Ontoly

The Carbon Registry Built for Buildings

Building Emissions Reduction Standard (BERS)

Methodology Development and Review Process

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1. Purpose and Scope

1.1 This document establishes the authoritative process by which Ontoly develops, approves, reviews, and amends all quantification methodologies under the Building Emissions Reduction Standard (BERS). It is a normative BERS Program document and shall be read in conjunction with the BERS Standard, all Approved BERS Methodologies, and the BERS Validation and Verification Standard.

1.2 Ontoly retains sole authorship and editorial control over all BERS Methodologies. This is a deliberate design decision rooted in the principle that the entity responsible for the integrity of the credit must also be responsible for the integrity of the methodology upon which it is based. Unlike programs that permit project developers or the public to submit or co-author methodologies, Ontoly maintains exclusive pen-holding authority to ensure that commercial interests do not influence methodology content.

1.3 Ontoly does not permit deviations from the quantification procedures, calculation methods, emission factors, or default values prescribed in an approved methodology. Where a methodology requires update or where an edge case arises in quantification, the formal revision or Methodology Clarification process set out in this document shall be followed. Approved methodologies may, however, include defined areas of flexibility for evidence and documentation requirements where specific data is unavailable, as outlined in the applicable methodology. This ensures that all projects are quantified against the same rules while accommodating real-world data availability constraints in a structured and transparent manner.

1.4 This process satisfies the requirements of the ICVCM Assessment Framework (Criterion 5.1) for methodology approval processes that include independent expert review. It also requires public stakeholder consultation before the approval of every new methodology and every Material Revision to an existing methodology, consistent with ICVCM Assessment Framework Criterion 5.1(c).

2. Guiding Principles and Structural Safeguards

2.1 Guiding Principles

The following principles shall govern all methodology development and review activities under the BERS Program:

- **Scientific Integrity.** All methodologies shall be grounded in the best available climate and building science. The scientific evidence base, as established by peer-reviewed literature, IPCC Assessment Reports, and recognized professional standards (e.g., IPMVP, ASHRAE), shall be the primary basis for all methodology decisions. Public or stakeholder feedback shall not override scientific evidence. Where conflicts arise between stakeholder preferences and scientific findings, Ontoly shall defer to the science.
- **Independence.** Ontoly holds the pen on all methodology content. Methodology development is conducted by Ontoly's internal technical team with oversight from the Scientific Advisory Board, consultation with independent subject-matter experts, and input from public stakeholders. This ensures that commercial interests, project

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developer preferences, or market pressures do not compromise the conservativeness or accuracy of quantification approaches.

- **Conservativeness.** Methodologies shall use approaches that are conservative in light of the uncertainties, taking into account the choice of assumptions, models, parameters, data sources, default factors, and measurement methods. Where uncertainty cannot be fully eliminated, conservative assumptions shall be applied to ensure that GHG emission reductions are not overestimated.
- **Transparency.** All approved methodologies and public consultation summaries shall be published on the Ontoly website. Internal records of expert review and decision rationale shall be maintained and made available upon request, ensuring full accountability.
- **Comparable Quantification.** Methodologies shall use comparable quantification approaches for both baseline and mitigation activity emissions or removals, ensuring methodological consistency and preventing asymmetric treatment of emissions scenarios.
- **Continuous Improvement.** Ontoly shall regularly review and update quantification methodologies to ensure continued environmental integrity, incorporating new scientific findings, evolving regulatory landscapes, and lessons learned from verified project performance data.

2.2 Acknowledgment of Ontoly's Commercial Interest

2.2.1 Ontoly acknowledges that as the operator of the BERS Program and the entity that collects program fees, it has a commercial interest in the adoption and application of BERS Methodologies. This interest could, in principle, create an incentive toward methodology designs that maximize project eligibility or credit issuance volumes.

2.2.2 Ontoly considers this tension inherent to any carbon-crediting program, regardless of governance model. To mitigate this risk, the BERS Program employs the following structural safeguards, which collectively ensure that Ontoly's commercial interest does not compromise methodology integrity:

- **Scientific Advisory Board with Formal Objection Rights.** The SAB has the authority to issue a Formal Objection to any methodology provision it determines to be scientifically unsound (see Section 4.2). A Formal Objection requires a heightened public response from Ontoly and creates a permanent record, providing a meaningful check on editorial discretion.
- **Independent Third-Party Validation and Verification of Methodology Application.** While Validation Bodies and Verification Bodies do not participate in methodology development, they independently audit how Ontoly applies the methodology to each project. At validation, an accredited Validation Body assesses Ontoly's ex-ante quantification, baseline determination, and additionality assessment for the project before it attains Validated status (BERS Standard Section 6). At each subsequent verification, an accredited Verification Body reviews Ontoly's standardized quantification models, parameter selections, and calculations against the approved methodology text (BERS Standard Section 8). Together these provide an external check at both the ex-ante and ex-post stages, creating accountability for any drift between published methodology rules and actual quantification practice.

