

BUNDLED WIND POWER PROJECT IN KOPPAL KARNATAKA

Document Prepared By Infinite Solutions

Project Title	Bundled Wind Power project in Koppal Karnataka
Version	1
Date of Issue	30/10/2019
Monitoring Period	22-Mar-2018 to 31/10/2019
Prepared By	Richa Thakur
Contact	Infinite Solutions Email ID: richa@infisolutions.org Tel. No.: 0731-4050174; Registered Office Address : 611 Chetak Centre Main, 12/2 RNT Marg, Indore – 452001, M.P., India Website: www.infisolutions.org

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1 PROJECT DETAILS

1.1 Summary Description of the Project and its Implementation Status

The main purpose of this project activity is to generate clean form of electricity through renewable Wind energy source for sale of electricity to the grid.

The details of the project are mentioned in the table:

Name of Project Developer	Project Capacity	Location
Skeiron Renewable Energy Kushtagi Private Limited	50.4	Koppal District & Bagalkot district, Karnataka
Saroja Renewables Limited	52.5	Bagalkot district, Karnataka
Shanay Renewables Ltd.	31.5	Kushtagi, Koppal District
Total	134.4 MW	

The project activity involves installation of 64 WTGs of 2.1 MW each, totalling 134.4 MW Wind power project in Karnataka. The project will replace anthropogenic emissions of greenhouse gases (GHG's) estimated to be approximately 335,086 tCO₂e per annum, thereon displacing 357,692 MWh/year amount of electricity from the generation-mix of power plants connected to the Indian electricity grid, which is mainly dominated by thermal/ fossil fuel based power plant.

The project activity is the installation of a new grid-connected renewable power plant/unit and this is not a CPA that has been excluded from a registered CDM PoA as a result of erroneous inclusion of CPAs.

All the WTGs in this project activity were commissioned in phases in March 2018. The earliest commissioning was on 22nd March 2018.

The monitoring period is from 22-Mar-2018 to 31-October-2019.

Scenario existing prior to the implementation of project activity:

The scenario existing prior to the implementation of the project activity, is electricity delivered to the grid by the project activity that would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system" Version 7.0 EB 100 Annex 4.

Baseline Scenario:

As per the applicable methodology, a Greenfield power plant is defined as "a new renewable energy power plant that is constructed and operated at a site where no renewable energy power plant was operated prior to the implementation of the project activity".

As the project activity falls under the definition of a Greenfield power plant, the baseline scenario as per paragraph 24 of Section 5.2.1 of applied methodology is the following:

If the project activity is the installation of a Greenfield power plant, the baseline scenario is electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the “Tool to calculate the emission factor for an electricity system”.

Hence, pre-project scenario and baseline scenario are the same.

1.2 Sectoral Scope and Project Type

The project activity falls under the following Sectoral scope and Project Type:

Sectoral Scope : 01 - Energy industries (renewable / non-renewable sources)

Project Type : I - Renewable Energy Projects

Methodology : ACM0002: Grid-connected electricity generation from renewable sources - Version 19¹

The project is not a grouped project activity.

1.3 Project Proponent

Organization name	Skeiron Renewable Energy Kushtagi Private Limited
Contact person	Murali Krishnam Raju M
Title	Senior Manager - Commercial
Address	Plot No. #1131/A, Road no. 36 Jubilee Hills, Hyderabad – 500033. Telangana, India.
Telephone	+91 40 40301004
Email	muraliraju.m@greenkogroup.com

Organization name	Saroja Renewables Limited
Contact person	Murali Krishnam Raju M
Title	Senior Manager - Commercial
Address	Plot No. #1131/A, Road no. 36 Jubilee Hills, Hyderabad – 500033. Telangana, India.
Telephone	+91 40 40301004

¹ <https://cdm.unfccc.int/UserManagement/FileStorage/58IAGB7SZUDEO2VN6LYM30K41HFPRQ>

Email	muraliraju.m@greenkogroup.com
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Organization name	Shanay Renewables Ltd.
Contact person	Murali Krishnam Raju M
Title	Senior Manager - Commercial
Address	Plot No. #1131/A, Road no. 36 Jubilee Hills, Hyderabad – 500033. Telangana, India.
Telephone	+91 40 40301004
Email	muraliraju.m@greenkogroup.com

1.4 Other Entities Involved in the Project

Organization name	Infinite Solutions
Role in the project	Project Consultant
Contact person	Richa Thakur
Title	Manager - Operations
Address	611, Chetak Centre Main, 12/2 RNT Marg, Indore- 452001
Telephone	+91- 9589804304
Email	richa@infisolutions.org

1.5 Project Start Date

Project Start Date: 22-Mar-2018;

The project start date is the earliest commissioning date amongst all the project WTGs which are part of this Large Scale Wind power project.

1.6 Project Crediting Period

Crediting Period Start date: 22-Mar-2018

Crediting Period End date: 21-Mar-2028

- Estimated life time of the project: 25 years

The project activity adopts renewable crediting period with the first crediting period of 10 years and with an option to renew twice, considering the lifetime of the project activity to be 25 years.

1.7 Project Scale and Estimated GHG Emission Reductions or Removals

Project Scale	
Project	
Large project	√

Year	Estimated GHG emission reductions or removals (tCO ₂ e)
Year 1	335,086
Year 2	335,086
Year 3	335,086
Year 4	335,086
Year 5	335,086
Year 6	335,086
Year 7	335,086
Year 8	335,086
Year 9	335,086
Year 10	335,086
Total estimated ERs	3,350,860
Total number of crediting years	10
Average annual ERs	335,086

1.8 Description of the Project Activity

In wind energy generation, kinetic energy of wind is converted into mechanical energy and subsequently into electrical energy.

Wind has considerable amount of kinetic energy when blowing at high speeds. The kinetic energy passes through the blades of the wind turbines is converted into mechanical energy and rotates the turbine. When the wind blades rotate, the connected generator rotor also rotates, thereby producing electricity. The technology is a clean technology since there are no GHG emissions associated with the electricity generation.

The project installs Suzlon make WTGs of individual capacity 2.1 MW. The salient Features of Suzlon S- S111-2.1 MW WTG are as Follows: -

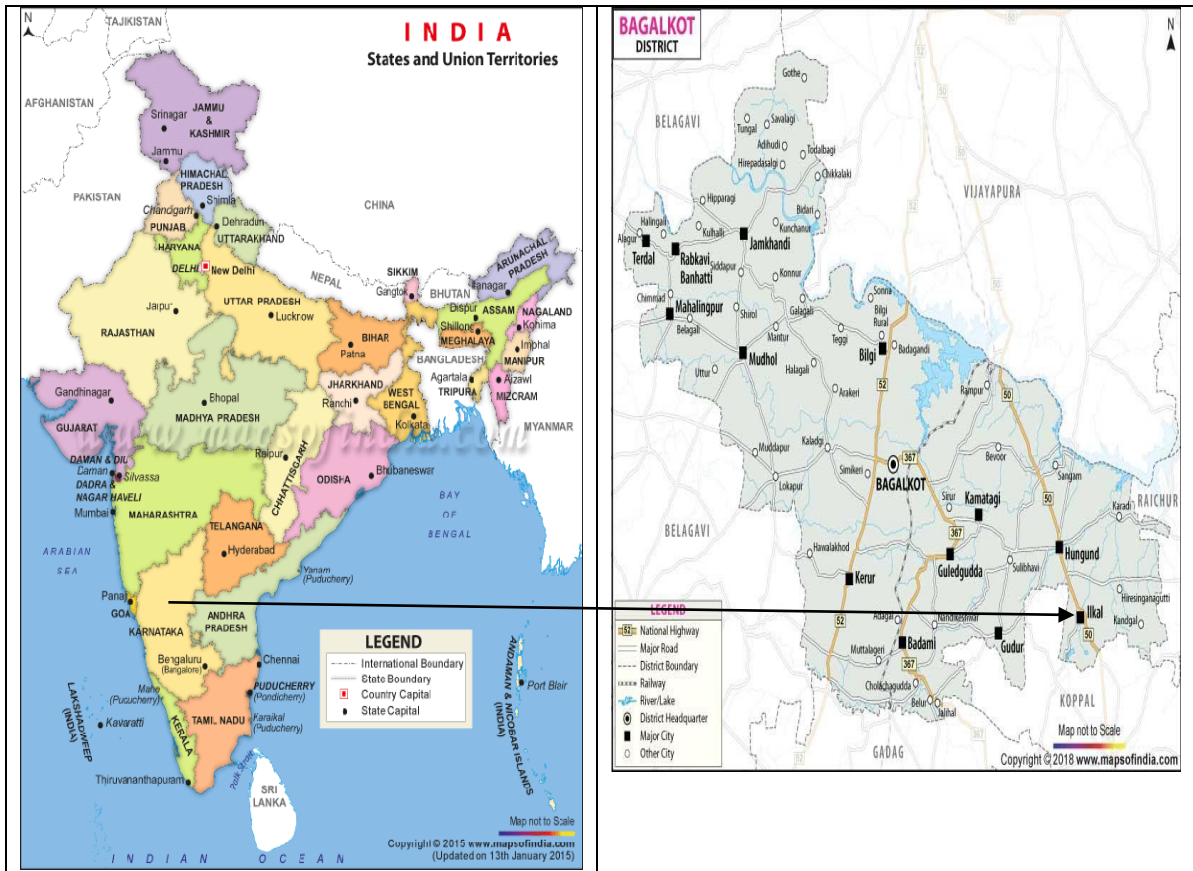
Parameter	Specifications
	2.1 MW -Suzlon
Rotor	
Installed electrical output	2100 kW

Diameter	111.8 m
Cut-in wind speed	3 m/s
Rated wind speed	12.5 m/s
Cut-out wind speed	30 m/s
Rotor swept area	9852 m ²
Regulation	Pitch
Generator	
Type	Asynchronous, 3 Phase Induction
Rated output	2100 kW
Operating voltage	690 V
Frequency	50 Hz / 60 Hz

1.9 Project Location

The WTGs installed by the project proponent are distributed across the Bagalkot & Koppal District of Karnataka. Ilkal is village connected to the project WTGs;

Latitude: 15° 58' 12.00" N, Longitude: 76° 07' 48.00" E



1.10 Conditions Prior to Project Initiation

The pre project scenario is same as baseline scenario. Please refer section 2.4 for the description of baseline scenario.

1.11 Compliance with Laws, Statutes and Other Regulatory Frameworks

The Project has received necessary approvals for development and commissioning for Wind project from the state Nodal agencies and is in compliance to the local laws and regulations.

