

PROJECT REVIEW REPORT

Project ID	1744
Project Name	4 MW Biomass based cogeneration plant by Godrej Agrovet Ltd.
Program(s)	VCS
Verification Period	01 October 2018 – 30 June 2020
Project Proponent	Godrej Agrovet Limited
Methodology	AMS-I.C, Thermal energy production with or without electricity, Version 20.0
Sectoral Scope(s)	01, Energy industries (renewable - / non-renewable sources)
Validation/Verification Body (VVB)	LGAI Technological Center S.A. (Applus+ Certification)
Assessment Criteria	VCS Standard, v4.0, AMS-I.C. v 20.0
Date of First Issue	20 November 2020
Date of Final Issue	04 December 2020

Summary:

An accuracy review of the 4 MW Biomass Based Cogeneration Plant by Godrej Agrovet LTD verification approval request has been conducted by Verra in accordance with Section 4.3 of the *Registration and Issuance Process*.

The accuracy review has raised 10 assessment findings and no minor findings, detailed below. The VVB, in coordination with the project proponent, is hereby required to provide a response to the assessment findings presented in Section 1. The 10 assessment findings must be addressed to the satisfaction of Verra. The VVB need not address the minor findings during this review. Please note, however, that where Verra finds consistent minor findings by the VVB in future reviews, minor findings shall be escalated to assessment findings.

This project review report will be made publicly available. Confidential information may be provided as separate attachments.

1. Assessment Findings

Finding 1

Section 3.16.1 of the *VCS Standard, v4.0* states that “The project proponent shall identify potential negative environmental and socio-economic impacts and shall take steps to mitigate them.”

Section 2.1 of the *VCS Monitoring Report Template, v4.0* requires a summary of “any potential negative environmental and socio-economic impacts and the steps taken to mitigate them.”

The monitoring report does not provide a summary of socio-economic impacts associated with the project.

As such the PP is requested to clarify any potential negative socio-economic impacts and the steps taken to mitigate them. The VVB is requested to clarify Section 4.2.1 and Appendix 2, CAR ID 05 in the verification report. Please update all documents accordingly.

PP Response:

The project activity has been installed in a Palm oil production plant which involves the utilization of in-house generated renewable biomass i.e. fibre, shell and empty fruit bunches (EFB) in the palm fruit processing facility as a fuel for generating steam.

The project activity has positive Socio-economic impact as well on the project surrounding area. There are no negative environmental and socio-economic impacts associated with the project activity. Hence, no mitigation action is required.

The benefits of project under have been described under section 1.11 of the MR. While the MR section 2.1 has been revised to mention the Environmental & Socio-economic benefits of the project.

VVB Response:

Since the project activity has been installed in a Palm Oil Production Plant which involves the utilization of in-house generated renewable biomass fibre, shell and empty fruit bunches (EFB) in the palm fruit processing facility as a fuel for generating steam, i.e. captive project.

The project activity does not require to source any type of biomass from outside of the plant. Hence, fuel transportation from outside the plant is not applicable. The project activity not only helps in reducing the GHG emissions but has positive Socio-economic impact as well on the project surrounding area.

There are no negative environmental and socio-economic impacts associated with the project activity which were validated during the Validation stage and have been confirmed during the current verification. Hence, no mitigation action is required.

The Section 2.1 of the monitoring report has been revised while Section 4.2.1 and CAR ID 05 of verification report are updated accordingly. VVB apologies in case the same was not clear in the initial FVR.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 2

Section 4.2 of the project description (dated 31 Jan 2018) states that the “Pressure gauge will be calibrated annually”. Section 4.4 of the verification report states the pressure gauge will be calibrated “once in a year.”

Section 4.2 (page 19) of the monitoring report states that the “Pressure gauge will be calibrated once in 3 years.”

The VVB is requested to provide clarification as to the frequency of pressure gauge calibration. If a project description deviation has occurred, please include the project deviation in Section 3.2.2 of the monitoring report and Section 3.3 of the verification report.

