

PROJECT REVIEW REPORT

This project review report includes findings raised during Verra's review of the Project specified below. The V.V.B. must address the findings before the project request can be considered for approval by Verra. The project review report will be made publicly available on the Verra Registry. Confidential information may be provided in separate attachments.

Project ID	0822
Project Name	Baticim Batı Anadolu Cimento Sanayii A.S. 9 MW Cement WHR Project
Review Type	Verification Approval
Program(s)	V.C.S. Program
Verification Period	12-10-2013 to 11-10-2019
Project Proponent	Baticim Bati Anadolu Cimento Sanayii A.S
Methodology	ACM0012, "Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects" Version 04.0
VVB	RINA Services S.P.A
Assessment Criteria	V.C.S. standard Version 4.2
Date of First Issue	06-10-2023
Review Conclusion	Closed
Date of Final Issue	09-02-2024

FINDINGS

#	Finding Description	V.V.B. Response	Status
1	Incorrect/Inconsistent Information in MR and FVR		
	<u>Issue</u> - Under section 1.1 of the Monitoring Report, the name of the V.V.B. is mentioned as Re Carbon, while the RINA Services S.P.A has issued a Final Verification Report. - Section 1.3, Level of Assurance of the F.V.R., V.V.B., has mentioned, “All evidence had been confirmed during the online audit with the electricity generation invoices.” However, as per section 4.4, Invoices are not generated as electricity is supplied to the plant. - In section 1.4 of the F.V.R., the start date of the crediting period and project crediting period are incorrect. - In Section 4.4. V.V.B. mentioned in the description of monitored parameter EG_i, j, y - “The meters have been active since 2019 as confirmed through the approved P.D. However, the date of registered P.D. is 03/11/2011. <u>Action Required</u> P.P and V.V.B. must correct the above-mentioned discrepancies in the Monitoring Report and Final Verification Report. The documents must be modified accordingly. <u>Program Rule(s)</u> V.C.S. Monitoring Report Template, Sections 1.1 V.C.S. Verification Report Template, Section 1.3,1,4,4.4	Round 1 <u>V.V.B. Response</u> - Section 1.1 related Table name of VVB is replaced with RINA S.p.a. - Related parameters are available: Gross electricity generation, internal consumption and net electricity generation. These parameters have been monitored by electricity counters and also net electricity generation is cross check by invoices that is obtained by electricity distribution company so Section 1.3 “All evidence had been confirmed during the online audit with the electricity generation invoices” is true. - Related corrections are conducted in FVR. - The year 2019 is corrected by 2011. <u>Verra Response</u> - Section 1.1 of the MR is corrected - EG_i,j,y is sourced from the daily measurement result of the electric meter and crosschecked with the grid fee pay slips issued by the power supply company. - In section 1.4 of the F.V.R., the start date of the crediting period and project crediting period are corrected - Section 4.4 of FVR is corrected <u>The above issues are closed now.</u> Round 2 <u>V.V.B. Response</u> <u>Verra Response</u>	Closed

2	Difference in Ex Post and Ex- ante ERRs	
	<u>Issue</u> In section 5, Verification Opinion, V.V.B. has not compared Ex Post vs. Ex ante calculation for this monitoring period and has not reported the percentage difference, <u>Action Required</u> V.V.B. must state the estimated ex-ante GHG emission reductions and removals and the achieved emission reductions and removals for this monitoring period. It is also required to report the percentage difference and justify how it is not impacting the additionality of the Project. The documents must be modified accordingly. <u>Program Rule(s)</u> V.C.S. Verification Report Template, Section 5	Round 1 <u>V.V.B. Response</u> In Section 5 related table is revised and now including also estimated values and differences. The emission reductions from the project for the MP as reported in the MR is equivalent to 148,337 tCO2. The reported emission reductions are lower (1.77%) than the estimated emission reduction of 151,010 tCO2 for the period 12/10/2013 – 11/10/2019. Estimated and actual values are so closed and lower than %10 difference is reasonable. <u>Verra Response</u> Section 5 of the VR now compares ex-post Vs ex-ante Emission reductions. The issue is closed now.
		Closed

3	Missing information parameters from the monitoring plan as prescribed by the applied methodology	
	<u>Issue</u> - The following parameters are missing from the monitoring plan as required in the applied methodology ACM0012 version 4.0: - Abnormal operation of the plant (Section III. (6) of ACM0012 Version 4.0) - The energy meters were all calibrated on 20/04/2023, much later after the end of the monitoring period in 2019. It is unclear how the VVB has assessed the conservativeness of the correction factor applied by the project proponent for the entire monitoring period. <u>Action Required</u> - The VVB shall ensure alignment of the project's monitoring plan in line with the applied methodology. - The VVB shall include further justification of the conservativeness of the correction factor applied in the absence of any calibration activities for the entire monitoring period. <u>Program Rule(s)</u> VCS Verification Report Template v4.2, Section 4.4. Section III (6) of ACM0012 Version 4.0	Round 1 <u>VVB Response</u> 1- Missing parameter is added in MR and also FVR. In MP no abnormal activity such as shut down due to the emergency situation has not been occurred. 2- Calibrations has not conducted in MP so to be in safety side all emission reduction values is re calculated as seen in excel sheet (monitoring plan D9-D15). Actual ER are calculated by (actual value in year y * EF) – ((actual value in year y * EF*0.0002). 0.0002 value comes from the electricity meter accuracy class (0.2). <u>Verra Response</u> - A missing parameter is added to MR and FVR. - Maximum Permissible error is applied to the values, which is in line with CDM Guidelines for Assessing Compliance With The Calibration Frequency Requirements The above issues are closed now.
		Closed

