



## Comments on the Climate Action Reserve Draft ODS Project Protocols, Version 2.0

First Environment, Inc. is a verification body that provides services to projects using the Article 5 and US ODS Project Protocols. The comments in this document represent our concerns with the draft Version 2.0 protocols, specifically related to issues we foresee during the verification process. We respectfully submit our comments and request formal written responses from the Climate Action Reserve (Reserve).

### **Comment No. 1**

#### **Article 5 ODS Protocol, Section 3.2, page 8**

**The Article 5 ODS Protocol states:** Privately held and saleable virgin ODS refrigerants are not eligible under this protocol.

**Comment:** As this requirement is more relevant to the discussion of eligible ODS sources in Section 2.4, we recommend moving this statement to that section.

### **Comment No. 2**

#### **Article 5 ODS Protocol, Section 2.4, page 5**

**The Article 5 ODS Protocol states:** The eligibility of privately held virgin ODS is subject to import restrictions as indicated in Section 3.2.

**Comment:** It is misleading to include this statement given that private stockpiles are no longer eligible.

### **Comment No. 3**

#### **Article 5 ODS Protocol, Section 5.3, page 23**

#### **US ODS Protocol, Section 5.3, page 31**

**The Protocols state:** A project container that holds an eligible low pressure ODS and an ineligible high pressure chemical (e.g., HCFC-22) shall have a five percent deduction applied to the emission reductions generated by the destruction of the container. Any ineligible chemical with a boiling point below 32°F at one atm is considered high pressure.

If a project container holds an eligible low pressure ODS in a concentration of at least one percent, an eligible high pressure ODS (in any concentration), and an ineligible chemical with a higher pressure than the eligible ODS in a concentration greater than that of the eligible high pressure ODS, a five percent deduction is to be applied to the emission reductions generated by the destruction of the container. Eligible ODS are defined as low pressure or high pressure according to Table 5.3 below. "Higher pressure" is defined as having a lower boiling point at a given temperature.

**Comment:** Please clarify whether there is a de minimis concentration of ineligible high pressure chemicals at which the five percent discount is not required (similar to what is identified for the eligible ODS species).

#### **Comment No. 4**

**Article 5 ODS Protocol, Section 6.4, page 28**

**US ODS Protocol, Section 6.6, page 38**

**The Protocols state:** If a sample is tested and does not meet one of the requirements as defined above, the project developer may elect to have the material re-sampled and re-analyzed. While there is no limit to the number of samples that may be taken, the analysis results of all samples must be disclosed to the verification body.”

**Comment:** Further clarification is necessary regarding how multiple sample results are considered for the purpose of quantification of emission reductions. It is unclear whether the intent is that failed samples are disregarded entirely, or factored into the determination of emission reductions in some way. If there is no limit to the number of samples that may be taken, this clarification is necessary in order for verification bodies to understand the implications and risks associated with multiple samples.

#### **Comment No. 5**

**US ODS Protocol, Section 6.2, page 34**

**The US ODS Protocol states:** ODS purchased from DLA Disposition Services must have documentation to show that the ODS was produced prior to the U.S. production phase-out and that it could legally be sold in the U.S. refrigerant market. Documentation must also show that the material was not sourced from U.S. Customs.

**Comment:** Appendix B.1 to the US ODS Protocol suggests that ODS sourced from US Customs is not available through the DLA Disposition Services (DLA). Is the intent that if a project developer can demonstrate that ODS is sourced from the DLA, no additional evidence is necessary to specifically demonstrate that the ODS is not sourced from US Customs? If not, some additional guidance would be helpful in order to better understand what is considered acceptable documentation. From our experience, it can be difficult for project developers to provide evidence demonstrating conformance with a negative requirement (e.g., that ODS was not sourced from US Customs).

Similarly, we are concerned that it may be difficult for project developers to obtain documentation from the DLA related to ODS production date and the legality of ODS being sold into the refrigerant market. Please further clarify what type of documentation the Reserve anticipates being available from the DLA.

#### **Comment No. 6**

**Article 5 ODS Protocol, Section 8.6, page 41**

**US ODS Protocol, Section 8.6, page 51**

**The Protocols state:** For each reporting period, the required site visits must have occurred no more than 12 months prior to the end date of the reporting period.

**Comment:** During the public stakeholder meeting on April 10, 2012, the Reserve indicated that the intent of this requirement is that verification bodies would perform “one additional project facility” site visit each reporting period. While we believe it is necessary to allow for verifier judgment regarding the site visits, we assert that in many cases additional site visits *each reporting period* (as opposed to once per project) would not add value to the verification process. In addition, we recommend that the Reserve revise the language in this section to be more consistent with its intent.