



VERIFICATION REPORT

for

“Portfolio of new cogeneration power stations for
combined production of heat and electricity in District
Heating Company Pleven and District Heating Company
Veliko Tarnovo, Bulgaria”

MONITORING PERIOD: 1 JANUARY 2010 TO 31 DECEMBER 2010

REVISION № 02

Green and Fair

Report No.	Date of first issue	Version No.:	Revision date	No. of pages								
04	25-02-2011	02	31-03-2011	22								
Subject:			Second Periodic Verification									
Executing Operational Unit:												
Green and Fair, Bulgaria, 8 Sv.Kliment Ohridski Boulevard, Sofia 1756 p.b.44												
Project Participant (client):												
1) DHC Pleven (Aggregator of the ERUs) and DHC Veliko Tarnovo, 2) Danish Energy Authority (Buyer country of emission reductions)												
Project Title			"Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria"									
Monitoring period:			01-01-2010 to 31-12-2010									
First Monitoring Report (version/date)			Version 01 / 17-02-2011									
Final Monitoring Report (version/date)			Version 01 / 06-03-2011									
<p>Summary: Green and Fair has been ordered by DHC Pleven JSC to carry out the second periodic verification of the determined JI track 1 project "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria" that is registered by the Bulgarian DFP (see the following link: http://www.moew.government.bg/recent_doc/international/climate/Approved%20projects_tablica_EN_publikuvane.pdf). The project comprises the design, construction, and operation of a portfolio of one highly-efficient gas turbine and one gas engine with a total electrical power capacity of 34.8 MW. The type of installations is co-generation type, which guarantees highly efficient and reliable generation of electric and thermal power. The co-generation installations are installed at District Heating Company (DHC) Pleven and DHC Veliko Tarnovo. The cogeneration installation is used for producing of heat and electrical energy. The produced energy is sold to the residences, municipal and industrial customers of city of Pleven and Veliko Tarnovo. The management of DHC Pleven and DHC Veliko Tarnovo is responsible for the preparation of the GHG emissions data and the reported GHG emission reductions. A document review, followed by a site visit was conducted to verify the information submitted by the project participant regarding the present verification period. Based on the assessment carried out, the verifier confirms the following: • the project has been implemented and operated in accordance with the description given in the registered PDD (Project Design Document Version 04 of October 2006), and amendment to the determination.</p> <p>The verifier can confirm that the GHG emission reduction for the whole monitoring period is calculated without material misstatements. Our opinion relates to the project's GHG emissions and resulting GHG emissions reductions reported and related to the valid and registered project baseline and monitoring, and its associated documents. Based on the information we have seen and evaluated we confirm the following statement:</p> <p>Reporting period: Assessment and evaluation per 01-01-2010 to 31-12-2010</p> <p>Verified baseline emissions, project emissions and emission reductions:</p> <table border="1"> <thead> <tr> <th>Year</th><th>2010</th></tr> </thead> <tbody> <tr> <td>Baseline emissions</td><td>296 962 t CO_{2eq}</td></tr> <tr> <td>Project emissions</td><td>153 752 t CO_{2eq}</td></tr> <tr> <td>Emission reductions</td><td>143 210 t CO_{2eq}</td></tr> </tbody> </table> <p>Based on the information we have seen and evaluated, we confirm that the implementation of the project resulted in total 143,210 t CO₂ of ERUs during the verification period 01-01-2010 to 31-12-2010.</p>					Year	2010	Baseline emissions	296 962 t CO _{2eq}	Project emissions	153 752 t CO _{2eq}	Emission reductions	143 210 t CO _{2eq}
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Assessment Team Leader: Dr.eng. Evgeni Sokolovski Assessment Team Members: prof. Ivan Dombalov			Veto Person: Certification Body responsible: Rumjana Kitipova									



