



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>	11–14 October 2011, SSC WG 34
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Clarification on the applicability of AMS-I.F and possibility of the combined use of AMS-I.D and AMS-I.F in one PDD
<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.F “Renewable electricity generation for captive use and mini-grid” AMS-I.D “Grid connected renewable electricity generation”
<i>Name of the authors of the query:</i>	Prasit Vaiyavatjamai Institution: Carbon Partners Asiatica prasit.vaiyavatjamai@cp-asiatica.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

We wish to request for clarification on the applicability of AMS-I.F, and the possibility of the combined use of AMS-I.D and AMS-I.F in the one PDD. The background and clarification request are elaborated below:

1) The background

The project for which this request uses as a referenced example has the following characteristics:

- a) The project involves a Greenfield renewable biomass-based power generation plant, sized approximately 10MW. The project is so sized to sell (i) approximately 8MW of its generated electricity to the grid, and (ii) approximately 1.5MW to meet the captive power demand of a neighbouring affiliated rice mill which will supply biomass to the Project. The remainder is necessary for the project's parasitic consumption.
- b) The mill previously imported power from the national grid for its consumption. Thus, power supplied by the project to the mill is considered as displacement of national grid electricity.
- c) It is anticipated that the project will entirely displace the mill's grid power import (except during the project's non-operation hours). With the owner of mill and project power plant being same, meeting the mill's power demand is considered as the priority. However, the portion exported to the mill is substantially less than that exported to the grid.

2) The clarification request

The clarification request pertains to table 2 of AMS-I.F with particular attention to the following statement: “*project displaces grid electricity consumption (e.g. grid import) and/or captive fossil fuel electricity generation at the user end (excess electricity may be supplied to a grid)*”. Using the above described background as a referenced project example, our queries below relate to the definition of ‘excess electricity’:

- a) Is our understanding correct that if the project is designed to entirely displace¹ the mill's grid power import, the portion of power exported to grid can be considered as 'excess' and correspondingly AMS-I.F alone is applicable to the project, irrespective of the portion of the project's power exported to grid being substantially higher than that to the mill?
- b) Is our understanding correct that if the project is not designed to entirely displace the mill's grid power import, the application of AMS-I.F alone will not be sufficient for the project, and that the project should use a combination of AMS-I.D and AMS-I.F together in one PDD. In other words, the PDD should show AMS-I.D being applied to the portion of project's electricity supplied to a national grid, and AMS-I.F to the portion that displaced grid import at the user end (mill).

The SSC WG's guidance on this matter will be very much appreciated.

Recommendation by the SSC WG:

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

Please refer to paragraph 26 of the meeting report of the SSC WG 34
<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.

At the outset, the SSC WG would like to note that in the context of the described project, the methods of AMS-I.F and AMS-I.D would return equivalent results in terms of estimated emissions reduction. However the elements of additionality demonstrations may differ depending on the choice of the methodology and necessary documentation and justifications shall be provided to validating DOE in accordance with the approved standards/tools/procedures/guideline.

In response to the specific queries, the SSC WG agreed to clarify that in reference to Table 2 of AMS-I.F version 02:

AMS-I.F is applicable to both case 2(a) or 2(b)² described in the query, i.e. renewable electricity generated by the project displaces captive generation fully or partially and the remaining portion is exported to a grid, irrespective of relative share of grid export and captive use. AMS-I.D applies when electricity generated by the project is solely supplied to a grid except in the case when an identified captive user is supplied electricity through wheeling via national/regional grid.

This clarification applies to all the versions of AMS-I.F.

Signed by the Chair, Ms. Fatou Gaye

Date: 14/10/2011

Signed by the Vice-Chair, Mr. Peer Stiansen

Date: 14/10/2011

¹ For avoidance of doubt, we consider "entire" displacement to occur (i) when the project is designed to provide sufficient power based on historical mill power consumption and (ii) even if there is grid import by the mill during the project's non-operation period when the project is physically unable to provide power.

² The SSC WG is of the opinion 2(b) may be a purely hypothetical scenario as it is normally expected that captive demand is satisfied first.

Information to be completed by the secretariat	
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