CDM: Recommendation Form for Small Scale Methodologies (version 01)

(To be used for presenting questions/proposals/amendments to the

Date of SSC WG meeting:	11–14 January 2011, SSC WG 29
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Clarification on demonstration of the remaining lifetime of the replaced equipment under AMS-I.D
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-I.D "Grid connected renewable electricity generation"
Name of the authors of the query:	Luísa Guimarães Krettli Institution: MundusCarbo Soluções Ambientais e Projetos de Carbono luisa@munduscarbo.com

Summary of the query:

Please use the space below to summarize the query related to SSC methodologies/categories SSC Modalities and Procedures provide recommendation/analysis of the SSC WG.

Original text from PP:

In regards to the demonstration of the remaining lifetime of replaced equipment, AMS-I.D/Version 16 requires that it shall be met as described in the general guidelines to SSC methodologies. In addition, footnote #10 in AMS-I.D/Version 16 provides a link to general guidelines to SSC methodologies in its 12th version (EB 41, Annex 20 of 02 August 2008). This document states "project participants shall use the following approach to estimate the point in time where the existing equipment would be replaced in the absence of the project activity:

(i) The typical average technical lifetime of the equipment concerned may be determined and documented on the basis of common practices in the sector and the country (e.g. based on industry surveys, statistics, technical literature, etc.);

(ii) The practices of the responsible company regarding replacement schedules may be evaluated and documented (e.g. based on historical replacement record of similar equipment); (…)".

It is noteworthy that the approach above is the same adopted in currently valid large-scale counterpart of AMS-I.D/Version 16 (ACM0002/Version 12).

However, the most recent version of general guidelines to SSC methodologies (version 14.1 - EB 55, Annex 35 of 03 August 2010") states that the "Tool to determine the remaining lifetime of equipment" shall be used, which establishes that the remaining lifetime of equipment may be determined in one of the following ways:

"(a) Use manufacturer information on the technical lifetime of equipment and compare to the date of first commissioning;

(b) Obtain an expert evaluation;

(c) Use default values"

One may notice that the approaches established by the "Tool to determine the remaining lifetime of

equipment" significantly differ from those established by EB 41/Annex 20 and ACM0002/Version 12. In light of this, PPs kindly request to SSC-WG clarification on the appropriateness of using the approaches established in EB 41/Annex 20 and ACM0002/Version 12 in regards to the demonstration of the remaining lifetime of replaced equipment, in the context of project activities employing AMS-I.D/Version 16.

Recommendation by the SSC WG:

Please use the space below to provide amendments/change (in your expert view, if necessary).

Please refer to paragraph 24 of the meeting report of the SSC WG 29 <http://cdm.unfccc.int/Panels/ssc_wg>.

Answer to authors of query by the SSC WG:

Please use the space below to provide answer to the authors of the above query.

The small-scale working group of the CDM Executive Board would like to thank the author for the submission.

The SSC WG agreed to clarify that requirements related to the demonstration of the remaining lifetime of replaced equipment shall be based on the most recent version of the "Tool to determine the remaining lifetime of equipment". The reference in footnote 10 of version 16 of AMS_I.D, refers to a previous version of the "General Guidelines to SSC CDM methodologies" instead of the most recent version of the guidelines, which is an editorial error. Further, the SSC WG agreed to clarify that that the options provided in the ¨Tool to determine the remaining lifetime of equipment¨ for demonstration of the remaining lifetime of the replaced equipment is appropriate and adequate for small-scale CDM project activities and the SSC WG unable to see any need for further options at this time.

Signed by the Chair, Mr. Peer Stiansen

Date: 14/01/2011

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 14/01/2011

Information to be completed by the secretariat

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