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- **Centralized Quantification.** Ontoly conducts all GHG calculations on behalf of Building Representatives (BERS Standard Section 2.1.2), ensuring identical application of methodology rules across all projects and eliminating project-level discretion in quantification.
- **Public Transparency.** All approved methodologies, summaries of public consultations and Ontoly's responses, and any SAB Formal Objections are published on the Ontoly website, enabling external scrutiny. Additional records are maintained internally and available upon request.
- **BERS Governance Board Oversight.** The independent BERS Governance Board provides strategic oversight of the program, approves major updates to the Standard, and serves as the final authority in the appeals process (BERS Standard Section 2.2).

3. Required Methodology Components

3.1 All Approved BERS Methodologies, whether newly developed or revised, shall address the following essential components, consistent with ICVCM Assessment Framework requirements and the BERS Standard (Section 1.2):

a) **Applicability and Eligibility Criteria.** Each methodology shall clearly define the types of buildings, retrofit measures, geographic constraints, and project conditions under which the methodology may be applied.

b) **Determination of the Accounting Boundary.** The methodology shall establish the physical and operational boundaries of the project, including which emission sources, sinks, and scopes are included or excluded.

c) **Determination of Additionality.** Each methodology shall comply with the standardized additionality tests set out in the BERS Standard, ensuring that BERUs are issued only for GHG emission reductions that exceed existing legally binding regulatory requirements and for which financial analysis demonstrates that carbon finance materially improves the investment case.

d) **Establishment of the Baseline Scenario.** The methodology shall include a transparent and conservative approach for determining the baseline emissions scenario, consistent with the BERS Standard.

e) **Quantification of GHG Emission Reductions.** The methodology shall define the calculation procedures, emission factors, data inputs, model selection, systematic approach to ensuring conservativeness, and uncertainty requirements used to determine net BERU issuance. The methodology shall use comparable quantification approaches for both baseline and project activity emissions, ensuring that neither scenario is treated with asymmetric assumptions or methods.

f) **Monitoring Practices.** Each methodology shall prescribe all data collection, metering, reporting, and attestation requirements needed to verify project performance on an ongoing basis.

4. Methodology Development Process

4.1 Authorship and Editorial Control

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4.1.1 Ontoly shall be solely and exclusively responsible for the authorship, drafting, and editing of all BERS Methodologies. No external party—including project developers, validation or verification bodies, buyers, or members of the public—may submit, author, or co-author a BERS Methodology.

4.1.2 This exclusive authorship model is a deliberate departure from the approach taken by many carbon-crediting programs, which allow project developers or other market participants to submit their own methodologies or request methodology deviations. Ontoly considers that such practices create structural conflicts of interest where the party that benefits financially from the methodology also influences its technical content. The BERS Program addresses this by separating the authorship function from commercial project interests, while subjecting Ontoly's own work to independent expert review and public consultation.

4.1.3 Ontoly's internal technical team shall lead all drafting activities, drawing upon internal expertise in building science, energy systems, GHG quantification, and carbon market integrity.

4.2 Scientific Advisory Board

4.2.1 Ontoly shall maintain a rotating Scientific Advisory Board (SAB) composed of independent experts with demonstrated expertise in the relevant methodology technologies, building science, energy modelling, GHG accounting, and climate policy. All SAB members shall be experts in the specific technology areas covered by the methodologies under review.

4.2.2 The SAB shall provide technical guidance and review throughout the methodology development process. All draft methodologies shall be reviewed by the SAB prior to finalization and approval.

4.2.3 Members of the SAB shall serve rotating terms. Rotation of membership shall be staggered to ensure continuity of institutional knowledge. No member may be removed mid-term except for cause (breach of the Conflict of Interest Policy, failure to participate, or demonstrated lack of independence). Ontoly shall publish the names and areas of expertise of current SAB members on the Ontoly website.

4.2.4 All members shall be subject to Ontoly's Conflict of Interest Policy and shall disclose any potential, perceived, or actual conflicts of interest prior to appointment and on an ongoing basis. Ontoly shall maintain a record of the employers and affiliated organizations of all SAB members and of independent subject-matter experts engaged under Section 4.3. No organization that has been paid to assist in developing any part of a BERS Methodology may act as a Validation Body or Verification Body for any BERS project, in accordance with Section 5.5 of the BERS Validation and Verification Standard.

4.2.5 The SAB shall not have general editorial control over methodology content. Ontoly retains final decision-making authority on all methodology text. However, the SAB shall have the authority to issue a Formal Objection where it determines, by majority vote, that a specific methodology provision is scientifically unsound, materially overestimates emission reductions, or fails to meet the conservativeness principle.

