

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2022**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – 26/09/2022

1.2 | Decision

The applied deviation request is not approved. The PD shall:

1. Ensure that the duration of the GS monitoring period is not more than three years from the date of site visit (physical/remote) by a VVB. For example, if the site visit is concluded on 14/09/2022, the MP cannot start before 14/09/2019 (inclusive).
2. Ensure that a continuity in the Project's monitoring activities is maintained and PD is able to justify that no monitoring gaps exist (especially for SDG parameters) within the Monitoring Period(s). However, if gap(s) exist, the project shall justify that conservative approach(es) have been applied in line with section 3 of the Deviation Approval Requirements and Procedures (version 1.1) and overarching GS principles (as applicable).
3. Document the deviation request, its implications, and GS' decision in the appropriate section of the GS Monitoring Report (for the relevant MP).

The verifying VVB shall, through appropriate means at its disposal, evaluate the Project's compliance with the above-mentioned conditions and provide its opinion in the Verification Report.

SustainCert shall review both the PD's response and the VVB's assessment/opinion of the same and take appropriate steps.

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_301	
Date of decision	26/09/2022	
Precedent (YES/NO)	No	
Precedent details	N/A	
Date of submission	09/09/2022	
Project/PoA/VPA	Project	ID – GS1138
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	KANGAL WEPP 128 MW	
Date of listing	18/03/2013	
GS Standard version applicable	GS Version 2.2 VER	
Date of transition to GS4GG (if applicable)	-	
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	-	
Date of design certification/inclusion (if applicable)	25/07/2022	
Location of project/PoA/VPA	Turkey, Sivas	
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/93	
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	Monitoring Period Extension	
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	ACM0002 Version 17.0	

Specify the monitoring period for which the request is valid (if applicable)	Start date 13/09/2019 End date 14/09/2022
Submitted by	Contact person name: Nilsun Akpınar Email ID: nilsun.akpinar@makienerji.com.tr
	Organisation: Kangal Elektrik Enerji Üretim ve Ticaret A.Ş.
	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: VVB Staff name(s):
Any previous deviations approved for the same project activity/PoA/VPA(s)?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

3 | Deviation detail

3.1 | Description of the deviation:

**Guidance* 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 requesting deviations, given in the [Deviation Approval Procedure/ Design Change Requirements](#).*

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

The crediting period of the Project has been defined as 01/12/2016-30/11/2023 according to the approved validation report of the Project.

As per V.a.2.4 article of The Gold Standard Requirements Version 2.2, the start date of The Gold Standard Crediting Period may be postponed for one year without justification.

As a result, the new crediting period will be defined as 01/12/2017-30/11/2024.

With this deviation request form, we would like to indicate that substantive progress has been conducted by PO despite the unfavorable conditions of the following four issues, which are sorted by degree of impact on the project cycle:

- The validation process has sustained a considerable delay due to the Project's previous consultant. Due to the misleading of the previous consultant, PP wrongly assumed that all second-round findings were closed, and the validation process

was completed. The PP could not access the documents prepared by the previous consultant for a long time because the previous consultant firm was closed without informing the PP, and the documents were in the account of that consultant firm.

- The PO carried out the registration process with her own staff, who had no experience in this field. For this reason, she could not realize that the consultant was misleading her. Then, this staff left the job. There has been considerable delay in realizing the final status of the Project.
- After that consultant firm was closed, the search for a new consultant firm started. Meanwhile, COVID-19 has also started and caused a great loss of time until 2021. After the evaluation process of the proposals received from the consulting firms was completed, a contract was signed with Life Enerji in 2021, and the carbon trading process was restarted. Then, account transfer took place after much correspondence with GS, and the projects were finally transferred to PP's account. The validation process was started as soon as the PP became aware that the Project had not been registered yet. However, the problems caused by previous consultants and the account transfer process caused this process to take a long time.
- PP didn't continue the validation/verification process earlier, although a registration request was made in May 2018 because the VER credit prices were relatively low during those times in which this Project should have conducted its validation/verification process. Also, considering the cost of consultancy, VVB, and GS fees for the validation/verification processes, it was an additional financial burden to conduct the validation/verification process for the PP. So, PP did not continue the validation/verification process back then. However, the PP never gave up their carbon certification rights. As soon as the conditions prevailed, the PP continued with the certification process. Furthermore, Turkey has experienced Turkish currency and debt crisis in 2018, and the value of Turkey's currency has nosedived since January 2018. The significant fluctuation in currency rates and inflation rates that has taken place in recent years in Turkey has severely damaged the country's economy, which has resulted in quite a lot of negative outcomes. Thus, the need for carbon revenue for the Project has increased, and the PP continued with the certification process in order to help support the bank loan repayment between the years of 2022-2032. The credit that will be obtained will tremendously help the PP with the repayment during the remainder of the years (2022-2032). So, PP never gave up their carbon certification rights and

decided to continue for this process. Then, 2nd round is initiated on 24/03/2019 upon PD's response.

Based on the above explanation and justification, with this deviation request form, we kindly request an extension of the first monitoring period with an on-site assessment for 3 years. In this way, the Monitoring Period will be determined for 13/09/2019-14/09/2022, considering the on-site visit would be conducted on 14/09/2022.

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

**Guidance* If required by SustainCERT or Gold Standard for this particular deviation, please add here the VVB's opinion.*

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3.2 | Assessment of the deviation:

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

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

As per Section VIII.g.9 of The Gold Standard Requirements Version 2.2, verifiers shall conduct a site-visit in one of the first two years after the crediting period. If the first monitoring period extension with an on-site assessment for 3 years is allowed, it will reduce the loss of rights due to delays caused by the GS consultant quitting the job, the PO carrying out the registration process with her own staff who had no experience in this field, and then this staff leaving the job, the COVID-19, and economic challenges in the host country, even for one year.

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

**Guidance* If required by SustainCERT or Gold Standard for this particular deviation, please add here the VVB's opinion.*

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3.3 | Impact of the deviation:

**Guidance* 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.*

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

If the monitoring period is 13/09/2020-14/09/2022, the Project will lose one year of emission reduction certification right. However, the loss will be reduced if we extend the monitoring period to three years (13/09/2019-14/09/2022) with an on-site assessment. Due to the aforementioned issues, carbon certification income is much more critical for the Project. On the other hand, the Project will monitor the relevant monitoring parameters for 13/09/2019-14/09/2022.

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

**Guidance* If required by SustainCERT or Gold Standard for this particular deviation, please add here the VVB's opinion.*

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3.4 | Documents:

**Guidance* List of documents provided (note that once a decision has been made by Gold Standard, this deviation form along with supporting documents will be made public on the Gold Standard website. If any of the supporting documents are confidential, please indicate here to ensure they are omitted.)*

Version number	Release date	Description
5	11.04.2022	<p>Additional information added:</p> <ul style="list-style-type: none"> - date of listing, design certification, transition - standard version - specific reference to a requirement deviated from - any previous deviations/design changes approved <p>Guidance on VVB opinion</p>

4	14.01.2021	
3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption