



Indicative simplified baseline and monitoring methodologies  
for selected small-scale CDM project activity categories

**TYPE III - OTHER PROJECT ACTIVITIES**

Project participants shall apply the general guidelines to small-scale (SSC) clean development mechanism (CDM) methodologies, Guidelines on the demonstrating of additionality of SSC project activities at <http://cdm.unfccc.int/Reference/Guidclarif/index.html#meth> *mutatis mutandis*

**III.Q. Waste energy recovery (gas/heat/pressure) projects**

**Definitions:**

For the purpose of this methodology the following definitions apply:

**Cogeneration.** The simultaneous production of electricity and useful thermal energy from a common fuel source.

**Element process.** The process of generation of thermal energy through fuel combustion or transfer of heat in an equipment. Examples of an element process are steam generation by a boiler and hot air generation by a furnace. Each element process should generate a single output (such as steam or hot air or hot oil) by using single or multiple energy sources. For each element process, energy efficiency is defined as the ratio of the useful energy (the enthalpy of the steam multiplied with the steam quantity) and the supplied energy to the element process (the net calorific value of the fuel multiplied with the respective fuel quantity).

**Existing facilities.** (includes the project facility and the recipient facility) Existing facilities are those that have been in operation for at least three years immediately prior to the start date of the project activity.<sup>1</sup> (All options for demonstrating the use of waste energy in the absence of a CDM project activity shall be based on historic information and not on a hypothetical scenario).

**Recipient facility.** The facility that receives useful energy generated using waste energy under the project activity in the waste energy generation facility. It may be the same waste energy generation facility.

**Waste energy.** Energy contained in residual streams from industrial processes in the form of heat or pressure, for which it can be demonstrated that it would not have been recovered in the absence of the project activity. Examples of waste energy include the energy contained in gases flared or released into the atmosphere, the heat or pressure from a residual stream is not recovered and therefore is wasted. Gases that have an intrinsic value in a spot market as an energy carrier or chemical (e.g. natural gas, hydrogen, liquefied petroleum gas, or their substitutes) are not eligible under this category.

**Waste energy carrying medium (WECM).** The medium carrying the waste energy in the form of heat or pressure. Examples of WECM include gas, air or steam.

**Waste energy generation facility (“project facility”).** The facility where the waste energy which is utilized by the CDM project activity is available. The project activity can be implemented by the owner of the facility or by a third party (e.g. ESCO). If the waste energy is recovered by another facility, i.e. a third party in a separate facility, the “project facility” will encompass both the waste

<sup>1</sup> See Glossary of CDM Terms, available at: <https://cdm.unfccc.int/Reference/index.html>.



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energy generation facility and the waste energy recovery facility. In a situation where waste gas is exported instead of supplying useful energy to a recipient plant, then the project facility shall include the recipient facility.

**Technology/measure**

1. The methodology is for project activities that utilize waste gas and/or waste heat at existing facilities and convert the waste energy carried in the identified WECM stream(s) into useful energy. The WECM stream may be an energy source for:
  - (a) Cogeneration; or
  - (b) Generation of electricity; or
  - (c) Direct use as process heat; or
  - (d) Generation of heat in an element process; or
  - (e) Generation of mechanical energy.
2. The recovery of waste energy should be a new initiative (no waste energy was recovered from the project activity source prior to the implementation of the project activity).<sup>2</sup>
3. Measures are limited to those that result in emission reductions of less than or equal to 60 kt CO<sub>2</sub> equivalent annually.
4. The methodology is applicable under the following conditions:
  - (a) Regulations do not require the project facility to recover and/or utilize the waste energy prior to the implementation of the project activity;
  - (b) Energy generated in the project activity may be used within the industrial facility or exported to other industrial facilities (included in the project boundary);
  - (c) A WECM stream that is released under abnormal operations (for example: emergencies, shutdown etc.) of the project facility shall not be included in the emission reduction calculations;
  - (d) Electricity generated in the project activity may be exported to the grid or used for captive purposes.

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<sup>2</sup> Project activities that recover a small amount of waste energy in the baseline may apply this methodology provided that the current practice of recovering small amounts of waste energy continues during the crediting period and that there is no diversion of the baseline waste energy use, i.e. only energy that was otherwise wasted through venting to atmosphere is utilized in the project activity. The project proponents may demonstrate this condition following annex 3 “Conservative baseline emissions if multiple waste gas stream(s) with potential for interchangeable application exist in the project facility” of the most recent ACM0012 “Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects”.



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However, the methodology is not applicable to projects where the waste gas/heat/pressure recovery project is implemented in a single-cycle power plant (e.g. gas turbine or diesel generator) where heat (energy) generated on-site is not utilizable for any other purposes on-site except to generate power. Such project activities shall consider AMS-III.AL “Conversion from single cycle to combined cycle power generation”. Projects recovering waste energy from such power plants for the purpose of generation of heat only can apply this methodology;

- (e) For a project activity that recovers waste energy for power generation from multiple sources (e.g. a kiln and a single-cycle power plant), this methodology can be used in combination with AMS-III.AL provided that:
- (i) Within the project activity it is possible to distinguish two distinct waste energy sources such that:
- Waste energy source-I (e.g. the kiln) belongs to such waste heat sources which are eligible under AMS-III.Q;
  - Waste energy source-II (e.g. the single-cycle power unit) belongs to such waste heat sources which are eligible under AMS-III.AL;
- (ii) For waste energy source-II eligible under AMS-III.AL, all requirements that relate to baseline, project emissions and monitoring shall apply;
- (iii) It is possible to determine the baseline for each waste energy source, according to the specific methodology being used;
- (iv) It is possible to objectively allocate the electricity produced in the project activity to each waste energy source, by means of one of the following methods:
- Through separate measurements of the electricity produced by utilizing waste energy from each waste energy source; or
  - Through separate measurements of the energy content of the WECM streams used for electricity production; or
  - Through separate measurements of the energy content of the WECM streams that are associated with each waste energy source and used for electricity production or for the WECM generation in a common waste heat recovery system (e.g. if steam is generated by waste heat from a kiln and waste heat from an internal combustion engine in a common waste heat recovery boiler);



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- (f) In cases where the energy is exported to other facilities included in the project boundary, a contractual agreement exists between the owners of the project facility and the recipient plant(s) to avoid the potential double counting of emission reductions by involved parties. These procedures shall be described in the Project Design Document.
- (g) For those facilities and recipients which are included in the project boundary, that prior to implementation of the project activity (current situation) generated energy on-site (sources of energy in the baseline), the credits can be claimed for minimum of the following time periods:
  - (i) The remaining lifetime of equipment currently being used; and
  - (ii) Crediting period;
- (h) The category is also applicable to project activities that use waste pressure to generate electricity only and the electricity produced from waste pressure is measurable;
- (i) It shall be demonstrated by using one of the following options that the waste energy utilized in the project activity would have been flared or released into the atmosphere in the absence of the project activity: this shall be proven by one of the following options:
  - (i) By **direct measurements** of energy content and amount of the waste gas/heat/pressure for at least three years prior to the start of the project activity;
  - (ii) **Energy balance** of relevant sections of the plant to prove that the waste gas/heat/pressure was not a source of energy before the implementation of the project activity. For the energy balance representative process parameters are required. The energy balance shall demonstrate that the waste gas/heat/pressure was not used and also provide conservative estimations of the energy content and amount of waste gas/heat/pressure released;
  - (iii) **Energy bills** (electricity, fossil fuel) to demonstrate that all the energy required for the process (e.g. based on specific energy consumption specified by the manufacturer) has been procured commercially. Project participants are required to demonstrate through the financial documents (e.g. balance sheets, profit and loss statement) that no energy was generated by waste gas/heat/pressure and sold to other facilities and/or the grid. The bills and financial statements should be audited by competent authorities;
  - (iv) **Process plant** manufacturer's original specification/information, schemes and diagrams from the construction of the facility could be used as an estimate of quantity and energy content of waste gas/heat/pressure produced for rated plant capacity per unit of product produced;



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- (v) **On-site checks** prior to project implementation by the DOE to confirm that no equipment for waste energy recovery and utilisation had been installed on the specific WECM stream prior to the implementation of the CDM project activity.

**Boundary**

5. The geographical extent of the project boundary shall include the relevant WECM stream(s), equipment and energy distribution system in following facilities:
- (a) Project facility;
  - (b) Recipient facility(ies), which may be the same as the “project facility”.
6. The spatial extent of the grid is as defined in the “Tool to calculate the emission factor for an electricity system”.
7. The relevant equipment and energy distribution system covers:
- (a) In a project activity, the WECM stream(s), waste energy recovery and useful energy generation equipment, and distribution system(s) for useful project energy;
  - (b) In a recipient facility, the equipment which receives useful energy supplied by the project and distribution system(s) for useful project energy.
8. Where multiple waste gas streams are available in the project facility, and can be used interchangeably for various applications as part of energy sources in the facility, the guidance provided in annex 3 of ACM0012 (version 04) shall be followed to establish the project boundary.

**Baseline**

9. Baseline determination shall be based on relevant operational data from immediately prior three years to the start date of the project activity (or the start date of validation with due justification). For existing facilities, which has three years of operation history but do not have sufficient operational data for the purpose of determining baseline, all historic information shall be available (a minimum of one year operational data is required).

10. Baseline emissions for electricity, mechanical and thermal energy are calculated as below.

**Baseline emissions for electricity**

11. Electricity is obtained from an identified existing plant or from the grid. The baseline emissions can be calculated as follows:

$$BE_{elec,y} = f_{cap} * f_{wcm} * \sum_j \sum_i (EG_{i,j,y} * EF_{Elec,i,j,y}) \quad (1)$$



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Where:

- $BE_{elec,y}$  Baseline emissions due to displacement of electricity during the year  $y$  in tons of  $CO_2$
- $f_{cap}$  Factor that determines the energy that would have been produced in project year  $y$  using waste energy generated at a historical level, expressed as a fraction of the total energy produced using waste source in year  $y$ . The ratio is 1 if the waste energy generated in project year  $y$  is the same or less than that generated at a historical level
- Capping factor is to exclude increased waste energy utilization in the project year  $y$  due to increased level of activity of the plant, relative to the level of activity in the base years before project start
- The value of  $f_{cap}$  shall be estimated using one of the applicable methods that applies to the situation of the project activity prescribed in the most recent version of ACM0012. Where the method requires historical data, the project proponents shall follow the requirement stipulated in paragraph 9 above
- $f_{wcm}$  Fraction of total electricity generated by the project activity using waste energy. This fraction is 1 if the electricity generation is purely from use of waste energy
- The value of  $f_{wcm}$  shall be estimated using applicable procedures that applies to the situation of the project activity prescribed in the most recent version of ACM0012. Where the method requires historical information, the project proponents shall follow the requirement stipulated in paragraph 9 above
- In cases where auxiliary fossil fuel is used to supplement the waste energy directly in the waste heat recovery combustion systems and the energy output cannot be demonstrably apportioned due to technical constraints (e.g. waste gas measurement and its quality) between fossil fuels and the waste energy, a value of 1 for  $f_{wcm}$  can be used and consider the emissions resulting from the combustion of fossil fuel as project emissions
- Note: for a project activity using waste pressure to generate electricity this fraction is 1
- $EG_{i,j,y}$  The quantity of electricity supplied to the recipient  $j$  by generator, that in the absence of the project activity would have been sourced from  $i^{th}$  source ( $i$  can be either grid or identified existing source) during the year  $y$  in MWh
- $EF_{Elec,i,j,y}$  The  $CO_2$  emission factor for the electricity source  $i$  ( $i=gr$  (grid) or  $i=is$  (identified existing source)), displaced due to the project activity, during the year  $y$  in tons  $CO_2/MWh$

*Determination of  $EF_{elec,i,j,y}$*

12. In the case where the recipient of the electricity produced by the project activity is solely the grid or if the displaced electricity for the recipient facility is solely supplied by a connected grid system, and the grid is demonstrated to be the electricity baseline; then, the  $CO_2$  emission factor

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#### III.Q. Waste energy recovery (gas/heat/pressure) projects (cont)

$EF_{elec,gr,j,y}$  shall be determined as per the “Tool to calculate the emission factor for an electricity system”; otherwise, if the baseline generation source is an identified existing power plant, the CO<sub>2</sub> emission factor shall be determined as follows:

$$EF_{Elec,i,j,y} = \frac{EF_{CO_2,i,j}}{\eta_{Plant,j}} * 3.6 * 10^{-3} \quad (2)$$

Where:

$EF_{CO_2,i,j}$  The CO<sub>2</sub> emission factor per unit of energy of the fossil fuel used in the baseline generation source  $i$  in (tCO<sub>2</sub>/TJ), obtained from reliable local or national data if available, otherwise, taken from the country specific IPCC default emission factors

$\eta_{Plant,j}$  The overall efficiency of the identified existing plant that would be used by  $j^{th}$  recipient in the absence of the project activity

$3.6 * 10^{-3}$  Conversion factor, expressed as TJ/MWh

13. For project activities that displace both imported grid electricity and identified existing power plant the baseline emission factor should reflect the emissions intensity of the grid and identified existing source in the baseline scenario i.e. the weighted average emission factor for the displaced electricity is calculated using values in accordance with requirements of paragraph 9 above for historical information. In cases where historical information is deemed not suitable to determine the relative proportion of these two sources used in the baseline (e.g. the available data is not reliable due to various factors such as the use of imprecise or non-calibrated measuring equipment) then the most conservative emission factor for the two energy sources shall be used.

14. If in the baseline situation, more than one type of fossil fuel is used in the identified existing power plant, the relative contribution to the total output of each fossil fuel shall be considered and the formulas for baseline emissions shall be adjusted accordingly. The relative contribution shall be determined based on the historical data as indicated in the paragraph 9 above.

Efficiency of the identified existing power plant ( $\eta_{Plant,j}$ ) shall be determined in accordance with the latest approved version of “Tool to determine the baseline efficiency of thermal or electric energy generation systems”.

#### Baseline emissions for mechanical energy

15. Mechanical energy is obtained by electric motors that displace mechanical energy generated by a steam turbine in the project activity. The baseline emissions can be calculated as follows:

$$BE_{Elec,y} = f_{cap} * f_{wcm} * \sum_j \sum_i \left( \frac{MG_{i,j,y,mot}}{\eta_{mech,mot,i,j}} * EF_{Elec,i,j,y} \right) \quad (3)$$



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*III.Q. Waste energy recovery (gas/heat/pressure) projects (cont)*

Where:

$BE_{elec,y}$	Baseline emissions due to displacement of electricity during the year $y$ (tCO <sub>2</sub> )
$MG_{i,j,y,mot}$	Mechanical energy generated by a steam turbine in the project activity and supplied to the mechanical equipment (e.g. pump, compressor) of recipient $j$ , which in the absence of the project activity would be driven by electric motor $i$ (MWh)
$\eta_{mech,mot,i,j}$	The efficiency of the baseline electric motor $i$ that would provide mechanical power to recipient $j$ in the absence of the project activity
$EF_{Elec,i,j,y}$	The CO <sub>2</sub> emission factor for the electricity source $i$ ( $i=gr$ (grid) or $i=is$ (identified source)), displaced due to the project activity, during the year $y$ in tons CO <sub>2</sub> /MWh

**Baseline emissions for thermal energy and steam-generated mechanical energy**

16. Thermal energy is obtained from a fossil fuel based element process (e.g. steam boiler, hot water generator, hot air generator, hot oil generator, fossil fuel direct combustion in a process). The baseline emissions can be calculated as follows:

$$BE_{Ther,y} = f_{cap} * f_{wcm} * \sum_i \sum_j (HG_{j,y} + MG_{i,j,y,tur} / \eta_{mech,tur}) * EF_{heat,j,y} \quad (4)$$

Where:

