

TEMPLATE

# DEVIATION REQUEST FORM

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PUBLICATION DATE **14.1.2021**

Version **4.0**

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## A. To be completed by Gold Standard

### 1| Decision

**1.1 | Date** – 10/03/2021

**1.2 | Decision** - Approved

The deviation request is approved as follows:

- a) **For VPA 164** – the retroactive crediting period start date is extended to 21/11/2017 instead of 18/09/2018.
- b) **For VPA 173** – the retroactive crediting period start date is extended to 31/01/2018 instead of 06/01/2019.

The above decision is subject to fulfillment of the following two conditions:

- a) Complete monitoring data is available as per the requirements of the applied methodology (GS TPDDTEC version 1.0).
- b) The CME shall ensure that both VPAs are compliant with the monitoring requirements, and where gaps exist, have applied conservative approaches for estimation of emission reductions. SustainCert shall review and provide opinion on both VPAs' fulfillment with this condition.

As a follow-up action, SustainCert shall amend the CP start dates of both VPAs on the Registry, in line with this decision.

**1.3 | Is this decision applicable to other project activities under similar circumstances?**

No.

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

## 2| Background information

Deviation Reference Number	DEV_168	
Date of decision	10/03/2021	
Precedent (YES/NO)	NO	
Precedent details	N/A	
Date of submission	26/02/2021	
Project/PoA/VPA	Project	ID – GSXXXX
	<input type="checkbox"/> PoA	ID – GS1247
	<input checked="" type="checkbox"/> VPA	ID – GS7153 & GS7318
Project/PoA/VPA title	VPA 164 EcoZoom Improved Stove Programme, Uganda by Biolite Inc  VPA 173 EcoZoom Improved Stove Programme, Uganda by Biolite Inc	
Location of project/PoA/VPA	Host country(ies): Uganda	
Scale of the project/PoA/VPA	<input checked="" type="checkbox"/> Microscale <input type="checkbox"/> Small scale <input type="checkbox"/> Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	<a href="https://registry.goldstandard.org/projects/details/1415">https://registry.goldstandard.org/projects/details/1415</a>  <a href="https://registry.goldstandard.org/projects/details/1510">https://registry.goldstandard.org/projects/details/1510</a>	
Status of the project/PoA/VPA	<input type="checkbox"/> New <input type="checkbox"/> Listed <input type="checkbox"/> Certified design <input checked="" type="checkbox"/> Certified project	
Title/subject of deviation	Exceeding two years retroactive crediting	
Specify applicable rule/requirements/methodology and version number	5.1.37 The project may take into account retroactive period for performance Certification of Certified Impact Statement and /or Products. The maximum period for Retroactive Certification is two years prior to the date of Project Design Certification unless otherwise stated in a specific Methodology or Product Requirements	
Specify the monitoring period for which the request is valid (if applicable)	Start date Jan 31, 2018      End date Feb 28, 2021	
Submitted by	Contact person name: Erik Wurster	
	Email ID: erik@bioliteenergy.com	
	Organisation: BioLite	
	Project participant: Yes <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
Validation and Verification body (VVB opinion shall be included, where required by	Yes <input type="checkbox"/> NO <input checked="" type="checkbox"/>	

the applicable rules/requirements or request is submitted by the VVB).	If yes; VVB name:  Auditor name:
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### 3| Deviation detail

#### 3.1 | Description of the deviation:

*We are requesting a deviation with respect to start date of the crediting period of these two VPAs in order to allow us to go more than 2 years back from the inclusion date. The reviews for these VPAs went for as much as 7 rounds and took about two years. VPA 164 was submitted for pre-feasibility review in Q4, 2018 while VPA 173 was submitted in early 2019. We believe the long review time was due to significant delays incurred by all parties, and from an unusually high level of scrutiny that if continues, will make micro-scale projects unviable. The delays resulted in about a full year’s worth of lost credits, leading to over \$60,000 in lost revenues, not to mention to expensive staff time needed to respond to such hyper-detailed reviews.*

*Micro-scale projects like these face a reality of barely paying for themselves through the carbon revenues that result (which partially explains why BioLite also has trouble dedicating the resources to quickly resolve 7 rounds of feedback). We feel the level a scrutiny such a project receives is incongruent with its very small size, and inconsistent with the goals of micro-scale crediting schemes. Indeed, if this level of scrutiny continues, it could be the downfall of the micro-scale program. In the case of these particular VPAs, the lost revenues resulting from the delayed inclusion puts these projects in jeopardy of not being financially viable. Allowing BioLite to generate VERs back to the project start dates will make the projects viable. We believe the micro-scale approach has to return to it’s intended purpose of conducting cursory, expedited and inexpensive reviews commensurate with the very few credits they issue, thus enabling activities that would otherwise be ineligible to seek carbon market support. These micros-scale projects in LDCs are vital to Gold Standard’s core mission, and we are concerned that the level of scrutiny they receive is making them unviable.*

##### 3.1.1 | Deviation detail (to be completed by Project developer):

**VPA 164** - The start date for VPA 164 is 21-Nov-17. The project was finally included in the PoA on 18-Sept-20. Two years prior to that would result in a crediting period start date of 18-Sept-18. We are requesting that we instead be able to start the crediting period on 21-Nov-17, and therefore generate VERs from that date forward.

**VPA 173** - The start date of the project is 31-Jan-18. The project was finally included in the PoA on 6-Jan-21. Two years prior to that would result in a crediting period start date of 6-Jan-19. We are requesting that we instead be able to start the crediting period on 31-Jan-18, and therefore generate VERs from that date forward.

3.1.2 | VVB opinion (to be completed by VVB, if applicable):

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### **3.2 | Assessment of the deviation:**

3.2.1 | Deviation assessment (to be completed by Project developer):

The VPAs and implementation of the monitoring plans are fully compliant with GS requirements in all respects, except for the 2 year retroactive crediting rule. The only reason we are requesting a waiver for the 2 year retroactive crediting rule is because the review was so lengthy and arduous, causing delays that resulted in nearly a year's worth of lost credits for both VPAs, significantly higher staff costs on our side, delayed revenues, thus imposing significant financial harm to the project. There are many aspects of the projects that lead to conservative assumptions, such that we are sure the project isn't generating more credits than it should. For example, in the case of VPA 173, we are required to take the lower-bound 90% confidence interval for fuel savings, and the total VERs per stove is capped at a certain level. We also have found usage rates from our usage studies exceeding 90% across all of these stoves in Uganda, though the usage rates will be reduced to 90% per Gold Standard requirements, since our monitoring procedures comply with level B monitoring (level A is too expensive for a micro-scale project). These are just two examples, but it is clear that even if we go back beyond 2 years due to the lengthy and arduous review process, the results will still be conservative, and that these will be VERs with high environmental integrity as they were generated by each of the two VPAs.

3.2.2 | VVB opinion (to be completed by VVB, if applicable):

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### **3.3 | Impact of the deviation:**

3.3.1 | Impact assessment (to be completed by Project developer):

The proposed deviation will have no impact on project design, safe guarding principles, monitoring frequency, data quality or any other aspect of the projects. It will only allow the issuance of credits from the start date of the projects, which will result in revenues that are reinvested in BioLite's cookstove activities, leading to more

people in Uganda enjoying access to clean energy technologies. In this way, it would increase total impact of the project.

3.3.2 | VVB opinion (to be completed by VVB, if applicable ):

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**3.4 | Documents:**

*There are no other documents submitted for consideration beyond the documents available as part of the project profile on the SustainCERT app and the GS registry.*