4.2.6 Where a Formal Objection is issued, Ontoly may still proceed with publication, but shall be required to: (a) publish the Formal Objection in full alongside the approved methodology;

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(b) publish a detailed, written response explaining the scientific basis for its decision to proceed; and (c) flag the objected provision for priority review at the next periodic methodology review. A Formal Objection shall become part of the permanent record for that methodology version.

4.3 Independent Expert Consultation

4.3.1 In addition to the SAB, Ontoly shall engage independent subject-matter experts to provide specialized review of draft methodologies. These experts shall be selected based on their relevant technical expertise and shall not have a financial interest in the outcome of the methodology or have taken part in drafting it.

4.3.2 Independent expert review shall evaluate, at minimum, the scientific soundness of the quantification approach, the conservativeness of assumptions and default values, the robustness of monitoring requirements, and alignment with current best practice and the latest scientific literature.

4.3.3 Ontoly shall document all independent expert feedback and the disposition of each comment (accepted, partially accepted, or rejected with rationale). This record shall be retained internally and made available upon request.

4.4 Development Workflow

The methodology development process shall follow these sequential stages:

1. **Stage 1 — Scoping and Research.** Ontoly identifies the need for a new methodology based on market demand, emerging technologies, scientific developments, or regulatory changes. A scoping document is prepared outlining the intended scope, applicability, and quantification approach.
2. **Stage 2 — Internal Drafting.** Ontoly's technical team prepares a full draft methodology addressing all required components set out in Section 3.
3. **Stage 3 — Scientific Advisory Board Review.** The draft is submitted to the SAB for technical review, including an assessment of whether the quantification approach is conservative in light of the uncertainties and whether comparable quantification approaches are used for both baseline and project emissions. The SAB provides written comments and recommendations, including identification of any provisions that may warrant a Formal Objection.
4. **Stage 4 — Independent Expert Review.** The draft is submitted to one or more independent subject-matter experts for additional technical review.
5. **Stage 5 — Public Stakeholder Consultation.** The draft methodology, with a summary of the SAB and independent expert review, is published on the Ontoly website for public comment for at least thirty (30) days in accordance with Section 7.
6. **Stage 6 — Revision and Finalization.** Ontoly incorporates SAB, independent expert and public feedback, documents the disposition of all comments, publishes the

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summary of public comments and responses required by Section 7.2.3, and prepares the final methodology.

7. **Stage 7 — Approval and Publication.** The final methodology is approved by Ontoly and published on the Ontoly website and Registry.

4.4.2 Public stakeholder consultation is conducted for every new methodology (Stage 5) and for all Material Revisions to approved methodologies (Section 5.3), so that the broader stakeholder community has a formal voice before any methodology, or any material change to one, is approved.

4.5 Timeline Discipline

4.5.1 Ontoly shall endeavour to complete the full methodology development process (Stage 1 through Stage 7) within twelve (12) months from the date of formal scoping. Where this timeline cannot be met, Ontoly shall publish a progress update on the Ontoly website explaining the status, the reason for delay, and the expected completion date.

4.5.2 Stakeholders may submit a formal request to Ontoly at info@ontoly.org to prioritize the development or revision of a specific methodology. Ontoly shall acknowledge such requests within fourteen (14) business days and shall consider them in its development planning.

5. Methodology Revision Process

5.1 Classification of Revisions

5.1.1 Revisions to approved methodologies shall be classified as Material Revisions, Administrative Revisions, or Methodology Clarifications, as defined below.

Material Revisions

A Material Revision is any change that meets one or more of the following criteria:

- Changes to applicability or eligibility criteria that expand or restrict the scope of eligible projects.
- Changes to title and ownership rules or representative authorization requirements.
- Any change that results in a greater than one percent (1%) change in the Materiality Threshold for GHG quantification, as defined in Section 5.2.
- Changes to baseline determination procedures, emission factors, or default values that materially affect quantification outcomes.
- Changes to additionality assessment procedures (to the extent these are methodology-specific rather than governed by the BERS Standard).
- Changes to monitoring requirements that affect data quality or the ability to verify emission reductions.

Administrative Revisions

An Administrative Revision is a change that does not meet the criteria for a Material Revision, including corrections of typographical errors, formatting changes, clarifications of existing requirements that do not alter their substance, and updates to normative references.

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Methodology Clarifications

5.1.2 A Methodology Clarification is a formal, binding interpretation issued by Ontoly that resolves an ambiguity or addresses an edge case in the application of an approved methodology, without altering the methodology text itself.

5.1.3 Methodology Clarifications are intended to address real-world implementation scenarios that the approved methodology did not explicitly anticipate. They shall not expand the scope of the methodology, alter the quantification approach, or change any parameter, assumption, or default value. Where the issue in question would require any of these changes, Ontoly shall initiate a formal Material Revision instead.

