



Gold Standard[®]
for the Global Goals

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **16.07.2020**

Version **3.0**

A. To be completed by Gold Standard

1| Decision

1.1 | **Date** - 15/09/2020

1.2 | **Decision**

Change in the installed capacity: Since the project is registered with GSV2.2 and seeking transition from GSCERs to GSVER, the project may submit the design change request to GS without CDM approval. The deviation request is approved.

Note that, according to GS4GG Principle and Requirements (paragraph 4.1.49.C), **a project with a Certified Design requesting to include a new technology/measures shall submit the request for approval of design change to Gold Standard within one year of the start date of the proposed technology/measures (design change component)**. The project started the operation with the increased installed capacity in 2015. Due to the more than one year gap in operation start date with changed capacity and submission of design change request for approval, the request for the change in installed capacity can not be accepted. Therefore, the project may transition to GSVERs with registered project capacity only.

Change in the Crediting period start date:

Considering the delays in implementation, the project request to change the crediting period to **"29/06/2015 to 28/06/2021"** is approved.

The project shall submit the requests for transition to GSVERs and design change approval following the procedure outlined in Annex 1, Principles and requirements and together. Also, as part of the design change memo, the project developer shall also propose an appropriate method to differentiate/allocate electricity generation by the registered capacity for emission reduction calculation.

- B. To be completed by the Project Developer/Coordinating and Managing Entity and/or VVB requesting deviation** (Please submit complete deviation request form in Microsoft Word format)

2| Background information

The Kamojang project developed by PT. Pertamina Geothermal Energy (PGE), is a geothermal power plant in West Jawa, Indonesia. As per the registered PDD, the net installed capacity of power plant is 30 MW with an estimated power generation of 236.52 GWh per annum. The generated power will be supplied to the to the Jamali Interconnected grid through the Perusahaan Listrik Negara (PT. PLN (Persero), state-owned electricity company) operator. The annual average GHG emission reduction amount is 156,669 tCO₂e. The project has been registered under CDM and Gold standard (version 2.2). The crediting period covers 01/01/2014 to 31/12/2020.

There are two main changes in the project activity; the start date of project operation and the design change. The project started an operation on 29/06/2015. The actual commercial date deviates from the date mentioned in the registered PDD. The actual capacity of power plant installed is changed from 30 MW to 35 MW. This change results to the annual average GHG emission volume of 185,840 tCO₂e. With this change, the amount of carbon credits based on the increased capacity is less than 20% of the capacity specified in the originally registered PDD.

Deviation Reference Number	DEV_155	
Date of decision	15/09/2020	
Date of submission	20/08/2020	
Project/PoA/VPA	<input checked="" type="checkbox"/> Project	ID – GS2418
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	Project Kamojang Unit 5 PT. Pertamina Geothermal Energy	
Location of project/PoA/VPA	Indonesia	
Scale of the project/PoA/VPA	<input type="checkbox"/> Microscale <input type="checkbox"/> Small scale <input checked="" type="checkbox"/> Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	https://registry.goldstandard.org/projects/details/334	
Status of the project/PoA/VPA	<input type="checkbox"/> New <input type="checkbox"/> Listed <input checked="" type="checkbox"/> Certified design <input type="checkbox"/> Certified project	
Title/subject of deviation	Submission design change under GS4GG	
Specify applicable rule/requirements/methodology and version number	Requirements <ul style="list-style-type: none"> Principles & Requirements v. 1.2 dated 23/10/2019 Transition Requirements v. 1.1 dated 01/03/2018 Methodologies <ul style="list-style-type: none"> ACM0002 Grid connected electricity generation from renewable sources version 20.0. 	
Specify the monitoring period for which the request is valid (if applicable)	Start date	End date
Submitted by	Contact person name: Tanushree Bagh	
	Email ID: t.bagh@southpole.com	
	Organization: South Pole Carbon Asset Management Ltd.	
	Project participant: Yes <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
Validation and Verification body (VVB opinion shall be included, where required by the applicable rules/requirements or request is submitted by the VVB).	Yes <input type="checkbox"/> NO <input checked="" type="checkbox"/> If yes; VVB name: Auditor name:	

3| Deviation detail

3.1 | Description of the deviation:

Use the space below to describe the deviation and substantiate the reason for requesting deviation from applicable rules/requirements. Please include all relevant information in support of the request. You are requested to follow the principles for guidelines for requesting deviations, given in the Deviation Approval Procedure.

Submission of design change approval:

The main deviation is relevant to the submission process of post registration change (PRC) as per the requirement of CDM and Gold standard. As mentioned previously, two main changes are a design capacity change and the start date of project operation. The proposed deviation is described as follow.

1. Design capacity change

The project has been registered under CDM and Gold standard (version 2.2). With the low price of carbon market and uncertainty of Paris rule book, the change is not submitted properly to CDM EB and Gold Standard yet. For this reason, the project proponent (PP) would not be able to comply with paragraph 131 of CDM project cycle procedure v02 due to the change relate to an increase in capacity happened before 31 August 2018. This change shall be submitted a request for approval by the board before the change by 31 August 2020. With the short period of timeframe, PP may not be able comply this requirement under CDM. However, this change could be submitted to Gold Standard in order to request for PRC approval accordingly.