$BE_{Ther,y}$	Baseline emissions from thermal energy (as steam) during the year $y$ in tons of CO <sub>2</sub>
$HG_{j,y}$	Net quantity of heat (enthalpy) supplied to the recipient plant $j$ by the project activity during the year $y$ in TJ (for steam this is expressed as the difference in energy contents between the steam supplied to the recipient plant and the feed water to the boiler. The enthalpy of feed water to the boiler takes into account the enthalpy of condensate returned to the boiler (if any) and any other waste heat recovery (including economiser, blow down heat recovery etc.). It should be noted that no additional fuel outside the boiler or hot water/oil generator should be fired to heat the feed water/oil. In the case of a hot water/oil generator this is expressed as the difference in energy content between the hot water/oil supplied to and returned by the recipient plant(s) to the element process). This includes steam supplied to recipients that may be used for generating mechanical energy
$MG_{i,j,y,tur}$	Mechanical energy generated and supplied to the recipient $j$ , which in the absence of the project activity would receive power from a steam turbine $i$ , driven by steam generated in a fossil fuel boiler (TJ)
	Refer to the relevant provision of the most recent version of ACM0012 to estimate this parameter





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*III.Q. Waste energy recovery (gas/heat/pressure) projects (cont)*

$\eta_{mech,tur}$	The efficiency of the baseline equipment (steam turbine) that would provide mechanical power in the absence of the project activity
$EF_{heat,j,y}$	The CO <sub>2</sub> emission factor of the element process supplying heat that would have supplied the recipient plant $j$ in the absence of the project activity, expressed in tCO <sub>2</sub> /TJ and calculated as per equation (5) below

*Determination of  $EF_{heat,j,y}$*

$$EF_{heat,j,y} = \sum_i WS_{i,j} \frac{EF_{CO_2,i,j}}{\eta_{EP,i,j}} \quad (5)$$

Where:

$EF_{CO_2,i,j}$	The CO <sub>2</sub> emission factor per unit of energy of the baseline fuel used in $i^{th}$ element process used by recipient $j$ , in tCO <sub>2</sub> /TJ, in absence of the project activity
$\eta_{EP,i,j}$	Efficiency of the $i^{th}$ element process that would have been supplied heat to $j^{th}$ recipient in the absence of the project activity
$WS_{i,j}$	Fraction of total heat that is used by the recipient $j$ in the project that in the absence of the project activity would have been supplied by the $i^{th}$ element process
$i$	Identified existing source

17. Efficiency of the element process ( $\eta_{EP,i,j}$ ) shall be one of the following:

- (a) Determine the efficiency of the element process in accordance with the latest approved version of “Tool to determine the baseline efficiency of thermal or electric energy generation systems”;
- (b) Assume a constant efficiency of the element process and determine the efficiency, as a conservative approach, for optimal operation conditions i.e. design fuel, optimal load, optimal oxygen content in flue gases, adequate fuel conditioning (temperature, viscosity, moisture, size/mesh etc.), representative or favorable ambient conditions (ambient temperature and humidity); or
- (c) Maximum efficiency of 100%.

**Baseline emissions from co-generated electricity and heat of a cogeneration plant**

18. In the situation where: (i) the electricity and/or heat would be generated by an existing fossil fuel based cogeneration plant; (ii) the mechanical energy would be generated by existing electrical motors or steam turbine; (iii) all the recipient plant(s) are supplied energy from a common fuel based cogeneration source in absence of the project activity, the baseline emissions from co-generated electricity and heat of a cogeneration plant are calculated as:

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*III.Q. Waste energy recovery (gas/heat/pressure) projects (cont)*

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- (a) Electricity ( $EG_{j,y}$ ), heat (steam) ( $HG_{j,y}$ ) and if applicable, mechanical energy ( $MG_{j,y,mot}$  or  $MG_{j,y,tur}$ ) supplied to the recipient facility(ies); and
- (b) CO<sub>2</sub> emission factor of the fuel used by the cogeneration plant that would have supplied the energy to the recipient facility(ies)  $j$  in the absence of the project activity, as follows:

$$BE_{En,y} = f_{cap} * f_{wcm} * \sum_j \left[ \frac{HG_{j,y} + (MG_{j,y,tur} / \eta_{mech,tur}) + (EG_{j,y} + MG_{j,y,mot} / \eta_{mech,mot}) * 3.6 * 10^{-3}}{\eta_{Cogen}} \right] * EF_{CO_2,COGEN} \quad (6)$$

Where:

$BE_{En,y}$  The baseline emissions from energy that is displaced by the project activity during the year  $y$  in tons of CO<sub>2</sub>

