



**Verified Carbon
Standard**

ENERGY EFFICIENCY AND SOLID WASTE DIVERSION ACTIVITIES WITHIN THE QUEBEC SUSTAINABLE COMMUNITY



Document Prepared By Earthood Services Private Limited

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Report Title	Renewal of Crediting Period Report for Energy Efficiency And Solid Waste Diversion Activities within The Quebec Sustainable Community
Client	Will Solutions

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Summary:

Brief Description of the Validation and the Project Activity:

The project activity is a group project which involves the Energy Efficiency (EE) and Solid Waste Diversion (SWD) activities within the Quebec province in Canada. Within the project's large range of client facilities, mostly are small to medium size companies in Quebec, which emit <25,000 tCO_{2e}/year.

The grouped project aims at reducing 3,425,000 tCO₂ equivalent GHG emission on average basis annually. For the project's 10 year crediting period, the emission reductions estimated are 34,250,000 tCO₂ equivalent. The project is located in the Quebec province in Canada, and includes similar regional and regulatory conditions throughout. The project is being implemented since 01-January-2010, and its first crediting period concluded on 31-December-2019.

The grouped project activity is undergoing the crediting period renewal, and the validation is being conducted for the same. During the validation assessment for crediting period renewal, the project proponent responded to the VVB queries related to the changes it is undergoing while renewing the activity for the second crediting period.

The project applies the VCS Methodology VM0018 "Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community" (Version 1.0)

Purpose and Scope of the Validation:

Will Solutions Inc. contracted Earthood Services Private Limited (hereinafter referred to as "ESPL") to conduct the validation for Renewal of Crediting Period (RCP) for the VCS registered project activity "Energy Efficiency And Solid Waste Diversion Activities within The Quebec Sustainable Community".

The scope of the RCP validation is to establish that:

- the latest available VCS-PD /5/ was used and correctly filled up;
- the project activity is in accordance with all relevant host country criteria (Canada) /18/,/19/,/20/,/21/,/22/,/23/,/24/;
- the project activity is in accordance with all relevant VCS rules and requirements /1/,/2/,/3/,/4/;
- The project activity /7/ is applying the VCS approved methodology VM0018 “Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community” (Version 1.0)/8/ for its second crediting period, as there is no revision observed for the methodology.

Method and criteria used for validation:

Assessment team during the interviews conducted with the project proponent confirmed that the project activity is not incorporating any change that is not verifiable, and is still operating within the host country’s boundaries, in the Quebec province. Also, there are 5 new generic project activity instances that are being added to the grouped activity from this crediting period onwards. These instances are clearly stating the eligibility requirements for facilities in order to be added as a PAI to the activity. In all, the changes made to the VCS PD are found as valid and appropriate in order to be considered towards crediting period renewal.

During the RCP validation process, a total of 05 CLs, 01 CAR and 02 FARs were raised, of which CLs and CARs were closed upon receiving satisfactory responses from the project proponent. These are discussed in detail in Appendix IV of this report.

There are no uncertainties associated with the validation, which is evident from the transparent validation process adopted by the ESPL validation team. The team is accredited for the validation of the project activity, and technical expertise & competence of the team members is discussed in Appendix III of this report.

Summary of the validation conclusion:

ESPL has confirmed that:

- the PA is in accordance with all relevant host country criteria (Canada) and VCS rules and requirements;
- the PA is in accordance with all conditions of the applied VCS Methodology VM0018 “Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community” (Version 1.0) /8/;
- the environmental assessment /11/ is appropriate and sufficient;
- the monitoring plan /11/ is transparent and adequate;
- all information has been consistently applied in the VCS-PD /11/;

The description of the project clearly states the goals, monitoring procedures, the applicable QA/QC, stakeholder communication, & data management procedures, and the ex-ante estimates for the crediting period up for renewal in the VCS-PD /11/.

ESPL’s validation approach is based on the understanding of the risks associated with reporting of monitoring plan, GHG emission reductions data, and the controls in place to mitigate these. ESPL planned and performed the validation by obtaining evidence and other information and explanations that it considered necessary, to give reasonable assurance that the project activity is valid as per project standard requirements, and the requirements to monitor GHG emission reductions are fairly stated.

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1 INTRODUCTION

1.1 Objective

Will Solutions Inc. (hereafter Will Solutions) has contracted Earthood Services Private Limited (hereafter ESPL) to conduct the validation of Renewal of Crediting Period of the Project Activity “Energy Efficiency And Solid Waste Diversion Activities within The Quebec Sustainable Community” according to the requirements of the Verified Carbon Standard Version 4.0/2/. The objective of this validation is a thorough and independent validation assessment, thus reaching out at a validation conclusion for the renewal of crediting period for the VCS grouped project managed by Will Solutions.

The renewal of crediting period is the independent review and ex ante determination by Earthood Services Private Limited of the structural, regulatory, and template format changes that would have occurred to the registered VCS project activity in its first crediting period. Certification is the written assurance by ESPL that, during the proposed second crediting period (over period of 10 years from 01/01/2020 to 31/12/2029), the project activity would be deemed registered with the changes incorporated to the registered VCS-PD /27/, which have been assessed by the ESPL validation team.

1.2 Scope and Criteria

The scope of the validation of the Renewal of Crediting Period is to establish/validate that:

- the appropriate VCS-PD template/5/ was used and correctly filled up;
- the project activity is in accordance with all relevant host country criteria (Canada);
- the project activity is in accordance with all relevant VCS rules and requirements/1/2/3/4/;
- the project activity is in accordance with conditions set in the applied VCS Methodology VM0018 “Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community” (Version 1.0) /8/.

The validation of the Renewal of Crediting Period of the project activity is based on the revisions made to the registered VCS-PD /27/ of the project activity.

1.3 Level of Assurance

A draft validation report that is prepared by assessment team is reviewed by an independent technical review team (one or more members) to confirm if the internal procedures established and implemented by Earthood are duly complied with and such opinion/conclusion is reached in an objective manner that complies with the applicable VCS requirements as appropriate. The technical review team is collectively required to possess the technical expertise of all the technical area/sectoral scope the project activity relates to. All team members of technical review team are independent of the validation team. The report approved by Technical Manager is endorsed by Managing Director, who is overall responsible to ensure quality, before final release.

Earthood’s validation approach is based on the understanding of the risks associated with reporting of GHG emission data and the controls in place to mitigate these. Earthood planned

and performed the validation by obtaining evidence, other information, and explanations that it considered necessary to give reasonable assurance that these are fairly stated to explain the changes brought to the VCS-PD.

For the current validation, no site-inspection has been conducted. However, alternative means to on-site visit were incorporated /9/. These alternatives were deemed sufficient by the validation team to arrive at a conclusion regarding the renewal of crediting period for the VCS grouped project activity.

In our opinion, the VCS-PD revised for the renewal of crediting period is in-line with the registered version of the VCS-PD, the monitoring methodology VM0018 /8/, and the VCS standard /2/.

1.4 Summary Description of the Project

The project activity is a grouped project which involves the Conversion and Energy Efficiency (EE), Solid Waste Diversion (SWD), and sustainable mobility micro-project activities within the province of Quebec. The project activity involves large number of client facilities, which may be residential, manufacturing, institutional and commercial, and will be grouped into a 'Sustainable Community'. All these Project Activity Instances (PAIs) which are included into the group projects meet the following criteria set out by VCS PD /11/.

- a. Located inside the Quebec territory
- b. Implemented after 01-January- 2010 (for PAIs – I to X) and after 01-January- 2015 (for PAI XV)¹
- c. Be a registered member of the group project (contract with Will Solution Inc)
- d. Having or using a similar technology or measures as the generic PAIs and falling in scope 3 and 13 for PAI I to X, and PAI XV
- e. Be auditable and verifiable
- f. Project unit GHG reduction are inferior to 5000 tCO_{2e}/year.

All the 11² Generic Project Activity Instances (PAIs) are described distinctly in the Appendix – 3 of VCS-PD, where the project's baseline, the common practice analysis for additionality, the approach that is considered for the emission reduction, the regulations applicable to them are discussed.

Will solutions has included a total of 11 generic PAIs, which means that there is an addition of 1 PAI (PAI XV) /11/ to the pre-existing 10 generic PAIs in the project activity at the time of project registration (i.e. first crediting period) /27/.

