of 41°53'57.6".

A.4. Technical description of the project

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[1] The date format in this report is day/month/year.

[2] The date is obtained from *Starting Construction Order* of the Project issued on 30/04/2009.

Generally speaking, wind power generation refers to the conversion of wind energy into electricity. In the wind farm, individual turbines are interconnected with a power collection system and communication network. At a substation, the voltage is boosted by a transformer for connection to the high voltage electric power transmission system.^[3]

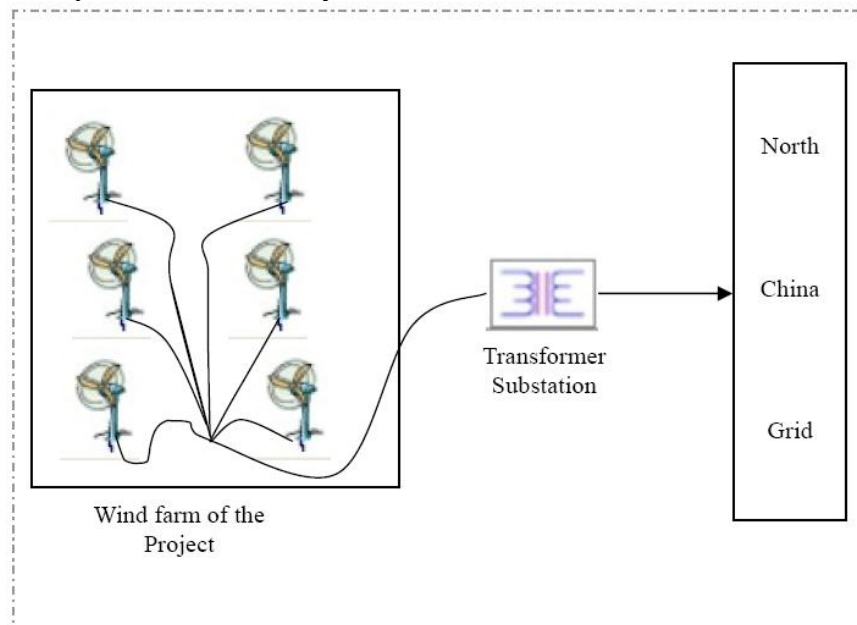


Figure 1. Schematic diagram of wind power generation in the Project

The total installed capacity of the Project is 49.5 MW equipped with 33 sets of wind turbines with a unit installed capacity of 1,500 kW. Electricity generated by the Project is delivered to NCPG via a 110 kV transmission line.

Key technical parameters of turbines in the Project are shown in Table 1.

Table 1. Key technical parameters of turbines in the Project

Parameter		Unit	Value
Model		-	GE1.5sle
Height of hub		m	80
Wind turbine	Rotor diameter	m	77
	Number of blades	m	3
	Rated wind speed	m/s	14
	Cut-in wind speed	m/s	3.5
	Cut-off wind speed	m/s	25
Generator	Rated power	kW	1500
	Rated voltage	V	690

A.5. Title, reference and version of the baseline and monitoring methodology applied to the project activity:

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Approved consolidated baseline and monitoring methodology ACM0002 (version 10)^[4]: *Consolidated baseline methodology for grid-connected electricity generation from renewable sources* and monitoring methodology.

Tool to calculate the emission factor for an electricity system (version 02).

Tool for the demonstration and assessment of additionality (version 05.2).

[3] For more information regarding wind power generation, please refer to http://en.wikipedia.org/wiki/Wind_power.

[4] For details of the methodology, please refer to: <http://cdm.unfccc.int/methodologies/PAmethodologies/approved.html>.

A.6. Monitoring period of the project activity and related information:
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This VCS monitoring period of the Project is from 01/12/2009 to 25/11/2010.

The Project was registered as a CDM project on 26/11/2010. As per *Further Guidance for Projects that are Registered in Two GHG Programs* published on 19/03/2008, “Projects registered under other VCS Program approved GHG Programs (such as the CDM) are eligible to create Voluntary Carbon Units (VCUs) for the emissions reductions or removals not registered under that GHG Program. The VCUs can be registered back to the project start date provisions in VCS 2007 Clause 5.2.1. This is, 28 March 2006 or two years prior to the completion of the project validation whatever is later.”

The final CDM validation report for the Project was issued by Bureau Veritas Certification on 21/01/2010. The starting date of this VCS monitoring period (i.e. 01/12/2009) is after both 28/03/2006 and 21/01/2008 (two years prior to the completion of the project validation). Therefore, the Project definitely fulfils requirements provided in *Further Guidance for Projects that are Registered in Two GHG Programs*.

A.7. Name of responsible person(s)/entity(ies):
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SECTION B. Implementation of the project activity

B.1. Implementation status of the project activity

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The Project was commissioned on 28/11/2009. From 28/11/2009 till now, key equipments of the Project have worked in line with the registered CDM-PDD (version 02) approved by CDM EB. During this monitoring period, no overhaul was undertaken for the Project and there was no downtime or exchange of equipment.

No special event or situation, which may impact the applicability of the methodology, occurred in this monitoring period.

B.2. Revision of the monitoring plan

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There is no revision of the monitoring plan of the Project.

B.3. Request for deviation applied to this monitoring period

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There is no deviation applied to this monitoring period.

B.4. Notification or request of approval of changes

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There is no notification or request of approval of changes from the Project as described in the registered CDM-PDD (version 02).

SECTION C. Description of the monitoring system

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In line with the methodology ACM0002 (version 10) and the registered CDM-PDD (version 02), it is required to monitor the following parameters:

Parameter	Description
$EG_{export,y}$	The electricity delivered by the Project to the grid in year y
$EG_{import,y}$	The electricity imported by the Project from the grid in year y
$EG_{facility,y}$	The quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the Project in year y

Monitoring point of the Project

The monitoring point of the Project is shown in Figure 2.

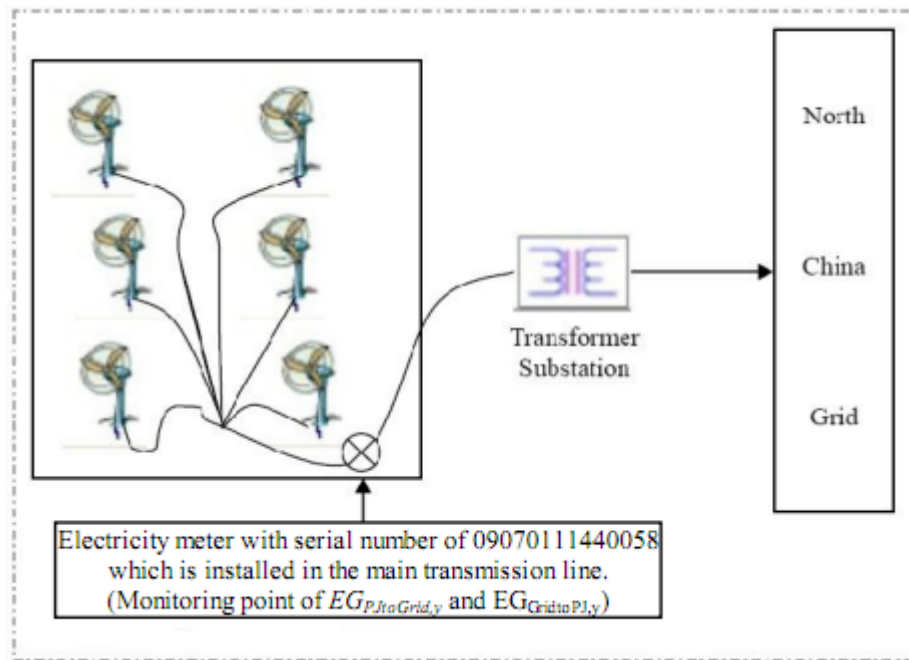


Figure 2. Monitoring point of the Project

Information on the monitoring equipment used in the Project is summarized in Table 2.

