

	CDM: Recommendation Form for Small Scale Methodologies (version 01) <i>(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:	15–18 March 2011, SSC WG 30
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Clarification on the applicability of “Guidelines for demonstrating additionality of renewable energy projects =< 5 MW and energy efficiency projects with energy savings <= 20 GWH per year” to landfill gas projects
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” and AMS-III.G “Landfill methane recovery”
Name of the authors of the query:	Mark Verlohr Institution: Veolia Propreté mark.verlohr@veolia-proprete.fr
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.	
<p>Original text from PP:</p> <p>I. CONTEXT:</p> <p>The “GUIDELINES FOR DEMONSTRATING ADDITIONALITY OF RENEWABLE ENERGY PROJECTS =<5MW AND ENERGY EFFICIENCY PROJECTS WITH ENERGY SAVINGS =<20GWH PER YEAR” specify that project activities¹ whose primary technology is the generation of renewable energy are considered additional if they fulfil any of the conditions laid down in articles 2(a) to 2(d) of the GUIDELINES.</p> <p>According to the definitions applied within the CDM, electricity or thermal energy generated from landfill gas is considered renewable (EB23, Annex 18, Art. 5). However, the technology used in landfill gas engines is an inseparable combination of renewable energy generation and methane destruction: CH₄ in the landfill gas is destroyed in the engine and simultaneously converted into electricity².</p> <p>II. REQUEST FOR CLARIFICATION:</p> <p>Clarification is sought on whether the generation of renewable energy via landfill gas engines is considered a “primary technology” and thus the GUIDELINES apply to projects with energy recovery from landfill gas up to a limit of 5MW installed capacity: e.g. as a stand alone project under AMS I.D claiming CERs for energy recovery or in combination with AMS III.G or ACM0001 claiming CERs for both methane destruction and energy recovery.</p> <p>In the past, the methodologies applicable to landfill gas projects put activities which used landfill gas as a</p>	

¹ In its 57th meeting, the Executive Board of the CDM decided that the GUIDELINES are applicable to all project activities regardless of their scale (small and large scale).

² This is one single technology, even though for security and odour control reasons it is generally necessary to have backup flares on the landfill in order to be able to destroy any excess gas and to guarantee safe methane destruction when an engine is on maintenance.

renewable resource at a disadvantage to those that only destroyed the landfill gas. Indeed even in cases where no CERs were claimed for energy recovery (substitution of electricity from the grid), landfill gas projects with energy recovery had to prove financial additionality in detail, while projects with methane destruction only were inherently additional (the only source of revenue are CERs).

As a result, landfill gas project developers may not have considered energy recovery in order to facilitate the demonstration of additionality of the project. This is especially the case, as methane destruction (GWP 21) contributes the vast majority of CERs to a landfill gas project, but represents less investment than renewable electricity generation via landfill gas engines.

In addition to the above, further clarification is sought on article 2(c) and 2(d) of the GUIDELINES:

2(c): What justifications are necessary to prove that the electricity generated by the project activity is distributed to households, communities or SMEs? Does an electricity purchase agreement with a municipality satisfy the requirement?

2(d): What justifications are necessary to prove that a renewable energy technology is recommended by the host country DNA and approved by the Executive Board as additional? Does the secretariat dispose of a list of eligible technologies per country?

Recommendation by the SSC WG:

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

Please refer to paragraph 21 of the meeting report of the SSC WG 30
<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 working group during its 30th meeting agreed to clarify the issues raised by the project proponent as follows:

- Whether the generation of renewable energy via landfill gas engines is considered a “primary technology” and thus the GUIDELINES apply to projects with energy recovery from landfill gas up to a limit of 5MW installed capacity;

The SSC WG is of the opinion that the current version of the guideline provides adequate guidance for the kinds of eligible technologies/measures. A power generating project using recovered landfill gas as fuel with installed capacity up to 5 MW as stipulated in the guideline and supplying the generated power to a grid is unlikely to be eligible except the technology is in the accepted list of technologies/measures proposed by a nation and acceptable by the CDM Executive Board. If this is not the case, it is unlikely that such a project location which has access to a grid will be able to apply the guideline due to the inherent difficulty to satisfy the provision of Section II Para 2a. This paragraph requires the geographical location of the project to be in a special underdeveloped zone of the host country. This is because it is unlikely that such a region will have access to a grid.

- On justifications needed to prove that the electricity generated by the project activity is distributed to households, communities or SMEs?

The SSC WG is of the opinion that if your project satisfies the critical relevant conditions in the guideline, then it will be supplying the generated electricity to a community and the operator and/or the distribution facility will be supplying to a community organized under a municipality system, then evidence of supply of this electricity to a municipality who is in turn supplying the electricity to the household must be available for validation and/or verification for acceptability.

- On justifications needed to prove that a renewable energy technology is recommended by the host country DNA and approved by the CDM Executive Board as additional?

Please note that the SSC WG agreed to seek further guidance from the Board on this issue (see paragraph 40 of the meeting report of the SSC WG 30).

Signed by the Chair, Ms. Fatou Gaye

Date: 18/03/2011

Signed by the Vice-Chair, Mr. Peer Stiansen

Date: 18/03/2011

Information to be completed by the secretariat

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