2 VALIDATION PROCESS

¹ Subject to inclusion of PAIs XI to XIV in the VCS PD, since these belong to Sectoral Scope – 7, which is not within the project boundary.

² Only generic PAIs I to X, and PAI XV are part of the VCS PD undergoing RCP validation. PAIs XI to XIV are not part of the project activity as of now, and have not been validated during renewal of crediting period.

2.1 Method and Criteria

The validation of Renewal of Crediting Period of project activity process is conducted as per internal Quality Manual and in accordance with criteria laid down by VCS. It includes the following steps:

- contract with PP for the scope and appointment of validation team and technical review team;
- completeness check of VCS-PD /11/;
- desk review of VCS-PD and estimated GHG emission reduction calculations;
- reporting and closure of findings (CARs/CLs/FARs) and preparation of draft validation report;
- independent technical review of the draft validation report and final/revised documentation (e.g. VCS-PD, corresponding estimated ER calculations sheet and evidences);
- issuance of the final validation report to contracted PP (or authorized representatives).

No sampling plan has been used to conduct the validation of the project activity, since all the information and document furnished by PP for renewal of crediting period are reviewed during the validation.

2.2 Document Review

A desk review was conducted by the validation team that included:

- a review of the data and information presented to assess its completeness;
- a review of the PD, monitoring plan, the monitoring methodology including applicable tool(s), and the generic PAIs that are part of the grouped project activity;
- supporting documents.

A complete list of documents/evidences reviewed is included in Appendix III.

2.3 Interviews

No site visit was conducted for the Validation of Renewal of Crediting Period due to outbreak of global pandemic (caused by COVID-19 virus) and increased risk of exposure and contraction due to travel. When it was observed around the month of December 2020 that pandemic situation is improving worldwide /32/, spread of a new mutated strain of the novel coronavirus in the UK /28/ created further risk of spread of virus. Thus, the VVB team could not conduct on-site visit to validate the project implementation.

However, alternate means were applied to verify the project implementation. The alternative approach to validate the project details included document review, remote interviews with the PP representatives (to discuss aspects of project implementation such as monitoring plan), the operations at the project site (outages, if any), and other details.

The required details for the renewal of crediting period of the grouped project activity being in-line with the description provided in the revised VCS-PD, were submitted to the VVB by Will Solutions, and further relevant information was shared through a telephonic interview on 26/11/2020.

The table below provides details on topics discussed, the members involved during the discussion, etc.:

No.	Interviewee			Date	Topics	Team Member
	Last name	First name	Affiliation			
1	Clermont	Martin	Will Solutions	26/11/2020	Eligibility of project for RCP validation, Ownership of project activity	Kaviraj Singh, Ajay Kumar
2	Lesage	Claudia	Will Solutions	26/11/2020	Project implementation, applicability of methodology, Monitoring procedure	Kaviraj Singh, Ajay Kumar

2.4 Site Inspections

On-site inspection has not been conducted for validation of renewal crediting period.

The outbreak of global pandemic (caused by COVID-19 virus) and increased risk of exposure and contraction due to travel restricted the plans of a VVB RCP validation team's site visit. When it was observed around the month of December 2020 that pandemic situation is improving worldwide /32/, spread of a new mutated strain of the novel coronavirus in the UK /28/ created further risk of spread of virus. WHO's guidance on the newly found UK strain of novel coronavirus was stating that this new strain is multiple folds more contagious than the existing already strains, and more precautions need to be taken by citizens of nations across the world in order to overcome the spread of new strain of virus. Therefore, due to safety reasons, the VVB team decided not to conduct on-site visit to validate the project implementation.

Adding to that, the VCS Standard /2/ Para 3.8.9 discusses on the requirements related to crediting period renewal, and there is no requirement stated in the relevant paragraph which requires VVB team to conduct a mandatory site visit for the validation of crediting period renewal.

Furthermore, the validation of existing PAIs has already been done during previous verification site visit, which was performed by the same VVB, and the same Team leader who is currently leading the RCP validation. Addition of new PAIs are not subject for review during RCP validation. These would be checked at the time of next verification, as stated by PP during the remote interviews /9/.

Therefore, VVB team decided to conduct the validation of renewal of crediting period through application of alternatives means to on-site visit. The source documents/alternative means of validation referred by the assessment team to validate the particular aspect of RCP validation are as follows:

a) The project activity is registered under VCS (VCS ID – 0929). The project has undergone 4th VCS verification for the monitoring period 01-January-2017 to 31-December-2018. The information regarding the project implementation, actual operations and a review of the monitoring system were verified through remote interview on 26-November-2020 by the DOE (Earthood Service Pvt. Ltd.) /9/. Also, it is to be noted here that ESPL conducted a verification on-site visit to the project activity, during its 3rd verification (monitoring period 01-January-2016 – 31-December-2016) /10/, for the dates 23rd, 24th, and 25th January, 2019. The 3rd verification site visit team leader is leading the team for this RCP validation, and based on team's experience (through previous verification site visits) with the PAIs involved & the structure of generic PAIs, there is a reasonable amount of understanding and experience as far as this VCS grouped project

activity is concerned. Adding to that, the verification team involved for the RCP validation also conducted the last verification (4th /25/ for the grouped project activity, and verification opinion was accepted by the VCSA.

b) Telephonic/Video interview of project participant representative, along with the supporting documents are checked by the assessment team and the details found consistent with the VCS-PD/11/.

2.5 Resolution of Findings

The findings may be of following types: CAR – Corrective Action Request, CL – Clarification Request and FAR – Forward Action Request.

During the present validation, 05 CL and 1 CARs were raised and successfully closed.

The list of findings and their resolution are presented at Appendix III of this report.

2.5.1 Forward Action Requests

There is no FAR raised during previous verification that is to be addressed during RCP validation.

3 VALIDATION FINDINGS

3.1 Project Details

The project activity is a group project which involves the Energy Efficiency (EE) and Solid Waste Diversion (SWD) activities within the province of Quebec in Canada. The project activity involves large number of client facilities, which may be residential, manufacturing, institutional and commercial, and for the project's implementation, will be grouped into a 'Sustainable Community'.

As per the desk review, observations, and collected evidences, it was possible to assess that, in general, the project activity is revised as described in the VCS-PD/11/ and section 4.2 of this report.

There is no material discrepancy between the monitoring plan set out in the project description/11/ and the applied methodology/8/.

Project Proponent: The project proponent for the VCS grouped project activity is Will Solutions Inc.

Project design, including eligibility criteria for grouped projects: This topic is discussed in detail in relevant sections of this report.

Other entities involved: Not applicable

Project Category: Project Activity

Estimated GHG reductions: 3,425,000 tCO₂ reduction per year and 34,250,000 tCO₂ reductions during the entire crediting period of 10 years as checked from the GHG Projections and Assumption document /13/ shared by PP. The document specifies the assumptions that were taken into consideration for arriving at the GHG emission reduction values for the grouped project. The 34,250,000 tCO₂ emission reductions estimates are estimated for the generic PAs that are within the Sectoral Scope – 3 and Sectoral Scope – 13. The calculations in the ER estimation sheet were found to be based on project specific assumptions.

Start date: The start date of the Project Activity will be 01-January-2020, which is the renewal and the continuation of the first project period (2020-2029).

Crediting period: The project crediting period is renewable with this being the Second Crediting Period, with duration from 01-January-2020 till 31-December-2029, for a complete duration of 10 years.

VERs Ownership: Will Solutions, as confirmed from the declaration /16/ shared by PP, and was also confirmed by PP at the time of discussions made during the remote interviews /9/.

Compliance with applicable laws, statutes and other regulatory frameworks: The Project Activity “Energy Efficiency And Solid Waste Diversion Activities within The Quebec Sustainable Community” has all necessary clearances in accordance with Canadian legislation as confirmed through the Quebec regulatory summary (Summary of Generic PAIs fulfilling regulatory surplus) /17/ and the applicable legislations /18/19/20/21/22/23/24/ deemed fulfilled by the PAIs within the project.

Emissions trading programs and other binding limits: GHG emission reductions generated by the project are not included in an emissions trading program or any other mechanism that includes GHG allowance trading as declared by Will Solutions through self-declaration document /16/.

Other forms of environmental credit sought or received and eligible to be sought or received: The project has not received nor sought any other form of environmental credit/16/.

Participation under other GHG programs: The project does not participate in any other GHG program /16/.