The relevant national laws and regulations pertaining to generation of energy in India are:

- Electricity Act 2003
- National Electricity Policy 2005
- Tariff Policy 2006

The Project activity conforms to all the applicable laws and regulations in India:

- Power generation using Wind energy is not a legal requirement or a mandatory option.
- There are state and sectoral policies, framed primarily to encourage Wind power projects. These policies have also been drafted realizing the extent of risks involved in the projects and to attract private investments.
- The Indian Electricity Act, 2003 (May 2007 Amendment) does not influence the choice of fuel used for power generation.
- There is no legal requirement on the choice of a particular technology for power generation

1.12 Ownership and Other Programs

1.12.1 Project Ownership

The ownership of the Project and its right to use is completely entrusted to individual project investors which can be verified by the following evidences:

- Power Purchase Agreements signed with the Grid
- Purchase orders issued for the project WTGs, Loan Sanction Letters from the bank

1.12.2 Emissions Trading Programs and Other Binding Limits

Net GHG emission reductions or removals generated by the Project will not be used for compliance with an emissions trading program or to meet binding limits on GHG emissions in any Emission Trading program or other binding limits.

1.12.3 Other Forms of Environmental Credit

The Project has no intent to generate any other form of GHG-related environmental credit for GHG emission reductions or removals claimed under the VCS Program.

1.12.4 Participation under Other GHG Programs

The Project has not participated in any other GHG programs.

1.12.5 Projects Rejected by Other GHG Programs

The Project is not rejected by other GHG programs.

1.13 Additional Information Relevant to the Project

Eligibility Criteria

This is not a grouped project activity. Thus, this section is not applicable for this project

Leakage Management

Project does not involve any leakage emissions other than methodology requirement for wind power project. Hence there are no any extra Leakage Management Plan and risk mitigation measures are required.

Commercially Sensitive Information

No commercially sensitive information has been excluded from the public version of the project description

Sustainable Development

Legislative:

The project participants obtained all clearances from stakeholders hence no legal risks are anticipated.

Socio-economic well being:

- Project activity has generated direct and indirect employment for skilled and unskilled manpower during construction phase as well as during operational stage and thus helped in controlling migration from the region and alleviation of poverty.
- The project activity's contribution of power supply towards the Indian grid is helping in the upliftment of the social life of the people by ensuring a sustainable and reliable source of power for the region.
- The Project activity has improved the infrastructural facilities like water availability, road, and medical facilities etc in the region.

Environmental well being:

- The project activity generates clean and green power thus causing negligible emissions of greenhouse gases. By building and operating the wind power project, much pollution is avoided. In the absence of the project activity, equivalent power would have been generated based on the fossil fuels resulting in more Green House Gas emissions into the atmosphere.

- The project activity has reduced the dependence on fossil fuels for power generation thus conserving the natural reserves. The project has led to greenhouse gas emission reduction and hence contributed in mitigating climate change.

Technological well being:

The project activity has increased awareness and interest among the private players to make investments in similar areas. The project activity envisages installation of high efficiency turbines and generators and the power will be transmitted at high voltage to ensure low losses. Moreover, the technology being used is well established, most updated and environmentally safe.

Further Information

There are no information or incidents that will have bearing on the eligibility of the project, the net GHG emission reductions or removals, or the quantification of the project's net GHG emission reductions or removals.

2 APPLICATION OF METHODOLOGY

2.1 Title and Reference of Methodology

Methodology:

ACM0002: Grid-connected electricity generation from renewable sources --- Version 19.0, Sectoral Scope: 01, EB 100, Annex 6

<https://cdm.unfccc.int/methodologies/DB/VJ19AX539D9MLOPXN2AY9UR1N4IYGD>

The project activity also takes reference from following Tools from the tools prescribed by applied methodology:

1. Tool for the demonstration and assessment of additionality --- Version 07.0.0, EB 70, Annex 8

<https://cdm.unfccc.int/methodologies/PAMethodologies/tools/am-tool-01-v7.0.0.pdf>

2. Tool to calculate the emission factor for an electricity system --- Version 07.0, EB 100, Annex 4

<https://cdm.unfccc.int/methodologies/PAMethodologies/tools/am-tool-07-v7.0.pdf>

2.2 Applicability of Methodology

The following steps will show the applicability of the project under this methodology

Applicability Criterion (with Para number reference)		Project Case
1.	<p>This methodology is applicable to grid-connected renewable energy power generation project activities that:</p> <p>(a) Install a Greenfield power plant;</p> <p>(b) Involve a capacity addition to (an) existing plant(s);</p>	<p>The Project activity is installation of Greenfield Wind Power Project. Hence the project activity satisfies this applicability criterion of the methodology.</p>

	<p>(c) Involve a retrofit of (an) existing operating plants/units;</p> <p>(d) Involve a rehabilitation of (an) existing plant(s)/unit(s); or</p> <p>(e) Involve a replacement of (an) existing plant(s)/unit(s).</p>	
<p>2.</p>	<p>The methodology is applicable under the following conditions:</p> <p>(a) The project activity may include renewable energy power plant/unit of one of the following types: hydro power plant/unit with or without reservoir, wind power plant/unit, geothermal power plant/unit, solar power plant/unit, wave power plant/unit or tidal power plant/unit;</p> <p>(b) In the case of capacity additions, retrofits, rehabilitations or replacements (except for wind, solar, wave or tidal power capacity addition projects) the existing plant/unit started commercial operation prior to the start of a minimum historical reference period of five years, used for the calculation of baseline emissions and defined in the baseline emission section, and no capacity expansion, retrofit, or rehabilitation of the plant/unit has been undertaken between the start of this minimum historical reference period and the implementation of the project activity.</p>	<p>The option (a) of applicability criteria 1 is applicable as project activity is generation of electricity through Wind Power Plant which is renewable energy power plant. Hence the project activity satisfies this applicability criterion of the methodology</p>
<p>3.</p>	<p>In case of hydro power plants, one of the following conditions shall apply:²</p> <p>(a) The project activity is implemented in existing single or multiple reservoirs, with no change in the volume of any of the reservoirs; or</p> <p>(b) The project activity is implemented in existing single or multiple reservoirs, where the volume of the reservoir(s) is increased and the power density, calculated using equation (3), is greater than 4</p>	<p>The project activity is wind power project thus this condition is not applicable.</p>

