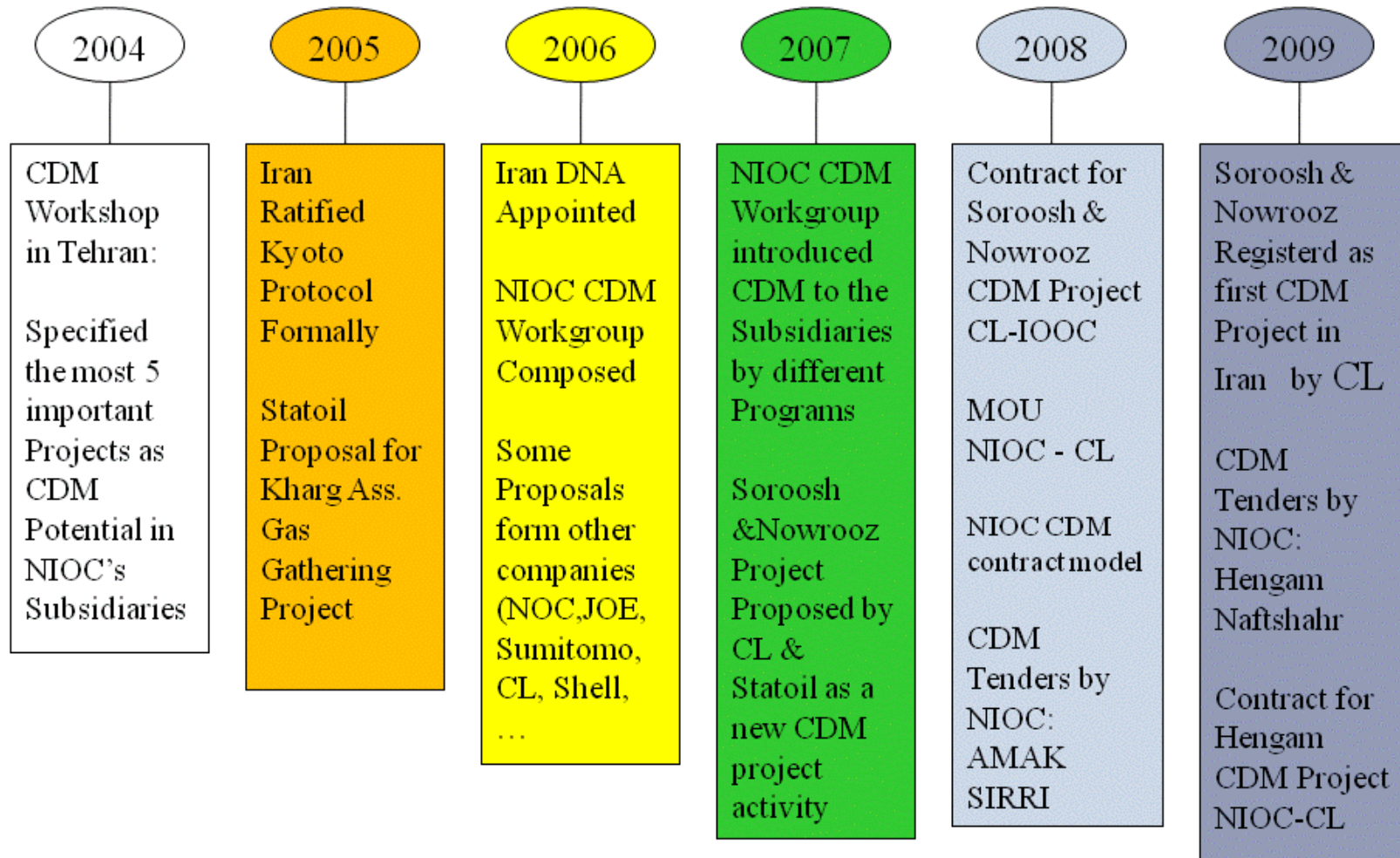




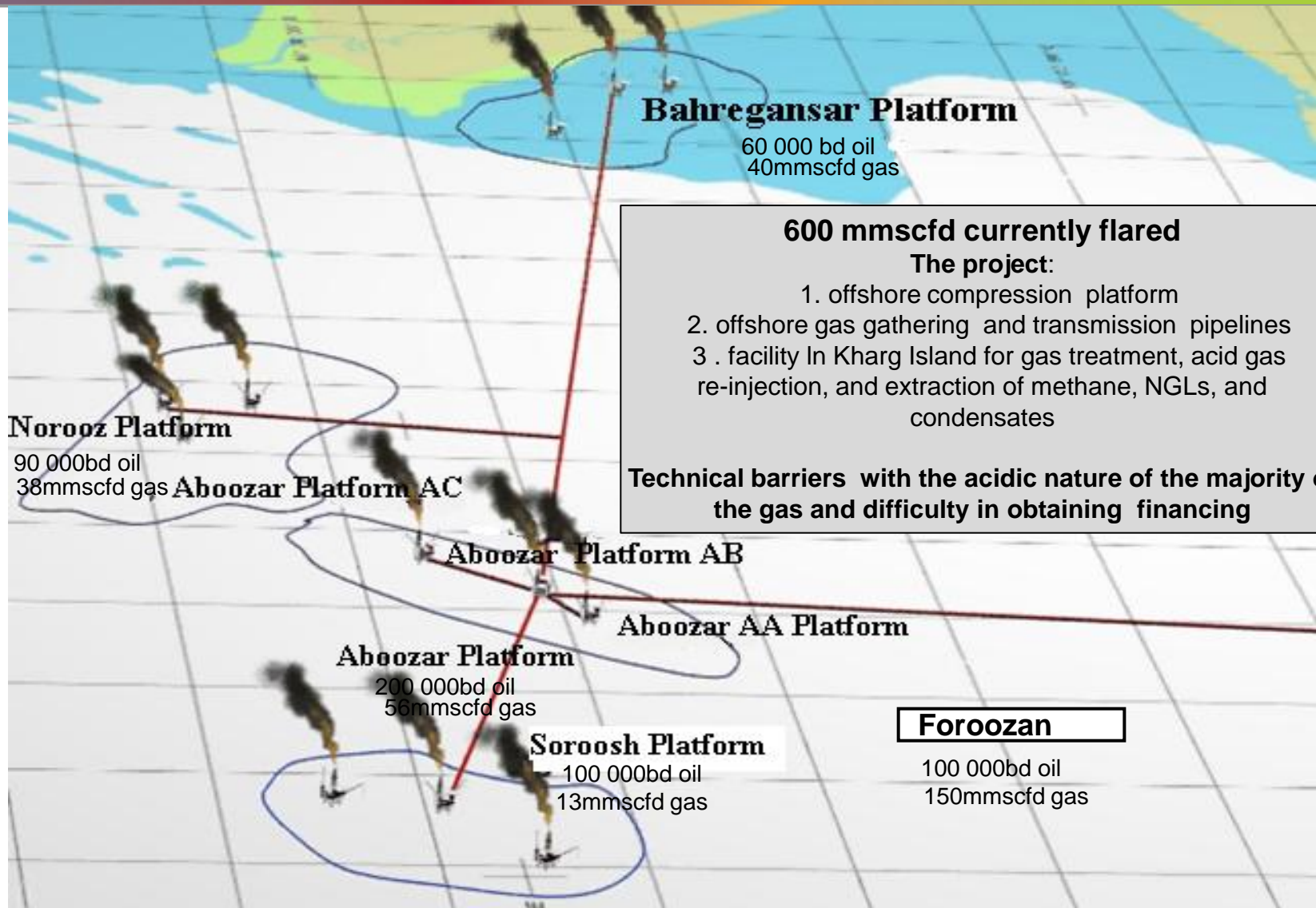
Soorosh Nowrooz Early Gas Utilization Project, Iran

