



**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)*

<b>Date of SSC WG meeting:</b>	16–19 February 2010, SSC WG 24
<b>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</b>	Revision of AMS-I.D to include an additional option for $EG_{estimated,y}$ determination
<b>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</b>	AMS-I.D. ver. 15
<b>Name of the authors of the query:</b>	Takae TAKEUCHI Institution: Marubeni Corporation <a href="mailto:Takeuchi-T@marubeni.com">Takeuchi-T@marubeni.com</a>

**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:

[Overview of the proposed project]

Project activity this request to revision concerned is a diversion type run-of river small scale hydropower project of 13 MW of the generation capacity that can be categorized as “retrofit or modification” of an existing facility. The existing hydropower plant is also diversion type run-of-river generation plant of 1.2 MW capacity. The proposed project is to utilize the existing diversion weir but the rest parts of the facility will be newly constructed that will make the existing power plant unable to operate after implementation of the proposed project. Annual emission reduction of the proposed project is expected to be on the level of 30,000 tonnes for the crediting period of less than six (6) years after registration.

The applicable small scale CDM methodology could be AMS-I.D. (version 15) but the approach specified in the methodology for the determination of the “baseline electricity generation” requires further costs associating with the daily monitoring of the “hydrology conditions” and estimation of the net electrical energy that would have been produced by the existing units,  $EG_{estimated,y}$ , and makes project developer difficult to further proceed with the project if it considers the volume of emission reduction expected from the proposed project.

[Relevant part of provision of the methodology, issues involved and proposal]

Under the currently effective methodology, AMS-I.D. (version 15) baseline electricity generation for the proposed project until the time, ( $DATE_{BaselineRetrofit}$ ), is to be determined by using following equation,

$$EG_{BL,retrofit,y} = MAX(EG_{historical,y}, EG_{estimated,y}) \text{ until } DATE_{BaselineRetrofit} \quad (4)$$

Where,

$EG_{estimated,y}$  Estimated net electrical energy that would have been produced by the existing units under the observed availability of renewable resource in year y; kWh/y

Considering the definition of  $EG_{estimated,y}$  under the equation (3) in page 4/9 of the methodology that includes remark, (e.g., hydrology conditions),  $EG_{estimated,y}$  defined above is believed to request to estimate

it on the basis of the “monitored hydrological conditions in year  $y$ ” and to compare with the  $EG_{historical,y}$  for determination of  $EG_{BL,retrofit,y}$ .

The hydrology conditions are monitored by the hydrological stations having China Metrology Accreditation and the data are not publicly available in China. Therefore, the project developer has to entrust the design institute who has the Engineering Design Certificate to estimate the electricity generation on the basis of such monitored data every year during the crediting period. Consequently, the monitoring requirement for  $EG_{estimated,y}$  specified in AMS-I.D. (version 15) associates large amount of expenditure to follow.

While identical large scale methodology, ACM0002 (version 10) for hydropower projects, simply applies the “ $EG_{historical} + \sigma_{historical}$ ” for the baseline electricity generation delivered to the grid from the existing plant,  $EG_{estimated}$ , taking account the yearly variation and uncertainty involved in estimating power generation of renewable energy projects as specified in the second paragraph under the section (b) in its page 12/26.

If one considers the purpose and nature of the small scale methodologies, i.e. simplicity, the requirement specified in AMS-I.D. (version 15) for determination of the baseline electricity generation for the proposed project may not be in line with the context of ANNEX II “Simplified modalities and procedures for small-scale clean development mechanism project activities”. Therefore, the author would like to request the Small Scale Working Group to consider the revision of the methodology to include the option to choose for determination of  $EG_{estimated,y}$  for hydropower projects that involve the retrofit/ modification specified above as the same manner as that provided in ACM0002 (version 10).

#### **Recommendation by the SSC WG:**

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

Please refer to paragraph 6 of the meeting report of the SSC WG 24 ([http://cdm.unfccc.int/Panels/ssc\\_wg](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 that baseline electricity generation in the case of retrofit/modification of hydropower projects can be estimated using the approach provided in ACM0002. The SSC WG agreed to recommend the inclusion of this option at the next revision of AMS-I.D.



Signature of SSC WG Chair .....

(Peer Stiansen)

Date: 19/02/2010



Signature of SSC WG Vice-Chair .....

(Hugh Sealy)

Date: 19/02/2010

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