

Project Plans for:

Advanced Refrigeration US 49 - ARS 005 (ACR 640)

Advanced Refrigeration CAL - ARS 005B (ACR 641)

Advanced Refrigeration CAN - ARS 005C (ACR 642)

Date: November 11, 2021

True Manufacturing Co., Inc.

Dentons US LLP

The logo for Dentons US LLP features the Chinese characters "大成" followed by the word "DENTONS" in white capital letters, all contained within a purple arrow-shaped background pointing to the right.

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A.
PROJECT OVERVIEW

A1. PROJECT TITLE

This Filing is for three (3) separate projects all seeking to validate and verify ERTs pursuant to the “Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removals from Advanced Refrigeration Systems 2.0”. The Projects are numbered according to vintage year and location in which ERTs are earned. These projects are all for vintage year 2020. Project ARS 005 seeks ERTs for vintage year 2020 in the US (excluding California). Project ARS 005B seeks ERTs for vintage year 2020 for California. Project ARS 005C seeks ERTs for vintage year 2020 in Canada.

Table 1 – Project Vintages and Locations

Vintage	US 49 (excluding CAL)	California(CAL)	Canada (CAN)
2020	ARS 005 (ACR 640)	ARS 005B (ACR 641)	ARS 005C (ACR 642)

A2. PROJECT TYPE

Industrial Process Emissions

A3. PROOF OF PROJECT ELIGIBILITY

Project is eligible under the “Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removals from Advanced Refrigeration Systems, Version 2.0”. Certain project eligibility requirements are specified within the Methodology and others are specified within the ACR Standard, Version 7.0.

Table 2 – Project Eligibility Criteria

Criterion	ACR Standard or Methodology Specific Requirement	Proof of Project Eligibility
Geographic location	The Project must be located in North America	The stand-alone commercial refrigeration units are manufactured by True Manufacturing, Inc. (True) at its facilities located in Missouri and distributed for operation to locations within North America
Eligible Sectors	The Project must involve a low-GWP refrigerant in one of the following sectors: Large Commercial Refrigeration or Stand-Alone Commercial Refrigeration	The Projects fall within the Stand-Alone Commercial Refrigeration sector and use low-GWP refrigerants.

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Criterion	ACR Standard or Methodology Specific Requirement	Proof of Project Eligibility
Start Date	<p>Date for all projects other than AFOLU as the date on which the project began to reduce GHG emissions against its baseline.</p> <p>Non-AFOLU Projects must be validated within 2 years of the project Start Date.</p> <p>One exception applies to these timeframes:</p> <ul style="list-style-type: none"> - Projects using a newly approved methodology or a newly approved modification that expands the eligibility of a previously published methodology may submit it for listing with ACR within 10 years of the project Start Date. - However, the date of listing submittal must be within 6 months of the methodology publication date, and the project must then be validated within 2 years of the listing. - The Start Date and the start of the Minimum Project Term shall be the same. - The Start Date and the start of the first Crediting Period are generally the same, unless otherwise allowable in the relevant methodology. 	<p>The Projects have start dates of 01/01/2020.</p> <p>Validation will be completed by 12/31/2021.</p>

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Criterion	ACR Standard or Methodology Specific Requirement	Proof of Project Eligibility
Minimum Project Term	The Minimum Project Term for specific project types is specified in the relevant ACR sector standard and/or methodology. Project types with no risk of reversal subsequent to crediting have no required Minimum Project Term.	There is no risk of reversal for this project type and, therefore, there is no required minimum project term.
Crediting Period	The Crediting Period for non-AFOLU projects shall be ten (10) years.	This is a non-AFOLU project, therefore the Crediting Period is 10 years for each Project.
Real	GHG reductions and removals shall exist prior to ERT issuance. ACR will not forward issue nor forward register a projected stream of future offsets.	GHG reductions occur from the replacement of baseline refrigerants in the manufacturing, operation and end of life of stand-alone refrigeration units, over 10 years from the project start date. ACR issues the full 10 years of emission reductions upon final Project Verification.
Emission or Removal Origin	Project Proponent shall own, have control, or document effective control over the GHG sources/sinks from which the emissions reductions or removals originate. If the Project Proponent does not own or control the GHG sources or sinks, the Proponent shall document that effective control exists over the GHG sources and/or sinks from which the reductions/removals originate.	<p>The Project Proponent is True Manufacturing Co., Inc. True owns and operates the plant sites involved and has control over the GHG sources/sinks from which the emission reductions originate.</p> <p>Documentation showing effective control of the GHG sources from which the reductions originate is maintained for this project.</p> <p>True maintains title and control by contract of these emissions.</p>

