

VCS PROJECT REVIEW REPORT

Project ID	PL1742
Project Name	Hydroelectric Project in Kinnaur District in Himachal Pradesh
Project Proponent	Himachal Baspa Power Company Ltd.
Methodology	ACM0002, Grid connected electricity generation from renewable sources, version 12.3
Sectoral Scope(s)	1. Energy (renewable/non-renewable)
Validation/Verification Body (VVB)	LGAI Technological Center S.A. (Applus+ Certification)
Registry	APX

Assessment Criteria	VCS Standard, version 3.7
Date of First Issue	24 May 2018
Date of Final Issue	25 May 2018

Summary:

An accuracy review of the *Hydroelectric Project in Kinnaur District in Himachal Pradesh* registration and issuance 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 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 five assessment findings must be addressed to the satisfaction of Verra.

This findings report may be made publically available. Confidential information may be provided as separate attachments.

1 ASSESSMENT FINDINGS

Finding 1

Section 3.19 of the *VCS Standard*, version 3.7, requires project proponents to prepare a project description using the *VCS Project Description Template* and adhere to all instructional text within the template.

Section 1.12.1 of the *VCS Project Description Template* requires project proponents to describe how project ownership was established according to VCS Program rules.

Although section 1.12.1 of the project description includes a brief description of how project ownership was established, it does not include much detail about the change in project proponent that occurred subsequent to the validation of the project under the Clean Development Mechanism (CDM).

The project proponent is requested to update section 1.12.1 to include a more robust description of the change in project proponent that occurred since the project completed validation under the CDM.

VVB Response:

The section 1.12.1 of VCS PD has been updated to include the robust description of change in project proponent. The triparty agreement has been checked for change in ownership and ownership of Himachal Baspa Power Company Ltd. has been confirmed. Also invoices has been checked and Himachal Baspa Power Company Ltd. is the invoice raising authority for the project activity. Thus Project ownership has been accepted.

Verra Response:

The updates made to section 1.12.1 of the project description are sufficient to close this finding. No further action is required in respect of this finding.

Finding 2

Section 3.11.10(1) of the *VCS Standard*, version 3.7, which sets out the requirements for projects registered under the CDM that are seeking registration under the VCS Program, does not require section 5.4 of the *VCS Project Description Template* to be completed. Section 5.4 of the *VCS Project Description Template* requires projects to describe any public comments that were received during the public comment period.

Although the *VCS Standard* does not require projects registered under the CDM and undergoing a gap validation to complete section 5.4 of *VCS Project Description Template*, such projects are required to undergo a public comment period for the VCS Program. As such, the project proponent is requested to update section 5.4 of the project description to include a description of the public comment period and any comments that were received.

VVB Response:

The section 5.4 of VCS PD has been updated with mention of public comment period and

confirmation if any comments were received for the project activity. The project was open for public comment from 12 February - 14 March 2018. No comments were received. The same was checked from VCS project web link and found to be appropriate.

http://www.vcsprojectdatabase.org/#/pipeline_details/PL1742

Verra Response:

The updates made to section 5.4 of the project description are sufficient to close this finding. No further action is required in respect of this finding.

Finding 3

Section 3.16.6 of the *VCS Standard*, version 3.7, requires project proponents to prepare a project description using the *VCS Monitoring Report Template* and adhere to all instructional text within the template.

Section 3.3 of the *VCS Monitoring Report Template* requires project proponents to describe the process and schedule followed for monitoring data and parameters during the monitoring period, including the methods for measuring data and procedures used for QA/QC of data monitored.

The project proponent is requested to update section 3.3 of the monitoring report to include information about the methods used for generating/measuring data collected on the parameters and any QA/QC procedures followed.

VVB Response:

Section 3.3 of VCS MR has been revised with information of monitoring procedure and QA/QC procedure followed for the project activity.

Verra Response:

The updates made to section 3.3 of the monitoring report are sufficient to close this finding. No further action is required in respect of this finding.

Finding 4

Section 1.4 of the project description and monitoring report describe one 'other entity', EKI Energy Services Limited, and their role with the project. The verification report does not include a description of any other entities involved with the project, or their role.

The VVB is requested to update the verification report to include a description of the other entity involved in the project, EKI Energy Services Limited, and their role with the project.

VVB Response:

Section 1.4 of report is updated with mention of EKI Energy Services Limited as other entity and their role as project consultant.

Verra Response:

The updates made to section 1.4 of the verification report are sufficient to close this finding. No further action is required in respect of this finding.

Finding 5

Section 5.3.6 of the *VCS Standard*, version 3.7, requires VVBs to prepare a validation report using the *VCS Validation Report Template* and adhere to all instructional text within the template.

Section 3.1 of the *VCS Validation Report Template* requires VVBs to identify, discuss and justify conclusions regarding the project scale and estimated GHG emission reductions.

Although section 3.1 of the verification report, which describes the gap validation process and findings, includes a description of project scale, it does not specify the estimated annual GHG emission reductions.

The VVB is requested to update section 3.1 of the verification report to identify and discuss the estimated annual emission reductions.

VVB Response:

Section 3.1 of report has been updated with mention of estimated emission reduction. The annual estimated emission reductions are 3541917 t CO₂ which is more than 300000, hence project scale is considered as “Large project”

Verra Response:

The updates made to section 3.1 of the verification report are sufficient to close this finding. No further action is required in respect of this finding.

2 MINOR FINDINGS

No minor findings were raised.

3 ASSESSMENT CONCLUSION

Five assessment findings were issued on 24 May 2018. The responses provided by the VVB on 25 May 2018 were sufficient to close the five assessment findings.