

CDM-SSCWG47

Meeting report

Small-Scale Working Group forty-seventh meeting

Version 01.0

Date of meeting: 23 to 25 March 2015

Place of meeting: Bonn, Germany



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Climate Change

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Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. The Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) at its eighty-second meeting (EB 82) appointed Ms. Diana Harutyunyan as Chair of the Small-Scale Working Group (SSC WG) and Mr. Washington Zhakata as its Vice-Chair. The Chair opened the meeting. The members of the SSC WG expressed deep appreciation to the outgoing Chair Mr. Washington Zhakata and Vice-Chair Mr. Frank Wolke for their excellent contributions to the work of the SSC WG, and further welcomed the new Chair and Vice-Chair.
2. The SSC WG noted that the Chair of the SSC WG, Ms. Harutyunyan and the Vice-Chair Mr. Zhakata attended the meeting from 23 to 25 March 2015. The SSC WG also noted that all members attended the meeting.

Table 1. Attendance list

Chair and Vice-Chair	Members
Ms. Diana Harutyunyan (Chair)	Mr. Felix Babatunde Dayo
Mr. Washington Zhakata (Vice-Chair)	Mr. Gilberto Bandeira de Melo
	Mr. Bamshad Houshyani
	Mr. Daniel Perczyk

Agenda item 1.2. Adoption of the agenda

3. The agenda was adopted as proposed.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

4. The SSC WG considered information provided by members with respect to any potential conflict of interest.

Agenda item 2.2. Performance management

5. The SSC WG considered an update on the workplan for panels and working groups for 2015.

Agenda item 2.3. Matters related to the SSC WG

6. Mr. Daniel Perczyk briefed the SSC WG on the outcome of the 66th meeting of the Methodologies Panel (MP 66).
7. The SSC WG took note of an update on editorial revisions, desk reviews, consultancies, fast-track clarifications and proposed standardized baselines finalized in accordance with the "Procedure for the development, revision and clarification of baseline and monitoring methodologies and methodological tools" and "Procedure for the submission and consideration of standardized baselines" since the last meeting. The SSC WG noted that there were no editorial revisions or consultancies finalized since its last meeting that

were of relevance to the working group's consideration of agenda items at this meeting. The SSC WG noted the satisfactory completion of the desk study undertaken for the proposed new methodology "SSC-NM099: Consolidated methodology for rural electrification", considered at the meeting. The SSC WG also noted that the clarification request SSC_717: "Clarification on the use of default values from the latest version of the methodology AMS-II.G" was finalized by applying the relevant procedure for fast-track clarifications.

Agenda item 2.3.1. Upcoming deadlines of relevance to stakeholders

8. The SSC WG noted that the date for SSC WG 48 meeting is scheduled for 22 to 25 June 2015.
9. Project participants, designated national authorities (DNAs) and other stakeholders may note the following upcoming deadlines:
 - (a) The deadline for requests for approval of the application of multiple methodologies to a programme of activities (PoA) to be considered at SSC WG 48 meeting is 25 May 2015, 24:00 GMT (i.e. four weeks prior to the meeting) <http://cdm.unfccc.int/public_inputs/ProgrammeOfActivities/index.html>;
 - (b) The deadline for the submission of proposed new methodologies (PNMs) to be considered at SSC WG 48 meeting is 27 April 2015, 24:00 GMT (i.e. eight weeks prior to the meeting) <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/index.html>>;
 - (c) The deadline for the submission by DNAs of proposed technologies for automatic additionality under the microscale additionality guidelines, to be considered at SSC WG 48 meeting is 25 May 2015, 24:00 GMT (i.e. four weeks prior to the meeting) <<http://cdm.unfccc.int/DNA/submissions/index.html>>;
 - (d) The deadline for the submission of requests for revision to be considered at SSC WG 48 meeting is 11 May 2015, 24:00 GMT (i.e. six weeks prior to the meeting) <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/Revisions/index.html>>;
 - (e) The deadline for the submission of requests for clarification to be considered at SSC WG 48 meeting is 11 May 2015, 24:00 GMT (i.e. six weeks prior to the meeting) <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/Clarifications/index.html>>.

