PROJECT REVIEW REPORT

Project ID	1248
Project Name	CGN Hami Phase I 20MWp Grid-connected PV Power Plant Project
Program(s)	VCS
Verification Period	27 December 2012 – 31 December 2016
Project Proponent	CGN Solar Power Development Co., LTD
Methodology	ACM0002, Consolidated baseline methodology for grid-connected electricity generation from renewable sources, Version 13.0
Sectoral Scope(s)	Sectoral Scope 01: Energy (renewable/non-renewable)
Validation/Verification Body (VVB)	China Building Material Test & Certification Group Co. LTD. (CTC)

Assessment Criteria	*VCS Standard, v4.1*, ACM0002, v13.0
Date of First Issue	02 December 2021
Date of Final Issue	03 January 2022

Summary:

An accuracy review of the CGN Hami Phase I 20 MWp Grid-connected PV Power Plant Project 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 five assessment findings and one 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 five 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
In Section 1.6 of the monitoring report, the project proponent describes a project description deviation to change the project crediting period from two years, fixed (28 December 2011 – 26 December 2012) to ten years, twice renewable (28 December 2011 – 27 December 2021), for a total of thirty years. However, the project proponent mentions that the project has a lifetime of 25 years in Sections 1.1 and 3.1 of the monitoring report. The project proponent is requested to clarify the final date under which the project will claim credits for, according to the actual project lifetime.
VVB Response: The project was put into operation on 28/12/2011 with the lifetime of 25 years, therefore, the project couldn't produce emission reductions beyond 27/12/2036. Furthermore, as required by VCS Standard (Version 4.1), where projects have been registered under more than one other GHG program, they are not eligible for VCU issuance after the date that is the earliest end date of all applicable project crediting periods. The project is also registered as a CDM project with a total project crediting periods of 21 years. Thus, with the starting date of the project crediting period under VCS program of 28 December 2011 and the total project crediting period under CDM is 21 years, it is not eligible for VCU issuance beyond 27/12/2032 under VCS program. The final date under which the project will claim credits for, according to the actual project lifetime and the requirement of the VCS standard, i.e. Section 3.8.7 of the VCS Standard, v4.1 has been clarified in MR and verified by the verification team.
Verra Response: Section 1.6 of the monitoring report and Section 3.3 of the verification report have been updated to include the correct total project crediting period and crediting period end date. This finding is now closed, and no further response is required.

Finding 2
Section 3.3 of the verification report states that the project will not be eligible for issuance beyond 27 December 2036 because the project has a 25-year project lifetime. Section 3.8.7 of the *VCS Standard, v4.1* states that "Projects registered under other GHG programs are not eligible for VCU issuance beyond the end of the total project crediting period under those programs… Where projects have been registered under more than one other GHG program, they are not eligible for VCU issuance after the date that is the earliest end date of all applicable project crediting periods." Thus, since the project's crediting period start date is 28 December 2011 under the VCS Program and the total project crediting period under CDM is 21 years, the project shall not be eligible for crediting beyond 27 December 2032 under the VCS Program. The VVB is requested to update Section 3.3 of the verification report to clarify the eligible crediting period of the project in line with Section 3.8.7 of the *VCS Standard, v4.1*. The project proponent is also

requested to update Section 3.1 of the monitoring report accordingly.

VVB Response:

The project was put into operation on 28/12/2011 with the lifetime of 25 years, therefore, the project couldn't produce emission reductions beyond 27/12/2036. Furthermore, as required by VCS Standard (Version 4.1), where projects have been registered under more than one other GHG program, they are not eligible for VCU issuance after the date that is the earliest end date of all applicable project crediting periods. The project is also registered as a CDM project with a total project crediting periods of 21 years. Thus, with the starting date of the project crediting period under VCS program of 28 December 2011 and the total project crediting period under CDM is 21 years, it is not eligible for VCU issuance beyond 27/12/2032 under VCS program.