Abbreviations

AIE	Accredited Independent Entity
CAR	Corrective Action Request
CER	Certified Emission Reduction
CMP	Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol
CO ₂ e	Carbon dioxide equivalent
CR / CL	Clarification Request
DNA	Designated National Authority
EF	Emission Factor
EIA / EA	Environmental Impact Assessment / Environmental Assessment
ER	Emission Reduction
FAR	Forward Action Request
GHG	Greenhouse Gas(es)
GWP	Global Warming Potential
IPCC	Intergovernmental Panel on Climate Change
IRL	Information Reference List
JI	Joint Implementation
JISC	JI Supervisory Committee
KP	Kyoto Protocol
MP	Monitoring Plan
MR	Monitoring Report
NG	Natural Gas
OM	Operational Margin
PDD	Project Design Document
PP	Project Participant

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1 INTRODUCTION

The project participant (PP.), DHC Pleven, has commissioned Green and Fair to verify the emission reductions of its JI project "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria" (hereafter called "the project"). The order comprises the second periodic verification and is related to emission reductions achieved during 01 January 2010 to 31 December 2010.

According to INSTRUCTION FOR APPROVAL OF PROJECTS GENERATING EMISSION REDUCTION UNITS UNDER TRACK I OF THE JOINT IMPLEMENTATION MECHANISM, issued by the Bulgarian Minister of Environmental and Water with Ordinance No RD 417 from 28.04.2010, Chapter III, Section IV, Art. 16. (2) The Ministry of Environment and Water shall be notified within two weeks following the issuance of a Letter of Approval of the registration number of the project and shall upload the Project Design Document and the Letter of Approval to the United Nations Framework Convention on Climate Change web page in the section for projects approved under Track I procedure of the Joint Implementation mechanism.

According to INSTRUCTION FOR APPROVAL OF PROJECTS GENERATING EMISSION REDUCTION UNITS UNDER TRACK I OF THE JOINT IMPLEMENTATION MECHANISM, issued by the Bulgarian Minister of Environmental and Water with Ordinance No RD 417 from 28.04.2010, Chapter III, Art. 20. (1) An independent verifier for the purpose of this chapter may be any organization under art. 10, paragraph 2 herein as well as organisations accredited by the Executive agency Bulgarian Accreditation Office according to the requirements of the European Union Greenhouse Gas Emission Trading Scheme, provided the scope of the Joint Implementation project concerned coincides with the scope of projects for which the organisation concerned is accredited.

Green and Fair is accredited by the Executive agency Bulgarian Accreditation Office according to the requirements of the European Union Greenhouse Gas Emission Trading Scheme with the certificate No 120B. The scope of accreditation includes the following activities: combustion installations from activities listed in Annex I of the EU ETS Directive, Mineral Oil Refineries as listed in Annex I to the EU ETS Directive, Coke Ovens as listed in Annex I to the EU ETS Directive, Metal Ore Roasting and Sintering Installations as listed in Annex I to the EU ETS Directive, Installations for the Production of Pig Iron and Steel including Continuous Casting as listed in Annex I to the EU ETS Directive, Installations for the Production of Cement Clinker as listed in Annex I to the EU ETS Directive, Installations for the Production of Lime as listed in Annex I to the EU ETS Directive, Installations for the Manufacture of Glass as listed in Annex I to the EU ETS Directive, Installations for the Manufacture of Ceramic Products as listed in Annex I to the EU ETS Directive, Pulp and Paper producing Installations as listed in Annex I to the EU ETS Directive, Combustion installations - emitting less than 25,000 t CO₂ per year and only fossil fuels burnt (no biomass, no waste).

This report summarizes based on a desk-review, an on-site assessment and follow-up interviews and interactions through corrective action and clarification requests, the final results of the verification of the reported emission reductions and the determination whether the project has been implemented in accordance with the PDD and the previous determination, and whether the monitoring occurred in accordance with the monitoring plan included in the PDD and the relevant annexes.

It is based on the JI Determination and Verification Manual (DVM) in its first version, published in December 2009 by the Joint Implementation Supervisory Committee (JISC) of UNFCCC.

Green and Fair has applied a rule-based approach for the verification of the project. The principles of accuracy, completeness, relevance, reliability and credibility were combined with a conservative approach to establish a traceable and transparent verification opinion.

