



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)

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| Date of SSC WG meeting: | 09–12 May 2011, SSC WG 31 |
| Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters): | Clarification on the maximum output capacity for a project activity applying 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: | Subhendu Biswas Institution: First Climate (India) Pvt. Ltd. Subhendu.biswas@firstclimate.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 Stakeholder:

For type-I project activities, the installed capacity limit is 15 MW electrical output disregarding the actual load factor of the plant. In response to SSC clarification no. 338, the small scale working group has further clarified the output capacity as:

“Therefore, the SSC WG agreed to clarify that the maximum or rated/installed capacity for a small-scale CDM renewable electricity generation projects involving turbine-generator systems can be based on rated capacity of generator in MW (which is an appropriate equivalent of name plate/rated capacity in MVA times name plate/rated power factor, specified by the manufacturer)”

Project Activity:

The project activity in question involves installation of 15 MW renewable biomass based power plant for sale of electricity to the regional grid. The project shall be implemented in two phases :-

Phase – I : Utilizing old plant and machinery at site. These plant and machinery is being bought out from another plant which was no longer in operation prior to the start of project activity. The remaining life of the old plant and machinery will be utilized in the project activity. However due to natural wear and tear of the old machinery, phase-I would not be able to operate at its nameplate capacity but will operate at a lower capacity (*i.e* de-rated capacity). The turbine in this project has been de-rated during due to wear and tear in operation but the alternator capacity remains unchanged. Due to the de-rating of the turbine the overall turbine-alternator combination would become limited to the turbine capacity and thus cannot be utilised to its full potential. At the most, the output capacity would be limited to the de-rated capacity of the turbine.

Further clarification is being provided on the phase-I of the project activity. There is no power generation at the project location prior to phase-I and hence no retrofit (or refurbishment or rehabilitation) is involved. The project has merely bought out old and used equipment which has undergone de-rating due to wear and tear during operation.

Phase-II: Installation of a new turbo-generator, depending on the output of Phase I to makeup to a total

capacity of 15 MW, i.e sum of nameplate capacity of phase-II and de-rated turbine capacity of phase-I will be 15MW.

The combined capacity of both the phases shall not exceed 15 MW_e. The de-rated capacity of the turbine in Phase I, which would be certified by the turbine manufacturer/ independent assessor, and rated/installed capacity of turbine/generator in Phase II shall add up to a total capacity of 15 MW. Statutory clearances and permits for the entire plant (phase-I and phase-II) is limited to a capacity of 15MW.

We would also like to clarify that since there was no existing power generation plant in the project location (i.e phase-I and phase-II is coming up at the same time as a new power generation unit), diversion of renewable resources from existing plant to project plant is not relevant.

Thus, in context of the project we would like to clarify the following:

1. As per the guidance stated above, rated capacity of the generator in MW determines the capacity of the plant. However as explained above, in the project scenario the generator is not the limiting capacity. Instead the capacity of phase-I is limited by the turbine capacity. Hence our query is whether the project would qualify within the capacity limits of type-I small-scale project activities since the sum of the capacities of the limiting equipment (turbine in phase-I and generator in phase-II) does not exceed 15 MW.

For all project activities, can the capacity limit be determined on the basis of the limiting equipment (ex: the turbine in phase I of the project activity) instead of the generator as mentioned in the response to clarification request 338.

Additional queries sent to the PP on 06-Apr-2011:

In order to consider your submission complete, the following additional information is required:

- Please elaborate the description of the Phase-I of the project and how it complies with the definition of retrofit (or rehabilitation or refurbishment) provided in footnote 2 of AMS-I.D ver.16, in particular the requirement stipulating that the retrofit restores the installed power generation capacity to or above its original level.

- If the project activity (installation of a new biomass based turbo-generator) however involves the addition of renewable energy generation units at an existing renewable power generation facility, paragraph 7 of AMS-I.D ver 16 applies, i.e., the added capacity of the units added by the project should be lower than 15 MW and should be physically distinct. All other requirements of the methodology shall also be met (for example paragraph 18 on potential diversion of the common and limited renewable resources). Please clarify.

Note: For the definition of “output capacity of renewable energy equipment”, see paragraph 4 (also footnote 6) of the ‘General guidelines to SSC CDM methodologies’ at https://cdm.unfccc.int/Reference/Guidclarif/ssc/methSSC_guid06.pdf.

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 31 (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, as per the definition of “maximum output capacity” per paragraph 4 of the General Guidelines for SSC CDM Methodologies, the output is to be based on the installed/rated capacity provided by the manufacturer of the equipment or plant. In addition, the SSC WG agreed to reiterate its response to SSC_338 “Clarification on the 15 MW eligibility limit for small-scale” and to emphasize the provisions of footnote 6 of the General Guidelines for the SSC CDM methodologies that the rated/installed capacity for renewable electricity generating units that involve turbine-generator systems shall be based on the installed/rated capacity of the generator.

Signed by the Chair, Ms. Fatou Gaye

Date: 12/05/2011

Signed by the Vice-Chair, Mr. Peer Stiansen

Date: 12/05/2011

Information to be completed by the secretariat

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