Torleif Haugland
Carbon Limits

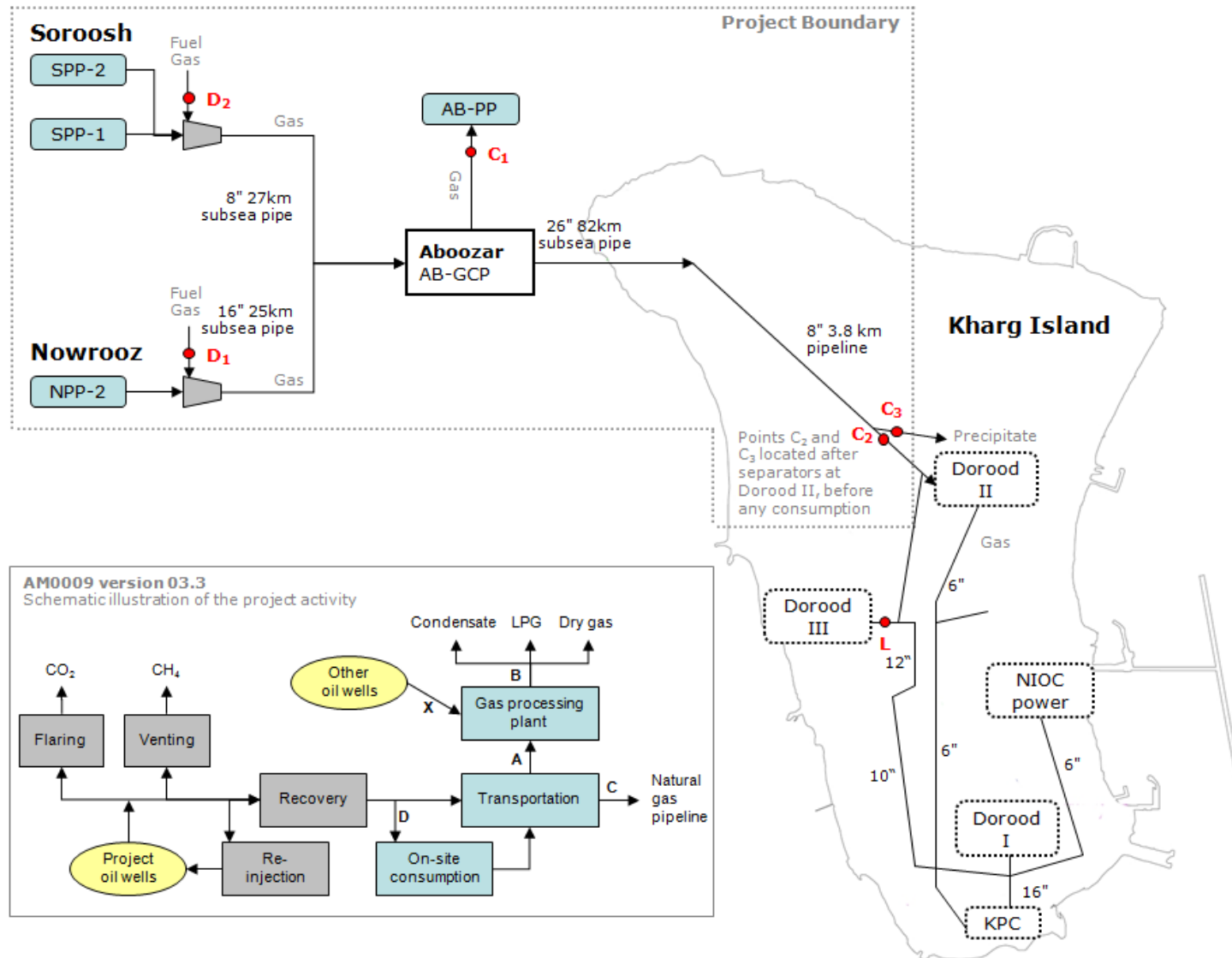
CDM History in National Iranian Oil Company (NIOC)