Rejection by other GHG programs: The project was not rejected under any other GHG programs/16/.

The main sustainable development contributions of the project activity are:

- a. use of clean and energy efficient technologies;
- b. pioneer initiative that encourages the development and use of new behavioural changes and new technologies throughout the country;
- c. Diversion of Solid Waste resulting in GHG emission reductions
- d. A specific attention will be given for the Sustainable Developments Goals (SDG) /29/ developed by United Nations in particular the SDG 9, 11, 12, 13 and 17

PP has stated that the project activity is improving the atmosphere of the surrounding area by reducing the GHG that was otherwise being emitted in the project baseline. Based on the various observations, reference from previous project on-site visit, the supporting documents shared, and the correlation of the PAIs with the goal of grouped activity, it can be concluded that the project activity is pretty much the same when compared with its previous registered version /27/. 1 new generic PAI is being introduced to the project activity, which would be verified at the time of verification of the project activity. The validation team has thoroughly checked the project activity and its implementation status, and there were no discrepancies found in this respect.

3.2 Safeguards

3.2.1 No Net Harm

No negative environmental and social impacts have been identified.

3.2.2 Local Stakeholder Consultation

The Project Activity scope is restricted to the Validation of Renewal of Crediting Period, and because of the same reason it is not required to conduct Local Stakeholder Consultation. Also, during the project registration, local stakeholder's consultation was conducted by PP, and reviewed by the VVB that conducted the validation /30/.

3.2.3 Environmental Impact

No negative environmental and social impacts have been identified which is consistent with the VCS PD /11/. CL01 was raised in this regard and closed successfully.

3.2.4 Public Comments

Not applicable since the PA is undergoing RCP.

3.2.5 AFOLU-Specific Safeguards

Not applicable.

3.3 Application of Methodology

3.3.1 Title and Reference

The Project Activity has applied VCS approved methodology VM0018: "Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community", version 1.0 /8/

3.3.2 Applicability

All applicability conditions of the methodology (VM0018 version 1.0) /8/ are met. Thus, the methodology is deemed fully applicable for the new crediting period. All applicability conditions are completely and correctly included in the VCS PD /11/.

Sr. No.	Eligibility Criteria	Means of Validation	Conclusion
1.	<p>This methodology is applicable to ECMs where the project activity is the construction of new facilities, the retrofit of existing facilities, or process/management changes of existing facilities that result in a reduction of energy use per unit of productivity. The ECMs must occur in conjunction with the following:</p> <ul style="list-style-type: none"> • Building envelope modifications • Heating, ventilation and air conditioning (HVAC) • Heat generation (including industrial thermal energy systems) • Chilling/cooling systems • Lighting and lighting control • Building mechanical infrastructure • Appliances and industrial processes (including heating and cooling requirements and process modification) • Electric motors • Equipment optimization 	<p>The VCS grouped project activity is incorporating all the below structural conditions, be it the construction of new facilities, the retrofit of existing facilities, or process/management changes of existing facilities that result in a reduction of energy use per unit of productivity. This is evident from the last approved version of VCS-PD /27/ and previous verification report /10/,/25/ of the project activity. The PAIs that are part of project activity fulfil at least one of the above requirements.</p> <p>Also, the categories of activities that are stated for the ECMs are found as being fulfilled during previous verification.</p> <p>Since this is a renewal of crediting period, and there is no such requirement sought by PP to bring any structural changes to the generic PAIs, the previously added PAIs serve as satisfactory means of verification to the methodological applicability criteria.</p>	<p>The eligibility condition is fulfilled as far as generic PAIs (and PAIs that are already a part of the project activity) are concerned. For the PAIs that are planned to be added to the grouped project in future, the eligibility conditions fulfilment shall be checked by the relevant VVB at the time of their verification.</p>
2.	<p>The project proponent must document the useful life of the ECMs and the remaining useful life of the existing baseline equipment and ensure that the project unit(s) is not credited beyond the useful life of the ECM or remaining useful life of the existing technology in the baseline scenario. If capital stock</p>	<p>Since this methodological requirement cannot be checked prior to the project implementation, it is therefore validated based on previous verification, where the previous verification reports /10/,/25/ fulfil the capital stock requirement for</p>	<p>The eligibility condition is fulfilled as far as generic PAIs and PAIs already a part of the project activity are concerned. For the PAIs that will be added to the project in future, the eligibility conditions fulfilment shall be</p>

	<p>equipment that was originally measured in the baseline for a given project crediting period is replaced during a project crediting period, it can only be considered additional, and in turn be able to generate GHG credits, if it was retired prior to its natural capital stock rotation as indicated in the initial documentation of useful life. If capital stock enters the end of its useful life prior to the end of a project crediting period and is replaced, any emission reduction attributable to this replacement technology must not be considered towards generating credits, and shall lower the facility baseline by a sum equal to the difference in emissions between the previous capital stock equipment and the replacement capital stock equipment.</p>	<p>all the PAIs serving as part of the grouped project activity. Also, this shall be checked for all the new PAIs that are being added to the project activity, which was confirmed by PP during remote interview /9/ discussions made on the project activity.</p>	<p>confirmed at the time of their verification.</p>
3.	<p>By reducing energy consumption, applicable projects will reduce GHG emissions associated with the conversion of primary energy sources to secondary forms of energy (e.g., electricity, heat, mechanical energy, etc.).</p>	<p>It has been checked from the VCS-PD /11/ that the project activity is involving project activity instances that would be acting as conversion in energy consumption from less efficient and less eco-friendly sources to the more efficient and more environment friendly ones. Generic PAI – VIII “Energy Conversion” (as discussed in Appendix – 3 of the VCS-PD) talks about these particular project types, which involve conversion of primary energy sources to secondary forms.</p>	<p>The eligibility condition is fulfilled as far as generic PAIs and PAIs already a part of the project activity are concerned. For the PAIs that will be added to the project in future, the eligibility conditions fulfilment shall be confirmed at the time of their verification.</p>
4.	<p>This methodology is also applicable to activities generating GHG emission reductions related to improvements in combustion efficiency. This applies to projects</p>	<p>The methodology requirement is being fulfilled by project, which is evident from the description provided in and discussions made in the</p>	<p>The eligibility condition is fulfilled as far as generic PAIs and PAIs already a part of the project activity are concerned. For the</p>

	<p>involving switching from one energy generation method to a less GHG-intensive energy generation method. In this case, this methodology only quantifies emissions reductions from fuel switching that occur within the project boundary. Fuel switching associated with large energy suppliers, which have emission reductions that exceed the established threshold of this methodology (i.e. 5,000 tCO_{2e}), are not intended to be quantified using this protocol. Only small on-site power sources, with emission reductions within the threshold limit of this methodology, are applicable for inclusion within the methodology. This separation of large offsite generation and the project removes risk of double counting. A net emission reduction and efficiency improvement would be achieved by such activities so long as a net reduction in overall greenhouse gas emissions per unit of productivity is achieved. The production of energy, particularly from fossil energy sources, has significant associated GHG emissions (typically combustion-related), including both direct and indirect sources.</p>	<p>generic PAI VIII, as provided in the VCS-PD /11/. Also, the provisions made in Section 1.3 “Project Eligibility” of the VCS-PD shed light on the methodological requirement that is 5,000 tCO_{2e} threshold. So, this methodological requirement is stated as would be fulfilled for the existing as well as newly added PAIs.</p>	<p>PAIs that will be added to the project in future, the eligibility conditions fulfilment shall be confirmed at the time of their verification.</p>
<p>5.</p>	<p>Biological or chemical components of the operation must not yield any increase in non-biogenic greenhouse gas emissions compared to the baseline scenario, unless these are accounted for under the applicable flexibility mechanisms as indicated by an affirmation from the project proponent.</p>	<p>Since this requirement cannot be represented as being fulfilled at the time of renewal of crediting period for the VCS project activity, PP has stated that it would be demonstrated at the time of first verification within the second crediting period. However, the PD /11/ text states (refer Appendix – 3 of the PD) the chemical and</p>	<p>The eligibility condition is fulfilled as far as generic PAIs and PAIs already a part of the project activity are concerned. For the PAIs that will be added to the project in future, the eligibility conditions fulfilment shall be confirmed at the time of their verification.</p>

