

PROJECT REVIEW REPORT

Project ID	1146
Project Name	The Hyundai Waste Energy Recovery CO-Generation Project Phase II
Program(s)	VCS
Verification Period	01 June 2013 to 30 June 2017
Project Proponent	Hyundai Green power CO., Ltd.; Hyundai Steel Mill CO., Ltd
Methodology	ACM0012, Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects, version 4.0
Sectoral Scope(s)	Sectoral Scope 1: Energy (renewable/non-renewable), Sectoral Scope 4: Manufacturing industries
Validation/Verification Body (VVB)	China Classification Society Certification Company (CCSC)
Assessment Criteria	VCS Standard, v4.0, ACM0012, v4.0
Date of First Issue	16 February 2021
Date of Final Issue	<pending>

Summary:

An accuracy review of the The Hyundai Waste Energy Recovery CO-Generation Project Phase II 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 ten 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 ten 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 3.4.3 of the *VCS Standard, v4.0* 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 and other binding limits and provide evidence that the GHG emission reductions or removals are not double-counted.

Section 1.10 of the monitoring report does not mention any information on emission trading programs and other binding limits.

The project proponent is requested to update Section 1.10 of the monitoring report to include this information. The VVB is requested to assess the information accordingly.

VVB Response:

According to Korean Emission Trading Scheme (KETS), all power companies should be involved in KETS as compliance company even the fuel consumed is the waste gas. So the project proposer: Hyundai greenpower is also a compliance company in KETS.

But according to the allowance allocating regulation of KETS, the implementation of project will neither cause any change of allowance allocation nor cause any GHG reduction double-counted.

Related information has been updated in Monitoring Report, also, a letter of assurance has been received from project proposer to confirm that the proposed project is not register with another GHG program other than VCS.

Verra Response:

Section 1.10 of the monitoring report has been updated to include information about emission trading programs and other binding limits. The finding is now closed and no further response is required.

Finding 2

Section 3.4.3 of the *VCS Standard, v4.0* states that “the project proponent shall use the VCS Monitoring Report Template...and adhere to all instructional text within the template”.

Section 2.2 of the *VCS Monitoring Report Template, v4.0* instructs the project proponent to describe how due account of all and any input received during ongoing communication has been taken into consideration.

Currently, Section 2.2 of the monitoring report does not indicate if any input was received during the monitoring period.

The project proponent is requested to update Section 2.2 of the monitoring report to include this information. The VVB is requested to assess the information accordingly.

VVB Response:

The information of actions to response the stakeholders' comments has been updated in Monitoring Report.

Verra Response:

Section 2.2 of the monitoring report has been updated to include information about any comments received. This finding is now closed and no further action is required.

Finding 3

Section 3.4.3 of the *VCS Standard, v4.0* 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* requests the project proponent to describe any information on events that may impact the GHG emission reductions or removals and monitoring.

While Section 3.1 of the monitoring report states that generators have shut down several times, no information about when the shutdown occurred is shared.

The project proponent is requested to include this information in Section 3.1 of the monitoring report. The VVB is requested to assess this information accordingly.

VVB Response:

The information about shutdown during the monitoring period has been received from project proponent, also related information has been updated in Section 3.1 of the Monitoring Report.

Verra Response:

Section 3.1 of the monitoring report has been updated to include information about generator shutdowns. This finding is now closed and no further action is required.

Finding 4

Section 3.4.3 of the *VCS Standard, v4.0* states that “the project proponent shall use the VCS Monitoring Report Template...and adhere to all instructional text within the template”.

Section 3.2.2 of the *VCS Monitoring Report Template, v4.0* requests the project proponent to describe and report any project description deviations and assess the impacts of the deviations.

Section 3.2.2 of the monitoring report describes a project description deviation that has occurred but does not identify whether the deviation impacts the applicability of the methodology, additionality, or the appropriateness of the baseline scenario.

The project proponent is requested to include this information in Section 3.2.2 of the monitoring report. The VVB is requested to assess this information accordingly.

VVB Response:

Through the document review and the onsite visit, the assessment team confirms that the project was implemented according to the registered monitoring plan and applied methodology. Only minor changes in the monitoring and measurement section from registered PD. The Verification process for the project did not identify any deviations from the ACM0012 methodology, thus, the deviation of proposed project will not impact the applicability of the methodology, additionality, or the appropriateness of the baseline scenario. The GHG emission has been calculated by conservative approach. The related information has been updated in Monitoring Report and Verification Report as well.

Verra Response:

Section 3.2.2 of the monitoring report has been updated to include information on the project description deviation. The VVB is requested to update Section 3.3 of the verification report accordingly as well.

Verra Response:

Section 3.3 of the verification report has been updated to include the information of the project description deviation. This finding is now closed and no further response is required.