Kharg-Bahregansar NGL and Acid Gas Treatment Project



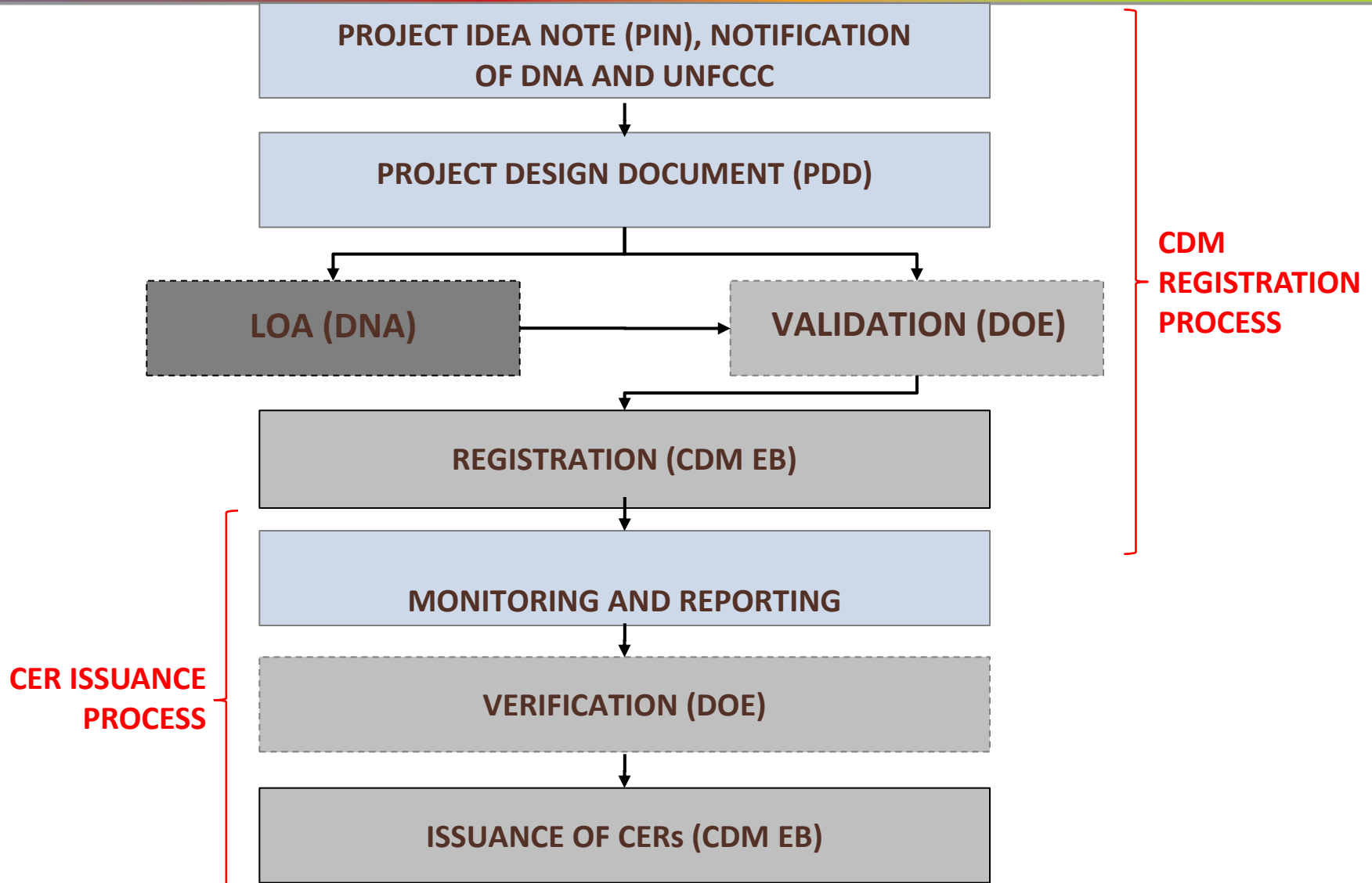
Schematic overview- Soorosh and Nowrooz CDM project



