



## 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>	As per procedures for fast track clarifications
<b>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</b>	Applicability of AMS-II.B to project activity switching from high ash content to low ash content coal blend fuel
<b>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</b>	AMS-II.B, version 9
<b>Name of the authors of the query:</b>	Institution: CESC Limited blc@rpg.in, pankajkedia@rpg.in, arghya.chakrabarti@in.ey.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:

#### **Applicability of AMS II.B/ Version 09 to a proposed project activity of CESC Limited:**

As per methodology AMS II.B Version 09:

#### **Technology Measure:**

*‘This category comprises technologies or measures to improve the efficiency of fossil fuel generating units that supply an electricity or thermal system by reducing energy or fuel consumption by up to the equivalent of 60 GWhe per year.’*

The proposed energy efficiency measure involves switchover from a high ash content coal blend as fuel in the boilers of the thermal power plants of CESC with a low ash content coal blend resulting in lower ash generation.

The lower ash generation would lead to lower thermal losses through the ash as well as reduced auxiliary consumption in the ash handling system contributing to overall improvement in heat rate and efficiency of the electricity generating units.

#### **Baseline:**

*‘The energy baseline is the technical losses of energy within the project boundary. In the case of retrofit measures, the energy baseline is calculated as the monitored performance of the existing generating unit.’*

The energy baseline of the proposed project activity would be the technical losses arising due to ash generation as well as the auxiliary consumption occurring due to the higher amount of ash to be handled by the ash handling system of the power generating units of CESC.

The lower ash content coal blend would be achieved by replacing run of the mine coal with beneficiated coal.

**Recommendation by the SSC WG:**

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

This recommendation is as per the procedures for fast track clarifications as specified in paragraph 8 of the 'procedures for the submission and consideration of request for clarification of approved small-scale methodologies' found at <[http://cdm.unfccc.int/Reference/Procedures/MethSSC\\_proc01\\_EB34a06.pdf](http://cdm.unfccc.int/Reference/Procedures/MethSSC_proc01_EB34a06.pdf)>.

**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 currently written, AMS-II.B is not applicable to the described project activity.

Paragraph 3 of AMS-II.B states "The energy baseline is the technical losses of energy within the project boundary. In the case of retrofit measures, the energy baseline is calculated as the monitored performance of the existing generating unit. In the case of new facilities, the energy baseline is calculated using a standard for the equipment that would otherwise have been installed selected in accordance with relevant paragraphs of 'general guidance'. The SSC WG is thus of the opinion that the methodology covers technology/measures for retrofit of existing facilities or for new facilities.

Retrofit has been defined in the "Glossary of CDM terms" as "To modify existing industrial, commercial and residential facilities, automobiles, energy conversion systems etc., which are already in service using new, improved or more efficient parts and equipment developed or made available after the time of original manufacture or installation of the facility. The retrofit should also be consistent with the current guidance by the Board on the lifetime of plants and equipment." (See page 27 in [http://cdm.unfccc.int/Reference/Guidclarif/glos\\_CDM\\_v04.pdf](http://cdm.unfccc.int/Reference/Guidclarif/glos_CDM_v04.pdf)).

The SSC WG understood that the project activity is primarily for improving the feed quality of the fuel-fed to energy generation equipment, i.e., switch from high ash content coal (lower calorific value) to low ash content coal (beneficiated coal with higher calorific value). The described activity cannot be considered as an energy efficiency improvement activity for which AMS-II B is applicable.

Further, the SSC WG noted that the submission is also unclear on how the energy spent on coal beneficiation is accounted for.



Signature of SSC WG Chair .....

(Hugh Sealy)

Date: 13/08/2009



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

(Peer Stiansen)

Date: 13/08/2009

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