This report includes the findings of the second periodic verification. Second periodic verification has been performed as one integrated activity. It consisted of a desk review of the project documents including PDD, monitoring plan, determination report, amendment to the determination, monitoring report and further documentation. The results of the determination were documented by TÜV SÜD Industrie Service GmbH in the report: "Determination of the "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria", Report No. 854386, Revision 0 dated 20th October 2006. Amendment to the Determination were documented by TÜV Rheinland Immissionschutz und Energiesysteme GmbH in the report: "Opinion on the Post Determination" (Statement) Changes made to Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria", Report No.21212063, Revision 1.1 dated 16th June 2010, based on DHC Pleven Report titled "Changes made in the JI project "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria"", dated 20th May 2010.

1.1 Objective

Verification is the periodic independent review by the AIE of the monitored reductions in GHG emissions during defined verification period. The objective of the periodic verification is the review by an AIE of the GHG emission reductions. It includes the verification of the data given in the monitoring report by checking the monitoring records and the emissions reduction calculation.

The verification follows UNFCCC criteria referring to the Kyoto Protocol criteria, the JI rules and modalities, and the subsequent decisions by the JISC, as well as the host country criteria.

1.2 Scope

Green and Fair follows a risk-based approach in the verification. This focuses on the identification of significant risks related to the implementation of the monitoring plan and the resultant emission reductions to ensure they are free from material misstatement. In the absence of the monitoring plan becoming final under the JI track 1 procedures at the time of the verification, the verification, was conducted based on the monitoring plan contained in the report: "Changes made in the JI project "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria"", dated 20th May 2010, determined as of the date of commencement of the verification activity and deemed to be final. Subsequent changes to the monitoring plan, if any, shall be considered in the respective subsequent periodic verifications as applicable, Green and Fair focusing on the identification of significant risks of the project implementation and the generation of ERUs. The verification is not meant to provide any consulting towards the Client. However, stated requests for forward actions and/or corrective actions may provide input for improvement of the project monitoring towards reductions in the GHG emissions.

Green and Fair has, based on the recommendations in the JI Determination and Verification Manual (DVM), the CDM Validation and Verification Manual (CDM-VVM) and the IETA Validation and Verification Manual (IETA-VVM) published by International Emission Trading Association (IETA) employed a risk-based approach in the verification, focusing on the identification of significant risks of the project implementation and the generation of ERUs.

The verified monitoring report for the period 01-01-2010 to 31-12-2010 is intended to be made publicly available together with this verification report on the Ministry of Environment and Water, Executive Environmental Agency's web page in accordance with the Instruction for Approval of Projects Generating Emission Reduction Units under the "Joint Implementation" Mechanism, as published in May 2010 on the Ministry of Environment and Water's website.

1.3 GHG Project Description

Project title	: "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria"
JI PDD reference	: JI Project Design Document Version 04, October 2006
Determination	: Determination Report No. 854386, Revision 0 dated 20th October 2006; "Opinion on the Post Determination" (Statement), Report No.21212063, Revision 1.1 dated 16th June 2010.
Crediting period	: (1 January 2010 - 31 December 2010)
Project location	: Pleven and Veliko Tarnovo, Bulgaria
Project participants	: DHC Pleven, Danish Energy Authority

The project comprises the design, construction, and operation of a portfolio of one highly-efficient gas turbine and one gas engine with a total electrical power capacity of 34.8 MW. The type of installations is co-generation type, which guarantees highly efficient and reliable generation of electric and thermal power. The co-generation installations are installed at District Heating Company (DHC) Pleven and DHC Veliko Tarnovo.

DHC Pleven is installed one gas turbine unit with 32 MW electrical power capacities which has attached to it a steam generator. The steam generator is connected to the existing equipment. In this configuration the produced superheated steam enters into the old steam turbines that are used for electricity production. Together with the production of steam the installation produce hot water for space heating and heat water supply to the end consumers.

DHC Veliko Tarnovo is installed, on the existing platform, one gas engine with electrical generator and heat recovery boiler. The installed electrical power is 2.8 MW. The installed heat power is 3.1 MW. The existing gas pipeline will be used for delivery of the necessary amount of natural gas.

