



## 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>	10–12 November 2008, SSC WG 18
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Clarification on the applicability of AMS-III.B version 13 to a project activity involving multiple fuel switching
<i>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</i>	AMS-III.B version 13
<i>Name of the authors of the query:</i>	Isabel Malaga Institution: Deuman <a href="mailto:imalaga@deuman.com">imalaga@deuman.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.

The company Kimberly Clark (KC) in Peru (production of paper for self-care products like tissues and others) has been working hard in developing the first virtual supply of CNG (concentrated natural gas delivered in trucks) in the country. The use of natural gas in Peru started recently in 2004 and there are still many parts of Lima (capital) with no supply by pipelines and with no expectation of having this in several years yet since natural gas has go mostly for energy generation in thermal power plants. In this context one of the facilities of Kimberly Clark has taken seriously the CNG supply technology. For the implementation of the project CDM has been taken into account to overcome barriers. Estimations indicate that the project activity is an SSC one.

The project activity has the following characteristics:

- Plant started operations in year 2000.
- Since 2006 the company was managing and **increase of capacity** (for increment of demand) and this new equipment (one boiler and two dryers) started operations in March 2008. Now are 3 boilers and 4 dryers.
- Baseline fuels are:
  - **Fuel oil** in boilers. Always the only fuel. It is use in the existing and new boilers.
  - **LPG** in dryers (hoods). Used since 2006. The dryers are use to dry the paper final products. This equipment has no connection with the boiler. LPG is the baseline fuel; it is use in the existing and new dryers until the fuel switching is done. No other fuels (besides NG) will be used in these equipments since they produced odours in the final products.
  - **Kerosene** in the dryers. Used only until 2005 (with not significant use in 2006). This fuel will no longer be used at the plant.
- At the moment (August 2008) the company is **still not using CNG**.
- There is a formal meter for billing purposes, and all the equipments inside the plant will have a

specific NG meter (for internal monitoring) which can be use to determine the % of total NG used per equipment.

AMS-III.B v 13, states “Multiple fossil fuel switching is not covered under this methodology”. It is not clear to us if this indicates that at the plant (or plants) in the baseline scenario there is only one fuel type, or the switch is only to one fuel type, or if this refers to the use of more than one fuel in one equipment (*Question 1*). Is usual in manufacturing facilities the use of more than one fuel type, since equipment and machinery may require specific fuel conditions. The plant of the proposed project activity do not use more than one fuel in one equipment as established above, fuel oil is used in boilers and LPG in dryers. If the methodology does not cover more than one fuel type plant (or plants) in the baseline scenario, formulas could still apply for the different equipments: baseline emissions for boilers and baseline emission for dryers, treating them as two different small fuel switching projects presented together (bundled). At the end, these emissions will be added to determine the total baseline emissions for the fuel switching project activity at the plant. The projects emissions can be treated in the same way (*Question 2*).

The only similar SSC methodology is the AMS-II.D, but it is said that this category covers project activities aimed primarily at energy efficiency; a project activity that involves primarily fuel switching falls into category AMS-III.B; and AMS-III.B version 12 does not account for the capacity additions.

The questions are:

- 1) What is exactly the meaning of multiple fossil fuel switching in the methodology?
- 2) In case the methodology does not cover more than one fuel type in the baseline scenario (fuel oil and LPG) is the proposed approach and use of formulas acceptable?
- 3) With all the given information, is AMS-III.B v 13 applicable to the proposed project activity?
- 4) In case the AMS-III.B is not fully applicable:
  - Will be enough a deviation or is necessary to send a revision for this methodology?

What methodology is more suitable for this project activity?

#### **Recommendation by the SSC WG:**

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

Please refer to paragraphs 11 and 17 of the meeting report of the SSC WG 18  
[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 the current version of AMS-III.B is not applicable to the described project activity. The SSC WG is preparing a revised version of AMS-III.B with broader applicability, taking into account this and other requests for clarifications related to fuel or energy source switching, which is likely to cover the described the project activity.



Signature of SSC WG Chair .....

(Ulrika Raab)

Date: 12/11/2008



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

(Kamel Djemouai)

Date: 12/11/2008

**Information to be completed by the secretariat**

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