5.1.4 Methodology Clarifications shall be reviewed by at least one member of the SAB prior to publication, published on the Ontoly website within the relevant methodology's page, and shall be binding on all projects from the date of publication. A register of all Methodology Clarifications shall be maintained alongside each approved methodology.

> *Note: The Methodology Clarification mechanism ensures that legitimate edge cases in quantification can be resolved without delay while preserving the principle that no project-specific deviations from calculation procedures are permitted. It is analogous to a regulatory interpretation or guidance note rather than a rule change.*

5.2 Materiality Threshold for GHG Quantification

5.2.1 The Materiality Threshold is the quantitative trigger that determines whether a proposed methodology change constitutes a Material Revision requiring full public consultation and independent expert review.

5.2.2 A proposed change shall be deemed to exceed the Materiality Threshold where it results in a change of more than one percent (1%) in the calculated net GHG emission reductions (expressed in tCO_2e) for a representative project, when comparing the result under the current approved methodology to the result under the proposed revised methodology, holding all project-level input data constant.

5.2.3 The Materiality Threshold test shall be applied as follows:

a) Ontoly shall select a representative sample of at least five (5) projects that have been verified under the current approved methodology, spanning the range of project sizes, building types, and retrofit measures typical of the methodology's applicability.

b) For each representative project, Ontoly shall calculate the net GHG emission reductions under both the current methodology and the proposed revision, using identical project-level input data (utility data, occupancy, weather normalization factors, and all other building-specific inputs).

c) The percentage change for each project shall be calculated as:

$$\left| \left(\text{Net Reductions}_{\text{proposed}} - \text{Net Reductions}_{\text{current}}\right) / \text{Net Reductions}_{\text{current}} \right| \times 100$$

d) If the absolute value of this percentage change exceeds 1% for any project in the representative sample, the proposed change shall be classified as a Material Revision.

5.2.4 Ontoly shall document the Materiality Threshold assessment for each proposed revision, including the projects selected, the calculations performed, and the results. This documentation shall be published alongside the public consultation materials for Material Revisions and retained internally for Administrative Revisions.

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5.2.5 Where there is uncertainty as to whether a proposed change exceeds the Materiality Threshold, Ontoly shall err on the side of classifying it as a Material Revision and conducting the full revision process.

5.3 Material Revision Process

5.3.1 All Material Revisions shall undergo the following process:

a) Preparation of proposed changes by Ontoly's technical team.
b) Review by the Scientific Advisory Board.
c) Review by independent subject-matter experts.
d) Public stakeholder consultation of at least thirty (30) days, with the proposed changes published on the Ontoly website.
e) Review of all public comments received. Comments may inform the final version where supported by scientific evidence. Stakeholder feedback shall not override scientific findings or compromise conservativeness.
f) Publication of a summary of comments received and Ontoly's formal response.
g) Final approval and publication of the revised methodology.

5.4 Administrative Revision Process

5.4.1 Administrative Revisions may be approved by Ontoly without public stakeholder consultation, provided that Ontoly documents the nature and rationale for the change and publishes a change log on the Ontoly website.

5.4.2 Ontoly shall exercise judgment in classifying revisions. Where there is uncertainty as to whether a proposed change constitutes a Material or Administrative Revision, Ontoly shall err on the side of classifying it as Material and conducting the full revision process.

5.5 Contentious Items and Independent Review Vote

5.5.1 Where a proposed Material Revision raises contentious issues on which the SAB, independent experts, or public stakeholders hold materially divergent views and which are difficult to resolve through the standard comment-and-response process, Ontoly shall convene an Independent Review Vote.

5.5.2 The Independent Review Vote shall be conducted among the members of the SAB and, where appropriate, additional independent experts selected by Ontoly for the specific issue at hand. Each eligible participant shall cast a vote on the contested item(s). The voting process and outcome shall be documented.

5.5.3 The outcome of the Independent Review Vote shall be advisory. Ontoly retains final decision-making authority but shall publicly disclose the outcome of any Independent Review Vote and, where it departs from the majority recommendation, shall publish a detailed rationale explaining the scientific basis for its decision.

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5.5.4 The Independent Review Vote is an additional safeguard for integrity. It shall not be used as a mechanism for stakeholders to override scientific evidence or to advance commercial interests.

6. Transitional Provisions for Existing Projects

6.1 Purpose and Applicability

6.1.1 This section governs how methodology revisions apply to projects that are already active within the BERS Program at the time a revised methodology takes effect. It establishes a good-faith transition framework that provides Building Representatives with stability, predictability, and informed choice, while maintaining the scientific integrity of the BERS Program.

6.1.2 Ontoly recognizes that Building Representatives and Building Owners may have entered into commercial arrangements—including pre-purchase agreements for BERUs— on the basis of the methodology version in effect at the time of their project's listing, assessment, or validation. This transitional framework is designed to ensure that methodology revisions do not create unforeseen disruption to these arrangements, while ensuring that all projects remain grounded in credible and defensible quantification. Consistent with the BERS Standard (Section 2.7), all notifications and elections under this section are managed through the Building Representative, who is the authorized point of contact for all communications with Ontoly on behalf of the Building Owner.

6.1.3 The following terms are used in this section. Project statuses referenced below have the meanings given in Section 15.2.1 of the BERS Standard:

· **Listed Project:** A project that has been assigned *Unvalidated (Listed)* status on the Ontoly Buyers Portal under Section 5.2A of the BERS Standard. Listing is optional and confers no eligibility determination, validation, or assurance.

· **Assessed Project:** A project for which Ontoly has completed and delivered a Preliminary Ex-Ante BERU Assessment Report but which has not yet received a positive Validation Statement. A project may be both Listed and Assessed.

· **Validated Project:** A project that has received a positive Validation Statement from an accredited Validation Body under Section 6 of the BERS Standard and has been posted to the public Ontoly Registry at *Validated* status, but for which no BERUs have yet been issued.

· **Issuing Project:** A Validated Project for which BERUs have been issued under the current methodology version for at least one monitoring period. Issuing Projects hold *Issuance in Progress (Verified)* or *Issued* status on the Ontoly Registry.

· **Effective Date:** The date on which a revised methodology formally takes effect, as published by Ontoly.

6.2 Methodology Change Notification Procedure

6.2.1 Upon approval of a Material Revision, Ontoly shall initiate the following communications procedure for all affected Building Representatives:

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1. **Step 1 — Notification.** Ontoly shall notify all affected Building Representatives via the Ontoly Portal and by direct written communication (email) at least sixty (60) days prior to the Effective Date. The notification shall include a plain-language summary of the methodology changes and the Effective Date.
2. **Step 2 — Project-Specific Impact Statement.** Within the notification period, Ontoly shall provide each affected Building Representative with a Project-Specific Impact Statement. This statement shall present the material results of the methodology revision as applied to their specific project, including an estimate of the change in projected net GHG emission reductions (expressed in tCO_2e and as a percentage change), and any changes to monitoring, reporting, or evidence requirements.
3. **Step 3 — Methodology Version Election.** Upon receipt of the Project-Specific Impact Statement, the Building Representative shall elect to either adopt the revised methodology or continue under the prior methodology version for the remainder of the project's current crediting period, as set out in Section 6.3.
4. **Step 4 — Acknowledgment and Registry Disclosure.** The Building Representative's election shall be recorded by Ontoly. The methodology version under which each project operates shall be publicly disclosed on the Ontoly Registry alongside the project's listing, ensuring full transparency for buyers, validation and verification bodies, and all stakeholders.

6.3 Methodology Version Election

Issuing Projects

6.3.1 For Issuing Projects (projects for which BERUs have been issued under the current methodology), the Building Representative may elect to:

a) **Option A — Adopt the revised methodology.** The project transitions to the revised methodology from the start of the next monitoring period following the Effective Date. All future ex-post quantification, monitoring, and verification shall be conducted under the revised methodology. The project's existing Validation Statement is unaffected and Section 6.4.2 applies.

b) **Option B — Continue under the prior methodology version.** The project continues to operate under the methodology version in effect at the time of its most recent BERU issuance, in good faith, for the remainder of the project's current crediting period. This election shall be disclosed on the Ontoly Registry.

Validated Projects (Pre-Issuance)

6.3.2 For Validated Projects that have not yet received BERU issuance, the Building Representative may elect to:

a) **Option A — Adopt the revised methodology.** All ex-post quantification, monitoring, and verification shall be conducted under the revised methodology from the first monitoring period. Because the project's Validation Statement was issued by reference to the prior methodology version, the treatment of the existing Validation Statement shall be determined in accordance with Section 6.4.2.

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b) **Option B — Continue under the prior methodology version.** The project proceeds under the methodology version in effect at the time its Validation Statement was issued, in good faith, for the duration of the project's crediting period. This election shall be disclosed on the Ontoly Registry.

Assessed Projects (Pre-Validation)

6.3.3 For Assessed Projects for which a Preliminary Ex-Ante BERU Assessment Report has been delivered but which have not yet received a positive Validation Statement:

· The Preliminary Ex-Ante BERU Assessment Report shall not be retroactively recalculated, as it is a preliminary and non-binding estimate.

· Prior to the commencement of validation, the Building Representative shall elect to proceed under either the revised methodology or the prior methodology version. The election shall be made before the project is assigned to a Validation Cohort, so that the Validation Body assesses the project against the elected methodology version. The election shall be disclosed on the Ontoly Registry upon the project attaining Validated status.

· Ontoly shall provide the Building Representative with an updated informational estimate under the revised methodology to inform their election, provided as guidance (not as a replacement of the original Preliminary Ex-Ante BERU Assessment Report).

6.3.4 Listed Projects for which no Preliminary Ex-Ante BERU Assessment Report has been delivered are not subject to the election provisions of this Section. Such projects shall be assessed under the methodology version in effect on the date Ontoly receives complete Ontoly Project Intake Forms under Section 5.3 of the BERS Standard.

New Projects

6.4 Conditions and Limitations on Prior Methodology Election

6.4.1 The election to continue under a prior methodology version is made in good faith and is subject to the following conditions:

- The prior methodology version must not have been suspended or withdrawn by Ontoly under Section 9. Where a methodology is suspended or withdrawn due to evidence of systematic overestimation or failure to ensure additionality, the election to continue under the prior version is not available, and affected projects shall transition to the revised methodology or, where no suitable replacement exists, shall be subject to the provisions of Section 9.
- The Building Representative's election applies to the project's current crediting period only. At the commencement of any renewal or extension of the crediting period, the project shall adopt the most current approved methodology version.
- Projects operating under a prior methodology version remain subject to all other BERS Program requirements, including validation by an accredited Validation Body, verification by an accredited Verification Body, monitoring obligations, and compliance with the BERS Standard.

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- Ontoly reserves the right, in exceptional circumstances where continued application of a prior methodology version would result in a demonstrable and material compromise of environmental integrity, to require transition to the revised methodology. Any such determination shall be made by Ontoly in consultation with the SAB, documented with supporting evidence, and communicated to the Building Representative with a minimum of sixty (60) days' notice.

6.4.2 Effect of Methodology Election on an Existing Validation Statement**.** Where a project that has received a positive Validation Statement elects to adopt a revised methodology under Section 6.3.1 Option A or Section 6.3.2 Option A:
(a) The positive Validation Statement remains valid and shall not be reopened, reissued, or withdrawn by reason of the methodology revision. No re-validation is required.

(b) The determinations made at validation — project eligibility, the baseline scenario, regulatory surplus and financial additionality, and the safeguard attestations — remain fixed by reference to the methodology version in effect at the time the Validation Statement was issued, and continue to apply for the duration of the crediting period.

(c) The election to adopt a revised methodology applies to ex-post quantification, monitoring, and verification from the applicable monitoring period onward. It does not alter or reopen the determinations described in paragraph (b).

(d) The methodology version against which validation was completed shall be recorded in the project file and disclosed on the Ontoly Registry in accordance with Section 6.5.

6.5 Registry Disclosure

6.5.1 The Ontoly Registry shall publicly disclose, for each project, the methodology version under which it is currently operating. Where a Building Representative has elected to continue under a prior methodology version, this shall be clearly identified on the project's public listing, including:

- The methodology version in use and its publication date.
- The current approved methodology version and its publication date.
- A notation that the Building Representative has elected to continue under the prior version in accordance with this Section 6.

6.5.2 This disclosure ensures that BERU buyers, validation and verification bodies, and all stakeholders have full visibility into the methodology version applied to each project, supporting informed decision-making and market transparency.

6.6 Recalculation of Previously Issued BERUs

6.6.1 Methodology revisions shall not result in the retroactive recalculation or cancellation of BERUs that have been validly issued under a prior version of the methodology, except where

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Ontoly determines, based on evidence, that the prior methodology resulted in a systematic and material overestimation of emission reductions (see Section 9).

6.6.2 For the avoidance of doubt: a methodology revision that updates parameters, default values, or calculation procedures for prospective application does not, by itself, constitute grounds for the retroactive recalculation of previously issued BERUs. Previously issued BERUs were quantified, verified, and issued in accordance with the methodology version in effect at the time, and their integrity is a function of compliance with that version.

7. Public Stakeholder Consultation

7.1 Scope and Triggers

7.1.1 Public stakeholder consultation shall be conducted for every new methodology and for all Material Revisions to approved methodologies. Consultation is not required for Administrative Revisions, or for Methodology Clarifications, though Ontoly may elect to consult on any of these where it considers public input beneficial.

7.1.2 Specifically, public consultation is triggered by any proposed change to:

- Applicability or eligibility criteria.
- Title, ownership, or representative authorization rules.
- Any parameter, assumption, model, or procedure where the change exceeds the Materiality Threshold (Section 5.2).
- Any other change classified as a Material Revision under Section 5.1.

7.2 Consultation Procedures

7.2.1 Draft documents shall be published on the Ontoly website with a clear invitation for public comment. The comment period shall be at least thirty (30) days.

7.2.2 All stakeholders, including but not limited to project developers, building owners, validation and verification bodies, academic researchers, civil society organizations, Indigenous Peoples and Local Communities, and the general public, may submit comments.

7.2.3 Ontoly shall publish a summary of all comments received and a formal response to each material comment, documenting whether and how each comment was incorporated or the rationale for not incorporating it.