		<p>biological components PAI within the project activity would be incorporating. These are elaborated for each specific generic PAI.</p> <p>Also, previous verification reports /10/,/25/ state that this eligibility condition of methodology was verified by the concerned VVBs as being fulfilled.</p>	
6.	<p>This methodology is applicable where the project activity is the diversion of waste for other productive uses and alternative disposal options. This methodology is only applicable to quantify emission reductions associated with methane avoidance.</p> <p>This methodology is not approved for quantifying emission reductions associated with landfill gas flaring or electricity/energy production. This methodology is applicable to the following activities:</p> <ul style="list-style-type: none"> •Card board recycling •Organic composting •Aerobic decomposition 	<p>Generic PAI – II & PAI IX talks about the methodological eligibility conditions. There are different activities that are provisioned for addition of specific PAIs.</p> <p>PAI II discusses the various dimensions associated with the paper and card-board recycling, and the organic composting.</p> <p>Section 5 Annexe 1 under the PAI IX discusses the landfill methane gas avoidance. Here, there is no inclusion of landfill gas flaring, instead, the landfill gas gets converted into RNG (renewable natural gas).</p>	<p>The eligibility condition is fulfilled as far as generic PAIs and PAIs already a part of the project activity are concerned. For the PAIs that will be added to the project in future, the eligibility conditions fulfilment shall be confirmed at the time of their verification.</p>

3.3.3 Project Boundary

The geographical expanse of project boundary is the Quebec province in Canada. The grouped project activity will involve several project activity instances in a similar way it was being done during the first crediting period. The GHGs that are part of these PAIs shall be discussed separately for them at the time of their respective verifications. The Sectoral Scopes that are part of the VCS grouped project activity are 3: Energy Demand & 13: Waste handling and disposal. For the renewal of crediting period, the project boundary need not be reassessed. However, the VCS project design document includes newly added PAI, i.e. PAI XV. There are PAIs XI to XIV provided in the part II (Appendix) of the PD, but these are not assessed since these are under Sectoral Scope – 7. As PP initially intended to add Sectoral Scope – 7 to the VCS PD undergoing RCP validation, CL02 & CL03 (See Appendix IV) were raised in this regard by the VVB. The applied methodology VM0018, ver. 1.0 does not have provisions for Sectoral Scope – 7 and the CLs (CL02 & CL03) were raised to clarify the same. PP consulted with Mr. Christopher Daley at VCS, in order to move forward with adding the generic PAIs that belong to Sectoral Scope – 7 to the grouped project. VCS recommended that it can only be possible once applied methodology is

revised first (via an addendum). Now PP is moving ahead for the renewal of crediting period with the previously available Sectoral Scopes (i.e. Sectoral Scope – 3 & 13), and the RCP validation scope does not contain any assessment of PAIs associated with Sectoral Scope – 7. CLO2 & CLO3 raised were closed once PP clarified that it is adhering to the VCS recommendation, and is not going to include Sectoral Scope – 7 PAIs during current RCP validation. Therefore, this does not require any further validation.

3.3.4 Baseline Scenario

The baseline scenario for the VCS grouped project activity is described separately for each type of PAI (i.e. generic PAI) under Appendix 3 of the PD /11/. Under the baseline scenarios described for each PAI, the key aspects of the conditions existing prior to project implementation are mentioned, along with the changes and improvements brought in by the project activity that are resulting in the GHG emission reductions. However, since these are yet to be implemented for the new PAIs that are going to be added, those can only be checked during the first verification of the project under its renewed crediting period.

On the basis of review of the revised VCS-PD and the supporting documents shared by PP, it can be confirmed that:

- a) The assumptions and data used in the identification of the baseline scenario are justified appropriately, supported by evidence and can be deemed reasonable. Several research studies and regulatory reports are being referred in the Appendix – 3 description, and these are specific to each PAI. The review of supporting documents shared by PP further the establishment of project’s baseline scenario specific to each PAI.
- b) The national, sectoral, and/or international policies and circumstances relevant to each PAI are duly mentioned and thoroughly checked during the RCP preliminary assessment made by PP for revising regulatory conditions prevailing at the time of renewal of crediting period.
- c) Since the project activity only includes project activities that would help SMEs reduce their GHG emissions, and would not include large facilities with emission over 25 000 tCO₂e/year, the various procedures applying at the level of SMEs were taken for due consideration, and discussions made with PP during remote interviews /9/ clarified that the environmental requirements /18/19/20/21/22/23/24/ at provincial level, facility level, and at the level of VCS standard version 4.0 /2/ were considered and required conditions were established to ensure there is no net environmental harm is resulted from the project activity.

Based on the review of the revised VCS PD /11/, the supporting documents shared by PP, and various data provided by PP in the Appendix – 3 (in the references heading specific to each generic PAI), it can be concluded that the project baseline is the same as it was at the time of validation of project activity..

3.3.5 Additionality

The clause 3.8.9 (1) of the VCS Standard /2/ states “A full reassessment of additionality is not required when renewing the project crediting period. However, regulatory surplus shall be

demonstrated in accordance with the requirements set out in the VCS Program rules and the project description shall be updated accordingly". Validation team has reviewed the VCS PD /11/ for additionality of generic PAIs and it was found that PP is satisfactorily describing the common practice analysis for each of the PAIs, along with the explanations on the activity demonstrating its regulatory surplus. As such, it was demonstrated by PP that the VCS grouped project activity is additional in totality.

Further to these requirements, the PAIs that would be added to the project activity, shall be checked for the conditions on regulatory surplus.

3.3.6 Quantification of GHG Emission Reductions and Removals

Quantification of Baseline Emissions:

Means of Validation
Baseline Emission as per VCS approved methodology i.e.VM0018 /8/: For Sectoral Scope 3- $BE_y = FF_{BL} \times EF_{3i}$ For Sectoral Scope 13- $BE_y = WS_{BL} \times EF_{13i}$ Where, EF_3 = CO _{2e} Emission Factor of the Fossil Fuel EF_{13} = CO _{2e} Emission Factor of the waste stream and taking into account the different management scenario, at landfill, regarding the flaring or not of methane (biogas) and/or its use or not for energy recovery $FF_{BL,y}$ = Volume of fossil fuel $WS_{BL,y}$ = Volume of the waste stream
Findings
NA
Conclusion
The assessment team has assessed the approach provided for calculations of baseline emissions. The equations provided satisfactorily elaborate the approach being considered for calculations pertaining to baseline emissions. In general, the assessment team is able to confirm the following: a. The methodology has been applied correctly to calculate baseline emissions; b. The baseline emissions are correctly addressing the specific requirements for each PAI separately. The assessment team confirms that the baseline emission calculation approach in the final updated PD /11/ complies with the valid version of the methodology applicable /8/ to the registered VCS project activity.

Quantification of Project Emissions:

Means of Validation

<p>Project Emission as per VCS approved methodology i.e.VM0018 /8/-</p> <p>For Sectoral Scope 3- $PE_y = FF_p \times EF_3$</p> <p>For Sectoral Scope 13- $PE_y = WS_p \times EF_{13}$</p> <p>Where,</p> <p>$EF_3$ = CO_{2e} Emission Factor of the Fossil Fuel</p> <p>EF_{13} = CO_{2e} Emission Factor of the waste stream and taking into account the different management scenario, at landfill, regarding the flaring or not of methane (biogas) and/or its use or not for energy recovery.</p> <p>$FF_{p,y}$ = Volume of fossil fuel</p> <p>$WS_{p,y}$ = Volume of the waste stream</p>
<p>Findings</p> <p>NA</p>
<p>Conclusion</p> <p>The assessment team has assessed the approach provided for calculations of project emissions. The equations provided satisfactorily elaborate the approach being considered for calculations pertaining to project emissions.</p> <p>In general, the assessment team is able to confirm the following:</p> <ol style="list-style-type: none"> The methodology has been applied correctly to calculate baseline emissions; The project emissions are correctly addressing the specific requirements for each PAI separately. <p>The assessment team confirms that the project emission calculation approach in the final updated PD /11/ complies with the valid version of the methodology applicable /8/ to the registered VCS project activity.</p>

Quantification of Leakage Emissions:

The information of the Leakage Emission is mentioned on VCS-PD /11/ under section 4.3 which states “At Project Unit level, the leakage, is de minimus, thus $LE_y = 0 \text{ tCO}_{2e}$ ”.

