Technical assessment of DNA submissions on "Guidelines for the demonstration of additionality of micro-scale project activities"

- 1. This document was prepared in response to a request from the CDM Executive Board and comprises a technical assessment of each of the seven DNA submittals pertaining to paragraph 2 (d) of 'Guidelines For Demonstrating Additionality of Microscale Project Activities' (also referred to as microscale additionality guidelines in this document). Some broad issues for the Board's consideration are also presented. For easy reference, the first annex reiterates the Board's guidelines on microscale additionality. Included in the second annex is a table containing data derived from the International Energy Agency reports indicating percentage contribution of renewable electricity technologies to total electricity generation. The third annex is a draft of a suggested format for submittals by DNAs.
- 2. In summary, the findings of the SSC WG are that:
 - On the basis of data submitted by DNAs and subject to suggested clarifications to the micro-scale additionality guidelines, the DNA requests for additionality findings are technically valid;
 - Several recommendations are made for clarifications to the micro-scale additionality rule. The most critical two are:
 - Define "technology" more specifically for determining whether the technology meets the criteria of "the total installed capacity of the technology/measure contributes less than or equal to 5% to national annual electricity generation";
 - Clarify that the 'national annual electricity generation' refers to grid electricity generation only.

Mandate

- 3. In paragraph 60 of the EB 61 report the following is indicated:
 - "The Board took note that recommendations had been received from DNAs of Chile, Cote d'Ivoire, India, Mongolia, Peru, Sri Lanka and Thailand in response to paragraph 2 (d) of the "Guidelines for demonstration of additionality of microscale project activities" (EB 60, annex 25), i.e. specific renewable energy technologies/measures recommended to be deemed as additional in the host country. The Board requested the SSC WG to undertake a technical assessment of the proposals received at its thirty-second meeting and to make a recommendation to the Board. The Board also requested the secretariat to:
 - (a) Revise the procedures for submissions of new small-scale and large scale methodologies to cover submissions of specific renewable energy technologies/measures recommended to be deemed as additional in the host country from DNAs for consideration of the Board at its sixty-second meeting; and
 - (b) Develop a draft guideline for the consideration of the DNA submissions of specific renewable energy technologies/measures recommended to be deemed as additional in the host country for consideration of the Board at a future meeting.

General recommendations on procedures and guidelines for the consideration by the Board

- 4. Define 'specific renewable energy technologies/measures' more specifically for determining whether each technology meets the criteria of "the total installed capacity of the technology/measure contributes less than or equal to 5% to national annual electricity generation". This would appear to be particularly important for hydropower, geothermal and biomass technologies. For example, in the case of hydropower projects is the technology category defined as "all-hydro", "hydro under 5MW", or "hydro under a certain capacity (such as 15MW as suggested by Chilean DNA)"? The SSC WG noticed that most of the submissions assumed a definition of technology/measure, based on the capacity of the SSC CDM project activities in their countries, i.e. % share of 5 MW or 15 MW capacity renewable energy technology in the annual electricity generation. Considering that small sized renewable energy projects, in general, make a minor contribution to electricity generation in every country, this definition will likely result in almost, if not all, renewable energy project under 5 MW meeting the 2 (d) criteria. The table included in Annex 2 provides information about the contribution of different energy sources for national electricity generation in some non-Annex I countries. The table also includes renewable sources; however data on some technologies such as 'hydro' may not have been disaggregated to small and large hydro.
- 5. In this regard, the SSC WG recommends that the Board may wish to consider two options to clarify the definition:
 - Indicate that the definition of each technology includes a capacity limit (probably either 5 MW or 15MW). For example, criteria 2 (d) is met if the total installed capacity of under 15 MW hydro generation projects contribute less than or equal to 5% to national annual electricity generation. This criteria clarification will most likely result in a positive list of additional renewable energy projects i.e. all under 5MW renewable generation projects being additional in almost all countries;
 - Indicate that the definition of each technology <u>does not include a capacity limit</u>. For example, criteria 2 (d) is met if the total installed capacity of all hydro generation projects contributes less than or equal to 5% to national annual electricity generation. This criteria clarification will most likely not allow some types of renewable (e.g hydro, biomass, geothermal) electricity projects being able to demonstrate additionality using criteria 2 (d) in some countries although they would be eligible to apply other criteria for the demonstration of additionality of SSC project activities (e.g. attachment A to Appendix B).
- 6. Clarify that criteria 2 (d) relates to generation connected to grid and that the contribution of the technology measure should be calculated considering the grid electricity produced using this technology;
- 7. In most instances the DNAs present information for generation connected to their national grid. The micro-scale criteria 2 (d) indicates that the 5% limit is for "national annual electricity generation". The Board may wish to indicate whether only the electricity generation connected to national grid needs to be considered. This seems to be the case as criteria 2 (b) already enables off grid generation to qualify for additionality.

