

**Request for clarification on use of approved methodology AM0005 for several projects in China:**

The Board took notice of the request for deviation in use of methodology AM0005 by several project activities in China, which were as follows:

- 1) Use of average efficiency of existing power plants in the grid as proxy for estimating fuel consumption.
- 2) Use of capacity additions during last 1 - 3 years for estimating the build margin emission factor for grid electricity.
- 3) Use of weights estimated using installed capacity in place of annual electricity generation.

The Board did not accept deviation listed in 1) above. The Board while rejecting the suggested deviation from the suggested method in AM0005, suggested that the project participants use the following alternative solutions in absence of data:

- (i) For small-scale project activities, use the average emission factor of the grid as described in the AMS-I.D,
- (ii) Use the efficiency level of the best technology commercially available in the provincial/regional or national grid of China, as a conservative proxy, for each fuel type in estimating the fuel consumption to estimate the build margin (BM). For the estimation of the operating margin (OM) the average emission factor for the grid for each fuel type can be used.

The Board agreed to accept the proposed deviations in 2) and 3) above.