EZVOLT - EV CHARGING NETWORK CARBON CREDITS PROJECT

DRAFT PROJECT DESCRIPTION DOCUMENT

Document Prepared By: Easy Volt Brasil

Project Title	*EZVOLT - EV CHARGING NETWORK CARBON CREDITS PROJECT*
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CONTENTS

1 PROJECT DETAILS

1.1 Summary Description of the Project

It is known that the exchange of a vehicle fueled with fossil fuel for an electric one contributes significantly to the reduction of greenhouse gas emissions.

Despite Brazil has 83% of its electric grid powered by renewable energy sources, there is no significant government policy focused on shifting the Internal Combustion Vehicles (ICE) to Electric Vehicles (EV). And, although Brazil is world leader on the use of biofuels such as Ethanol, the price for these kind of fuel does not make them attractive enough to the consumer. Therefore, gasoline will remain the main choice of fuel for car, light-duty vehicles and motorcicles for decades to come. But private initiatives, such this project from Easy Volt Brasil LTDA aim to help accelerating the shift to EVs.

Easy Volt Brasil LTDA is building a national charging network for Electric Vehicles (EV). This network will improve the national infrastructure, which is currently precarious, increasing the number of charging stations for electric vehicle either for commercial fleets and / or private owners. The service Easy Volt Brasil LTDA network delivers comprises not only on the recharging the vehicles but also creating and installing the necessary and, adequate infrastructure, and managing the charging stations through its own application throughout Brazil.

The use of this charging infrastructure results in the avoidance of fossil fuel powered vehicle usage and therefore a reduction in the greenhouse gas emissions from the alternative energy supply. This project includes chargers that are installed, operated, and maintained by Easy Volt Brasil. For details relating to estimated abatement quantities, refer to Project Scale and Estimated GHG Emission Reductions or Removals.

This project is submitted following VCS methodology VM0038, Methodology for Electric Vehicle Charging Systems, which lays out the requirements for electric vehicle (“EV”) charging systems to issue credits across a range of potential charging systems and their applicable fleets.

This project is initiating with the solely-owned charger under direct ownership of the project proponent, Easy Volt Brasil. This project will subsequently add other chargers that are not under direct ownership of the proponent, but which have been aggregated for this transaction through legal agreements that preclude chargers that participate in this project from participating in any other GHG reduction scheme. To verify that no other EV charging project has already included any chargers from this portfolio in their project, the proponent will always check other VCS database filings of EV charger projects.
For details relating to estimated abatement quantities, refer to Project Scale and Estimated GHG Emission Reductions or Removals.

The project includes the chargers servicing the light-duty vehicles (LDV) and heavy-duty (HDV) segments. The following charger categories will be applicable during the life of the project:

L1 Charger ☒	L2 Charger ☒
DCFC 50kW ☒	DCFC 100kW ☒
DCFC 150kW ☒	DCFC 320kW ☒
DCFC 500kW ☒	

1.2 Sectoral Scope and Project Type

Sector scope	☒	7	Transportation
	☒	1	Energy

NOTE: EV charging projects include scopes consistent with the current edition of VM0038

Grouped project: ☒ Yes ☐ No

1.3 Project Eligibility

This project utilised a methodology that has been approved by Verra under the VCS program (VM0038, Methodology for Electric Vehicle Charging Systems v1.0). All criteria outlined within the methodology have been met.

Since there are no default values in Brazil for GHG emissions for fossil fuelled vehicles, the project used the US / Canadian baseline calculations provisionally.

The actual consumption of energy (in kwh) will be monitored on site via smart metering chargers with recognition via app installed on the user's smartphone.

1.4 Project Design

As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

Eligibility Criteria

As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

1.5 Project Proponent

Organization name	Easy Volt Brasil LTDA
Contact person	Gustavo Tannure
Title	CEO
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1.6 Other Entities Involved in the Project

There are no other relevant entities involved in this project.

1.7 Ownership

In accordance with section 3.6 of the VCS standard, the project is owned by Easy Volt Brasil LTDA through established legally binding project agreements. The agreement presents the legal right of Easy Volt Brasil LTDA to own, operate and maintain the EV chargers across the locations where they have been installed.