With regard to hydro there is no worldwide consensus on classification by project size (installed capacity, MW) due to varying development policies in different countries. Classification according to size, while both common and administratively simple, is—to a degree—arbitrary: concepts like 'small' or 'large hydro' are not technically or scientifically rigorous indicators of impacts, economics or characteristics. Hydropower projects cover a continuum in scale and it may ultimately be more useful to evaluate hydropower projects based on their sustainability or economic performance, thus setting out more realistic indicators. (IPCC 2011, special report on renewable energy sources and climate change mitigation).

- 8. Define the time period for which data are to be reported and how long the data are valid (i.e. the length of time a micro-scale additionality finding is valid). The submittals by the DNAs did not always indicate the vintage of the data used to determine the contribution of the renewable technologies or time period of other data provided. The SSC WG recommends that the Board may wish to clarify that the compliance with the contribution threshold and other criteria requires the use of data that is current within three years of the date of the DNA request for additionality. Furthermore, the group recommends that each approval of additionality of a specific renewable technology in the host country be valid for three years and thus new requests for additionality need to be submitted every three years by DNAs;
- 9. Debundling: it may be advisable to specifically reference the CDM debundling criteria or to prepare a specific, micro-scale rule to avoid debundling (to less than 5 MW) of projects that are actually greater than 5 MW. This can be particularly relevant for wind, biomass, and solar PV projects;
- 10. Indicate specific technologies to be included in additionality findings. The DNAs may be requested to define which specific renewable technologies they are recommending for micro-scale additionality. In some cases reviewed, the DNA requests approval for all "renewable technologies" without indicating further details;
- 11. Clarify the eligibility of renewable technologies that do not generate electricity. For some renewable technologies the output is not electricity but thermal or mechanical energy. Based on the guidance from the Board, the SSC WG understood with reference to the text in the parenthesis of 2 (d) that only one condition applies i.e. 'the total installed capacity of the technology/measure contributes less than or equal to 5% to national annual electricity generation'. Therefore a restrictive interpretation of paragraph 2 (d) may indicate thermal or mechanical energy technologies are ineligible. However the Board may wish to clarify this issue;
- 12. Provide criteria for documentation and verification of provided data: the SSC WG suggests that the secretariat prepare a standardized data form for submittal by the DNAs. This form would provide for a standard format for: (a) Indication of which of the technology/measure are addressed by the DNA in its submittal; (b) Providing data that supports the indication of additionality; and (c) Providing verifiable sources for the data provided. Please see Annex 3 for some suggestions on form contents.

Technical assessments of DNA submittals

Chile

The Chilean DNA recommends that any project activity up to 5 megawatts that employ renewable energy as their primary technology such as: photovoltaic's, hydro, tidal/wave, wind, geothermal and renewable biomass, that supply electricity to and/or displace electricity from an electricity distribution system that is or would have been supplied by at least one fossil fuel fired generating unit (technologies included in Type I Small Scale CDM methodologies for project activities less than 15MW, and specified in AMS.I.D. Grid connected renewable electricity generation version 16.0) is additional in Chile.

13. The Chilean DNA recommendation/request is based on criteria 2 (d) – see above. The Chilean DNA supports the request by providing a summary of national electricity supply percentage by each category of renewable generation technology, see table below.

Туре	Generation GWh (2009)	%	Comments	
Total national annual electricity generation	57,079	100%		
Hydro <15MW	700	1.23%	less than 5%	
Wind <15MW	42	0.07%	less than 5%	
Renewable Biomass <15MW	363	0.64%	less than 5%	
Photovoltaic <15MW	0	0.00%	less than 5%	
Geothermal <15MW	0	0.00%	less than 5%	
Tiday/Wave <15MW	0	0.00%	less than 5%	

14. The SSC WG concluded that, on the basis of data submitted by DNA, the DNA's request is technically valid if the definition of hydro generation is limited to small-scale hydro generation under the CDM (under 15 MW) and if only national grid electricity generation is to be considered for the 5% calculation. However, if the definition of hydro generation was to include all hydro – large and small – then hydro generation projects under 5MW are not eligible to apply the micro-scale additionality criteria because in Chile hydropower represents more than 5% of the power generated in the country, see Annex 2.