Quantification of Emission Reductions:

<p>Means of Validation</p> <p>Emission Reductions as per VCS approved methodology i.e.VM0018 /8/ shall be calculated as below:</p> <p>$ER_y = BE_y - PE_y - LE_y$</p> <p>Where,</p> <p>$ER_y$ = Emission Reduction in year y</p> <p>BE_y = Baseline Emission in year y</p>
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PE _y = Project Emission in year y
LE _y = Leakage Emission in year y
Findings
NA
Conclusion
The assessment team has assessed the approach and equations in use for calculations of emission reductions. The assessment team confirms that the emission reduction calculation approach in the final updated PDD /11/ comply with the valid version of the methodology applicable /8/ to the registered VCS project activity /27/.

3.3.7 Methodology Deviations

Based on the remote interview with the PP /9/, review of the methodology VM0018 /8/ and VCS recommendation /31/ on the appropriate approach for inclusion of Sectoral Scope – 7 emissions under the methodology, it can be confirmed that Sectoral Scope – 7 generic PAIs (PAI XI to PAI XIV) are not part of the current renewal of crediting period validation. Please refer CL02 & CL03 (Appendix IV of this report) raised and resolved in this regard.

On the basis of the above discussion, it can be concluded that there is no methodological deviation that has been assessed by the VVB validation team.

3.3.8 Monitoring Plan

The suggestive parameters that are to be monitored at the time of implementation of project activity are:

- FF_{BL,y} = Volume of fossil fuel
- WS_{BL,y} = Volume of the waste stream

Since the project activity includes several generic PAIs, and each PAI has its own monitoring plan, methodologies, assumptions, calculations, and approaches, it was confirmed by PP that these would be duly reviewed post receipt from client's facilities. Since the monitoring plans vary for each client facility, these cannot be summarized in the form of a single document. SMEs (client facilities) do have their regulatory requirements for monitoring certain parameters, and in order to differentiate between those and the project's monitoring requirements, client only shares the data that is required to calculate the emission reductions that are going to be achieved from that particular project activity. Validation team has reviewed the approach that will be implemented by PP for calculating the Emission Reductions, and it can be concluded that the monitoring plans for parameters to be monitored are in accordance with applied methodology and tools.

3.4 Non-Permanence Risk Analysis

No non-permanence risk has been identified for the renewal of crediting period of the VCS grouped project activity.

4 VALIDATION CONCLUSION

ESPL, contracted by Will Solution, has performed the independent RCP validation of the project activity “Energy Efficiency And Solid Waste Diversion Activities within The Quebec Sustainable Community”.

The PP is responsible for the information about the implementation of the project activity.

ESPL commenced the validation based on the baseline and monitoring methodology VM0018/8/ and draft VCS-PD /11/ and ERs estimates spreadsheet /12/, and relevant data /13/.

ESPL’s validation approach is based on the understanding of the risks associated with reporting the project activity, estimates of GHG emission data and the controls to be implemented to mitigate these. ESPL planned and performed the validation by obtaining evidence, other information and explanations that ESPL considered necessary to give reasonable assurance that the estimated GHG emission reductions are fairly to be achieved.

The VVB validation team raised CL02 and CL03 (See Appendix IV) to understand the approach PP is applying for the inclusion of generic PAIs under Sectoral Scope – 7. Upon discussion with VCS board officials, PP concluded that Sectoral Scope – 7 PAIs cannot be included to the VCS PD under the current set of circumstances. Therefore, PP removed all the text from the PD which contained information on Sectoral Scope – 7, and due to the same reason, VVB validation team concludes that Sectoral Scope – 7 generic PAIs (PAIs XI to XIV) are not part of the current validation.

There’s only one new PAI that has been added to the PD at the time of current validation, and that is PAI XV (Sectoral Scope – 13).

Based on the above, the validation team confirms that:

- the project activity is in accordance with all relevant host country criteria (Canada) and VCS rules and requirements /1/,/2/,/3/,/4/;
- the project activity is in accordance with all conditions of the latest version of applied methodology /8/;
- the local stakeholders’ consultation has been performed in accordance with host country and VCS requirements /1/,/2/,/3/,/4/;
- the environmental assessment is appropriate and sufficient;
- the monitoring plan is transparent and adequate;
- all information has been consistently applied in the VCS-PD /11/;
- the implementation of the project has been done as per descriptions in the VCS-PD /11/



Ashok Kumar Gautam
Director
Earthood Service Pvt. Ltd

18-February-2021
Gurugram, India

APPENDIX I: ABBREVIATIONS

Abbreviations	Full texts
AI	Artificial Intelligence
BE	Baseline Emission
CA	Corrective Action / Clarification Action
CAR	Corrective Action Request
CDM	Clean Development Mechanism
CO ₂	Carbon dioxide
CO ₂ e	Carbon dioxide equivalent
CL	Clarification Request
ICI	Industrial, Commercial Institutional
IoT	Internet of Things
EC	Environmental Credit
EF	Emission Factor
ER	Emission Reduction
ESPL	Earthood Services Private Limited
ERPA	Emission Reductions Purchase Agreement
ETS	Emission Trading System
FAR	Forward Action Request
KPI	Key Performance Index
GHG	Greenhouse gas(es)
MP	Monitoring Plan
MR	Monitoring Report
PA	Project Activity
PAI	Project Activity Instance
PE	Project Emission
PP	Project Participant
SC	Sustainable Community
SCSP	Sustainable Community Service Promoter
SDGs	Sustainable Development Goals
QA/QC	Quality Assurance / Quality Control
UN	United Nation
UNFCCC	United Nations Framework Convention on Climate Change
VCS	Verified Carbon Standard
VCS-PD	VCS - Project Description
VCU	Verified Carbon Unit
VVB	Validation and Verification Body
WILL	Will Solution Inc

APPENDIX II: COMPETENCE STATEMENT

Competence Statement			
Name	Kaviraj Singh		
Country	India		
Education	Ph.D. (Environmental Engineering), IIT Delhi Masters (Energy & Environmental), DAVV Indore		
Experience	15 Years +		
Field	Climate Change & Environment		
Approved Roles			
Team Leader	YES		
Validator	YES		
Verifier	YES		
Methodology Expert	AMS-I.D., AMS-II.D., ACM0006, AMS-I.A., AMS-I.C., AMS-II.B., AMS-III.H, ACM0002, ACM0001, AM0080, ACM0018		
Local expert	YES (India)		
Financial Expert	YES		
Technical Reviewer	YES		
TA Expert	YES (TA 1.1, TA 1.2, TA 3.1, TA 13.1, TA 13.2)		
Reviewed by	Abhishek Mahawar	Date	12/02/2020
Approved by	Ashok Gautam	Date	12/02/2020

Competence Statement			
Name	Ajay Kumar		
Country	India		
Education	Master's in Environmental Sciences		
Experience	3 Years+		
Field	Climate Change		
Approved Roles			
Team Leader	NO		
Validator	Yes		
Verifier	Yes		
Methodology Expert	No		
Local expert	Yes (India)		
Financial Expert	No		
Technical Reviewer	No		
TA Expert	No		
Reviewed by	Shreya Garg	Date	17/11/2020
Approved by	Ashok K Gautam	Date	17/11/2020

Competence Statement			
Name	Anshika Gupta		
Country	India		
Education	M.Sc. (Climate Science & Policy), TERI University		
Experience	4 Years +		
Field	Climate Change		
Approved Roles			
Team Leader	Yes		
Validator	Yes		
Verifier	Yes		
Methodology Expert	AMS-I.A., AMS-II.G., ACM0002, AMS-III.A.V.		
Local expert	YES (India)		
Financial Expert	NO		
Technical Reviewer	YES		
TA Expert	AMS-I.A., AMS-II.G., ACM0002, AMS-III.A.V.		
Reviewed by	Shreya Garg	Date	12/03/2019
Approved by	Kaviraj Singh	Date	12/03/2019

APPENDIX-III REFERENCES

No.	Author	Title	References to the document	Provider
1.	VERRA-VCS	VCS program guide	Version 4.0, Dated 19-September-2019	Other
2.	VERRA-VCS	VCS Standard	Version 4.0, Dated 19-September-2019	Other
3.	VERRA-VCS	VCS Program Definition	Version 4.0, Dated 19-September-2019	Other
4.	VERRA-VCS	VCS Registration and Issuance Process	Version 4.0, Dated 19-September-2019	Other
5.	VERRA-VCS	Latest VCS-PD Template	Version 4.0, Dated 19-September-2019	Other
6.	VERRA-VCS	Latest VCS- Validation Report Template	Version 4.0, Dated 19-September-2019	Other
7.	VERRA- VCS	VCS Project webpage- https://registry.verra.org/app/projectDetail/VCS/929	Last Access Date- 27-January-2021	Other

