



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:	24–27 February 2009, SSC WG 19
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Clarification on applicability of AMS-I.C regarding installed capacity limit for project activity with back-up capacity
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-I.C version 13
Name of the authors of the query:	Alan Silayan Institution: CaFiS Inc. asilayan@cafisinc.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 proposed project activity will install two gasifiers and a hot air generator (HAG). The main purpose of the project activity is to switch fuels from LPG and Bunker fuel to flue gas from biomass residues, reducing GHG emissions. Each installation has an installed capacity of 15MWth for a total of 45MWth which is within the limits of the AMS I.C.

The clarification is regarding a third gasifier also of 15MWth. Note the following:

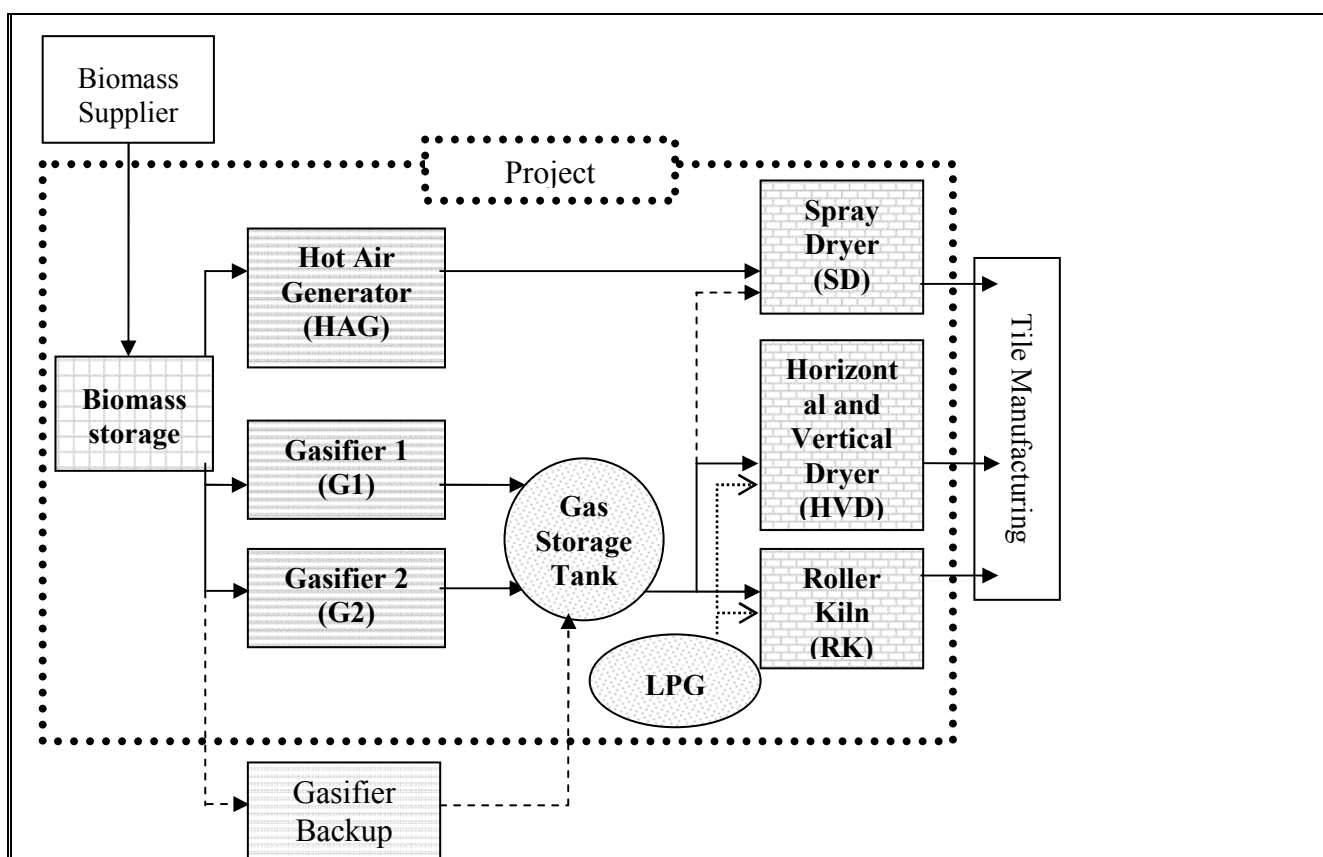
1. The main purpose of this gasifier is not to reduce GHG emissions but to serve as a back-up to the two other gasifiers and the HAG.
2. This gasifier will be used only in the rare instances when one of the two other gasifiers breakdown.
3. This gasifier will not claim any emission reduction from biomass residues it will use.
4. This gasifier will not be considered as part of the project activity.
5. This gasifier will be outside the boundary of the project activity.
6. As per definition:

Project activity (P - SSC)

A project activity is a measure, operation or an action that aims at reducing greenhouse gases (GHG) emissions. The Kyoto Protocol and the CDM modalities and procedures use the term “project activity” as opposed to “project”. A project activity could, therefore, be identical with or a component or aspect of a project undertaken or planned.

7. The project activity is not a debundled part of a larger project activity because the back-up gasifier will not claim any emission reduction credits and will not request for registration under the CDM regulations.

The proposed project boundary is as follows:



Is the project eligible to use a small scale methodology given that the back-up gasifier is not considered as a project activity, nor is it claiming any GHG reduction, nor is it part of the project boundary that will reduce greenhouse gases?

Recommendation by the SSC WG:

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

Please refer to paragraph 5 of the meeting report of the SSC WG 19
(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 small scale CDM limits cover all facilities in a project activity including main and other marginal units such as backup. Therefore, the SSC WG is of the opinion that the third gasifier is within the project boundary in accordance with the current guidance.

However, the project proponent may propose criteria that could possibly allow back-up units to be excluded from consideration in the determination of installed capacity limits when applying AMS-I.C for the consideration of the SSC WG. Such criteria would have to provide, at least, a very clear and

verifiable definition of back-up, capacity limits to 'common systems' (such as fuel supply header or electrical bus bar), a consequence if any excluded units are not operated as back-up, mechanism for avoiding project proponents from dividing a large scale project into several small scale projects, and clarification that metering of project output must be exclusively linked to the project activity with no emission reduction benefits attributed to operation of back-up units.



Signature of SSC WG Chair

(Hugh Sealy)

Date: 27/02/2009



Signature of SSC WG Vice-Chair

(Peer Stiansen)

Date: 27/02/2009

Information to be completed by the secretariat

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