The operating regime is year-round. The necessary thermal load in the heating season is added from the existing boilers. In the summer season the thermal load for hot water is covered with optimal chosen number of operating modules.

The produced electricity, without the auxiliary needs, is exported to the national electricity system.

The control and the regulation of the technological process of electricity production and heat production in the cogeneration system are automated.

2 METHODOLOGY

The verification is as a desk review and field visit including discussions and interviews with selected experts and stakeholders.

2.1 Verification Process

The verification process is based on the approach depicted in the Validation and Verification Manual. Standard auditing techniques have been adopted for the verification process. The verification team performs first a desk review, followed by an on-site visit, which results in the formation of a protocol that includes all the findings. The next step involves the evaluation of the findings through direct communication with the PPs and then finally the preparation of the verification report. This verification report and other supporting documents then undergo an internal quality control before submission to the Bulgarian DFP.

The above version of the monitoring report serves as the basis for the assessment presented herewith. Studying the existing documentation belonging to this project, it was obvious that the competence and capability of the audit team performing the verification has to cover at least the following aspects:

- Knowledge of Kyoto Protocol and the Marrakech Accords
- Environmental and Social Impact Assessment
- Quality assurance
- Technical aspects of cogeneration systems
- Monitoring technologies and concepts
- Political, economical and technical conditions in host country
- Knowledge of the Guidelines of the Joint Implementation Supervisory Committee for Joint Implementation under Track 2
- Knowledge of the National Guidelines of the Designated Focal Point of Bulgaria for Joint Implementation under Track 1

2.2 Verification Team

The appointment of the verification team takes into account the technical area(s), sectoral scope(s) and relevant host country experience required amongst team members for verifying the ER achieved by the project activity in the relevant monitoring period for this verification. The verification team consisted of the following members:

Name	Qualification	Coverage of scope	Coverage of technical expertise	Host country experience
Evgeni Sokolovski	ATL	✓	✓	✓
Ivan Dombalov	GHG-A	✓	✓	✓

Dr. Evgeni Sokolovski is a lead auditor for EU ETS at Green and Fair and he is licensed as expert for Environmental Impact Assessment (EIA). He is an environmental engineer. He has work experience in the field of industrial environmental technology and protection and also in technical environmental projects. Dr. Sokolovski has attended in a number of JA verifications as local expert for TÜV Rheinland Immissionschutz und Energiesysteme GmbH.

Ivan Dombalov is a lead auditor for EU ETS at Green and Fair, and he is licensed as expert for Environmental Impact Assessment (EIA). He is a chemical engineer, and also a professor in the University of Chemical Technology and Metallurgy. He has work experience in the field of industrial environmental technology and protection and also in technical environmental projects.

2.3 Review of Documents

The verification is performed primarily based on the review of the project documentation, including the PDD, determination report and the amendment to the determination, GREEN AND FAIR requested the PP to present supporting information and documents and these were reviewed by GREEN AND FAIR. Through the process of the verification, the monitoring report and the supporting documents were evaluated to confirm the actions taken by the PP to the CARs and Cts issued by GREEN AND FAIR.

The audit team has been provided with various documents showing the implementation of the project, such as procedures, manuals, equipment characteristics and further documents. Based on these documents, an on-site assessment for the periodic verification was carried out in February 2011. The documents reviewed by GREEN AND FAIR are listed in Appendix A.

2.4 On-site Assessment and follow-up

On 02/02/2011 Green and Fair performed a physical site inspection and on-site interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of District Heating Pleven, District Heating Veliko Tarnovo and Eko Analiz Ltd were interviewed.

On-site assessment was conducted as defined in the schedule as detailed below.