2. The start date of project operation

With this change as mentioned in the background information, the start date of crediting period (CP) would be updated as per the actual operation date. The change to the start date of CP can be submitted together with the above change during the request for approval of PRC. The CP will be changed from "01/01/2014 to 31/12/2020" to "29/06/2015 to 28/06/2021". The further evaluation on the impact of change will be conducted as per the GS's requirement.

As per the above changes, the project would not be fully complied with CDM's requirement and issue credits due to the unclear situation of CER issuance after post 2020. It would be a good chance to transition this project to voluntary market by considering the issuance of GS-VERs. For this reason, the project may continue under Gold standard only without CDM component. This could be an alternative option that PP would implement this project and claim the climate impact under GS4GG's requirement. To ensure the project is carried out according to the latest requirement of the GS transition and the request for approval of design changes as per Annex A, paragraph 4.1.2 of the principle and requirement. The assessment of this deviation is explained in following section.

VVB opinion (if applicable):

.....

3.2 | Assessment of the deviation:

Use the space below to describe how the deviation complies with the requirements, and accuracy, completeness, conservativeness, as applicable is ensured. Please include all relevant information in support of the request.

Submission of design change	
<p>The project proponent will follow the requirement of Annex A paragraph 4.1.2 of GS4GG principle requirement within the scope of assessment as following table. The project documents will be updated as per the GS transition’s requirement.</p>	
Scope of assessment	Justification
(a) Additionality	The impact of the changes; the addition of installed capacity and the start date of project operation will be evaluated. The additionality will be demonstrated in the revised PDD. The investment analysis will be updated as per the actual situation.
(b) Project scale	With the change of installation capacity, the project scale is still categorized as a large scale. The current methodology is applicable to the project activity.
(c) Applicability of methodology	The validity of baseline scenarios on the CO ₂ emission from the grid power generation will be evaluated as per the latest version of the applied methodology as following section. The assessment of compliance of the current baseline with relevant regulation, national or sectoral policy will be provided during the revalidation. For now, there is no impact of change on eligibility principles, criteria and requirement of the applied ACM0002.
(d) Stakeholder feedback on design change	This will be discussed if there is a need to conduct a stakeholder consultation. The project does apply the grievance mechanism in order to receive the feedback from any stakeholder. The PP will follow the stakeholder consultation and engagement requirement. This will be evaluated during the revalidation of design change request.
(e) Sustainable development assessment	This will be updated in the revised PDD and during GS transition. The assessment against the latest requirement will be provided to VVB and Gold standard.
(f) Monitoring and Reporting plan	The current monitoring plan is still inline the applied methodology. However, this will be updated as per of GS transition.
(g) Legislation	This can be validated during the request for design change approval. The relevant operation license and its validity will be submitted to VVB during the revalidation process.
<p>VVB opinion and recommendation (if applicable):</p> <p>.....</p>	

3-3 | Impact of the deviation:

Use the space below to describe the impact of the deviation on project design, safeguarding principles assessment, SDG assessment, emissions reductions, monitoring frequency, data quality, potential risk or any other relevant aspect of the project. Please substantiate the impact assessment with relevant and verifiable data/information.

Following to proposed deviation, the impact will be evaluated as follow;

1 – Project design
Explanation:
 There are changes in the project design on additional installed capacity and start date of the operation. Technology type is the same as in the registered PDD. The monitoring plan is implemented in comply with the applied methodology (ACM0002). The request for approval of design changes under GS component will be fully in line with GS’s requirement. The request on design change will be submit to GS prior to request for issuance.

2 – Safeguarding principles assessment:
Explanation:
 The project has been registered under GS version 2.2. The project shall be evaluated the current implementation against latest version of Safeguarding principles and requirements. To ensure project complied with the safeguarding principles, the assessments of social, economic and environmental & ecological aspects shall be re-validated during the request for approval of design changes.

3 – SDG assessment
Explanation:
 The SDG impact of the project will be assessed during the GS transition and revalidation on design change. The following SDGs impacts would be demonstrated in the revised GS documents; SDG 7, SDG 8 and SDG 13. The identification and justification under each SDG will be provided and validated by the appointed VVB.

4 – Emission reductions
Explanation:
 The ex-ante calculation of emission reduction will be re-validated by VVB as per scope of assessment as mentioned previously. The ex-ante value of the project activity will be different from the previous one due to the design change.

5 – Monitoring frequency
Explanation:
 The Monitoring frequency will be updated as per the applied methodologies requirement. For now, there is no change in this component.

6 – Data quality
Explanation:
 The data quality will be inline the requirement of the applied methodologies. The QA/QC of monitoring plan will be re-validated by VVB as well.

7 – Potential risk or any other relevant aspect of the project
Explanation:
 There is no impact on this component. This can be evaluated during the revalidation.

VVB opinion (if applicable):

3.4 | Documents:

List of documents provided