$EG_{j,y}$  The quantity of electricity supplied to the recipient plant  $j$  by the project activity during the year  $y$  in MWh

$3.6 * 10^{-3}$  Conversion factor, expressed as TJ/MWh

$HG_{j,y}$  Net quantity of heat supplied to the recipient plant  $j$  by the project activity during the year  $y$  in TJ. For steam this is expressed as the difference in energy contents between the steam supplied to the recipient plant and the condensate returned by the recipient plant(s) to element process of the cogeneration plant. For hot water or oil this is expressed as difference in energy content between the hot water/oil supplied to and returned by the recipient plant(s) to the element process of cogeneration plant

$EF_{CO_2,COGEN}$  CO<sub>2</sub> emission factor per unit of energy of the fuel that would have been used in the baseline cogeneration plant in (tCO<sub>2</sub>/TJ), obtained from reliable local or national data if available, otherwise, taken from the country specific IPCC default emission factors

$\eta_{Cogen}$  Efficiency of the cogeneration plant (combined heat and power generation efficiency) using fossil fuel that would have been used in the absence of the project activity

$MG_{j,y,mot}$  Mechanical energy generated by steam turbine in the project activity and supplied to the mechanical equipment (e.g. pump, compressor) of recipient  $j$ , which in the absence of the project activity would be driven by electric motor (MWh). Refer to the provision of the most recent version of ACM0012 to estimate this parameter

$\eta_{mech,mot}$  The efficiency of the baseline electric motor that would provide mechanical power in the absence of the project activity



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- $MG_{j,y,tur}$  Mechanical energy generated by steam turbine in project activity and supplied to the mechanical equipment (e.g. pump, compressor) of recipient  $j$ , which in the absence of the project activity would be driven by a steam turbine, operating from steam generated in a fossil fuel boiler (TJ). Refer to the provision of the most recent ACM0012 to estimate this parameter.
- $\eta_{mech,tur}$  The efficiency of the baseline steam turbine that would provide mechanical power in the absence of the project activity
19. Efficiency of the cogeneration plant ( $\eta_{Cogen}$ ) shall be one of the following:
- (i) Assume a constant efficiency of the cogeneration plant and determine the efficiency, as a conservative approach, for optimal operational conditions i.e. designed fuel, designed steam extractions, optimal load, optimal oxygen content in flue gases, adequate fuel conditioning (viscosity, temperature, moisture, size/mesh etc.), representative or favorable ambient conditions (temperature, humidity); or
  - (ii) Highest of the efficiency values provided by two or more manufacturers for similar plants as used in the project activity; or
  - (iii) Maximum efficiency of 90%, based on net calorific values (irrespective of type of cogeneration system and type of heat generated).

**Project emissions**

20. Project emissions due to the project activity ( $PE_y$ ) include emissions due to: (i) combustion of auxiliary fuel to supplement waste gas/heat ( $PE_{AF,y}$ ); and (ii) emissions due to consumption of electricity for cleaning of gas before being used for generation of electricity or other supplementary electricity consumption by the project activity ( $PE_{EL,y}$ ).

$$PE_y = PE_{AF,y} + PE_{EL,y} \quad (7)$$

$PE_{AF,y}$  and  $PE_{EL,y}$  shall be estimated following the procedure provided in the relevant section of the most recent version of ACM0012.

21. If the waste gas contains carbon monoxide or hydrocarbons, other than methane, and the waste gas is vented to the atmosphere in the baseline situation, project emissions have to include CO<sub>2</sub> emissions due to the combustion of the waste gas.

**Leakage**

22. If the energy generating equipment introduced by the project activity is transferred from outside the boundary to the project activity, leakage is to be considered.



