



Verified Carbon Standard

VALIDATION REPORT

FOR

ONTARIO SUSTAINABLE COMMUNITY
(OSC)



Document Prepared by Earthood Services Limited

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Summary:

- **A description of the validation and the project**

Earthood Services Limited (hereafter, referred to as “Earthood”) has been contracted by Will Solutions Inc. to conduct the validation of the registered project activity (VCS ID 3004) – “Ontario Sustainable Community (OSC)” regarding the relevant requirements of VCS program guidelines and standard (VCS Standard version 4.7/04/ and VCS Program Guide version 4.4/03/). The project proponent is Will Solution Inc. who use carbon finance to provide services for sustainable communities.

The validation includes confirming the claims and assumptions described under VCS Project Description version 1.5/01/ and the application of the monitoring methodology; VM0018 - Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community version 1.0/07/.

The grouped project focuses on energy efficiency and solid waste diversion activities to generate emission reduction. This project is structured around the measures implemented at Client Facilities, for reducing GHG emissions. Each individually applied measure is designated as a Project Activity Implementation (PAI) and PAI represents the fundamental, indivisible unit of activity within the project. All the implemented measures under this project will adhere to the definition of PAI stated in VCS Program Definition.

The implemented PAIs for this project are exclusively of two types: Energy Efficiency (EE) measures or Solid Waste Diversion (SWD) methods. These broad types encompass all eligible GHG reduction activities undertaken. These PAIs are further classified into 8 distinct categories within the EE and SWD methods. These 8 categories (Generic PAIs) define and encompass the technologies and/or specific measures that are eligible for inclusion under this project. This categorization provides the detailed structure against which all PAI are identified and assessed.

All the EE and SWD activities are grouped into 8 Generic Project Activity Instances (PAIs) which are as follows:

- Energy Efficiency

- 1) Biomass energy project
- 2) Saving energy on recycling activities
- 3) Heat recovery
- 4) Energy efficiency - demand Side
- 5) Energy conservation
- 6) Energy efficiency - demand side from new building or major renovations

- Solid Waste Diversion
 - 7) Methane emissions avoidance
 - 8) Land application of biosolids

- **The purpose and scope of validation**

The scope of the services provided by the Earthood Services Limited is to perform validation of the project activity “Ontario Sustainable Community (OSC)”. The scope is to assess the claims and assumptions made in final project description/01/ against the VCS criteria, UNFCCC criteria, including but not limited to the VCS Standard v4.7/04/, VCS Validation and Verification Manual v3.2/06/, CDM PS for PAs/09/, CDM VVS for PAs/10/ and other relevant rules and requirements established for VERRA.

- **The method and criteria used for validation**

This assignment is an independent and objective review for determination of the estimated reductions in GHG emissions. The validation includes the implementation and operation of the grouped project as reported in the final project description /1/. The validation process is undertaken by VVB that involves the following:

- The desk review of documents and evidence submitted by the project participant in context of the VCS criteria along with reference CDM rules and guidelines issued by CDM EB.
- Undertaking physical site visit, interview, or interactions with the representative of the project participant.
- Reporting audit findings with respect to clarification and non-conformities and the closure of the findings as appropriate.
- Preparing a draft validation report of VCS program complying with the VCS requirements.
- Technical review of the draft validation opinion along with other documents as appropriate by an independent competent technical review team for finalization of the validation (this report).
- An independent technical review team reviews this report made by the VVB. After the final report is accepted by the Technical Reviewer it is then approved by Earthood Services Limited, which is processed further according to the VCS and CDM procedures.

- **The number of findings raised during validation**

During the validation of the Project Activity, a total of 09 CLs, 06 CARs and 01 FARs were raised. All the audit findings have been successfully resolved except the FAR raised during this validation. Details of all the audit findings have been provided in Appendix 4 of this report.

- **Any uncertainties associated with the validation**

VVB has undertaken an elaborate audit trail for validation of assumptions and claims contained in final PD v.1.5, dated 30/03/2026/1/. Each detail has been checked during the site visit and document review which is not only confined to information provided by PP but also by undertaking an independent evaluation of relevant publicly available information by making use of technical expertise of the assessment team. Thus, there are no evident uncertainties associated with validation.

- **Summary of the validation conclusion**

The review of the project description, supporting documentation and subsequent follow-up actions have provided Earthood with sufficient evidence to determine the fulfilment of stated criteria. Earthood is of the opinion that the project activity, “Ontario Sustainable Community (OSC)” (VCS ID: 3004) meets all the VCS requirements and has correctly applied the VCS methodology VM0018 “Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community” v.1.0 /07/. The GHG emission reductions are calculated correctly based on the approved methodology.

The GHG emission reduction from the project is estimated to be 3,037,132 tCO₂e annually and 21,259,926 tCO₂e over the first 7-year renewable crediting period.

In summary, it is Earthood’s opinion that the project activity “Ontario Sustainable Community (OSC)” as described in the VCS PD v.1.5, dated 30/03/2026/1/ meets the defined criteria in the applicable baseline and monitoring methodology. The monitoring plan adequately provides for ex-post monitoring of the project’s emission reductions. The monitoring arrangements described in the monitoring plan are feasible within the project design and it is Earthood’s opinion that the PP shall be able to implement the monitoring plan and requirements of VCS standard.

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1 INTRODUCTION

1.1 Objective

Will Solutions Inc. has contracted Earthood Services Limited (formerly, Earthood Services Private Limited), VVB for validation of the VCS project “Ontario Sustainable Community (OSC)” located in the province of Ontario, Canada to carry out the validation of the project against the requirement of the VCS Program.

The objective of the validation assessment is to determine:

- Project conformance to VCS rules and criteria.
- Project conformance to the applied methodology, including the procedure for demonstration of additionality specified in the methodology and;
- Likelihood that methods and procedures set out in the project description will generate verifiable GHG data and information when implemented.

The validation is an independent assessment of the project by a validation/verification body that determines whether the project complies with the VCS rules.

1.2 Scope and Criteria

The scope of the validation is defined as an independent and objective review of the VCS Project Description/01/ and supporting documents, which the assessment team reviewed against the pertinent criteria and decisions by the VCS Board, including but not limited to, the VCS methodology/07/, applicable tool/08/, VCS Standard/04/, VCS Program Guide/03/. Based on the recommendations mentioned in the latest version of VCS Validation and Verification Manual, version 3.2/06/ the assessment team has employed a risk-based approach, focusing on identifying the significant risks for implementation of the project and generating VCUs. The scope of this assignment is:

- Validation in accordance with Earthood’s own QMS that is based on the VCS VVM along with the guidance provided by the VCS Board to determine if the project meets all the relevant VCS requirements, including those specified in the VCS Standard/04/, relevant methodology/07/, tools/08/ and guidelines and processing in line with the VCS Program Guide/03/.
- To assess the accuracy, conservativeness, relevance, completeness, consistency, and transparency of the information provided by the Project Proponents.
- To report the findings and conclusions in an objective manner and conduct the validation in accordance with VCS Rules and procedures.
- To apply consistent validation criteria in providing expert judgements to the requirements of applicable approved methodologies, tools, and cross check the same.

- Safeguard the confidentiality of all information obtained during validation; and to adhere to the principles of independence, ethical conduct, fair presentation, and due professional care in assessment process.

1.3 Reasonableness of Assumptions

- Limited level of assurance
- Reasonable level of assurance

The approach used by VVB for validation of the project activity is built on a thorough understanding of the risks associated with reporting data on GHG emissions and the controls used to mitigate them. The validation is performed in conformance with the internal quality management standards to ensure that any opinion/conclusion is reached in an objective manner.

To achieve reasonable assurance, the assessment team has obtained sufficient and appropriate audit evidence to reduce audit risk to an acceptably low level. Reasonable level of assurance is met, by using credible and reliable means of validation (explained in detail in section 2.4 below). All documentary evidence were checked, and onsite audit was conducted with PP representatives and site personnel to arrive at a validation conclusion by the assessment team. The evidence used to achieve a reasonable level of assurance is specified in various sections of this report as well as included under Appendix 3 of this report.

In our opinion, project is carried out with in conformity of all above mentioned details and we confirm that all information provided is accurate and estimated GHG emissions reductions were calculated correctly on the basis of the approved baseline and monitoring methodology and VCS Standard version 4.7/04/.

1.4 Summary Description of the Project

The Ontario Sustainable Community (OSC) project document was prepared by Will Solutions Inc (“WILL”). to quantify and generate GHG emission reductions in conformance with the VCS Methodology VM0018 Energy Efficiency and Solid Waste diversion activities within a sustainable Community/07/.

WILL is a Sustainable Community Service Promotor (SCSP) which has developed this grouped project to quantify and generate GHG emission reductions through reduced energy demand and methane avoidance from waste diversion, in conformance with VCS Methodology VM0018 “Energy Efficiency and Solid waste Diversion Activities within a Sustainable Community” (Version 1.0)/07/. The project targets a large range of Client Facilities, all located within the geographical boundary of Province of Ontario, Canada, that are part of the industrial, commercial or institutional (ICI) sector, owned and operated by several distinct owners.

The grouped project includes large residential, institutional, and commercial facilities located within the province of Québec, defined as the common geographic boundary for all activity instances. The grouped structure enables the inclusion of eligible Energy Efficiency (EE) and Solid

Waste Diversion (SWD) activities implemented across participating sites under consistent regional conditions and applicable regulations.

This project is structured around the measures implemented at Client Facilities, for reducing GHG emissions. Each individually applied measure is designated as a Project Activity Implementation (PAI) and PAI represents the fundamental, indivisible unit of activity within the project.

As per the VCS Program Definitions, the definition of PAI is “A particular set of implemented technologies and/or measures that constitute the minimum unit of activity necessary to comply with the criteria and procedures applicable to the project activity under the methodology applied to the project.”. All measures implemented under this project will adhere to this definition.

The implemented PAIs for this project are exclusively of two types: Energy Efficiency (EE) measures or Solid Waste Diversion (SWD) methods. These broad types encompass all eligible GHG reduction activities undertaken.

These PAIs are further classified into 8 distinct categories within the EE and SWD methods. These 8 categories (Generic PAIs) define and encompass the technologies and/or specific measures that are eligible for inclusion under this project. This categorization provides the detailed structure against which all PAI are identified and assessed.

Eligibility criteria for project activity instances are assessed in Section 3.1 of this report.

All the EE and SWD activities are grouped into 8 Generic Project Activity Instances (PAIs) which are as follows:

- Energy Efficiency
 - 1) Biomass energy project
 - 2) Saving energy on recycling activities
 - 3) Heat recovery
 - 4) Energy efficiency - demand Side
 - 5) Energy conservation
 - 6) Energy efficiency - demand side from new building or major renovations
- Solid Waste Diversion
 - 7) Methane emissions avoidance
 - 8) Land application of biosolids

The grouped project under validation has been developed with an objective to form sustainable community comprising of a cluster of over 1200 client facilities in Ontario, Canada aiming to achieve a total estimated GHG emission reduction of 21,259,926 tCO₂e over the crediting period of 01-Jan-2026 to 31-Dec-2032, with an estimated annual average of 3,037,132 tCO₂e/02/.

2 VALIDATION PROCESS

2.1 Method and Criteria

The validation involves thorough and independent assessment of the project activity against the applicable VCS requirements/03/04/05/06/07/ in particular the project’s baseline, additionality proposed monitoring plan and the project compliance with relevant VCS and host part criteria. The validation also involves the assessment of the claims and assumptions made in the PD.

The overall validation assessment was conducted as per the internal quality management procedures, in the following manner.

- Contract with the PP for defining the scope and appointment of validation team and the technical review team.
- Desk review of the VCS PD/01/ and estimated emission reduction calculation sheet/02/.
- Onsite inspection by the validation team.
- Reporting and closure of findings (CARs/CLs/FARs) and preparation of draft validation report.
- Independent technical review of the draft report and the revised/final documents.
- Issuance of final validation report.

Earthood keeps all documents and records in a secure and retrievable manner for at least two years after the completion of the project crediting period.

Key milestone	Date
Kick-off meeting between VVB and PP	13/03/2023
Desk review	10/04/2023 - 07/11/2025
On site audit	10/02/2025
Draft Validation Report	07/11/2025 - 17/11/2025
Independent technical review	17/11/2025 - 08/12/2024
Issuance of Final Validation Report	12/12/2025

2.2 Document Review

The validation is performed primarily as a review of the documents submitted at various stages of assessments. The review is performed by assessment team using dedicated protocols. The assessment team cross checks the information provided in the documents (Project Description & ER calculation sheet), the supporting documents/studies provided by PP, and information from sources other than those used, if available, and conducts independent background investigations. Earthood Services Ltd. conducted a desk review as under:

- A review of the data and information presented to verify their completeness.

- A review of the monitoring plan, the monitoring methodology including applicable tool(s) and, where applicable, the frequency of measurement/recording of parameters, and the quality assurance and quality control procedures.
- An evaluation of data management and the quality assurance and quality control system in the context of their influence on the generation and reporting of emission reductions

Furthermore, the validation team used additional documentation by third parties like host-party legislation, technical reports referring to the project design or to the basic conditions and technical data. The documents/evidence reviewed are included in Appendix 3 of this report.

2.3 Interviews

The VVB conducted an on-site audit on 10/02/2025. The onsite assessment was conducted as part of the validation of the project in line with para 4.1.11 of the VCS Standard v4.7, “A site visit that includes a visit to facilities and/ or project areas shall be conducted at validation and project crediting period renewal validation.”. The assessment team conducted interviews to confirm the information contained in the project documentation and to gather additional information regarding the project's adherence to the VCS requirements and the applicable methodology's requirements.

The table below describes the onsite audit process and further identifies personnel, including their roles, who were interviewed and/or provided information additional to that provided in the project description/01/ and any supporting documentation. The TL and TA Expert conducted the onsite audit.

S. No.	Name	Affiliation	Location	Date	Topics Covered
1.	Christophe Kaestli	Will Solutions	Ottawa, Canada	10/02/2025	<ul style="list-style-type: none"> • Project Activity (Technology, Location and Implementation) • Choice and applicability of baseline methodology(ies) • Project boundary and emission sources included in the project boundary. • Baseline identification • Review of evidence and supporting documents • Monitoring plan (feasibility of monitoring arrangements described in PDD, QA/QC procedures, responsibility of
2.	Anne Menard	Will Solutions			
3.	xxxxxxxxxx	xxxxxxxxxx (Owner of First Client Facility)			

					<p>implementation of monitoring plan, data recording & storage procedures)</p> <ul style="list-style-type: none"> Operational lifetime of the project activity
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For the first PAI, no stakeholder has been identified by PP. The only stakeholder that has been identified is the owner of the first CF i.e. Paul Des Rosiers. The following concerns were identified for the possible stakeholder identification:

- **Nearby Residents / Local Community:** No stakeholder has been identified, as the PAI occurs on privately-owned, operational farmland with no expected noise, air, water, or visual impacts beyond the property boundary. No change in land use or community access is involved. Further, no neighbour is present in a mile-radius of this project implementation site.
- **Local Authorities (Planning/Permitting):** As the project involves installation of equipment on existing industrial infrastructure (rooftop, boiler room). Such retrofits typically fall under building code compliance handled by licensed contractors (such as Otter Energy), not discretionary municipal planning review. No new land use or zoning change is sought.
- **Local Environmental Organizations:** As the implementation measure (solar panels) has a net positive environmental impact, align with provincial energy and waste diversion policies, and do not affect protected areas or species. No controversy or precedent warranting their formal engagement was identified.
- **Utility/Grid Operator:** For the initial off-grid solar PAI replacing a diesel generator, there is no grid interconnection, thus the utility is not a stakeholder. This would be re-assessed if a grid-tied PAI were later added.
- **Occupational Safety Regulators:** Engagement is fulfilled through mandatory compliance with existing provincial (Ontario) Occupational Health and Safety Act regulations, enforced via the employer's (Client Facility's) legal duties. The project does not alter these baseline legal obligations.
- **Emergency Responders:** Similar to safety regulators, fire code compliance for equipment installation is mandated by law through building permits and inspections. The project proponent ensures all PAIs require Clients to obtain necessary permits, which inherently involves fire department plan review where required by jurisdiction.

2.4 Site Visits

An on-site visit was undertaken by the assessment team on 10/02/2025 to carry out the following:

- An assessment of the implementation plan of the first PAI of project activity as per VCS PD/01/.
- A review of information flows for generation, aggregation and feasibility of the monitoring plan
- Review of project boundary and emission sources related to the first PAI.
- Assessment of baseline and additionality of the first PAI in Ottawa
- A review of calculation and assumptions made in estimating the GHG data and emission reduction.

The on-site visit was conducted on 10/02/2025, specifically at the location of the first Project Activity Implementation (PAI) in Ottawa, Ontario, with the objectives of verifying the physical baseline conditions—including the diesel-powered grain elevator infrastructure and its associated fuel consumption records—and assessing the organizational readiness of the Project Proponent; the visit confirmed the site-specific details for the planned 118.32 kW solar PV installation at that facility and involved interviews with key personnel to evaluate data management and implementation plans in line with the VCS methodology requirements.

2.5 Resolution of Findings

The validation protocols used for the assessment is designed in accordance with the latest version of latest VCS Program Documents and relevant CDM Standards.

As an outcome of the validation process, the assessment team can raise different types of findings.

Clarification request (CL) is raised if information is insufficient or not clear enough to determine whether the applicable VCS/CDM requirements have been met.

Where a non-conformance arises the validator/verifier raised a Corrective Action Request (CAR). A CAR is issued, where:

- The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions.
- The CDM/VCS requirements have not been met.
- There is a risk that emission reductions cannot be monitored or calculated.

Forward Action Request (FAR) is raised during validation/verification to highlight issues related to project implementation that require review during the first verification of the project activity. FARs does not relate to the VCS/CDM requirements for registration.

Irrespective of the nature of findings, all of these are given to PP in a separate finding document. In this document, the project proponent(s) is/are given the opportunity to respond to the findings. Based on the responses by PP along with relevant supporting documents/evidence the validation team determines whether the findings are resolved or not. The findings may also be raised at later stage e.g., during internal technical review process and these are also communicated/dealt in the same manner as described above. The draft validation report is also prepared during this period reflecting the status of the findings, if any, as appropriate.

In summary, the type and total number of findings that were raised are indicated below:

Type of Finding	CAR	CL	FAR
Total Findings	06	09	01

All the findings raised during this validation of the project are included under Appendix 4 of this report.

2.5.1 Forward Action Requests

One FAR on the start date of this grouped project activity has been raised during the validation.

3 VALIDATION FINDINGS

3.1 Project Details

The key take aways on the assessment of this grouped project are as follows:

- The baseline scenario will be assessed separately for two distinct categories (Section 3.4 of the VCS PD/1/):
 - Sectoral Scope 3 (Energy Demand): Based on historical fossil fuel and grid electricity consumption.
 - Sectoral Scope 13 (Waste Diversion): Based on the historical practice of sending waste to landfills.
- The additionality of each Project Activity Instance (PAI) will not be assessed individually and independently. Instead, it is demonstrated by association with one of the eight Generic PAIs listed in Appendix 3 of the VCS PD/1/ (Section 3.5 of the VCS PD). A PAI is considered additional if it falls under a Generic PAI category and demonstrates the criterion listed for its Generic PAI.
- The first Client Facility and its PAI, which involves the solar panel installation (Generic PAI VIII). The PAI is not yet implemented. The scheduled implementation date is 01/01/2026. The baseline scenario (following Scope 3 guidelines) and additionality (via Generic PAI VIII) for this first PAI have been assessed and documented in sections 3.3.4 and 3.3.5 of this report, respectively.
- The first PAI involves installing solar panels to displace grid electricity and reduce the use of on-site diesel generators. These generators power grain elevators for moving grain. Their baseline fuel consumption was verified as 6,751.1 litres of diesel in 2024 through a third-party energy audit/43/ and confirmed by the validation team during an on-site visit/11/ with fuel receipt evidence.
- The project's total ex-ante emission reductions are not extrapolated solely from the small first PAI. The primary basis for this ex-ante estimate is the actual, historical performance data from the first crediting period of a similar, operational grouped project (VCS ID: 929) /15/.

This project, developed by the same Proponent (WILL) under the same methodology (VM0018) but in a different Canadian province, provides a proven model for scaling PAIs and Client Facilities.

- Thus, the total ex-ante ERs is the sum of two components; total ERs of the estimated number CFs (that will be included throughout the CP) and the estimated ERs of the first PAI.
- All 8 Generic PAIs defined for this project are eligible under the VCS Standard v4.7 /4/. None of them are excluded or appear on the prohibited list in Table 1 of the VCS Standard v4.7 /4/, confirming the project's overall eligibility.
- To ensure a robust and realistic demonstration of additionality for a project encompassing diverse energy efficiency and waste diversion activities, the Project Proponent has defined 8 Generic Project Activity Instances (PAIs). This structure allows for a tailored assessment that reflects the distinct characteristics of each activity type. The additionality of each Generic PAI is conclusively demonstrated in Appendix 3 of the VCS PD/1/ through a multi-faceted analysis: Regulatory Analysis, Common Practice Analysis and Investment Analysis.
- The assessment on the eligibility criteria of the First PAI has been demonstrated in below Table 3.1 of this section.

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Audit history	The project is undergoing its first validation for the Crediting period from 01/01/2026 to 31/12/2032.
Sectoral scope	The project activity applies the sectoral scopes- Sectoral scope 3 – Energy Demand Sectoral scope 13 – Waste Handling and Disposal
AFOLU project category, if applicable	Not applicable
Project activity type	Energy Efficiency and Waste Diversion Activities
General eligibility of the project to participate in the VCS Program	The project activity involves energy efficiency and waste diversion activities aiming to develop sustainable communities. Thus, it is not excluded under Table 1 “Excluded Project Activities” of VCS Standard v4.7/04/. The project activity targets the reduction of methane, carbon dioxide and nitrous oxide emissions which are listed under the

seven Kyoto Protocol greenhouse gases included under the scope of the VCS programme

Para 2.1.2 of the VCS Standard v4.7, “*The scope of the VCS Program excludes projects that can reasonably be assumed to have generated GHG emissions primarily for the purpose of their subsequent reduction, removal, or destruction*”. During the validation assessment, the team explicitly evaluated compliance with VCS Program scope requirement 2.1.2 by examining the nature and purpose of the baseline emissions at the visited facility in Ottawa. It was confirmed that the diesel consumption for grain elevator operations is a required for the client's core agricultural business activity, and therefore the subsequent emission reductions from the solar PAI represent an actual mitigation of baseline and project emissions, not emissions generated primarily for the purpose of subsequent reduction.

Further, the comprehensive common practice analyses for all the 8 Generic PAIs demonstrated that each baseline scenario (such as conventional fossil fuel heating, standard waste landfilling, typical building energy use) represents the existing, commonplace practices in Ontario's ICI (Industrial, Commercial, and Institutional) sector, with the adoption rates of the proposed mitigation measures all critically below the 20% threshold of the CDM Tool 24 v3.1. Thus, confirming that none of the project's baseline emissions can be reasonably assumed to have been generated primarily for the purpose of their subsequent reduction.

As per VCS Standard v4.7, section 3.8.1 “Non-AFOLU projects shall complete validation within two years of the project start date” The estimated start date of the project activity is 01/01/2026. Since the project activity is being submitted for request for registration before the project start date, the criterion has been met. The project was open for public comment period from 02/08/2022 to 01/09/2022 post which the opening meeting on 13/03/2023 was conducted between the PP and VVB. Thus, the project activity conforms to the pipeline listing requirements in accordance with para 4.1.5 of the VCS Standard v4.7/04/.

