

PROJECT REVIEW REPORT

Project ID	0563
Project Name	Biomass Based Steam Generation Project by Sterling Agro Industries Ltd.
Program(s)	VCS
Verification Period	01 January 2013 – 31 December 2018
Project Proponent	Sterling Agro Industries Ltd.
Methodology	AMS.I.C., Thermal energy production with or without electricity, v13
Sectoral Scope(s)	1. Energy industries (renewable / non-renewable sources)
Validation/Verification Body (VVB)	LGAI Technological Center, S.A. (Applus+ Certification)
Assessment Criteria	VCS Standard, v4.1
Date of First Issue	23 April 2022
Date of Final Issue	17 December 2022

Summary:

An accuracy review of the Biomass Based Steam Generation Project by Sterling Agro Industries 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 eleven assessment findings and one minor finding, 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 eleven assessment findings must be addressed to the satisfaction of Verra. The VVB need not address the minor findings during this review.

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

1. ASSESSMENT FINDINGS

Finding 1

Section 1.4 of the verification report states that Enen Green Services Private Limited has joined the project as a new project proponent.

Section 1.4 of the monitoring report lists Enen Green Services Private Limited as another entity involved in the project, rather than as a project proponent.

The project proponent is requested to clarify the role of Enen Green Services Private Limited in the project. The VVB is requested to assess the clarification.

VVB Response:

Section 1.4 of the FVR is now modified and Enen Green Services Private Limited is now considered as "OTHER ENTITY"

Verra Response:

Section 1.4 of the verification report has been updated to confirm that Enen Green Services Private Limited is another entity involved in the project, rather than a project proponent. The VVB should note that Enen Green Services Private Limited is still listed as a project proponent in the VR summary and section 5, which should be corrected for future reports. This finding is closed, and no further action is required.

Finding 2

Section 1.5 and section 1.6 of the monitoring report state that the start date of the project is 06 February 2010 and the crediting period is 06 February 2010 to 05 February 2020.

Section 1.1 of the monitoring report states that the plant was commissioned on 24 April 2009 and the plant has been in continuous operation since commissioning.

The project has issued credits for the 25 April 2009 to 5 February 2010 monitoring period.

The project proponent is requested to clarify how the project has issued credits for a monitoring period that began before the project start date and crediting period. The project proponent shall provide an explanation for why 06 February 2010 is selected as the start date in section 1.5 of the monitoring report.

The VVB is required to clarify how they verified the project start date, crediting period, and the dates of previous monitoring periods.

VVB Response:MR has been corrected with actual start date as 25- April-2009 and VCS Crediting period as 25- April-2009 to 24- April-2019.Section 1.1 is now corrected in terms of commissioning date.

Verra Response:

The reports have been updated to confirm the start date as 25 April 2009 and the crediting period is 25 April 2009 to 24 April 2019. This finding is closed, and no further action is required.

Finding 3

Section 3.4.3 of the *VCS Standard, v4.1* states that “the project proponent shall use the *VCS Monitoring Report Template...* and adhere to all instructional text within the template.”

Section 1.10 of the *VCS Monitoring Report Template, v4.0* instructs the project proponent to address if the project is included in an emissions trading program or has sought or received another form of GHG-related environmental credit.

Section 1.10 of the monitoring report addresses the project’s registration under CDM and states that the project is not registered under REC mechanism.

The project proponent is requested to update section 1.10 of the monitoring report to confirm if the project is included in an emissions trading program or has sought or received another form of GHG-related environmental credit.

The VVB is required to assess the updates and to update section 4.1 of the verification report with a detailed assessment on the project’s involvement in an emissions trading program or if the project has received other environmental credits.

VVB Response:

The project is not registered in any other emission trading scheme. MR and FVR has been updated accordingly.

Verra Response:

The monitoring report and verification report have been updated to confirm that the project is not included in an emissions trading program and has not received any other form of environmental credit. This finding is closed, and no further action is required.

Finding 4

Section 3.4.3 of the *VCS Standard, v4.1* states that “the project proponent shall use the *VCS Monitoring Report Template...* and adhere to all instructional text within the template.”

Section 4.2 of the *VCS Monitoring Report Template, v4.0* instructs the project proponent to provide an estimated value for the data/parameter for each data and parameter monitored.

- A. Section 4.2 of the monitoring report states that the value can be found in the emission reduction sheet. No emission reduction sheet has been submitted.
- B. Section 4.5 of the verification report states that the value for each data and parameter is reported in the monitoring report.

The project proponent is required to revise section 4.2 of the monitoring report to include the value for each data and parameter, as required by the *VCS Monitoring Report Template, v4.0* and to provide the emission reduction sheet.

The VVB shall assess the updates and to clarify how the values for each data and parameter were assessed.

VVB Response:

Section 4.2 of the MR is now updated. Section 4.5 of the FVR is now updated.

Verra Response:

Section 4.2 of the monitoring report and Section 4.5 of the verification report have been updated to confirm the values of the data and parameters. This finding is closed, and no further action is required.

Finding 5

Section 4.2 of the monitoring report no measurement for NCVff,i “since fossil fuel was combusted in this monitoring period.”

Section 4.5 of the verification report states that “cumulative value of NCVff,i for entire monitoring period is reported in the monitoring report/04/, however monthly values are reported in the ER calculation sheet/06/. The monthly values were verified from the plant data and found to be consistent.”

The project proponent is required to clarify if fossil fuel was combusted in the monitoring period. The VVB is required to explain how it verified that no fossil fuel was combusted during this monitoring period or how NCVff,i values were assessed.

VVB Response:

Section 4.2 of MR has been revised by PP with correction and no fossil fuel was combusted in this current monitoring period.