² Project participants wishing to undertake a hydroelectric project activity that result in a new reservoir or an increase in the volume of an existing reservoir, in particular where reservoirs have no significant vegetative biomass in the catchments area, may request a revision to the approved consolidated methodology.

	<p>W/m²; or</p> <p>(c) The project activity results in new single or multiple reservoirs and the power density, calculated using equation (3), is greater than 4 W/m²; or</p> <p>(d) The project activity is an integrated hydro power project involving multiple reservoirs, where the power density for any of the reservoirs, calculated using equation (3), is lower than or equal to 4 W/m², all of the following conditions shall apply:</p> <ul style="list-style-type: none"> (i) The power density calculated using the total installed capacity of the integrated project, as per equation (4), is greater than 4 W/m²; (ii) Water flow between reservoirs is not used by any other hydropower unit which is not a part of the project activity; (iii) Installed capacity of the power plant(s) with power density lower than or equal to 4 W/m² shall be: <ul style="list-style-type: none"> a. Lower than or equal to 15 MW; and b. Less than 10 per cent of the total installed capacity of integrated hydro power project. 	
<p>4.</p>	<p>In the case of integrated hydro power projects, project proponent shall:</p> <ul style="list-style-type: none"> (a) Demonstrate that water flow from upstream power plants/units spill directly to the downstream reservoir and that collectively constitute to the generation capacity of the integrated hydro power project; or (b) Provide an analysis of the water balance covering the water fed to power units, with all possible combinations of reservoirs and without the construction of reservoirs. The purpose of water balance is to demonstrate the requirement of specific combination of reservoirs constructed under CDM project activity for the optimization of power output. This demonstration has to be carried out in the specific scenario of water availability in different seasons to optimize the water flow at the inlet of power units. Therefore, this 	<p>The project activity is wind power project thus this condition is not applicable</p>

	water balance will take into account seasonal flows from river, tributaries (if any), and rainfall for minimum five years prior to implementation of CDM project activity.	
5.	<p>The methodology is not applicable to:</p> <p>(a) Project activities that involve switching from fossil fuels to renewable energy sources at the site of the project activity, since in this case the baseline may be the continued use of fossil fuels at the site;</p> <p>(b) Biomass fired power plants/units.</p>	The project activity is wind power project thus this condition is not applicable
6.	In the case of retrofits, rehabilitations, replacements, or capacity additions, this methodology is only applicable if the most plausible baseline scenario, as a result of the identification of baseline scenario, is “the continuation of the current situation, that is to use the power generation equipment that was already in use prior to the implementation of the project activity and undertaking business as usual maintenance”.	The proposed project activity is a Greenfield project; thus, this criterion is not applicable.
7.	In addition, the applicability conditions included in the tools referred to below apply. ³	<p>The project applies the following tools and is in compliance to the same;</p> <ul style="list-style-type: none"> • "Tool to calculate the emission factor for an electricity system"; • "Tool for the demonstration and assessment of additionality";

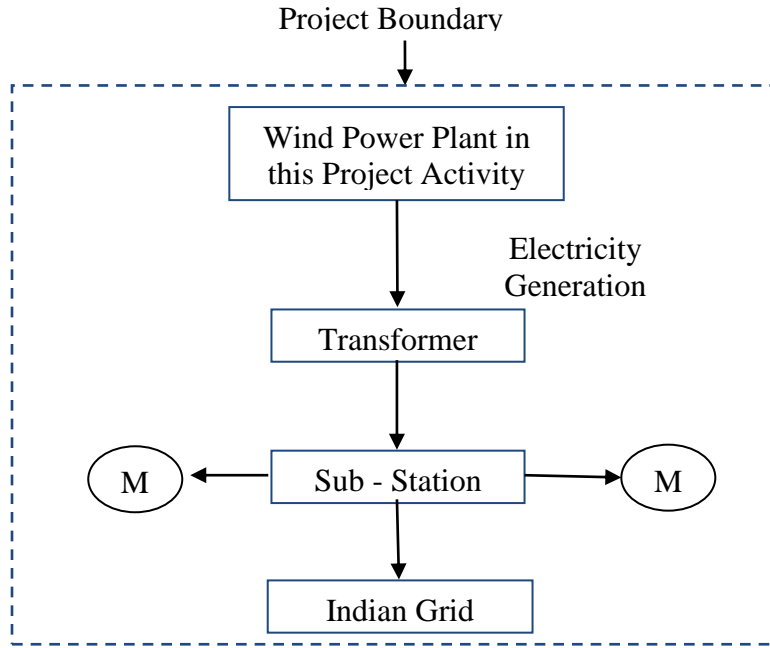
Applicability conditions of “Tool to calculate the emission factor for an electricity system”		
Applicability Criterion (with Para number reference)		Project Case
1.	This tool may be applied to estimate the OM, BM and/or CM when calculating baseline emissions for a project activity	This condition is applicable. OM, BM and CM are estimated using