	<p>Further, the project activity correctly applies the VCS approved methodology VM0018 “Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community” v.1.0/07/. The project activity is eligible under the VCS Program and is in line with para 3.1.2 of the VCS Standard v.4.7/03/ and v5.0/51/.</p> <p>Para 3.6.9 of VCS standard v4.7/03/ states, “Where, a capacity limit applies to a project activity included in the project, no project activity instance shall exceed such limit. Further, no single cluster of project activity instances shall exceed the capacity limit.” The applied methodology caps the annual emission reductions to 5,000 tCO2e per PAI/07/. The PAIs included in the grouped project will not exceed the methodology capacity limit of 5,000 tCO2e annual emission reductions as also demonstrated in ER sheet/02/.</p>									
<p>AFOLU project eligibility, if applicable</p>	<p>Not applicable, since the project activity is not a AFOLU project</p>									
<p>Transfer project eligibility, if applicable</p>	<p>Not applicable, since the project is under first validation</p>									
<p>Project design</p>	<p>The project activity is a grouped project activity as indicated in the PD/01/. The grouped project design outlined in the PD conforms with the eligibility criteria for new project activity instance (PAI) as per para 3.6.16 and 3.6.17 of VCS Standard v4.7/04/.</p> <p>Eligibility Criteria set out under section 3.6 of the VCS Standard v4.7 is as follows:</p> <table border="1" data-bbox="667 1388 1411 1879"> <thead> <tr> <th>Para</th> <th>Description</th> <th>Justification</th> </tr> </thead> <tbody> <tr> <td>3.6.1</td> <td>Projects may include multiple project activities where the methodology applied to the project allows more than one project activity and/or where projects apply more than one methodology.</td> <td>This is a grouped project with multiple PAIs and only one methodology has been applied, which is VM0018.</td> </tr> <tr> <td>3.6.2</td> <td>Where more than one methodology has been</td> <td>Only one methodology has been applied in this</td> </tr> </tbody> </table>	Para	Description	Justification	3.6.1	Projects may include multiple project activities where the methodology applied to the project allows more than one project activity and/or where projects apply more than one methodology.	This is a grouped project with multiple PAIs and only one methodology has been applied, which is VM0018.	3.6.2	Where more than one methodology has been	Only one methodology has been applied in this
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3.6.1	Projects may include multiple project activities where the methodology applied to the project allows more than one project activity and/or where projects apply more than one methodology.	This is a grouped project with multiple PAIs and only one methodology has been applied, which is VM0018.								
3.6.2	Where more than one methodology has been	Only one methodology has been applied in this								

	applied to a project with multiple project activities, the following applies:	project, VM0018 v1.0. Thus, this criterion is not applicable.
3.6.3	AFOLU projects that include multiple project activities shall conform with the respective project requirements of each included AFOLU category.	This project is not an AFOLU project. Thus, this criterion is not applicable.
3.6.4	Both grouped and non-grouped projects can have multiple project activity instances.	This is a grouped project with multiple PAIs.
3.6.5	Inclusion of further project activity instances subsequent to initial validation of a non-grouped project is not permitted (see Sections 3.6.10 – 3.6.17 for information on grouped projects).	This is a grouped project, thus, inclusion of further PAIs is applicable.
3.6.6	The baseline determination and additionality demonstration for all project activity instances in a project shall be combined (e.g., multiple wind turbines shall be assessed in combination rather than individually).	Baseline determination is based on Scope 3 and Scope 13. Additionality will be demonstrated as per the guidelines of Generic PAI mentioned in Appendix 3 of the VCS PD.
3.6.7	Where a project includes multiple project activity instances from	This is a grouped project, not from multiple project activities. Also, the assessment as per paras

		<p>multiple project activities, the project activity instances from each project activity shall be assessed in accordance with Sections 3.6.1 – 3.6.3.</p>	<p>3.6.1 – 3.6.3 has been assessed above.</p>
	<p>3.6.8</p>	<p>The project proponent shall include in a singular project all project activity instances within ten kilometers of another instance of the same project activity and with the same project proponent (i.e., instances of the same project activity may not be spread across more than one project if they are within ten kilometers of each other).</p>	<p>This is grouped project with the geographical boundary of Ontario Province of Canada. Thus, all the PAIs within this geographical boundary will be included in this project.</p>
	<p>3.6.9</p>	<p>Where a capacity limit applies to a project activity included in the project, no project activity instance shall exceed such limit. Further, no single cluster of project activity instances shall exceed the capacity limit, determined as follows: 1) Each project activity instance that exceeds one percent of the</p>	<p>There is a capacity limit of 5,000 tCO₂e is applicable on individual project units, as per Section 4 of VM0018 v1.0. PP will identify all the PAI and project units that exceeds annual threshold of 5,000 tCO₂e and set the capacity limit for any identified case. ER sheet will incorporate the ER calculation of each PAI under every PAI and during each verification, VVB can cross-check the</p>

		<p>capacity limit shall be identified.</p> <p>2) Such instances shall be divided into clusters, whereby each cluster is comprised any system of such instances such that each instance is within one kilometer of at least one other instance in the cluster. Instances that are not within one kilometer of any other instance shall not be assigned to clusters.</p> <p>3) None of the clusters shall exceed the capacity limit and no further project activity instances shall be added to the project that would cause any of the clusters to exceed the capacity limit.</p>	<p>annual threshold of each PAI.</p>
	<p>3.6.10</p>	<p>Grouped projects shall specify one or more clearly defined geographic areas within which project activity instances may be developed. Such geographic areas shall be specified using</p>	<p>The geographical boundary of the project is Ontario province of Canada. The 11 geodetic coordinates of this area have been provided under section 1.13 of the PDD.</p>

	<p>geodetic polygons as set out in Section 3.11 below. Geographic areas with no initial project activity instances shall not be included in the project unless it can be demonstrated that the same (or at least as conservative) baseline scenario and rationale for the demonstration of additionality is applicable to such an area as a geographic area that does include initial project activity instances.</p>	<p>The first PAI is the agricultural farm, located in the Ottawa and the address of this initial PAI is 1976 route 600 West, Saint Albert, Ontario. The address was confirmed by the assessment team during the onsite visit/11/. Further, the baseline scenario all the future PAIs (including the first PAI) will be specific to that PAI and will be assessed based either Energy Efficiency (scope 3) measures and/or Waste diversion measures (Scope 13). The assessment of the same is stated under section 3.3.4 of this report. Additionality of the grouped project will be demonstrated at the individual PAI level. Demonstration of additionality of each individual PAI will be based on CDM Tool 02. Appendix 3 of the PDD, represents the criterion for demonstrating additionality of individual PAI based on the type of Generic PAI that it fall under. Assessment of the same is stated under section 3.3.5 of the this report.</p>
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	<p>3.6.11</p>	<p>Determination of baseline scenario and demonstration of additionality are based upon the initial project activity instances. The initial project activity instances are those that are included in the project description at validation and shall include all project activity instances currently implemented on the issue date of the project description. The initial project activity instances may also include any instances of the project activity that have been planned and developed to a sufficient level of detail to enable their assessment at validation.</p>	<p>Section 3.4 and Section 3.5.2, along with Appendix 3, of the PDD provides a generic framework for assessing baseline and additionality, respectively for each individual PAI. The baseline scenario and additionality of the first PAI has been demonstrated accordingly as per the above generic criterion.</p>
	<p>3.6.12</p>	<p>As with non-grouped projects, grouped projects may incorporate multiple project activities (see Section 3.6.1 – 3.6.3 for more information on multiple project activities). Where a grouped project includes multiple project activities, the project description</p>	<p>This grouped project involves the PAIs with Energy Efficiency measure and/or Waste diversion measures. Assessment as per section 3.6.1 to 3.6.3 of the VCS Standard have been stated above.</p>

		<p>shall designate which project activities may occur in each geographic area.</p>	
	<p>3.6.13</p>	<p>The baseline scenario for a project activity shall be determined for each designated geographic area, in accordance with the methodology applied to the project. Where a single baseline scenario cannot be determined for a project activity over the entirety of a geographic area, the geographic area shall be redefined or divided such that a single baseline scenario can be determined for the revised geographic area or areas.</p>	<p>The baseline scenario of the project will be determined at the PAI level and its own geographical area. This has been found in line with section 6 of VM0018, which states <i>“Regardless of the specific project type being proposed, the project proponent must follow the step-wise approach specified in the CDM Combined Tool to Identify the Baseline Scenario and Demonstrate Additionality to identify the baseline scenario and demonstrate additionality. The tool shall be applied with baseline alternatives and project scenarios categorized by project units. The cost savings associated with energy efficiency shall be included in the investment analysis.”</i></p>
	<p>3.6.14</p>	<p>The additionality of the initial project activity instances shall be demonstrated for each designated geographic area, in accordance with the methodology</p>	<p>The additionality of the project will be determined at the PAI level and its own geographical area. This has been found in line with section 6 of VM0018, which states</p>

		<p>applied to the project. Where the additionality of the initial project activity instances within a particular geographic area cannot be demonstrated for the entirety of that geographic area, the geographic area shall be redefined or divided such that the additionality of the instances occurring in the revised geographic area or areas can be demonstrated.</p>	<p><i>“Regardless of the specific project type being proposed, the project proponent must follow the step-wise approach specified in the CDM Combined Tool to Identify the Baseline Scenario and Demonstrate Additionality to identify the baseline scenario and demonstrate additionality. The tool shall be applied with baseline alternatives and project scenarios categorized by project units. The cost savings associated with energy efficiency shall be included in the investment analysis.”</i></p>
	<p>3.6.15</p>	<p>Where factors relevant to the determination of the baseline scenario or demonstration of additionality require assessment across a given area, the area shall be, at a minimum, the grouped project geographic area. Examples of such factors include, inter alia, common practice; laws, statutes, regulatory frameworks, or policies relevant to demonstration of regulatory surplus;</p>	<p>The baseline scenario and additionality of the project will be determined at the PAI level and its own geographical area, in line with section 6 of VM0018, which states <i>“Regardless of the specific project type being proposed, the project proponent must follow the step-wise approach specified in the CDM Combined Tool to Identify the Baseline Scenario and Demonstrate Additionality to identify the baseline scenario and demonstrate</i></p>

		<p>determination of regional grid emission factors; and historical deforestation and degradation rates.</p>	<p><i>additionality. The tool shall be applied with baseline alternatives and project scenarios categorized by project units. The cost savings associated with energy efficiency shall be included in the investment analysis."</i></p>
<p>Project ownership</p>	<p>3.6.18</p>	<p>Where inclusion of a new project activity instance necessitates the addition of a new project proponent to the project, such instances shall be included in the grouped project description within two years of the project activity instance start date or, where the project activity is an AFOLU activity, within five years of the project activity instance start date. The procedure for adding new project proponents is set out in the Registration and Issuance Process.</p>	<p>Under section 5.3 of the PDD, PP has stated that <i>"At the time of registration of the project unit (PAI), an audit of the site of the Project Unit takes place, and physical evidence necessary to support the PAI start date and determine the baseline scenario is collected. The data and documentation collection and storage are centrally controlled and administered."</i> Thus, during each verification cycle, VVB will assess these internal audit documents along with the evidence to conform that the new PAI has been included into the project within 2 years of the PAI's start date.</p>
		<p>Will Solution Inc is sole project proponent and owns the project ownership as confirmed from the Membership Contract with the client facilities/12/. This adherence contract/12/ will be signed by the owner of CF (Client Facility) and provides the legal rights along with the full and uncontested rights to the</p>	

	<p>generated VCUs belong to Will Solution Inc., as per the declaration provided to the VVB/13/.</p> <p>PP has also submitted the signed adhesion contract/52/ with the owner of first CF.</p>
<p>Project start date</p>	<p>The anticipated project start date is 01-January-2026. This will be ensured through agreements with participating client facilities/12/ and while interviewing the CF owner during the onsite visit/11/.</p> <p>The assessment confirms that the GHG reduction start date is distinct from the contract signing date, as per section 3.2.1 of the VCS Standard v4.7. The membership contract enrolls the client facility into the project’s framework. The actual start of GHG reductions for each specific PAI is individually determined and verified as the date when the implemented measure (becomes fully operational and first displaces the baseline emissions, post-commissioning. Thus, the assessment team has raised a FAR for this concern, which shall be resolved during the first verification of this project.</p>
<p>Project crediting period</p>	<p>The project activity has a 7-year (renewable twice) crediting period from 01-January-2026 to 31-December-2032/01/. This is found to be in line with the VCS Standard v4.7/03/.</p>
<p>Project scale</p>	<p>As the estimated emissions reductions of the project activity are 3,037,132 tCO₂e/year/02/ which is more than 300,000 tCO₂e/year threshold, therefore the project activity is large project scale as per VCS Standard v4.7/03/.</p>
<p>Likelihood of achieving estimated GHG emission reduction or removals</p>	<p>High probability that methods and procedures set out in the project description will generate verifiable GHG data and information when implemented.</p>
<p>Technologies and measures implemented by the project activity or activities</p>	<p>The project activity will involve energy efficiency and waste diversion activities under scope 3 and 13, at client facilities. The technologies and measures will vary as per the client facilities and emission avoidance activity i.e. energy efficiency, waste diversion or a combination of both.</p>
<p>Implementation schedule of the project activity or activities</p>	<p>The grouped project activity is not implemented yet, as the proposed project start date is 01-January-2026. In this grouped project, the implementation of individual PAIs is not</p>

	<p>coordinated by PP and therefore an implementation schedule could not be forecasted.</p> <p>PP has planned to recruit a total of 1,280 CFs throughout the entire CP. As per the Statistical report on businesses/53/ published by government of Canada, there are 407,428 Small businesses (1-99 employees), 6,728 medium-sized businesses (100-499 employees) and 1,497 large businesses (500+ employees) in the province of Ontario. Thus, the total estimation of recruiting 1,280 CFs during entire CP has been acceptable by the validation team.</p>
<p>Project location</p>	<p>The client facilities to be included under project activity, will be located in the province of Ontario, Canada, meeting the similar regional conditions and regulations for different facilities. The territorial boundary of province of Ontario has been cross checked with the .kml provided by PP/14/.</p> <p>The first PAI is the agricultural farm, located in the Ottawa and the address of this initial PAI is 1976 route 600 West, Saint Albert, Ontario. The address was confirmed by the assessment team during the onsite visit/11/.</p>
<p>Conditions prior to project initiation</p>	<p>The baseline scenario for energy efficiency aspect in the project activity is the consumption of electricity from the grid and usage of fossil fuels for on-site electricity generation. The baseline scenario for waste diversion activities is disposal of waste to SWDS leading methane emissions under anaerobic conditions. Before implementation of the grouped project, the GHG emissions in Ontario are around 75.1 Mt/year as provided in the National Inventory Report of Canada/18/. The intent of the grouped project activity is to reduce the GHG emissions in the geographical boundary of Ontario, Canada.</p> <p>Baseline scenario for both the applied measures (Energy Efficiency and Waste Diversion) has assessed below under section 3.3.4 and 3.3.5. of this report.</p>
<p>Project compliance with applicable laws, statutes and other regulatory frameworks</p>	<p>The detailed list of laws and regulations applicable for different generic PAIs are provided under appendix 3 of PD/1/. Majorly, the project activity complies with the following laws and regulations applicable in the project region:</p> <ul style="list-style-type: none"> - Clean Fuel Regulations (SOR/2022-140)

	<ul style="list-style-type: none"> - Air Pollution – Local Air Quality (O. Reg 419/05) - General -Waste Management (R.R.O. 1990, Reg. 347) - Environmental Protection Act (R.S.O. 1990, c. E.19) - Nutrient Management Act (2022 & O. Reg. 267/03) - Ontario Water Resources Act (OWRA) (R.S.O. 1990) - Resource Recovery and Circular Economy Act, 2016 - Energy Reporting and Conservation and Demand Management Plans (O. Reg. 25/23) - Emissions Performance Standards Regulation (O. Reg. 241/19) - Building Code (O. Reg. 163/24) - Forest Biomass Action Plan 2022
<p>Double counting and participation under other GHG programs</p>	<p>The project activity is not receiving or seeking credits for reductions and removals from another GHG program as confirmed through the declaration provided by the PP/13/.</p> <p>The PP has provided all necessary information pertaining to not seeking registration under any other GHG program and relevant undertaking to substantiate the same/13/.</p> <p>The validation team has conducted independent research to confirm that current project is not listed with other GHG programs. Thereby, validation team is of the opinion that project has neither registered with other GHG programs nor claiming double counting for the credits generated through this project.</p>
<p>No double claiming with emissions trading programs or binding emission limits</p>	<p>The project activity is not included in any emission trading program or emission binding limit. The PP has submitted a no double counting declaration/13/ and has been confirmed through independent research by validation team. Therefore, this is deemed appropriate by the VVB.</p>
<p>No double claiming with other forms of environmental credit</p>	<p>The project activity has not sought, received or is planning to receive credit from another GHG-related environmental credit system, as confirmed from the undertaking submitted by the PP/13/ and has been confirmed through independent research by validation team. Therefore, this is deemed appropriate by the VVB.</p>

<p>Supply chain (Scope 3) emissions double claiming</p>	<p>Not applicable, as the project activity reduces or removes the GHG emissions by implementing energy efficiency measures or by diversion of waste. Thus, the project activity does not affect the emission footprint of any products that are part of a supply chain.</p>
<p>Sustainable development contributions</p>	<p>SDG Goal 9: Industry, Innovation, and Infrastructure; Target Indicator (9.3): Number of client facilities with access to financial services</p> <p>The current project activity provides financial incentives to local communities, SMEs and municipalities playing a direct role in GHG emission reductions and improving sustainable development. The impact will be monitored through records of Ontario’s population associated to PAIs, amount of CAD\$ paid to client facilities in the grouped project activity.</p> <p>SDG 11: Sustainable Cities and Communities; Target Indicator (11A): Support positive economic, social, and environmental links between urban and peri-urban and rural areas by strengthening national and regional development planning.</p> <p>The grouped project OSC, efforts to strengthen the links between different communities by promoting local initiatives to reduce GHG emissions in different geographical areas. It assists communities to combat climate challenges through financing energy transition and waste management measures across all territories. The impact will be monitored through percent participation of Ontario’s municipalities located in the remote areas.</p> <p>SDG 12: Responsible Consumption and Production; Target Indicator (12.5): Reduce waste generation through prevention, reduction, recycling and reuse</p> <p>The grouped project OSC, divert materials from landfills and implements waste management activities through reducing, recycling, reuse of the waste generated leading to reduced energy consumption and virgin resources for all participating members. The impact will be measured through tons of material recycled/reused and tCO2e reduced.</p>

	<p>SDG 13: Climate Action; Target Indicator: Number of tCO2e of greenhouse gas emission (GHG) avoided and reduced</p> <p>The grouped project OSC, reduces GHG emissions through energy efficiency and waste diversion activities, thereby mitigating climate change. The impact will be measure through quantification of GHG emission avoided and reduced.</p>
<p>Additional information relevant to the project</p>	<p>The GHG emissions occurring outside the project boundary due to project implementation, contributing more than 1% of the overall emission reductions will be accounted and reported.</p> <p>The leakage emissions will be accounted as per the procedures and guidelines outlined in applied methodology VM0018/07/.</p> <p>PP has excluded the names of client facilities from the project documents ensuring the privacy of sensitive information associated with client facilities.</p>

Assessment of the First PAI regarding the Eligibility Criterion:

The following table provides a detailed assessment of the initial Project Activity Instance (PAI) – the installation of solar panels at an organic farm – against all 11 applicability conditions of the VCS Methodology VM0018. The initial PAI satisfactorily meets all applicability conditions of the VM0018 methodology that are relevant to its activity type. This also confirms the PAI's eligibility for inclusion in the grouped project.

Table 3.1: Assessment on the applicability conditions of the First PAI

S. No.	Description	Justification for Initial PAI	Reference in PDD
1	<p>Applicable to grouped projects quantifying direct/indirect GHG reductions from energy efficiency & waste management PAIs at client facilities.</p>	<p>The PAI involves installation of solar panels to displace and/or reduce the diesel consumption and grid electricity consumption. Thus, it is an energy efficiency measure. Thus, the criterion is met.</p>	<p>Appendix 2, Eligibility Table: Condition 1</p>

S. No.	Description	Justification for Initial PAI	Reference in PDD
2	Designed for micro projects where max emission reductions from an individual PAI \leq 5,000 tCO ₂ e/year, and max combined abatement per client facility \leq 10,000 tCO ₂ e/year.	The PAI is expected to generate only 18 tCO ₂ e/year in reductions/2/. Thus, the criterion is met.	Appendix 2, Eligibility Table: Condition 2 & Eligibility Criterion 8
3	Projects can be located in residential, commercial, institutional, or industrial buildings/facilities.	The PAI will be implemented at an industrial facility (organic farm with grain handling infrastructure). This was confirmed by the assessment team during the onsite visit/11/. Thus, the criterion is met.	Appendix 2, Eligibility Table: Condition 3
4	The PP must demonstrate the right of use for the GHG emission reductions (e.g., via contracts with client facilities).	The Client Facility signed the OSC adhesion contract/12/ on 09/08/2023 granting the carbon rights to the PP. Thus, the criterion is met.	Appendix 2, Eligibility Table: Condition 4 & Eligibility Criterion 5
5	Applicable to Energy Conservation Measures (ECMs) like retrofits that reduce energy use per	The PAI involves the retrofit of an existing facility with solar panels (an ECM) to reduce energy consumption	PDD Section 1.11 & Appendix 2, PAI Description;

S. No.	Description	Justification for Initial PAI	Reference in PDD
	unit of productivity, in conjunction with listed system types.	for the grain elevator (an industrial process/appliance). It is categorized under Generic PAI VIII (Energy Conversion). Thus, the criterion is met.	Generic PAI VIII definition in Appendix 3
6	The PP must document the useful life of ECMs and the remaining life of baseline equipment to ensure crediting does not exceed these periods.	The PDD documents the average lifetime of the solar panels as 30 years. This was confirmed through the techno-commercial proposal of the solar panels/50/. Thus, the criterion is met.	PDD Section 1.5.1, Condition 6; Initial PAI Description ("average lifetime of panels is 30 years")
7	Applicable to projects that reduce GHG emissions associated with the conversion of primary to secondary energy.	The PAI reduces emissions by displacing the conversion of primary energy sources (diesel, grid fuel mix) to renewable electricity energy. Thus, the criterion is met.	Appendix 2, Eligibility Table: Condition 5
8	Applicable to projects that improve combustion efficiency or switch to a less GHG-intensive energy generation method.	The PAI involves switching from diesel combustion and grid electricity to solar generation, a significantly less GHG-intensive method. This aligns with the "fuel	Appendix 2, PAI Description & Alignment with Generic PAI VIII; Appendix 3,

S. No.	Description	Justification for Initial PAI	Reference in PDD
		switching" definition of Generic PAI VIII. Thus, the criterion is met.	Generic PAI VIII Definition
9	Only small on-site power sources, with emissions within the methodology's threshold, are applicable.	The solar PV system is a small, on-site power source with estimated annual emission reductions (18 tCO ₂ e) far below the 5,000 tCO ₂ e limit. Thus, the criterion is met.	Appendix 2, Eligibility Table: Condition 6
10	Project must not increase non-biogenic GHG emissions compared to the baseline.	The PAI involves clean electricity generation and does not involve any non-biogenic emission source. Thus, the criterion is met.	Appendix 2, Eligibility Table: Condition 7
11	Applicable to waste diversion activities for methane avoidance (e.g., recycling, composting).	Not applicable, as the initial PAI is an energy efficiency/energy conversion activity under Sectoral Scope 3. It does not involve waste diversion under Sectoral Scope 13. This condition is not relevant to this specific PAI	Methodology Scope; PAI is classified under Sectoral Scope 3, not 13

3.2 Safeguards and Stakeholder Engagement

3.2.1 Stakeholder Engagement and Consultation

3.2.1.1 Stakeholder Identification

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Stakeholder identification	The local stakeholders were identified as client facilities (operators), partners and collaborators including organizations from diverse sectors committed to sustainable development as confirmed from the stakeholder consultation report/28/. However, for the initial PAI, which is the installation of solar panels on the rooftop of existing storage building, the identified stakeholders included client facility, workers and employees at facility and the project proponent/28/29/. Since the solar panels are to be installed within the client facility which will not result in any sort of emissions or environmental discomfort, no local stakeholders were identified for initial PAI (refer to section 2.3 of this report).
Legal or customary tenure/access rights	Not applicable as the grouped project will be implemented through PAIs at client facilities, who owns the sites and buildings involved in PAIs.
Stakeholder diversity and changes over time	The grouped project OSC aims to include client facilities which are expected to be highly diverse considering their wide range of operations, comprising of manufacturing, retail, education, agriculture and healthcare. The composition of client facilities will change over time resulting in shifts in stakeholder configuration.
Expected changes in well-being	The expected changes in the well-being of stakeholders and to ecosystem services are expected to be minimal considering the small-scale nature of the PAIs.
Location of stakeholders	All the stakeholders will be located in the Province of Ontario, Canada, which is the geographical project boundary.
Location of resources	Not applicable.

3.2.1.2 Stakeholder Consultation and Ongoing Communication

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Stakeholder engagement process	<p>An initial meeting was conducted on 29-June-2023 through video conferencing. The meeting was conducted in both French and English. The launch event of the project activity was announced through a press release on 25-January-2023 with intent to inform stakeholders of the details pertaining to GHG project development and process along with associated benefits/30/. The relevant stakeholders were invited through email communication dated 16-June-2023/28/.</p> <p>No stakeholder has been identified for the first PAI and the justification for this has been stated under section 2.3 of this report.</p> <p>PP will ensure that concerned stakeholders will be engaged appropriately with respect to the generic PAIs to be included in the grouped project.</p>
Consultation outcome	<p>The stakeholder consultation meeting discussed the topics related to OSC grouped project and VCS validation and verification process overview. The stakeholder’s input and feedback were then requested over the project activity. Concern related to high project implementation costs and economic uncertainties was raised by a client facility employee. Appropriate actions were taken by the PP to address the concern of the relevant stakeholders as summarized in the VCS PD and confirmed from the Local Stakeholder Consultation Report/28/.</p>
Ongoing communication	<p>The stakeholders were introduced to grievance mechanism for submitting project related feedback, insights and comments through emails and phone calls. The contact details along with a distinct contact form is also provided on the Will Solutions’ webpage/26/ ensuring the ongoing communications with stakeholders and community groups/28/.</p>
Stakeholder input	<p>Stakeholder inputs and appropriate actions have been summarized in the VCS PD and confirmed from the LSC Report/28/. Overall, there were no negative comments received. This was also confirmed by the assessment team via interviews with stakeholders during the on-site audit/11/.</p>

3.2.1.3 Free, Prior, and Informed Consent

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Obtaining consent	PP obtains consent for participation, from client facilities through signed adhesion contracts/12/. However, the grouped project OSC has no stake over the ownership of the client facilities. The ownership of the facilities and resources is retained by client facilities.
Outcome of FPIC discussion	The assigned adhesion contract/12/ with client facilities confirm voluntary participation of client facilities in the grouped project.

3.2.1.4 Grievance Redress Procedure

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Development process	PP has established a grievance redressal procedure where stakeholders can submit grievances via email or phone. The contact details are provided during initial consultation meetings and available on Will Solutions' webpage/26/.
Grievance redress procedure	PP ensures that every grievance received is acknowledged within 3 to 5 business days, following the review of grievance and engagement with concerned stakeholders, and ultimately leading to an effective and appropriate resolution. PP ensures that a formal response is provided to document all the events of dispute redressal for internal records. The grievance redressal procedure is deemed appropriate by the VVB.

3.2.1.5 Public Comments

Comments received	Actions taken by the project proponent	Evidence gathering activities, evidence checked, and assessment conclusion
No comments received	Not Applicable	There were no public comments received during the public comment period from 02/08/2022 to 01/09/2022/27/. Therefore, this section is not applicable.

3.2.2 Risks to Local Stakeholders and the Environment

3.2.2.1 Management Experience

The Will Solutions’ management team has established 10 years of expertise in carbon accounting through sustainable community activities from different sectors including waste management and renewable energy sectors as confirmed from the Will Solutions’ webpage/26/. Will Solution has developed numerous GHG projects through which over 9 million tonnes of GHGs have been reduced and over 5 million VCS certified carbon credits have been produced/26/. A VCS project (ID-929) developed by Will Solution Inc. has been issued VCUs for seven monitoring periods/15/. The top management is thereby backs required competencies in the developing GHG projects within sustainable community services. Thus, VVB is of opinion that the sufficient evidence has been gathered by the project proponent with experienced management to assess the various risks associated with project activity to stakeholders and environment.

3.2.2.2 Risk Assessment

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Natural and human-induced risks to stakeholders’ wellbeing	There are no risks identified to stakeholders’ wellbeing.
Risks to stakeholder participation	There are no risks identified to stakeholder participation.
Working conditions	There are no risks identified as grouped project OSC is proposed to be implemented at existing facilities and does not create any significant changes to employment conditions.
Safety of women and girls	There are no risks identified for safety of women and girls under project activity as PP abide by Canadian Human Rights Law/20/. The assessment team confirmed the same through Wills Harassment policy/31/.
Safety of minority and marginalized groups, including children	There are no risks identified for safety of minority and marginalized group including children as PP abide by Canada Labour Code, 1985/24/. The assessment team confirmed the same through Wills Employee Handbook/32/.
Pollutants (air, noise, discharges to water, generation of waste, release of hazardous materials, and chemical pesticides and fertilizers)	The grouped project OSC, does not pose any threat to the environment through pollutant release as the project activity implements energy efficiency and waste diversion activities, which on the other hand reduces GHG emissions to the environment. PP will ensure that the client facilities comply

with the Canadian federal and provincial regulations through signed declarations, periodic monitoring of compliance.

3.2.3 Respect for Human Rights and Equity

3.2.3.1 Labor and Work

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Discrimination	The issues regarding discrimination are gravely considered at Wills Solutions Inc. The PP abides by Canadian Laws namely, Human Rights Act, 1977/20/ and Canadian Employment Equity Act, 1995/21/ and Canadian Charter of Rights and Freedoms, 1982/22/. The assessment team confirmed the same through Wills Employee Handbook/32/.
Sexual harassment	The issues regarding discrimination are gravely considered at Wills Solutions Inc. The PP abides by Canadian Laws namely, Human Rights Act, 1977/20/, Criminal Code of Canada, 1985/23/ and Canada Labour Code,1985/24/. The assessment team confirmed the same through Wills Employee Handbook/32/.
Equal pay for equal work	PP ensures equal pay for equal work irrespective of genders promoting pay parity in labor and work. PP abide by Canadian Laws namely, Human Rights Act, 1977/20/, Canada Labour Code,1985/24/ and Pay Equity Act, 2018/25/. The assessment team confirmed the same through Wills Employee Handbook/32/.
Gender equity in labor and work	PP ensures equal opportunities for all genders promoting gender equity in labor and work. PP abide by Canadian Laws namely, Employment Equity Act, 1995/21/, Canadian Human Rights Act, 1977/20/ and Canada Labour Code, 1985/24/. The assessment team confirmed the same through Wills Employee Handbook/32/.
Forced labor	PP ensures that no forced labours are employed. PP abide by Canadian Law, Criminal Code of Canada, 1985/23/. The assessment team confirmed the same through Wills Employee Handbook/32/, Summer Schedule Policy/33/ and Annual Leave Policy/34/.
Child labor	PP ensures via employment records that no child labours are employed. PP abide by Canadian Laws namely, Criminal Code of Canada, 1985/23/ and Canada Labour Code, 1985/24/. The assessment team confirmed the same through Wills Employee Handbook/32/.
Human trafficking	The PP ensures via employment records that no victims of human trafficking, are employed. PP abide by Canadian Laws namely, Criminal Code of Canada, 1985/23/ and Canada Labour Code, 1985/24/. The assessment team confirmed the same through Wills Employee Handbook/32/.