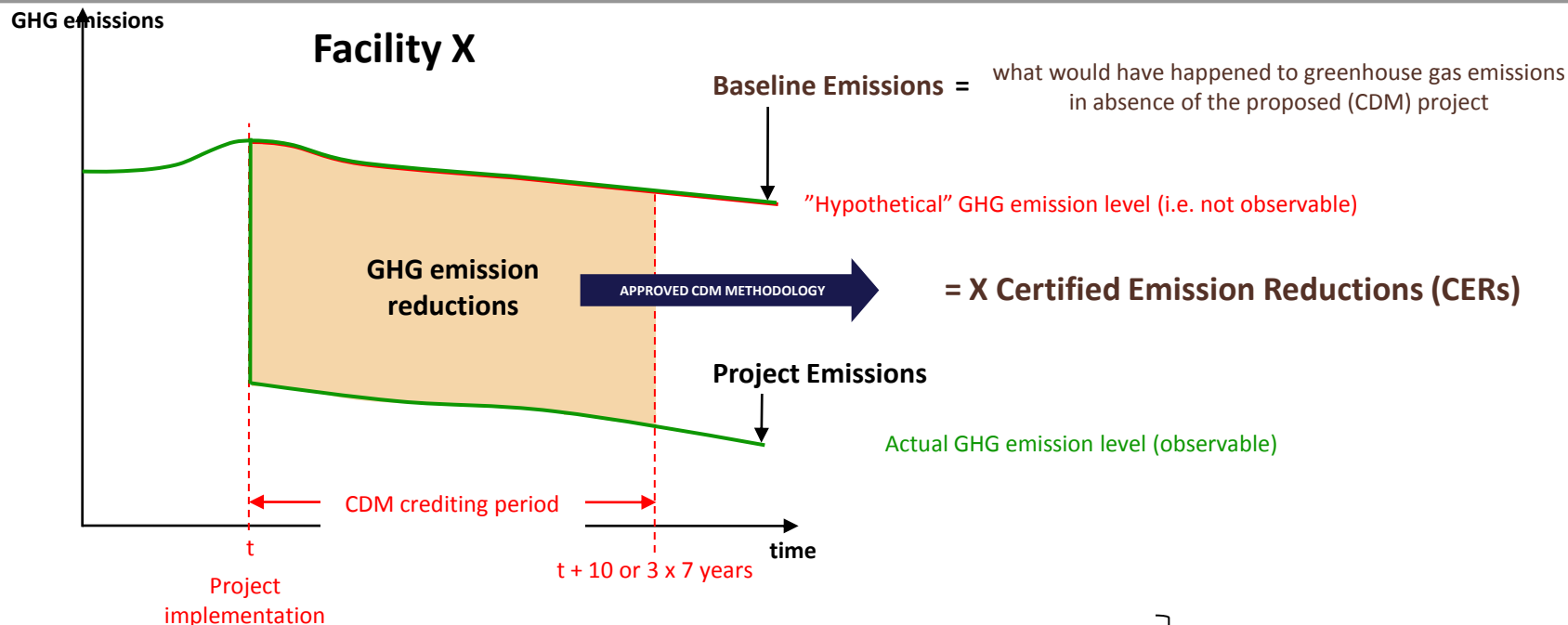
Timeline for CDM project development

| Time | Activity |
|----------------|---|
| Aug 06 | Considered as a CDM project activity during CDM evaluation of the overall NIOC gas flaring project |
| March 07 | PIN Prepared and sent to Iran DNA |
| May 07 | Letter of no objection from Iran DNA |
| May 08 | Emission Reduction Purchase Agreement (ERPA) signed by both parties |
| 25 Aug 08 | First finalized PDD version 01 |
| 29 Aug 08 | Validation services agreement signed |
| 01 Nov 08 | Validator site visit verifying the assumptions in the baseline |
| 01 Dec 08: | Letter of approval from Norwegian DNA |
| 28 Dec 08 | Letter of approval from Iranian DNA |
| 10 Feb 09: | Final validation report issued |
| 02 June 09 | Request for Review by CDM Executive Board |
| 16 June 09 | Official response to review request sent to UNFCCC secretariat |
| 17 July 09 | The CDM Executive Board agreed to register with corrections,. Corrections need the approval of the UNFCCC secretariat and the Chairman of the CDM Executive Board. |
| 23 Nov 09 | Final registration date at the UNFCCC (PDD Version 04.8) |
| Febr 10 | Training workshop on monitoring |
| May 10 | Gas starts to flow to Kharg Island |
| Nov 10 | First CERs to be issued |

.. a CDM project must go through a rigorous approval process, both initially and before issuance of CERs..