7.2.4 Ontoly shall announce each consultation on its website on the day it opens.

7.3 Primacy of Science Over Stakeholder Preference

7.3.1 Public and stakeholder feedback is valued as an important input to the methodology process. However, Ontoly holds the pen on methodology content from a view towards integrity. Public or stakeholder feedback shall never override the scientific evidence base.

7.3.2 For the purposes of this section, the “scientific evidence base” is defined as the body of peer-reviewed literature, IPCC Assessment Reports, recognized measurement and

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verification standards (e.g., IPMVP, ASHRAE), ISO standards, and other authoritative technical sources as determined by the SAB.

7.3.3 Where public comments conflict with the scientific evidence base, the recommendations of the SAB, or the principle of conservativeness, Ontoly shall reject such comments and publish its rationale. Ontoly is under no obligation to adopt public feedback that would compromise the environmental integrity of BERS Methodologies.

7.4 Methodologies Approved Before This Version

7.4.1 The Existing Building Methodology, approved before public consultation on new methodologies was required, shall undergo a public consultation under this Section 7 within ninety (90) days of this version of this document taking effect. Ontoly shall publish the summary of comments and responses under Section 7.2.3 and apply any resulting revision in accordance with Section 5.

8. Periodic Methodology Review

8.1 All Approved BERS Methodologies shall be reviewed at a minimum of every five (5) years, in alignment with the ICVCM Core Carbon Principles and the BERS Standard.

8.2 The periodic review shall assess, at minimum:

a) Whether the quantification approach remains conservative in light of new scientific evidence, updated emission factors, or changes in technology performance.

b) Whether eligibility criteria remain appropriate given changes in building codes, regulations, and market conditions.

c) Whether monitoring requirements remain sufficient to ensure data quality and verifiability.

d) Whether baseline determination procedures remain robust and representative.

Performance data from verified projects, and findings raised in validation and verification reports, to identify any systemic patterns of over- or under-estimation

8.3 Ontoly may initiate a review at any time prior to the five-year cycle if evidence or circumstances warrant earlier action, including changes in applicable regulations, new scientific findings, or feedback from validation and verification activities, including recurring findings, non-conformities, or Forward Action Requests raised by Validation Bodies or Verification Bodies.

8.4 Where a periodic review identifies the need for changes, such changes shall be processed as Material or Administrative Revisions in accordance with Section 5.

9. Methodology Suspension and Withdrawal

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9.1 Ontoly shall have procedures to review, suspend, and/or withdraw the use of any methodology where Ontoly has determined, based on evidence, that:

a) GHG emission reductions are being systematically overestimated under the methodology.

b) Additionality might not be ensured for projects applying the methodology.

c) The methodology is no longer aligned with current scientific understanding or best practice.

d) Regulatory or market conditions have changed such that the methodology no longer serves the objectives of the BERS Program.

9.2 Where Ontoly suspends a methodology, no new projects may be registered under that methodology until it has been revised and re-approved. Existing projects registered under a suspended methodology may continue under the previously approved version for the duration of their current monitoring period, unless Ontoly determines, based on specific documented evidence, that continued use would result in a material overestimation of emission reductions. Any such determination shall be published with supporting rationale.

9.3 Where Ontoly withdraws a methodology, it shall be permanently retired and no further projects may be registered under it. Ontoly shall publish the rationale for any suspension or withdrawal decision.

9.4 Ontoly does not permit deviations from the quantification procedures prescribed in an approved methodology. Where a project cannot conform to the calculation requirements of an approved methodology, the project is ineligible for BERU issuance until the methodology is formally revised through this process, a Methodology Clarification addresses the specific issue, or an alternative approved methodology is available. This does not preclude the use of alternative evidence or documentation where the applicable methodology expressly provides for such flexibility.

10. Conservativeness and Robust Quantification

10.1 The following approaches shall be applied across all BERS Methodologies to enable conservativeness and robust quantification, consistent with ICVCM requirements:

c) The quantification methodology or applicable program documents shall use approaches to quantify emissions or removals from the mitigation activity that are conservative in light of the uncertainties, taking into account the choice of assumptions, models, parameters, data sources, default factors, measurement methods, and other factors.

d) The quantification methodology or applicable program documents shall use comparable quantification approaches for both baseline and mitigation activity emissions or removals.

10.2 Ontoly's centralized quantification model—under which Ontoly conducts all GHG emission reduction calculations on behalf of the Building Representative (BERS Standard Section 2.1.2)—provides an additional layer of quality assurance by ensuring that all projects are quantified using identical, verified, and auditable models and parameters.

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10.3 All standardized parameters used across methodologies shall be published in the Ontoly Public Parameter List. The parameters themselves shall be subject to annual independent third-party validation and verification body as part of Program-Level Verification.

11. Prohibition on External Methodology Submission and Deviations

11.1 Ontoly does not accept externally submitted methodologies. No project developer, validation body, verification body, academic institution, or other third party may submit a draft methodology or methodology proposal for adoption under the BERS Program.

