

PROJECT REVIEW REPORT

This project review report includes findings raised during Verra's review of the project specified below. The VVB 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	3812
Project Name	The Painted Forest Carbon Project
Review Type	Registration and Verification
Program(s)	VCS Program
Project Proponent	Perimeter Forest Limited Partnership
Methodology	VM0012: Improved Forest Management in Temperate and Boreal Forests (LtPF), v1.2
VVB	Aster Global Environmental Services, Inc.
Assessment Criteria	VCS Standard, v4.7
Date of First Issue	04 July 2025
Review Conclusion	Approved
Date of Final Issue	10 October 2025

FINDINGS

#	Finding Description	VVB Response	Status
1	KML file includes ineligible areas within the project polygon		
	<u>Issue</u> The KML file polygons include ineligible and non-forested areas, i.e., roads, water bodies, and infrastructure. <u>Action Required</u> 1. The VVB must ensure the KML file accurately depicts the unique land parcels of the project area and includes only eligible areas, i.e., roads, water bodies, and infrastructure should be excluded from the polygons. 2. The VVB must ensure that the GHG ERRs calculation are updated accordingly. 3. The VVB shall provide the steps taken to assess that the KML file meets all the requirements of Section 3.11.2 of the VCS Standard, v4.7. <u>Program rule:</u> VCS Standard v4.7, Sections 3.11.2	Round 1 <u>VVB Response</u> The VVB confirmed that non-forested areas were removed from the eligible crediting areas. Please refer to Finding #11 in the Issues Log attached to the final Val/Ver Report. The VVB believes the KML file to which Verra refers in the finding was an older version originally uploaded with the initial project documentation. The final version is “Painted_v01_08_01_netdown_final.kml”, which should contain the final boundary with ineligible areas removed. The VVB understands the Project Proponent has now uploaded the revised file to the Verra Hub. <u>Verra Response</u> The KML file has been updated to exclude the ineligible and non-forested areas. Round 2 <u>VVB Response</u> (Pending) <u>Verra Response</u> (Pending) Round 3 <u>VVB Response</u> (Pending) <u>Verra Response</u> (Pending)	Open
2	Potential error in code provided by Canadian Forest Service (CFS)		
	<u>Issue</u> It is unclear if a previously identified error in the code provided by the Canadian Forest Service (CFS) for converting Remsoft Woodstock files into carbon budget model (CBM) readable files	Round 1 <u>VVB Response</u> The VVB confirms the project is not utilizing the code for converting Remsoft Woodstock files. The Project has sent an explanation stating “the CFS code being referenced is	Open

	is relevant to the ERR calculation for this project. <u>Action Required</u> 1. The VVB must clarify if the project is utilizing code for converting Remsoft Woodstock files as described above. 2. The VVB must assess the code for errors that might impact the ERR calculation (see Background). <u>Program rule:</u> VCS Standard, v4.7 Section 2.2.1 Principle of Accuracy <u>Background</u> VCS Project 3018 underwent a quality control review in which an error in the code provided by the CFS used for converting Remsoft Woodstock files into carbon budget model (CBM) readable files impacted the age-class distribution of the forest inventory, and ultimately, the ERR calculations for the monitoring period in question. The quality control review report (QCRR) in which this issue was raised and closed is publicly available here: https://registry.verra.org/app/projectDetail/VCS/3018.	known as the ‘Remsoft Spatial Planning System (Woodstock) Import Tool’. It was designed to import an existing Remsoft SIT formatted excel spreadsheet or MS Access database to a CBM3 project database from the Remsoft command line. The CFS code was not used for the purpose of converting the Remsoft files to carbon budget model (CBM) readable files. All work was completed directly from standard Remsoft exports. Specifically, the Remsoft ‘activity report’ was used as a base from which a pivot table was built, pasted into additional sheets and CBM specific column formatting added. File reference: ‘BSL_DistEvents_Processing.xlsx’ was reviewed as evidence.” The VVB confirms the process is occurring as they have described and as we have previously confirmed in our check of the referenced file. <u>Verra Response</u> Clarification has been provided on the conversion of Remsoft Woodstock files. This finding is closed and no further action is required. Round 2 <u>VVB Response</u> (Pending) <u>Verra Response</u> (Pending) Round 3 <u>VVB Response</u> (Pending) <u>Verra Response</u> (Pending)	
3	Missing information on the project implementation status <u>Issue</u> Section 4.1 of the PD/MR does not provide sufficient detail of the implementation status of the project activity – more specific	Round 1 <u>VVB Response</u> The VVB reviewed the implementation status during	Open

	details are needed on what activities have been implemented during this monitoring period that lead to ERRs. <u>Action Required</u> 1. The VVB must ensure that section 4.1 of the PD/MR is revised to provide more information on the implementation status of the project activity, for example, information on the operation of the project activity during the monitoring period, any loss of carbon stocks, etc.. 2. The VVB must assess the revised PD/MR and update the VVR as needed. <u>Program rule</u> VCS Project Description & Monitoring Report, v4.4, Section 4.1	verification and confirmed it was sufficient. However, that section of the PD/MR was light on detail, so the Project Proponent has revised Section 4.1 to provide additional information on the implementation status of the project. As this was the initial validation and simultaneous verification, there were no changes to any implementation that had been stated previously in the PD/MR. There were no harvests, disturbances, or other loss of carbon stocks. Section 4.1 of the VVR has been slightly updated to include this assertion. <u>Verra Response</u> Section 4.1 of the PD/MR has been updated to provide sufficient detail of the implementation status of the project activity. This finding is closed and no further action is required. Round 2 <u>VVB Response</u> (Pending) <u>Verra Response</u> (Pending) Round 3 <u>VVB Response</u> (Pending) <u>Verra Response</u> (Pending)	
--	--	---	--

4	Unclear implications about the FAR raised in the current monitoring period		
	<u>Issue</u>	Round 1	Open

Section 2.5.1 of the VVR reports the raising of a FAR for the future verifications to require “that the status of this lease option agreement be tracked”, however, it is unclear whether the impact of this lease option has been assessed in the NPRR of the project, for instance, impact on project longevity and land tenure and resource access/impacts. <u>Action Required</u> The VVB must ensure that they provide sufficient justification that the described lease option does not materially impact the non-permanence risk rating of this verification request. <u>Program rule</u> VCS Standard, v4.7 Section 2.2.1 Principle of Accuracy; AFOLU Non-permanence risk tool v4.2, Section Table 1.4 and 2.1	<u>VVB Response</u> In a meeting between Verra, Perimeter Forest, and Aster Global on 16 April 2025, it was discussed and determined that, should the wind lease be exercised, the total area of <250 hectares would be removed from the project, and that no further changes to the project’s boundaries, baseline, additionality, risk assessment, or quantification of VCUs is necessary unless and until the Wind Power Developer exercises its right to develop. The area is not defined, and the total size is not known. However, at the time the lease option is exercised and at the next verification event, the developer would treat the area as a loss of a project activity instance and of all previously verified reductions and removals associated with the instance. This is in line with the VCS Standard Section 3.2.18(1). It is unclear why this question is being asked, as the VVB believes that Verra had the same understanding as us after the 16 April 2025 meeting. However, we have re-reviewed the risk assessment and note that the only item this lease agreement could materially impact is Table 6, Question 3. Note ownership and resource access or use rights are still held by the same entity, as the lease option has not been exercised, so no change to the risk score is required. Further, the project longevity would not be affected and is still a 100-year crediting period. <u>Verra Response</u> The explanation provided is sufficient. This finding is closed and no further action is required.	
--	--	--

		Round 2	
		<u>VVB Response</u> (Pending)	
		<u>Verra Response</u> (Pending)	
		Round 3	
		<u>VVB Response</u> (Pending)	
		<u>Verra Response</u> (Pending)	

5 Missing excel ERR calculation sheet			
	<u>Issue</u> 1. The ERR Excel sheet is provided in PDF format instead of excel format. 2. Unclear if all the model input parameters are provided in the supporting documentation. <u>Action Required</u> 1. The VVB must ensure that the ERR Excel is submitted for Verra Review. 2. The VVB must clarify which supporting documentation includes the model input parameters <u>Program rule</u> VCS Standard, v4.7 Section 2.2.1 Principle of Accuracy, Principle of Transparency	Round 1 <u>VVB Response</u> It appears the Project Proponent included the file as a PDF in the listing process, as it was not able to provide the Excel file for some reason. However, the worksheet entitled VM0012_Workbook_ERR Calc.xlsx has now been provided, and its contents reviewed and confirmed during the V/V process (see the various VM0012_Workbook files provided and reviewed in Appendix 2 of the VVR). The model input parameters were reviewed during the V/V process. Please refer to the VVR, Section 3.4.6, page 62, for details of this assessment. It states <i>“The Project provided both Woodstock and CBMCFS3 model input files and output files and supporting documentation to describe the modeling and parameterization process used by the Project which were subsequently reviewed by the VVB.”</i> Section 5.1 (Page 90) of the PDMR includes details of the calibration of CBM-CFS3 that was confirmed in V/V. The Proponent has stated they have now uploaded the Excel file to the Hub.	Open

		<u>Verra Response</u> The ERR Excel sheet is now provided and all the model input parameters have been provided to and assed by the VVB. This finding is closed and no further action is required.	
		Round 2	
		<u>VVB Response</u> (Pending)	
		<u>Verra Response</u> (Pending)	
		Round 3	
		<u>VVB Response</u> (Pending)	
		<u>Verra Response</u> (Pending)	