

### **RULE UPDATE**

# APPLICATION OF TPDDTEC METHODOLOGY TO SAFE WATER SUPPLY PROJECTS

Publication Date 03/05/2021

#### **Related Documents**

- <u>Technologies and Practices to Displace Decentralised Thermal Energy</u> <u>Consumption</u> (TPDDTEC, all versions)
- Methodology for emission reductions from safe drinking water supply v.1.0

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# BACKGROUND

Annex 3 of 'Technologies and Practices for the Displacement of Decentralised Thermal Energy Consumption (TPDDTEC)' has been revised and released as a new methodology – 'Methodology for emission reductions from safe drinking water supply.'

Our core objective for this update is to enable carbon finance to continue to support the delivery of safe water to vulnerable communities with the highest levels of integrity. Additional guiding principles for the review of this Annex were to:

- Reflect the latest developments/advancements made in the distributed energy sector
- Introduce simplification and reduce monitoring requirements and transaction costs for project developers yet maintain the highest level of rigour and robustness associated with Gold Standard

The new methodology will come into effect 02 August 2021, after 90 days of grace period from the publication date.

This rule update outlines the requirements and timelines to submit a registration request for projects, PoAs and VPAs applying Annex 3 of the TPDDTEC methodology.

It also describes the changes and flexibilities for GSVERs issuance to safe water supply projects, PoA and VPAs already registered with Annex 3 of the TPDDTEC methodology.

# **RULE UPDATE**

# 1| Scope, Applicability & Timeline

### 1.1 | Scope and applicability

- 1.1.1 | This rule update applies to safe water supply projects, PoAs & VPAs applying Annex 3 of the TPDDTEC methodology (all versions) that submit a request on or after 01.07.2020 for any of the following:
  - preliminary review, registration or inclusion in a registered PoA
  - renewal of crediting period
  - design change
  - issuance (may include monitoring period before 01.07.2020).

#### 1.2 | Timeline

- 1.2.1 | The new methodology <u>Methodology for emission reductions from safe drinking</u> <u>water supply</u> v.1.0, has been released on 03.05.2021. It replaces Annex 3 of TPDDTEC methodology and will come into effect on 02.08.2021.
- 1.2.2 | Annex 3 of TPDDTEC methodology will remain in effect until 02.08.2021.

### 1.3 | Registration with Annex 3 of TPDDTEC

- 1.3.1 | A project, PoA or VPA (including new VPAs that seek inclusion in a registered PoA) applying Annex 3 of TPDDTEC shall not be submitted for preliminary review on or after 03.05.2021.
- 1.3.2 | A project, PoA or its VPAs applying Annex 3 of TPDDTEC that has submitted or has completed preliminary review needs to submit for design review<sup>1</sup> no later than 02.08.2021.
- 1.3.3 | A project, PoA, VPA failing to meet the dates mentioned in para 1.3.2 or 1.3.3 shall update the project documents to <u>Methodology for emission reductions</u> <u>from safe drinking water supply</u> before requesting design review.
- 1.3.4 | A registered PoA applying Annex 3 of TPDDTEC (any version) shall not submit a request for inclusion of a new VPA after 02.08.2021. A registered PoA shall request design change to update the methodology to "Methodology for

<sup>&</sup>lt;sup>1</sup> Design Review starts after: (a) a positive final VVB Validation Report with project documentations has been submitted for SustainCERT Review (or in the case of microscale projects - Internal Validation, a project is successfully validated by SustainCERT), AND (b) the required fee is paid by the Project Developer.

emission reductions from safe drinking water supply" before the inclusion of new VPAs involving eligible safe water supply technology.

#### **1.4** | Issuance with Annex 3 of TPDDTEC

- 1.4.1 | A registered project or VPA shall apply the values for parameter (Wb,y) as per section 2.1, below for issuances submitted after 01.07.2020 (may include monitoring period before this date).
- 1.4.2 | The project developer may opt for the "compensation approach" to issue GSVERs for the differences in registered baseline values and the revised values for parameter (Wb,y). The project developer should reach out to <u>standards@goldstandard.org</u> for details.

### 2| Requirements to apply annex 3 of TPDDTEC

#### 2.1 | Baseline Values

2.1.1 | A project, PoA or VPA applying Annex 3 of TPDDTEC shall apply one of the below options for parameter Wb,y/Wp,y (Quantity of fuel to treat 1 litre of water using baseline/project technologies):

#### i. Option 1: Default Value

2.1.2 | Apply the default values, i.e., woody biomass: 0.4 kg/l; charcoal 0.1 kg/l and for other fuel on woody biomass equivalent terms. Please reach out to <u>standards@goldstandard.org</u> for fuels other than woody biomass/charcoal.

#### ii. Option 2: Field Test

2.1.3 | Fuel consumption (kg/l) determined by conducting field tests with 5 liters of water following Water Boiling Test protocol guidelines. The project developer shall use baseline technology firepower as a diagnostic measure and exclude outlying tests, i.e., those above the reported fire powers in literature for baseline technology. If the result of the tests presents a higher value for fuel requirement, the project developer shall cap the values applied for emission reduction calculation - for woody biomass at 0.5 kg/l; charcoal at 0.125 kg/l; and other fuel as woody biomass equivalent terms.

#### 2.2 | Monitoring parameter

- 2.2.1 | The project, PoA and VPAs shall design the monitoring plan in line with Annex 3 of TPDDTEC methodology. The cap and default values for monitoring parameters, such as water consumption volume, shall be applied as per Annex 3 of TPDDTEC methodology.
- 2.2.2 | The project, PoA and VPAs applying Annex 3 of TPDDTEC may opt for "Water quality testing" requirements outlined for parameter SDWS 18 in <u>Methodology</u> for emission reductions from safe drinking water supply v.1.0 - annual water quality testing. If this option has been opted, the activity shall follow all requirements and limitations outlined for parameter SWDS 18.

2.2.3 | The project developer should consider the recommended approaches for different baseline and monitoring parameters as per <u>Grievance investigation</u> <u>report</u>.

## 3| Renewal of crediting period

3.1.1 | A registered project applying Annex 3 of TPDDTEC methodology (all versions) shall apply the latest version of <u>Methodology for emission reductions from</u> <u>safe drinking water supply v.1.0</u> when requesting renewal of crediting period.

# 4 Design change

- 4.1.1 | The registered project, PoA and VPAs applied Annex 3 of TPDDTEC methodology (all versions) shall not change the registered project boundary i.e., physical and geographical boundary to include new units or installations. If new units distributed or installed and included in a registered activity which constitutes a change in project boundary irrespective of timing of identification of such units, it will result in non-compliance with this requirement. In such a case, the project shall not be issued GSVERs for such units.
- 4.1.2 | A project changing the registered project, PoA or VPA boundary to move previously installed units from one registered project/VPA to other, the project may submit a design change request. The VVB shall ensure that design change is not resulting in non-compliance with para 4.1.1, above.
- 4.1.3 | The registered project, PoA and VPAs shall request design change to update the methodology to <u>Methodology for emission reductions from safe drinking</u> <u>water supply v.1.0</u> to make a change to the registered project boundary or change the registered boundary with or after the renewal of the crediting period of the activity.