Table 2. Monitoring equipment used in the Project

Parameter	Monitoring point	Serial number	Accuracy class
$EG_{export,y}$	Electricity meter installed on the main transmission line of the Project	09070111440058	0.2s
$EG_{import,y}$	Electricity meter installed on the main transmission line of the Project	09070111440058	0.2s
$EG_{facility,y}$	N/A	N/A	N/A

Data generation, recording and calculation

The electricity delivered by the Project to the grid in year y:

The electricity delivered by the Project to the grid in year y ($EG_{export,y}$) was continuously measured by the bi-directional electricity meter installed on the main transmission line of the Project.

Readings of the electricity meter were recorded every day in the Daily Reading Records by designated personnel at the wind farm of the Project. Designated personnel of the Project Owner monthly summarized and recorded readings of the electricity meter in Monthly Production Report of the Project to verify the data.

For the electricity delivered by the Project to the grid ($EG_{export,y}$), Electricity Transaction Notes (hereinafter referred to as ETNs) were monthly issued by the grid company to the Project Owner. Based on the data on ETNs, the Project Owner issued sales receipts to the grid company subsequently on a monthly basis. ETNs issued by the grid company are used for crosscheck with sales receipts.

The electricity imported by the Project from the grid in year y:

The electricity imported by the Project from the grid in year y ($EG_{import,y}$) was continuously measured by the bi-directional electricity meter installed on the main transmission line of the Project.

Readings of the electricity meter were recorded every day in the Daily Reading Records by designated personnel at the wind farm of the Project. Designated personnel of the Project Owner monthly summarized and recorded readings of the electricity meter in Monthly Production Report of the Project to verify the data.

For the electricity imported by the Project from the grid ($EG_{import,y}$), sales receipts were issued by the grid company to the Project Owner on a monthly basis. Sales receipts issued by the grid company are used for crosscheck.

The quantity of net electricity generation:

The net electricity that was produced and fed into the grid as a result of the implementation of the Project in year y ($EG_{facility,y}$) was calculated monthly with on-site monitored data of $EG_{export,y}$ and $EG_{import,y}$ using the formula $EG_{facility,y} = EG_{export,y} - EG_{import,y}$.

Organizational structure, roles and responsibilities of personnel

The organization structure of the monitoring system is shown in Figure 3:

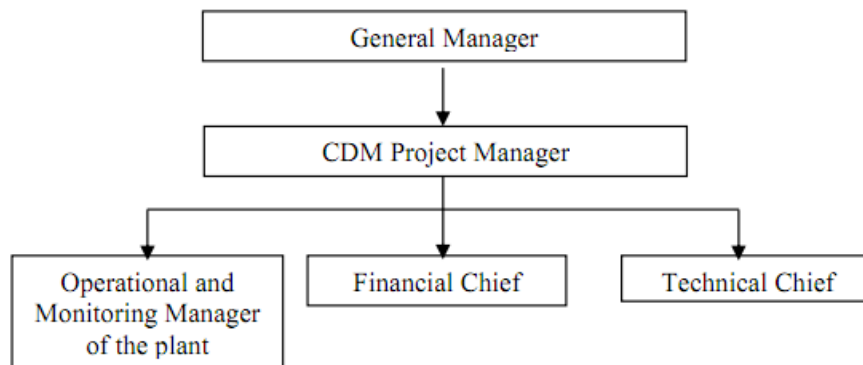


Figure 3 Sketch map of organization structure of the proposed project

The responsibilities of the project staff are specified as follow:

- General Manager: To be responsible for supervising the whole monitoring procedure.
- CDM Project Manager: To be responsible for data management and compiling monitoring report.
- Operational and monitoring manager: To be responsible for collecting data and do internal audit.
- Financial chief: To be responsible for collection of sales receipts.
- Technical chief: To be responsible for preparing operational reports of the project activity, recording the daily operation of the wind farm, including operating periods, equipment defects, etc.