Date	Place	Subject
02/02/2011	DHC Pleven DHC Veliko Tarnovo	<p>Opening meeting</p> <ul style="list-style-type: none"> confirm the implementation and operation of the project, review the data flow for generating, aggregating and reporting the monitoring parameters, confirm the correct implementation of procedures for operations and data collection, cross-check the information provided in the MR documentation with other sources, check the monitoring equipment against the requirements of the PDD and the approved methodology, including calibrations, maintenance, etc., review the calculations and assumptions used to obtain the GHG data and ER, identify if the quality control and quality assurance procedures are in place to prevent or correct errors or omissions in the reported parameters. <p>Closing meeting</p>

The list of individuals interviewed is as detailed in Appendix B

2.5 Quality of Evidence to Determine Emission Reductions

Among several evidence items submitted, the following relevant and reliable evidence material have been used by the audit team during the verification process:

1. Instructions for measuring devices calibration, data processing and archiving, listed in Annex 1 in the MR;
2. Monthly statements for delivery of natural gas by Bulgargas EAD to District Heating Pleven and District Heating Veliko Tarnovo in 2010, presented as hard copy;
3. Certificates of the natural gas delivered by Bulgargas EAD to District Heating Pleven and District Heating Veliko Tarnovo in 2010, presented as hard copy;
4. Calibration Certificates for the natural gas meters, presented as hard copy;
5. Monthly statements for use of heavy fuel oil by District Heating Pleven and District Heating Veliko Tarnovo in 2010, presented as hard copy;
6. Monthly statements for the total heat production, own needs and net heat production by District Heating Pleven and District Heating Veliko Tarnovo in 2010, listed in Annex 2 in the MR;
7. Calibration Certificates for the heat meters, presented as hard copy;
8. Monthly statements for the total electricity production, own needs and net electricity production by District Heating Pleven and District Heating Veliko Tarnovo in 2010, listed in Annex 3 in the MR;
9. Calibration Certificates for the electricity meters, presented as hard copy;
10. Monthly statements for buying and selling of electricity between Natsionalna Elektricheska Kompania EAD and District Heating Pleven and District Heating Veliko Tarnovo in 2010, presented as hard copy;

Sufficient evidence covering the full verification period in the required frequency is available to validate the figures stated in the final MR. Specific cross-checks have been done in cases that further sources were available. The monitoring report's figures were checked by the audit team against the raw data. The data collection system meets the requirements of the monitoring plan as per the methodology.

2.6 Resolution of Clarification, Corrective and Forward Action Requests

The objective of this phase of the verification is to raise the requests for corrective actions and clarification and any other outstanding issues that needed to be clarified for Green and Fair positive conclusion on the GHG emission reduction calculation.

Corrective Action Requests (CAR) are issued, where:

- i) there is a clear deviation concerning the implementation of the project as defined by the PDD;
- ii) requirements set by the MP or qualifications in a verification opinion have not been met;
- iii) or there is a risk that the project would not be able to deliver (high quality) ERUs.

Forward Action Requests (FAR) are issued, where:

- iv) if the actual status requires a special focus on this item for the next consecutive verification, or
- v) an adjustment of the MP is recommended.
- vi) The verification team may also use the term Clarification Request (CL), which would be where: additional information is needed for the full clarification of an issue.

2.7 Internal Quality Control

As a final step of verification, the final documentation including the verification report and annexes have to undergo an internal quality control by the Green and Fair. The verification report has to be finally approved by the Green and Fair Verification Council and by the Head of the verification body. If the documents have been satisfactorily approved, the Request for Issuance is submitted to the Bulgarian DFP along with the relevant documents.

3 VERIFICATION RESULTS

In the following sections, the results of the verification are stated. The verification results related to the project performance as documented and described in the final PDD and Monitoring Report (06-03-2011, version 1). The verification findings for each verification subject are presented below:

3.1 FARs from Previous Verification

This is second periodic verification. The verification team confirms that FAR#1 presented in the verification report № 02 Version 03/21.06.2010 from Green and Fair, haven't been correctly resolved by the PPs.

3.2 Project Implementation in accordance with the registered Project Design Document

The project activity as described in the PDD Version 04 dated October 2006 was determined by TÜV Industrie Service GmbH TÜV SÜD Group. The outcome of the determination report Report No. 854386, Revision 0 dated 20th October 2006 is that no confirmation is given with respect to compliance with the requirements of Kyoto Protocol and the relevant guidelines of the Bulgarian Designated National Authority.