Agenda item 3. Regulatory matters

Agenda item 3.1. Standards/tools

10. The SSC WG recommended that the Board take note that it continued to discuss the "Development of two standards with a methodological framework for two specific project types" in order to organize its work related to this agenda item. The SSC WG provided input to the secretariat regarding the workplan for the development of the concept note.

This work is being undertaken as part of the project “Further development of the standardized baselines framework” (management plan (MAP) project 110).

Agenda item 3.1.1. Consideration of proposed standardized baselines

11. The status, case history and final recommendations proposed by the SSC WG for consideration by the Board are made available on the UNFCCC CDM website at: http://cdm.unfccc.int/methodologies/standard_base/index.html.
12. The relevant procedure “Procedure for submission and consideration of standardized baselines” (version 02.0) is available on the UNFCCC CDM website at: http://cdm.unfccc.int/methodologies/standard_base/index.html.
13. The SSC WG considered the proposed new standardized baseline in table 2 below, as well as external expertise received, where applicable.

Table 2. Status of submissions for proposed standardized baselines

Submission	Title	Status/recommendation ¹	Paragraph
TSB-0002	Brick sector emission factor for Peru	WIP	14

14. The SSC WG recommended that the Board take note that the draft new standardized baseline “TSB-0002: Brick sector emission factor for Peru” is “work-in-progress” (WIP) and will be further considered by the SSC WG at a future meeting. The work is being conducted in response to the mandate in the workplan of the SSC WG for 2015 (EB 82, annex 2), for the development of one standardized baseline for the brick sector (in collaboration with the DNA of Peru and KfW). Please also see paragraph 24(c) (revision of AMS-III.Z).

Agenda item 3.1.2. Consideration of proposed new small-scale methodological standards/tools

15. Information on proposed new small-scale methodologies, their status, case history and final recommendations proposed by the SSC WG for consideration by the Board are made available on the UNFCCC CDM website at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/NewSSCMethodologies/index.html>. If the Board accepts the recommendations, the final recommendations and responses are made available on the UNFCCC CDM website at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/pnm>.
16. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1) is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

¹ Recommendations from the SSC WG: (i) final recommendations: forward for approval or non-approval of the Board; (ii) require further input from the DNA; (iii) work-in-progress (WIP): cases that are still under consideration (e.g. because further work is needed, or further input from the DNA or guidance from the Board is required).

17. The SSC WG considered the proposed new methodological standards listed in table 3 below, as well as external expertise and public inputs received, where applicable.

Table 3. Status of consideration of proposed new methodological standards/tools

Submission/mandate	Title	Status/ recommendation ²	Paragraph/annex
SSC-NM096	Supply side energy efficiency intervention through demand side reactive power compensation	WIP	paragraph 19(a)
SSC-NM097	Using renewable energy sources to charge electric vehicles	"A"	paragraph 18, annex 1
SSC-NM098	GHG reduction methodology by constructing charging stations and charging points to provide charging service to electric vehicles and to displace fossil fuel vehicles	"A"	paragraph 18, annex 1
SSC-NM099	Consolidated methodology for rural electrification	WIP	paragraph 19(b)

18. The SSC WG recommended that the Board approve the proposed new methodologies "SSC-NM097: Using renewable energy sources to charge electric vehicles" and "SSC-NM098: GHG reduction methodology by constructing charging stations and charging points to provide charging service to electric vehicles and to displace fossil fuel vehicles". All the elements from these two methodologies are incorporated with the revised methodology "AMS.III.C: Emission reductions by electric and hybrid vehicles", as contained in annex 1. The consolidated methodology "AMS.III.C: Emission reductions by electric and hybrid vehicles" provides additional options for the calculation of baseline and project emissions, based on electricity used for charging the vehicles.
19. The SSC WG recommended that the Board take note that it could not conclude its consideration of the following proposed new methodologies (referred to as work-in-progress cases):

² Recommendations on the proposed new methodologies from the SSC WG: A (recommended for approval), C (recommended for non-approval) are final recommendations to the Board, WIP (work in progress) are cases that will continue to be considered in the next meeting of the SSC WG. Preliminary recommendations are technical clarifications requested by the SSC WG from project participants before finalizing its recommendation to the Board.