Emergency procedures

In case metering equipment is damaged and no reliable readings can be recorded, the project entity will estimate net supply by the proposed project activity according to the following procedure:

The project entity and the grid company will jointly calculate a conservative estimate of power supplied to the grid. A statement will be prepared indicating

- ▶ the background to the damage to metering equipment
- ▶ the assumptions used to estimate net supply to the grid for the days for which no record could be recorded
- ▶ the estimation of power supplied to the grid. The statement will be signed by both a representative of the project entity as well as a representative of the grid company.

SECTION D. Data and parameters

D.1. Data and parameters determined at registration and not monitored during the monitoring period, including default values and factors

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Data / Parameter:	EF_y
Data unit:	t CO ₂ e/MWh
Description:	Baseline emission factor
Source of data used:	Registered CDM-PDD
Value(s) :	1.05485
Indicate what the data are used for (Baseline/ Project/ Leakage emission calculations)	Baseline emission calculation
Additional comment:	This parameter is ex-ante determined in the registered CDM-PDD and fixed in the first crediting period.

D.2. Data and parameters monitored

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Data / Parameter:	$EG_{facility,y}$
Data unit:	MWh
Description:	The quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the Project in year y
Measured /Calculated /Default:	Calculated
Source of data:	Calculated as follows: $EG_{facility,y} = EG_{export,y} - EG_{import,y}$
Value(s) of monitored parameter:	136,493.913
Indicate what the data are used for (Baseline/ Project/ Leakage emission calculations)	The data are used for calculation of baseline emissions.
Monitoring equipment (type, accuracy class, serial number, calibration frequency, date of last calibration, validity)	N/A
Measuring/ Reading/ Recording frequency:	calculated and recorded monthly
Calculation method (if applicable):	Calculated as $EG_{facility,y} = EG_{export,y} - EG_{import,y}$
QA/QC procedures applied:	Receipt(s) is used for crosscheck.

Data / Parameter:	$EG_{export,y}$
Data unit:	MWh
Description:	The electricity delivered by the Project to the grid in year y
Measured /Calculated /Default:	Measured
Source of data:	The electricity delivered by the Project to the grid in year y ($EG_{export,y}$) is determined as the conservative value between Monthly Production Reports and electricity sales receipts.
Value(s) of monitored parameter:	136,662.477
Indicate what the data are used for (Baseline/ Project/ Leakage emission calculations)	The data are used for calculation of baseline emissions.

Leakage emission calculations)			
Monitoring equipment (type, accuracy class, serial number, calibration frequency, date of last calibration, validity)	Type	DTSD341	
	Accuracy class	0.2s	
	Serial number	09070111440058	
	Calibration frequency ^[5]	Once a year	
	Date of last calibration	08/09/2009 and 04/07/2010	
	Validity	One year	
Measuring/ Reading/ Recording frequency:	Continuously measured and Monthly recorded.		
Calculation method (if applicable):	N/A		
QA/QC procedures applied:	Receipts are used for crosscheck; Calibration and maintance has been conducted to guarantee the accuracy and normal functions of the meter.		

Data / Parameter:	$EG_{import,y}$		
Data unit:	MWh		
Description:	The electricity imported by the Project from the grid in year y		
Measured /Calculated /Default:	Measured		
Source of data:	The electricity imported by the Project from the grid in year y ($EG_{import,y}$) is determined as the conservative value between Monthly Production Reports and electricity sales receipts.		
Value(s) of monitored parameter:	168.564		
Indicate what the data are used for (Baseline/ Project/ Leakage emission calculations)	The data are used for calculation of baseline emissions.		
Monitoring equipment (type, accuracy class, serial number, calibration frequency, date of last calibration, validity)	Type	DTSD341	
	Accuracy class	0.2s	
	Serial number	09070111440058	
	Calibration frequency ^[5]	Once a year	
	Date of last calibration	08/09/2009 and 04/07/2010	
	Validity	One year	
Measuring/ Reading/ Recording frequency:	Continuously measured and Monthly recorded.		
Calculation method (if applicable):	N/A		
QA/QC procedures applied:	Receipts are used for crosscheck; Calibration and maintenance has been conducted to guarantee the accuracy and normal functions of the meter.		

