



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:	12 - 13 September 2005
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	“Clarifications on Type I – Renewable Energy and Type III – Other Project Activities”
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-I.A AMS-I.D AMS-III.D AMS-III.E
Name of the authors of the query:	DNV Certification

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.

- I.A. - Electricity Generation by User:
If a proposed SSC project activity uses I.A. of the simplified modalities and is proposing to replace an existing technology, the energy baseline can be the fuel consumption of the existing technology. This is already specified clearly in paragraph 4 of I.A.
However the two formulae a & b given subsequently in paragraph 4 limit the use of historic fuel consumption data to determine the energy baseline. Paragraph 5 also states that any new formula to determine the energy baseline should be approved.
SSC-WG could add option c) that a trend adjusted projection of historic fuel consumption is acceptable in situations where an existing technology is replaced.
- I.D. - Renewable Electricity Generation for a Grid:
The current indicative methodology available at I.D. implicitly assumes that the SSC project activities under this category are on an Independent Power Producer (IPP) mode and the purpose of renewable electricity generation is solely for export to the grid. The projects that are intended for full or partial captive generation are not currently covered by the indicative methodology. The captive generation projects may or may not supply electricity to the grid depending on the captive electricity demand that may vary.
There are similarities between the captive generation projects and the IPP projects in terms of the boundary, baseline, and leakage considerations and it is therefore recommended to modify I.D. to allow the captive generation projects in addition to IPP projects. The required modifications involve:
 - Renaming the title of the indicative methodology to ‘Grid Connected Renewable Electricity Generation’;
 - Modifications to paragraphs 1 and 3 to include projects that not only supply to the grid but also displace grid electricity supply.
 Regarding the submission on capacity additions, the SSC-WG will continue to consider the issue based on other inputs received.
- III.D. - Methane Recovery:
Para 6 of III.D. specifies that if the recovered methane is used for electricity generation, the project will also be eligible under I.D. Based on this precedent in III.D., the DOE seeks clarification whether an SSC project is eligible under I.A. if the methane recovered is used for off-grid generation.
Applying the same logic as in paragraph 6 of III.D., the combination of III.D. with I.A. should also be

eligible. Suggested that appropriate changes be made to the indicative methodology.
Regarding the issue of definition of direct emissions, the SSC-WG will continue to consider the issue in the fourth meeting.

- III.E. - Methane Recovery:

Regarding the issue of definition of direct emissions SSC-WG will continue to consider the issue in the fourth meeting.

Recommendation by the SSC WG :

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

Please refer to paragraphs 6,8, 11, 12 and 13 of the report of the SSC-WG 03:

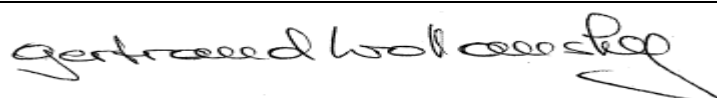
http://cdm.unfccc.int/Panels/ssc_wg/sscwg_meetings/SSCWG03_rep_ext.pdf

Answer to authors of query by the SSC WG :

Please use the space bellow to provide answer to the authors of the above query

The SSC-WG in its third meeting considered in detail your submission and agreed on recommendations as referred to above. In short it agreed on the following:

- I.A.. - Electricity generation by the user:
Historical fuel consumption can be used to calculate the energy baseline. Methodology modified to allow use of historic fuel consumption to determine the energy baseline.
- I.D. - Renewable Electricity Generation for a Grid:
The title and the language of the methodology should be modified to explicitly allow projects that partly or fully displace grid electricity. The SSC-WG group is continuing to consider the issue of capacity additions based on the guidance from the EB and also based on other submissions.
- III.D. - Methane Recovery:
If the methane recovered is used for off-grid generation the project is eligible under I.A. Modifications are made in the methodology to allow the use. The SSC-WG is continuing to consider defining the direct emissions from methane recovery projects based on other submissions received.
- III.E. - Methane Avoidance:
SSC-WG is continuing to consider defining the direct emissions from methane avoidance projects based on other submissions received.



Signature of SSC WG Chair

Date: 16 / 09 /05 (Gertraud Wollansky)

Signature of SSC WG Vice-Chair

Date: / / (name)

Information to be completed by the secretariat

SSC-Submission number	SSC_016
Date when the form was received at UNFCCC secretariat	16 September 2005
Date of transmission to the EB	16 September 2005
Date of posting in the UNFCCC CDM web site	16 September 2005