8.	VERRA- VCS	VCS Approved Methodology-VM0018- “Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community” https://verra.org/methodology/vm0018-energy-efficiency-and-solid-waste-diversion-activities-within-a-sustainable-community-v1-0/	Version 1.0, approved 20-February-2012	Other
9.	ESPL	Remote Interview through video conferencing	26-November-2020	Other
10.	ESPL	Previous VCS-Verification Report, 3 rd MP (01-January-2017 to 31-December-2018)	-	Other
11.	Will Solutions Inc.	VCS project description (undergoing crediting period renewal)	Version 1.2, Dated 25-January-2021	PP
12.	Will Solutions Inc.	Quantification sheet of the PAIs (Estimated Emission Reduction sheet)	Corresponding to the PD	PP
13.	Will Solutions Inc.	GHG projections and ER assumptions for Renewal Period 2020-2029	09-December-2020	PP
14.	Will Solutions Inc.	Will Solutions General Protocol: Evidence for monitoring of environmental impact by each distinct PAI, alongwith Evidence for continuous operation of Local Stakeholder Consultation	Version 1.2, Dated 30-November-2020	PP
15.	Will Solutions Inc.	Automated traceability platform (ICT) screenshots, alongwith relevant information	09-December-2020	PP
16.	Will Solutions Inc.	Will Solutions Declaration on a) VCS Grouped Project ownership b) PAIs not submitted to other GHG programs c) Grouped project activity not submitted or rejected under any other GHG program d) Grouped project activity not operating under any ETS e) Grouped project activity not operating or using any other forms of environmental credits	08-December-2020	PP
17.	Will Solutions Inc.	Summary of Generic PAIs fulfilling regulatory surplus	09-December-2020	PP
18.	Will Solutions Inc.	Quebec Regulatory document “Environment Quality Act” http://legisquebec.gopen.qc.ca/en/ShowDoc/cs/Q-2	09-December-2020	PP
19.	Will Solutions Inc.	Quebec Regulatory document “Regulations on the cap-and-trade system for greenhouse gas emissions”	09-December-2020	PP

		http://legisquebec.gouv.qc.ca/fr/ShowDoc/cr/Q-2,%20r.%2046.1		
20.	Will Solutions Inc.	Quebec Regulatory document "Regulation on Waste Management" http://legisquebec.gouv.qc.ca/fr/ShowDoc/cr/Q-2,%20r.%2019	09-December-2020	PP
21.	Will Solutions Inc.	Quebec Regulatory document "Quebec Building Code" https://www.rbq.gouv.qc.ca/lois-reglementset-codes/pardomaine/batiment.html	09-December-2020	PP
22.	Will Solutions Inc.	Quebec Regulations for "Energy" http://www.regieenergie.qc.ca/regie/reglements.html	09-December-2020	PP
23.	Will Solutions Inc.	Federal Environmental Protection Act https://pollutionwaste.canada.ca/environmentalprotectionregistry/regulations	09-December-2020	PP
24.	Will Solutions Inc.	Federal Regulations of "Environmental Regulations for the energy and transportation sectors" http://publications.gc.ca/site/eng/9.699290/publication.html	09-December-2020	PP
25.	ESPL	Verification Report for Will Solutions grouped project activity (0929) 4 th monitoring period	Version 1.0, Dated 10-August-2020	Other
26.	VERRA-VCS	VCS Monitoring Report template	Version 4.0	Other
27.	Will Solutions Inc.	Crediting Period I Registered VCS project description	Version 2.0, Dated 05/07/2013	PP
28.	BBC	New mutated strain of COVID-19: <u>New coronavirus variant: What do we know?</u> - BBC News	-	Other
29.	Will Solutions Inc.	SDG Report for Will Solutions	Valid as on 21-March-2020	PP
30.	SGS (UK)	Validation Report for VCS-0929	Version 1.0, 11-July-2013	Other
31.	VERRA-VCS	Recommendation on VCS methodology deviation	Received on 21-January-2021	PP
32.	WHO	WHO Weekly Update on COVID-19 Pandemic (December 15, 2020): <u>Weekly epidemiological update - 15 December 2020 (who.int)</u>	-	Other

APPENDIX IV- FINDING OVERVIEW

Table 1. Remaining FAR from validation and/or previous verification

FAR ID	00	Section no.	Date : DD/MM/YYYY
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Description of FAR	
Project participant response	Date : DD/MM/YYYY
Documentation provided by project participant	
DOE assessment	Date: DD/MM/YYYY

There is no FAR from validation or previous verification report.

Table 2.CL from this verification

CL ID	01	Section no.	3.2.3	Date : 03/11/2020
Description of CL				
<p>For Section 2.3 “Environmental Impact”, PP is stating that it is not in-charge to client’s facilities, however, being the CME to this grouped project activity, PP is required to check the environmental impact of the facilities added to this project’s PAIs.</p> <p>PP is requested to specify how it is being done for the generic PAIs, under the Section 2.3.</p>				
Project participant response				Date : 09/11/2020
<p>According to environmental laws and regulations in place in Quebec, it is mandatory for all Project Activity Instances (PAI) that are qualified into the Sustainable Community (SC) cluster project to obtain a Certificate of Authorization (CA) before the implementation of a project and/or for the modification of a project.</p>				
Documentation provided by project participant				
-				
DOE assessment				Date: 18/11/2020
<p>In Section 2.2 of the VCS PD, PP is mentioning that Will Solutions carefully selects each project activity instance of all new members of SC, which have to respect any environmental regulations.</p> <p>PP is requested to demonstrate the conditions/eligibility criteria that is laid down for reviewing the PAIs being added to the VCS project activity with reference to the environmental impacts.</p> <p>CL01 is open.</p>				
Project participant response				Date : 08/12/2020

We understood that the DOE complementary clarification request is referred to section 2.1 of the renewal of the PD. The project proponent will add in the PD renewal PD at the section 2.1, third paragraph:

«WILL is carefully qualifying and selecting each project activity instance (PAI) for all new members of the SC, which have to be compliant with any environmental regulations, as well as go beyond any regulations applicable. Regrouping all these eligible PAI, mainly located in remote areas, the SC project creates beneficial socio-economic impacts by directly rewarding economically SME projects as well as municipalities that focus on Sustainable Development (SD) and are aligned with the 17 Sustainable Development Goal (SDG) of the United Nations.»

Complementary answers and information are written below on the CL 04

Documentation provided by project participant

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DOE assessment

Date: 11/12/2020

The information provided by PP is satisfactory for the closure of this finding. The newly added members of the SC are checked for their environmental impacts alongwith other regulations applicable to those facilities.

Therefore, CL01 is closed.

CL ID	02	Section no.	3.3.7	Date : 03/11/2020
Description of CL				
By reviewing the PD applicable to the crediting period being renewed, it is not clear if Sectoral Scope 7 is applicable to the grouped project. If so, then how it is in conformity with the sectoral scopes identified within the methodology VM0018, ver. 1.0.				
PP is requested to clarify with respect to the information provided in the Appendix – 3 of the PD, for the generic PAIs applicable (PAI XI to PAI XIV).				
Project participant response				Date : 09/11/2020

The project proponent (pp) developed the VM0018 methodology during the 2009-2012 period. Before entering the DAP (Double Approval Process) of validation and certification of a new methodology with the program VCS, under its version 3.0 (2009 up to October 2010), the project proponent had included three (3) sectoral scopes inside the first version submitted to VCS: sectoral scope 3, 7 (transportation) and 13. Reference. <https://verra.org/methodology/vm0018-energy-efficiency-and-solid-waste-diversion-activities-within-a-sustainable-community-v1-0/>

During the DAP, from October 2010 up to its final acceptance by VCSA (February 2012), 28 iteration findings were generated by two different VVB (DNV based in Oregon, USA and SGS from its climate office in UK) + a final consensual review acceptance with both VVBs and the VCSA, the pp withdrew at that time the sectoral scope 7 due to a lack of satisfactory methodological foundation.