[5] Calibration was conducted by Zhangjiakou Electricity Measurement Calibration Centre, with the certificate code of (Ji) Fa Ji [2008] No.D011, granted by Bureau of Quality and Technical Supervision of Hebei Province.

SECTION E. Emission reductions calculation

E.1. Baseline emissions calculation

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As per the registered CDM-PDD (version 02), the baseline emissions are calculated as follows:

$$BE_y = EG_{facility,y} \times EF_y$$

Where:

BE_y is the baseline emissions in year y (tCO₂e);

$EG_{facility,y}$ is the quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the project activity in year y (MWh);

EF_y is the baseline emission factor which is ex-ante determined in the registered CDM-PDD.

Net electricity generation supplied by the Project ($EG_{facility,y}$)

As per the registered CDM-PDD (version 02), the Project is the installation of a new grid-connected renewable power plant at a site where no renewable power plant was operated prior to the implementation of the Project, so:

$$EG_{facility,y} = EG_{export,y} - EG_{import,y}$$

Where:

$EG_{facility,y}$ is the quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the project activity in year y (MWh);

$EG_{export,y}$ is the electricity supplied by the Project to the grid in year y (MWh);

$EG_{import,y}$ is the electricity imported by the Project from the grid in year y (MWh).

Please refer to Table 4 and Table 5 for details.

Table 4. Electricity supplied by the Project to the grid ($EG_{export,y}$)(Unit: MWh)

Period	Electricity data from meter readings	Electricity data from sales receipts	Conservative value for ER calculation
	A	B	C=min(A,B)
01/12/2009~31/12/2009	14324.904	14309.816	14309.816
Subtotal of the electricity supplied by the Project in 2009			14,309.816
01/01/2010 ~ 31/01/2010	15057.900	15023.442	15023.442
01/02/2010 ~ 28/02/2010	10762.488	10739.904	10739.904
01/03/2010 ~ 31/03/2010	14791.788	14752.950	14752.950
01/04/2010 ~ 30/04/2010	14423.640	14389.356	14389.356
01/05/2010 ~ 31/05/2010	14752.716	14721.151	14721.151
01/06/2010 ~ 30/06/2010	7877.760	7861.553	7861.553
01/07/2010 ~ 31/07/2010	7835.256	7807.887	7807.887
01/08/2010 ~ 31/08/2010	8800.440	8770.428	8770.428
01/09/2010 ~ 30/09/2010	6633.000	6616.449	6616.449
01/10/2010 ~ 31/10/2010	9816.840	9794.448	9794.448
01/11/2010 ~ 25/11/2010	11907.720 ^[6]	11875.093 ^[7]	11875.093
Subtotal of the electricity supplied by the Project in 2010			122,352.661
Total electricity supplied by the Project in this monitoring period			136,662.477

As shown in Table 4, the electricity supplied by the Project to the grid in 2009 is 14309.816 MWh and the electricity supplied by the Project to the grid in 2010 is 122,352.661 MWh. The total amount of the electricity supplied by the Project to the grid in this monitoring period ($EG_{export,y}$) is 136,662.477 MWh.

[6] For details of calculation method, refer to the ER calculation spreadsheet.

[7] For details of calculation method, refer to the ER calculation spreadsheet.