3.2.3.2 Human Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
Human Rights	<p>The OSC grouped project includes small scale PAIs where energy efficiency and waste diversion activities are proposed to be implemented. PP and the participating client facilities operates abiding with Canadian Human Rights Act, 1977 and Canadian Charter of Rights and Freedoms (1982),</p> <p>Thus, the section is not applicable for this project type.</p>

3.2.3.3 Indigenous Peoples and Cultural Heritage

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risks identified	<p>The OSC grouped project includes small scale PAIs where energy efficiency and waste diversion activities are proposed to be implemented. PP and the participating client facilities operates abiding with Canadian Human Rights Act, 1977 and Canadian Charter of Rights and Freedoms (1982),</p> <p>Thus, the section is not applicable for this project type.</p>

3.2.3.4 Property Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified	<p>OSC grouped project aims to implement energy efficiency and waste diversion activities within the client facilities where property rights belong to the facility owner. Therefore, no risks related to property rights are identified.</p>

3.2.3.5 Benefit Sharing

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Process used to design the benefit sharing plan	<p>OSC grouped project has developed the benefit sharing plan with client facilities and ensures the terms of engagement through adhesion contracts/12/, which is communicated to client to enable informed, consensual and voluntary participation to the grouped project.</p>

Summary of the benefit sharing plan	The project proponent i.e. Will Solutions, through grouped project OSC, aims to generate GHG emission reductions and convert them into measurable and auditable credits for trade. The PP shares 45% of the total revenue generated through carbon finance, to the participating client facilities, as evident from the adhesion contract/12/.
Approval and dissemination of benefit sharing plan	The engagement of client facilities to OSC grouped project are ensured by signed adhesion contract/12/, which is shared to client facility and also a copy is safely kept in the PPs internal records.

3.2.4 Ecosystem Health

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Impacts on biodiversity and ecosystems	No risk has been identified. The OSC grouped project includes small scale PAIs which are close to existing infrastructure, posing no threats to biodiversity and ecosystem.
Soil degradation and soil erosion	No risk has been identified. The OSC grouped project includes small scale PAIs which are close to existing infrastructure, posing no damages to soil quality.
Water consumption and stress	No risk has been identified. The OSC grouped project includes small scale PAIs within the scope of energy efficiency and waste diversion activities, which does not pose water consumption related stress.

3.2.4.1 Rare, Threatened, and Endangered species

Risk identified	Evidence gathering activities, evidence checked, and assessment conclusion
Species and habitat	No risks identified as the project activity involves measures related to energy efficiency and waste diversion activities and does not impact species and habitat in the project region.
Areas needed for habitat connectivity	Not applicable

3.2.4.2 Introduction of Species

Species introduced	Evidence gathering activities, evidence checked, and assessment conclusion
Not applicable	This section is not applicable since the project activity involves measures related to energy efficiency and waste diversion activities and does not plant or introduce species to the project region.

Existing invasive species	Evidence gathering activities, evidence checked, and assessment conclusion
Not applicable	This section is not applicable since the project activity involves measures related to energy efficiency and waste diversion activities and does not impact existing species to the project region.

Evidence gathering activities, evidence checked, and assessment conclusion	
Invasive species	This section is not applicable since the project activity involves measures related to energy efficiency and waste diversion activities and does not plant or introduce species to the project region.

3.2.4.3 Ecosystem conversion

Risks Identified	Evidence gathering activities and evidence checked
No risk identified	This section is not applicable since the project activity involves measures related to energy efficiency and waste diversion activities and does not impact ecosystem.

3.3 Application of Methodology

3.3.1 Title and Reference

Type (methodology, tool or module).	Reference ID, if applicable	Title	Version
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Methodology	VM00018	VM0018: Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community	1.0
Tool	TOOL 02	TOOL 02: Combined tool to identify the baseline scenario and demonstrate additionality	7.0
Tool	TOOL 04	Emissions from solid waste disposal sites	8.1

3.3.2 Applicability

Methodology ID	Applicability condition	Assessment and conclusion
VM0018	This methodology is applicable for grouped projects for the quantification of direct and indirect reductions of GHG emissions arising from energy efficiency and waste management project activity instances at Client Facilities.	<p>The current project under validation is a grouped project, where energy efficiency and waste diversion activities are proposed to be carried out at client facilities with multiple PAIs.</p> <p>The assessment was based on documentary evidence and onsite site/11/, not implemented hardware. The team reviewed the detailed engineering plan and techno-commercial proposal/50/ and energy audit report/43/ for the solar installation. The site visit confirmed the rooftop readiness, existing electrical infrastructure, and the specific diesel generator to be offset. This provided a sufficient technical understanding to confirm the</p>

		<p>PAI's design and intended measures..</p> <p>Waste management measures are confirmed through the project's pre-defined framework, not current implementation. The VCS PD's Appendix 3 /1/ contains detailed "Common Practice and Barrier Analyses" for each waste-related Generic PAI (e.g., II, III). The assessment team verified that the eligibility criteria (Section 1.5.1 of the PD/1/) and monitoring plan are designed to ensure any future waste PAI must align with these Generic PAIs criterion and undergo the same documentary and site-based verification process as the initial PAI. The validation confirms the system's capacity to include such measures correctly.</p> <p>Therefore, the condition is applicable.</p>
	<p>The requirements of this methodology have been designed to meet micro energy efficiency and/or waste diversion project units where the maximum emission reductions from an individual project unit is 5,000 tCO₂e/year. Therefore, through a combination of energy efficiency and waste management activities, project units within a grouped project could have a maximum combined abatement threshold of 10,000 tCO₂e/year. While each Client Facility, or project unit, may</p>	<p>PP will ensure that the PAIs included in the grouped project "OSC" will not exceed the maximum emission reductions limit of 5000 tCO₂e/year. The initial PAI has 18 tCO₂e, as annual emission reductions through energy efficiency activities/2/.</p> <p>It has been clearly</p>

	<p>only contribute a modest abatement (10,000 tCO₂e/year or less), the total sum of abatement from all project units within this entire grouped project may exceed the combined threshold of 10,000 tCO₂e/year.</p>	<p>demonstrated in the VCD PD that PAIs and client facilities will be co-located to ensure that total emission reductions will not exceed the threshold of 10,000 tCO₂e/year.</p> <p>Further, during each verification cycle, PP will demonstrate the eligibility criteria (Table under section 1.5.1 of the PD/1/) of each PAI, including the criteria #8, which defines the maximum ER for individual PAIs. Also, PP will clearly and transparently show the ER calculation of each individual PAI in the MR and the ER sheet.</p> <p>Therefore, the condition is applicable.</p>
	<p>Projects can be located in residential, commercial, institutional, or industrial buildings/facilities.</p>	<p>The project activity instances will be located at client facilities comprising of residential, commercial, institutional or industrial buildings/facilities.</p> <p>The initial PAI comprising of energy efficiency activities will be executed on a rooftop of an existing storage building, which is confirmed during onsite audit/11/ while interviewing the owner of CF. Therefore, the condition is applicable.</p>
	<p>The project proponent must demonstrate right of use in respect of the project's GHG emission reductions, which may, for</p>	<p>The rights pertaining to GHG emission reductions will be obtained by PP through</p>

	<p>example, entail securing right of use from client facilities.</p>	<p>membership contracts with client facilities/12/. Therefore, the condition is applicable.</p>
	<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 project aims to implement ECMs at new facilities, through 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 will occur in conjunction with the interventions mentioned in the methodology.</p> <p>The initial PAI comprising of energy efficiency activities is executed on a rooftop of an existing storage building, which is confirmed during onsite audit/11/. Therefore, the condition is applicable. Therefore, this condition is applicable.</p>
	<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.</p>	<p>The PP will document and ensure that project will not be credited beyond the useful lifetime of ECM or remaining lifetime of the existing technology, wherever applicable.</p> <p>As, per the QA/QC procedures stated under section 5.2 of</p>

		<p>the PD/1/, data comparison with past performance, with similar project unit and standard benchmark will be conducted to ensure that the project unit or PAI will not be credited beyond the useful lifetime of ECM or remaining lifetime of the baseline technology.</p> <p>However, the initial PAI does not replace any existing equipment from the client facility. Therefore, this condition is not applicable for the first PAI.</p>
	<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>The project activity will include PAIs and client facilities where primary energy sources are converted to secondary forms (electricity).</p> <p>The initial PAI comprise of installation of solar panels on a rooftop of an existing storage building thereby reducing the GHG emissions associated with the conversion of primary energy sources to secondary forms of energy (e.g. electricity), which is confirmed during onsite audit/11/. Therefore, this condition is applicable.</p>
	<p>This methodology is also applicable to activities generating GHG emission reductions related to improvements in combustion efficiency. This applies to projects involving switching from one</p>	<p>The project activity aims to implement energy efficiency measures at PAIs involving switching from one energy generation method to a less</p>

	<p>energy generation method to a less GHG-intensive energy generation method.</p>	<p>GHG intensive process compared to baseline scenario, a fossil fuel-based energy generation process.</p> <p>The initial PAI comprise of installation of solar panels on a rooftop of an existing storage building thereby switching from one energy generation method to a less GHG intensive process, as confirmed during onsite audit/11/.</p> <p>Therefore, this condition is applicable.</p>
	<p>Only small on-site power sources, with emission reductions within the threshold limit of this methodology, are applicable for inclusion within the methodology.</p>	<p>The grouped project OSC plans to install on-site power sources with estimated annual emission reductions within the threshold defined by methodology VM0018/07/.</p> <p>The initial PAI with onsite power generation, results into 18 tCO₂e/year, which falls under threshold limit of 5000 tCO₂eq/year defined by this methodology.</p> <p>Further, as per the eligibility criteria #8 (under section 1.5.1 of the PD/1/), all the individual PAI will have the maximum threshold of annual ERs. PP will clearly and transparently mention the ER of individual PAIs in the ER sheet and in the MR.</p>

		Therefore, this condition is applicable.
	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.	The grouped project aims to not increase any non-biogenic GHG emissions compared to baseline scenario, during implementation stage. During each verification cycle, PP will clearly state the CFs and its associated PAIs, along with the Generic PAI it falls under. PP will clearly state this under the ER sheet and in the Mr as well.
	<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. 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>The project activity will implement PAIs for diversion of solid waste from landfills to avoid methane emissions quantify emissions through generic PAIs under scope 13.</p> <p>The grouped project will not result in the flaring or energy production. Therefore, this condition is applicable.</p>
CDM Tool 02	<p>The tool is applicable to all types of proposed project activities.</p> <p>However, in some cases, methodologies referring to this tool may require adjustments or additional explanations as per the guidance in the respective methodologies.</p>	The Tool 02 has been applied for the demonstration of baseline scenario and additionality as guided by applied methodology VM0018/07/. Therefore, the condition is applicable.

<p>Tool 04</p>	<p>3. The tool can be used to determine emissions for the following type of application:</p> <p>(a) Application A: The CDM project activity mitigates methane emissions from a specific existing SWDS. Methane emissions are mitigated by capturing and flaring or combusting the methane (e.g. “ACM0001: Flaring or use of landfill gas”). The methane is generated from waste disposed in the past, including prior to the start of the CDM project activity. In these cases, the tool is only applied for an ex ante estimation of emissions in the project design document (CDM-PDD). The emissions will then be monitored during the crediting period using the applicable approaches in the relevant methodologies (e.g. measuring the amount of methane captured from the SWDS)</p> <p>(b) Application B: The project activity avoids or involves the disposal of waste at a SWDS. An example [...] in a SWDS. The methane is generated from waste disposed or avoided from disposal during the crediting period. In these cases, the tool can be applied for both ex ante and ex post estimation of emissions. These project activities may apply the simplified approach detailed in 0 when calculating baseline emissions.</p>	<p>The grouped project will implement PAIs that involve avoidance of waste disposal at landfills through alternative treatment methods. The grouped project will not implement PAIs which result in flaring or energy generation through landfill gas. This will be confirmed through adherence contracts with the client facilities. Therefore, application B is applicable.</p> <p>PAIs under scope 13 activities will avoid multiple types of residual waste with eligible waste streams comprising of municipal solid waste and other waste streams.</p>
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	<p>These two types of applications are referred to in the tool for determining parameters.</p> <p>In the case that: (a) different types of residual waste are disposed or prevented from disposal; or that (b) both MSW and residual waste(s) are prevented from disposal, then the tool should be applied separately to each residual waste and to the MSW.</p>	
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3.3.3 Project Boundary

The project boundary has been defined in line with the applied methodology VM0018/07/. The grouped project boundary is comprised of energy efficiency (Scope 3) and waste diversion (Scope 13) activities executed at client facilities located within the territory of the Province of Ontario, Canada. The client facilities include small to medium sized companies, facilities which are part of industrial, commercial and/or institutional sector. The project activity boundary with respect to facility will be determined by either Isolation Parameter Measurement where emissions from project affected system within a facility/building will be measured or Whole Facility Measurement where emissions from whole facility/building will be accounted. The scope 3 and 13 activities in the project boundary are monitored by applied methodology VM0018/07/.

The GHG source and sinks from methodology VM0018/07/ are included in the project boundary, and are presented below:

Source		Gas	Included?	Justification/Explanation
Baseline	B1 Development and Processing of Unit Material Inputs	CO ₂	Excluded	Excluded as they must be functionally equivalent to allow for the application of the methodology element.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
B2 Equipment Building	Equipment	CO ₂	Excluded	Excluded since emissions from equipment building are expected to be negligible over the lifetime of the project.
		CH ₄	Excluded	
		N ₂ O	Excluded	

Source	Gas	Included?	Justification/Explanation	
	Other	Excluded		
	B4 Commissioning of Site	CO ₂	Excluded	Excluded since emissions from site development are expected to be insignificant over the lifetime of the project.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
	B5 Fuel Production & Delivery	CO ₂	Excluded	Excluded, since emissions from fuel production and delivery are expected to be greater under the baseline condition.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
	B6 Electricity Generation and Delivery	CO ₂	Excluded	Excluded since emissions from electricity generation and delivery are expected to be greater under the baseline condition.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
	B7 Building/System Energy Consumption (without ECMs)	CO ₂	Included	Must be included as part of the baseline if Energy Efficiency (EE) actions are included in the project activity since this SS is fundamental to quantifying the baseline for EE emission reductions under this methodology.
		CH ₄	Included	
		N ₂ O	Included	
Other		Included		
B8 Maintenance	CO ₂	Included	Can be excluded if pre and project operations involve immaterial difference in energy consumed for maintenance activities.	
	CH ₄	Included		
	N ₂ O	Included		
	Other	Included		
B9 Unit Operation: Biological/Chemical/Mechanical Processes	CO ₂	Included	It can only be excluded if prescribed to be functionally equivalent.	
	CH ₄	Included		
	N ₂ O	Included		
	Other	Included		
	CO ₂	Included	Can only be excluded if the facility or group of facilities is not quantifying emission reductions associated with	
	CH ₄	Included		

Source		Gas	Included?	Justification/Explanation
Project	B10 Energy Consumption from Waste Processing	N ₂ O	Included	waste diversion activities and if the ECM activities would not affect the energy consumed for waste processing at the Territory level.
		Other	Included	
	B11 Disposal of equipment	CO ₂	Excluded	Excluded since emissions from disposal of equipment are expected to be insignificant.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
	B12 Development and Processing of Unit Material Outputs	CO ₂	Excluded	Excluded as they must be functionally equivalent to allow for the application of the methodology element.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
	B14 Waste Decomposition and Methane Release	CO ₂	Included	Can only be excluded if the facility or group of facilities is not quantifying emission reductions associated with waste diversion activities and if the ECM activities would not affect the amount of methane emitted from decomposition.
		CH ₄	Included	
		N ₂ O	Included	
		Other	Included	
	B15 Decommissions of Site	CO ₂	Excluded	Excluded since emissions from equipment disposal are expected to be negligible.
		CH ₄	Excluded	
N ₂ O		Excluded		
Other		Excluded		
P1 Development and Processing of Unit Material Inputs	CO ₂	Excluded	Excluded as they must be functionally equivalent to allow for the application of the methodology element.	
	CH ₄	Excluded		
	N ₂ O	Excluded		
	Other	Excluded		
P2 Building Equipment	CO ₂	Excluded	Excluded since emissions from building of the equipment are expected to be negligible over the lifetime of the project.	
	CH ₄	Excluded		
	N ₂ O	Excluded		
	Other	Excluded		
		CO ₂	Excluded	

Source		Gas	Included?	Justification/Explanation
P4 Commissioning of Site	CH ₄	Excluded	Excluded since emissions from site development are expected to be negligible given the minimal site development typically required.	
	N ₂ O	Excluded		
	Other	Excluded		
P5 Fuel Production & Delivery	CO ₂	Excluded	Excluded since emissions from fuel production and delivery are expected to be greater under the baseline condition.	
	CH ₄	Excluded		
	N ₂ O	Excluded		
	Other	Excluded		
P6 Electricity Generation & Delivery	CO ₂	Excluded	Excluded since emissions from fuel production and delivery are expected to be greater under the baseline condition.	
	CH ₄	Excluded		
	N ₂ O	Excluded		
	Other	Excluded		
P7 Building/System Energy Consumption	CO ₂	Included	Must be included as part of baseline if Energy Efficiency action are included in the project activity.	
	CH ₄	Included		
	N ₂ O	Included		
	Other	Included		
P8 Maintenance	CO ₂	Included	Can be excluded if pre and project operations would involve immaterial difference in energy consumed for maintenance activities. If however maintenance activities included major overhauls that would not have been included in the baseline scenario, evidence must be provided by the project proponent to show the SS is below the negligible emissions threshold.	
	CH ₄	Included		
	N ₂ O	Included		
	Other	Included		
P9 Unit Operation: Biological/Chemical/Mechanical Processes	CO ₂	Included	Can only be excluded if prescribed to be functionally equivalent.	
	CH ₄	Included		
	N ₂ O	Included		
	Other	Included		
	CO ₂	Included	Can only be excluded if the facility or group of facilities is not quantifying emission reductions associated with	
	CH ₄	Included		

Source		Gas	Included?	Justification/Explanation
P10	Energy Consumption from Waste Processing	N ₂ O	Included	waste diversion activities and if the ECM activities would not affect the energy consumed for waste processing.
		Other	Included	
P11	Disposal of Equipment	CO ₂	Excluded	Excluded since emissions from disposal of equipment are expected to be negligible.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
P12	Development and Processing of Unit Material Outputs	CO ₂	Excluded	Excluded as they must be functionally equivalent to allow for the application of the methodology element.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	
P14	Waste Decomposition and Methane Release	CO ₂	Included	Can only be excluded if the facility or group of facilities is not quantifying emission reductions associated with waste diversion activities and if the ECM activities would not affect the amount of methane emitted from decomposition.
		CH ₄	Included	
		N ₂ O	Included	
		Other	Included	
P16	Energy Consumed from alternative processing of waste/use	CO ₂	Included	Can only be excluded if the facility or group of facilities is not quantifying emission reductions associated with alternative processing of waste/use in the project scenario at the Territory level.
		CH ₄	Included	
		N ₂ O	Included	
		Other	Included	
P17	Process Emissions from Alternative Processing of Waste	CO ₂	Included	Can only be excluded if the facility or group of facilities is not quantifying emission reductions associated with the alternative processing of waste at the Territory level.
		CH ₄	Included	
		N ₂ O	Included	
		Other	Included	
P18	Decommission of Site	CO ₂	Excluded	Excluded since emissions from decommissioning are not expected to differ highly between the baseline and project conditions.
		CH ₄	Excluded	
		N ₂ O	Excluded	
		Other	Excluded	

3.3.4 Baseline Scenario

The baseline scenario has been demonstrated through CDM Tool02: Combined Tool to Identify the Baseline Scenario and Demonstrate Additionality, version 7.0/08/. The project activity is primarily comprised of activities related to energy efficiency and waste diversion from landfills, further categorized into 8 generic PAIs, defined in VCS PD/01/. The baseline scenario of the grouped project is demonstrated with the respect to scope 3 and scope 13 activities which will be implemented through future PAIs.

To ensure that CFs implementing measures are not simply continuing "business-as-usual" activities, the project employs a contractual, procedural, and verification safeguards. First, the project's clear start date (01/01/2026), which clearly defines the eligibility cutoff for the inclusion of the new PAIs. Any implemented measure prior to the start date of the project will be ineligible. Second, the legally binding Participation Agreement/12/ between the PP and each CF explicitly excludes any measures already planned, financed, or implemented independently. Third, ongoing monitoring compares the performance of the measure against the documented historical baseline, with no credits issued unless a clear deviation from the baseline is demonstrated. Finally, during each verification cycle, VVB will audit these chain of evidence, ensuring each credited PAI represents actual and additional change from a verified baseline condition.

Baseline scenario of sectoral scope 3 activities – Energy Demand

The baseline scenario for scope 3 activities in the grouped project is the continuation of existing energy consumption practices by client facilities with no measures to reduce energy intensity per production unit. At present, there no regulations in Canada which mandates the implementation of energy efficiency measures particularly at small/medium sized industrial, commercial or institutional facilities. The federal regulations, Energy Efficiency Act (S.C. 1992, c. 36) and the Energy Efficiency Regulations 2016 (SOR/2016-311), governs the minimum performance standards for energy using products but do not impose mandatory requirements on provinces or individual projects. As per the report by Canada Energy Regulator, 2020, the emissions from buildings (residential and commercial) contributed almost 25% of the total emissions and ranked second after transportations/38/. Further, the Canada Green Building Council (CAGBC) database has listed 4,456 buildings with sustainability or green building certifications out of approximately 500,000 total buildings in Ontario, implying that energy efficiency measures are not commonly adopted in the project region. Therefore, in the absence of grouped project, the baseline scenario constitutes the existing energy consumption patterns with high energy intensity per production unit.

While the sectoral baseline is established nationally, the baseline scenario for each Energy Efficiency specific PAI at the CF level will be confirmed through historical utility bills, fuel purchase invoices of at least last 1-2 years, and equipment specification sheets to definitively establish the CF's baseline energy consumption patterns and the technology in use. During periodic verification, the VVB will inspect the existing equipment (such as old boilers, HVAC systems) and

cross-check the provided historical data against records. This ensures the CF's starting point aligns with the sectoral baseline before any project measure is implemented.

Baseline scenario of sectoral scope 13 activities – Waste Handling and Disposal

The baseline scenario for scope 13 activities in the grouped project is the disposal of waste in the landfills resulting into anaerobic decomposition and methane emissions. As per the annual report by Auditor General of Ontario (2021), Ontario generates approximately 12 -15 million tonnes of non-hazardous waste comprised of cardboard, paper, food, and non-paper packaging waste with organic waste representing one third of total waste generation/35/. The volume of waste disposed in landfills has been increased 5.67 million tonnes in 2014 to over 7 million tonnes in 2022/36/. The methane avoidance through treatment of organic waste in Ontario is not an established practice as the share of organic waste treated through composting and anaerobic digestion falls under 10% of the total waste generated/37/.

The data from the official Ontario dataset /19/ for the year 2021 provides the detail of landfill management in Ontario province. It shows that 30 out of 31 reported landfill sites (96.8%) have active LFG collection systems. Furthermore, of the collected gas, an average of 56.94% is flared. This data quantitatively confirms that the standard baseline practice in Ontario includes waste covering, compaction, active gas collection, and significant flaring—not merely passive anaerobic decomposition with venting.

Similar to Scope 3 activities, for each Solid Waste Diversion measures, the CF-level baseline will be validated against the sectoral scenario of landfilling. The PP will collect and archive baseline waste hauling contracts, landfill tipping fee receipts, and third-party audit reports for each CF to quantify the type, source, and historical destination of waste streams. The VVB will verify this documentation and confirm the absence of existing on-site composting, anaerobic digestion, or other diversion infrastructure. This process confirms that, in the absence of the project, the organic waste from that specific CF would have continued to be sent to a landfill, as per the established sectoral baseline.

Therefore, in the absence of grouped project, the baseline scenario for scope 13 activities constitute the disposal of organic waste into the landfills and methane release through anaerobic decomposition.

For the First PAI:

The baseline scenario of the first PAI is demonstrated under Appendix 2 of the VCS PD/1/. Using CDM TOOL02 (STEP 1), the baseline is correctly identified as the continuation of current practices: using grid electricity and diesel to power the grain elevator and heat pumps. The first PAI involves installing solar panels to displace grid electricity and reduce the use of on-site diesel generators. These generators power grain elevators for moving grain and heat pump for maintaining the temperature at the storage. Their baseline fuel consumption was verified as

6,751.1 litres of diesel in 2024 through a third-party energy audit/43/ and confirmed by the validation team during an on-site visit/11/ with fuel receipt evidence.

3.3.5 Additionality

The additionality of the proposed grouped project activity has been demonstrated in accordance with CDM Tool 02: Combined Tool to Identify the Baseline Scenario and Demonstrate Additionality Version 7.0/08/. Para 3.6.11 of VCS Standard v.4.7 states *“Determination of baseline scenario and demonstration of additionality are based upon the initial project activity instances”*.

As per Para 3.6.16 (5) of the VCS Standard *“A set of eligibility criteria shall ensure that new project activity instances: 5) Have characteristics with respect to additionality that are consistent with the initial instances for the specified project activity and geographic area. For example, the new project activity instances have financial, technical and/or other parameters (such as the size/scale of the instances) consistent with the initial instances, or face the same investment, technological and/or other barriers as the initial instances.”*

The compliance with the above-mentioned criterion are ensured through:

- All future activities, including the first PAI must fall within one of the eight Generic PAI categories, each of which has its own validated analysis of Ontario-specific financial, technical, or institutional barriers documented in Appendix 3 of the PD/1/.
- Eligibility Criterion #9 (under section 1.5.1 of the VCS PD/1/) mandates that every new instance demonstrates characteristics consistent with its assigned Generic PAI, requiring evidence it faces the same barrier profile.
- The Monitoring Plan subjects this mapping and evidence to regular verification audits.

Therefore, in line with CDM Tool 02 and VCS requirements for grouped project, the step wise detailed assessment of demonstration of additionality based on initial PAI is provided below:

Step 0: Demonstration that the proposed project activity is the first-of-its-kind (optional)

The proposed grouped project Ontario Sustainable Community (OSC) is the first-of-its-kind project in the Ontario region. However, PP is not opting for demonstrating additionality through first-of-its-kind. The OSC grouped project is an umbrella project primarily comprised of projects involving scope 03 and scope 13 activities through 8 generic PAIs. Thus, due to incomplete classification of the OSC grouped project, the project is considered innovative and the first-of-its-kind in the geographical region of Ontario.