Peru

15. The Peruvian DNA requests that Renewable Energy Resource (RER) projects under 5 MW be considered additional. According to the Peruvian law, RER includes biomass, wind, solar, geothermal, tidal and hydro power plants under 20 MW. The Peruvian DNA indicated that no power plants under 5 MW using biomass, wind, solar, geothermal, or tidal energy are connected to the Peruvian electricity grid and that the 5 MW and under hydro power plants connected to the grid represent only about 0.3% of generation. See text and table below from DNA submittal.

16. From Peru DNA request:

From the above, and according to the RER Law and the Guidelines, the Ministry of the Environment, in its condition of Clean Development Mechanism Peruvian DNA, hereby recommends that the RER Projects with installed capacity's of up to 5 MW are considered additional and therefore requests the CDM Executive Board to approve the additionality of RER Projects that meet the additionality criteria set forth in the Guidelines.

Participation of Hydro Power Stations with capacity less than or equal to 5 MW

Participation HPS	2005	2006	2007	2008	2009	2010 (until August)
(%)	0,36	0,38	0,36	0,31	0,30	0,29

17. The SSC WG concluded that, on the basis of data submitted by DNA, the DNA's request is technically valid if the definition of hydro generation is limited to small-scale hydro generation (under 5 MW) and if only national grid electricity generation is to be considered for the 5% calculation. However, if the definition of hydro generation was to include all hydro – large and small – then hydro generation projects under 5MW are not eligible to apply the micro-scale additionality criteria because in Peru hydropower represents more than 5% of the power generated in the country, see Annex 2.

India

- 18. The Indian DNA requests that all renewable energy technology/measures based on solar, wind, hydropower, biomass, geo-thermal, ocean, bio-fuels and hydrogen or any other fuel derived from renewable sources be considered additional. Electricity Statistics from 2009 provided by the Central Electricity Authority (CEA) of India is cited to indicate that renewable energy generation contributes to less than 5% of India's annual electricity generation in the national grid. Therefore, on individual technology/measure basis each one of the options for renewable energy technologies would automatically qualify to be 'additional'.
- 19. The SSC WG concluded that, on the basis of data submitted by DNA, the DNA's request is technically valid if the definition of hydro generation is limited to small-scale hydro generation under the CDM and if only generation connected to a national grid is to be considered for the 5% calculation. However, if the definition of hydro generation was to include all hydro large and small then hydro generation projects under 5 MW are not eligible to apply micro-scale additionality criteria, because in India hydropower represents more than 5% of the power generated in the country, see Annex 2.

Thailand

- 20. Thailand DNA requests that all renewable energy technology/measures be considered additional in Thailand as 'total installed capacity of technology/measure of a project activity upto 5 MW applying renewable energy as their primary technology contributed less than or equal to 5% to national annual electricity generation'. Supporting data is not provided and the submission does not list specific renewable energy technologies.
- 21. Although the DNA does not provide any data, or list any specific technologies, the SSC WG concluded that, according to the IEA data provided in Annex 2, the DNA's request is technically valid. Even if the definition of hydro generation includes all hydro large and small then hydro generation projects under 5 MW are still eligible to apply the micro-scale additionality criteria, because in Thailand, hydropower represents just under 5% of the power generated in the country see Annex 2.

Mongolia

- 22. The Mongolian DNA requests that the following 10 categories of projects are deemed additional:
 - (a) Renewable biomass for heating purposes, up to 2.25 MW_{th} heat and steam provided from renewable biomass input (per rule (c) of paragraph 2);
 - (b) Hybrid and/or stand alone renewable power systems to provide power in soum (county) centers that are not connected to any of the main power grid, up to 5 MWe per system (per rule (b) of paragraph 2);

