

PROJECT REVIEW REPORT

Project ID	603
Project Name	SIRMA Run-of-river hydro project
Program(s)	VCS
Verification Period	01 July 2013 – 05 June 2019
Project Proponent	Elen Enerji Üretimi Sanayi Ticaret A.Ş.
Methodology	AMS-I.D., Grid connected renewable energy generation, v.18
Sectoral Scope(s)	1. Energy (renewable/non-renewable)
Validation/Verification Body (VVB)	RINA Services SPA
Assessment Criteria	VCS Standard, v4.0
Date of First Issue	14 July 2021
Date of Final Issue	<pending>

Summary:

An accuracy review of the SIRMA Run-of-river hydro project crediting period renewal and 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 six assessment 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 six assessment findings must be addressed to the satisfaction of Verra.

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

1. ASSESSMENT FINDINGS

Finding 1

Section 4.1.20(2) of the *VCS Standard, v4.0* states that “a validation/verification body may not verify more than six consecutive years of a project’s GHG emission reductions or removals.”

RINA Services verified the monitoring period of 01 January 2011 – 30 June 2013, and has verified the period of 01 July 2013 – 05 June 2019 in addition to a concurrent crediting period renewal.

The VVB is requested to clarify how the requirements of Section 4.1.20(2) of the *VCS Standard* when over 6 consecutive years of emissions reductions have been verified by RINA.

VVB Response: Frankly, this rule is starting to push us VVBs a lot. Since there are only two companies in Turkey, it also causes unfair competition. I give an example; Since I know that for a project’s verification cannot perform with other VVBs, I can offer a much higher pricing to the company that request me for an offer.

In addition, since we cannot see the documentation at the contract stage, we do not know or follow how many years we have worked with before, whether the verification process has been carried out with another company or not, and how many years we will be able to verify after the acceptance of the prepared proposal. Frankly, we don't even know which years we will confirm for verification.

Verra Response:

The project proponent was granted an exemption from Section 4.1.20(2) of the *VCS Standard, v4.0*. No further exemptions will be granted to this project proponent on Section 4.1.20(2) of the *VCS Standard, v4.0*.

Finding 2

Section 3.4.1 of the *VCS Standard, v4.0* states that project proponents shall use the appropriate *Project Description Template* and adhere to all instructional text within the template.

Section 1.1 of the *VCS Joint Project Description & Monitoring Report Template* requires the estimated annual ERRs for the project over the course of the crediting period.

Section 1.1 of the joint project description & monitoring report does not include the estimated annual ERRs.

The project proponent is requested to update Section 1.1 to include the estimated annual ERRs for the project over the course of the crediting period.

VVB Response:

It is now confirmed that estimated annual ERRs have now been included in Section 1.1 of *VCS Joint Project Description & Monitoring Report*.

Verra Response:

Section 1.1 of the joint project description & monitoring report has been updated to include the estimated annual ERRs. This finding is closed.

Finding 3

Section 3.4.1 of the *VCS Standard, v4.0* states that project proponents shall use the appropriate *Project Description Template* and adhere to all instructional text within the template.

Section 6.5 of the *VCS Joint Project Description & Monitoring Report Template* requires an equation to quantify the net ERRs.

Section 6.5 of the joint project description & monitoring report does not include a net ERR equation.

The project proponents is requested to update Section 6.5 of the joint project description & monitoring report to include a net ERR equation.

VVB Response:

It is now confirmed that net ERR equation has now been included in Section 6.5 of VCS Joint Project Description & Monitoring Report.

Verra Response:

Section 6.5 of the joint project description & monitoring report has been updated to include a net ERR equation. This finding is closed.

Finding 4

Section 3.4.1 of the *VCS Standard, v4.0* states that project proponents shall use the appropriate *Project Description Template* and adhere to all instructional text within the template.

Section 3.2 of the *VCS Joint Project Description & Monitoring Report Template* requires a description and assessment of the applicability conditions of the methodology and their relevance to the project.

Section 3.2 of the joint project description & monitoring report includes template language.

The project proponents is requested to update Section 3.2 of the joint project description & monitoring report to include a description and assessment of the applicability conditions of the methodology.

VVB Response:

It is now verified that applicability conditions of the methodology have now been included in Section 3.2 of VCS Joint Project Description & Monitoring Report.

Verra Response:

Section 3.2 of the joint project description & monitoring report has been updated to include a description and assessment of the applicability conditions of the methodology. This finding is closed.

Finding 5

Section 3.8.9(1) of the *VCS Standard, v4.0* states that “regulatory surplus shall be demonstrated in accordance with the requirements set out in the VCS Program rules and the project description shall be updated accordingly.”

Section 3.5 of the joint project description & monitoring report does not assess regulatory surplus in accordance with Section 3.8.9 of the VCS Standard.

The project proponent is requested to assess regulatory surplus and the VVB is requested to evaluate the project proponent's assessment.

VVB Response:

I agree with the statement made by the project owner. Renewable energy projects (eg hydroelectric projects) in Turkey are not mandated by any mandatory law, statute or other regulatory framework. Therefore, the project owner is not bound by any legal authority to implement the project activity. The energy sector in Turkey has been privatized and the installation of hydroelectric power plants is under the initiative of private companies, provided that they obtain a license from EMRA (Energy Market Regulatory Authority). The necessary explanation is now added to Section 3.5 of the VCS Joint Project Description & Monitoring Report.

Verra Response:

Section 3.5 of the joint project description & monitoring report has been updated to assess regulatory surplus in accordance with Section 3.8.9 of the VCS Standard. The VVB has provided an assessment of the same. This finding is closed.

Finding 6

Section 3.1.2 of the VCS Standard v4.0 states that “methodologies shall be applied in full, including the full application of any tools or modules referred to by a methodology.”

Section 5.5(23).a of AMS-I.D. states that the data of the year in which project generation occurs must be used to calculate the emissions factor.

Section 3.2.1 of the joint project description & monitoring report does not include the dates of the grid emissions factors used to calculate the baseline scenario.

The project proponent is requested to update Section 3.2.1 of the joint project description & monitoring report to include the year of the data of the grid emissions factor used to determine the baseline scenario.

VVB Response:

It is now confirmed that the year of the data of the grid emissions factor have now been included in Section 3.2 of VCS Joint Project Description & Monitoring Report.

Verra Response:

Section 3.2.1 of the joint project description & monitoring report has been updated to include the year of the data of the grid emissions factor used to determine the baseline scenario. This finding is closed.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 15 July 2021 Verra concluded a review of the joint crediting period renewal and verification approval request for the SIRMA Run-of-river hydro project and raised the six assessment findings detailed above.

On 15 July 2021 Verra submitted the review report to the VVB RINA and the project proponent Elen Enerji Üretimi Sanayi Ticaret A.Ş.

On 24 September 2021 Verra receive responses from the VVB RINA and the project proponent Elen Enerji Üretimi Sanayi Ticaret A.Ş. As a result of finding one, it was determined an exemption from Section 4.1.20(2) of the *VCS Standard, v4.0* would need to be requested.

On 23 December 2021 Verra approved the exemption request from the project proponent noting that no further exemptions from this requirement would be granted. Verra determined the responses were sufficient to close the project review, however the review report needed further edits.

On 21 January 2021 the VVB RINA submitted an updated project review report.

On 15 February 2021 Verra determined that the review report was updated appropriately. Verra closed the report and approved the joint crediting period renewal and verification approval request.