³ The condition in “TOOL02: Combined tool to identify the baseline scenario and demonstrate additionality” that all potential alternative scenarios to the proposed project activity must be available options to project participants; does not apply to this methodology, as this methodology only refers to some steps of this tool.

	that substitutes grid electricity that is where a project activity supplies electricity to a grid or a project activity that results in savings of electricity that would have been provided by the grid (e.g. demand-side energy efficiency projects).	the tool under section 3.1 for calculating baseline emissions.
2.	Under this tool, the emission factor for the project electricity system can be calculated either for grid power plants only or, as an option, can include off-grid power plants. In the latter case, two sub-options under the step 2 of the tool are available to the project participants, i.e. option IIa and option IIb. If option IIa is chosen, the conditions specified in "Appendix 1: Procedures related to off-grid power generation" should be met. Namely, the total capacity of off-grid power plants (in MW) should be at least 10 per cent of the total capacity of grid power plants in the electricity system; or the total electricity generation by off-grid power plants (in MWh) should be at least 10 per cent of the total electricity generation by grid power plants in the electricity system; and that factors which negatively affect the reliability and stability of the grid are primarily due to constraints in generation and not to other aspects such as transmission capacity.	Since the project activity is grid connected, this condition is applicable and the emission factor has been calculated accordingly.
3.	In case of CDM projects the tool is not applicable if the project electricity system is located partially or totally in an Annex I country.	The project activity is located in India, a non-Annex I country. Therefore, this criterion is not applicable for the project activity.
4.	Under this tool, the value applied to the CO2 emission factor of biofuels is zero.	The project activity is a grid connected wind power plant. Therefore, this criterion is not applicable for the project activity.

2.3 Project Boundary

As per ACM0002 version 19, for wind projects, the project boundary includes the physical site of the power plant and all power plants connected physically to the electricity system that the project power plant is connected to. The project boundary consists of turbines, generators, transformers, transmission lines, metering equipment, connected grid sub-stations and Indian Grid.



Source		Gas	Included	Justification/Explanation
Baseline	CO ₂ emissions from electricity generation in fossil fuel fired power plants that are displaced due to the project activity	CO ₂	Yes	Major emission source
		CH ₄	No	Minor emission source
		N ₂ O	No	Minor emission source
Project	On site fossil fuel consumption due to project activity	CO ₂	No	Electricity generation through wind does not lead to emission of greenhouse gases.
		CH ₄	No	Electricity generation through wind does not lead to emission of greenhouse gases.
		N ₂ O	No	Electricity generation through wind does not lead to emission of greenhouse gases.

2.4 Baseline Scenario

Since, the project activity is a Greenfield power plant and meets all the applicability criteria for the ACM0002 Version 19,

As per para 23 of ACM0002 version 19.0; If the project activity is the installation of a Greenfield power plant

“the baseline scenario is electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the “Tool to calculate the emission factor for an electricity system”.

In the absence of the project activity, the equivalent amount of power would have been drawn from the Indian grid. Hence, the baseline for the project activity is the equivalent amount of power from the Indian grid.

The combined margin ($EF_{grid,CM,y}$) is the result of a weighted average of two emission factor pertaining to the electricity system: the operating margin (OM) (having weightage 75%) and build margin (BM) (having weightage 25%). Calculations for this combined margin must be based on data from an official source⁴ (where available) and made publically available.

The combined margin of the Indian grid used for the project activity is as follows:

Parameter	Value	Nomenclature	Source
$EF_{grid,CM,y}$	0.9126 tCO ₂ /MWh	Combined margin CO ₂ emission factor for the project electricity system in year y	Calculated as the weighted average of the operating margin (0.50) & build margin (0.50) values, sourced from Baseline CO ₂ Emission Database, Version 14 published by Central Electricity Authority (CEA), Government of India
$EF_{grid,OM,y}$	0.9610 tCO ₂ /MWh	Operating margin CO ₂ emission factor for the project electricity system in year y	Calculated as the last 3 year (2015-16, 2016-17 & 2017-18) generation-weighted average, sourced from Baseline CO ₂ Emission Database, Version 14, published by Central Electricity Authority (CEA), Government of India
$EF_{grid,BM,y}$	0.9368 tCO ₂ /MWh	Build margin CO ₂ emission factor for the project electricity system in year y	Baseline CO ₂ Emission Database, Version 14, published by Central Electricity Authority (CEA), Government of India

2.5 Additionality

In line with VCS Standard version 3.7, the additionality of the Project activity is ascertained in line with the applicable guidance from the UNFCCC. The demonstration of additionality for the proposed Project activity is being carried out in accordance with the additionality tool provided by the UNFCCC i.e. “Tool for demonstration and assessment of Additionality” Version 07.0.0,. The tool provides a step-wise approach to demonstrate additionality which is displayed below:

Step 0: Demonstration whether the proposed project activity is the first-of-its-kind

The proposed project activity is not the first-of-its-kind. Hence not applicable.

⁴ http://cea.nic.in/reports/others/thermal/tpece/cdm_co2/user_guide_ver14.pdf

Step 1: Identification of alternatives to the project activity consistent with current laws and regulations

As per the applied methodology ACM0002 version 19; Para 22, *“If the project activity is the installation of a Greenfield power plant, the baseline scenario is electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid connected power plant and by the addition of new generation sources”*.

