



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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| <i>Date of SSC WG meeting:</i> | 11–14 January 2011, SSC WG 29 |
| <i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i> | Revision of AMS-I.C to include project activities that involve more than one boiler with different fuels |
| <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.C ver 18 “Thermal energy production with or without electricity” |
| <i>Name of the authors of the query:</i> | Daniel Martino Institution: Carbosur S.R.L. daniel.martino@carbosur.com.uy |

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:

We hereby request the revision of the approved small scale methodology I.C, to broaden its applicability to include project activities that involve more than one boiler generating thermal and/or electrical energy.

On 7 July 2010 we submitted a query for clarification which was answered by SSC WG_458 on 22 October 2010.

The SSC Working Group stated that “co-fired system” (foot-note 3 in I.C version 18) is considered as a single piece (e.g., boiler). Also, methodology AM0085 “defines co-firing as a simultaneous combustion of both: (i) biomass residues and (ii) fossil fuels in a single boiler”.

This definition and the interpretation by the Small Scale Working Group preclude the application of methodology I.C. to project activities in which a system composed by biomass fired boilers and fossil fuel fired boilers feed a steam collector system to produce thermal and electrical energy.

The proposal adds a new baseline scenario (paragraph 15 (i)) and the corresponding calculations of baseline emissions (new paragraph 32).

We note that the calculations of baseline emissions in the case of one boiler with a co-fired system (equation 4) are the same to those of a set of boilers (comprising biomass fired and/or fossil fuel fired and/or co-fired boilers) (new equation 5) applied to a single steam system.

Recommendation by the SSC WG:

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

Please refer to paragraph 19 of the meeting report of the SSC WG 29
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 not to recommend the proposed revision request of AMS-I.C to cover project activities where the baseline is the use of different boilers each fired with different fossil fuels and biomass to produce steam energy because of the following reasons:

- The author is of opinion that the definition of co-firing recommended by the SSC WG to their previous submission SSC_458 that states “co-firing as a simultaneous combustion of both: (i) Biomass residues; and (ii) Fossil fuels in a single boiler” preclude the application of methodology AMS-I.C. to the underlying project activity in which a system composed by biomass fired boilers and fossil fuel fired boilers feed a steam collector system to produce thermal and electrical energy. The SSC WG agreed to reiterate that such project activity does not fall under the definition of co-firing intended in AMS-I.C and the proposed definition may lead to an uncertainty in determining emission reduction calculations;
- The submission however proposed a new baseline scenario (paragraph 15 (i)) and the corresponding calculations of baseline emissions (new paragraph 32) where baseline emission factor is determined as the weighted average emission factor (in energy basis) among the identified fossil fuels established using three years average historical data. It is noted that the calculations of baseline emissions have taken the approach that in the case of one boiler with a co-fired system (equation 4) are the same to those of a set of boilers (comprising biomass fired and/or fossil fuel fired and/or co-fired boilers) (new equation 5) applied to a single steam system, this is not acceptable. It is also not elaborated in the PDD and hence not evident how the emission factor of the baseline system has been calculated. It is also not clear in the PDD, how the efficiency of baseline units would be determined following the procedure prescribed in AMS-I.C;
- As indicated by the SSC WG in its response to the previous submission (SSC_458) that for such project activity baseline shall be established for each heat generators based on historical information of fuel energy input and steam energy output, for example in order to ensure that the emission reductions will be claimed only for the displaced baseline fossil fuel;
- Based on the information provided in the underlying PDD, the SSC WG understood that the pre-project situation involves multiple boilers each fired with biomass and different fossil fuels to produce steam energy. Paragraph 13 of the current version of AMS I.C states that : “For renewable energy technologies that displace technologies using fossil fuels, the simplified baseline is the fuel consumption of the technologies that would have been used in the absence of the project activity times an emission factor for the fossil fuel displaced”. The group thus is of the opinion that the underlying project can be eligible to apply if the baseline emissions calculation is performed (using equation 1 of AMS-I.C) considering only the boilers/heat generators that are fossil fired (excluding the pre-project biomass fired boilers) and provided that all other provisions of AMS-I.C are met;
- It is however noted that the SSCWG has not evaluated the additionality aspect of the proposed project.

Signed by the Chair, Mr. Peer Stiansen

Date: 14/01/2011

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 14/01/2011

Information to be completed by the secretariat

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