1.8 Project Start Date

Project start date: July 29, 2021

It is the earliest date when the first EV charging system included in the project inventory was installed and started it's commercial activity. Another reason this date was selected was to be consistent with the timing through which the GHG reductions begun to be delivered.

Thus, while there is no single date at which every individual EV charging system was installed, the project start date nonetheless thus represents the first sensible juncture from which the GHG reductions arising cumulatively from the suite of all EV chargers included in the inventory should begin to be credited.

1.9 Project Crediting Period

Project crediting period: 10 years - Starting in July 29, 2021 and finishing in july 28, 2031.

1.10 Project Scale and Estimated GHG Emission Reductions or Removals

When completing a draft project description for the purpose of listing on the pipeline as under development*, complete the following information; otherwise, delete this text.*

The estimated annual GHG emission reductions/removals of the project are:

☒ <20,000 tCO_2e/year

☐ 20,000 – 100,000 tCO_2e/year

☐ 100,001 – 1,000,000 tCO_2e/year

☐ >1,000,000 tCO_2e/year

Project Scale	
Project	X
Large project	

Year	Estimated GHG emission reductions or removals (tCO_2e)
Year 1 (7/29/2021 to 7/28/2022)	100
Year 2 (7/29/2022 to 7/28/2023)	750
Year 3 (7/29/2023 to 7/28/2024)	1500
Year 4 (7/29/2024 to 7/28/2025)	4000
Year 5 (7/29/2025 to 7/28/2026)	6,000
Year 6 (7/29/2026 to 7/28/2027)	8,000
Year 7 (7/29/2027 to 7/28/2028)	10,000
Year 8 (7/29/2028 to 7/28/2029)	15,000
Year 9 (7/29/2029 to 7/28/2030)	30,000
Year 0 (7/29/2030 to 7/28/2031)	40,000
Total estimated ERs	115,350
Total number of crediting years	10
Average annual ERs	11,535

1.11 Description of the Project Activity

This EV charging project includes EV charging system installations, including their associated infrastructure, which charge EV applicable fleets whose GHG emission reductions are achieved

through the displacement of conventional fossil fuel vehicles used for passenger and freight transportation as a result of the electricity delivered by the project chargers.

The type of equipment to be captured in this project, in terms of charger category, are detailed in the Summary Description of the Project. Broadly, the project will encapsulate electric vehicle charging systems that are capable of delivering electricity to a battery electric vehicle (BEV) or plug in hybrid electric vehicle (PHEV). The project is not exclusively measuring the abatement of charging infrastructure from one specific manufacturer and will be measuring abatement from numerous manufacturers (subject to eligibility criteria being met for each charger). The chargers currently involved in the project are detailed in the supplementary spreadsheet provided. The estimated load factor of each charger will be unique and is influenced by numerous factors, including:

- Vehicle utilisation;
- Whether charger is accessible by the public or serves a closed vehicle fleet; and
- Charger location.

However, it is expected that, at a macro level, charger utilisation (and therefore load factor) will increase throughout the life of the project as the market penetration of electric vehicles increases.

There will be new energy flows from the electricity grid (or standalone electrical infrastructure) through the electric vehicle charging infrastructure to a PHEV or BEV as a result of the project. This does not change the level of service being provided under the project scenario, as the same service, transportation by vehicle, is being provided. The only change from baseline to

1.12 Project Location

The project activities are intended to take place within the Brazil geographic borders. GPS co-ordinates of the initial chargers included in this project are provided in a supplementary spreadsheet, however this has been withheld from publication at this stage due to client confidentiality. It is anticipated that further infrastructure will be included on an ongoing basis.

1.1 Conditions Prior to Project Initiation

Presently, the Brazilian fleet of commercial and private owned vehicles is practically 100% made up of internal combustion vehicles. Aside from the fact that the initial expanse for the purchase of the electric vehicle is high, there is another very important matter that reduces the attractivity for this type of fuel in Brazil: the lack of capillarity of charging network.

Unlike some energy technologies which impact stationary sources (such as scope 1 energy-based GHG emissions), EV charging owners have no ability to directly or indirectly increase the baseline emissions associated with the fossil fuel vehicle miles travelled – in order artificially inflate GHG emissions to then induce higher GHG reductions when applying project technologies. Rather, emission reductions only arise when electricity kwh are supplied via the charger to an EV to result in EV-Km driven. These EV-Km driven are converted to an equivalent set of fossil fuel vehicle miles driven by applying the comparable vehicle requirements laid out in the Applicability condition. As a result, there is a 1:1 pairing between EV Km driven and fossil

fuel km driven, hard wired into the methodology's requirements: artificially increasing this ratio to generate more fossil fuel km driven is thus impossible since the BE equations preclude its introduction.

