



**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>	11–14 January 2011, SSC WG 29
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Clarification on the emissions reduction calculation of AMS-III.F in case of increase of capacity utilization
<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 F “Avoidance of methane emissions through controlled biological treatment of biomass”
<i>Name of the authors of the query:</i>	Institution: KfW Banking Group <a href="mailto:ramya.parijat@kfw.de">ramya.parijat@kfw.de</a> <a href="mailto:martin.schroeder@kfw.de">martin.schroeder@kfw.de</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.

Original text from Stakeholder:

We kindly ask for clarification on the small-scale methodology AMS III F which is applicable to projects activities that increase capacity utilization at an existing facility and as per paragraph 29 of the methodology,

“In the case of increase of capacity utilization of existing composting facilities, the emission reduction achieved by the project activity will be measured as the difference between the baseline emission and the sum of the project emission and leakage, multiplied by the factor “r” as follows:

$$ER = (BE - PE - LE) * (r - 1)$$

The value for “r” is defined as

$$r = TWCOM_y / WCOM_{BAU}$$

Where:

$TWCOM_y$  : Total quantity of waste composted in year of (tonnes) at the facility

$WCOM_{BAU}$  : Registered annual amount of waste composted (tonnes) at the facility on a business as usual basis calculated as the highest amount of annual compost production in the last five years prior to the project implementation

Scenario: A 50 TPD composting plant was operating at 10 TPD for the past 5 years before the project implementation. Now the project proponents intend to increase the capacity utilization to 50 TPD. As per the guidance given by the methodology, the emissions reductions , assuming 330 days of operation in an year would be

$$ER = (BE - PE - LE) * [(50 * 330) / (10 * 330) - 1]$$

$$= 4 * (BE - PE - LE)$$

Hence, the emission reductions increase by 4 times.

In the EB 31 meeting report <[http://cdm.unfccc.int/EB/031/eb31\\_repan25.pdf](http://cdm.unfccc.int/EB/031/eb31_repan25.pdf)>, guidance of the

methodology AMS III. F, version 04, for estimating emission reductions from projects involving increase in capacity utilisation is

$$ER_y = (BE_y - PE_y) \times (1-r)$$

Where:

$ER_y$  Emission reduction in the year “y” (tCO<sub>2</sub>e)

The value for r is defined as

$$r = WCOMBAU / TWCOM_y$$

Where:

$TWCOM_y$  total quantity of waste composted in year of (tonnes) at the facility

$WCOMBAU$  registered annual amount of waste composted (tonnes) at the facility on a BAU basis calculated as the highest amount of annual compost production in the last five years prior to the project implementation.

As per this guidance the emissions reductions would have been

$$\begin{aligned} ER_y &= (BE_y - PE_y) \times (1 - (1/5)) \\ &= 4/5 * (BE_y - PE_y) \end{aligned}$$

Since there is a significant difference in the approaches and amount of emission reduction estimated by using by both the versions and as there is no further explanation on the changed position of “r” within the bracketed term (from 1-r to r-1) , we seek a clarification on which of the above approaches is correct.

We thank the SSC WG for considering our request.

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

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

Please refer to paragraph 29 of the meeting report of the SSC WG 29  
<[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 recommend a revision of AMS-III.F to correct the equation for emission reductions calculation in case of increase of capacity of existing composting facilities, as contained in annex 6 of the meeting report of SSC WG29.

Signed by the Chair, Mr. Peer Stiansen

Date: 14/01/2011

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 14/01/2011

**Information to be completed by the secretariat**

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