- (c) Renewable power systems, such as wind and PV, for water pumps in rural areas that are not connected to any of the main power grids, up to 5 MWe per system (per rule (b) of paragraph 2);
- (d) Solar powered street lights for lighting streets in ger (traditional house) districts of Ulaanbaatar city and provincial centers up to 0.75 MWe per system (per rule (c) of paragraph 2);
- (e) Solar collectors for heating and solar cookers (per rule (c) of paragraph 2);
- (f) Solar LEDs to be used by herders for light up to 5 MWe (per rule (b) of paragraph 2);
- (g) Off-grid mini Hydro up to 5 MWe (per rule (b) of paragraph 2);
- (h) Replacement of inefficient heating-only boilers (providing heat to households/communities/SMEs) with more efficient heating only boilers, up to 1800 MWh_{th} in energy savings (per rule (b) of paragraph 3);
- (i) Renewable biomass processing for heating purposes, up to 15MW_{th} heat and steam provided from renewable biomass input;
- (j) Renewable biomass processing for liquid fuel used in stationary applications purposes.
- 23. The SSC WG concluded that, while appearing reasonable, the DNA request does not pertain to paragraph 2 (d) criteria. As per the understanding of the SSC WG criteria 2 (a) to 2 (c) serve as guidelines to project proponents and only criteria 2 (d) pertains to DNA recommendation of RE technologies.

Cote d'Ivoire

- 24. The request of the Ivorian DNA is that the Board approves biomass power generation projects supplying power to the national grid with capacity not more than 5 MW be pre-approved for automatic additionality under the micro scale guideline. The DNA proposed to supply to the Board latest information from the country's grid operator to show that renewables are currently not utilized for electricity generation in the grid. The DNA is also willing to provide any further information that may be required for the determination of the issue by the Board. The DNA request also makes a reference to a specific biomass electricity project in the country that would need to apply the provision 2 (d) to be additional.
- 25. The SSC WG concluded that, as long as the data to be provided by the DNA is able to confirm the 5% threshold criteria, the DNA's request will be technically valid.

Sri Lanka

- 26. The Sri Lankan DNA has proposed the following technologies to be considered additional:
 - Grid Connected Electricity Generation with small scale renewable energy technologies (Type 1.D)
 - Thermal energy production with or without electricity generation with biomass boiler/thermic fluid heater/hot water heater or with the use of gassifiers (Type 1.C).

- 27. In another letter (dated 01/11/2010) written at the request of a PP, the Sri Lankan DNA proposed *a specific* biomass project under 5 MW to be considered additional.
- 28. The Sri Lankan DNA provided extensive information on barriers facing small renewable projects which appear convincing, such as a tariff structure that is disadvantageous to renewable projects. However, the DNA has not provided supporting data on the contribution of renewable electricity generation per technology to total electricity generation. The information states that hydro contributes 35% of total electricity generation, but it is unclear how recent that data are. The data in Annex 2 suggests this number is 45%. The information then also states that "Small Scale Renewable Energy Technologies" contribute 4.39 percent to the total, but this data is from 2008 and looking at previous years there appears to be a significant growth trend, so newer information would be relevant.
- 29. The SSC WG concluded that the DNA's request for grid generated electricity production is technically valid if the definition of hydro generation is limited to small-scale hydro generation, given the fact that all SSC RE technologies combined contribute less than 5%. However, the SSC WG would need to request more precise and recent data from the DNA.
- 30. However, if the definition of hydro generation was to include all hydro large and small then hydro generation projects under 5MW are not eligible to apply the micro-scale additionality criteria because in Sri Lanka hydropower represents more than 5% of the power generated in the country, see Annex 2.
- 31. The request related to thermal energy, while appearing reasonable, requires further review as well as guidance from the Board. Specifically, on the eligibility of thermal applications.
- 32. Concerning the request related to the specific biomass project (Galoya Plantations cogen project), the SSC WG is of the opinion it would not be necessary to make a separate request. If all biomass projects under 5 MW are to be considered additional, this project would also be included.

Annex 1 - Criteria Guidance

GUIDELINES FOR DEMONSTRATING ADDITIONALITY OF MICROSCALE PROJECT ACTIVITIES

(Version 02)

I. Background

- 1. The following paragraphs are quoted from decision 2/CMP.5 and 3/CMP.6- Further guidance relating to the clean development mechanism:
- "24. Requests the Executive Board, starting at its next meeting, to further work and report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on the enhancement of objectivity and transparency in the approaches for demonstration and assessment of additionality and selection of the baseline scenario by means of the following activities:
- (c) Establishment of simplified modalities for demonstrating additionality for project activities up to 5 megawatts that employ renewable energy as their primary technology and for energy efficiency project activities that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year;"
- "38. welcomes the work of the CDM Executive Board on the establishment of simplified modalities for demonstrating additionality for project activities up to five megawatts that employ renewable energy as their primary technology and for energy efficiency project activities that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year.
- 39. requests the Board to continue to simplifying these modalities based on experience gained and to expand, as appropriate, their applicability to Type III projects that reduce emissions by less than 20,000 tonnes of carbon dioxide equivalent per annum and to report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session on the experience gained including the appropriateness of the threshold"