The VCS methodology VM0038 - Methodology for Electric Vehicle Charging Systems and VMD0049 - Activity Method for Determining Additionality of Electricity Vehicle Charging Systems were the foundation for applying for carbon credits. The estimations of greenhouse gas reductions are based on comparing vehicles with similar characteristics (payload and passenger capacity) running on fossil fuels and on electricity using default conversion factors from US and Canada (already approved within the methodology), since Brazil does not have such information. The comparison is made between fossil fuel vehicles' MGP (or km/l in Brazil) and the applicable fleet's average kwh/100 miles (or kwh/100km in Brazil). No manipulation of baseline emissions is therefore possible through the determination of MPG and AFEC variables. As a result, it is not possible to artificially generate increased GHG emissions for the purpose of later reducing them in this EV charging methodology context.

The project focus of EZVOLT project is providing charging infrastructure for captive fleets and households who wish to go green. EZVOLT aims to be one of the main players providing the necessary capillarity of charging stations and infrastructure to support the growth of the Brazilian electric fleet.

1.2 Compliance with Laws, Statutes and Other Regulatory Frameworks

Now there are no national laws, statutes and regulatory frameworks that could impact the project.

Were the project's GHG reductions mandated or required by VCS Standard regulatory surplus measures? ☐ Yes ☒ No

Are the EV charging systems nonetheless broadly in compliance with prevailing local, regional and national laws? ☒ Yes ☐ No

1.3 Participation under Other GHG Programs

1.3.1 Projects Registered (or seeking registration) under Other GHG Program(s)

The project has not been registered, and is not seeking registration under any other GHG programs.

1.3.2 Projects Rejected by Other GHG Programs

The project hasn't been rejected by other GHG Programs.

1.4 Other Forms of Credit

1.4.1 Emissions Trading Programs and Other Binding Limits

Does the project reduce GHG emissions from activities that are included in an emissions trading program or any other mechanism that includes GHG allowance trading?

☐ Yes ☒ No

1.4.2 Other Forms of Environmental Credit

Has the project sought or received another form of GHG-related credit, including renewable energy certificates?

☐ Yes ☒ No

The project did not seek or receive another form of environmental credit related to GHG.

1.5 Sustainable Development Contributions

EV charging system contributes to the following sustainable development priorities:

☒ Supports the expansion and adoption of EV's across the project region;

☒ Pioneers even faster EV charging infrastructure which is critical to the expansion of long-range Batter Electric Vehicles (BEV) which incorporate larger battery capacities and higher DC fast charging speeds;

☒ Empowers small scale EV charging owners to access the carbon capital markets for EV chargers through aggregation services – to accelerate their EV charging investments;

☒ Demonstrates that charging systems servicing HDV, LDV service vehicle and LDV customer EV segments can all issue carbon credits in ways that advance in an integrated and holistic fashion a utility's leadership towards its transportation electrification goals;

☒ Creates employment opportunities across the value chain from manufacturing to operations & maintenance.

1.6 Additional Information Relevant to the Project

Leakage Management

Under Section 8.3 of VM0038, "Leakage is not considered an issue under this methodology and is therefore set at zero."

Commercially Sensitive Information

Supplementary spreadsheet provided containing charging infrastructure details is to be treated as commercially sensitive to protect client confidentiality at this stage.

Further Information

Easy Volt will be looking to incorporate this project into the SD Vista program administered by Verra to verify impact against relevant SDGs.

2 SAFEGUARDS

2.1 No Net Harm

There are no potential negative environmental and socio-economic impacts identified once the project is supposed to be installed on urban anthropized areas.

2.2 Local Stakeholder Consultation

Given the geographical coverage of the project within Brazil, a rigorous stakeholder consultation plan is being adopted to ensure diverse stakeholder opinions are gathered throughout the deployment process. As of date consultations were conducted with charger manufacturers to ensure the technical specifications are met. One-to-one discussions were also conducted with owners of locations where chargers are installed prior to formulation of a strategic agreement. Their feedbacks were taken into consideration while installation and commissioning so as to ensure the system is robust and is accessible to the public. The project's milestones were also periodically communicated through media announcements / press releases and social media posts.

In addition, Easy Volt Brasil periodically engages with public and private stakeholders on various forums and conferences related to EVs and actively advocates for conducive policies and enablers that needs to be channelized for spearheading the national e-mobility programme. In addition, Easy Volt Brasil also has a dedicated customer helpline through which grievances / communications are received and addressed in a timely manner.

2.3 Environmental Impact

Easy Volt Brasil believes that installing and operating charging infrastructure has significant positive environmental and socio-economic impacts. Generally speaking, all of our charging sites use existing parking infrastructure, meaning paved roads and spaces as well as accompanying landscaping; we believe applicable environmental precautions and safeguards were applied when these parking accommodations were originally designed, approved and constructed. Therefore, adding charging dispensers to existing parking spaces, running conduit lines to those chargers and installing related equipment in the charging equipment pad simply revises the usage of existing infrastructure. Additionally, since all of this equipment are approved by the local jurisdiction having authority, we do not see environmental impact in any measurable way. Regarding socio-economic impact, our charging sites bring jobs for both construction crews and utility companies, support cleaner air when operational. They also provide more retail access to a greater variety of light duty EV drivers.

2.4 Public Comments

No public comments were received yet and we believe that we will not receive any during the public comment period.

2.5 AFOLU-Specific Safeguards

Not applicable for this project.

3 APPLICATION OF METHODOLOGY

3.1 Title and Reference of Methodology

VM0038 - Methodology for Electric Vehicle Charging Systems v1.0[1]

VMD0049 - Activity Method for Determining Additionality of Electric Vehicle Charging[2]

3.2 Applicability of Methodology

The project is applicable to fleets LDV BEVs and PHEVs, EVs using L2 chargers. The charging stations can also be used for charging MDV / HDV (electric buses and trucks) both BEV and PHEV.

Easy Volt Brasil maintains the inventory of its privately owned EV chargers with unique identifiers including the geo-spatial coordinates, equipment serial numbers and charger ID codes.

Applicability criteria outlined in the methodology, and MEGs response to each criteria is shown below

1. Applicable fleets:

Due to the nature of the electric vehicle charging infrastructure, only battery electric vehicles (BEVs) and plug in hybrid vehicles (PHEV) can be considered as the applicable fleet. This holds for both public facing charging infrastructure and infrastructure serving closed fleets.

Easy Volt Brasil already have all the information of the customers who use their charging network such as name, vehicle model, amount of energy recharged and etc... incorporated in the EZVOLT backend system and in the customer application.

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[1] *https://verra.org/methodology/vm0038-methodology-for-electric-vehicle-charging-systems-v1-0/*

[2] *https://verra.org/methodology/vmd0049-activity-method-for-determining-additionality-of-electric-vehicle-charging-systems-v1-0/*

Comparable fossil fuel vehicles will be selected based on vehicle category, and passenger/load capacity. Where appropriate, the individual car models used for the calculation of the US and Canadian default factors (MPG and AFEC) in the methodology will be used as a reference. The assessment of fleet representativeness will be completed by a VVB at the validation stage.

Where the vehicles being served by EV charging infrastructure are known, the vehicles previously utilised will be used as the basis for determining abatement, assuming the

The ownership of the carbon credits generated by the EV charging on the project's equipment is contractually guaranteed by the acceptance by the customer / driver to the terms of use of the service available in the user app, Easy Volt Brasil website and on the chargers displays. This acknowledgement from the customer is required only once upon the first contracting of the service.

Charger infrastructure inventory:

Easy Volt Brasil will maintain an inventory of charging infrastructure relevant to the project that contains the following information:

- Classification under the methodology (e.g. 50kW DCFC);
- AC/DC charging;
- kW rating of charger (actual nameplate output of charger);
- Geo-spatial coordinates;
- Presence of any dedicated renewable energy generation or battery storage associated infrastructure; and
- Unique identifier for the charging system.