PP Response:

As per the registered PD, calibration frequency for Pressure gauge is “annually i.e. Pressure Gauge will be calibrated once in a year.” MR Section 4.4 has been revised to rectify the Typo error in reporting the calibration of Pressure Gauge.

VVB Response:

PP has rectified the typo error in reporting the calibration frequency of pressure gauge i.e. “once in a year” in Section 4.2 of monitoring report.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 3

Section 4.1.8(1) of the *VCS Standard, v4.0* states that the “level of assurance shall be reasonable, with respect to material errors, omissions and misrepresentations, for both validation and verification.”

Section 5.4 of the monitoring report and Sections 3.3 and 4.1 of the verification report state that the actual emission reductions or removals are 57.32% lower than estimated. Section 5.4 of the monitoring report states that this was due to the project activity operating at 50% load and Section 4.1 of the verification report states it was due to low PLF.

The VVB and the PP are requested to clarify and provide more information about this difference.

PP Response:

During the current monitoring period the plant has a low PLF (Plant load factor) or operated at 50% load i.e. at half load. The MR section 5.4, describes that the reason for the lower emission reduction achieved during the current MP is the low steam demand which depends on the operation of Palm oil production plant.

Further the co-generation plant operation depends upon various factors, one of them is process steam requirement and solely operates on process plant need basis. Therefore, by stating “projects activity operated at 50% load only” we intend to describe that the cogeneration plant has operated at lower PLF (Plant load factor).

The MR section 5.4 has been revised to mention that “cogeneration plant is operated at lower PLF (Plant load factor) only” to avoid any misperception.

VVB Response:

VVB clarified that Plant has operated at low PLF (Plant load factor) which is at 50% of full load (i.e. at half load due to lesser demand of steam). The same has been discussed transparently in Section 5.4 of revised monitoring report.

The lower emission reduction achieved during the current MP is due to the lesser demand of steam. The co-generation generation plant operation depends upon various factors, one of them is process steam requirement and solely operates on process plant need basis. The lower emission reductions are due low demand at the palm production unit and the same is checked and confirmed by the VVB.

PP has rectified Section 5.4 of MR to mention that “cogeneration plant is operated at lower PLF (Plant load factor) only” to avoid any misperception.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 4

Section 4.1.14 of the *VCS Standard, v4.0* states that the VVB shall use the *VCS Verification Report Template, v4.0*, and adhere to all instructional text within the template.

Section 4.2.2 of the *VCS Verification Report Template, v4.0* requires the VVB to “assess whether the project proponent has taken due account of all and any [stakeholder] input and provide an overall conclusion regarding local stakeholder input.”

Section 2.3 of the verification report does not list any interviews with local stakeholders.

The VVB is requested to address how they were able to assess the project’s local stakeholder consultation without interviewing any stakeholders.

VVB Response:

VVB has added the name of stakeholders in Section 2.3 of the verification report. Stakeholders names were missed by mistake. VVB apologies for the same.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 5

Section 4.4 (pg 21) of the verification report states that $EG_{PJ,thermal,y}$ is calculated to be 612.65 TJ.

Section 5.1 of the monitoring report and Section 4.4 (pg 28) of the verification report state that $EG_{PJ,thermal,y}$ is 599.22 TJ.

The VVB is requested to clarify the value of $EG_{PJ,thermal,y}$.

VVB Response:

The value of $EG_{PJ,thermal,y}$ is 599.22 TJ. The value has been corrected in Section 4.4 (pg 21) of the verification report. VVB apologizes for the mistake.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 6

Section 4.1.14 of the *VCS Standard, v4.0* states that the VVB shall use the *VCS Verification Report Template, v4.0*, and adhere to all instructional text within the template.

Section 4.4 of the *VCS Verification Report Template, v4.0* requires the VVB to “provide an overall conclusion regarding whether GHG emission reductions and removals have been quantified correctly in accordance with the project description and applied methodology.”