II. Guidelines

- 2. Project activities up to 5 megawatts that employ renewable energy technology² are <u>additional</u> if any <u>one</u> of the conditions below is satisfied:³
 - (a) The geographic location of the project activity is in one of the Least Developed Countries or the Small Island Countries (LDCs/SIDs) or in a special underdeveloped zone of the host country identified by the Government before 28 May 2010;
 - (b) The project activity is an off grid activity supplying energy to households/communities (less than 12 hrs grid availability per 24 hrs day is also considered as 'off grid' for this assessment);
 - (c) The project activity is designed for distributed energy generation (not connected to a national or regional grid)⁴ with both conditions (i) and (ii) satisfied;

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All technologies/measures included in approved Type I Small Scale CDM methodologies are eligible to be considered. Furthermore at its fifty-seventh meeting the Board clarified that all CDM project activities that meet the criteria specified in these guidelines are eligible to apply the guidelines irrespective of the scale of the approved CDM methodology applied to the project activity.

Otherwise other means for demonstrating additionality shall be used (e.g. the tool "Tool for demonstration of additionality", or attachment A of Appendix B of Modalities & Procedures of SSC CDM")

That means that projects applying AMS.I-D are not eligible.

- (i) Each of the independent subsystems/measures in the project activity is smaller than or equal to 1500kW electrical installed capacity;
- (ii) End users of the subsystems or measures are households/communities/SMEs.
- (d) The project activity employs specific renewable energy technologies/measures recommended by the host country DNA and approved by the Board to be additional in the host country (conditions apply: the total installed capacity of the technology/measure contributes less than or equal to 5% to national annual electricity generation).
- 3. Energy efficiency project activities⁵ that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year are <u>additional</u> if any <u>one</u> of the conditions below is satisfied:
 - (a) The geographic location of the project activity is in LDC/SID or special underdeveloped zone of the host country identified by the Government before 28 May 2010;
 - (b) The project activity is an energy efficiency activity with both conditions (i) and (ii) satisfied;
 - (i) Each of the independent subsystems/measures in the project activity achieves an estimated annual energy savings equal to or smaller than 600 megawatt hours; and
 - (ii) End users of the subsystems or measures are households/communities/SMEs.
- 4. Other project activities not included in paragraphs 2 or 3 above, i.e. Type III project activities⁶ that aim to achieve emissions reductions at a scale of no more than 20 ktCO2e per year, are <u>additional</u> if any <u>one</u> of the following conditions is satisfied:
 - (a) The geographic location of the project activity is a LDC/SID or special underdeveloped zone of the host country as identified by the Government before 28 May 2010;
 - (b) The project activity is an emission reduction activity with both conditions (i) and (ii) satisfied (see below);
 - (i) Each of the independent subsystems/measures in the project activity achieves an estimated annual emission reduction equal to or less than 600 tCO₂e per year; and
 - (ii) End users of the subsystems or measures are households/communities/SMEs.
- 5. Project activities that meet the requirements specified in paragraph 2 or paragraph 3 or paragraph 4 above are termed 'Microscale CDM project activities'.
- 6. 'Project activity' in paragraphs 2–4 means a small scale or large scale CDM project activity or a project activity under a programme of activities (CPA of a PoA).

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⁵ All technologies/measures included in approved Type II small scale CDM methodologies are eligible to be considered. Further the Board at its fifty-seventh meeting clarified that all CDM project activities that qualify the criteria specified in the guidelines are eligible to apply the guidelines irrespective of the scale of the approved CDM methodology applied to the project.

All technologies/measures included in approved Type III small scale CDM methodologies are currently eligible to be considered, except for AMS-III.V "Decrease of coke consumption in blast furnace by installing dust/sludge recycling system in steel works", AMS-III.P "Recovery and utilization of waste gas in refinery facilities", AMS-III.Q "Waste Energy Recovery (gas/heat/pressure) Projects" and AMS-III.W "Methane capture and destruction in non-hydrocarbon mining activities". In the latter cases further analysis is required.