Outcome of Sub-step 1a: *As the baseline scenario is prescribed by applied methodology for Greenfield Project, hence no further analysis is carried out to identify alternatives*

Sub-step 1b: Consistency with mandatory laws and regulations:

The alternative(s) shall be in compliance with all applicable legal and regulatory requirements, even if these laws and regulations have objectives other than GHG reductions, e.g. to mitigate local air pollution. (This sub-step does not consider national and local policies that do not have legally-binding status.)

The relevant national laws and regulations pertaining to generation of energy in India are:

- Electricity Act 2003
- National Electricity Policy 2005
- Tariff Policy 2006

The Project activity conforms to all the applicable laws and regulations in India:

- Power generation using wind energy is not a legal requirement or a mandatory option.
- There are state and sectoral policies, framed primarily to encourage wind power projects. These policies have also been drafted realizing the extent of risks involved in the projects and to attract private investments.
- The Indian Electricity Act, 2003 (May 2007 Amendment) does not influence the choice of fuel used for power generation.
- There is no legal requirement on the choice of a particular technology for power generation.

Outcome of Sub-step 1b: Hence, both the alternatives enlisted above are found to comply with the mandatory laws and regulations taking into account the enforcement of the legislations in the region or country and EB decisions on national and/or sectoral policies and regulations. However, Alternative 2 has been selected as the appropriate baseline alternative for this project activity.

Step 2: Investment analysis

Determine whether the proposed project activity is economically or financially less attractive than at least one other alternative, identified in step 1, without the revenue from the sale of emission reductions credits. To conduct the investment analysis, use the following sub-steps:

Sub-step 2a: Determine appropriate analysis method

As per Tool for demonstration and assessment of Additionality; Sub-step 2a, Paragraph (1), as the project activity is selling the generated electricity & getting financial benefits other than CDM benefits hence, Option- I (Apply simple cost analysis) is not applicable under this situation. Also

as per EB-62, Annex 05, clause no.19 “If the alternative to the project activity is the supply of electricity from a grid this is not to be considered an investment and a benchmark approach is considered appropriate”. Hence Option-II (Apply investment comparison analysis) is also not applicable under this situation. So the project promoter has chosen Option- III or benchmark analysis as an appropriate analysis method to demonstrate the investment barrier.

This method determines the attractiveness of the project activity for the investors, as well as provides a measure of the viability of the investment to generate revenues during its operation, as compared with other avenues and investment options. Hence, the Benchmark analysis method is to be employed for analysis of the said project.

Sub-step 2b (Option III): Apply benchmark analysis

The investment analysis using Benchmark analysis approach (Option III) has been chosen. Further, this method illustrates the evaluation of the Project by the PP before the decision to undertake the project was taken and management approval granted.

Choice of Financial Indicator:

According to the “Tool for demonstration and assessment of Additionality”, *the financial indicator can be based either on (1) project IRR or (2) equity IRR. There is no general preference between the approaches (1) or (2). The benchmark chosen for analysis shall be fully consistent with the choice of approach.* Therefore in accordance with the guidance, the relevant financial indicator for project activity has been chosen as Project IRR.

Benchmark estimation:

The Cost of Equity has been considered using the “Methodological tool: Investment analysis” available at the time of decision making as well as the latest available value. As a conservative approach, the minimum value of benchmark has been considered as calculated using these 2 approaches.

Table under Appendix in EB85, Annex 12 specifies default value of expected return on equity in real terms for Energy Industries (Group 1) in India = **11.10%**⁵

Table under Appendix in EB97, Annex 8 specifies default value of expected return on equity in real terms for Energy Industries (Group 1) in India = **10.73%**⁶

Thus, minimum cost of equity considered for calculation of Benchmark = 10.73%

Inflation Forecast for India as per RBI website⁷ and corresponding benchmark values:

Project Promoters' Name	Inflation Forecast ⁸		Benchmark	
	5 Years	10 Years	5 Years	10 Years
Skeiron Renewable Energy	4.50%	4.00%	15.71%	15.16%

⁵ <https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-27-v1.pdf>

⁶ <https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-27-v8.pdf>

⁷ <https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=16980>

⁸ Minimum of the two inflation forecasts has been considered.

Kushtagi Private Limited				
Saroja Renewables Limited	4.50%	4.00%	15.71%	15.16%
Shanay Renewables Ltd.	4.50%	4.00%	15.71%	15.16%

As a conservative approach, benchmark of **15.16%** has been selected for this project activity.

Sub-step 2c: Calculation and comparison of financial indicators

The Project IRR is evaluated for the entire lifetime of the project activity, i.e. 25 years. It is calculated based on the cash outflows from and cash inflows into the project activity.

Key Assumptions supporting financial projections:

Input values are based on publicly available data sources which can be clearly validated by the DOE, thus it complies with guidance 13 of EB 62, Annex 5.

Name of Project Developer	Project Capacity	Project IRR	Benchmark
Skeiron Renewable Energy Kushtagi Private Limited	50.4	10.23%	15.16%
Saroja Renewables Limited	52.5	10.9%	15.16%
Shanay Renewables Ltd.	31.5	9.8%	15.16%
Total	134.4 MW		

This substantiates that the investment is not financially attractive (Project IRR for the project activity is less than the Benchmark). Thus it can be easily concluded that project activity is additional & is not business as usual scenario.

