



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)

Date of SSC WG meeting:	29 April–02 May 2009, SSC WG 20
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Change in the amount of CERs from registered PDD
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-I.D
Name of the authors of the query:	Ms. Meher Sidhwa Institution: Agrinergy Consultancy Pvt Ltd meher.sidhwa@agrinergergy.com , robert.taylor@agrinergergy.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:

The clarification request relates to the registered small scale project activity, 0334: LHSF Bagasse Project, which was registered on 5th May 2006 under the SSC methodology, AMS I.D; version 7. The estimated number of CERs in the PDD is **18,506 tCO₂e**.

Since there is no guidance under AMS ID on dealing with increased exports due to the replacement at the fibrizor end, i.e. outside the CDM project boundary, we seek a clarification and propose alternatives as follows:

The project activity involves the export of electricity to the state electricity grid. The captive electricity requirements were met by the power plant set up already existing at the adjacent site. At the project activity start date, 9th June 2004, the PP had envisaged 6.2 MW of export capacity. On taking into consideration the downtime of sugar factory and restarts, the export capacity was conservatively assumed as 6 MW. The final PDD was submitted to the validating DOE in September 2005 along with the supporting evidence for the export capacity estimate.

However, in the subsequent year, the PP replaced the two electric motors (of 1000 kW each), used to drive fibrizor at the adjacent sugar factory, with a 3 MW steam turbine. This led to the saving of 2000 kW (2 MW) of electric load in the captive consumption, which further led to increased exports. The replacement of electric motors was not envisaged at the time of writing the PDD. The fibrizor turbine was commissioned after the first verification was undertaken.

The use of the fibrizor turbine led to an increase in the export capacity, which further increased the number of CERs by 15-18% in the second and third verifications as shown below:

Year	Exports (MWh)	CERs (tCO ₂ e)	Export capacity (MW)
2005-06	14,021.40	12,872.00	6.02
2006-07	34,584.72	31,749.69	7.16
2007-08	25,616.16	23,515.63	7.36

We are therefore seeking inputs on how to account for the change in setup outside the project boundary which in turn is affecting the volume of CERs. We have suggested below the possible approaches that could be used to account for the increase in CERs due to energy efficiency:

- Cap CERs as per the CERs estimated in the original PDD

Therefore,

The revised number of CERs = 18,506 tCO₂e

- Cap CERs based on the number of days of operation in the current season and the original export capacity. The CERs will then be a function of the number of days as below:

For the monitoring period under consideration (2007-08),

Days of operation = 145 days (150 days were assumed at the time of validation)

Therefore,

The revised number of CERs = $(145 * 18,506 / 150) = 17,889$ tCO₂e

- Deduct 1.15 MW from the actual export capacity to account for the replacement of the electric motors.

	Pre-upgradation	Post-upgradation
Installed capacity at Fibrizor	2 MW (electric motors)	3 MW (Fibrizor turbine)
Specific steam consumption	13 tonnes/MW	8.25 tonnes/MW
Total steam consumption	26 tonnes	24.75 tonnes

From the above table, we obtain the following:

$$\begin{aligned} \text{Additional power generated} &= (26/8.25) - 2 \\ &= 1.15 \text{ MW} \end{aligned}$$

On deducting 1.15 MW from the current year's export capacity of 7.36 MW, we get a 6.21 (\approx 6.2) MW capacity.

Therefore,

$$\text{Exports} = (6.2 * 24 * 145) = 21,576 \text{ MWh}$$

The revised number of CERs = 19,806.76 (\approx 19,806) tCO₂e

Therefore, in the case of the above mentioned scenario, the PP seeks a clarification on the necessary further action in order to proceed with the project activity issuance.

Recommendation by the SSC WG:

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

Please refer to paragraph 35 of the meeting report of the SSC WG 20 (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 understands that the request for clarification is related to changes in the project activity from the provisions included in the registered PDD during the crediting period. The SSC WG would like to refer the Project Proponents to the procedures described in Annex 30 of the 24th EB meeting "PROCEDURES FOR REQUESTS FOR DEVIATION TO THE EXECUTIVE BOARD".



Signature of SSC WG Chair

(Hugh Sealy)

Date: 02/05/2009



Signature of SSC WG Vice-Chair

(Peer Stiansen)

Date: 02/05/2009

Information to be completed by the secretariat

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