

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – dd/mm/yyyy

18/05/2023

1.2 | Decision

The deviation request is not approved.

As per PRINCIPLES & REQUIREMENTS Version 1.2:

5.1.46 Delay in the completion of re-validation beyond the last date of current certification cycle shall result in a reduction of any issuance of Certified Products and/or Impact Statements available during following certification cycle (for example, a delay of 1 year beyond the first cycle shall mean that no Certified Impact Statements shall be issued for the period of delay).

No issuance can be claimed for the period of delay in design certification renewal, which goes from 31/10/2022 to 11/05/2023 (both days included), considering that submission of documents for design certification was performed on 12/05/2023.

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_418	
Date of decision	18/05/2023	
Precedent (YES/NO)	Yes	
Precedent details	DEV_229	
Date of submission	15/05/2023	
Project/PoA/VPA	Project	ID – GS4707
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	34 MW Wind Power Project at Khanapur, Sangli, Maharashtra, India	
Date of listing	-	
GS Standard version applicable	Principles & Requirements, version 1.2	
Date of transition to GS4GG (if applicable)	11/09/2018	
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	NA	
Date of design certification/inclusion (if applicable)	21/01/2018	
Location of project/PoA/VPA	INDIA	
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/840	
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	Deviation from Principles & Requirements	
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	Section 5(e) of PRINCIPLES & REQUIREMENTS version 1.2	
Specify the monitoring period for which the request is valid (if applicable)	Start date	End date

Submitted by	Contact person name: Murali Krishnam Raju M
	Email ID: muraliraju.m@greenkogroup.com
	Organisation: Orange Maha Wind Energy Private Limited
	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 type="checkbox"/> No <input checked="" type="checkbox"/>

3| Deviation detail

3.1 | Description of the deviation:

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

The project activity ""34 MW Wind Power Project at Khanapur, Sangli, Maharashtra, India"" has been design certified under Gold Standard for Global Goals on 21/01/2018. Under GS the project activity has 15 years of crediting period i.e. first crediting period from 31/10/2015 — 30/10/2022, second crediting period from 31/10/2022 — 30/10/2027 and third crediting period from 31/10/2027 — 30/10/2030.

The project activity has claimed VERs from 31/10/2015 to 31/12/2020. Project activity completed Transition from GS to GS4GG on 11/09/2018. Currently the project is undergoing Crediting Period Renewal no. 01.

For the project, there have been deviations from the guidelines outlined in sections 5.1.45 and 5.1.46. According to the guidelines, to maintain Gold Standard Certified Project status beyond five years, a Project must undergo Design Certification Renewal. This process should begin no later than the last date of the current certification cycle, as defined by the submission of a Renewal opinion by a VVB (Validation, Verification, and Certification Body) for Design Review to Gold Standard.

However, in this case, the Design Certification Renewal process was not initiated by the last date of the current certification cycle, which ended on October 30, 2022. Instead, the project underwent re-validation on May 12, 2023, which indicates a delay in the completion of the re-validation process beyond the specified timeline.

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

Not applicable

3.2 | Assessment of the deviation:

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

The Deviation happened due to the following reasons-

Market based Factors influencing decision-making process and therefore management approval:

Due to the dynamic nature of the carbon market, several significant decisions arose during the certification cycle that warranted careful consideration. To ensure proper governance and mitigate risks, it was necessary to seek approval from our board for these decisions. While this adherence to good governance practices ensured responsible decision-making, it did introduce an additional layer of time-consuming board approvals, which regrettably contributed to project delays. The major market-based factors which were responsible for the deviation are as follows:

- **Globally Increment in cost of VVB and Consultants:**

VVB and consultants have significantly increased their costs over the last year. This price escalation is a result of general market trends and inflation. The project developer had faced challenges in finding consultants who could meet the project's requirements within the budget. This required extensive negotiations, leading to delays in securing suitable expertise at an affordable cost.

- **Management and Organizational Restructuring:**

During the certification cycle, the project underwent a change in management, transitioning from "Orange" to "Greenko." This organizational restructuring introduced various adjustments, including workflow realignment and

communication channel establishment. These changes unavoidably impacted project's timelines, causing unforeseen delays.

- **Lack of Manpower and Project Tracking Difficulties:**

Due to the rapid transition in the carbon markets post pandemic, attrition rates and lack of trained resources have been increased in the market. The industry's evolving landscape and uncertainties associated with the transition made it challenging for Project developer to allocate sufficient resources for effective project tracking.

- **Site Visit Delays:**

During renewal of crediting period the site visit also faced delays, primarily due to the overloading of the VVB. Being responsible for multiple projects simultaneously, the VVB's availability to conduct site visits was constrained. Unfortunately, the project was subject to delays as project developer awaited their turn in the queue for the VVB's site visit, which affected the overall timeline.

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

Not Applicable

3.3 | Impact of the deviation:

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

The scope of this project's deviation lies within the "DEVIATION APPROVAL REQUIREMENTS AND PROCEDURES" version 1.2. Throughout the period of delay, the project owner diligently monitored all parameters that were previously validated and approved during the Design Certification process. It is important to note that this deviation will not impact the data quality or pose any potential risks to the Gold Standard (GS), including any issuance or material impacts affecting the project's quality. Therefore, there are no potential risks attributed to the GS Project activity specifically.

The requested deviation aligns with the Principles and Requirements outlined by GS4GG and demonstrates compliance in the following areas:

Environmental Integrity: The deviation does not result in overestimation of GS Verified Emission Reductions (GSVERs), as conservatism in calculations is ensured.

Contribution to Sustainable Development Goals (SDGs): The project's intended contributions to the SDGs comply with GS4GG requirements, and the deviation does not have any potential impact on the certified SDGs claimed during the current monitoring period.

Safeguarding Principles and Requirements: The deviation does not compromise any of the safeguarding principles and requirements established by GS4GG.

Compliance with Host Country Regulations: The project remains fully compliant with the regulations of the host country, and there are no conflicts arising from the deviation.

The Project Proponent has initiated the process of Design Certification Renewal and commits to adhering to all GS4GG guidelines in the future. It is essential to highlight that the project's low rate of return makes it economically unsustainable without carbon credits. Therefore, the project developer requests this deviation as a means to compensate for the loss of credits.

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

Not Applicable

3.4 | Documents:

Version number	Release date	Description
5	11.04.2022	Additional information added: <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 Guidance on VVB opinion
4	14.01.2021	

3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption