

PROJECT REVIEW REPORT

Project ID	1903
Project Name	VTRM Renewable Energy 2
Program(s)	VCS
Verification Period	01 March 2019 – 30 September 2020
Project Proponent	VTRM ENERGIA PARTICIPAÇÕES S.A.
Methodology	ACM0002: “Grid-connected electricity generation from renewable sources” (version 19.0)
Sectoral Scope(s)	1. Energy (renewable/non-renewable)
Validation/Verification Body (VVB)	RINA Services s.p.A
Assessment Criteria	VCS Standard, v4.0
Date of First Issue	24 May 2021
Date of Final Issue	6 August 2021

Summary:

An accuracy review of the VTRM Renewable 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 one assessment finding and no minor findings, detailed below. The VVB, in coordination with the project proponent, is hereby required to provide a response to the assessment finding presented in Section 1. The assessment finding 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 4.1.8(4) of the *VCS Standard, v4.1* states that “the threshold for materiality with respect to the aggregate of errors, omissions and misrepresentations relative to the total reported GHG emission reductions and/or removals shall be five percent for projects and one percent for large projects.”

Section 1.7 of the project description for Project 1903 states that the project is a large project.

Section 1.3 of the verification report states that “RINA applies materiality threshold of 5 per cent with respect to omission or misstatement concerning reported quantities as per VCS Standard.”

The VVB is requested to clarify the threshold for materiality applied to this verification and to update the verification report, as needed.

VVB Response: Section 1.3 was updated accordingly to address the question.

Verra Response:

Section 1.3 of the verification report was updated to clarify that RINA applied a 1% materiality threshold for the verification. The VVB is now requested to clarify what percentage was ultimately achieved by the verification.

VVB Response: Section 1.3 was updated accordingly to address the question.

In accordance with the VVS, paragraph 326 the threshold applied for the project activity is (b) 1 per cent of the emission reductions or removals for project activities achieving a total emission reduction or removal of between 300,000 and 500,000 tonnes of carbon dioxide equivalent per year.

A remote audit has been performed on 28 December 2020 and it is confirmed that the monitoring arrangements in the monitoring plan are feasible within the project design. The monitoring is based only on data measured. The CERs calculation is based only in data obtained through the monitoring. The data presented in the monitoring report were assessed by reviewing in detail project documentation, collection of monitored data, observation of established monitoring and reporting practices and assessment of the reliability of monitoring equipment. The implementation of the project activity was verified through pictures and videos taken during the remote audit by PP. Data for energy generation is publicly available by CCEE and emission factor is published available by the Brazilian DNA and could be confirmed remotely.

Therefore, it is RINA’s opinion that the claimed emission reductions are free from material errors, omissions or misstatements, with reasonable level of assurance.

Verra Response:

Section 1.3 of the verification report has been updated to clarify the level of assurance of the verification. This finding is closed, and no further action is required.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 24 May 2021, Verra sent RINA Services s.p.A the project review report with one assessment finding and no minor findings.

On 8 July 2021, Verra sent RINA Services s.p.A the project review report with Assessment Finding 1 open.

On 6 August 2021, Verra closed the review and no further action was required.