



**Approved baseline and monitoring methodology/
methodological tool clarification response form
(Version 02.0)**

INFORMATION TO BE COMPLETED BY THE SECRETARIAT OR PANEL/ WG

Date and number of Panel/ WG meeting:	27–31 January 2014/MP 62
Title/Subject of the request for clarification:	Applicability of ACM0002 to existing hydropower plants increasing electricity generation through the construction of a new reservoir
Reference number of the request for clarification:	AM_CLA_0254
Exact reference (number, title and version) of the methodology or methodological tool to which the request for clarification applies:	ACM0002: Grid-connected electricity generation from renewable sources version 14.0
Fast track or Regular track:	<input type="checkbox"/> Fast track <input checked="" type="checkbox"/> Regular track

Summary of the request for clarification

The proposed project activity is the construction of the hydro power plant (SHPP X) along with a water reservoir. The outflow from SHPP X will be used in three existing hydropower plants (Z, Y1 and Y2) to increase the plant load factor of these existing plants without addition of MW capacity or retrofit of these power plants. Estimated changes in the electricity production are shown below; it is highlighted that without the contribution in additional energy production from existing facilities, it would not be feasible to construct the new project SHPP X.

		ANNUAL PRODUCTION OF HPPs (GWh)			
HPP	Capacity (MW)	Currently	Future	Increase	% of aggregate increase
SHPP X	5	0	21,66	21,66	16%
HPP Z	12,8	42,55	67,72	25,17	19%
HPP Y1	172	330	406,88	76,88	58%
HPP Y2	21,6	38	47,84	9,84	7%
TOTAL	187	410,55	544,1	133,55	100%

The new reservoir (X) is intended to increase specially the generation in the hydropower plants related to the existing reservoir (Y), as they are working below their capacity. No refurbishment is envisaged in the existing hydro plants so far.

Clarification is sought whether additional electricity generation at the existing hydropower plants as well as in the new plant can be considered for estimating emissions reduction and demonstration of additionality through financial analysis.

Clarification by the secretariat or Panel/ WG

The Methodologies Panel (Meth Panel) of the Executive Board (Board) of the clean development mechanism (CDM) would like to thank the stakeholder for submission of the request for clarification. The Meth Panel agreed to clarify that the current version of ACM0002 is not applicable for the proposed project activity referred to in the request for clarification.

The proposed project activity is neither “capacity addition” nor “retrofit” or “rehabilitation” project according to the definitions prescribed under the current version of ACM0002. It is understood that the primary purpose of the project activity is to generate additional electricity from existing hydro power plants through construction of a new hydro power plant and a new reservoir.

Since a project activity for emission reductions on account of increased generation from existing power plants due to increase in water availability is not covered under the current version of ACM0002, the stakeholder is encouraged to submit a request for revision of ACM0002 to cover these aspects.

- - - - -

Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
02.0	18 July 2013	Revised to remove the row “Date and signature of the chair and vice chair of Panel/WG (in case of clarification by Panel/WG)”
01.0	4 July 2013	Initial publication. This document supersedes and replaces the following documents: <ul style="list-style-type: none"> • Recommendation Form for Small Scale Methodologies (F-CDM-SSCwg) (Version 01.1) • Recommendation Form for Small Scale A/R Methodologies and Procedures (F-CDM-SSC-AR) (Version 01.1)

Decision Class: Regulatory
Document Type: Form, Clarification
Business Function: Methodology
Keywords: applying methodologies and tools