Sub-step 2d: Sensitivity Analysis:

As per Guidance 20 and 21 of EB 62 Annex 5, the sensitivity analysis of the project parameters which may substantially influence the Project IRR is carried out to assess the robustness of the conclusion. The results of the sensitivity analysis are presented below:

Factor	% Change	Remarks
Generation	+10%	This is lower than Benchmark
	-10%	This is lower than Benchmark
O&M cost	+10%	This is lower than Benchmark
	-10%	This is lower than Benchmark
Tariff Rate	+10%	This is lower than Benchmark
	-10%	This is lower than Benchmark
Project Cost	+10%	This is lower than Benchmark
	-10%	This is lower than Benchmark

Various scenarios wherein there are changes in tariff, O&M cost, Electricity Generation and project's capital cost have been carried out for all the project investors, the Project IRR does not cross the benchmark.

Thus, it can be concluded that revenue from sale of VERs is important to alleviate this gap and hence the project has been considered to be additional.

Step 3: Barrier analysis

Barrier analysis has not been used.

Step 4: Common practice Analysis

Sub-step 4a: Analyze other activities similar to the proposed Project activity:

The common practice analysis is carried out step by step as per "Methodological tool: Common Practice, version 03.1" para 5. Stepwise approach for common practice are as follows:

Step (1): *calculate applicable capacity or output range as +/-50% of the total design capacity or output of the proposed project activity.*

Range	Capacity	Unit
+50%	268.8	MW
Capacity of the proposed project activity	134.4	MW
-50%	67.2	MW

Step (2): *identify similar projects (both CDM and non-CDM) which fulfil all of the following conditions:*

- (a) *The projects are located in the applicable geographical area;*
- (b) *The projects apply the same measure as the proposed project activity;*
- (c) *The projects use the same energy source/fuel and feedstock as the proposed project activity, if a technology switch measure is implemented by the proposed project activity;*
- (d) *The plants in which the projects are implemented produce goods or services with comparable quality, properties and applications areas (e.g. clinker) as the proposed project plant;*
- (e) *The capacity or output of the projects is within the applicable capacity or output range calculated in Step 1;*
- (f) *The projects started commercial operation before the project design document (CDM-PDD) is published for global stakeholder consultation or before the start date of proposed project activity, whichever is earlier for the proposed project activity.*

Identification of the similar projects (CDM and non-CDM) is carried out as per sub-steps of Step (2) as follows:

- a. Project is located in host country - India. Therefore, Project is located India have been chosen for analysis.

- b. The project activity is a green-field wind power project and uses measure (b) “Switch of technology with or without change of energy source including energy efficiency improvement as well as use of renewable energies”.
- Therefore, all projects applying same measure (b) as the proposed project activity are candidates for similar projects.
- c. The energy source used by the project activity is wind. Hence, only wind energy projects have been considered for analysis.
- d. The project activity produces electricity; therefore, all power plants that produce electricity are candidates for similar projects.
- e. The capacity range of the projects is within the applicable capacity range from 165 MW to 495 MW.
- f. The start date of the project activity is 22-Mar-18. As Kyoto Protocol was ratified by India on 26/08/2002⁹, therefore projects, which had started commercial operation between 26/08/2002 to 22/03/2018, have been identified.

Numbers of Similar projects (CDM and non-CDM) indentified, which fulfil above-mentioned conditioned are:

Particulars	No. of Projects	Source
N _{Wind}	22	Central Electricity Authority: CO ₂ Baseline Database version 14.0

Sources: CENTRAL ELECTRICITY AUTHORITY: CO2 BASELINE DATABASE Version 14

Refer Common Practice Analysis Excel Sheet for Project Details & Analysis

Step (3): *within the projects identified in Step 2, identify those that are neither registered CDM project activities, project activities submitted for registration, nor project activities undergoing validation. Note their number N_{all}.*

Out of the projects identified in step-2, 7 projects are either registered or project activities submitted for registration, or project activities undergoing validation.

Thus N_{all} = 22

Step (4): *within similar projects identified in Step 3, identify those that apply technologies that are different to the technology applied in the proposed project activity. Note their number N_{diff}.*

From the projects identified above, those projects which employ “**different technologies**” have been excluded and the number of such projects has been identified as N_{diff}.

With reference to Methodological tool: Common Practice, version 03.1 para 12 (d) (iv); Investment climate has been considered for identifying Different technologies, as each state in India has different set of policies and legal regulations. The project activity is located in the state of Karnataka of India and the policies and legal regulations applicable for the project is regulated

⁹ http://unfccc.int/kyoto_protocol/status_of_ratification/items/2613.php

by Karnataka Government. Therefore, it can be assumed that the policies and legal regulations are different in different states and hence projects installed in other states have been considered in Ndiff.

From the identified projects in Nall (step 3) located in states other than Karnataka come under different investment climate and have been considered under Ndiff.

As $N_{all} = 22$; thus $N_{diff} = 22$

Step (5): calculate factor $F=1-N_{diff}/N_{all}$ representing the share of similar projects (penetration rate of the measure/technology) using a measure/technology similar to the measure/technology used in the proposed project activity that deliver the same output or capacity as the proposed project activity.

Calculate $F=1-N_{diff}/N_{all}$

As $N_{all} = 22$ thus, $N_{all}-N_{diff} = 0$; is less than 3

Outcome of Step 5:

As,

- i. $F = 0$; is less than 0.2
- ii. $N_{all}-N_{diff} = 0$; is less than 3

Thus, the proposed project activity is not a “common practice” within a sector in the applicable geographical area.