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Criterion	ACR Standard or Methodology Specific Requirement	Proof of Project Eligibility
Offset Title	Project Proponent shall provide documentation and attestation of undisputed title to all offsets prior to registration, including chain of custody documentation if offsets have ever been sold in the past. Title to offsets shall be clear, unique, and uncontested.	Documentation will be provided showing that title to the offsets is clear, unique, and uncontested and that the offsets have not been previously sold.
Additional	<p>The Methodology requires Projects to pass the Regulatory Surplus Test and meet the ACR Practice-Based Performance Standard.</p> <p><u>Practice-Based Performance Standard:</u> The Methodology has already completed a market adoption analysis. Therefore, project proponents must only show that their project falls into one of the Eligible Sectors found in Table 1 of the Methodology to pass the Practice-Based Performance Standard.</p> <p><u>Regulatory Surplus Test:</u> The project proponent must demonstrate that Project maintains compliance with all laws, regulations, and other legally binding mandates directly related to project activities. To meet this requirement, project proponents will submit a written and signed attestation to the verifier acknowledging the compliance status of the project during each verification interval.</p>	<p>This project passes the ACR-approved Practice-Based Performance Standard and the Regulatory Surplus Test.</p> <p><u>Practice-Based Performance Standard:</u> The project meets the criteria for Stand-Alone Commercial Refrigeration, as defined in Table 1 of the methodology, which means it has a low adoption rate.</p> <p><u>Regulatory Surplus Test:</u> The Project passes the Regulatory Surplus test as there are no federal, state, or facility specific regulations requiring the emission reductions associated with the Project's transition from the baseline/default refrigerant to the project refrigerant.</p>

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Criterion	ACR Standard or Methodology Specific Requirement	Proof of Project Eligibility
Regulatory Compliance	Projects must maintain material regulatory compliance. In order to maintain material regulatory compliance, a project must complete all regulatory requirements at required intervals. Project Proponents are required to provide a regulatory compliance attestation to a verification body at each verification. This attestation must disclose all violations or other instances of noncompliance with laws, regulations, or other legally binding mandates directly related to project activities.	This project maintains material regulatory compliance for the entire reporting period.
Permanent	For projects with a risk of reversal of GHG removal enhancements, Project Proponents shall assess risk using an ACR-approved risk assessment tool.	There is no risk of reversal of GHG removal enhancements for this project type.
Net of Leakage	<p>The Methodology has determined there is no market-shifting leakage and, hence is to be disregarded.</p> <p>Activity shifting leakage – If the project results in recovery of refrigerant there may be activity shifting leakage. If the baseline equipment is also used in the project or is decommissioned, then leakage is to be disregarded.</p>	<p>All of the stand-alone units in this project are new, therefore, there is no baseline equipment.</p> <p>As the manufacturing plants were converted to use propane as the refrigerant, True removed and scrapped out the equipment formerly used for the high-GWP refrigerants. There is no recovery of refrigerants in this project</p> <p>Leakage is not considered for this project.</p>

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Criterion	ACR Standard or Methodology Specific Requirement	Proof of Project Eligibility
Independently Validated and Verified	ACR requires third-party validation and verification, by an ACR-approved Validation/Verification Body (VVB), at specified intervals in order to issue ERTs. Governing documents for validation and verification are the ACR Standard, relevant sector standard, relevant methodology, and the ACR Validation and Verification Guideline.	According to ACR rules, the project benefits will be validated and verified by an independent auditor.
Community & Environmental Impacts	ACR requires community and environmental impacts to be net positive overall. Project Proponents shall document in the GHG Project Plan a mitigation plan for any foreseen negative community or environmental impacts and shall disclose in their Annual Attestations any negative environmental or community impacts or claims of negative environmental and community impacts.	<p>The project has only positive effects on the environment. The propane refrigerants are manufactured in sealed units. The use of propane avoids the loss of HFCs during the operation of stand-alone units.</p> <p>Potential negative impacts were considered for this Project and there were not found to be any.</p> <p>The Projects also address aspects of the UN 2030 Sustainability Goals.</p>

A4. LOCATION

While the units in these Projects are manufactured at True's facilities located in Missouri (Table 3), the Project Locations are determined by where the units are operated. Each Project is representative of a region where the units are operated (see Table 4): 1) United States (excluding California), 2) California, and 3) Canada.

Table 3 – Manufacturing Locations

Manufacturing Locations	GPS Coordinates
O'Fallon MO , 2001 East Terra Lane O'Fallon, MO 63366	Lat 38.804; Long -90.666
Bowling Green MO , 16755 Industrial Park Drive, Bowling Green, MO 63334	Lat 39.350; Long -91.235
Pacific MO , 900 Integram Drive, Pacific, MO 63069	Lat 38.483; Long -90.784
Mexico MO , 2525 Lakeview Road Mexico, MO 65265	Lat. 39.158; Long -91.91

Table 4 – Project Locations

Projects	Location
005	United States (excluding California)
005B	California
005C	Canada

A5. BRIEF SUMMARY OF PROJECT

Description of Project Activity

The Project Activity is the transition from high-GWP refrigerants to a low-GWP refrigerant (R-290/ propane) in stand-alone commercial refrigeration units (units) manufactured by True at their manufacturing facilities (Table 3) and then shipped for operation across North America (Table 4).

The units are all newly manufactured and assembled on a production line at the facilities and were previously manufactured with high-GWP refrigerants. Refrigerant is injected into the unit during this process using a high-pressure delivery system and then sealed within the unit. True has the continued option to produce units with high-GWP refrigerants at any given time, therefore, only units produced with low-GWP refrigerants qualify for this project.

Background Information

Refrigerants are a necessary ingredient in the production of stand-alone units for retail food refrigeration. These refrigerants are GHGs during manufacture, operation, and end-of-life (destruction). The Montreal Protocol has taken action to limit the use of high GWP refrigerants and over the years and the US EPA implemented the Significant New Alternatives Program (SNAP) to work with and guide industry in these transitions. As a result, the majority of

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refrigerants currently in the market today are HFCs. HFCs, while safer for the ozone layer compared to CFCs and HCFCs, are still powerful GHGs when released into the atmosphere.