Equipment of this project activity is installed as described in the PDD / baseline study and the monitoring plan and the monitoring report of DHC Pleven of March 2011. Technical changes in the equipment installed and also in the monitoring plan are described in Amendment to the Determination - documented by TÜV Rheinland Immissionschutz und Energiesysteme GmbH in the report: "Opinion on the Post Determination" (Statement) Changes made to Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria", Report No.21212063, Revision 1.1 dated 16th June 2010.

1) Technical changes:

The changes in emission are due to a changing plant configuration. In Veliko Tarnovo one gas motor burning NG (installed power: 2,8 MW) instead of two NG driven gas motors (Installed power: 2,8MW + 2,0MW) is installed. Further there are four NG boilers (installed power: 58 MW + 18 MW + 8,7 MW + 8,7 MW = 93,4 MW) and one boiler burning biomass (installed capacity 58 MW) installed instead of five gas boilers with the installed power of 58 MW + 58 MW + 18 MW + 8,7 MW + 8,7 MW = 151,4 MW.

2) Changes in Monitoring plan:

As described in PDD (10.2006, D1.1 Table D1.1.1) supplier of NG – Bulgargas – should provide the LCV of natural gas (NG) and heavy fuels oil (HFO). These measurement values of LCV of NG and HFO provided by Bulgargas are replaced by the parameters provided by the

National GHG inventory – last version available reported to the Secretariat of UNFCCC. Furthermore, the amount of burned biomass will be monitored.

It can be stated, that the way the production data is obtained is consistent with the way the historical data had been determined. Main measurement equipments are in place and calibrated. The existing metering systems have been identified and checked. Responsibility for installation and operation of the equipment is within sites employees. The equipment is calibrated periodically as proven during the on-site visit. The project boundaries have not been changed.

3.3 Compliance of the Monitoring Plan with the Monitoring Methodology

The monitoring plan is in accordance with the approved project specific methodology, applied by the proposed JI project activity. Neither a revision nor a deviation to the monitoring plan has been requested to the JISC.

3.4 Compliance of the Monitoring with the Monitoring Plan

The monitoring has been carried out in accordance with the monitoring plan contained in the PDD and Amendment to the Determination. All parameters were monitored and determined as per the Monitoring Plan listed in DHC Pleven Repor titled "Changes made in the JI project "Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria"", dated 20th May 2010.

The verification of the parameters required by the monitoring plan is provided as follows:

Data/Parameter	CEO
Data unit	MWh
Description	Net electricity from new CHP
Time of determination/monitoring	Determined ex post
Source of data (to be) used	Measuring device of the DHC
Data/Parameter	CAHO
Data unit	MWh
Description	Heat output to covering the heat demand of the DHC
Time of determination/monitoring	Determined ex post
Source of data (to be) used	Measuring devices of the DHC
Data/Parameter	EFel
Data unit	tCO ₂ /MWh
Description	Emission factor for Bulgarian power grid, forecast Maximum demand, Dispatch data adjusted_OM_EF, fossil fuels
Time of determination/monitoring	Determined ex ante
Source of data (to be) used	"Baseline Study of Joint Implementation projects in the Bulgarian Energy Sector ¹ "
Value of data applied (for ex ante calculations/determinations)	2007 – 1.156 2008 – 1.059 2009 – 0.947 2010 – 0.908 2011 – 0.884 2012 – 0.833

¹ http://www.moew.government.bg/recent_doc/international/climate/carbon_emission_joint.pdf

6 APPENDIXES

Appendix A: List of documents reviewed

Category A documents (documents from the PP)