Step 1: Identification of alternative scenarios

Step 1a: Define alternative scenarios

The VCS PD/1/ under section 3.5.2 and appendix 3 clearly identifies alternative scenarios as outlined under CDM Tool 02, for each core function of the grouped project activity. The alternative scenarios S1 to S5 of the grouped project are listed under section 3.5.2 of VCS PD/1/ and are in line with section 4.2.1 of CDM Tool 02/08/. The alternative scenarios for individual PAIs will be assessed and defined with the addition of respective PAIs to the grouped project. However, for initial PAI which involves the installation of solar panels within client facility, two alternative scenarios have been defined as follows:

S1: The proposed PAI undertaken without being registered under the VCS Program (i.e., without carbon financing).

S2: The continuation of the current situation, not requiring any investment to maintain the current situation, where the facility continues to use grid electricity and diesel to fuel the on-site generator to meet its energy needs.

PP conforms with Step 1a of CDM Tool 02 by identifying realistic and credible alternatives to the grouped project activity and initial PAI.

Step 1b: Consistency with mandatory applicable laws and regulations

The grouped project is not mandated by any law or regulations in Ontario. The identified alternative scenarios for the grouped project follow applicable legislation and regulations with respect to the generic PAI type, which are defined under Appendix 3 of the VCS PD/1/.

Further, for initial PAI there are no Ontario or federal regulations that require industrial, commercial or municipal entities to switch from fossil fuels to renewable sources. However, the alternative scenarios for initial PAI conforms with applicable laws and regulations such as Building Code (O. Reg. 163/24), Energy Reporting and Conservation and Demand Management Plans (O. Reg. 25/23).

Outcome of Step 1b:

As described in Step 1b, all plausible alternative scenarios of the grouped project and the initial PAI are consistent with the applicable laws and regulations in the Ontario, Canada.

Step 2. Barrier analysis

The alternative scenarios were assessed against investment, technological and other relevant barriers as described in further steps.

Step 2a: Identify barriers that would prevent the implementation of alternative scenarios

The PP identifies several types of barriers for grouped project alternatives:

- **Financial barriers:** The grouped project targets individual client facilities which are SMEs or municipalities having limited access to investments, thereby restricting the access to voluntary carbon markets considering the high transaction costs and technical requirements.

- Institutional barriers: There are no institutional mechanisms in Ontario to support carbon projects through aggregation and monetization of emission reductions from small scale facilities.
- Market barriers: The lack of compliance market or cap and trade mechanism in Ontario has limited the implementation of low carbon activities.

However, for initial PAI, the specific barriers identified are provided under appendix 3 of VCS PD/1/ and are listed below:

- Financial barriers: The project activity may require high upfront capital costs for infrastructure investments.
- Technical barriers: Some project sites are not easily compatible with new energy technologies and limitation of resources required for full operation of technology.

Outcome of Step 2a:

The list of barriers identified for grouped project and initial PAI are broadly consistent with CDM Tool 02 guidance and clearly explained.

Step 2b: Eliminate alternative scenarios which are prevented by the identified barriers

The only alternative scenario for the grouped project from step 1, not prevented from the barriers identified in step 2a is S3 which is “*Continuation of the current situation, not requiring any investment or expenses*”. The alternative S3 is the business-as-usual scenario which is not prevented by any of the barriers identified in step 2a.

For initial PAI, the alternative scenario not prevented from barriers listed under step 2a is S2 which is the continuation of the current situation, not requiring any investment to maintain the current situation, where the facility continues to use grid electricity and diesel to fuel the on-site generator to meet its energy needs.

Outcome of Step 2b:

The project successfully eliminates many alternatives based on financial, technical and institutional limitations. The selection and justification of the remaining baseline scenario is in full alignment with Tool 02 Step 2b. The step is completed adequately. Further, alternative scenario S3 for grouped project and S2 for initial PAI is considered as baseline scenario, in line with CDM Tool 02 as there is only one remaining alternative scenario not prevented by any barrier and the output can only be provided by project proponent.

Step 3. Investment analysis

The additionality of OSC grouped project is established while the information provided is not in line with the CDM Tool 02. PP has claimed that without cost sharing and business model of this grouped project, the present situation prevails and there would be no measures for GHG emission

reductions in the project units. An investment analysis of individual PAIs will be provided and demonstrated with inclusion of respective PAIs to the grouped project. However, the investment analysis of the initial PAI has been demonstrated by PP using internal rate of return (IRR) as financial indicator/42/. The investment analysis was conducted for a 7-year crediting period with an average benchmark of 16% sourced from various sources/41/. The assessment team cross checked the IRR benchmark with the similar project in geographical boundary of Canada. VCS project 929 implemented in Quebec, Canada/15/ has also demonstrated investment analysis with average IRR benchmark of 16% considering the scope 03 and scope 13 activities through distinct generic PAIs in the grouped project. Therefore, the benchmark has been appropriately selected by PP for the initial PAI. The IRR analysis of the initial PAI is provided below:

Budget Head	Cost (\$)	Data Source/Calculation
(A) Net Annual energy savings (2024)	6,712	These values are confirmed through the third-party Energy Audit Report/43/ prepared by Groupe Pleineterre inc /55/ and Solar panel proposal/50/ prepared by Otter Energy/54/.
(B) Input purchase - Cost of equipment	2,52,809	
(C) Investment Tax Credit	80,942.70	
(D) City Compensatory Allowances (CCA) benefit (75%/year)	24,363.75	
(E) Tax rate	25%	Farm property class tax rate program ontario.ca
(F) After-tax savings	5,034	Calculated as: $= (A * (1 - E))$
(G) Emission reductions (tCO ₂ e/yr)	18	Emission reduction sheet/2/
(H) Carbon price (\$/tCO ₂ e)	10	Assumed value from Previous trades, not publicly disclosed
(I) Portion to the project (%)	45%	Adhesion contract/12/
(J) Carbon revenues/year	\$ 61	Calculated as: $= (G * H * I * (1 - E))$

Total project cost with savings	-97,161	<p>For year 0: The project cost is difference of input purchase (A) and the Tax credit (C) + CCA allowance (D): $(A-(C+D))$</p> <p>For years 1 to 10: The project did not incur any cost except the maintenance which is already discounted in energy savings (A). Therefore, the energy savings after tax are considered: (F)</p>
Total project cost with savings and carbon revenues	-96,553	<p>For year 0: The project cost is difference of input purchase (A) and the Tax credit (C) + CCA allowance (D): $(A-(C+D))$</p> <p>For years 1 to 10: The project did not incur any cost except the maintenance which is already discounted in energy savings (A). Further, the carbon revenues are added to the annual energy savings after tax: $(F+J)$</p>

The key input parameters to investment analysis have been cross verified from the energy audit report of the initial PAI/43/. The initial PAI yielded a negative IRR (-15.78%) well below the benchmark of 16%, irrespective of the carbon revenues implying that project is financially unattractive.

Step 4: Common practice analysis

The project activity at grouped project level is a voluntary initiative and not mandated by any law, statute or any other regulatory framework. PP has demonstrated the PAI common practice analysis under appendix 3 of the VCS PD/1/. The generic PAIs have are comprised of activities which are beyond the common practices and are more efficient. However, for initial PAI, PP has demonstrated the dominance of fossil fuels in the energy mix as the common practice as confirmed from data published by Natural Resources of Canada - Office of Energy Efficiency/44/. The consumption of natural gas for energy needs shares 53.8% of total energy use in Ontario/44/ while only 13-14% of total energy comes from renewable sources. Therefore, the fuel switching projects from fossil-based energy generation to renewable sources is not common in the geographical region of Ontario.

Assessment on the additionality of all the 8 Generic PAIs:

The additionality of the Ontario Sustainable Community (OSC) grouped project is established at the activity-type level. The Project Proponent (PP) defined 8 Generic Project Activity Instances (PAIs). The assessment in Appendix 3 uses a multi-faceted approach for each PAI:

- Regulatory Analysis: Confirms no laws mandate the proposed measures.
- Barrier Analysis: Identifies financial, technical, and institutional barriers.
- Common Practice Analysis: Quantitatively assesses market penetration against the 20% threshold using sector statistics, project databases, and industry reports

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
I	Biomass Energy (Scope 3)	Use of fossil fuels (natural gas, fuel oil) for thermal energy/process heat.	Not Common Practice. Bioenergy represents only ~5% of ICI secondary energy demand. Assessment team confirmed this by following the instructions stated in the footnote 62 of the VCS PD/1/ for the published data of Canada Energy Regulator/57/. Documented biomass heating systems are installed in only ~0.004% of ICI	Section A3-4, PAI I: 6.1, 6.2, 6.3, 7

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
			buildings. This was confirmed through the Common Practice excel sheet/56/.	
II	Methane Emission Avoidance (Scope 13)	Disposal of organic and recyclable waste in landfills (with flaring).	Not Common Practice. IC&I waste diversion rate is only ~15%. The vast majority of recyclable and organic waste is landfilled. This was confirmed by the assessment team through the annual report published by Auditor General of Ontario/35/.	Section A3-4, PAI II: 6.1, 6.4, 7
III	Land Application of Biosolids (Scope 13)	Landfilling or incineration of organic residues (municipal biosolids, paper mill sludge, biomass).	Not Common Practice. ~45% of municipal sewage biosolids are landfilled/incinerated. Use of materials like biochar is in the exploratory/pilot phase. This was confirmed by the assessment team	Section A3-4, PAI III: 6.1, 6.2, 6.3, 7

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
			through the Research Article published by Government of Ontario/58/ and annual report published by Auditor General of Ontario/35/.	
IV	Saving Energy on Recycling (Scope 3)	Production of goods from virgin materials, wasting energy-embodied recyclables.	Not Common Practice (for most materials). Excluding established metals (Al, Cu, steel), recycling is marginal: e.g., ~10% of plastics recovered in Ontario (2018); only ~20% of Canadian e-waste collected. This was confirmed by the assessment team through the study published by the Environment and Climate Change Canada/59/ and Articles published by the Government of	Section A3-4, PAI IV: 6.1, 6.2, 6.3, 7

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
			Canada/60//61//62//63//64/.	
V	Heat Recovery (Scope 3)	Venting/ wasting process or building exhaust heat; using virgin energy for heating.	Not Common Practice. Estimated adoption rate of waste heat recovery systems is ~7% of ICI buildings. This was confirmed through the Energy Efficiency report of Year 2019-20 /65/ published by IESO (Independent Electricity System Operator - Ontario, Canada), which confirmed that 56,500 buildings (out of the estimated 831,306 buildings) in Ontario have implemented the waste heat recovery measures.	Section A3-4, PAI V: 6.2, 6.3, 7
VI	Energy Efficient New Buildings /	Construction/renovation to minimum building code standards.	Not Common Practice. Buildings with high-performance certifications (LEED,	Section A3-4, PAI VI: 5.2, 5.3, 6

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
	Major Renovations (Scope 3)		BOMA BEST, Energy Start, Zero Carbon Building Standard, IREE, total Resource Use and Efficiency) indicates a total of 4,456 certified buildings (out of 831,306 buildings in Ontario), which represents <1% of Ontario's ICI building stock. This was confirmed from the CAGBC (Canada Green Building Council) Database/67/ and BOMA BEST Reports/66/.	
VII	Energy Efficiency – Demand Side (Scope 3)	Operation of existing, standard-efficiency building envelopes and equipment.	Not Common Practice. Energy efficiency programs have reached only an estimated ~11% of the eligible building stock. This was confirmed through the Energy	Section A3-4, PAI VII: 6.2, 6.3, 7

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
			<p>Efficiency report of Year 2019-20 /65/ published by IESO (Independent Electricity System Operator - Ontario, Canada), which confirmed that 90,410 buildings (conservative value as per footnote 106 of the VCS PD/1/), out of the estimated 831,306 buildings, in Ontario have implemented the energy efficiency measures under incentive programs.</p>	
VIII	<p>Energy Conversion / Fuel Switch (Scope 3)</p>	<p>Use of fossil fuel-based systems (natural gas boilers, diesel generators) for energy needs.</p>	<p>Not Common Practice. Fossil fuels dominate ICI energy use. Adoption rate for fuel-switching projects is estimated at ~7%. Post-secondary institutions are an exception due to specific regulations.</p>	<p>Section A3-4, PAI VIII: 6.1, 6.2, 6.3, 7</p>

Generic PAI	Name & Sectoral Scope	Baseline Scenario (Common Practice in Ontario)	Conclusion & Key Evidence for Additionality (<20% Adoption)	Key References in Appendix 3
			<p>This was confirmed through the Energy Efficiency report of Year 2019-20 /65/ published by IESO (Independent Electricity System Operator - Ontario, Canada), which confirmed that approximately 58,000 buildings (out of the estimated 831,306 buildings, in Ontario) have implemented renewable energy measures.</p>	

Thus, it has been confirmed that these 8 Generic PAIs are "uncommon practices" in Ontario's ICI sector (adoption <20%). Since these measures are not common, not legally mandated, and face implementation barriers, any specific PAI that conforms to a Generic PAI definition is demonstrably additional. The baseline scenario is thus credibly identified as the continuation of the prevailing, commonplace practices these measures aim to displace.

Conclusion

Thus, the grouped project OSC and the initial PAI are not regarded as common practice in Ontario and therefore are deemed additional. Further, the initial PAI is also deemed additional through investment analysis obtaining IRR below the 16% average benchmark.

3.3.6 Quantification of GHG Emission Reductions and Carbon Dioxide Removals

Baseline Emissions

The baseline emissions are calculated for energy efficiency and waste diversion activities as per the equation provided below:

$$BE_y = \sum[(Emissions_{Adjusted\ Baseline\ EE}); (Emissions_{Adjusted\ Baseline\ Waste})] \quad \dots \text{Equation 1}$$

Where,

- BE_y = Baseline emissions in year y (tCO_{2e})
- $Emissions_{Adjusted\ Baseline\ EE}$ = The energy efficiency activities related baseline emissions plus any adjustments needed to adjust to the conditions of the monitoring period
- $Emissions_{Adjusted\ Baseline\ Waste}$ = The waste related baseline emissions plus any adjustments needed to adjust to the conditions of the monitoring period

The equation 1 is further detailed as:

$$BE_y = \sum[(FF_{BL,y} * EF_3); (WS_{BL,y} * EF_{13})] \quad \dots \text{Equation 2}$$

Where,

- BE_y = Baseline emissions in year y (tCO_{2e})
- $FF_{BL,y}$ = Volume of energy consumption without or before the project in year y
- $WS_{BL,y}$ = Volume of waste material type sent to landfill in year y
- EF_3 = CO_{2e} emission factor of the energy type (tCO_{2e})
- EF_{13} = CO_{2e} emission factor of the waste material type is selected with consideration for the different landfill management scenario, regarding the flaring or no flaring of methane (biogas) and/or its use or not for energy recovery (tCO_{2e}).

The baseline emissions under project activity at PAI level, are considered into sectoral scopes 3 and 13 and separate quantification approaches have been proposed, as explained below:

Scope 3 baseline emissions at PAI level

The scope 3 emissions under baseline scenario comprise of emissions related to fuel and electricity consumption to meet the energy requirements, in the absence of project activity. The baseline emissions are calculated as the summation of, product of volume of energy type (fuel or electricity) consumption and emission factor of energy type, as per the following equation:

$$BE_y = Vol.Fuel\ i \times EF\ Fuel\ i\ CO_2e \quad \dots \text{Equation 3}$$

Where:

BE_y	=	Baseline emission in a year y (tCO ₂ e)
$Vol. Fuel i$	=	Baseline volume of energy or fossil fuel consumption for fuel type i (L, m ³ , kg, or kWh)
$EF Fuel i CO_2e$	=	Emission factor of the energy type i (tCO ₂ e/L, m ³ , kg, or kWh)

The equation is further detailed in applied methodology VM0018, as presented below:

$$BE_y = \sum[(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \times Vol. Fuel i \times EF Fuel i CH_4); (GWP_{N_2O} \times Vol. Fuel i \times EF Fuel i N_2O)] + [Electricity \times EF Grid CO_2e] + [Thermal Energy \times EF Thermal Energy CO_2e] \quad \dots \text{Equation 4}$$

Where:

BE_y	=	Baseline emission in a year y (tCO ₂ e)
$Vol. Fuel i$	=	Baseline volume of energy or fossil fuel consumption for fuel type i (L, m ³ , kg, or kWh)
$EF Fuel i CO_2$	=	Emission factor of CO ₂ of the energy type i (per L, m ³ , kg, or kWh)
GWP_{CH_4}	=	Global warming potential of methane
$EF Fuel i CH_4$	=	Emission factor of CH ₄ of the energy type i (per L, m ³ , kg, or kWh)
GWP_{N_2O}	=	Global warming potential of nitrous oxide
$EF Fuel i N_2O$	=	Emission factor of N ₂ O of the energy type i (per L, m ³ , kg, or kWh)
$Electricity$	=	Quantity of electricity from the grid in kWh
$EF Grid CO_2e$	=	Emission factor of electricity from the grid in tCO ₂ e/kWh
$Thermal Energy$	=	Quantity of thermal energy in GJ
$EF Thermal Energy CO_2e$	=	Emission factor of thermal energy in tCO ₂ e/GJ

Adjustments

The emission adjustment procedure has been defined as per the methodology VM0018, to ensure the functional equivalence as well as unit of productivity. The equation for baseline adjustments is sourced from VM0018, as provided below:

$$Emissions_{Maintenance/Unit Operation} = \sum[(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \times Vol. Fuel i \times EF Fuel i CH_4); (GWP_{N_2O} \times Vol. Fuel i \times EF Fuel i N_2O)] + [Electricity \times EF Grid CO_2e] + [Thermal Energy \times EF Thermal Energy CO_2e] \quad \dots \text{Equation 5}$$

Scope 13 baseline emissions at PAI level

The scope 13 emissions under baseline scenario comprise of emissions related to waste disposal in landfills, in the absence of project activity. The baseline emissions are calculated via two options as described below:

Option 1: Baseline emissions calculated as the summation of, product of waste quantity disposed to landfill and emission factor of the waste type and landfill scenario

The equation applied for Option 1 is provided below:

$$BE_y = WS_{BL,y} \times EF_{13} \quad \dots \text{Equation 6}$$

Where:

BE_y = Baseline emission in a year y (tCO₂e)

$WS_{BL,y}$ = Volume of waste material type sent to landfill in year y (t)

EF_{13} = Emission factor of the waste material type is selected with consideration for the different landfill management scenario (tCO₂e).

Option 2: Adjusted baseline emissions from waste decomposition and methane release

Adjusted baseline emissions from waste decomposition and methane release are quantified using equation provided below:

$$\text{Emissions}_{\text{Adjusted Baseline WASTE}} = \text{Emissions}_{\text{Adjusted Waste decomposition and methane release}} + \text{Emissions}_{\text{Adjusted Energy consumption from waste processing}}$$

Baseline emissions from waste decomposition and methane release

The baseline emissions from waste decomposition and methane release are determined as per the methodology VM0018 using following equation:

$$\text{Emissions}_{\text{Waste Decomposition and Methane Release}} = 1000 \times \varphi \times (1 - f) \times GWP_{CH_4} \times (1 - OX) \times \frac{16}{12} \times F \times DOC_{f,y} \times MCF_y \times \sum_{x=1}^y \sum_j (W_{j,x} \times DOC_j \times e^{-kj \times (y-x)} \times (1 - e^{-kj})) \quad \dots \text{Equation 7}$$

Where:

φ = Model correction factor to account for model uncertainties

f = Fraction of methane captured at the SWDS and flared, combusted or used in another manner that prevents methane emissions

GWP_{CH_4} = Global Warming Potential of methane

OX = Oxidation factor (reflecting the amount of methane from SWDS that is oxidized in the soil or other material covering the waste)

F = Fraction of methane in the SWDS gas (volume fraction)

$DOC_{f,y}$	=	Fraction of degradable organic carbon (DOC) that can decompose
MCF_y	=	Methane correction factor
$W_{j,x}$	=	Mass of Waste Material type j Sent to Landfill in the year x (tons)
DOC_j	=	Fraction of degradable organic carbon (by weight) in the waste type j
k	=	Decay rate for the waste type j
j	=	Waste type category (index)
y	=	Year for which methane emissions are calculated

Baseline emissions from energy consumption during waste processing

The baseline emissions from energy consumption during waste processing are calculated as per methodology VM0018 using following equation:

$$Emissions_{Adjusted\ Energy\ consumption\ from\ waste\ processing} = \sum[(Vol.\ Fuel\ i \times EF_{Fuel\ i\ CO_2}); (GWP_{CH_4} \times Vol.\ Fuel\ i \times EF_{Fuel\ i\ CH_4}); (GWP_{N_2O} \times Vol.\ Fuel\ i \times EF_{Fuel\ i\ N_2O})] + [Electricity \times EF_{Grid\ CO_2e}] + [Thermal\ Energy \times EF_{Thermal\ Energy\ CO_2e}] \quad \dots Equation\ 8$$

Project Emissions

The project emissions are calculated for energy efficiency and waste diversion activities as per the equation provided below:

$$PE_y = \sum[(Emissions_{Project\ EE}); (Emissions_{Project\ Waste})] \quad \dots Equation\ 9$$

Where:

PE_y	=	Project emissions in year y (tCO ₂ e)
$Emissions_{Project\ EE}$	=	Sum of the energy efficiency related emissions under the project scenario
$Emissions_{Project\ Waste}$	=	Sum of the waste related emissions under the project scenario

Equation 9 is further detailed as:

$$PE_y = \sum[(FF_{P,y} * EF_3); (WS_{P,y} * EF_{13})] \quad \dots Equation\ 10$$

Where:

- PE_y = Project emissions in a year y (tCO₂e)
- FF_{P,y} = Volume of energy consumption used by the project
- WS_{P,y} = Volume of waste material type with alternative processing
- EF₃ = CO₂e emission factor of the energy type
- EF₁₃ = CO₂e emission factor of the waste stream that considers the different management scenario that diverts waste from landfill, regarding the flaring or no flaring of methane (biogas) and/or its use or not for energy recovery.

The project emissions under project activity at PAI level, are considered into sectoral scopes 3 and 13 and separate quantification approaches have been proposed, as explained below:

Scope 3 project emissions at PAI level

The scope 3 emissions under project scenario comprise of emissions related to fuel and electricity consumption to meet the energy requirements, in the absence of project activity. The project emissions are calculated as the summation of, product of volume of energy type (fuel or electricity) consumption and emission factor of energy type, as per the following equation:

$$PE_y = Vol. Fuel i \times EF Fuel i CO_2e \quad \dots \text{Equation 11}$$

Where:

- PE_y = Project emission in a year y (tCO₂e)
- Vol. Fuel i = Project volume of energy or fossil fuel consumption for fuel type i (L, m³, kg, or kWh)
- EF Fuel i CO₂e = Emission factor of the energy type i (tCO₂e/L, m³, kg, or kWh)

The equation 11 is further detailed in VM0018 as presented below:

$$PE_y = \sum [(Emissions_{Building/System Energy Consumption with ECM}) + (Emissions_{Maintenance}) + (Emissions_{Unit Operation})] \quad \dots \text{Equation 12}$$

The project emissions from building/system energy consumption, maintenance and unit operations are calculated using following equations:

$$\begin{aligned}
 \text{Emissions} &= \sum [(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \\
 \text{Building/System Energy} & \times Vol. Fuel i \times EF Fuel i_{CH_4}); (GWP_{N_2O} \\
 \text{Consumption with ECM} & \times Vol. Fuel i \times EF Fuel i_{N_2O})] \\
 &+ [Electricity \times EF Grid CO_2e] \\
 &+ [Thermal Energy \times EF Thermal Energy CO_2e]
 \end{aligned}
 \quad \text{Equation 13}$$

$$\begin{aligned}
 \text{Emissions Maintenance} &= \sum [(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \\
 &\quad \times Vol. Fuel i \times EF Fuel i CH_4); (GWP_{N_2O} \\
 &\quad \times Vol. Fuel i \times EF Fuel i N_2O)] \\
 &\quad + [Electricity \times EF Grid CO_2e] \\
 &\quad + [Thermal Energy \times EF Thermal Energy CO_2e]
 \end{aligned}
 \tag{Equation 14}$$

$$\begin{aligned}
 \text{Emissions Unit Operation} &= \sum [(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \\
 &\quad \times Vol. Fuel i \times EF Fuel i CH_4); (GWP_{N_2O} \\
 &\quad \times Vol. Fuel i \times EF Fuel i N_2O)] \\
 &\quad + [Electricity \times EF Grid CO_2e] \\
 &\quad + [Thermal Energy \times EF Thermal Energy CO_2e]
 \end{aligned}
 \tag{Equation 15}$$

Scope 13 project emissions at PAI level

Scope 13 emissions under project scenario comprises of waste diversion and alternative management techniques. The project emissions are calculated using two options as describes below:

Option 1: Project emissions calculated as the summation of, product of waste quantity diverted from landfill and emission factor of the waste type and alternative management scenario

The equation applied for Option 1 is provided below:

$$PE_y = WS_{BL,y} \times EF_{13} \tag{...Equation 16}$$

Where:

- PE_y = Project emissions in a year y (tCO₂e)
- $WS_{BL,y}$ = Volume of waste material type diverted from the landfill in year y (t)
- EF_{13} = Emission factor of the waste type is selected with consideration for the different management scenario (tCO₂e).

Option 2: Consolidated Project emissions associated with waste management activities

The consolidated scope 13 project emissions are calculated using equation below:

$$\begin{aligned}
 \text{Emissions Project WASTE} &= \text{Emissions Waste decomposition and methane release} + \text{Emissions Energy consumption from} \\
 &\text{waste processing} + \text{Emissions Energy consumed from alternative waste processing/use} + \text{Emissions Process emissions from} \\
 &\text{alternative processing of waste}
 \end{aligned}
 \tag{...Equation 17}$$

Emissions from waste decomposition and methane release are calculated using equation 7 explained above.

Equations for project emissions from energy consumption from waste processing, energy consumed from alternative waste processing/use and process emissions from alternative processing of waste, are provided below:

$$\begin{aligned}
 \text{Emissions} &= \sum [(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \\
 \text{Energy consumption} & \times Vol. Fuel i \times EF Fuel i_{CH_4}); (GWP_{N_2O} \\
 \text{from waste} & \times Vol. Fuel i \times EF Fuel i_{N_2O})] \\
 \text{processing} & + [Electricity \times EF Grid CO_2e] \\
 & + [Thermal Energy \times EF Thermal Energy CO_2e]
 \end{aligned}
 \tag{Equation (18)}$$

$$\begin{aligned}
 \text{Emissions} &= \sum [(Vol. Fuel i \times EF Fuel i CO_2); (GWP_{CH_4} \\
 \text{Energy consumed} & \times Vol. Fuel i \times EF Fuel i_{CH_4}); (GWP_{N_2O} \\
 \text{from alternative} & \times Vol. Fuel i \times EF Fuel i_{N_2O})] \\
 \text{waste processing/use} & + [Electricity \times EF Grid CO_2e] \\
 & + [Thermal Energy \times EF Thermal Energy CO_2e]
 \end{aligned}
 \tag{Equation (19)}$$

$$\begin{aligned}
 \text{Emissions} &= \sum [(Mass_{CO_2}); (Mass_{CH_4}); (Mass_{N_2O})] \\
 \text{Process emissions} & \\
 \text{from alternative} & \\
 \text{processing of waste} &
 \end{aligned}
 \tag{Equation (20)}$$

Where:

$Mass_{CO_2}$ = Mass of CO2 emitted as process emissions

$Mass_{CH_4}$ = Mass of CH4 emitted as process emissions

$Mass_{N_2O}$ = Mass of N2O emitted as process emissions

Leakage Emissions

The leakage emissions will be estimated at the PAI level, considering the sources outside project boundary but generating more than 1% of total project emission reductions. The leakage emissions estimated for initial PAI are *de minimus*, LE_y = 0.