- 7. In the case of bundled projects, 'Project activity' in paragraphs 2-4 refers to individual projects within the bundle and these guidelines are applied in conjunction with the "Guidelines on assessment of debundling for SSC project activities" (EB 54, annex 13) excluding paragraph 3 of section A⁷ of the latter guidelines.
- 8. Eligibility of project activities as microscale CDM project activities will be determined in accordance with the principles laid out in paragraph 3 and paragraph 4 of the "General Guidelines to SSC CDM methodologies" (version 16 or its update), i.e.:
 - (a) Project activities remain under the thresholds defined above during each year of the crediting period and in cases where *ex ante* projected emissions reductions show an increase during the crediting period, project activities that go beyond the microscale limits in any year of the crediting period are not eligible;
 - (b) Renewable energy projects that produce electrical, thermal and mechanical energy, and cogeneration projects are covered. Definitions provided for output capacity and guidelines provided for conversion from electrical to thermal units in paragraph 4 of the "General Guidelines to SSC CDM methodologies" (version 16 or its update) shall be used. Where applicable, additional guidelines provided in relevant methodologies shall be followed, e.g. eligibility of cogeneration projects as currently defined in AMS-I C;
 - (c) A project activity with more than one component, where each component meets the microscale threshold, is eligible. The sum of the size of components of a project activity belonging to the same type (capacity for Type I, energy savings for Type II and emission reductions for Type III) shall not exceed the limits for microscale project activities (e.g. the limit for the methane recovery component is 20 ktCO₂e/yr and the limit for the electricity production component is 5 MW output capacity).
- 9. The Board at its fifty-seventh meeting clarified that "Guidelines on the demonstration and assessment of prior consideration of the CDM" apply to microscale project activities.

That means that the following paragraph is not applicable "If a proposed small-scale project activity is deemed to be a debundled component in accordance with paragraph 2 above, but total size of such an activity combined with the previous registered small-scale CDM project activity does not exceed the limits for small-scale CDM project activities as set in paragraph 6 (c) of the decision 17/CP.7,3 the project activity can qualify to use simplified modalities and procedures for small-scale CDM project activities".

Annex 2: Country Electricity Generation Source Data

	Current Electricity generation mix by fuel types								
								Tide, wave and	
Country	Fossil Fuel	Nuclear	Biomass	Hydro	Geothermal	Solar photovoltaics	Solar thermal	ocean	Wind
India	82.56%	1.77%	0.24%	13.77%	0.00%	0.002%	0.00%	0.000%	1.655%
Cote d Ivoire	65.24%	0.00%	2.03%	32.72%	0.00%	0.000%	0.00%	0.000%	0.000%
Thailand	91.89%	0.00%	3.25%	4.82%	0.00%	0.002%	0.00%	0.000%	0.000%
Mongolia	100.00%	0.00%	0.00%	0.00%	0.00%	0.000%	0.00%	0.000%	0.000%
Sri Lanka	55.10%	0.00%	0.02%	44.68%	0.00%	0.173%	0.00%	0.000%	0.032%
Peru	39.75%	0.00%	1.53%	58.71%	0.00%	0.000%	0.00%	0.000%	0.003%
Chile	54.25%	0.00%	5.16%	40.52%	0.00%	0.000%	0.00%	0.000%	0.064%

Source: IEA (2010), Energy balances of OECD/Non-OECD Countries

Annex 3: Standard document to receive inputs from the host country

BACKGROUND: in response to request from CMP (see paragraph 24 of further guidance relating to clean development mechanism, Decision 2/CMP.5.) to establish simplified modalities for demonstrating additionality for project activities up to 5 megawatts that employ renewable energy as their primary technology and for energy efficiency project activities that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year, the CDM Executive Board at its fifty-fourth meeting agreed to approve the following guidelines.

<u>GUIDELINES</u>: the project activity employs specific renewable energy technologies/measures recommended by the host country DNA and approved by the Board to be additional in the host country (conditions apply: the total installed capacity of technology/measure contributes less than or equal to 5% to national annual electricity generation).

SUBMISSION BY XXXXXX DNA

This note is submitted by the DNA for the consideration of the Board.

The....... DNA proposes to include the following renewable energy technologies/measures to be eligible under the EB 60, annex 25, per the criteria 2 (d):

Technology	
Wind electricity	
Hydro electricity	
Biomass electricity (includes biofuel, biogas, gasification technologies)	
Solar electricity	
Geothermal electricity	
Ocean electricity	
Other:	

MODALITIES

- Every three years theDNA will compute the share of installed capacity of various grid connected renewable electricity technologies in the national annual electricity generation mix, and possibly publish the list of technologies that are under 5% threshold on its website;
- The data will (or will not, per decision by the Board) include the off-grid and captive based renewable electricity generation plants, but in case if a part of electricity generated in captive plant is connected to grid, then the whole capacity is included.