

PROJECT REVIEW REPORT

Project ID	653
Project Name	65MW Dagushan hydropower Project in China
Program(s)	VCS
Verification Period	01 April 2018 – 21 July 2019
Project Proponent	Gansu Zhangye Dagushan Hydropower Co., Ltd.
Methodology	ACM0002, Consolidated baseline methodology for grid-connected electricity generation from renewable sources, Version 10.0
Sectoral Scope(s)	Sectoral Scope 01: Energy (renewable/non-renewable)
Validation/Verification Body (VVB)	Shenzhen CTI International Certificate Co., Ltd.
Assessment Criteria	VCS Standard, v4.0, ACM0002, v10.0
Date of First Issue	25 May 2021
Date of Final Issue	28 July 2021

Summary:

An accuracy review of the 65MW Dagushan hydropower Project in China 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 two 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 two assessment findings must be addressed to the satisfaction of Verra.

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

1. ASSESSMENT FINDINGS

Finding 1

Section 3.2.2 of the monitoring report states that the project crediting period was updated from between 22 July 2009 and 08 May 2010 to between 22 July 2009 to 21 July 2019. However, it is unclear if this project description deviation is occurring in this monitoring period or has been approved under a previous monitoring period.

The project proponent is requested to clarify if this project description deviation occurred in this monitoring period or a previous monitoring period.

If the project description deviation occurred in this monitoring period, the project proponent is requested to update Section 3.2.2 of the monitoring report to identify whether the deviation impacts the applicability, additionality and baseline of the project. The VVB is requested to assess this deviation and update Section 3.3 of the verification report accordingly.

VVB Response:

There were not project description deviations identified by CTI to this monitoring period or a previous monitoring period. The verification team assessed through visual inspection and document review that all physical features of the proposed project activity including data monitoring, reporting and collecting systems have been implemented in accordance with the registered CDM PDD, the revised monitoring plan (version 2.0 dated 19/10/2020).

By checking the verification report of previous monitoring period (29/04/2012 to 31/03/2018) issued by LGAI Technological Center, S.A. (Applus+ Certification), version 01.0 dated 13/11/2020, a deviation was identified for first VCS crediting period of the project activity. The first VCS crediting period was determined as 22/07/2009 to 21/07/2019, which was approved by Verra. It is confirmed by CTI that the deviation of crediting period was also applied for this monitoring period and has no impacts on the applicability, additionality or baseline of the project.

The same has been supplemented in section 3.3 of the VR and 3.2.2 of the MR.

Verra Response:

The VVB has provided information about the change in the project's crediting period, which was approved by Verra in a previous verification event. This finding is now closed, and no further response is required.

Finding 2

Section 4.1.14 of the VCS Standard, v4.0 states that "the validation/verification body shall use the VCS Verification Report Template... and adhere to all instructional text within the template".

Section 4.1 of the VCS Verification Report Template, v4.0 instructs the VVB to assess whether the GHG emission reductions or removals (ERRs) generated by the project have become included in an emissions trading program or any other mechanism that includes GHG allowance trading.

Section 4.1 of the verification report does not assess if the project's ERRs have become included in an emissions trading program.

The VVB is requested to assess whether the project's ERRs have become included in an emissions trading program and update Section 4.1 of the verification report accordingly.

VVB Response:

By checking UNFCCC website(<https://cdm.unfccc.int/Projects/DB/RWTUV1256040897.46/view?cp=1>), it is confirmed by CTI that the project has been registered as CDM project activity on 09/05/2010 with reference No. 3045. By checking public information from the IREC Mechanism database of China, it is confirmed by CTI that the project has been registered under IREC Mechanism. Furthermore, CTI checked public information from Chinese Emission Trading System, Gold Standard Registry and interviewed with project owner during site visit, it is confirmed that except CDM, VCS, IREC scheme, the project has not been participated or been rejected under any other GHG programs since validation or previous verification. Therefore, the verification team confirmed that the project only applies CERs, VCUs, IRECs under CDM, VCS, IREC standard, and no rejection from CDM, VCS or IREC standard occurs, there are no other forms of environmental credits applied or issued for the project activity. The emission reduction resulted from the project during this monitoring period would apply for VCUs. However, the GHG emission reductions generated from the period 01/01/2019 - 21/07/2019 was not counted, since other form of credits - IREC has been applied for this period. Only baseline emission reductions of the period from 01/04/2018 - 31/12/2018 was counted in this monitoring period. The same has been supplemented in section 4.1 of the VR.

Verra Response:

Section 4.1 of the verification report has been updated to include information on whether the project's GHG ERRs have been included in an emission trading program or binding limits. This finding is now closed, and no further response is required.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 25 May 2021, Verra conducted a review of the verification approval request for project ID 653, 65MW Dagushan hydropower Project in China, the results of which can be found above. The project review report was sent to Shenzhen CTI International Services Co., Ltd and Gansu Zhangye Dagushan Hydropower Co., Ltd with two assessment findings and no minor findings.

On 28 July 2021, Verra closed all findings, and no further response is required.