Estimated GHG Emission Reductions and Carbon Dioxide Removals

The estimated GHG emission reductions are calculated as per the following equation:

$$ER_y = BE_y - PE_y - LE_y$$

Where:

ER _y	=	Emission reductions in a year y (tCO _{2e})
BE _y	=	Baseline emissions in a year y (tCO _{2e})
PE _y	=	Project emissions in a year y (tCO _{2e})
LE _y	=	Leakage emissions in a year y (tCO _{2e})

Demonstration of GHG emission reductions for initial PAI as per quantification approach described above

Baseline Emissions for initial PAI

The initial PAI involves installation of solar panels on rooftop of existing building to reduce reliance on grid electricity and lower diesel consumption from on-site generator use. Therefore, only scope 3 baseline emissions were calculated for the initial PAI. The scope 3 baseline emissions are calculated as per the quantification method explained above.

$$BE_y = \sum[(Vol. Fuel i \times EF Fuel i CO_2)] + [Electricity \times EF Grid CO_2e]$$

$$BE_y = [6,751.10 \times 0.00268901] + [91,831.00 \times 0.000038]$$

$$BE_y = 21.64 \text{ tCO}_2e$$

The data for fuel i.e. diesel and electricity consumption in baseline scenario, is considered for year 2024 in the absence of project activity and is substantiated by valid evidence i.e. fuel and electricity invoices. This was confirmed through the Energy audit report/43/ and the assessment also checked the physical invoices of both diesel and electricity/11/.

Project Emissions for initial PAI

It has been expected that the project scenario reduces fuel i.e. diesel consumption to zero at building, where solar panels will be installed. A conservative 10% energy savings has been applied by PP for electricity consumption from grid, considering that a portion of electricity consumed from grid is replaced by electricity provided by solar panels. Therefore, scope 3 project emissions are calculated as follows:

$$PE_y = \sum[(Vol. Fuel i \times EF Fuel i CO_2)] + [Electricity \times EF Grid CO_2e]$$

$$PE_y = [0.00 \times 0.00268901] + [82,647.90 \times 0.000038]$$

$$PE_y = 3.14 \text{ tCO}_2e$$

The reasons for accepting the conservative 10% energy savings from grid electricity is due to following reasons:

- The monthly solar generation data (from 1,936 kWh in December to 10,367 kWh in July) is derived from a technically specified system: 204 panels at 580 Wp each, totalling 118.32

kWe of installed capacity. The monthly generation profile reflects a realistic capacity factor for Ontario, showing expected seasonal variation (lower in winter, higher in summer). The total projected annual generation of 232,896 kWh provides an estimate against which performance will be measured.

- As per the Energy Audit report/43/ for the year 2024, the total electrical energy required to run the Elevators and Heat Pumps is 96,381.14 kWh and the total electricity consumption from the grid is 91,831 kWh.
- Since, the total electrical energy required for an entire year is 188,212.1 kWh and the overall project annual electricity generation by the solar panels is 232,896, thus, the 10% energy saving in the grid electricity has been found conservative.

Leakage Emissions for initial PAI

There was no potential leakage sources identified for initial PAI and thereby considered de minimus. Therefore, $LE_y = 0$.

Emission Reductions for initial PAI

$$ER_y = BE_y - PE_y - LE_y$$

$$ER_y = 21.64 - 3.14 - 0$$

$$ER_y = 18.50 \text{ tCO}_2\text{e/year}$$

The value has been rounded down for conservativeness. The estimated GHG emission reductions for initial PAI are 18 tCO₂e/year.

Estimated GHG Emission Reductions and Carbon Dioxide Removals for grouped project

After estimating the emission reductions for initial PAI to be included in the project activity, the PP has demonstrated the calculation of estimated GHG emission reductions, based on assumptions and data gathered from the VCS project ID929, a project executed by same PP, with identical objectives and proven issuance records under Verra/15/.

The assumptions made by PP are as follows:

- PP has considered the data from the monitoring periods of the first CP of VCS project 929, where the average number of PAIs per client facility has been calculated. This average number of PAIs is further used for extrapolation of PAIs to be included under grouped project OSC.
- The PP will be able to recruit up to 20 client facilities in the first monitoring period and based on the experience and resources with the PP, it is estimated that recruitment capacity will increase twice with each subsequent monitoring period.
- PP has considered number of buildings included in each MP of VCS project 929 and calculated average baseline and project emissions per building. PP has conservatively estimated baseline and project emissions by applying a factor of 50% to the calculated

emissions per building from project 929 as demonstrated under “*other Calc-Updated*” tab of emission reduction sheet/2/.

Based on these assumptions, the estimated total number of PAIs under grouped project OSC are:

Crediting Period	Initial CF	Initial PAI	Estimated CF recruit. Capacity	Estimated PAI recruit. Capacity	Total CF	Total PAI
01-Jan-2026 to 31-Dec-2026	1	1	20	300	21	301
01-Jan-2027 to 31-Dec-2027	1	1	40	600	41	601
01-Jan-2028 to 31-Dec-2028	1	1	80	1,200	81	1,201
01-Jan-2029 to 31-Dec-2029	1	1	160	2,400	161	2,401
01-Jan-2030 to 31-Dec-2030	1	1	320	4,800	321	4,801
01-Jan-2031 to 31-Dec-2031	1	1	640	9,600	641	9,601
01-Jan-2032 to 31-Dec-2032	1	1	1,280	19,200	1,281	19,201

The estimated baseline emissions, project emissions and emission reductions throughout the crediting period 01-Jan-2026 to 31-Dec-2032 are calculated based on the quantification approach defined above and the assumptions made considering VCS project 929.

Therefore, the estimated GHG emission reductions for grouped project OSC are as follows:

Vintage period	Estimated baseline emissions (tCO _{2e})	Estimated project emissions (tCO _{2e})	Estimated leakage emissions (tCO _{2e})	Estimated reduction VCUs (tCO _{2e})	Estimated removal VCUs (tCO _{2e})	Estimated total VCUs (tCO _{2e})
01-Jan-2026 to 31-Dec-2026	182,421	15,003	0	167,418	0	167,418
01-Jan-2027 to 31-Dec-2027	364,821	30,003	0	334,818	0	334,818

01-Jan-2028 to 31-Dec-2028	729,621	60,003	0	669,618	0	669,618
01-Jan-2029 to 31-Dec-2029	1,459,221	120,003	0	1,339,218	0	1,339,218
01-Jan-2030 to 31-Dec-2030	2,918,421	240,003	0	2,678,418	0	2,678,418
01-Jan-2031 to 31-Dec-2031	5,836,821	480,003	0	5,356,818	0	5,356,818
01-Jan-2032 to 31-Dec-2032	11,673,621	960,003	0	10,713,618	0	10,713,618
Total	23,164,947	1,905,021	0	21,259,926	0	21,259,926

The calculation of GHG emission reductions for the initial PAI are provided in Appendix 2 of the VCS PD/1/. The detailed calculations and assumptions for estimating GHG emission reduction of grouped project OSC and initial PAI are provided in emission reduction sheet/2/.

The assumptions and data for GHG emission reductions, listed in the PD are based on the VCS Project 929/15/, executed by the same project proponent with same objectives within geographical boundary of Quebec, Canada. The project 929 has been issued VCUs for 7 monitoring periods ensuring that the GHG emission quantification approach is appropriate and conforms with all the relevant criteria for grouped project. Therefore, the assessment team confirms that the assumptions and data considered for quantification of GHG emissions reductions are appropriate and the quantification approach defined in the VCS PD/1/ is in line with the applied methodology VM0018/07/.

3.3.7 Methodology Deviations

There is no methodology deviation applied to grouped project OSC. Thus, this section is not applicable.

3.3.8 Monitoring Plan

The project's monitoring plan is in compliance with the applied methodology VM0018 "Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community V.1/07/". The

monitoring plan will give an opportunity for real measurement of emission reductions achieved. The monitoring plan for the same has been included in section 5 of the VCS PD/1/. Validation team, after a comprehensive review of supportive documentation and on-site audit of the project facility confirms that the PP shall be able to implement the proposed monitoring plan.

Data and Parameters available at validation

Parameter	Value	Unit	Assessment
EF Thermal Energy _{CO2e} CO _{2e} emissions factor for local generation of thermal energy	70.0500022	Kg CO _{2e} per GJ	The default value is sourced from EPA's Emission Factor Hub/45/ and deemed appropriate by assessment team.
EF Fuel _i N _{2O} N _{2O} emissions factor for combustion of each type of fuel	0.022	g N _{2O} per L	The fuel consumption will be monitored on PAI basis and accordingly emission factor will be used. However, for initial PAI, the fuel used in Diesel for electricity generation purposes. The default value for initial PAI is sourced from Canadas' NIR/18/ and deemed appropriate by assessment team.
EF Fuel _i CH ₄ CH ₄ emissions factor for combustion of each type of fuel	0.078	g CH ₄ per L	The fuel consumption will be monitored on PAI basis and accordingly emission factor will be used. However, for initial PAI, the fuel used in Diesel for electricity generation purposes. The default value for initial PAI is sourced from Canadas' NIR/18/ and deemed appropriate by assessment team.
EF Fuel _i CO ₂ CO ₂ emissions factor for combustion of each type of fuel	2681	gCO ₂ /L	The fuel consumption will be monitored on PAI basis and accordingly emission factor will be used. However, for initial PAI, the fuel used in Diesel for electricity generation purposes. The default value for initial PAI is sourced from Canadas' NIR/18/ and deemed appropriate by assessment team.
Φ _y Model correction	0.85	Dimensionless	The value is sourced from CDM tool O4 "Emissions from solid waste disposal sites" v8.1/16/.

<p>factor to account for model uncertainties</p>			<p>The factor is taken based on application (B), humid/wet conditions from the applied tool.</p> <p>The calculation of MAP/PET ratio is demonstrated under MAP-PET Calculation sheet/46/ where Thornthwaite Method is applied which is widely used tool for quantification of potential evapotranspiration/47/. Mean annual temperature (MAT) value for initial PAI located in Ontario is calculated as 6.4 °C/46/ and Mean Annual Precipitation (MAP) is 942.6 mm/46/ which stays under humid/wet conditions. The calculated values were cross checked through independent research/48/ and were deemed appropriate by assessment team.</p> <p>The annual Potential Evapotranspiration (PET) value is calculated as 491.8 mm /46/. The MAP/PET ratio is >1 corresponding to wet conditions.</p> <p>Therefore, humid/wet condition was selected and deemed appropriate by the assessment team.</p>
<p>GWP_{CH4} Global warming potential of methane.</p>	<p>28</p>	<p>tCO_{2e}/ tCH₄</p>	<p>The value is sourced from the IPCC AR 5: Fifth Assessment Report/49/ and is deemed appropriate by the assessment team.</p>
<p>OX Oxidation factor (reflecting the amount of methane from SWDS that is oxidized in the soil or other material covering the waste)</p>	<p>0.1</p>	<p>Dimensionless</p>	<p>The value is sourced from CDM tool O4 “Emissions from solid waste disposal sites” v8.1/16/ and deemed appropriate by the validation team.</p>

<p>F Volume fraction of methane in the SWDS gas.</p>	<p>0.5</p>		<p>Dimensionless</p>	<p>The value is sourced from CDM tool 04 “Emissions from solid waste disposal sites” v8.1/16/ and deemed appropriate by the validation team.</p>
<p>DOC_f Fraction of degradable organic carbon in MSW that decomposes in SWDS</p>	<p>0.5</p>		<p>Dimensionless</p>	<p>The value is sourced from CDM tool 04 “Emissions from solid waste disposal sites” v8.1/16/ and deemed appropriate by the validation team.</p>
<p>MCF_{default} Methane correction factor.</p>	<p>1</p>		<p>Fraction</p>	<p>The value is sourced from CDM tool 04 “Emissions from solid waste disposal sites” v8.1/16/ and deemed appropriate by the validation team. This is appropriate in regard to anaerobically managed site. The landfill sites in Ontario operates in accordance with the Environmental Protection Act (R.R.O 1990 Reg. 347 and O. Reg. 232/98), which ensures the disposal of waste in the landfill must be done in the designated fill zone and covered with either through soil, sand, wood chips, compost etc. matching the description of an anaerobic managed solid waste disposal site as per Tool 04/16/. This was confirmed by VVB during on-site audit/27/.</p>
<p>DOC_j Fraction of degradable organic carbon in the waste type j (weight fraction)</p>	<p>Waste Type j</p>	<p>DOC_j (% wet waste)</p>	<p>%</p>	<p>The values are sourced from CDM Tool 04 “Emissions from solid waste disposal sites v8.1/16/ and deemed appropriate by the assessment team.</p>
<p>Wood and wood products</p>		<p>43</p>		
<p>Pulp, paper, and cardboard</p>		<p>40</p>		

	(other than sludge)			
	Food, food waste, beverages, and tobacco (other than sludge)	15		
	Textiles	24		
	Garden, park, and yard waste	20		
	Glass, plastic, metal, other inert	0		
k_j Decay rate for the waste type j .	Type of Waste	Climate Zone	1/yr	<p>The values applied are for Climate Zone: Boreal and temperate ($MAT \leq 20 \text{ }^\circ\text{C}$), and Wet ($MAP/PET < 1$).</p> <p>MAT value for US and first PAI, is $14.8 \text{ }^\circ\text{C}/31/$ which stays under boreal and temperature category.</p> <p>MAP is determined as 1404 mm as per the World Bank- Climate Knowledge Portal/31/.</p> <p>The PET value is determined as 1205 mm sourced from a research article/32/. The MAP/PET ratio is >1.</p> <p>Therefore, wet conditions were selected.</p> <p>The values for Climate Zone: Boreal and Temperate ($MAT \leq 20 \text{ }^\circ\text{C}$) and wet conditions ($MAP/PET > 1$) were selected and sourced from CDM tool 04 "Emissions from solid waste disposal sites" v8.1/16/ and deemed appropriate by the assessment team.</p>
		Boreal and Temperate		
		($MAT \leq 20 \text{ }^\circ\text{C}$)		
		Wet		
		($MAP/PET > 1$)		
	Default			
Paper/textile waste	0.06			
Wood/straw waste	0.03			
Other (non-food) organic putrescible/Garden and	0.10			

	park waste)			
	Food waste, beverages and tobacco (other than Sewage sludge)	0.185		

Data and Parameters monitored

Parameter	Monitoring Frequency	Assessment Monitoring Methods
<p>Vol. Fuel i (volume of quantity of Fuel_i)</p> <p>Volume of each type of fuel combusted. This volume of fuel is adjusted for both functional equivalence and units of productivity.</p> <p>Data Unit - MT, L, m³ or other</p>	Monthly	<p>The parameter will be monitored through calibrated supplier meters, consolidated monthly invoices. The calibration of flow meters will be ensured through Measurement Canada’s Electricity and Gas Inspection Act, 1985/17/.</p> <p>The monitoring approach defined is in line with applied methodology VM0018/07/ and deemed appropriate by assessment team.</p>
Electricity	Monthly	The parameter will be monitored through calibrated electricity meters and invoices consolidated monthly or

<p>The amount of electricity consumed from the grid</p> <p>Data Unit - kWh</p>		<p>bimonthly. The monitoring approach defined is in line with the applied methodology VM0018/07/ and deemed appropriate by assessment team.</p>
<p>EF Grid_{CO2e} CO_{2e} Emissions Factor for electricity from the grid.</p> <p>Data Unit - Kg of CO_{2e} per kWh</p>	<p>Annual</p>	<p>The value applied for the parameter is 0.038 kg CO₂/kWh and is sourced from Canada's National Inventory Report submitted to UNFCCC/18/. The parameter shall be monitored by referring to latest updates to the data source, as applicable.</p> <p>The monitoring procedure defined is in line with the applied methodology VM0018/07/ and deemed appropriate by assessment team.</p>
<p>Thermal Energy consumed at the facility.</p> <p>Data Unit - GJ</p>	<p>Continuous metering Frequency or metering and reconciliation is most frequent as possible</p>	<p>The parameter will be monitored through calibrated meters, monthly invoices during project implementation stage.</p> <p>The monitoring procedure defined is in line with the applied methodology VM0018/07/ and deemed appropriate by assessment team.</p>
<p>W_{j,x}</p> <p>Total amount of waste j disposed in a SWDS in year x</p> <p>Data Unit - kg or MT</p>	<p>Daily/Continuous</p>	<p>The parameter will be monitored through calibrated weigh scales, invoices and client facility reports.</p> <p>The monitoring approach defined is in line with applied methodology VM0018/07/ and deemed appropriate by assessment team.</p>
<p>f</p> <p>Fraction of methane captured at the SWDS</p>	<p>Annually</p>	<p>The parameter will be monitored through contract or regulation requirements specifying the amount of methane that must be destroyed/used (if available) and (b) historic data on the amount captured, as defined by applied CDM Tool 04/16/.</p>

and flared, combusted or used in another manner that prevents the emissions of methane to the atmosphere in year y		<p>The applied value for the project activity is “0.5694”, as per the historical data released by Government of Ontario/19/.</p> <p>Therefore, the monitoring procedure defined is in line with the applied Tool 04/16/, VM0018/07/ and deemed appropriate by assessment team.</p>
<p>Mass CO₂</p> <p>Mass of CO₂ emitted as a process emissions</p> <p>Data Unit - kg</p>	Continuous	<p>The parameter will be monitored through continuous monitoring system that records flow rate of gas and percent composition of CO₂. In the absence of monitoring system in place, the parameter will be estimated through mass balance of the project activity. The monitoring procedure defined, is in line with the applied methodology VM0018/07/ and deemed appropriate by the assessment team.</p>
<p>Mass N₂O</p> <p>Mass of N₂O emitted as a process emissions</p> <p>Data Unit - kg</p>	Continuous	<p>The parameter will be monitored through continuous monitoring system that records flow rate of gas and percent composition of N₂O. In the absence of monitoring system in place, the parameter will be estimated through mass balance of the project activity. The monitoring procedure defined, is in line with the applied methodology VM0018/07/ and deemed appropriate by the assessment team.</p>
<p>Mass CH₄</p> <p>Mass of CH₄ emitted as a process emissions</p> <p>Data Unit - kg</p>	Continuous	<p>The parameter will be monitored through continuous monitoring system that records flow rate of gas and percent composition of CH₄. In the absence of monitoring system in place, the parameter will be estimated through mass balance of the project activity. The monitoring procedure defined, is in line with the applied methodology VM0018/07/ and deemed appropriate by the assessment team.</p>

Monitoring Plan:

The validation team can confirm that the parameters are sufficient to calculate the emission reductions in accordance with the applied methodology and are correctly reported in the VCS PD/1/.

The monitoring will be carried out in accordance with the applied methodology VM0018 v.1/07/ and the applicable tool/16/.

The monitoring plan provided in section 5.3 of the VCS PD/1/ has been reviewed and it has been found correct, in line with the applied methodology/07/. The roles and responsibilities of the management staff appointed for monitoring are clearly indicated in the PD. QA/QC procedures have been laid out correctly to monitor waste diversion, energy generation and calculation of GHG emission reductions. The equipment observed on site corroborates with the corresponding technical detail certificate and manuals. PP has also provided the sampling plan for the collected in line with CDM Standard: Sampling and surveys for CDM project activities and programmes of activities (version 09.0) with 95/10 confidence/precision level. PP has also provided mechanisms for exclusion of projects/client facilities not conforming with the requirements outlined in the monitoring plan of the grouped project. Therefore, the monitoring plan is deemed appropriate by the VVB.

3.4 Non-Permanence Risk Analysis

This section is not applicable

4 VALIDATION OPINION

4.1 Validation Summary

Earthood Services Limited (Earthood) has performed the validation of the project activity “Ontario Sustainable Community (OSC)”, VCS ID-3004. The assignment was performed based on the rules and requirements defined by VCS/03/04/05/06/.

The review of the PD, supporting documentation and subsequent follow-up actions (on-site visit and interviews) has provided Earthood with sufficient evidence to determine the fulfilment of the stated criteria. The project activity correctly applies the approved methodology VM0018 v.1/07/.

The project results in the reduction of CO₂ emissions that are real, measurable and give long term benefits to the mitigation of climate change. It is demonstrated that the project activity is not likely a baseline scenario and the emission reductions attributable to the project are hence additional to any that would occur in the absence of the proposed VCS project activity.

The GHG emission reductions from the project are estimated to be 3,037,132 tCO₂e annually and 21,259,926 tCO₂e over the 7 year crediting period renewable twice.

4.2 Validation Conclusion

Earthood Services Limited has performed the validation of the project activity “Ontario Sustainable Community (OSC)”. The PP is responsible for all information regarding the implementation of the project activity. Earthood commenced the validation on applied methodology VM0018 v.1.0/07/ and other tools referred to in the project description.

Earthood’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. Earthood planned and performed the validation by obtaining evidence, other information, and explanations that Earthood considered necessary to give reasonable assurance that the estimated GHG emission reductions are fairly to be achieved.

VVB confirms that:

- The project activity is in accordance with all relevant host country criteria (Canada) and VCS rules and requirements.
- The project activity is in accordance with all conditions of the latest version of applied methodologies.
- The local stakeholders’ consultation has been performed in accordance with host country and VCS requirements.
- The environmental assessment is appropriate and sufficient.
- The monitoring plan is transparent and adequate.
- All information has been consistently applied in the final VCS-PD v1.5 dated 30/03/2026/1/.
- The implementation of the project has been done as per description in the final VCS-PD v1.5 dated 30/03/2026/1/.

Upon validation of all the project documents and evidence, performed in line with the standard ISO 14064-3, Earthood is of the opinion that the project activity will be able to achieve the estimated annual ERs and hence the VVB is seeking the registration of the project activity titled “Ontario Sustainable Community (OSC)” with VCS ID 3004 under VCS.

Crediting period: From 01-January-2026 to 31-December-2032

Validated estimated GHG emission reductions and carbon dioxide removals for the project crediting period:

Vintage period	Estimated baseline emissions (tCO ₂ e)	Estimated project emissions (tCO ₂ e)	Estimated leakage emissions (tCO ₂ e)	Estimated reduction VCUs (tCO ₂ e)	Estimated removal VCUs (tCO ₂ e)	Estimated total VCUs (tCO ₂ e)

01-Jan-2026 to 31-Dec-2026	182,421	15,003	0	167,418	0	167,418
01-Jan-2027 to 31-Dec-2027	364,821	30,003	0	334,818	0	334,818
01-Jan-2028 to 31-Dec-2028	729,621	60,003	0	669,618	0	669,618
01-Jan-2029 to 31-Dec-2029	1,459,221	120,003	0	1,339,218	0	1,339,218
01-Jan-2030 to 31-Dec-2030	2,918,421	240,003	0	2,678,418	0	2,678,418
01-Jan-2031 to 31-Dec-2031	5,836,821	480,003	0	5,356,818	0	5,356,818
01-Jan-2032 to 31-Dec-2032	11,673,621	960,003	0	10,713,618	0	10,713,618
Total	23,164,947	1,905,021	0	21,259,926	0	21,259,926

Approved by:



Kaviraj Singh

Chief Executive Officer

Earthood Services Limited

Date: 14/04/2025

Place: Gurgaon, Haryana

APPENDIX 1: COMMERCIALY SENSITIVE INFORMATION

Section	Information	Justification	Assessment method and conclusion
<p><u>All</u></p>	<p>Client Facility names are anonymized and replaced by Client Facility ID numbers</p>	<p>1) Protecting Client Facility Privacy: Anonymizing client facility names safeguards their privacy, ensuring that sensitive information (e.g. financial and commercial) remains confidential.</p> <p>2) Mitigating Legal Risks: Anonymizing client facility names ensures that the company adheres to the confidentiality clause outlined in adhesion contract signed with Client Facilities (see clause 9 in adhesion contract).</p> <p>3) Maintaining Competitive Advantage: Anonymizing Client Facility names prevents competitors from gaining insights into the Project Proponent’s client base, strategies, or market positioning.</p> <p>Enhancing Trust and Professionalism: Anonymizing client facility names demonstrates a commitment to professionalism and discretion, fostering trust between the company and its clients (ie. Client Facilities)</p>	<p>The PP has anonymized the client facility names by assigning the client facility ID numbers to ensure the client facility privacy, mitigating the legal risks and preventing the exposure to competitive advantage. The terms of engagement between PP and client facilities were reviewed by the assessment team and confirms the confidential clause, in place.</p> <p>Anonymizing the client facility names would not impact on the overall GHG emission reductions and the operations at sampled client facilities would be validated during on-site audits. Therefore, the anonymization of commercially sensitive information by PP is deemed appropriate by assessment team.</p>

APPENDIX 2: ABBREVIATIONS

AM	Approved Methodology
BE	Baseline Emission
CAR	Corrective Action Request
CH ₄	Methane
CL	Clarification Request
CO ₂	Carbon di oxide
CP	Crediting Period
DR	Desk Review
EB	Executive Board
EF	Emission Factor
ER	External Resource
EIA	Environmental Impact Assessment
FAR	Forward Action Request
GHG	Green House Gas
IPCC	Intergovernmental Panel on Climate Change
kW	kilo Watt
kWh	kilo Watt hour
LE	Leakage Emission
LSC	Local Stakeholder Consultation Process
MoV	Means of Validation
MSW	Municipal Solid Waste
MP	Monitoring Plan
MW	Mega Watt
MWh	Mega Watt hour
O&M	Operation & Maintenance
PD	Project Description
PE	Project Emission
PP	Project Participant
SV	Site Visit
SDGs	Sustainable Development Goals
SWDS	Solid Waste Disposal Sites
tCO _{2e}	Tonnes of Carbon di oxide equivalent
TA	Technical Area
UNFCCC	United Nations Framework Convention on Climate Change
V	Version
VER	Verified Emission Reduction
VVB	Validation and Verification Body
VVS	Validation and Verification Standard

APPENDIX 3: DOCUMENT REFERRED

S.No.	Author	Title of document	Version	Provided by
1.	Will Solutions	VCS Project Description	Version 1.5 Dated: 30/03/2026	PP
2.	Will Solutions	ER Sheet Titled: ID3004 PD-Calculations-ERprojections 2026-2032-v.2.1.xlsx	As per the corresponding version of PDD	PP
3.	VERRA	VCS Program Guide	Version 4.4 Dated: 29/08/2023	VCS
4.	VERRA	VCS Standard	Version 4.7 Dated: 16/04/2024	VCS
5.	VERRA	VCS Program Definitions	Version 4.5 Dated: 16/04/2024	VCS
6.	VERRA	VCS Validation and Verification Manual	Version 3.2 Dated: 19/10/2016	VCS
7.	Will Solutions	VM0018: Energy Efficiency and Solid Waste Diversion Activities within a Sustainable Community	Version 1.0 Dated: 20/02/2012	VCS
8.	CDM	CDM Methodological Tool 02: Combined Tool to Identify the Baseline Scenario and Demonstrate Additionality	Version 7.0	Other
9.	CDM	CDM Project Standard for Project Activities	Version 3.0	CDM
10.	CDM	CDM Validation and Verification Standard for Project Activities	Version 3.0	CDM
11.	VVB	On-site Records <ul style="list-style-type: none"> • Photos • Checklist • Records 	10/02/2025	VVB

