



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:	21–24 September 2009, SSC WG 22
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Clarification regarding project activity whose annual emission reduction exceeds Type III SSC limit (60 ktCO ₂ /y)
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-III.E, version 15
Name of the authors of the query:	Ricardo Besen Institution: Ecopart Ltda focalpoint@ecopart.com.br , ricardo.besen@ecopart.com.br

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:

In the most recent version of methodology AMS-III.E, version 15, it is required the use of the “Tool to determine methane emissions avoided from disposal of waste at a solid waste disposal site”.

The methodology limits the amount of emissions reductions in 60 kt CO₂ equivalent annually.

Since the tool generates an exponential type of curve for emissions reductions due to methane avoidance, annual estimation of the amount of emissions reductions might, for instance, be below 60,000 during the first six years of the project, but surpass this limit in the seventh year.

In case this happens, in the estimation of the emissions reductions generated by a project using methodology AMS-III.E, how should PPs proceed?

PPs have the following questions:

- 1) Should emissions reductions be limited to 60,000 in the years in which a higher amount is estimated?
- 2) Is the project eligible as a small-scale project only if emissions reductions do not surpass the limit of 60,000 in any of the seven years of the crediting period?
- 3) According to our understanding, the project may start to co-fire a quantity of fossil fuels, which is allowed by the methodology, so that project emissions might increase as needed to keep the Project eligible, resulting in overall annual emissions reductions below 60,000. Since the Project is completely dependent on the CERs received, PPs will seriously consider this possibility, if this is the only way to continue with the Project. Due to applicability conditions, it is not possible to apply any large scale methodology to this Project.

The questions apply to the renewal of the crediting period for Project Koblitz - Piratini Energia S. A - Biomass Power Plant (ref. 0228).

Recommendation by the SSC WG:

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

Please refer to paragraph 33 of the meeting report of the SSC WG 22
(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 as follows:

- Regarding question 1, if the emission reductions during any monitored year of a registered project activity exceeds the SSC thresholds, then a cap applies to the reductions that can be claimed as per EB 20 paragraph 58 (a) that states “If a project activity goes beyond the limit of its type in any year of the crediting period, the emission reductions that can be claimed by the project during this particular year will be capped at the maximum emission reduction level estimated in the CDM-SSC-PDD by the project proponents for that year during the crediting period.”
- Regarding question 2, the project is eligible as a small-scale project only if *ex ante* calculations show that emission reductions do not surpass the applicable SSC thresholds in any of the seven or ten years of the crediting period.
- Regarding question 3, the Procedures for renewal of the crediting period of a registered CDM project activity shall be followed (EB 46, Annex 11) i.e., as per paragraph 2a of this procedure, the emission reductions are recalculated using the version of AMS-III.E applicable at the time. If the calculations show that small-scale thresholds are exceeded, the project shall explore applying a large-scale methodology, or alternatively consider a request for deviation through a DOE as indicated in paragraph 2c — bearing in mind that it is the prerogative of the Board whether to accept the project as a small-scale project.

It shall be noted that AMS-III.E, as per paragraph 28, allows use of fossil fuel only as an auxiliary fuel, therefore, limitations apply in terms of quantity of fossil fuels that can be combusted relative to the quantity of biomass that is control combusted. The SSC WG agreed therefore to clarify that auxiliary fuel should be understood as the subsidiary fuel needed to combust the biomass.



Signature of SSC WG Chair

(Hugh Sealy)

Date: 24/09/2009



Signature of SSC WG Vice-Chair

(Peer Stiansen)

Date: 24/09/2009

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