CDM: Recommendation form for Small Scale Methodologies (Version 01.1)

(To be used for presenting questions/proposals/amendments to the simplified methodologies for small-scale CDM project activity categories)

Date of SSC WG meeting:	16−19 April 2013, SSC WG 40
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Clarification on applicability of AMS-II.E versus AMS-II.Q to energy efficiency measures in commercial buildings
Indicative methodology to which your submission relates *(refer the items of Appendix B of the Simplified Modalities and Procedures)*, **if applicable:**	AMS-II.E "Energy efficiency and fuel switching measures for buildings" AMS-II.Q Energy efficiency and/or energy supply projects in commercial buildings
Name of the authors of the query:	Ashok Kumar Gautam Institution: KBS Certification Services Pvt. Ltd. (DOE) kaviraj@kbsindia.in, ashok@kbsindia.in

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 DOE:

This is with reference to our CDM project activity which is currently under validation under the SSC Methodology AMS. II. E, Version 10.0. However during EB 68 meeting of CDM-EB, AMS II Q version 1(Annex 19) methodology was adopted which prescribes for "Energy efficiency and/or energy supply projects in commercial buildings". Now with reference to this, description of project activity and query is elaborated below:

Description of Project Activity:

The project activity is a Greenfield project activity where energy efficiency measures are undertaken by Ivory Property Trust in a commercial office space building "Kalina" at Mumbai, India. The energy efficiency measures have been undertaken primarily in the Heating, Ventilating and Air-Conditioning (HVAC) system and lighting system of the building. The measures adopted in the HVAC system result in reduction in electrical energy consumption, in comparison to that of a conventional building with similar size (in terms of floor area, carpet area and number of storeys), capacity (in terms of occupancy) and architectural perspectives. The project activity is a greenfield/new activity and the baseline is a hypothetical building complying with the local regulations. Thus, the project activity is not a retrofit activity.

Methodology Requirements:

The project involves energy efficiency improvements in a commercial facility and fulfils the eligibility criteria of both the methodologies. The project activity has applied methodology AMS. II.E, Version 10.0. However, while this project has been under validation, there is a new methodology which was published in the 68th Meeting of the CDM Executive Board- AMS. II. Q. Version 1.0 (EB 68, Annex 19).

Applicability Conditions:

The SSC Methodology AMS II E version 10 is applicable to "any energy efficiency and fuel switching measure implemented at a single building, such as a commercial, institutional or residential building, or group of similar buildings, such as a school, district or university. This category covers project activities aimed primarily at energy efficiency "

While

The SSC methodology AMS II Q version 1 is applicable to “commercial buildings for both retrofit and new construction (i.e. Greenfield) projects. Allowable projects include energy efficient building design features; energy efficient appliances, equipment and/or technologies; energy management controls; on-site renewable energy projects; on-site cogeneration; and/or fossil fuel switching alone or in combination.

All technologies (e.g. equipment or appliances) used in the project activity must be new and not transferred from another project activity.

This methodology is not applicable to project activities that affect off-site district heating and/or cooling plants and distribution networks even if they supply energy to the subject building(s).

If the energy efficient equipment contains refrigerants, then the refrigerant used in the project case shall have no Ozone Depleting Potential (ODP).

If the project activity includes fuel switching, the requirements in AMS-III.B Switching fossil fuels for establishing a baseline for fuel switching shall be followed.

None of the project equipment, systems or actions used for claiming emission reductions may be included in another CDM project in order to avoid possible double counting of emission reductions.

The Project Design Document (PDD) shall document how the potential for double counting of emission reductions, for example due to equipment manufacturers or others claiming credit for emission reductions for project activities, are avoided.

The aggregate electricity savings by a single project shall not exceed 60 GWh per year.

Since the project activity is the installation of energy efficient measures in a commercial office building, the difference between the applicability criteria is not clear for the project participant in case of applicability conditions of the methodology wherein the project activity complies and fits well into both methodologies. While AMS II E prescribes a broad description of the applicability conditions, AMS II Q provides a clear reference to every aspect of the eligibility of project activity which the activity under discussion meets.

It is thus observed that, although the proposed CDM project activity is currently applying (and was also webhosted with) the methodology AMS II. E, it might also in compliance with the new methodology, AMS II. Q which has created ambiguity for the choice of the most suitable methodology.

Monitoring Requirements:

It has also been observed that the project activity also complies to monitoring requirements of AMS II E and AMS II Q which are listed below:

As per methodology AMS II E version 10, in the case of a new facility, monitoring shall consist of :(a) Metering the energy use of the building(s) and (b) Calculating the energy savings of the new building(s).

While

As per methodology AMS II Q version 1, in case of a new facility, monitoring shall consist of ex ante baseline building data. The actual sources of data used to establish the baseline building energy use intensity should be provided and the data analysis process documented

The project activity comply the monitoring parameters of both the methodologies in addition to applicability conditions. Since only a single methodology can be applied to the discussed project activity, the availability of two methodologies has created doubt on the correct and most suitable one for the proposed CDM project.

Thus, in light of the above, we seek a clarification on

the specific distinction on the applicability of AMS II. E. and AMS II. Q for energy efficiency measures implemented in a commercial building.

the adoption of certain provisions, without compromising on the conservativeness, from the II. Q, where these are described in much more detail as compared to AMS II. E, in particular to the baseline identification, ex ante and ex post ER determinations and monitoring requirements.

A suitable reply in the given context would help us understand the key distinction between the referred methodologies so that only a suitable methodology is validated at our end.

Recommendation by the SSC WG: Please use the space below to provide amendments / change (in your expert view, if necessary).
Please refer to paragraph 44 of the meeting report of the SSC WG 40 <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 (SSC WG) of the CDM Executive Board would like to thank the author for the submission. The SSC WG agreed to clarify that both AMS-II.E and AMS-II.Q are applicable to energy efficiency measures in buildings. Compared with AMS-II.Q, AMS-II.E is a rather old methodology (the latest version 10 was approved in October 2007) of a very generic nature, for example with respect to baseline building identification and monitoring requirements. In contrast, AMS-II.Q was recently approved and specifically focuses on the use of simulation models for both existing and Greenfield commercial buildings. In light of above clarification, the SSC WG agreed that AMS-II.Q is more appropriate for the underlying project activity. However, the SSC WG is also aware that the computer simulation approach is not explicitly excluded from AMS-II.E. Therefore, the SSC WG agreed to clarify that the guidance in AMS-II.Q could be used in conjunction with methodology AMS-II.E, at the discretion of the project proponent. The SSC WG may provide more clarity for the applicability of AMS-II.E and AMS-II.Q in the future.
Signature of SSC WG Chair: Mr. Martin Cames Date: 19/04/2013 Signature of SSC WG Vice-Chair: Mr. Washington Zhakata Date: 19/04/2013

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History of the document

Version	Date	Nature of revision(s)
01.1	12 April 2012	Editorial changes to include new logo and other improvements.
01.0	2005	Initial publication.
Decision Class: Regulatory **Document Type**: Form **Business Function**: Methodology		