- (a) “SSC-NM096: Supply side energy efficiency intervention through demand side reactive power compensation”. The methodology was considered by the SSC WG for the third time. At its 46th meeting, the SSC WG requested further input from the methodology proponent on, among other things: (i) the determination and validation of the resistance value R in transmission and distribution system; (ii) the determination of baseline power factor; (iii) the issue of signal to noise. The methodology proponent submitted new information on the identified issues only during the meeting, and therefore the SSC-WG agreed to continue to consider the case at a future meeting considering that this sector is currently underrepresented in the CDM;
- (b) “SSC-NM099: Consolidated methodology for rural electrification”. The methodology was considered by the SSC WG for the first time. The SSC WG agreed to seek further clarifications from the methodology proponent on, among other things: (i) the procedure to calculate baseline emissions based on the threshold of electricity consumption and consumer type; and (ii) the application of proposed options to determine consumption level of different consumer types, to enable further consideration of the methodology.

Agenda item 3.1.3. Consideration of revisions of methodological standards/tools

20. Information on requests for revision, their status, case history and the final recommendation and responses to the Board by the SSC WG are made publicly available on the UNFCCC CDM website at:
<<https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/pending>>.
- If the Board accepts the recommendations, the final recommendations and responses are made available on the UNFCCC CDM website at:
<<https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications>>.
21. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1) is available on the UNFCCC CDM website at:
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.
22. The SSC WG considered the bottom-up submissions of requests for revision and top-down revisions of approved methodologies (AMSs) listed in table 4, as well as external expertise and public inputs received, where applicable.

Table 4. Status of consideration of revisions to methodological standards/tools

Issue	AMS	Mandate	Status/ recommendat ion	Paragraph/ annex
SSC WG workplan	AMS-II.G AMS-III.AV	Simplification in monitoring in small-scale methodologies	WIP	paragraph 24(a), 24(b), 25

Issue	AMS	Mandate	Status/ recommendat ion	Paragraph/ annex
SSC WG workplan	AMS-III.B, AMS-III.AG, AMS-III.AH	Revision of small-scale fuel switching methodologies; simplifying requirements related to emission reductions and improving consistency across all fuel switching methodologies	To approve: AMS-III.B Call for public input: AMS-III.AG, AMS-III.AH	paragraph 23(a) / Annex 2 paragraph 26(a), annex 4; 26(b), annex 5
SSC WG workplan	AMS-III.Z	Top-down revision to make the methodology applicable in conjunction with the new top-down developed standardized baseline TSB0002 for the brick sector in Peru	WIP	paragraph 24(c) , 25
SSC WG workplan	AMS-III.Q	Simplification and streamlining of methodologies, tools and standards (MAP project no. 223)	To approve	paragraph 23(b) / Annex 3

23. The SSC WG recommended that the Board approve the following revised draft small-scale methodologies:

- (a) “AMS-III.B: Switching fossil fuels”, as contained in annex 2. This work has been carried out under the mandate for “Simplification of methodologies including digitization to reduce transaction costs” (MAP project 223), included in the 2015 workplan of the SSC WG (EB 82, annex 2) with the aim of simplifying requirements related to emission reductions and to improve consistency across all fuel switching methodologies. The draft revision includes:
 - (i) Allowing emission reduction for electricity export to a grid;
 - (ii) Additional approaches to establish the baseline for greenfield project activities, e.g. reference plant approach;
 - (iii) Simplification in baseline emissions estimation by including the approach in the approved methodology ACM0009;
- (b) “AMS-III.Q: Waste energy recovery (gas/heat/pressure) projects”, as contained in annex 3. This work has been carried out under MAP project 223 “Simplification of methodologies including digitization to reduce transaction costs”, which is included in the SSC WG workplan for 2015 (EB 82, annex 2). The draft revision:

- (i) Expands the applicability to cover greenfield facilities using approaches consistent with “ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects”; and
 - (ii) Incorporates previous clarifications issued by the Board.
- 24. The SSC WG recommended that the Board take note that the following revisions are WIP and will be considered by the SSC WG at future meetings:
 - (a) “AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass”; the work is part of project 223: Simplification of methodologies including digitization to reduce transaction costs, as included in the workplan for the SSC WG for 2015 (EB 82, annex 2);
 - (b) “AMS-III.AV: Low greenhouse gas emitting safe drinking water production systems”; the work is part of project 223: Simplification of methodologies including digitization to reduce transaction costs, as included in the workplan for the SSC WG for 2015 (EB 82, annex 2);
 - (c) “AMS-III.Z: Fuel Switch, process improvement and energy efficiency in brick manufacture”; the revision is being carried out in conjunction with the development of the standardized baseline for the brick sector in Peru (TSB0002). The top-down development of standardized baselines is part of project 110 of the MAP for 2015. The work is included in the workplan for the SSC WG for 2015 (EB 82, annex 2).
- 25. For the methodologies AMS-II.G, AMS-III.AV and AMS-III.Z being considered for top-down revision that are WIP for this meeting, the SSC WG agreed to finalize the draft revisions by means of electronic consultation and make the draft revised methodologies publicly available for global stakeholder consultation. The inputs will be taken into account when preparing the draft revised methodologies to be recommended to the Board at a future meeting.

Agenda item 3.1.4. Global stakeholder consultation/call for public input

- 26. The SSC WG recommended that the Board take note of the draft revision of the methodologies listed below. The SSC WG requested that the secretariat make the draft methodologies publicly available for global stakeholder consultation. The inputs will be taken into account when preparing the draft methodologies to be recommended to the Board at a future meeting:
 - (a) “AMS-III.AG: Switching from high carbon intensive grid electricity to low carbon intensive fossil fuel”, as contained in annex 4. This work has been carried out under MAP project 223: “Simplification of methodologies including digitization to reduce transaction costs”, which is included in the SSC WG workplan for 2015 (EB 82, annex 2). The draft revision includes:
 - (i) Provisions to allow the use of multiple fossil fuels in the project given that the primary project fossil fuel is low carbon intensive fuel;
 - (ii) Streamlined procedure for greenfield project activities;
 - (iii) Elaboration of monitoring requirements;

- (b) “AMS-III.AH: Shift from high carbon intensive fuel mix ratio to low carbon intensive fuel mix ratio”, as contained in annex 5. This work has been carried out under MAP project 223: “Simplification of methodologies including digitization to reduce transaction costs”, which is included in the SSC WG workplan for 2015 (EB 82, annex 2). The draft revision includes:
- (i) A simplified monitoring procedure for project activities where the energy output cannot be directly measured;
 - (ii) Simplified monitoring and baseline emissions estimation procedures for element processes with annual emission reductions of less than or equal to 600 tonnes of carbon dioxide.

Agenda item 3.1.5. Submissions of requests for clarification

27. The SSC WG considered submissions requesting clarifications to approved small-scale methodologies. The detailed responses provided by the SSC WG are made publicly available at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications>.
28. The SSC WG recommended that the Board approve the responses prepared for requests for clarification to the approved small-scale methodologies and as available on the UNFCCC CDM website for cases specified as “clarified” in table 5 below.

Table 5. Request for clarification

Submission no.	AMS	Title of the request	Status	Paragraph
SSC_716	AMS-II.D	SSC_716: Applicability of methodology AMS II.D version 13 to Automotive Coating Process	Clarified	paragraph 29
SSC_718	AMS-II.D	SSC_718: The application of AMS-II.D for improving the blast efficiency of explosives used in mining operations	Clarified	paragraph 30

29. In response to the submission SSC_716, requesting clarification on the applicability of AMS-II.D version 13, the SSC WG agreed to clarify that the applied methodology AMS-II.D is not applicable to the described project activity. In the described project activity of this submission, savings will accrue from intrinsic changes in industrial processes and not necessarily from improved energy efficiency measures, as expected in AMS-II.D. Furthermore, the underlying project activity involves changes to the raw material used in the baseline, which is not currently covered by AMS-II.D.
30. In response to the submission SSC_718, requesting clarification on the application for improving the blast efficiency of explosives used in mining operations under “AMS-II.D: Energy efficiency and fuel switching measures for industrial facilities”, the SSC WG agreed to clarify that the methodology is not applicable for the proposed activity since blast operations in mining are not limited by capacity, whereas the capacity of the process equipment in the methodology is limited. An alternative approach may be proposed to estimate baseline emissions.