12.	Will Solution	Adhesion Contract Membership Contract to the Sustainable Community of Will Solutions Inc.	-	PP
13.	Will Solution	PPs declarations - Project ownership declaration - Double counting declaration	-	PP
14.	Will Solution	.kml file for Project activity location	-	PP
15.	Will solution	VCS Project ID 929- Webpage https://registry.verra.org/app/projectDetail/VCS/929	Last accessed on 19/12/2025	Others
16.	CDM	CDM's methodological tool 04: Emissions from solid waste disposal sites	Version 8.1	Others
17.	Others	Measurement Canada's Electricity and Gas Inspection Act https://laws-lois.justice.gc.ca/eng/acts/e-4/page-1.html	Last accessed on 19/12/2025	Others
18.	Others	Canada's National Inventory Report -2024 https://unfccc.int/sites/default/files/resource/2024NIR%20-%20Part%203.pdf	Last accessed on 19/12/2025	Others
19.	Others	Government of Canada – Landfill gas (2024) https://data.ontario.ca/dataset/landfill-gas-collection-use-and-destruction/resource/569fad95-7b96-49e2-8fa8-fd293c80ce1d	Last Updated: 19/06/2025	Others
20.	Others	Canadian Human Rights Law, 1977 https://laws-lois.justice.gc.ca/eng/acts/h-6/page-1.html	Last accessed on 19/12/2025	Others
21.	Others	Employment Equity Act 1995 - Canada https://laws-lois.justice.gc.ca/eng/acts/e-5.401/	Last accessed on 19/12/2025	Others

22.	Others	Canadian Charter of Rights and Freedoms https://laws-lois.justice.gc.ca/eng/Const/page-12.html	Last accessed on 19/12/2025	Others
23.	Others	Criminal Code of Canada, 1985 https://laws-lois.justice.gc.ca/eng/acts/c-46/	Last accessed on 19/12/2025	Others
24.	Others	Canada Labour Code, 1985 https://laws-lois.justice.gc.ca/eng/acts/l-2/	Last accessed on 19/12/2025	Others
25.	Others	Pay Equity Act, 2018 https://laws-lois.justice.gc.ca/eng/acts/p-4.2/page-1.html	Last accessed on 19/12/2025	Others
26.	Will Solution	Will Solutions Webpage Carbon Offset Sustainable Community Will Solutions	Last accessed on 19/12/2025	Others
27.	Verra	VCS Project Webpage - Project ID 3004 https://registry.verra.org/app/projectDetail/VCS/3004	Last accessed on 19/12/2025	Others
28.	Will Solution	Stakeholder Consultation Report	Dated: 03/10/2025	PP
29.	Will Solution	Local Stakeholder Identification Analysis Matrix		PP
30.	Others	OSC Launch Event Press Release, 25 January 2023: https://www.newswire.ca/news-releases/a-new-solution-to-support-stimulate-and-finance-the-actions-of-ontario-organizations-and-businesses-in-the-decarbonization-of-their-activities--829557505.html	Last accessed on 19/12/2025	
31.	Will Solution	Harassment Policy	-	PP
32.	Will Solution	Employee Handbook	-	PP

33.	Will Solution	Summer Schedule Policy	-	PP
34.	Will Solution	Annual Leave Policy	-	PP
35.	Auditor General of Ontario	Office of the Auditor General of Ontario. (2021). Non hazardous waste reduction and diversion in the industrial, commercial and institutional (IC&I) sector (Report ENV ICI_en21). Auditor General of Ontario. https://www.auditor.on.ca/en/content/annualreports/arreports/en21/ENV_ICI_en21.pdf	Last accessed on 19/12/2025	Others
36.	Others	Statistics Canada. (2024, July 2). Disposal of waste, by source. Government of Canada. https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3810003201	Last accessed on 19/12/2025	Others
37.	Others	Environmental Research & Education Foundation (2021). State of the Practice of Organic Waste Management and Collection in Canada. https://eref-canada.ca/wp-content/uploads/2021/07/CanadaReport_Final2.pdf .	Last accessed on 19/12/2025	Others
38.	Others	Canada Energy Regulator (2020). Provincial and Territorial Energy Profiles – Ontario. CER – Provincial and Territorial Energy Profiles – Ontario (cer-rec.gc.ca).	Last accessed on 19/12/2025	Others
39.	Others	CAGBC Database leed.cagbc.org/LEED/projectprofile_EN.aspx	Last accessed on 19/12/2025	Others
40.	Others	Berkeley's Database of GHG Projects https://gspp.berkeley.edu/berkeley-carbon-trading-project/offsets-database	Last accessed on 19/12/2025	Others
41.	Others	Web sources for IRR benchmark selection: - Conference Board of Canada	-	PP

		<ul style="list-style-type: none"> - <u>Value Chain Management International (VCMi)</u> - <u>Waste Management Inc. Fin. Reports</u> - <u>Republic Services Fin. Reports</u> 		
42.	Will Solution	IRR Sheet-Additionality Initial PAI-CFO201 - ONPD-042025	-	PP
43.	Groupe Pleineterre inc	Energy Audit Report of initial PAI: ENERGY_AUDIT _2025_VF1	Dated: 13/02/2025	PP
44.	Others	<p>Natural Resources Canada – Office of Energy Efficiency. (2022a). Secondary Energy Use and GHG Emissions by End-Use, Commercial/Institutional Sector, Ontario. Government of Canada.</p> <p>https://oee.nrcan.gc.ca/corporate/statistics/neud/dpa/showTable.cfm?type=CP&sector=com&juris=on&year=2022&rn=1&page=0</p>	Last accessed on 19/12/2025	Others
45.	USEPA	<p>EPAs Emission Factor Hub 2024</p> <p>Emission Factors for Greenhouse Gas Inventories</p>	Last accessed on 19/12/2025	Others
46.	Will Solution	MAP-PET Calculation Sheet	-	PP
47.	Others	<p>Thornthwaite’s Method for the Computation of the Water Balance</p> <p>https://link.springer.com/chapter/10.1007/978-3-031-04375-8_38</p>	Last accessed on 19/12/2025	Others
48.	Others	<p>Observed regional climatic changes over Ontario, Canada, in response to global warming</p> <p>https://doi.org/10.1002/met.1541</p>	Last accessed on 19/12/2025	Others
49.	IPCC	IPCC Fifth Assessment Report (AR 5)	-	Others
50.	Otter Energy	Proposal for Solar Panel	-	PP

51.	VCS	VCS Standard	Version 5.0 Dated: 16/12/2025	Others
52.	Will Solutions Inc.	Adhesion Contract with First CF Owner	Dated: 18/08/2023	PP
53.	Government of Canada	Key Small Business Statistics 2024: https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2024#s1.1	Last accessed on 19/12/2025	Others
54.	Otter Energy	Otter Energy Webpage: https://otterenergy.com/	Last accessed on 19/12/2025	Others
55.	Groupe Pleineterre inc	Groupe Pleineterre inc Webpage: https://www.pleineterre.com/a-propos/	Last accessed on 19/12/2025	Others
56.	Will Solutions Inc.	Excel file for Project Identification for Common Practice	-	PP
57.	Canada Energy Regulator	Canada's Energy Future Data Appendices https://apps.rec-ecer.gc.ca/ftppndc/dflt.aspx?GoCTemplateCulture=en-CA	Last accessed on 23/12/2025	Others
58.	Government of Ontario	Sewage biosolids: managing urban nutrients responsibly for crop production. (January 2023) https://www.ontario.ca/page/sewage-biosolids-managing-urban-nutrients-responsibly-crop-production#:~:text=The%20application%20of%20sewage%20biosolids,mineral%20and%20organic%20nitrogen	Last accessed on 23/12/2025	Others
59.	Environment and Climate Change Canada	Economic Study on the Plastic Industry, Markets and Waste in Canada, Environment and Climate Change Canada, 2019, p.12 https://publications.gc.ca/collections/collection_2019/eccc/En4-366-1-2019-fra.pdf	Last accessed on 23/12/2025	Others

60.	Government of Canada	Lithium Facts. Government of Canada, 12 March 2025: https://natural-resources.canada.ca/minerals-mining/mining-data-statistics-analysis/minerals-metals-facts/lithium-facts#L6	Last accessed on 23/12/2025	Others
61.	Government of Canada	Iron Ore facts. Government of Canada, 31 January 2025: https://natural-resources.canada.ca/minerals-mining/mining-data-statistics-analysis/minerals-metals-facts/iron-ore-facts#L6	Last accessed on 23/12/2025	Others
62.	Government of Canada	Copper facts. Government of Canada, 31 January 2025: https://natural-resources.canada.ca/minerals-mining/mining-data-statistics-analysis/minerals-metals-facts/copper-facts#L6	Last accessed on 23/12/2025	Others
63.	Government of Canada	Aluminum facts. Government of Canada, 24 February 2025: https://natural-resources.canada.ca/minerals-mining/mining-data-statistics-analysis/minerals-metals-facts/aluminum-facts#a8	Last accessed on 23/12/2025	Others
64.	Natural Resources and Forestry	Ontario Ministry of Northern Development, Mines, (2022). Ontario's Critical Minerals Strategy 2022-2027: Unlocking potential to drive economic recovery and prosperity. Government of Ontario. https://www.ontario.ca/page/ontarios-critical-minerals-strategy-2022-2027-unlocking-potential-drive-economic-recovery-prosperity	Last accessed on 23/12/2025	Others
65.	IESO (Independent Electricity System)	IESO Energy Efficiency Report 2019-2020. IESO. (14 October 2021): https://www.ieso.ca/en/Sector-Participants/IESO-News/2021/10/IESO-Energy-Efficiency-Report-2019-2020	Last accessed on 23/12/2025	Others

	Operator - Ontario, Canada)			
66.	BOMA (Building Owners and Managers Association) BEST (building Environmental Standards	BOMA BEST National Green Building Reports (https://bomabest.org/publications-and-ngbr/): <ul style="list-style-type: none"> • Year 2017 • Year 2019 • Year 2020 • Year 2021 	Last accessed on 23/12/2025	Others
67.	Canada Green Building Council	CAGBC's database https://leed.cagbc.org/LEED/projectprofile_EN.aspx	Last accessed on 23/12/2025	Others
68.	Noventa Energy	The Toronto Western Hospital WETTM Project. Noventa. (N.d.): https://noventa-v1.squarespace.com/toronto-western-hospital	Last accessed on 23/12/2025	Others
69.	McMaster University	New electric boilers will reduce campus carbon emissions 23 per cent. McMaster University. 13 July 2023: https://dailynews.mcmaster.ca/articles/new-electric-boilers-will-reduce-campus-carbon-emissions-23-per-cent/	Last accessed on 23/12/2025	Others
70.	Partners in Project Green	Toronto Pearson installs electric boilers to decarbonize heating and add resiliency. Partners in Project Green. (24 July 2024): https://partnersinprojectgreen.com/resources/toronto-pearson-installs-electric-boilers-to-decarbonize-heating-and-add-resiliency/	Last accessed on 23/12/2025	Others
71.		Solar Schools. Toronto District School Board. (N.d):	Last accessed on 23/12/2025	Others

		https://www.tdsb.on.ca/environment/Home/Environmental-Leadership/Solar-Schools		
72.	Government of Ontario	Government of Ontario. (2022, January 27). Renewable energy projects listing. Ontario.ca. https://www.ontario.ca/page/renewable-energy-projects-listing	Last accessed on 23/12/2025	Others

APPENDIX 4: FINDINGS

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

FAR ID	01	Section no.		Date : DD/MM/YYYY
Description of FAR				
NA				
Project participant response				Date : DD/MM/YYYY
Documentation provided by project participant				
VVB assessment				Date: DD/MM/YYYY

Table 2. CL from this validation

CL ID	01	Section no.	3.1	Date : 06/06/2023
Description of CL				
Sustainable Development contributions:				
<p>The target SDG provided in the PDD are 9,10,11,12,13, and 17. However the webpage for the project mentions 7,8,9,10,11,12 and 13. PP shall address the inconsistency clearly state the SDGs indicators for the project activity supported by justification for each SDG in line with VCS PDD template section 1.17 guidelines.</p>				
Project participant response				Date : 10/01/2024
<p>The hyperlink was removed to avoid confusion and SDGs indicators that apply to this grouped project are 9, 10, 11, 12, 13 and 17. A justification for each SDGs was also added to section 1.17 in line with PDD template guidelines.</p>				
Documentation provided by project participant				
VVB assessment				Date: 24/01/2024
<p>The revised PDD was assessed by the validation team and it can be confirmed that section 1.17 of the updated document clearly states the SDGs being claimed by the project activity i.e., 9,10,11,12,13 and 17 which are also consistent with the project webpage. Further, justifications have also been added against each claimed SDG. However, PP is requested to include in the PDD, relevant processes on how the SDGs claimed will be monitored and quantified/ estimated at the project activity level and provide calculation demonstrating the estimated figures of the SDGs being claimed by the project activity throughout the crediting period. Therefore, the finding is open.</p>				

CL 01 is open	
Project participant response	Date : 05/07/2024
The processes to monitor and quantify the SDGs claimed have been added in the PDD. A calculation sheet named 'OSC PD-SDG Estimate Calculations for ID929-062024' has been provided in attachment with estimated figures of the SDGs being claimed for the crediting period.	
Documentation provided by project participant	
VVB assessment	Date: 18/09/2024
<ol style="list-style-type: none"> 1. The tab "SDGs Evidence" in the ER sheet titled "OSC PD-SDG Estimate Calculations for ID929-062024", demonstrates the estimation for SDG target 10.2 which states that "by 2030, empower and promote the social, economic and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status", however the calculations have been provided for the percentage of Ontario's population, associated with innovative projects through their organizations participating in the OSC. PP shall provide clarification on how this aligns with SDG target 10.2 which is based on social, economic and political inclusivity. OPEN. 2. The tab "SDGs Evidence" demonstrates the number of contributing NGOs and partnership to the sustainability movement throughout the crediting period., However, this is inconsistent from the VCS PD as per which, this target falls under SDG 17 as SDG 17.2 in section 1.17. PP shall address the inconsistency. OPEN 	
CL 01 is open.	
Project participant response	Date : 02/05/2025
<ol style="list-style-type: none"> 1. The Ontario Sustainable Community (OSC) group project model promotes inclusive economic participation by enabling small and medium-sized enterprises (SMEs), municipalities, institutions, and non-profits – often overlooked in traditional carbon markets – to actively engage in climate action. By reducing financial and technical barriers, particularly in rural or economically disadvantaged areas, the model also empowers smaller actors who might not otherwise have the resources to generate carbon credits and benefit from new revenue streams. It ensures that the economic and environmental benefits of climate action are shared more equitably across a diverse range of participants, not just larger organizations. In summary, the OSC directly contributes to SDG 10.2 by advancing the social and economic inclusion of smaller, less-resourced stakeholders in the low-carbon economy. PP has adjusted the indicators to be tracked for this SDG target in the ER sheet titled "ID3004 PD-SDG Estimate Calculations-042025 v.2.0" 2. SDG 17 has been removed from the VCS PD and "SDGs Evidence" tab. 	
Documentation provided by project participant	
<ul style="list-style-type: none"> • "ID3004 PD-SDG Estimate Calculations-042025 v.2.0" 	
VVB assessment	Date: 29/05/2025
<ol style="list-style-type: none"> 1. SDG Target 10.2 empowers and promote social, economical and political aspects of the population. However, PP has not defined the indicator for this SDG Target. There is only one indicator under this SDG target, which is 10.2.1, this indicator relates to the "<i>Proportion of people living below 50 per cent of median income, by sex, age, and persons with disabilities</i>". However, the project promotes economic participation to small and medium-sized enterprises (SMEs), municipalities, institutions, and non-profits. Thus, PP shall clarify how the project is in line with this SDG indicator and how it will be ensured that promoted entities (SMEs, municipalities, institutions, etc.) are below the 50 % of median income. OPEN. 2. The SDG goal (SDG 17) has been removed from the VCS PD. Thus, the comment is Closed. 	

CL#01 remains OPEN .	
Project participant response	Date : 02/09/2025
The original intent behind including SDG Target 10.2 was based on the project’s focus on promoting participation in areas outside major urban centers in Ontario. However, we acknowledge that this does not necessarily ensure alignment with Indicator 10.2.1. Therefore, we have removed the SDG Target 10.2 from the PD.	
Documentation provided by project participant	
VVB assessment	Date: 24/09/2025
The SDG goal 10 has been removed from the VCS PD.	
Thus, the finding CL#01 is CLOSED .	

CL ID	02	Section no.	3.1	Date : 24/01/2024
Description of CL				
Section 1.3, “Project Eligibility” demonstrates eligibility by stating that “the grouped project was designed according to SDG 9,10,11,12,13 and 17 certified by the VCS program and validated by a recognized VVB in July 2013” However, the project that underwent validation in 2013 (VCS ID 929) corresponds to “Energy Efficiency and Solid Waste Diversion Activities within the Quebec Sustainable Community”. This project (VCS ID 3004) is under the process of validation. PP is requested to provide further clarification on the project eligibility and further demonstrate eligibility in terms of the applicable version of the VCS standards and rules that apply to the project activity.				
Project participant response				Date : 05/07/2024
Further clarification on the project eligibility has been added under section 1.3 of the PD.				
Documentation provided by project participant				
VVB assessment				Date: 18/09/2024
PP shall demonstrate the eligibility of the project as per the template guidelines of the latest available VCS-Project-Description-Template v4.4;				
<p><i>“For all projects, describe and justify how the project is eligible to participate in the VCS Program. The response should:</i></p> <ul style="list-style-type: none"> • <i>Justify that the project activity is included under the scope of the VCS Program and not excluded under Table 2.1 of the VCS Standard.</i> • <i>Provide information to demonstrate that the project meets requirements related to the pipeline listing deadline, the opening meeting with the validation/verification body, and the validation deadline.</i> • <i>Demonstrate that the applied methodology is eligible under the VCS Program. Where applying a methodology with scale and/or capacity limits, demonstrate that the project is not a fragmented part of a larger project or activity that would otherwise exceed such limits. If applicable, demonstrate that no single cluster of project activity instances exceeds the capacity limit.</i> • <i>Include any other relevant eligibility information”</i> 				
CL 02 remains open				

Project participant response	Date : 02/05/2025
PP has demonstrated the eligibility of the project as per the guidelines of the latest Project Description template v4.4.	
Documentation provided by project participant	
VVB assessment	Date: 29/05/2025
PP has updated the VCS PD, which now includes the eligibility criteria as per the guidelines. Thus, CL#02 stands Closed.	

CL ID	03	Section no.	3.3.6	Date : 24/01/2024
Description of CL				
Section 1.18, “Additional Information Relevant to the Project” states that “there is no leakage issue with this grouped project”. However, as per the applied methodology, VM0018 v1.0, section 7.4 “Leakage”, the project proponents must quantify GHG emissions sources occurring outside the project boundary as a result of implementation of the project activities, which are expected to contribute more than 1% of the overall average emission reductions”. PP is requested to provide clarification on how this condition is being met.				
Project participant response				Date : 05/07/2024
Section 1.18 has been adjusted to meet the conditions stated in the VM0018 regarding ‘Leakage’.				
Documentation provided by project participant				
VVB assessment				Date: 18/09/2024
The section mentions that “Leakage is considered generally negligible for most small scale and non-NBS project activities” However, the scale of the grouped project activity is Large scale as defined in the VCS PD. Moreover, based on the literature provided in the footnote, the document says that “We find that Nature-Based Solutions (NBS) projects generally hold higher risks of leakage than those under non-NBS”. This does not provide conclusive justification as to why there are no sources of leakage associated with the project activities. Therefore, in line with para 7.4 of the applied methodology, ““If it cannot be shown that no plausible material leakage would occur based on the specific project activities, then this methodology shall not be applied” PP shall provide clarification on how it is demonstrated that there is no leakage due to specific projects. Therefore, the finding is open. CL 03 is open				
Project participant response				Date : 02/05/2025
The grouped project is considered large-scale because it aggregates several small-scale PAIs. Each PAI remains small-scale on its own, with a capacity limit of 5,000 tCO ₂ e, and since leakage must be assessed at the PAI level, we consider any potential leakage to be minimal. While the aggregation of multiple small-scale PAIs results in a large-scale grouped project, the applied methodology requires leakage to be evaluated per PAI. Additionally, the project covers 10 different categories of activities, further enforcing the requirement to assess and calculate leakage emissions at the PAI level. PP has therefore assessed the likelihood of material leakage for the initial PAI in Appendix 2 and has removed the reference to the literature in section 1.19.1 ‘Leakage Management’.				
Documentation provided by project participant				
VVB assessment				Date: 29/05/2025
PP has demonstrated that there is no, or minimal leakage die to the project activity, under Appendix 2 of the VCS PD. Thus, CL#03 stands Closed .				

CL ID	04	Section no.	3.2	Date : 24/01/2024
Description of CL				
<p>Section 2.2, “Local Stakeholder Consultation” states that WILL has been announcing the opening of its Ontario Sustainable Community through its social media platforms and monitoring interests as well as comments from potential stakeholders. However, as per the VCS Standard v4.5, para As per the VCS Standard v4.5, para 3.18.2, the Project Proponent shall conduct a stakeholder consultation before the implementation of project activities. Such consultations shall be done in an inclusive and culturally appropriate manner and shall include:</p> <ul style="list-style-type: none"> i. A representative from each stakeholder group ii. A discussion on the project design and implementation, including an agreement and consent from stakeholder groups to participate in the consultation. iii. A representative from each stakeholder group iv. A discussion on the project design and implementation, including an agreement and consent from stakeholder groups to participate in the consultation. v. The risks, costs and benefits the project may bring to stakeholders. vi. All relevant laws and regulations covering workers’ rights in the host country vii. Information on impact to property rights as part of the free, prior and informed consent (FPIC) process. viii. Discussion of sharing benefit where relevant ix. The process of VCS validation and verification and the validation/verification body’s site visit <p>As per VCS PD Template version 4.2, PP is expected to describe the process for, and the outcomes from, the local stakeholder consultation conducted prior to validation. Include details on the following: The procedures or methods used for engaging local stakeholders (e.g., dates of announcements or meetings, periods during which input was sought). The procedures or methods used for documenting the outcomes of the local stakeholder consultation. The mechanism for on-going communication with local stakeholders. How due account of all and any input received during the consultation has been taken. Include details on any updates to the project design or justify why updates are not appropriate.</p>				
Project participant response				Date : 05/07/2024
<p>As stated in section 1.1, the aim of this group project is to progressively aggregate project activity instances. As of now, WILL Solutions Inc. stands as the sole stakeholder, acting as the project proponent of the Ontario Sustainable Community grouped project.</p> <p>As the group project advances and develops over time, Client Facilities, local partners and collaborators which are the stakeholder categories likely to be impacted by the group project, will be incorporated.</p> <p>Given there are currently no Client Facilities, local partners, and collaborators within this grouped project, conducting stakeholder consultations prior to the completion of the first monitoring period is not feasible. To remedy this situation, the project proponent is committed to carrying out stakeholder consultation with Client Facilities and local partners and collaborators as their participation to the group project begins during the first monitoring period.</p> <p>In addition, to maintain alignment with the objectives of local stakeholder consultation within the distinct framework of the OSC grouped project, the project proponent will implement procedures and mechanisms to ensure and facilitate ongoing communication with stakeholders. The mechanisms and procedures have been added to section 2.2 of the PD and are designed to foster transparency, ensure that all actions and decisions are communicated clearly and openly, and reinforcing the project proponent’s commitment to maintaining robust stakeholder relations and accountability throughout the crediting period.</p>				

Documentation provided by project participant	
VVB assessment	Date: 18/09/2024
<p>As per the requirements established by VCS, given under VCS Standard v4.7, para 3.18.1 – 3.18.6, A local stakeholder consultation before implementation of project activities is mandatory. Therefore, PP is requested to seek an exemption from VERRA on the same. Therefore, the finding is open.</p> <p>CL 04 remains open.</p>	
Project participant response	Date : 02/05/2025
<p>PP has conducted a local stakeholder consultation with the initial project included in the Project Document and has filled in section 2 accordingly.</p>	
Documentation provided by project participant	
VVB assessment	Date: 29/05/2025
<p>PP conducted the local stakeholder consultation and updated section 2 of the VCS PD, accordingly. Also, PP has stated that the initial meeting was conducted on 29/06/2023 and the consultation was conducted on 10/02/2025. Thus, PP shall provide supportive for the statements listed under section 2 of the VCS PD. Therefore, CL#04 remains OPEN.</p>	
Project participant response	Date : DD/MM/YYYY
Documentation provided by project participant	
VVB assessment	Date: 29/09/2025
<p>Finding is not addressed.</p> <p>Further, as per the stakeholder consultation report (submitted by the PP):</p> <ul style="list-style-type: none"> • 5 people attended the initial meeting on 29/06/2023. Out of these 5, 1 person is the facility owner, 2 represented Will Solutions and the rest of the 2 people were the intermediary between facility owner and Will Solutions. • The stakeholder meeting was conducted on 10/02/2025 and the GHG auditor was present in the meeting. However, the on-site visit was conducted on 10/02/2025. <p>Action/Concern: PP shall provide the details of local stakeholder consultation, if conducted previously, in line with section 3.18 of the VCS Standard v4.7. Also, provide supportive evidence for the same.</p> <p>Requirements:</p> <ul style="list-style-type: none"> • Section 3.18 of the VCS Standard v4.7, which states the PP must engage with stakeholders during the design and implementation. • Para 3.18.1 of VCS Standard v4.7 states <i>“The project proponent shall conduct a thorough assessment of the stakeholders¹³ that will be impacted by the project activities. In identifying stakeholders, the project proponent must consider the significance of user populations and how deeply affected they may be by the project activities, such that distant or intermittent user groups who will be affected in very limited ways by the project need not be defined as stakeholders. The project description shall include information on stakeholders at the start of the project, including:”</i> • Para 3.18.2 of VCS Standard v4.7 states <i>“The project proponent shall conduct a stakeholder consultation before implementation of project activities. Such consultations shall be done in a</i> 	

<i>manner that is inclusive, culturally appropriate, and respectful of local knowledge, and shall include:"</i>	
Project participant response	Date : 02/10/2025
<p>The details of the local stakeholder consultation are included in the PD section 2.1.1 as required by the VCS Standard v.4.7 section 3.18.1.</p> <p>The project proponent has also provided in attachment an Excel sheet named 'Local Stakeholder Identification Analysis-ID3004-022025' containing the details of the assessment for the identification of stakeholders impacted by the project activities, as per VCS Standard v.4.7 section 3.18.1.</p> <p>As specified in the PD, the stakeholder consultation process was conducted in two parts: 1) the initial meeting on 29/06/2023, and 2) the consultation/site visit on 10/02/2025. Both events occurred before implementation, as per VCS Standard v.4.7 section 3.18.2. Details and evidence for both events are provided in the document 'Stakeholder Consultation Report-ID3004'</p>	
Documentation provided by project participant	
<ul style="list-style-type: none"> Local Stakeholder Identification Analysis-ID3004-022025 Stakeholder Consultation Report-ID3004 	
VVB assessment	Date: 22/11/2025
<p>PP has included the details of local stakeholder consultation conducted on 29/06/2023 and provided the consultation report along with local stakeholder identification analysis sheet where the procedure for identification of stakeholders at grouped project level and PAI level is described. Since, there are no client facilities associated with the grouped project, the Will Solutions, who is managing the grouped project is the sole stakeholder and it has been assured that the local stakeholder consultations with the identified stakeholders will be conducted at each monitoring period. The details provided under section 2.1.1 of PD are consistent with the evidence shared. The finding stands closed.</p> <p>CL04 is closed.</p>	

CL ID	05	Section no.	3.3.5	Date : 24/01/2024
Description of CAR				
<p>The crediting period of the grouped project activity is given to be 7 years renewable twice as per the PDD. However, in accordance with tool 23, version 3 para 12 c, "A proposed project activity is first of its kind in the applicable geographical area if: The project participants selected a crediting period for the project activity that is a minimum of 10 years with no option of renewal". Therefore, PP is requested to clarify how it can be claimed that the project activity is first of its kind.</p> <p>Further, PP is requested to provide clarification on how the project activity is first of its kind in line with tool 23, "Additionality of first of its kind project activities". Para 8 of the tool states that applicable geographical area should be the entire host country. However, The project activity "Energy efficiency and solid waste diversion activities within the Quebec sustainable community" (VCS ID 929) has been validated in 2013 with VM0018 as the applied meth. As per tool 23, If the project participants opt to limit the applicable geographical area to a specific geographical area (such as province, region, etc.) within the host country, then they shall provide justification on the essential distinction between the identified specific geographical area and rest of the host country.</p>				
Project participant response				Date : 05/07/2024
<p>Claims of the project activity being first-of-its-kind have been removed. The project activity is not first-of-its-kind according to the CDM tool 23.</p>				
Documentation provided by project participant				
VVB assessment				Date: 18/09/2024

The reference if the project activity being first of its kind has been removed from the project activity. Therefore, the finding is closed.