Section 4.5 of Verification report has been updated in line with no fossil fuel combustion for current monitoring period.

Verra Response:

Section 4.2 of the monitoring report and Section 4.5 of the verification report have been updated to confirm that no fossil fuel was combusted during the monitoring period. This finding is closed, and no further action is required.

Finding 6

Section B.7.1 of the CDM project description (28/10/2011) states that the assessment of biomass availability will be done annually.

Section 4.2 of the monitoring report states that the biomass assessment was conducted at the beginning of the crediting period.

The project proponent is requested to clarify why the biomass availability assessment was not conducted annually in line with the approved CDM PDD.

The VVB shall assess the updates and to update the verification report with its opinion on the project’s compliance of the monitoring plan, as needed.

VVB Response: As per the clarification from UNFCCC- SSC - 255,(Clarification on vintage of data and survey period for assessment of biomass availability in AMS-I.D (submitted 17 Dec 08): SSC_255) , the biomass assessment needs to be conducted once in entire crediting period. PP would like to seek deviation for the same in the current monitoring period and the same is now reflected in the MR. The deviation section is also updated in both MR and FVR. PP during the audit process interviewed Plant people and it was explained that surplus biomass is available in the region to cater the need of the current power plant and the plant that would be commissioned in the future. Therefore the explanation

and deviation is acceptable to the assessment team.

Verra Response:

The VVB has confirmed that biomass surplus in the region is greater than 25%, as per the CDM guidance. This finding is closed, and no further action is required.

Finding 7

Section 4.3 of the monitoring report and section 4.5 of the verification report demonstrate that several meters experienced calibration delays during the monitoring period and that the project proponent has applied the maximum error factor of equipment on monitored values.

- A. Neither the monitoring report nor the verification report discuss the reasons for the calibration delays, the status of the meter when they were calibrated, and what maximum error factors were applied in line with the requirements of § 366 of the CDM Project Validation and Verification Manual v3.0.
- B. Section 4.5 of the verification report states that “the calibration is carried out appropriately” for nearly all data and parameters despite delays.

The project proponent is requested to update sections 4.2 and 4.3 of the monitoring report to clarify the reasons for the calibration delays, the status of the meters at the time of calibration, and whether any errors were found.

The VVB is requested to assess the updates and to clarify how they determine the calibration was carried out appropriately for each data for parameter with a calibration delay in section 4.5 of the verification report and justify the application of the equipment accuracy.

VVB Response:

Section 4.3 of the MR is now updated. FVR section 4.5 is also updated accordingly.

Verra Response:

The monitoring report and verification report have been updated to confirm that the meters were operating properly and that the maximum error factors were applied, as confirmed in the project documents. This finding is closed, and no further action is required.

Finding 8

Section 2 of the verification report states that the project is undergoing the second verification under the first crediting period.

The project has undergone several verifications under the CDM.

The VVB is requested to clarify how many verifications the project has undergone considering all GHG programs.

The project proponent is required to update section 1.9 of the monitoring report to clarify which monitoring periods have been issued under which GHG program.

VVB Response:

The verification period under all GHG mechanism the project has undergone verification is now transparently reflected in section 1.9 of the MR. The details also forms the part of verification report.

The FVR section 3.1 has been updated accordingly.

Verra Response:

Section 1.9 of the monitoring report has been updated. This finding is closed, and no further action is required.

Finding 9

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 describe the steps taken to assess the completeness of monitoring, whether the project has participated or been rejected under any other GHG programs since validation or previous verification, the project's sustainable development contributions and the completeness of the monitoring plan.

Section 4.1 of the verification report does not address all of the instructions within the *VCS Verification Report Template*, v4.0.

The VVB is requested to update section 4.1 of the verification report to describe the steps taken to assess the completeness of monitoring, whether the project has participated or been rejected under any other GHG programs since validation or previous verification, the project's sustainable development contributions, and the completeness of the monitoring plan.

VVB Response:

The section 4.1 of the FVR has been now updated as per requirement.

Verra Response:

Section 4.1 of the verification report has been updated. This finding is closed, and no further action is required.

Finding 10

Section 5.4 of the monitoring report states that the 1.63% decrease in actual emission reductions in comparison to estimated emission reductions is mainly due to the marginally lower generated against the estimated value."

The project proponent is required to update section 5.4 of the monitoring report to clarify what is meant by the statement quoted above.

The VVB is required to assess the clarification.

VVB Response:

The statement means that the actual emission reduction is less than the estimated value. The reason for the same is less steam flow/low PLF and the same is therefore acceptable to the assessment team. The sentence is now modified in the MR – section 5.4.

Verra Response:

This finding is closed, and no further action is required.

Finding 11

Section 4.5 of the verification report states that the VVB will verify the measuring, reading and recording frequency of each parameter.

Section 4.5 of the verification report does not address the measuring, reading or recording frequency of the parameters or an assessment on whether this requirement has been met or an MPE applied.

The VVB is required to update section 4.5 of the verification report to include an assessment of the measuring, reading or recording frequency for each parameter and an assessment on whether the requirement has been met.

VVB Response:

The section 4.5 of the FVR has been now updated as per the requirement.

Verra Response:

This finding is closed, and no further action is required.

2. MINOR FINDINGS

Finding 1

Section 4.2 of the verification report has improper spacing. The VVB is requested to revise section 4.2 of the verification report to adjust the spacing between words.

VVB Response:

The section 4.2 of the FVR has been now updated for spacing between words.

3. ASSESSMENT CONCLUSION

On 23 April 2022, Verra sent LGAI Technological Center, S.A. the project review report with eleven assessment findings and one minor finding.

On 17 December 2022, Verra approved the VCS verification approval request.