AI systems:

For renewable energy generation or battery storage (AI) that is associated with charging infrastructure, an emissions factor of zero will only be applied where the quantum of electricity from zero emission sources delivered by the charging infrastructure can be clearly and transparently be determined. As per the methodology, the AI must include adequate metering systems to measure and accurately trace all electricity deliveries and receipts from all interrelated AI sources.

Proof of ownership:

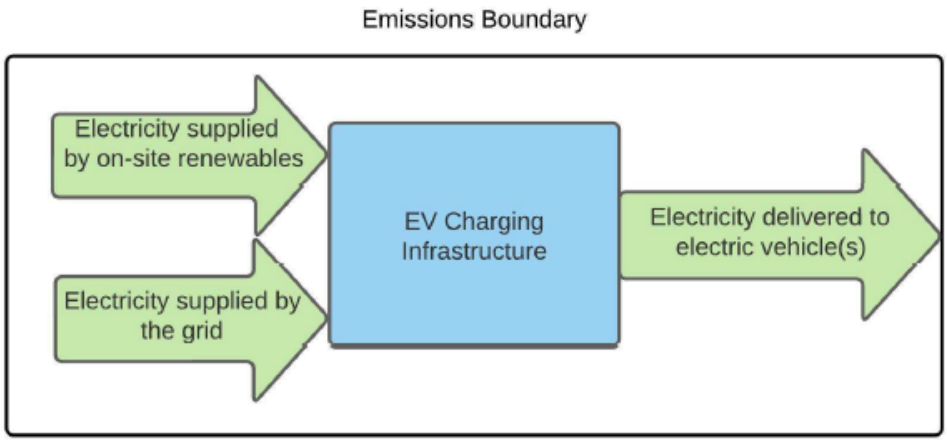
In accordance with Section 3.6 of the VCS Standard, project ownership by Easy Volt Brasil is established through a legally binding project development agreement. The agreement manifests the legal right to act as project proponent and acknowledges that all carbon credits created pursuant to the project will vest in Easy Volt Brasil.

3.3 Project Boundary

The relevant gases included in calculation of emissions (considered in the calculation of tonnes of CO2-e) are shown in the below table.

Source		Gas	Included?	Justification/Explanation
Baseline	Fossil fuel combustion of vehicles displaced by EV's	CO_2	Yes	Main emission source, per VM0038 Methodology
		CH_4	No	Per VM0038, "may be excluded for simplification"
		N_2O	No	Per VM0038, "may be excluded for simplification"
		Other	No	Not Applicable
Project	Electricity consumption via grid	CO_2	Yes	Main emission source, per VM0038 Methodology
		CH_4	No	Per VM0038, "may be excluded for simplification"
		N_2O	No	Per VM0038, "may be excluded for simplification"
		Other	No	Not Applicable
	Electricity consumption via on site battery	CO_2	Yes	Main emission source, per VM0038 Methodology
		CH_4	No	Per VM0038, "may be excluded for simplification"
		N_2O	No	Per VM0038, "may be excluded for simplification"
		Other	No	Not Applicable

Systems Diagram and flow of energy.



The above figure shows that the relevant equipment is the electric vehicle charging infrastructure, and any applicable electricity supplied to the EV charger, as this captures the total

energy delivered to the electric vehicles. As the baseline emissions and project emissions are delivered through calculations based on the applicable fleet being served by the charger rather than direct measurement, there are no other mass or energy flows to consider.

3.4 Baseline Scenario

The project's baseline scenario is the operation of comparable fleets (the comparability of baseline and project applicable fleet vehicles which has been demonstrated as per indicators set out in applicability conditions as described in Section 3.2). that would have been used to provide the same transportation service in the absence of the project.

Since the project scope is in Brazil, the default factors as provided in the VM0038 methodology were not used and a comparable baseline fossil fuel vehicle was selected and its associated AFEC and kmpl was derived based on manufacturer data. In order to justify the choice of the baseline vehicle and the factors used in the calculation of emissions, separate documentation shall be provided to the VVB. This shall comply with the VM0038 applicability criteria 2

3.5 Additionality

Even though the project is being implemented in a country not yet listed as pre-qualified as additional in the VMD0049 - Activity Method for Determining Additionality of Electric Vehicle Charging Systems, it fulfils the requirement by demonstrating that the participation of EVs in the Brazilian Fleet is inferior to 5%. This information can be verified through the Brazilian association of EVs (*www.abve.org.br*), who reported that in the first semester of 2021 were sold 13.899 electrified vehicles (considering Electric cars, commercial HEVs, PHEVs and BEVs). The total amount of vehicles sold in that period was 1,006,685. Therefore, the market share of electrified vehicles is approximately 1,4% in the period alone.