Table 5. Electricity imported by the Project from the grid ($EG_{import,y}$) (Unit: MWh)

Period	Conservative value for ER calculation
01/12/2009 ~ 31/12/2009	1.584
Subtotal of imported electricity in 2009	1.584
01/01/2010 ~ 31/01/2010	23.364
01/02/2010 ~ 28/02/2010	14.784
01/03/2010 ~ 31/03/2010	13.332
01/04/2010 ~ 30/04/2010	11.616
01/05/2010 ~ 31/05/2010	5.148
01/06/2010 ~ 30/06/2010	16.500
01/07/2010 ~ 31/07/2010	18.876
01/08/2010 ~ 31/08/2010	15.840
01/09/2010 ~ 30/09/2010	27.720
01/10/2010 ~ 31/10/2010	14.520
01/11/2010 ~ 25/11/2010	5.280
Subtotal of imported electricity in 2010	166.980
Total electricity imported by the Project	168.564

As shown in Table 5, the electricity imported by the Project from the grid is 1.584 MWh in 2009 and 166.980 MWh in 2010. The total amount of the electricity imported by the Project from the grid in this monitoring period ($EG_{import,y}$) is 168.564 MWh.

Based on Table 4 and Table 5, the total amount of the net electricity generation of the Project ($EG_{facility,y}$) in this monitoring period is 136,493.913 MWh. Please refer to Table 6 for details.

Table 6. Net electricity generation of the Project (Unit: MWh)

Period	Electricity supplied by the Project to the grid	Electricity imported by the Project from the grid	Net electricity generation of the Project
01/12/2009 ~ 31/12/2009	14,309.816	1.584	14,308.232
01/01/2010 ~ 25/11/2010	122,352.661	166.980	122,185.681
Total amount of net electricity generation in this monitoring period			136,493.913

For detailed calculation of the net electricity generation of the Project ($EG_{facility,y}$), please refer to the emission reduction calculation spreadsheet.

Baseline emissions of the Project (BE_y)

According to formula specified above, the total baseline emissions in this monitoring period are calculated as

$$BE_y = EG_{facility,y} \times EF_y = 136,493.913 \times 1.05485 = 143,980 \text{ tCO}_2\text{e.}$$

Please refer to Table 7 for details.

Table 7. Calculation of baseline emissions of the Project

Period	Net electricity generation (MWh)	Baseline emission factor (tCO ₂ e/MWh)	Baseline emissions (tCO ₂ e)
01/12/2009 ~ 31/12/2009	14,308.232	1.05485	15,093
01/01/2010 ~ 25/11/2010	122,352.661	1.05485	128,887
Total baseline emissions in this monitoring period			143,980

E.2. Project emissions calculation

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As per the registered CDM-PDD (version 02), the Project is a wind power project and project emissions are not considered, that is $PE_y=0$.

E.3. Leakage calculation

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As per the registered CDM-PDD (version 02), the leakage of the Project is not considered, that is that is $LE_y=0$.

E.4. Emission reductions calculation / table

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In line with the registered CDM-PDD (version 02), the ERs are calculated as:

$$ER_y = BE_y - PE_y - LE_y$$

Please refer to Table 8~10 for details on emission reduction calculation achieved respectively in 2009 and 2010 and total emission reduction calculation.

Table 8. Emission reductions of the Project from 01/12/2009 to 31/12/2009

Item	Data	Unit
Baseline emissions in 2009	15,093	tCO ₂ e
Project emissions in 2009	0	tCO ₂ e
ERs in 2009	15,093	tCO ₂ e

Table 9. Emission reductions of the Project from 01/01/2010 to 30/06/2010

Item	Data	Unit
Baseline emissions in 2010	128,887	tCO ₂ e
Project emissions in 2010	0	tCO ₂ e
ERs in 2010	128,887	tCO ₂ e

Table 10. Total emission reductions of the Project from 01/12/2009 to 30/06/2010

Item	Data	Unit
Total baseline emissions	143,980	tCO ₂ e
Total project emissions	0	tCO ₂ e
Total ERs	143,980	tCO ₂ e

As shown in Table 8, Table 9 and Table 10, the total emission reductions of the Project in this monitoring period is 143,980 tCO₂e, consisting of 15,093 tCO₂e achieved in 2009 and 128,887 tCO₂e achieved in 2010.