An opportunity to reduce emissions beyond regulatory compliance is by replacing HFC refrigerants with low-GWP refrigerants.

Project Purpose(s) and Objective(s)

The purpose of this project is to offset the GHG emissions that would have been produced by the manufacturing and operation of HFC refrigerants by transitioning to R-290 (Propane), a near zero GWP and zero-ODP Refrigerant.

Delineation of ERTs by Geography

The methodology recognizes credits based on where the unit is put into use. True maintains a robust manufacturing and shipment database that tracks the shipment location for each unit. This allows the Projects to delineate the geographic location where the unit is placed into service, thus satisfying the ARS 2.0 methodology criteria.

A6. PROJECT ACTION

Description of prior physical conditions

True has been manufacturing refrigerators for the commercial and retail food market for many years and have historically used CFCs, HCFCs, and HFCs as refrigerants. Prior to the transition to propane, True was using R-22, R-134a, R-404A, and R-513A in some of their products; the units included in this project were transitioned to propane. True chose to go above and beyond regulatory requirements by adding manufacturing capabilities to use propane, a low-GWP refrigerant, in the manufacture of stand-alone commercial refrigeration units.

Description of how the Project will achieve GHG reductions and/or removal enhancements

True chose to transition to low-GWP refrigerants for the units included in this project. The voluntary transition of True to a low-GWP refrigerant results in a reduced amount of GHG in the manufacturing and operation of the units produced. The Project measures the amount of SNAP-approved, low-GWP refrigerant used by True in 2020 against the amount of baseline refrigerant (a blend of R-134a and R-404A set as the default by the methodology for stand-alone commercial refrigeration units) that would have been used to produce the same quantity of stand-alone units. For the Project 005 the baseline is a blend of R-134a and R-404A as set as the default by the methodology and for Project 005B [California], the baseline (850GWP) is a blend of R-513A and R-426A, refrigerants required by California law. The same baseline (850 GWP) is used for units used in New Jersey and Washington state; but such are summed within the US49 project. For Canada, the baseline is based on refrigerant requirements in effect in 2020, of 1400 GWP and 1500 GWP for refrigerators and freezers, respectively.

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Description of project technologies, products, services and expected level of activity

True manufactures refrigeration equipment that includes refrigerants on a daily basis.

Therefore, this project activity is ongoing throughout the year as it produces stand-alone units.

A7. EX ANTE OFFSET PROJECTION

Table 5 – Ex-Ante ERT Projection

Project Number and Location	Baseline Refrigerant¹	Project Refrigerant	Baseline Refrigerant GWP²	Project Refrigerant GWP¹	Total ERTs
ARS 005 (US, excluding CA)	R-134a and R-404A blend [In WA & NJ, R-513a (medium) & R-426A (low temp)]	R-290 (Propane)	2,053 [except in WA & NJ] 850 in WA & NJ only ³	3	367,047
ARS 005B (California) ⁴	R-513a (medium)-& R-426A {low temp)	R-290 (Propane)	850	3	18,605
ARS 005C (Canada)	1400 GWP for medium & 1500 GWP for low temperature units ⁵	R-290 (Propane)	1,425	3	16,102

Baseline emissions are calculated using the number of stand-alone units manufactured with the project refrigerant (propane) and shipped for operation in the US or in Canada, in respective Reporting Periods, multiplied by the baseline default charge size for each unit, multiplied by the baseline default refrigerant GWP [except for New Jersey, Washington, California and Canada which have revised alternative baselines in the approved deviation requests) as shown for each unit, multiplied by the default annual emission rate (7.75%), multiplied by 10 (10 years).

¹ Baseline refrigerant and GWP is from Table 4 (Baseline Default Assumptions) in the methodology

² GWP as published by GWPs listed are IPCC AR4 (2007), 100-year GWPs.

³ GWP for units to Washington & New Jersey use the 75/25 relative mix, as done for California.

⁴ California, New Jersey and Washington requirements for stand-alone units, for 2020, at the 75/25 yields a blend mix ratio of 850 GWP.

⁵ Canada does not list by refrigerant but by GWP. The maximum allowable GWP of 1400 for refrigerators and 1500 for freezers. At 75/25 mix, adjusted baseline is 1425.

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ACR has granted a “Forward Crediting Policy Revision” in relation to the Methodology 2.0. The revision states the following: “An advanced refrigeration transition project must result from an action that has already occurred (the transition to a low-GWP refrigerant) and that action must be verifiable. In order to quantify avoided emissions associated with the transition to a low-GWP refrigerant, it is necessary to utilize modeled emission rates over a 10-year crediting period. These avoided emissions are quantified during the project’s reporting period and, pending a successful verification, Emission Reduction Tonnes (ERTs) are granted for the full 10 years of avoided emissions.” The emission rates found in the Methodology are derived from EPA sources and were accepted for use in the ACR methodology development process.

ACR’s forward crediting prohibition shall not apply to refrigerant transition projects utilizing ACR’s “Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removals from Advanced Refrigeration Systems, Version 2.0.”