11.2 Ontoly does not permit deviations from the quantification procedures, calculation methods, emission factors, or default values prescribed in an approved methodology. All projects shall be quantified in accordance with the approved methodology as published, without modification, exception, or adaptation to the calculation framework. Where a project encounters an edge case or ambiguity in quantification, the Methodology Clarification process (Section 5.1.2–5.1.4) shall be used to resolve the issue.

11.3 Approved methodologies may include defined areas of flexibility for evidence and documentation requirements, such as the acceptance of alternative data sources or proxy data where specific building-level data is unavailable. Any such flexibility shall be expressly set out in the applicable methodology, including the conditions under which it may be exercised and any conservativeness adjustments that apply. This flexibility does not constitute a methodology deviation; it is a structured provision within the methodology itself.

11.4 The prohibition on quantification deviations is a foundational element of the BERS Program's approach to integrity. Permitting external methodology submission or deviations to calculation procedures creates structural conflicts of interest where the parties that stand to benefit financially from a methodology also influence its content. This undermines the independence of the quantification framework and, in Ontoly's view, represents an insufficient separation between the standard-setting function and the commercial interests of market participants.

11.5 Stakeholders who believe that a new methodology is needed or that an existing methodology should be revised are encouraged to submit feedback through the formal methodology development request process (Section 4.5.2), through the public stakeholder consultation process for new methodologies and Material Revisions (Section 7), or by contacting Ontoly directly at info@ontoly.org. All feedback shall be reviewed and, where appropriate, may inform Ontoly's methodology development priorities.

12. Appeals Related to Methodology Decisions

12.1 Any stakeholder who believes that a methodology decision by Ontoly is not supported by the scientific evidence base, is inconsistent with the principles set out in this document, or fails to comply with the procedures prescribed herein, may file a formal appeal.

12.2 Appeals shall be submitted in writing to info@ontoly.org and shall include a clear statement of the decision being appealed, the specific grounds for the appeal, and any supporting evidence.

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12.3 Ontoly shall acknowledge receipt of the appeal within fourteen (14) business days and shall refer the appeal to the BERS Governance Board for independent review, consistent with the Grievance and Appeals Mechanism set out in the BERS Standard (Section 2.4).

12.4 The BERS Governance Board shall review the appeal and provide a determination within sixty (60) days. The Board may uphold Ontoly's decision, require Ontoly to reconsider the decision with additional expert review, or recommend that the issue be submitted to the Independent Review Vote process.

12.5 The outcome of any appeal, including the Governance Board's determination and Ontoly's response, shall be documented and, where non-confidential, published in Ontoly's annual report.

13. Record-Keeping and Transparency

13.1 Internal Records

Ontoly shall maintain a complete and auditable internal record of all methodology development and review activities. This includes all drafts and revision histories, SAB and independent expert review records, public comments received, Materiality Threshold assessments, Independent Review Vote records, Methodology Clarifications, suspension or withdrawal evidence, and appeal outcomes. These records shall be available for review by the BERS Governance Board and may be made available to external parties upon reasonable request, subject to applicable confidentiality obligations.

13.2 Public Disclosures

The following shall be published on the Ontoly website:

- All current Approved BERS Methodologies and an archive of prior versions with change logs.
- A register of Methodology Clarifications for each methodology.
- A summary of each public consultation conducted, including Ontoly's response to material comments.
- Any SAB Formal Objections and Ontoly's written response.
- Notices of any methodology suspension or withdrawal.
- Names and areas of expertise of current SAB members.
- Transitional provisions and Impact Assessments for Material Revisions affecting existing projects.

13.3 Additional records, including detailed expert review feedback, Independent Review Vote outcomes, and appeal determinations, shall be retained internally and may be summarized in Ontoly's annual report or disclosed upon request where non-confidential.

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14. Normative References

This document shall be read in conjunction with the following BERS Program documents and external references:

- Building Emissions Reduction Standard (BERS), Version 1.3.
- BERS Validation and Verification Standard.
- Ontoly Public Parameter List.
- Ontoly Conflict of Interest Policy.
- ICVCM Assessment Framework and Core Carbon Principles.
- ISO 14064-2: Specification with guidance at the project level for quantification, monitoring and reporting of GHG emission reductions or removal enhancements.
- The most recent IPCC Assessment Report.
- IPMVP (International Performance Measurement and Verification Protocol).
- ASHRAE Standards (as applicable to building energy performance).

15. Version History

Version	Date	Author	Description
1.0	March 11, 2026	Ontoly	Initial release.
1.1	July 29, 2026	Ontoly	Minor updates to ex-ante validation procedures.
1.2	November 2, 2026	Ontoly	Public stakeholder consultation required before approval of every new methodology (ICVCM completeness review, Criteria 1.2 and 5.1(c)); transitional consultation on the Existing Building Methodology (Section 7.4).

End of Document

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