E.5. Comparison of actual emission reductions with estimates in the CDM-PDD

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As per the registered CDM-PDD, the average of annual ERs is 124,846 t CO₂e. This monitoring period covers 360 days, so the estimated emission reductions are 123,136^[8] t CO₂e.

Table 11. Comparison of actual emission reductions with the estimates in the registered CDM-PDD (version 02)

Item	Values applied in ex-ante calculation of the registered CDM-PDD	Actual values reached during the monitoring period
ERs (tCO ₂ e)	123,136	143,980

[8]The estimated value of this monitoring period (360days) is calculated as $124,846/365 \times 360 = 123,136$ tCO₂e.

E.6. Remarks on difference from estimated value in the CDM-PDD

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In accordance with the registered CDM-PDD, the estimated emission reduction is 123,136 t CO₂e, whereas the actual emission reduction accomplished by the project during this monitoring period is 143,980 t CO₂e. Comparing with the estimated value, the actual emission reduction just increases by 16.93%^[9] temporarily.

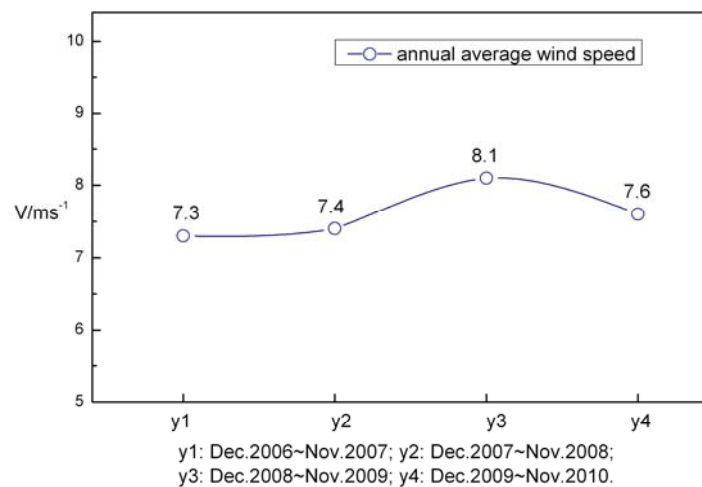
As is known, the average annual quantity of power generation is a parameter derived from theoretical calculation based on the wind resource data of the Representative Year which can reflect the mean level of wind energy in long term in some area. And wind speed is a key parameter which can essentially affect the quantity of power generation.

Annual average wind speed (hereinafter referred to as AAWS) of the Representative Year and actual wind speed during the this monitoring period are listed in table 12 below:

Table 12 Comparison between actual wind speed and wind speed of Representative Year

	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	average
Monitoring Period	8.5	8.7	7.4	9.5	9.4	8.8	5.8	5.8	6.2	6.1	6.7	7.8	7.6
Representative Year ^[10]	7.5	6.4	8	8.1	8.3	9.5	6.4	6.6	5.7	7	7.6	8.1	7.4

It is obvious that AAWS of this monitoring period is higher than the one of Representative Year. Definitely the quantity of power generation achieved in this monitoring period has a corresponding increase. But such increase is temporary and this point of view can be supported by the figure below.



As is shown in the figure, AAWS was higher and higher during the period from Dec. 2006~ Nov. 2009 and reached its peak in y3. Then the wind speed dropped. In particular, after reached the peak, the trend of the AAWS became downwards trend. From the overall trend, it can be concluded that the AAWS is fluctuant. Therefore, it is reasonable to attribute the increase of ERs to the wind energy fluctuation.

On the other hand, as per the results of sensitivity analysis in the PDD, if the annual net electricity increases by 20%, IRR of the Project could achieve the benchmark of 8%. And then even the actual ERs increased by 16.92% in the current monitoring period over the estimated one in the PDD, it can be definitely concluded that the impact of temporary increase in actual ERs of this monitoring period on the additionality of the project is limited and cannot result in the break of the benchmark of 8%.