.. a CDM project is an investment that reduce GHG emissions beyond business-as-usual ..



The net GHG emission reductions must be quantifiable, i.e.:

- Baseline emission must be determined accurately or conservatively;
- Project emissions must be measurable or determined conservatively.

An application for CDM status must make reference to an approved CDM methodology

A CDM project needs to be "additional" to business-as-usual, i.e.:

- Baseline activity not prohibited by law;
- Investment is not financially viable without revenue from sale of CERs, and/or;
 - Project activity is not viable due to other (non-financial) barriers;
 - The project activity is not common practice in the relevant region.

.. issuance of CERs Based on actual project performance measured, reported and verified after implementation ..

Installation, calibration, monitoring, storage and reporting requirements specified in the monitoring plan (MP) of the registered PDD must be closely followed

Establish procedures for frequent **quality assurance and control** of reported monitoring data

Installation and calibration

Monitoring and reporting

Quality Control and Assurance

CDM monitoring training

Periodic reporting from operator

Design reporting template based on operational practices on-site

Quickly resolve operational problems and deviations with respect to the MP, and submit a request for deviation to the EB if alternative practices are used

Periodic CDM Reporting

Monitoring Report

Rang Dong Oil Field
 Associated Gas Recovery and Utilization Project
 (Vietnam)

Monitoring Period:
 1 Dec, 2001 to 31 Dec, 2005

Dated: 28 April, 2006

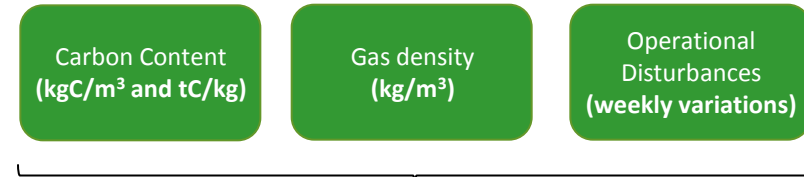
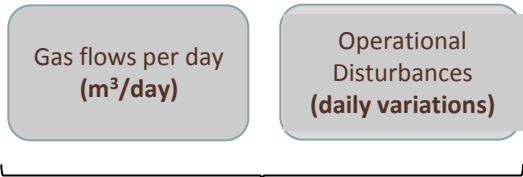
Data Storage

General management structure for the CDM monitoring

Gas Flow Measurements (x 6):

Analysis of Gas Samples (x 4):