1. Letter of Approval by the Bulgarian Ministry for Environment and Water
2. Letter of Approval by the Danish Ministry of Environment
3. Licence for Thermal Energy production
4.
 - Permit for operation of constructed Installation for combined production of electrical and thermal energy in DHC Pleven and Veliko Tarnovo
 - Report from the State commission for establishing the conditions to operate
 - Report for 72-hours tests
 - Act to establish the suitability to operate and accept construction works
5.
 - Contract for sale of electrical energy between DHC Pleven, DHC Veliko Tarnovo and NEK
 - Contract for connecting to grid of independent producer of electrical energy
6. Equipment purchasing contracts
7. Financial documents: Investment reference. Inventory records, Invoice for purchasing of equipment, accountancy balance, Income report.
8. Contract with Bulgar gas, prognosis for gas supply, monthly invoices, monthly reports for the consumed natural gas. Limit cards for accounting of the consumed natural gas (monthly), Monthly reports for the consumed natural gas in the plant facilities
9. Report for the main production and technical parameters for the combined production in DHC Pleven and DHC Veliko Tarnovo, Report for the consumed fuel in DHC Pleven and DHC Veliko Tarnovo, Electricity generated by DHC Pleven and DHC Veliko Tarnovo (total and net).
10. Invoices NEK and monthly reports for produced/consumed electricity for the period for DHC Pleven and DHC Veliko Tarnovo
11. Calibration records for DHC Pleven and DHC Veliko Tarnovo
12. Invoices for biomass used in DHC Veliko Tarnovo for 2010.
13. Certificates for the type and LCV of biomass used in DHC Veliko Tarnovo for 2010.
14. Report for the monthly electricity consumption and production for 2010 Work hours of the boilers and fuel consumption for DHC Pleven and DHC Veliko Tarnovo.
15. Instruction for the operation of installation for combined production of electricity and heat
16. Heavy fuel oil inventory and other data: Report for conducted inventory of the available on stock heavy fuel oil in DHC Pleven and DHC Veliko Tarnovo for 2010, accountancy records.
17. Annual EU ETS reports for 2010 for DHC Pleven and DHC Veliko Tarnovo.
18. Annual EU ETS verification reports for 2010 for DHC Pleven and DHC Veliko Tarnovo.
19. Monitoring report March 2011

Appendix B: List of persons interviewed

Name	Company	Position
Mr.Erdinai Muratov	DHC Pleven	Eng., Chief of department „Production and Technology“
Mr.Andrian Andreev	DHC Pleven	Eng., Chief of department „Measurements“;
Mr. Aleksander Nikolov	DHC Pleven	Eng., department „Measurements“;
Mr. Dimitar Georgiev	DHC Veliko Tarnovo	Eng., Chief of department „Measurements“;
Mr. Toncho Penev	DHC Veliko Tarnovo	Eng., department „Measurements“;
Mr. Borislav Mihailov	DHC Veliko Tarnovo	Eng., department „Measurements“;
Mr. Boris Metodiev	Eko Analiz Ltd - consultant	Head Expert

Appendix C: Green and Fair Verification Protocol

Table 1. Check list for verification

DVM Para-graph	Check item	Initial finding	Action requested to project participants (incl. CAR, CL or FAR)	Review of project participants' action	Conclusion
Project approvals by Parties involved					
90	Has the DFPs of at least one Party involved, other than the host Party, issued a written project approval when submitting the first verification report to the secretariat for publication in accordance with paragraph 38 of the JI guidelines, at the latest?	Yes, Bulgaria and The Danish Energy Authority have issued LoAs based on the MOU between both countries.	N/A	N/A	OK
91	Are all the written project approvals by Parties involved unconditional?	Yes, they are	N/A	N/A	OK
Project implementation					
92	Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	Yes The website of JISC is in preparation also for display of JI projects under Track 1, which is only under the responsibility of the host country's DFP.	See Verification Report, chapter 3.2	See Verification Report, chapter 3.2	OK
93	What is the status of operation of the project during the monitoring period?	The project operates since 1 February 2007.	N/A	N/A	OK
Compliance with monitoring plan					
94	Did the monitoring occur in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	The monitoring occurred in accordance with the monitoring plan.	See Verification Report, chapter 3.4	See Verification Report, chapter 3.4	OK