[9] Calculated as $(143,980-123,136)/123,136=16.93\%$.

[10] Wind speed data of Representative Year sources from FSR.

SECTION F. Clarification on clauses 1.12, 1.13, 1.14, 8.1 and 8.2 in the VCS PD template

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The Project was registered as a CDM project on 26/11/2010 (reference number: 3312). As per *Further Guidance for Projects that are Registered in Two GHG Programs* published on 19/03/2008:

“Projects registered under other VCS Program approved GHG Programs (such as the CDM) are eligible to create Voluntary Carbon Units (VCUs) for the emissions reductions or removals not registered under that GHG Program.

...

For example, when a project has been validated under the CDM, a further validation shall be completed of clauses 1.12, 1.13, 1.14, 8.1 and 8.2 of the VCS Project Description template^[11]. This validation can be completed when the Project Proponent undergoes a VCS Program verification of achieved emissions reductions or removals.”

Therefore only clauses 1.12, 1.13, 1.14, 8.1 and 8.2 of the VCS Project Description template are filled as below.

1.12 Demonstration to confirm that the project was not implemented to create GHG emissions primarily for the purpose of its subsequent removal or destruction.

As described in the registered CDM-PDD (version 02), “the Project is a grid-connected renewable power generation project activity that installs a new power plant at a site where no renewable power plant was operated prior to the implementation of the project activity.” As a wind power project, the Project generates ERs by avoiding CO₂ emissions from the same amount of electricity generation from North China Grid, which is mainly composed of traditional thermal power plants. Therefore, the Project was not implemented to create GHG emissions primarily for the purpose of its subsequent removal or destruction.

1.13 Demonstration that the project has not created another form of environmental credit (for example renewable energy certificates).

The Project was registered as a CDM project on 26/11/2010. As per CDM rules, emission reduction credits generated by the Project prior to 26/11/2010 cannot be claimed as CERs. The Project Owner expects to claim these emission reduction credits as VCUs and will not apply for other environmental credits.

1.14 Project rejected under other GHG programs (if applicable):

Prior to the application for issuance of VCUs, only CDM development was implemented for the Project. The Project was registered as a CDM project on 26/11/2010. And the Project has not been rejected by other GHG programs.

8.1 Proof of Title:

Letter of Approval^[12] issued by China’s DNA for the Project can be the proof of title of the Project Owner. As described in Letter of Approval, Hebei Construction Investment New Energy Co., Ltd. is authorized as China’s participant to voluntarily participate in and carry out the Project.

The Project Owner has also obtained all relevant permits for to the Project including Business License, FSR Approval and Power Purchase Agreement. Moreover, the ownership of the Project Owner has been

[11] For further details, refer to: <http://v-c-s.org/docs/VCS%20PD.doc>

[12] Letter of Approval issued by China’s DNA for the Project can be found at: http://cdm.unfccc.int/filestorage/K/8/W/K8WFBjqV6EXi0YHOLRDP7GUMA4CS1T/Approval.pdf?t=cER8MTMwMzI2NjkwMC42OA==|ozXSBbjna9fOj__xEpS_TdVUsIg=

described in the registered CDM-PDD (version 02), which has been validated by Bureau Veritas Certification. The validation report^[13] has already been issued by Bureau Veritas Certification.

8.2 Projects that reduce GHG emissions from activities that participate in an emissions trading program (if applicable):

The Project does not reduce GHG emissions from activities that are included in an emissions trading program or take place in a jurisdiction or sector in which binding limits are established on GHG emissions. So this clause is not applicable.

[13]<http://cdm.unfccc.int/filestorage/U/H/6/UH6S8KR49VOAN35GEMCDWXYLJBTP0/Validation%20Report.pdf?t=SWl8MTMwMzl2NjU3MS4zMQ==|bmjl1c8sdVW4bKAwUmprne46rL0=>