A8. PARTIES

True Manufacturing – Project Proponent Retail Food Refrigerator Manufacturer

True manufacturers stand-alone refrigeration units, a category of retail food refrigeration equipment, at four locations in Missouri, included in the Project Plan.

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Dentons – Project Management

Dentons is a multinational law firm founded in March 2013 by the merger of SNR Denton, Fraser Milner Casgrain and Salans. It now has more than 200 locations, in more than 80 countries, with 20,000 professionals including 12,000 lawyers.

Dentons' Environmental Markets Advisory Services Team consists of lawyers and senior advisors that are architects of emissions trading and strategists behind greenhouse gas regulation, emission reduction solutions and monetization.

Jeffrey Fort (Partner) and Susan Wood (Senior Advisor) are the project managers for this Project. Dentons and Susan Wood are also the authors of the ACR Methodology being used for this Project.

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B. METHODOLOGY

B1. APPROVED METHODOLOGY

This project is submitted under the approved methodology entitled “Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removals from Advanced Refrigeration Systems, Version 2.0”, issued in September 2018.

B2. METHODOLOGY JUSTIFICATION

The Project involves the transition of stand-alone commercial refrigeration from high-GWP refrigerants to low-GWP refrigerants. The chosen methodology provides the quantification framework for the creation of carbon credits (ERTs) from the GHG reductions resulting from these activities.

B3. PROJECT BOUNDARIES

The physical boundary for this Project makes up the complete aggregated physical boundary of the Project. The physical boundary for the Project includes the location of the stand-alone unit manufacturing facilities and the locations within North America where the units are operated. The temporal boundary for the Projects is January 1, 2020 and December 31, 2029 (See Table 6).

Table 6 – Project Boundaries

Project	Physical Boundary	Temporal Boundary
005	US (excluding CA)	January 1, 2020 – December 31, 2029
005B	California	
005C	Canada	

B4. IDENTIFICATION OF GHG SOURCES AND SINKS

Table 7 – GHG Sources and Sinks

SSR	Source Description	Gas	Included (I) or Excluded (E)	Quantification Method
1. Refrigerant Production	Fossil fuel emissions from the production of refrigerants	CO ₂	E	N/A
		CH ₄	E	N/A
		N ₂ O	E	N/A

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SSR	Source Description	Gas	Included (I) or Excluded (E)	Quantification Method
	Refrigerant leaks during production	HFC	E	N/A
		Low GWP Refrigerant	E	N/A
2. Refrigerant Transport	Fossil fuel emissions from transport of refrigerants	CO ₂	E	N/A
		CH ₄	E	N/A
		N ₂ O	E	N/A
	Refrigerant leaks during transport	HFC	E	N/A
		Low GWP refrigerant	E	N/A
3. Equipment Manufacture	Fossil fuel emissions from the operation of the refrigeration system in the baseline and the project.	CO ₂	E	N/A
		CH ₄	E	N/A
		N ₂ O	E	N/A
4. Equipment Delivery and Installation	Fossil fuel emissions from the delivery and installation of the advanced refrigeration system.	CO ₂	E	N/A
		CH ₄	E	N/A
		N ₂ O	E	N/A
5. Equipment Operation	Fossil fuel emissions from the operation of the refrigeration system in the baseline and the project.	CO ₂	E	N/A
		CH ₄	E	N/A
		N ₂ O	E	N/A
	Refrigerant leaks from the operation of the refrigeration system in the baseline and the project.	CFC	I	See Table 4
		HCFC	I	See Table 4
		HFC	I	See Table 4
		Low GWP refrigerant	I	See Table 4
		CO ₂	E	N/A

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SSR	Source Description	Gas	Included (I) or Excluded (E)	Quantification Method
6. Equipment Service/Recharge	Fossil fuel emissions from servicing refrigeration or A/C equipment or system to replace leaked refrigerant	CH ₄	E	N/A
		N ₂ O	E	N/A
	Refrigerant emissions occurring from servicing refrigeration or A/C equipment or system to replace leaked refrigerant	HFC	I	See Table 4
		Low GWP Refrigerant	I	See Table 4
7. EOL/Equipment Disposal	Emissions from the disposal of the equipment at end-of-life, including destruction of refrigerant.	CO ₂	E	N/A
		CH ₄	E	N/A
		CFCs	I	See Table 4
		HCFC	I	See Table 4
		HFCs	I	See Table 4

B5. BASELINE

Other than certain units, the baseline scenario is the use of the default refrigerant, as set by the Methodology, in the operation of stand-alone commercial refrigeration Units. An Alternative Baseline is set for units in California, New Jersey, Washington and Canada, as described herein, and in the Deviation Requests. Those Alternative Baselines are based on applicable requirements in effect for those jurisdictions in 2020,

On January 1, 2019 California Senate Bill SB 1013 (“California Cooling Act”) and on January 1, 2020 Washington House Bill 1112 came into effect and implemented the EPA SNAP regulations as they were on January 3, 2017. New Jersey and Canada also revised their requirements for stand-alone units in 2020. Thus, the Baseline for all units in California, New Jersey and Washington are adjusted to meet this regulatory requirement. Units in Canada are also subject to a revised baseline as described herein and in the Deviation Requests.

The specific new California, New Jersey and Washington state requirements, (850 GWP) and Canadian requirements, (1400 and 1500 GWP) address all stand-alone-medium-temperature

units (refrigerators) and low-temperature units (freezers) respectively. Those new requirements for 2020 are addressed by the respective Deviation Requests to reset the baseline for those units.

