

 <p><b>CDM: Revision Form for Approved Methodologies (version 01)</b> (To be used for responding to requests for clarifications on approved methodologies)</p>	
Date of Meth Panel meeting:	31 January – 03 February 2006
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Build Margin – Approach to determine recent 20% if 20% falls on part capacity
Indicative methodology to which your submission relates	ACM0002 – Consolidated methodology for grid-connected electricity generation from renewable sources
Name of the authors of the query:	DNV
<b>Summary of the query:</b>	
Please use the space below to summarize the request for clarification on the related approved methodologies.	
>> DNV notes some inconsistency and ambiguity in the definition of the build margin between ACM0002 and AMS-1.D, in particular the definition of 20% sample.	
<b>Recommendation by the Meth Panel:</b>	
Please use the space below to provide amendments /changes (in your expert view, if necessary).	
>> DNV notes some inconsistency and ambiguity in the definition of the build margin between ACM0002 and AMS-1.D. Since these are fundamentally the same methodology elements, these definitions should be made identical.	
ACM0002 should be changed to read (changes in highlight):	
<p><i>Option 1.</i> Calculate the Build Margin emission factor <math>EF_{BM,y}</math> <i>ex-ante</i> based on the most recent information available on plants already built for sample group <math>m</math> at the time of PDD submission. The sample group <math>m</math> consists of either the five power plants that have been built most recently, or the power plants capacity additions in the electricity system that comprise 20% of the system generation (in MWh) and that have been built most recently. *Project participants should use from these two options that sample group that comprises the larger annual generation.</p> <p><i>Option 2.</i> For the first crediting period, the Build Margin emission factor <math>EF_{BM,y}</math> must be updated annually <i>ex-post</i> for the year in which actual project generation and associated emissions reductions occur. For subsequent crediting periods, <math>EF_{BM,y}</math> should be calculated <i>ex-ante</i>, as described in option 1 above. The sample group <math>m</math> consists of either the five power plants that have been built most recently, or the power plant capacity additions in the electricity system that comprise 20% of the system generation (in MWh) and that have been built most recently. * Project participants should use from these two options that sample group that comprises the larger annual generation.</p> <p>Power plant capacity additions registered as CDM project activities should be excluded from the sample group <math>m</math>.</p> <p>* If 20% falls on part capacity of a plant, that plant is fully included in the calculation.</p>	
AMS-1.D. should be changed to read :	

The “build margin” is the weighted average emissions (in kg CO<sub>2</sub>equ/kWh) of recent capacity additions to the system, based on the most recent information available on plants already built for sample group *m* at the time of PDD submission. The sample group *m* consists of either the five power plants that have been built most recently, or the power plants capacity additions in the electricity system that comprise 20% of the system generation (in MWh) and that have been built most recently.  
 \* Project participants should use from these two options that sample group that comprises the larger annual generation.

Power plant capacity additions registered as CDM project activities should be excluded from the sample group *m*.

\* If 20% falls on part capacity of a plant, that plant is included in the calculation.

Note for reference that AMS-1.D. currently reads as:

The “build margin” is the weighted average emissions (in kg CO<sub>2</sub>equ/kWh) of recent capacity additions to the system, which capacity additions are defined as the greater (in MWh) of most recent<sup>4</sup> 20%<sup>5</sup> of existing plants or the 5 most recent plants.”;

<sup>4</sup> Generation data available for the most recent year.

<sup>5</sup> If 20% falls on part capacity of a plant, that plant is included in the calculation.

**Answer to authors of the request for clarification by the Meth Panel :**

Please use the space below to provide an answer to the authors of the above query

>> Thank you for identifying this inconsistency – your diligence is most appreciated. The methodology has been revised to address the issue. Further, it is clarified that in case If 20% falls on part capacity of a plant, the total capacity of plant is included in the calculation.



Signature of the Meth Panel Chair .....  
 Date: 13/02 /2006 (Jean-Jacques Becker)



Signature of the Meth Panel Vice-Chair .....  
 Date: 13/02/2006 (José Miguez)

**Information to be completed by the secretariat**

F-CDM-AM	F-CDM-ACM0002
Date when the form was received at UNFCCC secretariat	13 February 2006
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