



## 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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| <b>Date of SSC WG meeting:</b>   | 21–24 September 2009, SSC WG 22  |
| <b>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</b>   | Revision of AMS-III.B for project activity that displaces grid electricity   |
| <b>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</b> | AMS-III.B., version 14   |
| <b>Name of the authors of the query:</b>   | Marco Lotz<br>Institution: CDM Africa Climate Solutions (Pty) Ltd.<br><a href="mailto:mlotz@biothermenergy.com">mlotz@biothermenergy.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.

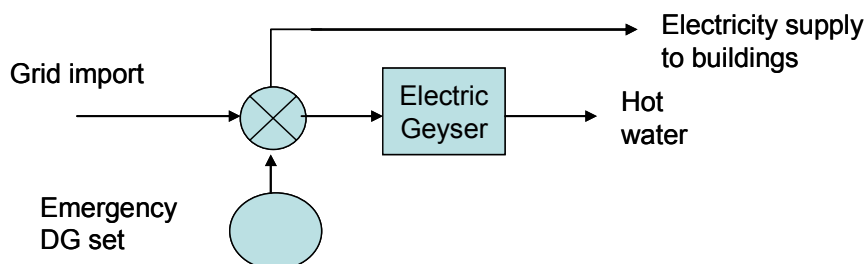
Original text from PP:

AMS-III.B/Version 13 included the option of displacing grid electricity in the description, but the baseline equations had limited application, for example the baseline emissions were calculated using NCV's only and there was no equation to determine emissions from the grid. In AMS-III.B/Version 14 the option to displace grid electricity was removed.

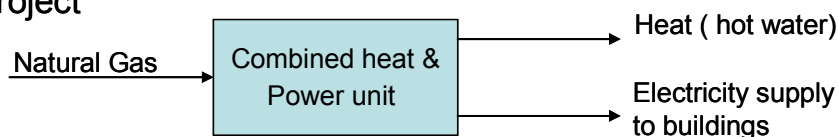
The purpose of this revision is to expand AMS-III.B Version 14 to include the option where grid electricity is displaced. This option is included in the wording of the methodology and made practical in expanding the equations.

### Diagrammatic representation of the baseline and the project scenario

#### Baseline



#### Project



**Recommendation by the SSC WG:**

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

Please refer to paragraph 14 of the meeting report of the SSC WG 22

([http://cdm.unfccc.int/Panels/ssc\\_wg](http://cdm.unfccc.int/Panels/ssc_wg)).

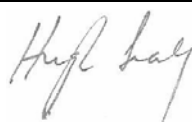
**Answer to authors of query by the SSC WG:**

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 to clarify that AMS-III.B is for a project activity that accomplishes emission reductions primarily through direct fossil fuel switch, i.e., where there is a change in the fossil fuel (i.e., switch from a higher GHG intensive fossil fuel to lower GHG intensive fossil fuel) used in a particular application for example coal is substituted with natural gas in an element process i.e., captive thermal or electrical energy producing unit. An “element process” in the methodology is defined as “fuel combustion, energy conversion or energy use in single equipment. Each element process generates a single output (such as electricity or steam) by using a single energy source”. The SSC WG is thus of the opinion that the described combined heat and power (CHP) project is not eligible under AMS-III.B. Thus, the revision of the methodology would require inclusion of the heat energy component to appropriately reflect heat and electrical energy in the baseline of a CHP project that would be difficult to implement in a simplified methodology such as AMS-III.B.


Based on the information provided by the submission author, the SSC WG is of the opinion the submission author may explore AMS-II.H and submit a request for revision covering the baseline of the described project with appropriate monitoring procedures. The submission author also may refer to the response provided by SSC WG 22 to clarification request SSC\_342, which is for a cogeneration project activity involving fuel switch.



Signature of SSC WG Chair .....

(Hugh Sealy)

Date: 24/09/2009



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

(Peer Stiansen)

Date: 24/09/2009

| Information to be completed by the secretariat        |                   |
|---|-------------------|
| SSC-Submission number                                 | SSC_348           |
| Date when the form was received at UNFCCC secretariat | 24 September 2009 |
| Date of transmission to the EB                        | 24 September 2009 |
| Date of posting in the UNFCCC CDM web site            | 24 September 2009 |