All units not affected by the new requirements will use the default set out by the Methodology.

B6. PROJECT SCENARIO

The project scenario is the use of low-GWP project refrigerant in the operation of stand-alone commercial refrigeration units.

B7. REDUCTIONS AND ENHANCED REMOVALS

The Projects are based on a simple premise of product replacement and mass-balance. The baseline/default refrigerant has a high-GWP that produces a significant amount of GHG during the manufacturing, operation, and end-of-life of stand-alone units. The project refrigerant has a low-GWP and emits virtually no GHG during the lifetime of the units. Baseline/default refrigerant GHG emissions minus project refrigerant GHG emissions equals the Project emission reductions and enhanced removals.

B8. PERMANENCE

There is no risk of reversal. Once the refrigeration product is produced with the low-GWP refrigerant, the product is made and the associated GHG reductions are fixed.

C.
ADDITIONALITY

Assessment of the Additionality of a Project under this Methodology is defined in the Methodology itself. It is made based on passing the following two tests:

1. Regulatory Surplus Test, and
2. Practice-Based Performance Standard

C1. REGULATORY SURPLUS TEST

In order to pass the regulatory surplus test a project must not be mandated by existing laws, regulations, statutes, legal rulings, or other regulatory frameworks in effect as of the start date that directly or indirectly affect the credited offsets.

The Project is not mandated by existing laws, regulations, statutes, legal rulings, or other regulatory frameworks in effect as of the start date that directly or indirectly affect the credited offsets.

EPA, Canadian authorities, and the States of California, New Jersey and Washington have taken action to require reductions in the GWP content of certain classes of refrigeration units, including Stand Alone Units and Large Refrigeration systems. None of those regulations require the use of a low-GWP refrigerant as defined in the Methodology and none require the use of a refrigerant such as propane. For units used in California, New Jersey, Washington or Canada, the baseline is lower, to reflect recently adopted requirements and is lower than included in the Table 4 of the Methodology. The Deviation Requests filed herewith resets the applicable baseline for those jurisdictions. That revised baseline is then used to calculate the extent to which credits are earned.

EPA and the Canadian authorities have allowed the use of R-290 (propane) in certain classes of refrigeration systems, including stand-alone-refrigeration units.

C2. COMMON PRACTICE TEST

Not applicable.

C3. IMPLEMENTATION BARRIERS TEST

Not applicable.

C4. PERFORMANCE STANDARD TEST

The Methodology has already completed a market adoption analysis. Therefore, project proponents must only show that their project falls into one of the eligible segments found in Table 1 of the Methodology to pass the Practice-Based Performance Standard.

The Project falls into the Stand-Alone Commercial Refrigeration segment listed in Table 1 of the Methodology.

D.
MONITORING PLAN

D1. PARAMETERS MONITORED

“Based on the Methodology entitled, “METHODOLOGY FOR THE QUANTIFICATION, MONITORING, REPORTING AND VERIFICATION of GREENHOUSE GAS EMISSION REDUCTIONS TOOLS FOR ADVANCED REFRIGERATION SYSTEMS,. VERSION 2.0 “

DATA OR PARAMETER MONITORED	$Q_{BR,j,i}$
UNIT OF MEASUREMENT	Kg
DESCRIPTION	Quantity of refrigerant (charge size) of the equipment used in baseline system is the maximum allowed for propane (150 grams).
DATA SOURCE	Default charge size listed in Table 4 of methodology.
MEASUREMENT METHODOLOGY	For each project and its geography, the charge size is assigned as specified in the Methodology for the refrigerant unit type, and the number of the refrigeration units of that type is multiplied.
EQUATION #(S)	1
DATA UNCERTAINTY	Data is established by the methodology.
MONITORING FREQUENCY	Throughout the reporting period depending upon type of equipment.
REPORTING PROCEDURE	Sales, shipments and manufacturing records
QA/QC PROCEDURE	A root item number assigned to each equipment type and the full list of Bill of Ladings [BOL] is generated. Each audited item requested was pulled from the company data bases showing full BOLs including model, serial number(s) and shipped to location

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DATA OR PARAMETER MONITORED	$AR_{k,i}$
UNIT OF MEASUREMENT	Kg
DESCRIPTION	Quantity of low-GWP refrigerant used in the stand-alone units
DATA SOURCE	Manufacturing records, BOMs ⁶ , & default charge size of 0.15 kg/unit (per EPA SNAP regulation).
MEASUREMENT METHODOLOGY	Default charge size (0.15 kg/unit) x number of units produced.
EQUATION #(S)	2
DATA UNCERTAINTY	Very certain
MONITORING FREQUENCY	Annually, based on final unit production records.
REPORTING PROCEDURE	Electronic.
QA/QC PROCEDURE	Sales records & BOMs comparisons

DATA OR PARAMETER MONITORED	$ERA_{REF,j}$
UNIT OF MEASUREMENT	% per year
DESCRIPTION	Annual emission rate of refrigerant of equipment used in baseline scenario.
DATA SOURCE	Default emission rate listed in Table 4 of methodology.
MEASUREMENT METHODOLOGY	Table 4 of methodology.
EQUATION #(S)	1

⁶ A BOM (or Bill of Materials) is a compilation of all materials used to manufacture a unit.