The information above can be used to contribute to include Brazil in the table 1 (List of Countries and Applicable LDV EV Classes) of the section 2 of the VDM0049.

To further support this claim, a study comparing the total sales of motor vehicles x electric vehicles was conducted by independent consultants using the database obtained with the Brazilian Association of Motor Vehicles Manufacturers (ANFAVEA). This study comprises the sales of motor vehicles, either fossil fuelled and electric, between the years of 2012 and 2021. The market share of EVs for the period can be seen on the table below:

Year	Total Motor Vehicles	Electric Vehicles	Market Share
2012	3.627.715	117	0,00%
2013	3.570.712	491	0,01%
2014	3.325.627	855	0,03%
2015	2.463.414	846	0,03%
2016	1.986.502	1.091	0,05%
2017	2.170.298	3.296	0,15%
2018	2.468.068	3.970	0,16%
2019	2.658.167	11.858	0,45%
2020	1.949.892	19.745	1,01%
2021	1.170.409	17.524	1,50%
Total	25.390.804	59.793	0,24%

The source data for the total motor vehicles sales https://www.autoo.com.br/emplacamentos/ whose data is obtained monthly from ANFAVEA.

The source data for the Total EV sales is the http://www.abve.org.br/ who also obtained the data monthly from ANFAVEA.

Given that the project is classified as “small scale” another requirement presented in VM0038 that increases the additionality is the fact that the replacement of the fossil fuelled fleet with EVs wouldn’t happen if the charging infrastructure was not widely available.

3.6 Methodology Deviations

Given that the VM0038 and VDM0049 were used as base for this project, the only deviation should be including Brazil in the positive list so the project can be able to be eligible for carbon Credits.

4 QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS

4.1 Baseline Emissions

As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

4.2 Project Emissions

As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

4.3 Leakage

As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

4.4 Net GHG Emission Reductions and Removals

As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

5 MONITORING

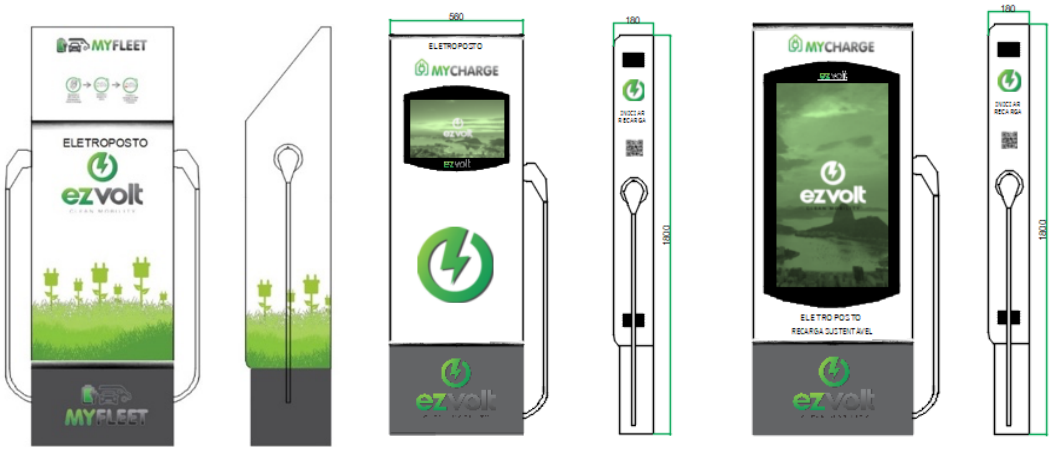
As per Section 3.1.3 of the Registration and Issuance Process v4.0, this section does not need to be completed for listing purposes. This information will be provided for validation at a later date.

5.1 Data and Parameters Available at Validation

5.2 Data and Parameters Monitored

5.3 Monitoring Plan

APPENDIX



Observation: The charger inventory presented in this document refers to the equipment in operation. Additional chargers will be included to the inventory as they are commissioned for further CO2 offset accounting.