CL 05 is closed.

CL ID	06	Section no.	ER sheet	Date : 24/01/2024
Description of CAR				
<ol style="list-style-type: none"> 1. The applied methodology, VM0018 v.1.0, section 7.1, provides equations for the quantification of baseline emissions from the following sources: <ol style="list-style-type: none"> i. Building/System Energy Consumption (without ECMs) ii. Maintenance iii. Unit Operation: Biological / Chemical / Mechanical Processes iv. Energy Consumption from Waste Processing v. Waste Decomposition and Methane Release. PP is requested to demonstrate a traceable calculation of estimated baseline emissions from all relevant applicable sources in the grouped project, taking into account the established baseline scenario in the applied methodology. 2. The applied methodology VM0018 v1, section 7.3 provides equations for the quantification of the following project emissions: <ol style="list-style-type: none"> i. Building/System Energy Consumption (with ECMs) ii. Maintenance iii. Unit Operation: Biological / Chemical / Mechanical Processes iv. Energy Consumption from Waste Processing v. Waste Decomposition and Methane Release vi. Energy Consumed from alternative processing of waste / use vii. Process Emissions from Alternative Processing of Waste PP is requested to demonstrate a traceable calculation of the estimated project emissions from all relevant sources applicable to the project activity. 3. ER Sheet, worksheet "Feuil 1", cell "I13" mentions " %of the GHG 2017 inventory of Ontario " However, the values considered in the cells below correspond to the year 2019. PP shall provide clarification. 4. Worksheet "Feuil 1", cell "I22" provides a value of 3.9%. However, the formula applied for the calculation of total % GHG is G22 (\$I\$26*8). The monitoring period is only 7 years. PP shall review the formula and consider whether multiplier "8" is accurate for the calculation. 5. Cell "I26" mentions the value of the 2019 GHG inventory as 163,000,00 tCO_{2e} under the assumptions adjusted for Ontario. However, this value of estimated GHG emission includes emissions from other sectoral scopes for eg. transportation (sectoral scope 7). However, the project activity only covers emissions from sectoral scope 3 and 13. PP is requested to provide clarification on the same. 				
Project participant response				Date : 05/07/2024
<ol style="list-style-type: none"> 1. PP cannot demonstrate traceable calculations of estimated baseline emissions from all relevant applicable sources, since there are no PAIs yet in the grouped project. It is not known yet, how many PAI there will be and from which sectoral scope. 2. PP cannot demonstrate traceable calculations of estimated project emissions from all relevant applicable sources, since there are no PAIs yet in the grouped project. It is not known yet how many PAI there will be and from which sectoral scope. 3. This was a mistake. PP has corrected to 2019. 4. PP has reviewed the formula and changed multiplier "8" for multiplier "7". 5. PP has reviewed cell I26 to only consider emissions from energy (sectoral scope 3) and waste (sectoral scope 13). 				
Documentation provided by project participant				
<ul style="list-style-type: none"> • OSC PDD-Calculations-ERprojections 2023-2029-v.1.0_Commented-AnswWILL 				

WB assessment		Date: 18/09/2024
<ol style="list-style-type: none"> 1. Since the start date of the grouped project activity has been established to be 1st January 2023, PP shall provide clarification on why the calculation of the estimated baseline emissions has not been demonstrated using the applicable equations defined in section 7.1 of the applied methodology. Please provide an estimation in the ER sheet. OPEN 2. PP shall clarify why the project emissions have not been estimated for the crediting period using the equations set out in section 7.3 of the applied methodology. OPEN 3. Correction to 2019 has been made. CLOSED. 		
CL 06 is open.		
Project participant response		Date : 02/05/2025
<ol style="list-style-type: none"> 1. The project start date has been revised to 01 January 2026. The estimated baseline emissions have been recalculated accordingly and now include the initial PAI, using the equations described in section 4.1 of the PD, and section 7.1 of the applied methodology. However, as previously explained, since this grouped project is designed to incorporate new PAIs in each monitoring period, it is not yet possible to estimate emission reductions for these future PAIs using the applied methodology's equations. As a result, the remaining ER estimates are based on historical data from project ID929 and PP's estimated recruitment capacity. 2. The estimated project emissions have been recalculated accordingly and now include the initial PAI, using the equations described in section 4.1 of the PD, and section 7.1 of the applied methodology. However, as previously explained, since this grouped project is designed to incorporate new PAIs in each monitoring period, it is not yet possible to estimate emission reductions for these future PAIs using the applied methodology's equations. As a result, the remaining ER estimates are based on historical data from project ID929 and PP's estimated recruitment capacity. 		
Documentation provided by project participant		
<ul style="list-style-type: none"> • ID3004 PD-Calculations-ERprojections 2026-2032-v.2.1 		
WB assessment		Date: 29/05/2025
<ol style="list-style-type: none"> 1. PP has revised the start date of the project as 01/01/2026 and provided the estimated values of emissions through a similar project. (VCS ID: 929). Thus, the comment is Closed. 2. The estimates of the project emissions have been provided by the PP, through a similar project (VCS ID: 929) and ER calculations have been found to be in line with the applied methodology. Thus, the comment is Closed. 		
CL#06 stands Closed.		

CL ID	07	Section No.	3.3.5	Date : 18/09/2024
Description of CL				
<ol style="list-style-type: none"> i. Appendix 1 "Common Practice Analysis of 10 Generic PAI" states that "After reviewing the CDM's methodological tool, on a conservative basis, we concluded that a PAI is considered a "common practice" when more than 40% of potential buildings have implemented such practices since 2017, which may be associated with similar technologies or practices." PP is requested to clarify on what basis the assumption of 40% was made and how this approach is conservative. ii. Appendix 1 states that "WILL's audit observations and internal statistics on member facilities lead us to find that, often, business sites have more than one building. Therefore, the multiplication factor "2" was used. Based on our research, analysis, and assumptions, 				

we confidently estimate that the number of eligible non-residential buildings in our project in Ontario is **940,000 buildings for common practice calculations**
470,000 x 2 = 940,000 buildings “

However, this calculation is inconsistent with the ER sheet. The assumption of total buildings is taken to be 901272. This impacts the overall estimated calculations. PP shall address the inconsistency between the VCS PD and ER sheet and update the calculations accordingly.

- iii. PP shall conduct a Common Practice Analysis in accordance with TOOL 24. As outlined in the tool, a stepwise approach must be followed to demonstrate common practice, particularly focusing on Section 5, paragraphs 13-18. PP shall ensure that all conditions specified in these paragraphs are met and supported with proper justifications. In addition to documenting the analysis in the (PD), the PP is also requested to prepare a Common Practice Analysis sheet to ensure compliance with TOOL 24 wherever applicable.
- iv. Section 3.2 “Biomass Energy Consumption in Ontario” (Pg 77) of VCS PD states that “For example, in 2019, Ontario consumed 3,150 PJ of energy, with the industrial and commercial sectors respectively consuming 35% and 16% of the province's total energy. This 51% corresponds to 1,606.5 PJ. Considering that the institutional, commercial, and industrial (IC&I) sector consumed 1,606.5 PJ and 137 PJ (see Table 3 in the Appendix) was bioenergy, this implies that only 8.52% of the energy consumed by this sector was bioenergy from all sources, including biomass” PP is requested to clarify how did they concluded with data provided in table 3 that only 8.52% of the energy consumed by IC&I sector was from biofuel. Additionally, the same rationale is applied to the common practice of biomass energy consumption. Therefore, the PP is asked to clarify how PAI III differs from PAI I.”
- v. With reference to para 1 “Description of the generic PAI II for Ontario (Pg 84) of the VCS PD, PP is requested to clarify how the generic PAI will address various waste management approaches, such as landfills, waste-to-energy projects, flaring, and recycling. Additionally, outline the scope of work for this grouped project activity. Furthermore, clarify whether cost savings or income generated from waste is also taken into account when demonstrating additionality
- vi. With reference to Table 5 “Distribution of recycled materials by jurisdiction in 2018” (Pg 104) of the VCS PD, PP is requested to clarify how the distribution of recycled material for entire Canada is at par with Ontario.
- vii. With reference to para 1 “Description of the Generic PAI V for Ontario” (Pg 105) of VCS PD, PP shall explicitly explain list of activity that would be part of this generic PAI. There is no clear distinct between Heat Recovery and Energy efficiency, Please bifurcate it with Industrial, Commercial and Institutional and how will this be monitored
- viii. With reference to section 4 “Common practice analysis on Generic PAI V in Ontario (Pg 110) of VCS PD, it states that “Since we are not able to obtain the number of small or industrial firms involved out of the 11,128 firms supported by the Retrofit program, we have considered that the data has 50% industrial companies as a conservative estimate”, PP is

<p>requested to clarify the basis of this estimation of 50% and how this is conservative. The section also states that “ Knowing that there are 483,000 businesses in Ontario in the IC&I sectors we estimate at about 7.1% the amount of businesses and industries that practice heat recovery “ PP shall provide clarification on why an estimate of 17.1 is considered.</p>	
ix.	<p>PP is requested to clarify how PAI VII differs from PAI VI, where the heading is "Heat Recovery," but the explanation primarily focuses on energy efficiency. Additionally, there is a lack of clear distinction regarding the activities included in this grouped project activity. Each PAI should explicitly specify the types of projects to be included, with a clear differentiation across the industrial, commercial, and institutional sector. PP shall elaborate and provide clarification on the same.</p>
x.	<p>With reference to section 5 “Common Practice analysis and generic PAI VIII in Ontario” (Pg 129) of the VCS PD, PP shall clarify if this grouped project activity will include installation is renewable energy Projects in ICI sectors and additionally clarify if such practises are part of any government scheme or mandate. Moreover, the same section states that “Additionally, according to data collected by Will Solutions on Statistics Canada, there are an estimated 483,000 ICI businesses in Ontario. At an average of 2 buildings per business, that's about 966,000 buildings that have heating, lighting, cooling and process electricity needs. And, the information collected on renewable energy projects, while incomplete, tends to identify about 218≈ 220 projects by individuals and businesses. Considering eventually that these 220 projects are from ICI businesses alone, this implies that 220 out of 483,000 businesses, or 0.046%, are engaging in renewable energy projects for energy conversion from 2016 to 2021. Multiplying this quantity by 100 to remain conservative due to incomplete information, the result is 22,000 companies out of 483,000, or 4.6%, which is still an uncommon practice, since it is less than 40%. “ PP is requested to clarify the rationale behind estimating 218-220 projects by individuals and business as well as the rationale behind multiplying the quantity by 100 to maintain conservativeness.</p>
<p>Project participant response Date : 02/05/2025</p>	
i.	<p>PP has revised Appendix 1 and has redefined ‘Common Practice’ as greater than 20% adoption, as defined by the latest version of the CDM methodological Tool 24: Common Practice Version 3.1.</p>
ii.	<p>PP has revised the total number of buildings to ensure consistency with the VCS PD and ER sheet.</p>
iii.	<p>The Common Practice Analysis was conducted in accordance with TOOL 24, while recognizing that CDM tools and methodologies – such as Tool 24 – are primarily designed for individual project activities. In this case, the tool was applied conservatively and within the limits of its applicability, giving the context of a grouped project involving multiple sectoral scopes.</p>
<p>The remaining points will be answered in next round of findings.</p>	
<p>Documentation provided by project participant</p>	
<p>VVB assessment Date: 03/06/2025</p>	
i.	<p>PP has revised the Common Practice Analysis and has been found in line with the applicable CDM tool (Tool 24). Thus, the comment is Closed.</p>
ii.	<p>PP has revised the number of buildings in the MR and has been found consistent with the ER sheet. Thus, the comment is Closed.</p>

iii.	PP has provided the Common practice analysis sheet and has been found in line with CDM Tool 24. Thus, the comment is Closed.
iv.	Not addressed. Thus, the comment is Open.
v.	Not addressed. Thus, the comment is Open.
vi.	Not addressed. Thus, the comment is Open.
vii.	Not addressed. Thus, the comment is Open.
viii.	Not addressed. Thus, the comment is Open.
ix.	Not addressed. Thus, the comment is Open.
x.	Not addressed. Thus, the comment is Open.
CL#07 remains OPEN.	
Project participant response	
Date : 02/09/2025	
Documentation provided by project participant	
iv.	Initially, generic PAI III referred to the landfill avoidance of biomass through revalorization into wood pellets, while generic PAI I addresses biomass-to-energy conversion projects. It is important to note that generic PAI III: Torrefied Biomass has since been removed, and generic PAI XV has been renumbered as generic PAI III to avoid gaps in the numbering.
v.	Clarifications have been incorporated into generic PAI II to better describe various waste management approaches, such as landfilling, flaring, composting, and recycling, while explicitly noting the exclusion of waste-to-energy projects in this project category. The description of this generic PAI has been improved to more clearly define its scope. In addition, further clarification has been provided in the “Investment Analysis” section regarding potential energy cost savings.
vi.	The referenced table has been removed.
vii.	The description and examples for generic PAI V have been improved.
viii.	The referenced section has been removed and updated with clearer information.
ix.	All generic PAI descriptions have been updated and improved to more clearly define their scope. Heat Recovery and Energy Efficiency are two separate categories due to regulations and barriers being different.
x.	Rationale for generic PAI VIII common practice has changed. The referenced section has been removed.
VVB assessment	
Date: 29/09/2025	
iv.	PP has provided justification on generic PAIs I and III. Thus, the comment is Closed.
v.	PP has submitted the supportive. Thus, the comment is Closed.
vi.	The reference has been removed. Thus, the comment is Closed.
vii.	Appendix 3 of the VCS PD updated to include the details about the generic PAIs. Thus, the comment is Closed.
viii.	Appendix 3 of the VCS PD updated to include the details about the generic PAIs. Thus, the comment is Closed.
ix.	Appendix 3 of the VCS PD updated to include the details about the generic PAIs. Thus, the comment is Closed.
x.	Appendix 3 of the VCS PD updated to include the details about the generic PAIs. Thus, the comment is Closed.
CL#07 stands Closed .	

CL ID	08	Section No.	3.1	Date	18/09/2024
Description of CL					

Section 1.1 “Summary Description of the Project” states that “. In instances associated with sectoral scope 3, the scenario existing prior to implementation involves either higher energy use or continued or exclusive reliance on fossil fuels”. VERRA Sectoral “Scope 3” is Energy Demand, PP is requested to provide a detailed explanation of the baseline scenario, specifically regarding what constitutes "higher energy use."

PP shall also clarify whether the Client Facilities will have access to carbon rights as a result of their efforts in greenhouse gas (GHG) reduction through this project activity. Additionally, the PP is requested further to explain what is meant by “providing access to the voluntary carbon credit market” in this context.

Project participant response	Date : 25/04/2025
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1. In section 1.1, it is specified that there are 10 project types (i.e. Generic PAIs) of which 8 are associated to the sectoral scope 3. The baseline scenario depends on the specific Generic PAI linked to each PAI added to the grouped project. As a result, baseline conditions can vary significantly involving different types of equipment, technologies, and processes. Given this variability, and the page limit of this section, it is not feasible to summarize all possible baseline scenarios. However, the baseline scenario for the initial PAI has been added.

2. As an eligibility criterion, all Client Facilities must sign an adhesion contract to join the grouped project. As stated in the adhesion contract, already shared previously with the VVB, in clauses 1.7 and 2.7, when signing the contract, the CF “agrees to assign and transfer to WILL all its rights title and interest to all benefits arising from any GHG reductions ... by WILL.”, and WILL “agrees to share with the Member the proceeds of the sale of the VCCs received by Will, excluding applicable sales taxes, as follows: (i) 45% to the Member; and (ii) 55% to Will”. The adhesion contract clearly outlines ownership and transferability of carbon rights and the revenue-sharing agreement between the PP and CFs, which ensures that the CFs receive financial benefits from the sale of carbon credits.

3. By “providing access to the voluntary carbon credit market”, we mean that Will Solutions assumes the financial risks and manages all necessary steps for the issuance of VCU at no upfront cost to CFs. Without the grouped approach offered by Will Solutions, participation in voluntary carbon markets would be financially unfeasible for CFs. Additionally, the complexity of carbon credit certification requires significant expertise and resources, which Will Solutions provides, ensuring CFs can benefit from the carbon market without bearing the associated burdens.

Documentation provided by project participant	
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VVB assessment	Date: 03/06/2025
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PP has provided justification regarding the scenarios (baseline and project) of scope 3 activities. PP has justified that the Will Solutions is the owner of carbon rights and will sign adhesion contract with the client facilities regarding the same.
CL#08 is Closed.

CL ID	09	Section No.	ER sheet	Date : 24/09/2025
Description of CL				

<p>Observation:</p> <ul style="list-style-type: none"> In cell J13 of 'Initial PAI-Calcul' spreadsheet of the 'ID3004 PD-Calculations-ER Projections 2026-2032-v2.1' sheet, it is mentioned that the grid electricity baseline consumption in 2024 is 91,831 KWh. Although, there is no source or calculation provided for the justification of this value. 	
<p>Action Required:</p> <ul style="list-style-type: none"> PP is requested to provide source or calculation of this value. 	
Project participant response	Date : 02/10/2025
<p>The grid electricity consumption value of 91,831 kWh is based on the client facility's actual energy bills, as documented in the energy audit report provided by the Client Facility, named 'L2_ENERGY_AUDIT_2025_VF1', page 9, 10, and 23.</p>	
Documentation provided by project participant	
<ul style="list-style-type: none"> L2_ENERGY_AUDIT_2025_VF1 	
VVB assessment	Date: 22/11/2025
<p>PP has provided the supportive evidence against the electricity consumption value of 91831 kWh, which is sourced from energy audit report of the initial PAI. The values are found consistent within project document and the supportive and are deemed appropriate by assessment team. Closed. CL09 is closed.</p>	

Table 3. CAR from this validation

CAR ID	01	Section no.	3.1	Date : 06/06/2023
Description of CAR				
<p>The PDD version 1.0, has applied sectoral scope : 7 under section 1.2, which is not covered under the applied methodology VM00018 version 1.0. PP shall clarify if amendments proposed to the applied methodology are approved.</p>				
Project participant response				Date : 10/01/2024
<p>References to sectoral scope 7 were removed due to amendments proposed to the applied methodology being refused by Verra.</p>				
Documentation provided by project participant				
VVB assessment				Date: 05/07/2024
<p>The updated document was assessed by the validation team and it can be confirmed that all references regarding sectoral scope 7 have been removed from the PDD. Thus, the finding is closed. CAR 01 is closed</p>				

CAR ID	02	Section no.	3.1	Date : 06/06/2023
Description of CAR				
<p>1. Under Section 1.9 of PDD version 1.0, the crediting period mentioned as 2022-2028. PP shall provide exact date in DD-MM-YYYY format clearly stating the start date and end date. PP shall also clarify how the project activity start date has been determined in line VCS standard version 4.4 para and provide supportive for the same.</p> <p>2. PP shall clarify the current Implementation status of the project under section 1.4. of PDD version 1.0.</p>				

Project participant response		Date : 10/01/2024
<p>1. The crediting period has been adjusted according to PDD template format DD-MM-YYYY.</p> <p>Attached, PP has provided the OSC project idea note (PIN), dated September 27, 2021, which shows the intention to start this project for the period 2022-2028.</p> <p>PP also first announced the upcoming launch of its Ontario Sustainable Community through a press release on January 25, 2023 to initiate Client Facility recruitment.</p> <p>Press release for OSC opening: https://www.newswire.ca/news-releases/a-new-solution-to-support-stimulate-and-finance-the-actions-of-ontario-organizations-and-businesses-in-the-decarbonization-of-their-activities-829557505.html</p> <p>Posts on social media platforms were also published to further announce the OSC in early 2023, for example: https://fr.linkedin.com/posts/will-solutions_sustainablecommunities-ontarionetzero-activity-7026202869053669376-UvWQ?utm_source=li_share&utm_content=feedcontent&utm_medium=g_dt_web&utm_campaign=copy</p> <p>The first Client Facility signed to the Ontario Sustainable Community grouped project signed the adhesion contract in August 2023. A copy of the signed contract for this member is provided in attachment.</p>		
<p>2. Section 1.4 has been modified in accordance with the VCS PDD template version 4.2</p>		
Documentation provided by project participant		
<ul style="list-style-type: none"> • OSC project idea note (PIN), dated September 27, 2021 • Press release from January 25, 2023 • A copy of the signed contract for the first OSC member recruited. 		
VVB assessment		Date: 24/01/2024
<p>1. The Project Idea Note provided by the PP only specifies the intention of the project activity to start from 2022-2028. It does not act as a documentary evidence to substantiate the date at which the project activity started generating emission reductions.(Definition of start date as described by VCS standard v4.5). Thus PP is requested to provide a relevant proof of start date.</p> <p>2. Section 1.8, “Project start date mentions that “The grouped project starts on January 1st 2022 and ends on December 31 2028.” However, this is not in compliance with the guideline in the VCS Project Description Template v4.2. PP is requested to adhere to the provided guideline while filling in the section. Further, PP is requested to provide clarification for considering the particular start date in accordance with para 3.8 of the VCS Standard v4.5. (https://verra.org/wp-content/uploads/2023/08/VCS-Standard-v4.5-updated-11-Dec-2023.pdf). PP shall also provide relevant supportive evidence as proof of start date since in accordance with the VCS Standard v4.5. Therefore, the finding is open.</p>		
CAR 02 is open		
Project participant response		Date : 05/07/2024
<p>There is an important distinction between the start date of the group project and the implementation date of individual project activity instances.</p> <p>As defined in the VM0018, a Sustainable Community (SC) is “a collection of Client Facilities that have undertaken common actions to reduce their overall GHG emissions.” Therefore, the Ontario</p>		

<p>Sustainable Community is an intangible concept whose existence is contingent upon the inclusion and involvement of Client Facilities and their PAIs.</p> <p>Applying the VCS Standard version 4.5 section 3.8 requirement to the OSC means that the start date of the OSC is dependent, first on the validation of the OSC group project by the VCS program, and second on the earliest start date of a project activity instance by a Client Facility included in the group project. In other words, the OSC does not have a tangible start date of its own until it includes participating Client Facilities, and therefore cannot provide proof of a start date.</p> <p>Since there are no PAIs in this group project prior to validation, the project proponent has established 1 January 2023 as the start date for the grouped project since it is the same year the validation process began, and it is the earliest start date that can be selected with consideration to VCS Standard v.4.5 para 3.8.1. PP has modified section 1.8 of the PDD to specify that “the grouped project start date will be the earliest possible start date of the instances included in the grouped project at validation. This is expected to be 1 January 2023.”</p> <p>PP will be providing the start date and proof of start date for each PAIs included in the OSC grouped project to ensure their start date is the same as or later than the grouped project start date.</p>	
<p>Documentation provided by project participant</p>	
<p>VVB assessment</p>	<p>Date: 18/09/2024</p>
<p>The VCS PD states that the start date of the project activity is “expected to be 1 January 2023”. However, as per the VCS Standard v4.7, the start date can only be the date when the project activity started generating emission reductions. Therefore, since the start date is not yet established due to no PAI being implemented and only an expected date has been mentioned, it cannot be retroactive. PP is requested to establish a futuristic start date of the grouped project activity depending on the date around which the first PAI is expected to be implemented as a result of the grouped project. Further, PP shall provide clarification in the PD regarding why a future start date has been considered. (Para 3.8 of VCS Standard v4.7 - The project start date of a non-AFOLU project is the date on which the project began generating GHG emission reductions or carbon dioxide removals).</p> <p>CAR 02 is open.</p>	
<p>Project participant response</p>	<p>Date : 02/05/2025</p>
<p>PP has established a futuristic date – 01 January 2026, which is the date around which the initial PAI is expected to be implemented. PP has also provided a justification in section 1.9 for the start date considered.</p>	
<p>Documentation provided by project participant</p>	
<p>VVB assessment</p>	<p>Date: 03/06/2025</p>
<p>PP has provided the futuristic start date of the grouped project, which is 01/01/2026. PP has provided sufficient evidence on intention of the implementation of the first PAI. Thus, CAR#02 stands Closed and raised as FAR#01.</p>	

CAR ID	03	Section no.	3.1	Date : 06/06/2023
Description of CAR				
<p>The proposed activity is a grouped project activity: Section 1.4 of PDD, The PP shall develop the eligibility criteria in line with:</p> <p>Para 3.6.1.6 of VCS standard version 4.4:</p> <ol style="list-style-type: none"> 1) Meet the applicability conditions set out in the methodology applied to the project. 2) Use the technologies or measures specified in the project description. 3) Apply the technologies or measures in the same manner as specified in the project description. 				

- 4) Are subject to the baseline scenario determined in the project description for the specified project activity and geographic area.
- 5) Have characteristics with respect to additionality that are consistent with the initial instances for the specified project activity and geographic area. For example, the new project activity instances have financial, technical and/or other parameters (such as the size/scale of the instances) consistent with the initial instances, or face the same investment, technological and/or other barriers as the initial instances.