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DATA UNCERTAINTY	Data is established by methodology.
MONITORING FREQUENCY	Once, at the beginning of the project.
REPORTING PROCEDURE	Table 4.
QA/QC PROCEDURE	Table 4.

DATA OR PARAMETER MONITORED	$ERA_{REF,k}$
UNIT OF MEASUREMENT	% per year
DESCRIPTION	Annual emission rate of the low-GWP refrigerant of equipment used in the project.
DATA SOURCE	Table 4 of methodology.
MEASUREMENT METHODOLOGY	Table 4 of methodology
EQUATION #(S)	2
DATA UNCERTAINTY	Is set by methodology.
MONITORING FREQUENCY	Once, at beginning of the project.
REPORTING PROCEDURE	Once, at the beginning of the project.
QA/QC PROCEDURE	Reference Table 4 of methodology

Advanced Refrigeration Projects: ARS 005, 005B, 005C

DATA OR PARAMETER MONITORED	$GWP_{REF,j}$
UNIT OF MEASUREMENT	Multiplier
DESCRIPTION	Global warming potential (GWP) of refrigerant of the equipment used in the baseline system the
DATA SOURCE	Table 4 of methodology or the approved Deviation Request.
MEASUREMENT METHODOLOGY	Table 4 of methodology or the approved Deviation Request.
EQUATION #(S)	1
DATA UNCERTAINTY	Is determined by IPCC and set by methodology.
MONITORING FREQUENCY	Once, at beginning of the project.
REPORTING PROCEDURE	Once, at the beginning of the project.
QA/QC PROCEDURE	Reference Table 4 of methodology or the approved Deviation Request.

DATA OR PARAMETER MONITORED	$GWP_{REF,k}$
UNIT OF MEASUREMENT	Multiplier
DESCRIPTION	Global warming potential (GWP) of refrigerant of the equipment used in the project
DATA SOURCE	Table 4 of methodology
MEASUREMENT METHODOLOGY	Table 4 of methodology.
EQUATION #(S)	2

DATA UNCERTAINTY	Is determined by IPCC and set by methodology.
MONITORING FREQUENCY	Once, at beginning of the project.
REPORTING PROCEDURE	Once, at the beginning of the project.
QA/QC PROCEDURE	Reference Table 4 of methodology.

D2. MONITORING PLAN

Project implementation

- True has extensively modified its manufacturing systems to use propane, instead of high-GWP HFCs, as the refrigerant in its stand-alone units.
- Most of the manufacturing lines are dedicated to install only R-290 (propane) refrigeration systems. Other lines continue to produce units using HFCs as the refrigerant. The HFC products are not included in this Project.
- The propane is delivered to each True facility by tanker trucks.
- The propane, which must qualify under stringent purity standards, is off-loaded and stored in outdoor tanks until required for use, at which point it is then delivered through pipes and past the flow meters into the stand-alone units as they are assembled.
- After assembly is completed, the propane-cooled units are packaged and transferred to areas for storage until shipped to customers.

Technical description of the monitoring task

- The data that requires monitoring is the number of units sold, and location sold to. This data is collected from Engineering Bills of Materials (BOM) files which record the number of units sold and distribution information.
- Each unit shipped has a product ID, which identifies the information necessary for this project and emission reduction.
- Using this information, match the product charge size for the categories listed in Table 4 of the Methodology.

Data to be monitored and collected

- Sales files, engineering BOMs, and product ID info, record the number of units sold.
- True has sales data by vintage (year) and state and shipment information for each unit delivered to locations across North America where the units are put into service.

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- Baseline emissions are calculated using the charge sizes included in Table 4 of the Methodology multiplied by the number of units sold.

Overview of data collection procedures

- Engineering Bills of Materials (BOM) files record the number of units produced and the sales distribution information.

Frequency of the monitoring

- At the end of each year the full year sales of all products by serial number, including exact model details, date of build and “sold to” information for California and each other state and province in the United States and Canada is extracted and recorded.

Quality control and quality assurance procedures

- A root item number, assigned to each equipment type defining the exact structure of the unit, with the product ID information for individual units, and the full list of Bill of Ladings [BOL] is generated. Each audited item, by root item number, requested was pulled from the company data bases to match to full BOLs including model, product ID, and shipped to location. Those data were collected and audited to produce the emission reductions calculated.

Data archiving

- Records showing the unit was filled with propane are maintained on file since 2016. The electronic spreadsheets are updated throughout the year and maintained on True’s computer server indefinitely.

Organization and responsibilities of the parties involved in all the above

- True Manufacturing – Project Proponent Retail Food Refrigerator Manufacturer.
 - True manufacturers stand-alone refrigeration units, a category of retail food refrigeration equipment, at four locations in Missouri, included in the Project Plan. Charles Hon leads the Project.
- Dentons – Project Management
 - Dentons is a multinational law firm founded in March 2013 by the merger of SNR Denton, Fraser Milner Casgrain and Salans. It now has more than 200 locations across over 80 countries, with 20,000 professionals including 12,000 lawyers.
 - Dentons' Environmental Markets Advisory Services Team consists of lawyers and senior advisors that are architects of emissions trading and strategists behind greenhouse gas regulation, emission reduction solutions and monetization.
 - Jeffrey Fort (Partner) and Susan Wood (Senior Advisor) are the project managers for this Project. Dentons and Susan Wood are also the authors of the ACR Methodology being used for this Project.