95 (a)	For calculating the emission reductions or enhancements of net removals, were key factors, e.g. those listed in 23 (b) (i)-(vii) above, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into account, as appropriate?	When calculating the emission reductions all key factors have been considered.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	The input data have been cross-checked with the raw data during the on-site assessment. The applied data sources are reliable and transparent.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	The applied grid emission factors and other emission factors are from credible sources.	See Verification Report, chapter 3 The most conservative grid emission factors have been applied.	See Verification Report, chapter 3 The most conservative grid emission factors have been applied.	OK
95 (d)	Is the calculation of emission reductions or enhancements of net removals calculated based on conservative assumptions and the most plausible scenarios in a transparent manner?	The calculations are based on the monitored data, recorded from calibrated monitoring devices ex-post and from conservative parameters and data determined ex-ante.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK
Revision of monitoring plan					
<i>Applicable only if monitoring plan is revised by project participants</i>					
99 (a)	Did the project participants provide an appropriate justification for the proposed revision?	1.) According to the recommendations of the DFP of Bulgaria a revision of the applied grid emission factor has	See Verification Report, chapter 3.4 The most conservative grid emission factors have	Amendment to the Determination were documented by TÜV Rheinland Immissionschutz und	OK



		been proposed as an option to the used default value. 2.) It is planned also to replace the current measuring of a value for the efficiency of the back-up boilers by a default value for the efficiency of these boilers based on approved baseline monitoring methodology AM0014	been applied. A revision from the default value to the local value has to be agreed by the Parties involved. The emissions of CH ₄ and N ₂ O from burning processes and emissions from CH ₄ leakages are not included in the determined PDD	Energiesysteme GmbH in the report: "Opinion on the Post Determination" (Statement) Changes made to Portfolio of new cogeneration power stations for combined production of heat and electricity in District Heating Company Pleven and District Heating Company Veliko Tarnovo, Bulgaria", Report No.21212063, Revision 1.1 dated 16th June 2010.	
99 (b)	Does the proposed revision improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?	The revision would improve the specific accuracy..	See Verification Report, chapter 3 and DVM § 99 (a).	See Verification Report, chapter 3 and DVM § 99 (a).	OK
Data management					
101 (a)	Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?	Specific data collection procedures, quality control and quality assurance procedures have been defined by DHC Bourgas.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, is in order?	The verification team has checked all monitoring devices and associated calibration protocols. Further improvements will be implemented.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK

101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	Yes, the evidence and records used for the monitoring are maintained in a transparent manner and could be re-traced by the verification team.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK
101 (d)	Is the data collection and management system for the project in accordance with the monitoring plan?	The data collection and the management system is in compliance with the monitoring plan and with the previous periodic verification.	See Verification Report, chapter 3	See Verification Report, chapter 3	OK

Table 2: List of CARs, CLs and FARs from desk review and on-site assessment

Table 2a: Initial List of Corrective Action Requests (CARs) for DHC Pleven and DHC Veliko Tarnovo					
Corrective Action Requests		Reference	Summary of project owner response		Determination/verification team conclusion
CAR 01	Please provide the EU ETS report and also the verification report under the EU ETS for the 2010.		The 2010 EU ETS report, and the verification report has been submitted to the verification team		CAR 02 is resolved and can be closed. OK
CAR 02	Please attach to MR, the raw data that you provide to the verification team as Annexes.		The data has been submitted to the verification team on hard copy		CAR 03 is resolved and can be closed. OK



Table 2b: Initial List of Clarification Requests (CLs) for DHC Pleven and DHC Veliko Tarnovo			
<i>Clarification Request (CL)</i>	<i>Reference</i>	<i>Summary of project owner response</i>	<i>Determination/verification team conclusion</i>
CL 01 Please provide the LoAs for evidence (from host country Bulgaria and if available also from ERU buyer country).		The referred LoAs have been submitted to the verification team. Their validity has been confirmed in follow-up interviews.	CL 01 is resolved and can be closed. OK
CL 02 Please provide evidence consenting the repair period for the gas turbine in DHC Pleven		The requested information has been submitted to the verification team and has been checked.	CL 02 is resolved and can be closed. OK

Table 2c: Initial List of Forward Action Requests (FARs) for DHC Pleven and DHC Veliko Tarnovo			
<i>Draft FARs provided by validation team</i>	<i>Reference</i>	<i>Summary of project owner response</i>	<i>Determination/verification team conclusion</i>
FAR 01 The Annex 1 in the MR for the next periodic verification for calendar year 2011 should be translated in English – extremely helpful for foreign verifiers.			