Section 4.4 of the VR does not include a conclusion regarding whether GHG emission reductions and removals have been quantified correctly.

The VVB is requested to include an overall conclusion regarding whether GHG emission reductions and removals have been quantified correctly in accordance with the project description and applied methodology in Section 4.4 of the verification report.

VVB Response:

VVB has added the verification opinion in line with the requirement of para Section 4.1.14 of the VCS Standard, v4.0 in Section 4.4 of verification report “VVB confirms that GHG emission reductions and removals have been quantified correctly in accordance with the project description and applied methodology”.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 7

Section 5.4 of the monitoring report states that baseline emissions or removals in 2019 were 52,172 tCO₂e.

Section 5 of the verification report states that baseline emissions or removals in 2019 were 52,173 tCO₂e.

The VVB is requested to clarify the quantity of baseline emissions or removals in 2019 and update Section 5.4 of the monitoring report and Section 5 of the verification report to be consistent.

VVB Response:

The baseline emissions or removals in 2019 were 52,172. The typo error has been corrected in Section 5 of verification report.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 8

Section 4.1.14 of the *VCS Standard, v4.0* states that the VVB shall use the *VCS Verification Report Template, v4.0* and adhere to all instructional text within the template.

Section 4.1 of the *VCS Verification Report Template, v4.0* requires the VVB to assess “whether the project has received or sought any other form of environmental credit” and the project’s “sustainable development contributions.”

Section 4.1 of the verification report does not include an assessment on whether the project has received or sought any other form of environmental credit and the project’s sustainable development contributions.

The VVB is requested to include an assessment on other forms of environmental credit and the project’s sustainable development contributions.

VVB Response:

VVB confirms that that project has not received or sought any other form of environmental credit”. An undertaking letter dated 19/09/2020 has been submitted by PP for double counting with any other GHG program. PP also has given a written declaration that project has not claimed other form of GHG credit for the concerned monitoring. Further, project activity provided contribution in sustainable development of host country. VVB has included the verification opinion in Section 4.1 of verification report.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 9

Section 4.1.14 of the *VCS Standard, v4.0* states that the VVB shall use the *VCS Verification Report Template, v4.0*, and adhere to all instructional text within the template.

Section 4.5 of the *VCS Verification Report Template, v4.0* requires the VVB to “provide an overall concluding statement with respect to the sufficiency of quantity, and appropriateness of quality, of the evidence used to determine the GHG reductions and removals.”

Section 4.5 of the verification report does not include an overall concluding statement with respect to the quality of evidence used to determine the GHG reductions and removals.

The VVB is requested to include an overall concluding statement on the quantity and quality of the evidence used to determine the GHG reductions and removals in Section 4.5 of the VR.

VVB Response:

VVB has included the concluding statement on the quantity and quality of the evidence used to determine the GHG reductions and removals in Section 4.5 of the VR.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

Finding 10

The project title in the monitoring report is “4 MW Biomass Based Cogeneration Plant by Godrej Agrovet Ltd.:

The project title in the verification report is “4 MW Biomass Based Cogeneration Plant by Godrej Agrowet Ltd”.

The project proponent is requested to clarify the name of the project.

VVB Response:

VVB has corrected the typo error in project title “4 MW Biomass Based Cogeneration Plant by Godrej Agrovet Ltd” in verification report.

Verra Response:

Upon review of the verification report, the updates provided were deemed sufficient to close this finding. No further response is required.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 20 November 2020, Verra conducted an accuracy review of the verification approval request for project ID *1744, 4 MW Biomass Based Cogeneration Plant by Godrej Agrovet Ltd*, the results of which can be found above.

On 04 December 2020, Verra reviewed responses to the findings raised during the review of project ID *1744, 4 MW Biomass Based Cogeneration Plant by Godrej Agrovet Ltd* and deemed them sufficient to close all findings.