Finding 5

Section 3.4.3 of the *VCS Standard, v4.0* states that “the project proponent shall use the VCS Monitoring Report Template...and adhere to all instructional text within the template”.

Section 4.3 of the *VCS Monitoring Report Template, v4.0* instructs the project proponent to describe the implementation of sampling approaches to the monitored data and parameters.

Section 4.3 of the monitoring report does not include any information on sampling approaches.

The project proponent is requested to include this information in Section 4.3 of the monitoring report. The VVB is requested to assess this information accordingly.

VVB Response:

Since the project has only one site location, the implementation of sampling approaches is not applicable.

Verra Response:

This finding is now closed and no further response is required.

Finding 6

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 1.3 of the *VCS Verification Report Template, v4.0* instructs the VVB to indicate the level of assurance of the verification.

Section 1.3 of the verification report does not clearly indicate the level of assurance of the verification.

The VVB is requested to update Section 1.3 of the verification report to include this information.

VVB Response:

CCSC has carried out the verification work to a reasonable level of assurance as per the requirement of the VCS Standard, v4.0 and ISO 14064-3:2019. Section 1.3 of the verification report has been updated that clearly indicate the level of assurance.

Verra Response:

Section 1.3 of the verification report has been updated to state that a reasonable level of assurance has been achieved. This finding is now closed and no further response is required.

Finding 7

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 assess whether the project has participated or been rejected under any other GHG programs, has received or sought any other form of environmental credit or has become eligible to do so, and whether the GHG emission reductions or removals generated by the project have become included in an emission trading program or other mechanisms.

Section 4.1 of the verification report does not include this information.

The VVB is requested to update Section 4.1 of the verification report to include this information.

VVB Response:

By checking the letter of assurance provided by the project owner, CCSC confirm that The project is not included in any emissions trading programs or any other mechanisms. The net GHG emission reductions generated by the Project during this monitoring period have not been used for compliance under any emission trading programs or mechanisms.

In addition, the project has not sought or received any other form of GHG-related environmental credit including renewable energy certificates during this monitoring period.

All the information above has been included in the Section 4.1 of the updated verification report.

Verra Response:

Section 4.1 of the verification report has been updated to state that the project has not participated or been rejected under any other GHG programs, received or sought any other form of environmental credit or become eligible to do so, and that the project is not included in an emission trading program or other mechanisms.

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

Finding 8

Section 4.1 of the verification report states that the data unit for parameter “LNG consumed on-site for power generation” (p.20) is M³. In the monitoring report, the data unit for the same parameter is stated as Nm³ (p.18).

The project proponent and the VVB are requested to clarify the data unit for this parameter.

VVB Response:

The unit of the parameter “LNG consumed on-site for power generation” (p.20) has been revised to be Nm³, which is consistent with the MR and validation report.

Verra Response:

Section 4.1 of the verification report has been updated, and the data unit is now consistent with the monitoring report. This finding is now closed and no further action is required.

Finding 9

Section 4.1.8(2) of the *VCS Standard, v4.0* states that “the criteria for verification shall be the *VCS Version 4...*”

Section 5 of the verification report states that the verification was performed based on the requirements set out in *VCS Version 3.7*.

The VVB is requested to update Section 5 and other related sections of the verification report to reflect the rules and requirements in the *VCS Standard, v4.0*.

VVB Response:

The Version number of VCS Standard was a typo. It has been revised as Version4.0 in the updated Verification report.

Verra Response:

Section 5 of the verification report has been updated to reflect the correct version of the VCS Standard (v4.0). This finding is now closed and no further response is required.

Finding 10

The project title in the monitoring report is “The Hyundai Steel Waste Energy Recovery CO-Generation Project Phase II”. In contrast, the project title in the verification report is “Hyundai Waste Energy Recovery Co-generation Project Phase II”.

The project proponent and VVB are requested to clarify the project titles in the monitoring and verification reports.

VVB Response:

The project title in the verification report has been revised to be “The Hyundai Steel Waste Energy Recovery CO-Generation Project Phase II”, which is consistent with the registered VS-PD and the validation report.

Verra Response:

The project title in the verification report has been updated to be consistent with the monitoring report. This finding is now closed and no further action is required.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 16 February 2021, Verra conducted a review of the verification approval request for project ID 1146, The Hyundai Waste Energy Recovery CO-Generation Project Phase II, the results of which can be found above. The project review report was sent to CCSC with ten assessment findings and no minor findings.

On 11 March 2021, Verra received responses to the findings above. The responses were sufficient to close all findings except Finding 4. The updated project review report was sent to CCSC and the project proponent.

On 22 March 2021, Verra closed all assessment findings and no further action was required.