Para 3.6.17 of VCS standard version 4.4:

- 1) Occur within one of the designated geographic areas specified in the project description.
- 2) Conform with at least one complete set of eligibility criteria for the inclusion of new project activity instances. Partial conformance with multiple sets of eligibility criteria is insufficient.
- 3) Be included in the monitoring report with sufficient technical, financial, geographic, and other relevant information to demonstrate conformance with the applicable set of eligibility criteria and enable evidence gathering by the validation/verification body.
- 4) Be included in an updated project description, with updated project location information (as set out in Section 3.11), which shall be validated at the time of verification against the applicable set of eligibility criteria.
- 5) Have evidence of project ownership, in respect of each project activity instance, held by the project proponent from the respective start date of each project activity instance (i.e., the date upon which the project activity instance began reducing or removing GHG emissions).
- 6) Have a start date that is the same as or later than the grouped project start date.
- 7) Be eligible for crediting from the start date of the project activity instance through to the end of the project crediting period (only).
- 8) Only eligible for crediting from the start of the verification period in which they were added to the grouped project.
- 9) Not be or have been enrolled in another VCS project.
- 10) Adhere to the clustering and capacity limit requirements for multiple project activity instances

Project participant response

Date : 10/01/2024

PP has described and defined one set of 6 eligibility criteria for the inclusion of new project activity instances in section 1.4 (as requested in point 2) of Para 3.6.17 of the VCS Standard v.4.4.):

- *Eligibility criteria 1. to ensure conformance with point 1) and 4) of Para 3.6.17 of the VCS Standard v.4.4*
- *Eligibility criteria 2. to ensure conformance with point 6), 7) and 8) of Para 3.6.17 of the VCS Standard v.4.4*
- *Eligibility criteria 3. to ensure conformance with point 3) and 5) of Para 3.6.17 of the VCS Standard v.4.4*
- *Eligibility criteria 4. to ensure conformance with point 3) of Para 3.6.17 of the VCS Standard v.4.4*
- *Eligibility criteria 5. to ensure conformance with point 10) of Para 3.6.17 of the VCS Standard v.4.4 and is in line with applicability conditions of the methodology.*
- *Eligibility criteria 6. to ensure conformance with point 10) of Para 3.6.17 of the VCS Standard v.4.4 and is in line with applicability conditions of the methodology.*
- *Eligibility criteria 7. to ensure conformance with point 9) of Para 3.6.17 of the VCS Standard v.4.4.*

As for point 2) of Para 3.6.17, it is addressed with the introductory paragraph under “Eligibility Criteria” section.

Documentation provided by project participant

WB assessment	Date: 24/01/2024
<p>The latest available Standard of VCS is version 4.5. (https://verra.org/wp-content/uploads/2023/08/VCS-Standard-v4.5-updated-11-Dec-2023.pdf) PP is requested to update all eligibility criteria as well as PAI inclusion in the grouped project as per the VCS Standard v4.5. Thus, the finding is open. CAR 03 is open</p>	
Project participant response	Date : 05/07/2024
<p>PP has updated all eligibility criteria for the inclusion of new project activity instances according to the VCS Standard v.4.5.:</p> <ul style="list-style-type: none"> • Eligibility criteria 1. to conform with point 1) of Para 3.6.17 of the VCS Standard v.4.5 • Eligibility criteria 2. to conform with point 5) of Para 3.6.17 of the VCS Standard v.4.5 • Eligibility criteria 3. to conform with point 6) of Para 3.6.17 of the VCS Standard v.4.5 • Eligibility criteria 4. to conform with point 4) of Para 3.6.17 of the VCS Standard v.4.5 • Eligibility criteria 5. to conform with point 3) of Para 3.6.17 of the VCS Standard v.4.5 • Eligibility criteria 6. to conform with point 8) of Para 3.6.17 of the VCS Standard v.4.5 and is in line with the capacity limit set in the applicability conditions of the methodology. • Eligibility criteria 7. to conform with point 2)-3) of Para 3.6.16 of the VCS Standard v.4.5 and is in line with applicability conditions of the methodology. • Eligibility criteria 8. to conform with point 7) of Para 3.6.17 of the VCS Standard v.4.5. <p>As for point 2) of Para 3.6.17, it is addressed with the introductory paragraph under “Eligibility Criteria” in section 1.4.</p>	
Documentation provided by project participant	
WB assessment	Date: 18/09/2024
<p>PP is requested to apply VCS standard v4.7 (https://verra.org/wp-content/uploads/2024/04/VCS-Standard-v4.7-FINAL-4.15.24.pdf) throughout the VCS PD. Moreover, PP shall list the eligibility condition in tabular form and justify how each PAI that will be included in the grouped project shall meet the defined applicability criterion. Therefore, the finding is open. CAR 03 is open.</p>	
Project participant response	Date : 02/05/2025
<p>PP has updated the eligibility criteria for the inclusion of new PAIs in accordance with the VCS Standard v.4.7.in section 1.5.1 of the PD and has listed the eligibility criteria and justification in tabular form.</p>	
Documentation provided by project participant	
WB assessment	Date: 03/06/2025
<p>PP has updated the VCS PD and provided the eligibility criteria for the inclusion of new PAIs, under section 1.5.1 of the PD. Thus, CAR#03 stands Closed.</p>	

CAR ID	04	Section no.	3.3.2	Date	06/06/2023
Description of CAR					
<p>1. Under Section 3.2 of PDD, PP to provide :</p> <p>a) Justification for applicability of the methodology as per VM0018 methodology document - Section 4 - 'Applicability conditions'.</p> <p>b) Justification for applicability of the tools that are being used in the project</p>					

<p>2. PP shall apply all baseline formulas and project emission formulas under section 4 of the PDD, in line with section 7.2 and 7.3 of the methodology VM00018 and also Provide example calculations for all key equations, to allow the reader to reproduce the calculation of estimated net GHG emission reductions or removals as required by the VCS template guideline.</p>	
<p>Project participant response</p>	<p>Date : 10/01/2024</p>
<p>1. a) PP has added a table in section 3.2 which provides the applicability conditions criteria and the justification for applicability according to the VM0018 methodology. b) Justification for applicability of the CDM TOOL02 has also been added at the end of section 3.2</p> <p>2. See added baseline and project emission formulas under section 4 of PDD. a. Since this is an ex-post grouped project; as PAIs are added in the future, formulas will be provided for each PAIs in every monitoring report. b. PP has provided a separate Excel sheet that provides the calculations behind the estimates found under section 4.4. The estimates are calculated with data gathered through the Quebec Sustainable Community project (VCS ID929).</p>	
<p>Documentation provided by project participant</p>	
<p>WB assessment</p>	<p>Date: 24/01/2024</p>
<p>1. The revised documents were assessed by the validation team and it can be confirmed that applicability criteria for the methodology has been included. However, as per the applied meth, there are two tools that are referred: Tool 07: tool to calculate the emission factor for an electricity system Tool 2: Combined tool to identify the baseline scenario and demonstrate additionality. PP shall provide the applicability for both the tools. OPEN</p> <p>2. As per the VCS PD template, v4.2 PP is requested to describe the procedure for the quantification of baseline emissions (section 4.1 of PDD) and project emissions (section 4.2 of PDD) and/ or removals in accordance with the applied methodology VM0018. PP shall include all relevant methodological choices (for eg with respect to selection of emission factors and default values. Moreover, estimates from a different registered project are being considered; the PP shall justify the estimated values for this project scenario. The referred project consisted of 74 PAIs with a 10-year crediting period, as per the available public document on the VERRA portal. The PP shall provide estimates specific to this project scenario. PP is requested to demonstrate the baseline emissions for this project (VCS ID 3004) since project ID 929 is a separate project activity altogether. OPEN</p>	
<p>CAR 04 is open</p>	
<p>Project participant response</p>	<p>Date : 05/07/2024</p>
<p>1. PP has added the applicability for Tool 07. However, Tool 07 is not applicable to this project activity. The PP has identified the most appropriate emission factor for electricity from the grid for this territory. This emission factor is sourced from Canada's National Inventory Report (NIR). It accurately reflects the local circumstances, as it pertains specifically to emissions from electricity consumption from the grid in the Province of Ontario, Canada. Applicability for Tool 02 has been added under section 3.2 of the PD.</p> <p>2. PP has added the descriptions of the procedures for the quantification of baseline emissions to section 4.1 and project emissions to section 4.2 in accordance with the VM0018. PP has also added relevant methodological choices such as the selected emission factors and default values.</p> <p>3. Since there are no PAIs yet, PP can only provide estimates or projections based on experience and data from a similar project, the VCS ID929.</p>	
<p>Documentation provided by project participant</p>	

WB assessment		Date: 18/09/2024
<ol style="list-style-type: none"> 1. Since tool 07 is not applicable to the project activity, PP shall remove its reference from the VCS PD. OPEN. 2. The following inconsistencies are observed – <ol style="list-style-type: none"> i. Under Table 1 (Energy emission factors for sectoral scope 3) Pg 32 of the PD, PP shall verify if the values of the emission factors are the latest available values. ii. Table 5 “Estimated baseline emissions of the proposed project activity” Pg 38 of the VCS PD lists the estimated baseline emissions throughout the crediting period. However, these values are found to be inconsistent with the values in the “Calculation ER Estimates” tab of the ER sheet. PP shall clarify how the values mentioned in the VCS PD have been estimated. iii. The values of estimated project emissions listed in table 10 “Estimated project emissions of the proposed project activity, Pg 46 of PD are inconsistent with the values listed in the “Calculation ER Estimates” tab of the ER sheet. PP shall clarify how the values mentioned in the PD have been calculated. iv. Table 11 “Calculation estimates of baseline/project emissions/removals, leakage emissions and net GHG emission reductions and removals” (Pg 47 of VCS PD) depicts the crediting period from 2022 to 2028. This is inconsistent from section 1.10 of the VCS PD which states that the crediting period start date is from 2023 to 2029. PP shall address the inconsistency. v. The PP is requested to review the baseline and project emission estimations in VCS 929, as the values reported for this project activity do not align with the estimations made in VCS 929 <p>Therefore, CAR 04 is open.</p>		
Project participant response		Date : 02/05/2025
<ol style="list-style-type: none"> 1. PP has removed the Tool 07 reference from the PD since it is not applicable. 2. The following inconsistencies were corrected: <ol style="list-style-type: none"> i. The values in Table 1, section 4.1 for the energy emission factors were revised and corrected with the latest values available. ii. The values in Table 5 of the estimated baseline emissions have been revised to be consistent with the values listed in the “Summary ER” tab of the ER sheet. The ER sheet provides clarifications on how the values have been calculated. iii. The values in Table 10 of the estimated project emissions have been revised to be consistent with the values listed in the “Summary ER” tab of the ER sheet. The ER sheet provides clarifications on how the values have been calculated. iv. The crediting period under the table in section 4.4 has been corrected to the new crediting period of 01-Jan-2026 to 31-Dec-2032. v. Baseline and project emission estimations have been revised throughout the PD to be consistent with the ER sheet. 		
Documentation provided by project participant		
<ul style="list-style-type: none"> • “Summary ER” tab in ER sheet named “ID3004 PD-Calculations-ERprojections 2026-2032-v.2.1” 		
WB assessment		Date: 03/06/2025
<ol style="list-style-type: none"> 1. References of CDM Tool 07 have been removed from the PD. Thus, the comment is Closed. 2. G <ol style="list-style-type: none"> i. PP has revised the values of Table 1 under section 4.1 of the PD. These values have been found consistent with the provided source. Thus, the comment is Closed. ii. PP has revised the values of Table 5 of the PD. These values have been found consistent with the ER sheet. Thus, the comment is Closed. iii. PP has revised the values of Table 10 of the PD. These values have been found consistent with the ER sheet. Thus, the comment is Closed. 		

iv.	PP has revised the dates of the crediting period throughout the PD. Thus, the comment is Closed.
v.	PP has revised the values of BE and PE throughout the PD. These values have been found consistent with the ER sheet. Thus, the comment is Closed.
Thus, CAR#04 stands Closed.	

CAR ID	05	Section no.	3.3.8	Date : 06/06/2023
Description of CAR				
<p>1. Parameters Mass CO2, Mass N2o, Mass CH4, f, Wjx, Thermal energy have not been reported in the PDD Section 5 of PDD version 1.0. Also, PP shall identify the parameters applicable for sectoral scope 7.</p> <p>2. Parameter kj.</p> <p>The PDD template is tampered. PP shall add and justify the choice or description of measurement methods and its procedure for Decay rate as required by VCS PDD template, Section 5.1 guidelines.</p>				
Project participant response				Date : 10/01/2024
<ol style="list-style-type: none"> 1. <i>Missing parameters have been added to section 5 in accordance with the methodology. Sectoral scope 7 has been removed from PD, therefore, PP has not added the parameters.</i> 2. <i>PP has added the missing section "Justification of choice of data or description of measurement methods and procedures applies" for Decay rate in accordance with the methodology.</i> 				
Documentation provided by project participant				
VVB assessment				Date: 24/01/2024
<p>The revised document was assessed by the PP and it was found that the values of the ex-ante parameters set at the time of validation have not been listed in section 5.1 of the PDD "Data and Parameters Available at Validation". As per the VCS Project Description template v4.2, PP is requested to provide values of all ex ante parameters as well as estimates of monitored parameters wherever applicable (section 5.2 of the PDD) in order to adhere to the VCS template guidelines. Further, PP is requested to make all tables in section 5.2 and 5.3 consistent with the VCS PD template v4.2. OPEN</p> <p>CAR 05 is open</p>				
Project participant response				Date : 05/07/2024
<ol style="list-style-type: none"> 1. PP has added all values for ex-ante parameters set at the time of validation in section 5.1 of the PDD. 2. PP cannot provide estimates of monitored parameters (section 5.2) as there are no PAIs in the grouped project yet. Therefore, not applicable. 3. PP has adjusted all tables in section 5.1 and 5.2 to be consistent with the VCS PD template v.4.2. 				
Documentation provided by project participant				
VVB assessment				Date: 18/09/2024
<p>In section 5.2 "Data and Parameters Monitored"</p> <ol style="list-style-type: none"> i. Parameter – Electricity PP is requested to provide information on the frequency of such calibrations and details of any appellate authority responsible for overseeing or managing these calibrations. . ii. Parameter - EF Grid CO₂e 				

<p>PP is requested to clarify if the values used are for the Emission Factor for electricity from the grid. The values reported in Section 4.1, Table 1 of the PD are inconsistent from the ones reported in this section (70.050022 kg CO_{2e}/GJ or 0.070050022 tCO_{2e}/GJ)</p>	
<p>iii. Parameter – f</p>	
<p>The value applied for the parameter mentioned in the VCS PD is 0.5694. PP is requested to clarify how did they reach this value and what is rationale behind the value applied for this monitoring parameter.</p>	
<p>CAR 05 is open.</p>	
<p>Project participant response</p>	<p>Date : 02/05/2025</p>
<p>i. The calibration of electricity meters in Ontario is regulated through a combination of federal oversight by Measurement Canada’s Electricity and Gas Inspection Act and provincial regulations under the Electricity Act, 1998. They collectively ensure that electricity meters provide accurate readings. Under Measurement Canada, reverification periods for electricity meters and metering installations is generally 8 years.</p> <p>ii. The value used for the E.F for electricity from the grid is 0.038 kg CO_{2e}/kWh or 0.000038 tCO_{2e}/kWh, and had been corrected in the MR.</p> <p>iii. How the value 0.5694 was reached is explained in ‘Source of Data’ section of the table. PP has also provided the Excel sheet named ‘Landfill_Gas_2010-2021-ON-Fraction Methane Calculation’ which is used to reach this value.</p>	
<p>Documentation provided by project participant</p>	
<ul style="list-style-type: none"> Electricity and Gas Inspection Act, Measurement Canada, section 12(1) (a): https://laws-lois.justice.gc.ca/eng/acts/e-4/FullText.html Excel sheet named ‘Landfill_Gas_2010-2021-ON-Fraction Methane Calculation’ 	
<p>VVB assessment</p>	<p>Date: 03/06/2025</p>
<p>i. PP has provided information regarding the electricity meters. Thus, the comment is Closed.</p> <p>ii. PP has revised the EF value of the electricity grid. The value has been found consistent with the provided source. Thus, the comment is Closed.</p> <p>iii. PP has provided the source and calculation for the value of parameter “f”. The value has been found consistent with he provided source. Thus, the comment is Closed.</p>	
<p>CAR#05 stands Closed.</p>	

<p>CAR ID</p>	<p>06</p>	<p>Section no.</p>	<p>3.3.8</p>	<p>Date : 06/06/2023</p>
<p>Description of CAR</p>				
<p>Following information shall be added to the PDD, Section 5.3, Monitoring plan in line with VCS PD template guidelines:</p> <ol style="list-style-type: none"> Handling non-conformances. Frequency of measurements. specify including target precision levels, sample sizes, sample site locations, stratification, frequency of measurement and QA/QC procedures. 				
<p>Project participant response</p>				<p>Date : 10/01/2024</p>
<ol style="list-style-type: none"> A paragraph has been added to section 5.3 to provide information on the handling of non-conformance procedures. Frequency of measurements is specified in the table on page 46 of the PDD. Specifications regarding precision level, sample sizes and location, stratification. <ol style="list-style-type: none"> Frequency of measurement and QA/QC procedures are already specified in the PDD. 				
<p>Documentation provided by project participant</p>				

VWB assessment	Date: 24/01/2024
The revised document was assessed by the validation team and inconsistencies between the tables in the VCS PD template v4.2 and the PDD were still observed. PP is requested to adhere to the table format provided in the VCS template and address all discrepancies. Therefore, the finding is open.	
CAR 06 is open	
Project participant response	Date : 05/07/2024
PP has adjusted all tables in section 5.1 and 5.2 to be consistent with the VCS PD template v.4.2.	
Documentation provided by project participant	
VWB assessment	Date: 18/09/2024
The table formats have been made consistent. Therefore, the finding is closed.	
CAR 06 is closed.	

Table 4. FAR from this validation

FAR ID	01	Section No.	3.1	Date : 22/11/2025
Description of FAR				
The VVB contracted for the verification shall establish the project start date through identification of date over which GHG emission reductions started for the grouped project. Project Proponent to submit, at or before the first verification, the evidence against the project start date, reflecting the onset of GHG emission reduction event of the grouped project.				
Project participant response				Date : DD/MM/YYYY
NA				
Documentation provided by project participant				
NA				
VWB assessment				Date: DD/MM/YYYY
NA				

APPENDIX 5: COMPETENCE STATEMENTS

Competence Statement	
Name	Vardhan Kaushik
Education	Master of Chemical Engineering B.Tech. in Chemical Engineering
Experience:	2+ years
Field	Energy, Carbon Calculation, Process Integration, Heat Integration, Heat and mass balance, Electric Vehicle
Approved Roles	
Team Leader	Yes (VM)
Validator	Yes (VM)
Verifier	Yes (VM)

Methodology Expert	NO		
Local expert	Yes (India)		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (X.X)	TA 1.1, 3.1, 5.1, 7.1		
Reviewed by	Shifali Guleria (Quality Manager)	Date	30/01/2025
Approved by	Deepika Mahala (Technical Manager)	Date	30/01/2025

Competence Statement			
Name	Mohd Aamir Khan		
Education	Ph. D. (Environmental Microbiology) M.Sc. (Biotechnology) B.Sc. (Life Sciences)		
Experience	5+ Years		
Field	Wastewater treatment and Waterbodies management		
Approved Roles			
Team Leader	YES		
Validator	YES		
Verifier	YES		
Local expert	YES(India)		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (13.1)	YES		
add rows, if necessary			
Reviewed by	Shifali Guleria (Quality Manager)	Date	20/05/2025
Approved by	Deepika Mahala (Technical Manager)	Date	20/05/2025

Competence Statement	
Name	Deepika Mahala
Country	India
Education	M. Sc. (Environment Management), GGSIP University B.Sc. Hons. (Chemistry), Sri Venkateshwar College, DU
Experience	8 Years +
Field	Climate Change
Approved Roles	
Team Leader	YES

Validator	YES		
Verifier	YES		
Local expert	YES (India, Bangladesh)		
Financial Expert	NO		
Technical Reviewer	YES		
TA Expert (X.X)	YES (TA 1.1, TA 1.2, TA 3.1, TA 13.1, TA 13.2)		
Reviewed by	Shifali Guleria (Quality Manager)	Date	08/07/2024
Approved by	Kaviraj Singh (MD)	Date	08/07/2024

Competence Statement			
Name	Anjali Chaudhary		
Education	Bachelor of technology in Civil Engineering		
Experience	2+ Years		
Field	Civil Engineering		
Approved Roles			
Team Leader	YES (VM only)		
Validator	YES (VM only)		
Verifier	YES (VM only)		
Local expert	YES (India)		
Financial Expert	NO		
Technical Reviewer	Yes		
TA Expert (X.X)	YES (TA 1.1, 1.2, 3.1, 13.1 & 13.2)		
Reviewed by	Shifali Guleria (Quality Manager)	Date	11/09/2024
Approved by	Deepika Mahala (Technical Manager)	Date	11/09/2024

APPENDIX 6: ASSESSMENT ON ELIGIBILITY CRITERIA

The assessment of the eligibility criteria of initial and new PAIs have been demonstrated below:

Criteria	Justification for the Initial PAI	Justification for the 8 Generic PAIs
1) Must meet the applicability conditions set out in the methodology applied to the project.	The assessment of the same has been stated under section 3.3.2 of the validation report.	The evidence for demonstrating and meeting the applicability conditions of AMS-III.C. for each new PAIs will be

		provided during their inclusion in this project activity.
2) Must be located within the designated geographic area of the province of Ontario, Canada, as defined in section 1.13 of the PD.	The physical location of the initial PAI has been verified during the onsite audit and through third-party reports.	The physical addresses of new PAIs will be confirmed during the site visits (remote/onsite) and through third-party or government issued certificates or through invoices. Further, kml file with geodetic coordinates will be provided for each instance during the verifications.
3) Must have a start date that is the same as or later than 01-January-2026.	The start date of the initial PAI is expected to be 01-January 2026. This will be confirmed during the verification of first MP.	All the new PAIs will have the start date on or after the start date of the project activity, which is expected to have the start date of 01-January 2026. This will be confirmed through the customer acceptance test, invoices, sales records or through operations records, in line with section 3.8 of the VCS Standard v4.7, which states <i>“The project start date of a non-AFOLU project is the date on which the project began generating GHG emission reductions or carbon dioxide removals.”</i>
4) Only be eligible for crediting from the later of start date of the project activity instance or the start date of the verification period in which they were added to the grouped project, through to the end of the total project crediting period.	The expected start date of the project and of the initial PAI is 01-January 2026.	All the new PAIs will have the start date on or after the start date of the project activity or after the start date of the verification period. This will be confirmed through the customer acceptance test, invoices, sales records or through operations records, in line with section 3.8 of the VCS Standard v4.7, which states <i>“The project start date of a non-AFOLU project is the date on which the project began generating GHG emission reductions or carbon dioxide removals.”</i>

<p>5) Must sign an adhesion contract as a member of the OSC grouped project to demonstrate right of use in respect of the project's GHG emission reductions.</p>	<p>Adhesion contract with the owner of the first PAIs. signed on 18/08/2025, states that the ownership of the carbon rights belongs to the PP.</p>	<p>Adhesion contract, signed by the owner of the new PAIs/CFs will be provided by the PP during the inclusion in this project activity.</p>
<p>6) The project activity instances must be included in the monitoring report with sufficient technical, financial, geographic, and other relevant information to demonstrate conformance with the applicable set of eligibility criteria and enable evidence gathering by the VVB.</p>	<p>The technical details have been verified through the technical specification of the solar panels, financial through investment analysis and geographical details through onsite visit, third-party report and kml file for the initial PAI.</p>	<p>PP will submit the evidence to demonstrate the technical, financial and geographical conformance similar to the initial PAI, such as technical specifications, investment analysis, kml files, third-party or government issued certificates or invoices.</p>
<p>7) Each project activity instances shall not be or have been enrolled in another VCS project.</p>	<p>The assessment team has conducted independent research to confirm that the project and the initial PAI is not listed with other GHG programs such as CDM, GS, GCC. Further, the projects in Canada that are listed under the GHG programs, CDM, VCS, GS and GCC either does not cover the same geographical area, i.e. Ontario or does not fall under the sectoral scope 3 (Energy Demand) and/or 13 (Waste handling and disposal). Thus, the assessment team is of the opinion that the initial PAI is not claiming for double counting.</p>	<p>For the inclusion of each new PAI, PP will conduct the internal audit and submit the same report to the VVB. This internal audit will also address the concern regarding double counting and the PP's confirmation on the same. PP has already included this in the monitoring plan mentioned under section 5.3 of the PD. Additionally, VVB shall independently check with other GHG programs to confirm that the new PAIs are not listed under any other project.</p>
<p>8) Must adhere to the capacity limit of annual emission reductions of 5,000 tCO₂e per project activity instances. Each PAI that exceeds one percent of the capacity limit (i.e. 5,050 tCO₂e) shall be identified and divided into clusters as per the clustering requirements of the VCS Standard</p>	<p>The initial PAI is expected to generate 18 tCO₂e/year. Thus, it is adhering to the annual capacity limit.</p>	<p>Each PAI will adhere to capacity limit annual emission reductions of 5,000 tCO₂e.</p>

<p>9) Each new PAI must apply or use technologies or measures, and demonstrate characteristics consistent with an associated Generic PAI under the relevant sectoral scope (3 and 13),</p>	<p>Initial PAI involves displacement of diesel consumption with the solar panel, thus, it is associated with Generic PAI VIII, Energy Conversion - Demand Side and falls under sectoral scope 3, in line with the table under section 1.12 of the PD.</p>	<p>Based on the applied technology or measure, each new PAI will be associated with one of the 8 Generic PAI mentioned under the table of section 1.12 of the PD.</p>
<p>10) The baseline scenario must be determined for all new project activity instances based on the same approach as the initial PAI included at validation, as described in section 3.4 of the PD.</p>	<p>Initial PAI involves displacement of diesel consumption with the solar panel, thus, it is associated with Generic PAI VIII, Energy Conversion - Demand Side and falls under sectoral scope 3, as per the table under section 1.12 of the PD. Therefore, the baseline scenario has been demonstrated as per conditions stated for the sectoral scope 3 under section 3.4 of the PD.</p>	<p>Based on the applied technology or measure, each new PAI will be associated with one of the 8 Generic PAI and the sectoral scope under which the Generic PAI falls, as per the table of section 1.12 of the PD. Thus, the baseline scenario of each PAI will be demonstrated through either as per sectoral scope 3 or 13 stated under section 3.4 of the PD.</p>
<p>11) Additionality of each new project activity instances must be assessed with the same approach as the initial PAI included at validation, as described in section 3.5 of the PD.</p>	<p>Initial PAI involves displacement of diesel consumption with the solar panel, thus, it is associated with Generic PAI VIII, Energy Conversion - Demand Side. Thus, the additionality of the initial PAI has been demonstrated as per the additionality criteria stated under Appendix 3 of the PD and the assessment of the is mentioned under section 3.3.4 of the validation report</p>	<p>Additionality of each new PAI will be demonstrated as per their associated Generic PAI. Additionality of all the 8 Generic PAIs has been demonstrated under Appendix 3 of the PD and the assessment of the same is stated under section 3.3.4 of the validation report</p>