Since 2012, some transportation methodologies have been developed and used in the portfolio of recognized international GHG methodologies (VCS, CDM, Gold Standard, CAR and ACR), and the pp is confident in being able to update the VM0018 by an addendum that will include the sectoral scope 7.

Documentation provided by project participant

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DOE assessment

Date: 18/11/2020

The approach PP is planning to adopt must be in accordance with the VCS Requirements.

VCS Standard version 4.0, Para 3.8.9 (2) (d) says that “The project description, containing updated information with respect to the baseline, the estimated GHG emission reductions or removals and the monitoring plan, shall be submitted for validation. Such updates shall be based upon the latest approved version of the methodology or its replacement. Where the project does not meet the requirements of the latest approved version of the methodology or its replacement, the project proponent shall select another applicable approved methodology (which may be a new methodology or methodology revision it has had approved via the methodology approval process), or shall apply a methodology deviation (where a methodology deviation is appropriate). Failing this, the project shall not be eligible for renewal of its project crediting period.” PP is requested to clarify the fulfilment of this requirement.

CL02 is open.

Project participant response

Date : 08/12/2020

The project proponent will ask the VCS program for guidelines, orientation and approbation on how to manage this particular aspect (methodology deviation) of the program in accordance with our project, as a first of its kind under the VCS methodology VM0018 before submitting a final answer to the VVB. All email exchanges between the project proponent and the VCS program staff will be shared with the VVB.

Documentation provided by project participant

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DOE assessment

Date: 11/12/2020

Mere provision of an assurance such as ‘PP will ask the VCS on the right approach to the Sectoral Scope – 7’ is not deemed sufficient for a comprehensive validation of the VCS grouped project. By the time there is no concrete statement from VCS on the right approach, CL02 shall remain open.

CL02 is open.

Project participant response	Date : 25/01/2021
<p>The project proponent obtained a recommendation from the VCS program, dated of January 21, 2021 to submit the PD renewal without a methodology deviation until a specific addendum to VM0018 (to include sectoral scope7) is submitted and approved by the VCS program. When the addendum to the VM0018 will be granted, the project proponent will use the methodology deviations (section 3.6 of the template) on the following Monitoring Report (MR) to be verified by a VVB. The project proponent clarified the direction given by VCS and made changes to the renewal document and it is now submitted for approval by the VVB.</p>	
Documentation provided by project participant	
-	
DOE assessment	Date: 27/01/2021
<p>Based on the recommendation PP has received from VERRA on the approach that they may follow for the inclusion of generic PAIs (PAI XI to XIV) associated with GHG Sectoral Scope – 7, it can be concluded that these PAIs cannot be included into the VCS-PD as of now. VERRA experts have clarified that an addendum to the methodology would be required prior to inclusion of Sectoral Scope – 7 related generic PAIs into the VCS PD. PP is adhering to the VCSA recommendation and has removed the text from the PD which mentions that Sectoral Scope – 7 is part of current version of PD (i.e. PD undergoing RCP renewal). PP is intending to keep generic PAIs XI to XIV in the Part II (Appendix) of VCS PD, which has not been assessed by the VVB.</p> <p>PP is discussing in the PD (sections 1.3, 3.1, 3.6, & 4.0 of the PD) the approach it would take (in order to include Sectoral Scope – 7), which has no relation with the RCP validation opinion.</p> <p>Therefore, VVB concludes that Sectoral Scope – 7 PAIs (PAI XI to XIV) have not been assessed under the current RCP validation.</p> <p>CL02 is closed.</p>	

CL ID	03	Section no.	3.3.7	Date : 03/11/2020
Description of CL				
<p>The newly added generic PAIs to the grouped project are described in Appendix – 3 of the PD. Here, on Page 145 of the PD (for the PAI XI), within point 5, it is provided that GHG’s transportation segment shall be addressed as deviation from the methodology VM0018 (ver. 1.0), until the methodology is updated to include such project types. It is not clearly specified here that which are the generic PAIs for which this statement applies. PP to discuss how the newly added generic PAIs are fulfilling methodological requirements. If applied methodology is not applicable on them, under which methodology their emission reduction calculation is being done at the time of verification?</p>				
Project participant response				Date : 09/11/2020

All the new generic PAI XI up to XIV are related to transportation and associated to sectoral scope 7. The methodological tools to be used for each generic PAI will be based on the ISO 14 064 part 1, 2 and 3 (version 2018 and 2019). The baseline scenario and additionality of these generic PAI will be addressed the same way as all other generic PAI: baseline scenario, additionality (based on common practice analysis), and will entirely respect the principal methodological element tool of quantification and verification principles (such as audits, recollection of evidence, etc.).

The main challenge related to these PAI will be the double counting between the 3 stakeholders of a trip (origin, transportation and destination), which we solve by using the building as the perimeter of calculation and specifically designed algorithms.

Documentation provided by project participant

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DOE assessment

Date: 18/11/2020

It is described by PP here that the newly added generic PAIs shall be following the VCS requirements quite like the PAIs which are part of the grouped project. However, PP shall clarify on how it is fulfilling the requirements set under Para 3.8.9 (2) (d) of the VCS Standard, ver. 4.0. The requirements state that PP shall apply a methodology deviation wherever it is deemed appropriate. In the event new PAIs within Sectoral Scope – 7 are being added to the VCS PD, a methodology deviation shall be applied.

CL03 is open.

Project participant response

Date : 08/12/2020

The project proponent will ask the VCS program for guidelines, orientation and approbation on how to manage this particular aspect (methodology deviation) of the program in accordance with our project, as a first of its kind under the VCS methodology VM0018 before submitting a final answer to the VVB. All email exchanges between the project proponent and the VCS program staff will be shared with the VVB.

Documentation provided by project participant

-

DOE assessment

Date: 11/12/2020

Based on the PP's responses, the CL is subject to closure upon furnishing a written communication from VCS, stating their opinion on this specific case.

CL03 is open.

Project participant response

Date : 25/01/2021

The project proponent obtained a recommendation from the VCS program, dated of January 21, 2021 to submit the PD renewal without a methodology deviation until a specific addendum to VM0018 (to include sectoral scope7) is submitted and approved by the VCS program. When the addendum to the VM0018 will be granted, the project proponent will use the methodology deviations (section 3.6 of the template) on the following Monitoring Report (MR) to be verified by a VVB. The project proponent clarified the direction given by VCS and made changes to the renewal document and it is now submitted for approval by the VVB.

Documentation provided by project participant

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DOE assessment	Date: 27/01/2021
<p>Based on the recommendation PP has received from VERRA on the approach that they may follow for the inclusion of generic PAIs (PAI XI to XIV) associated with GHG Sectoral Scope – 7, it can be concluded that these PAIs cannot be included into the VCS-PD as of now. VERRA experts have clarified that an addendum to the methodology would be required prior to inclusion of Sectoral Scope – 7 related generic PAIs into the VCS PD. PP is adhering to the VCSA recommendation and has removed the text from the PD which mentions that Sectoral Scope – 7 is part of current version of PD (i.e. PD undergoing RCP renewal). PP is intending to keep generic PAIs XI to XIV in the Part II (Appendix) of VCS PD, which has not been assessed by the VVB.</p> <p>PP is discussing in the PD (sections 1.3, 3.1, 3.6, & 4.0 of the PD) the approach it would take (in order to include Sectoral Scope – 7), which has no relation with the RCP validation opinion.</p> <p>Therefore, VVB concludes that Sectoral Scope – 7 PAIs (PAI XI to XIV) have not been assessed under the current RCP validation.</p> <p>CL03 is closed.</p>	