Monitoring of project performance, instrument QA/QC



Check of data completeness

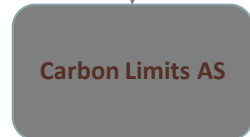


Submission of all primary data collected for the CDM project



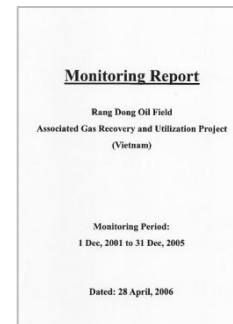
Completion of Excel template

Reporting by the 15th of each subsequent month



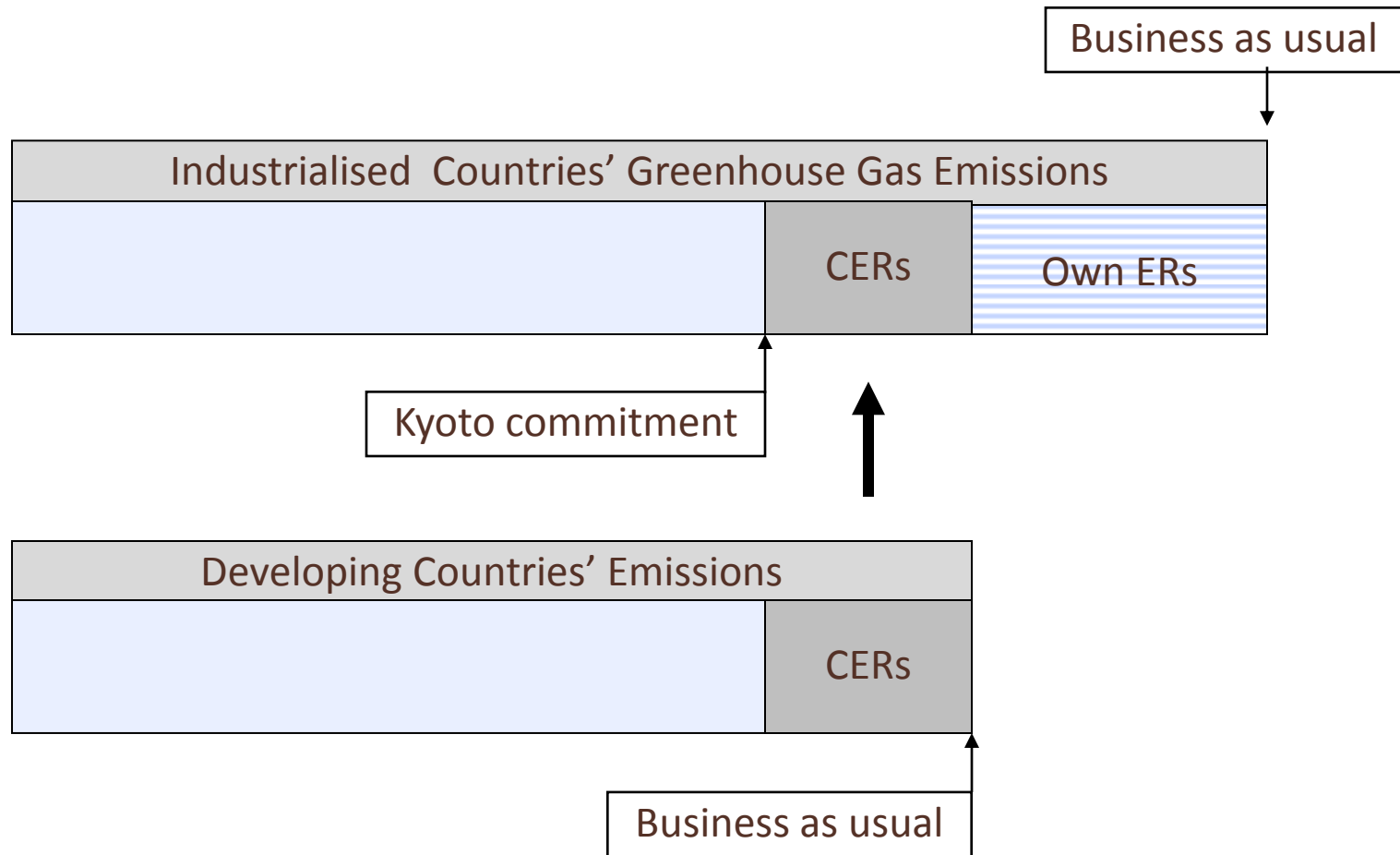
QA and development of monthly CDM report