The verification team has updated Section 3.3 of the verification report to clarify the eligible crediting period of the project in line with Section 3.8.7 of the VCS Standard, v4.1. The MR has been updated accordingly.

Verra Response:

Section 1.6 of the monitoring report and Section 3.3 of the verification report have been updated to include the correct total project crediting period and crediting period end date. This finding is now closed, and no further response is required.

Finding 3

The project coordinates provided in Section 1.7 do not show the correct project location.

The project proponent is requested to provide the correct project coordinates. The VVB is requested to assess this update as needed.

VVB Response:

According to the approved FSR, the central geographical coordinates of the project is N43°02 ´13.64" and E93°38 ´36.80". The project coordinates has been corrected in the MR.

Verra Response:

Section 1.7 of the monitoring report has been updated to show the correct project coordinates. This finding is now closed, and no further response 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 1.10 of the *VCS Monitoring Report Template, v4.0* instructs the project proponent to include information on emission trading programs where the project reduces GHG emissions from activities that are included under GHG allowance trading mechanisms.

Since the project may qualify for the China Emissions Trading System, the project proponent is requested to demonstrate that the GHG emission reductions or removals from the project are not used under the China Emissions Trading System. The VVB is requested to assess the updates as required.

VVB Response:

Only CCER can be used under the China Emissions Trading System. As a CDM/VCS project, the project can't be qualified for the China Emissions Trading System.

According to Interim Provisions on the administration on China Certified Emission Reduction Trading, only projects which haven't been participated in other GHG programs or emission reductions before registration of other GHG programs or registered under other GHG programs without issuance, could apply for CCER application. The project has been registered as the CDM and VCS project, furthermore, issuance has been approved under VCS. Therefore, the project can't be registered as a CCER project, and the GHG emission reductions or removals from the project are not used under the China Emissions Trading System.

The Section 1.10 of MR has been updated, and the verification team has assessed the information.

Verra Response:

Section 1.10 of the monitoring report has been updated to confirm that the project is not participating in the China Emissions Trading System. This finding is now closed, and no further response is required.

Finding 5

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 3.1 of the *VCS Monitoring Report Template, v4.0* instructs the project proponent to include information on events that may impact the GHG emission reductions or removals and monitoring during this monitoring period.

Section 3.1 of the monitoring report does not mention any information pertaining to this monitoring period.

The project proponent is requested to update Section 3.1 of the monitoring report to include information about the project's implementation status during this monitoring period. The VVB is requested to assess any updates as needed.

VVB Response:

Through checking the electricity records and electricity sale receipts, the monthly quantity of electricity generation supplied by the project to the Grid are keeping stable. In January each year, the power generation is low due to the short light duration, and in August to October each year, the power generation is high due to the long light duration. By interviewing the PP, the project has a good running, smooth data transfer and grid connection, and no special events happened during this monitoring period.

Therefore, the verification team confirm that no events or situations occurred during the monitoring period, which may impact the GHG emission reductions or removals and monitoring during this monitoring period.

The information about the project's implementation has been updated in the MR and the verification team has assessed the information.

Verra Response:

Section 3.1 of the monitoring report has been updated to include more information about the project's implementation status during this monitoring period. This finding is now closed, and no further response is required.

2. MINOR FINDINGS

Finding 1
Sections 1.1, 1.3 and 2.2 of the verification report refers to *VCS Standard, v4.0* instead of *VCS Standard, v4.1*. The VVB is requested to clarify that the project has been verified against the most current version of the *VCS Standard*.

3. ASSESSMENT CONCLUSION

On 02 December 2021, Verra conducted a review of the verification approval request for Project ID 1248, CGN Hami Phase I 20MWp Grid-connected PV Power Plant Project, the results of which can be found above. The project review was sent to CTC with five assessment findings and one minor finding.

On 03 January 2022, Verra closed all findings, and no further response is required.