Agenda item 3.1.6. Agenda item 3.1.6. Consultation on issues related to methodological standards

31. The SSC WG recommended that the Board take note that the SSC WG provided feedback to the secretariat on digitized methodology-specific project design document (PDD) forms covering three methodologies. The work has been undertaken in response to the mandate received from the Board at EB 81 (EB 81 report, para. 51) and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) originating from a request from the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) (decision 4/CMP.10, para. 15). The SSC WG welcomed and expressed appreciation for the work undertaken by the secretariat in developing methodology-specific PDD forms covering three methodologies, which is a major step towards digitization of methodology-specific PDDs. The SSC WG suggested that the secretariat may road-test the digitized forms with various stakeholders including the DOE/AIE forum. While rolling out the digitization work, it should be ensured that sufficient capacity-building is offered to end users through training or short demonstrations and/or videos on how to use the template. Furthermore, the template should ensure user-friendliness.
32. The SSC WG recommended that the Board take note that the SSC WG provided feedback to the secretariat on the concept note on non-binding best practice examples in methodologies and agreed to recommend the commencement of work on the methodologies AMS-III.H and AMS-III.D for including non-binding examples in 2015. This work is based on a request by the Board at EB 81 (EB 81 report, para. 61) and as part of the approved workplan of panels and working groups for 2015 (EB 82 report, annex 2) and the workplan of the project on "Simplification of methodologies including digitization to reduce transaction costs" (EB 82 report, annex 8).

Agenda item 3.1.7. Agenda item 3.1.7. Consideration of requests for approval of post-registration changes

33. The SSC WG recommended that the Board take note that in response to a request by the secretariat, the SSC WG considered the following requests for approval of post-registration change and provided input to the secretariat:
- (a) PRC-2535-001: CUIDEMOS Mexico (Campaña De Uso Inteligente De Energia Mexico) - Smart Use of Energy Mexico.

Agenda item 3.1.8. Other issues

34. The SSC WG recommended that the Board take note that it considered the information related to the products from project 244: "Development of new methodologies to broaden the applicability of the CDM" and provided input to the secretariat on the workplan. This work has been undertaken in response to the mandate received from the Board at EB 82 (EB 82, annex 7; MAP project 244).

Agenda item 3.2. Guidelines

35. The SSC WG recommended that the Board take note that it considered the revision of the sampling standard/guidelines to include guidelines on conducting surveys and provided its input to the secretariat. This work is based on the approved workplan of panels and working groups for 2015 (EB 82 report, annex 2) and the workplan of the

project: "Simplification of methodologies including digitization to reduce transaction costs" (EB 82 report, annex 8).

Agenda item 4. Conclusion of the meeting

Agenda item 4.1. Adoption of the meeting report

36. The SSC WG dealt with methodology-related bottom-up submissions, including requests for revision, requests for clarification, standardized baselines, and top-down development of methodologies, tools and revision of methodologies and made recommendations to the Board.
37. The SSC WG adopted the meeting report and concluded its 47th meeting. The report and its annexes will be made available on the UNFCCC website.

Agenda item 4.2. Closure of the meeting

38. The Chair of the SSC WG closed the meeting.

Annexes to the report

Annexes to the external report of the 47th meeting of the Small-Scale Working Group

- Annex 1 - Draft revision of “AMS-III.C: Emission reductions by electric and hybrid vehicles”
- Annex 2 - Draft revision of “AMS-III.B: Switching fossil fuels”
- Annex 3 - Draft revision of “AMS-III.Q: Waste energy recovery (gas/heat/pressure) projects”
- Annex 4 - Draft revision of “AMS-III.AG: Switching from high carbon intensive grid electricity to low carbon intensive fossil fuel”
- Annex 5 - Draft revision of “AMS-III.AH: Shift from high carbon intensive fuel mix ratio to low carbon intensive fuel mix ratio”

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Document information

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