4 Incomplete information on net GHG emission reductions and removals			
	<u>Issue</u> Emission reduction calculations under Section 5.4 of the monitoring report are not transparent and reproducible by the user.	Round 1	Closed
	<u>Action Required</u> The VVB shall ensure that the monitoring report clearly includes information on the calculation of emission reductions (including the Fcap, Q _{OE,BL} and Q _{OE,y} calculation), which should be reproducible by the user for transparency. Please send revised documents along with the emission reduction sheet with the calculation of Fcap, Q _{OE, BL} and Q _{OE, y}	<u>VVB Response</u> All these parameters: Fcap, Q _{OE,BL} and Q _{OE,y} is calculated in previous section 5.1 and all parameters, methods and assumptions are given there.	
	<u>Program Rule(s)</u> VCS Monitoring Report Template v4.2, Section 5.4. Emission Reduction Calculation Sheet.	<u>Verra Response</u> Calculation of Fcap, Q _{OE, BL} and Q _{OE, y} is mentioned in section 5.1 of the MR. Also, Q _{OE, BL} is ex-ante value and further details are explained in registered PD. The above issue is closed now.	
5 Further clarification on the monitoring of f _{cap} parameter			
	<u>Issue</u> As per the registered project description, f _{cap} is a monitored parameter calculated based on the parameters Q _{OE, BL} and Q _{OE, y} . However, the monitoring plan is unclear as to how the values of the parameters Q _{OE, BL} and Q _{OE, y} are estimated.	Round 1	Closed
	<u>Action Required</u> 1. The VVB shall clearly assess in the verification report how the parameter Q _{OE, BL} , has been estimated and transparently provide the reference sources of all the input values used in tables 3.3 and 3.2 of the project description.	<u>VVB Response</u> $f_{cap} = \frac{Q_{OE,BL}}{Q_{OE,y}}$ Q _{OE, y} is the actual gross electricity amount and it is shared in ER sheet and MR-FVR. Q _{OE, BL} is the maximum theoretic electricity production amount of WHR plant and it is not calculated this value come from technical specification of equipment. This value is ex-ante and defined in PDD. It can be shared via SC? Only benefit of WHP project is electricity and waste heat of WHR process is not used for any purpose.	

	2. The VVB shall justify how the parameter $Q_{OE,y}$ has been monitored during the monitoring period. As per ACM0012 Version 4. $Q_{OE,y}$ is the Quantity of actual output/intermediate energy generated during year y (TJ); however, the monitoring report measures this parameter in terms of electricity generation. <u>Program Rule(s)</u> Equation # 40 of the applied methodology ACM0012 Version 4.0	<u>Verra Response</u> $Q_{OE, BL}$ is ex-ante value and further details are explained in registered PD. Also, f_{cap} is calculated based on $Q_{OE, BL}$ and $Q_{OE,y}$, and hence, both the parameters should be reported in the same units. $Q_{OE,y}$ is also measured in MWH in the registered PD. The issue is closed now.	
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6	Missing information on project emissions from $PE_{EL,y}$		
	<u>Issue</u> The monitoring report and the verification report do not provide any explanation of why project emissions from the on-site consumption of electricity for gas cleaning equipment or other supplementary electricity consumption (tCO_2) have been considered zero during the monitoring period. Table 2.1 of the registered project description has identified CO_2 emissions from the supplemental electricity consumption as the main source of project emissions. <u>Action Required</u> The VVB shall assess in the verification report as to how the emissions from the parameter $PE_{EL,y}$ have been considered zero during the entire duration of 6 years of the monitoring period. <u>Program Rule(s)</u> VCS Standard Version 3, Clause 3.17.3	Round 1 <u>VVB Response</u> $PEAF,y$ is zero as there is no technologically possible supplementary fossil fuel consumption at the project's electricity generating facilities. $PEEL,y$ is zero as the project there will be no emissions from consumption of electricity for gas cleaning or other supplementary electricity consumption. Only mechanical maintenance activities has been carried out and all consumption due to these activities are measured by electricity meter. Related information is shared in FVR under Section 4.4 Project Emissions. <u>Verra Response</u> Electricity consumption is measured in terms of Gross and Net electricity, and hence, auxiliary electricity consumption is accounted for in ER calculations. The issue is closed now.	Closed

7	Missing information on ongoing communication with the stakeholders		
	<u>Issue</u> Neither the monitoring nor the verification report provides any information related to the ongoing communication of stakeholders during the proposed monitoring period. <u>Action Required</u> The VVB shall assess in the verification report that the compliance of the project with clause 3.17.1 of the VCS Standard Version 3.0 related to ongoing communication with the stakeholders has been verified for the entire monitoring period. <u>Program Rule(s)</u> VCS Standard Version 3, Clause 3.17.3	Round 1 <u>VVB Response</u> Ongoing communication with the stakeholders is the responsibility of the corporate communication manager at the factory. The headman of Naldöken village has the contact details of the corporate communication manager. Stakeholders can reach the project owner through the mukhtar when they have any complaints or suggestions. So far there has been no feedback from stakeholders. It is added to FVR. <u>Verra Response</u> Section 2.2 of the Monitoring Report and 4.2.2 of the Verification Report now include details of the ongoing communication of stakeholders.	Closed