QC, calculations, drafting of Monitoring Reports, interaction with the UN



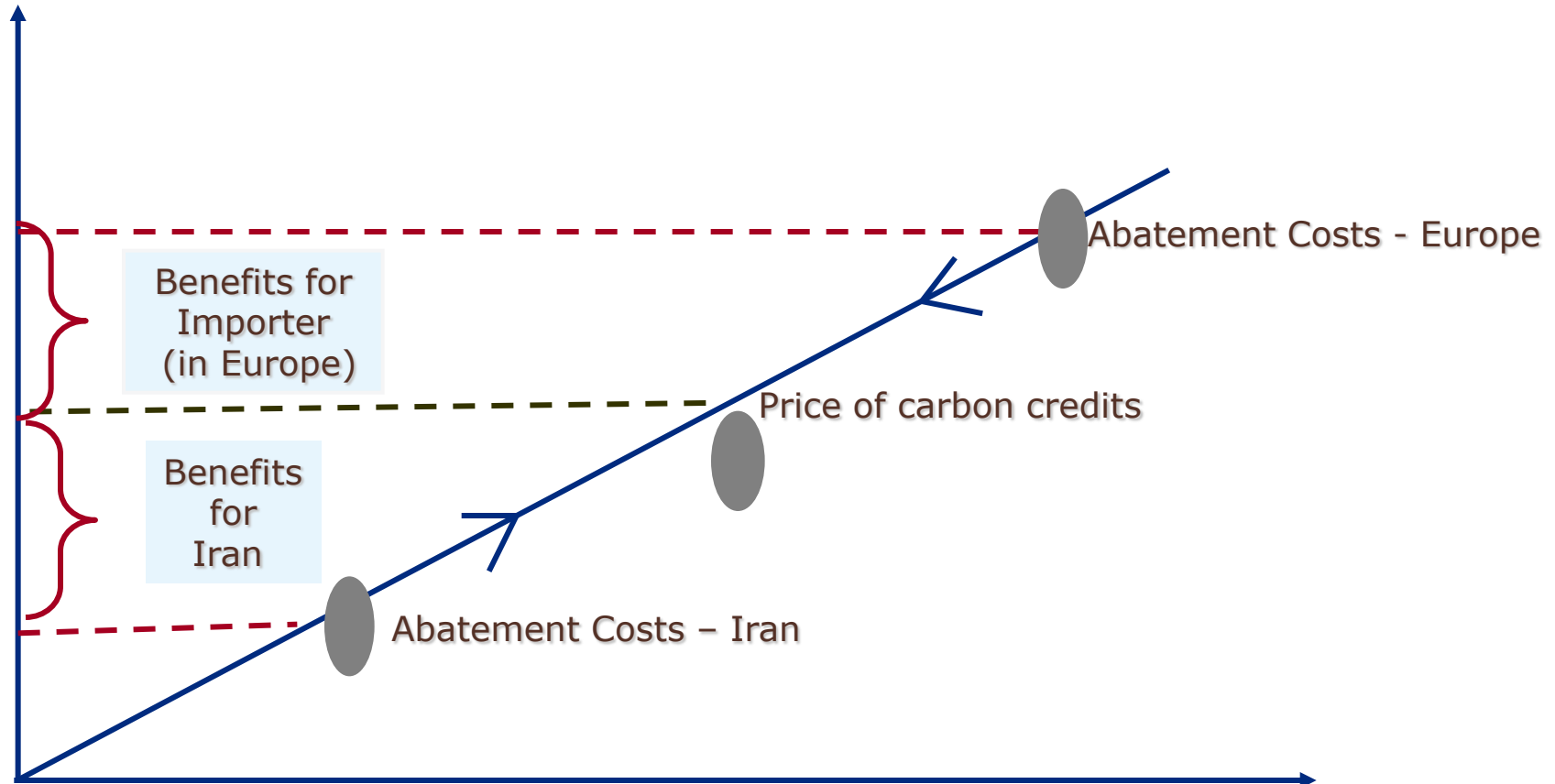
BACK-UP

.. CDM credits can be used to meet countries' Kyoto targets ..
The CDM promotes investments with low abatement costs in developing countries



CDM: shared benefits

US\$/ton CO_{2e}



Issues raised during validation and registration processes

| Request | Action |
|---|---|
| Evidence showing associated gas flaring is common practice | Section updated with a reference to a WB. finance study |
| The exact date when CDM was first considered for the project activity in the PDD. Reasons for delay in preparation of PDD from August 2006 till August 2008 | Chronology of CDM project development was prepared |
| Stakeholder consultation not transparent in the PDD | Letter about this meeting on Kharg Island attached to the PDD |
| <p>On 17 July 09 the Executive Board agreed to register with corrections</p> | |
| <p>Incorporate the additional information submitted in response to the request for review regarding the suitability of the investment cost assumed in the investment analysis and the elimination of the alternatives to the baseline scenario;</p> | <p>Revised PDD (version 04.8) which was registered 23rd November 2009</p> |
| <p>Include the monitoring of the recovered gas used for electricity generation offshore in the Monitoring Plan in line with version 03.3 of the AM0009 methodology;</p> | |
| <p>Further substantiate the common practice analysis with information on similar gas fields in Iran that are capturing or have implemented projects to recover and use the gas that would otherwise be flared.</p> | |

.. the UNFCCC Secretariat and the CDM EB are responsible for processing of requests for issuance of CERs ..