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**Emission reductions**

23. Emission reductions are calculated as follows:

$$ER_y = BE_y - PE_y \quad (8)$$

Where:

$ER_y$  Emission reductions in year  $y$  (tCO<sub>2</sub>e/yr)

$BE_y$  Baseline emissions in year  $y$  (tCO<sub>2</sub>e/yr)

$PE_y$  Project emissions in year  $y$  (tCO<sub>2</sub>/yr)

**Monitoring**

24. Monitoring shall consist of:

- (a) Metering the thermal and/or electrical energy produced. In the case of thermal energy, the enthalpy of the output stream (like steam/heat/hot water) should be monitored. If applicable, measurement results shall be cross checked with records for sold/purchased electricity/steam (e.g. invoices/receipts);
- (b) Metering the amount of waste gas or the amount of energy contained in the waste heat or waste pressure;
- (c) Metering the amount of mechanical energy generated/supplied;
- (d) Metering the temperature and pressure of the WECM;
- (e) If the methodology is used in conjunction with AMS-III.AL “Conversion from single cycle to combined cycle power generation” (according to paragraph 4(d) and (e) above) following applies:
  - (i) Separate measuring of the electrical energy produced associated with the two waste energy sources or of the energy content of the two WECM streams or of the energy content of the two waste heat streams utilized for electricity production is required. Energy contents are monitored through mass flow rate and enthalpy measures. If the waste energy is used for the WECM generation in a common waste heat recovery system (e.g. if steam is generated by waste heat from a kiln and waste heat from an internal combustion engine in a common waste heat recovery boiler), the energy content of the waste heat streams is to be monitored separately, through mass flow rate and enthalpy measures;
  - (ii) Project emissions shall be monitored in accordance with the procedures described under the most recent version of AMS-III.AL.



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25. Project emissions on account of use of auxiliary fossil fuel and electricity use shall be monitored in accordance with the “Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion” and the “Tool to calculate baseline, project and/or leakage emissions from electricity consumption “respectively.
26. For electricity or thermal energy exported to other facilities, monitoring of the use of electricity and thermal energy shall be undertaken at the recipient end.
27. For electricity exported to a grid, the net electricity delivered shall be monitored.
28. All the parameters applicable for determining baseline and project emissions and the parameters for determination of  $f_{cap}$  and  $f_{wcm}$  shall be monitored in accordance with the most recent version of ACM0012.
29. The applicable requirements specified in the “General guidelines for SSC CDM methodologies” (e.g. calibration requirements, sampling requirements) are also an integral part of the monitoring guidelines.

#### Project activity under a Programme of Activities

The following conditions apply for use of this methodology in a project activity under a programme of activities:

30. If the project activity involves the replacement of equipment, and the leakage effect of the use of the replaced equipment in another activity is neglected, because the replaced equipment is scrapped, an independent monitoring of scrapping of replaced equipment needs to be implemented. The monitoring should include a check if the number of project activity equipment distributed by the project and the number of scrapped equipment correspond with each other. For this purpose scrapped equipment should be stored until such correspondence has been checked. The scrapping of replaced equipment should be documented and independently verified.

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#### History of the document

Version	Date	Nature of revision(s)
05.0	13 September 2012	EB 69, Annex 25 To further clarify: (i) the definition of various terms (e.g. project facility, recipient facility, existing facilities) and baseline calculation procedures consistent with ACM0012 “Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects” where appropriate; (ii) include clarification provided by the Board at its sixty-first meeting (EB 61, annex 20) to cover project activities that recover a small amount of waste energy in the baseline.
04	EB 60, Annex 22 15 April 2011	To include multiple fuel in the baseline and recovery of waste heat for multiple waste heat sources.
03	EB 51, Annex 17 04 December 2009	To include, inter alia, export of energy generated by the project activity to other facilities, definition of existing facility, procedures and formulae for the calculation of baseline emission from thermal energy generation and to exclude recovery of waste heat in a single-cycle power plant (e.g. gas turbine or diesel generator) to generate electricity.



Indicative simplified baseline and monitoring methodologies  
for selected small-scale CDM project activity categories

*III.Q. Waste energy recovery (gas/heat/pressure) projects (cont)*

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02	EB 42, Annex 19 26 September 2008	To broaden the applicability of the methodology to allow other fuels to supplement the use of waste energy and to include a precise definition of waste gas and further guidance on baseline emission calculations.
01	EB 35, Annex 26 19 October 2007	Initial adoption.
<b>Decision Class:</b> Regulatory <b>Document Type:</b> Standard <b>Business Function:</b> Methodology		