CL ID	04	Section no.	3.3.5	Date : 03/11/2020
Description of CL				
<p>VCS Standard version 4.0, Para 3.8.9 discusses the applicable points for the renewal of project's crediting period.</p> <p>The first point of this para says</p> <p>“A full reassessment of additionality is not required when renewing the project crediting period. However, regulatory surplus shall be demonstrated in accordance with the requirements set out in the VCS Program rules and the project description shall be updated accordingly.”</p> <p>PP is requested to clarify how this requirement of VCS standard is being fulfilled in the context of PD applicable to crediting period being renewed.</p>				
Project participant response				Date : 09/11/2020
<p><i>At this time, additionality is confirmed at the level of the project proponent, who still assumes alone (based on its sharing business model) all the risks related to the monetization of each qualified and quantified GHG reductions under its PD which is based on the VM0018.</i></p> <p><i>Furthermore, in this PD renewal process, the PP decided to review all the impacts of the latest regulations in force in Quebec. For each of the 15 generic PAIs, a comprehensive review and analysis of government regulations and relevant scientific study (academic) review was performed based on the most recent documentation available. All references have been written specifically for each generic PAI. This enables the project proponent to comply with a higher level of transparency and rigor, in accordance with the principles of the VCS program.</i></p>				
Documentation provided by project participant				
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DOE assessment	Date: 18/11/2020
<p>The approach being implemented by PP is appreciable, however, it is not being demonstrated with facts and evidences. Also, merely reviewing the government regulations in the context of generic PAI is not sufficient. PP must clearly highlight in the PD on how it is being ensured for each new PAI added to the grouped project. For example, the list of regulations that are going to be checked for the facilities being added as PAI. Regulatory surplus must be demonstrated via demonstrable evidences.</p> <p>CL04 is open.</p>	
Project participant response	Date : 08/12/2020
<p><i>The list of applicable regulations was already reviewed and analyzed for each generic PAI, which is detailed in Appendix III of the renewal PD. The pp summarized this analysis and is submitting it to ESPL (in a complementary document). The complementary document – an Excel sheet table – will indicate for each Generic PAI, the regulations to be reviewed as facts and evidence.</i></p>	
Documentation provided by project participant	
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DOE assessment	Date: 11/12/2020
<p>The list of applicable regulations that are specific to the generic PAIs, is now provided. The list contains the regulatory requirements that are to be fulfilled by the PAIs in the Quebec province of Canada.</p> <p>Therefore, CL04 is closed.</p>	

CL ID	05	Section no.	3.1	Date : 03/11/2020
Description of CL				
<p>In Section 1.1 of the PD, it is stated that facilities with $\leq 25,000$ tCO_{2e}/year/facility shall be the part of this project. This is in contradiction to the common practice analysis conducted for the generic PAIs.</p> <p>Let us take an example here.</p> <p>For PAI X, PP concludes that less than 1% of 640,000 buildings have achieved LEED ratings and therefore it is not a common practice. However, it is to be noted that the 640,000 buildings include a large fraction of those which emit $>25,000$ tCO_{2e}/year/facility.</p> <p>PP is requested to clarify the penetration rate for this specific case, and revise the common practice analysis for rest of the generic PAIs, in conformity with the fact that facilities and activities with GHG emissions $>25,000$ tCO_{2e}/year cannot be considered under this VCS grouped project.</p>				
Project participant response				Date : 09/11/2020

<ul style="list-style-type: none"> ➤ <i>The PP clarified the following; in all of Quebec’s territory, there are 78 regulated installations that emit >25,000 tCO_{2e}/year/facility.</i> ➤ <i>0,012% is the ratio of large GHG emitters under the entire portfolio (excluding the non-domestic housing) facilities estimated in Quebec: 78 facilities /640 000 building. Energy efficiency and heat recovery being, by far, not the current practice.</i> ➤ <i>The pp will correct the statement of the generic PAI 10 which the VVB mentioned: “However it is to be noted that the 640,000 buildings include a large fraction of those which emit >25,000 tCO_{2e}/year/facility”. It will be specified instead that the 640,000 buildings mentioned may include a tiny fraction (less than 1% of the 0,012%, so only one facility) of those which emit >25,000 tCO_{2e}/year/facility.</i> ➤ <i>Please indicate on which page such a statement has occurred and we will modify the statement with the one stated above.</i> 	
Documentation provided by project participant	
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DOE assessment	Date: 18/11/2020
<p>The text ‘<i>However it is to be noted that the 640,000 buildings include a large fraction of those which emit >25,000 tCO_{2e}/year/facility</i>’ is not provided by PP, but was rather VVB’s concern. Nevertheless, since PP is stating that there are only 78 facilities that emit >25,000 tCO_{2e}, suitable evidence must be furnished to support the statement.</p> <p>In this context, the fact provided in Section 1.16.1 of the PD (Since the start of the first compliance period on January 1st, 2013, persons and/or municipalities that operate any facility whose annual GHG emissions (excluding CO₂ emissions related to the combustion of biomass) are greater than or equal to 25 kiloton of equivalent CO₂ have been regulated by the C&T system. They are an estimated 80 facilities regulated under this regulation) shall not be considered, since Cap-and-Trade may have a small adoption rate. This CL shall remain open until the evidence is shared by PP.</p> <p>CL05 is open.</p>	
Project participant response	Date : 08/12/2020
<p><i>The list of installations regulated is maintained, updated and publically listed by the provincial government (MELCC) in charge of climate change. The list is available on their website; see the link (in French): http://www.environnement.gouv.qc.ca/changements/carbone/etablisements-SPEDE.pdf</i></p>	
Documentation provided by project participant	
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DOE assessment	Date: 11/12/2020
<p>The supporting evidence shared by PP is substantiating the demonstration of facilities listed under MELCC being the emitters with annual GHG emissions >25,000 tCO_{2e}.</p> <p>Therefore, CL05 is closed.</p>	

Table 3. CAR from this verification

CAR ID	06	Section no.	Other	Date	: 03/11/2020
Description of CAR					
<ol style="list-style-type: none"> 1. Please revise the numeric format being used in the VCS PD, from French numeric one to the international. In the international system, Comma is a separator between place value – i.e. thousands, millions, billions, etc. whereas in the PD, it is used as a decimal. 2. In the previous applicable version of VCS PD, Section 15.1 describes the index, including information structure of the generic PAI. This included Section B, where Summarized Baseline and Additionality analysis was there. However, in the current PD, there is no such Section within the generic PAIs which discusses their baseline and additionality fulfilment. Also, there is no uniform format which is followed for the description of PAI and project related information (generic PAIs within Appendix -3 of the PD). 					
Project participant response				Date : 09/11/2020	
<ol style="list-style-type: none"> 1) <ol style="list-style-type: none"> 1. <i>The pp will update the version from French numeric format to the international numeric format.</i> 2) <ol style="list-style-type: none"> 2. <i>The pp developed the renewal of the PD with a different and more detailed structure and analysis (with scientific (academic) and governmental reference) of the previous version of the VCS Project Document. The structure index is presented in page 55 of the Appendixes and contains 4 elements structure:</i> <ol style="list-style-type: none"> 3) <ol style="list-style-type: none"> a. PAI Summary - Common Practices and Regulations Analysis, b. Common Practice Analysis Methodology c. Emission factor (EF) to be used for the renewal period of 2020-2029 and d. PAI Common Practice Analysis from PAI I up to PAI XV. <p><i>This structure includes the baseline and additionality fulfilment for each of the 15 Generic PAI detailed in Appendix 3. A CDM Methodological combined tool was used in the PD to identify the baseline and demonstrate additionality which is still valid: at this stage, our emphasis was on the extensive demonstration that none of the PAIs of the project is nearing a common practice.</i></p> 					
Documentation provided by project participant					
<i>The update of the Monitoring Report, with the CAR-06 part 1, will be sent for review in 10 days.</i>					
DOE assessment				Date: 18/11/2020	
<ol style="list-style-type: none"> 1. The VCS PD has not been updated with international numeric format. Finding is open. 2. The indexing and description structure shared by PP is appropriately discussed, therefore this finding is closed. 3. PP has not paid attention to the editorial comments raised in both the pdf copies of VCS PD. Please review them, and apply editorial corrections accordingly. 4. There are supporting documents listed at the top of this Audit Findings report, which are to be provided by PP. 					
CAR06 is open.					
Project participant response				Date : 08/12/2020	

<ol style="list-style-type: none"> 1. The VVB will receive by attachment of these findings a corrected version which will be taking into account the editorial comments written by the VVB directly to the template of the renewal PD and that was sent to the pp on November 26, 2020. 2. We assume that this sub-point is closed. 3. Referred to the item 1 of this CAR 4. Please, all requested documents which are listed below this CAR, will be sent by attachment of these findings. Sorry for our inattention to this request. 	
DOE assessment	Date : 11/12/2020
The 4 points raised in the CAR06 are now resolved. Therefore, CAR06 is closed.	

Table 4.FAR from this verification

FAR ID	01	Section No.		Date : 27/01/2021
Description of FAR				
Project participant response				Date : DD/MM/YYYY
Documentation provided by project participant				
DOE assessment				Date: DD/MM/YYYY

There is no FAR raised during current RCP validation.