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Identifying and logging the equipment/systems to be installed

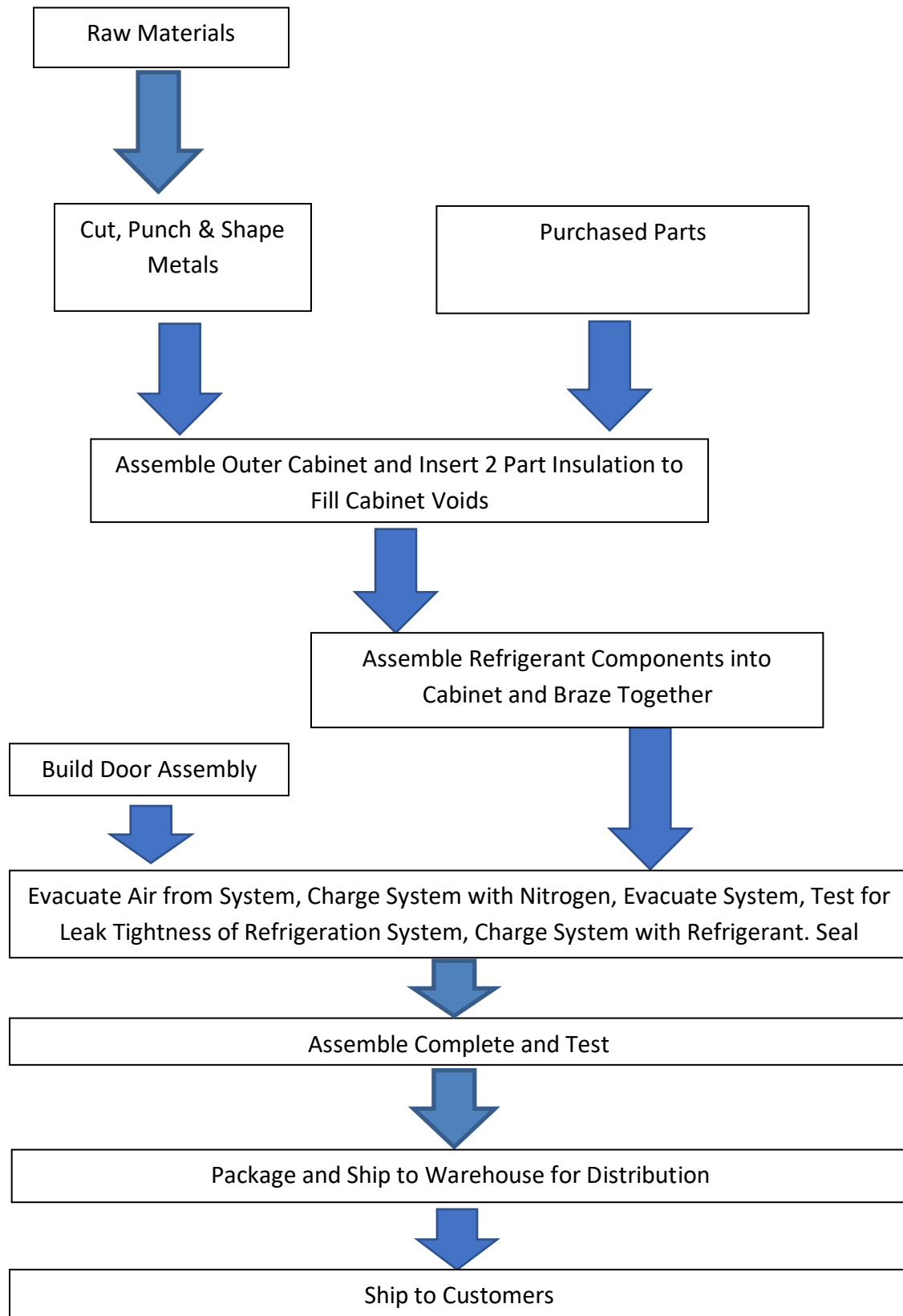
- True has been transitioning its product line from HFCs to propane since 2016. The transitions are made when the True customer approves the use of propane as the refrigerant.
- True has “as-built” sheets on every unit they manufacture.

Documentation of the charge size of the alternative refrigerant used in the project from manufacturer specifications

- Project emissions are calculated using a charge size of 0.15kg/unit which is the maximum charge size allowed by EPA SNAP regulations.
- Per the methodology, the units were each assigned a leak rate of 7.75% per year.

Equipment log for all equipment used in the project

Process flow diagram:



E. QUANTIFICATION

E1. BASELINE EMISSIONS

Baseline emissions will be calculated according to the following formula:

Equation 1

$$BE_y = \sum_i [(Q_{BR,j,i} \times ERA_{REF,j} \times 10)] / 1000 \times GWP_{REF,j}$$

WHERE

BE_y	Baseline emissions (MT CO ₂ e)
$Q_{BR,j,i}$	Quantity of refrigerant (charge size) of the equipment used in baseline system is based on the default charge sizes listed in Table 4 of the methodology.
$ERA_{REF,j}$	Annual emission rate of refrigerant of the equipment used in baseline system is based on the default charge sizes listed in Table 4 of the methodology.
10	Number of years in the crediting period ⁷
$GWP_{REF,j}$	The global warming potential (GWP) of refrigerant of the equipment used in baseline system is based on the default GWPs listed in Table 4 of the methodology or by the alternative baseline set by the approved Deviation Request, as applicable.

