



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

(To be used for presenting questions/proposals/amendments to the simplified methodologies for small-scale CDM project activity categories)

<i>Date of SSC WG meeting:</i>	As per procedures for fast track clarifications
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Clarification on the Applicability of Methodology AMS I.D. v10
<i>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</i>	AMS I.D.
<i>Name of the authors of the query:</i>	Jonathan Avis Institution: EcoSecurities Group PLC

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.

The query concerns a biomass/bagasse based cogeneration project under validation. The project added 6 MW turbine in addition to enhancing the capacity of the boilers to 37 TPH from 32 TPH.

Project claims reductions from the displacement of grid electricity by the electricity generated by new 6 MW turbine, no reductions are being claimed for the thermal energy generation. It needs to be clarified if AMS I.D. ver 10 is applicable to the project activity.

Baseline	Project
<ul style="list-style-type: none"> 2 x 32 tonnes per hour (TPH) boilers with 45 kg/cm² pressure and 425 0C; 1 x 3 MW STG entirely for captive use. 	<ul style="list-style-type: none"> 2 x 37 TPH boilers with 45 kg/cm² pressure and 425 0C temperature; 1 x 3 MW STG entirely for captive use; 1 x 6 MW STG for grid supply minus some captive use.

Recommendation by the SSC WG:

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

This recommendation is as per the procedures for fast track clarifications as specified in paragraph 8 of the 'procedures for the submission and consideration of request for clarification of approved small scale methodologies' found at http://cdm.unfccc.int/Reference/Procedures/MethSSC_proc01_EB34a06.pdf

Answer to authors of query by the SSC WG:

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

It is understood the cogeneration project activity uses renewable biomass (bagasse or other type of agricultural residue). Further it is assumed the project activity modifies the existing boilers and no new boiler is being added.

It is critical to evaluate the three applicability conditions in the approved methodology AMS I.D. ver 10 to determine if the methodology is applicable to the proposed project activity, namely paragraphs 3, 4 and 5.

Paragraph 3 of the methodology states: Biomass combined heat and power (co-generation) systems that supply electricity to and/or displace electricity from a grid are included in this category. To qualify under this category, the sum of all forms of energy output shall not exceed 45 MW_{thermal} e.g. for a biomass based co-generating system the rating for all the boilers combined shall not exceed 45 MW_{thermal}.

Paragraph 4 of the methodology states: In the case of project activities that involve the addition of renewable energy generation units at an existing renewable power generation facility, the added capacity of the units added by the project should be lower than 15 MW and should be physically distinct from the existing units.

Footnote to physically distinct units states: Physically distinct units are those that are capable of generating electricity without the operation of existing units, and that do not directly affect the mechanical, thermal, or electrical characteristics of the existing facility. For example, the addition of a steam turbine to an existing combustion turbine to create a combined cycle unit would not be considered “physically distinct”.

Paragraph 5 of the methodology states: Project activities that seek to retrofit or modify an existing facility for renewable energy generation are included in this category. To qualify as a small-scale project, the total output of the modified or retrofitted unit shall not exceed the limit of 15 MW.

Paragraph 3 and paragraph 5 yield the same result for the threshold of the proposed project activity i.e. 45 MW_{thermal} output, while paragraph 3 is more explicit regarding what is meant by ‘output’. Therefore interpretation of Paragraph 4 becomes important. It is argued the added units are physically distinct because the existing unit generates at 415 V and the new unit generates at 11 kV, both can be operated independently except that they share a common steam source. Further it is argued that steam source was pre existing and was only modified by the project activity.

One of the criteria specified above for the units to be physically distinct include a condition to check that the added unit does not directly affect the thermal characteristics of the existing unit. It is clear from the description, the project activity does alter the thermal characteristic of the existing unit even if one were to consider the 6 MW turbine as the added unit i.e. level of output of the existing boilers is altered. Hence paragraph 4 is not applicable to the project activity.

Therefore SSC WG agreed that:

1. The example in paragraph 3 is relevant to the proposed project activity and the threshold of the small-scale project activities needs to be established as per the example illustrated;
2. Thresholds based on the added capacity as described in paragraph 4 is not applicable to the project activity as the added units are not physically distinct as per the specifications in the methodology;
3. Paragraph 5 will have the same effect as paragraph 3 of the methodology for the thresholds of the proposed project activity.

In addition for the hypothetical case of project activity applying an existing approved methodology, it

would have to apply AMS I.C. which has the following guidance:

“Cogeneration projects that displace/ avoid fossil fuel consumption in the production of thermal energy (e.g. steam or process heat) and/or electricity shall use this methodology. The capacity of the project in this case shall be the thermal energy production capacity i.e. 45 MWth.”

Taking into account all of the factors above the SSC WG is of the opinion that the applicable threshold for the project activity in question is the thermal energy production capacity of 45 MWth i.e. aggregate capacity of the project boilers should be 45 MWth or under after modifications.



Signature of SSC WG Chair

(Ulrika Raab)

Date: 19/11/2007



Signature of SSC WG Vice-Chair

(Richard Muyungi)

Date: 19/11/2007

Information to be completed by the secretariat

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