E2. PROJECT EMISSIONS

Project emissions will be calculated according to the following formula:

Equation 2

$$PE_y = \sum_i [AR_{k,i} \times ERA_{REF,k} \times 10] \div 1000 \times GWP_{REF,k}$$

WHERE

PE_y	Project emissions (MT CO ₂ e)
$AR_{k,i}$	Charge size of alternative refrigerant used in the project
$ERA_{REF,k}$	Annual emission rate of low-GWP refrigerant used in the project (% per year).
10	Number of years in the crediting period
$GWP_{REF,k}$	Global warming potential of the low-GWP refrigerant used in the project.

⁷ All offsets for a project over the 10-year crediting period will be issued following verification.

The default maximum charge size of 150g is allowed by EPA SNAP regulations.

E3. LEAKAGE

By installing an advanced refrigeration system, a project is not increasing overall market demand for refrigeration systems. Thus, there would be no “market-shifting” associated with this project type. Regarding “activity-shifting” leakage, all of the stand-alone units in this project are new, therefore, there is no baseline equipment. Leakage is not considered for this Project.

E4. UNCERTAINTY

There is no uncertainty with respect to the projected emission reductions. All calculations are based on existing production, financial information, and units placed into service. The equations used for the calculations are precise since the products involved must be manufactured based on quality control requirements for the finished products.

E5. PROJECT EMISSION REDUCTIONS

Equation 3

$$ER_y = [BE_y - PE_y]$$

WHERE

ER_y	Emission reductions (MT CO ₂ e)
BE_y	Baseline emissions (MT CO ₂ e)
PE_y	Project emissions (MT CO ₂ e)

E6. EX-ANTE ESTIMATION METHODS

Emission reductions created from this Project are calculated using the baseline refrigerants as set by the Methodology (or by the approved Deviation Requests for Canada, California, New Jersey and Washington state) and the project refrigerant (R-290/ Propane) GWP values and the number of units put into service in the Reporting Period (2020). The equations in the Methodology calculate the GHG reductions over the first 10 years. There is only one reporting period for each Project that will issue all 10 years of ERTs upon final Verification.

F.
COMMUNITY & ENVIRONMENTAL
IMPACTS

F1. NET POSITIVE IMPACTS

The potential impacts on the local community and the environment were considered. Positive community impacts from the Project include the reduction of GHG emissions from refrigerator manufacturing and operation, both at the local level (near the manufacturing facilities) and globally. There were no foreseeable negative impacts to the community or the environment that result from this project.

The Projects meet and fulfill the applicable sustainability goals as articulated by the UN Department of Economic and Social Affairs, in #Envision2030.

Goal #9 [Industry, Innovation and Infrastructure] is met because the use of low-GWP refrigerants in stand-alone units is incentivized and rewarded by projects, under the methodology. The technology can be used in developing countries where low-GWP refrigerants are taken into account in the design and construction of such manufacturing facilities.

Goal #12 [Responsible Consumption and Production] is enhanced because the Project produces eliminates the need to use high-GWP refrigerants with virtually no releases to the environment, to produce the insulated product.

Goal #13 [Climate Action] is met because the propane refrigerant [<5GWP] being used in the project was invented to anticipate and meet climate goals and is continuing to be refined and its use expanded, including to manufacturing in developing countries.

F2. STAKEHOLDER COMMENTS

Not applicable for this project type.

G.
OWNERSHIP AND TITLE

G1. PROOF OF TITLE

True Manufacturing, the manufacturer of refrigeration units in this project, owns the title and rights to carbon offset credits involved in this Project. The Warranties for the stand-alone-refrigeration units states that “Any and all environmental attributes, including environmental offset credits with respect to TRUE® refrigeration units manufactured after September 1, 2015 shall remain the property True Manufacturing Company and are not transferred.”

www.truemfg.com/Support/Warranty-Support and navigate to Warranty Statement (pdf).

G2. CHAIN OF CUSTODY

The Project has not produced any offsets to date and, therefore, no offsets have been bought or sold previously. Nor does the Project have a forward option contract in place.

G3. PRIOR APPLICATION

These activities have not previously been the subject of an offset project.

H. PROJECT TIMELINE

H1. START DATE

The start dates for this Project and how it was determined are as follows.

Project	Project Start Date	How Determined
Advanced Refrigeration Projects 005, 005B & 005C	January 1, 2020	Service records for manufacturing products with propane as the refrigerant.

H2. PROJECT TIMELINE

Project Number	005, 005B & 005C
Initiation of Project Activities	January 1, 2020
Project Term	Not Applicable
Relevant Project Activities in GHG Project Cycle	Data collection and monitoring
Crediting Period	1/1/20 - 12/31/29
Reporting Period	1/1/20-- 12/31/20
Frequency of Reporting	Once for 2020
Monitoring Period	1/1/20 - 12/31/20
Frequency of Monitoring	Ongoing throughout 2020
Frequency of Validation	Once in 2021
Frequency of Verification	Once in 2021