2.6 Methodology Deviations

There is no methodology deviation

3 ESTIMATED GHG EMISSION REDUCTIONS AND REMOVALS

3.1 Baseline Emissions

Baseline emissions include only CO₂ emissions from electricity generation in fossil fuel fired power plants that are displaced due to the project activity. The methodology assumes that all project electricity generation above baseline levels would have been generated by existing grid-connected power plants and the addition of new grid-connected power plants. The baseline emissions are to be calculated as follows:

$$BE_y = EG_{PJ,y} \times EF_{grid,CM,y}$$

Where:

BE_y	=	Baseline emissions in year y (t CO ₂ /yr)
$EG_{PJ,y}$	=	Quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the CDM project activity in year y (MWh/yr)
$EF_{grid,CM,y}$	=	Combined margin CO ₂ emission factor for grid connected power generation in year y calculated using the latest version of the “Tool to calculate the emission factor for an electricity system” (t CO ₂ /MWh)

I. Calculation of $EG_{PJ,y}$

If the project activity is the installation of a Greenfield power plant, then:

$$EG_{PJ,y} = EG_{facility,y}$$

Where:

$EG_{PJ,y}$	=	Quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of the CDM project activity in year y (MWh/yr)
$EG_{facility,y}$	=	Quantity of net electricity generation supplied by the project plant/unit to the grid in year y (MWh/yr)

$$EG_{PJ,y} = EG_{facility,y}$$

Net electricity generation supplied by the project plant/unit to the grid:

For wind projects, the PP need to provide schedule for electricity to be injected and based on electricity meters measured data, the actual injected electricity is monitored. Monthly Joint Meter Readings in presence of Grid officials, project proponent as well the Substation incharge is carried out and serves the official data for calculation of generation from the project.

Therefore,

$$EG_{PJ,y} = 357,692 \text{ MWh}$$

II. Calculation of $EF_{grid,CM,y}$

The methodology ACM0002 (Version 19.0) requires that the combined margin for the grid be calculated in accordance with the procedure provided in the “Tool to calculate the emission factor for an electricity system”.

As per “Tool to calculate the emission factor for an electricity system, Version 7.0.0”;

The baseline emission factor ($EF_{grid,y}$) is calculated as a combined margin (CM), consisting of the combination of operating margin (OM) and build margin (BM) factors.

The methodology provides following approaches for emission factor calculations:

- (a) *Combined margin (CM), consisting of the combination of operating margin (OM) and build margin (BM) according to the procedures prescribed in the approved methodology "Tool to calculate the emission factor for an electricity system".*

OR

- (b) *The weighted average emissions (in t CO₂/MWh) of the current generation mix. The data of the year in which project generation occurs must be used.*

Option (a) has been considered to calculate the grid emission factor as per the 'Tool to calculate the emission factor for an electricity system' since data is available from an official source i.e.

CO₂ Baseline Database for the Indian Power Sector, Version 14, December 2018¹⁰, published by Central Electricity Authority (CEA), Government of India has been used for the calculation of emission reduction.

As per the "Tool to calculate the emission factor for an electricity system" Version 07.0, EB 100, Annex 4, the following steps have been followed.

STEP 1: Identify the relevant electricity systems;

STEP 2: Choose whether to include off-grid power plants in the project electricity system (optional);

STEP 3: Select a method to determine the operating margin (OM);

STEP 4: Calculate the operating margin emission factor according to the selected method;

STEP 5: Calculate the build margin (BM) emission factor;

STEP 6: Calculate the combined margin (CM) emission factor.

STEP 1: Identify the relevant electricity power systems

The tool defines that "*for determining the electricity emission factors, identify the relevant electricity system. Similarly, identify any connected electricity systems*". It also states that "*If the DNA of the host country has published a delineation of the project electricity system and connected electricity systems, these delineations should be used*". Keeping this into consideration, the Central Electricity Authority (CEA), Government of India has divided the Indian Power Sector into five regional grids viz. Northern, Eastern, Western, North-eastern and Southern. However, all the 5 zones have now been synchronized and called as Indian Grid.

STEP 2: Choose whether to include off-grid power plants in the project electricity system (optional)

Project participants have the option of choosing between the following two options to calculate the operating margin and build margin emission factor:

Option I: Only grid power plants are included in the calculation.

¹⁰ http://cea.nic.in/reports/others/thermal/tpece/cdm_co2/user_guide_ver14.pdf

Option II: Both grid power plants and off-grid power plants are included in the calculation.

The Project Participant has chosen only grid power plants in the calculation.

STEP 3: Select a method to determine the operating margin (OM) method

The calculation of the operating margin emission factor ($EF_{grid,OM,y}$) is based on one of the following methods, which are described under Step 4:

- (a) Simple OM, or
- (b) Simple adjusted OM, or
- (c) Dispatch data analysis OM, or
- (d) Average OM.

The data required to calculate simple adjusted OM or Dispatch data analysis is not possible due to lack of availability of this activity data to the project developers. The choice of other two options for calculating the operating margin emission factor depends on the generation of electricity from low cost/must run sources. In the context of the methodology low cost/must run resources typically include hydro, geothermal, wind, low cost biomass, nuclear and solar generation.

Share of Must-Run (Hydro/Nuclear) (% of Net Generation)

	2013-14	2014-15	2015-16	2016-17	2017-18
India	18.6%	16.8%	15.1%	14.6%	14.3%

Data Source: Central Electricity Authority (CEA) database Version 14, Dec'2018

The above data clearly shows that the percentage of total grid generation by low cost/must run plants (on the basis of average of three most recent years) for the Indian grids is less than 50 % of the total generation. Thus the average emission rate method cannot be applied, as low cost/must run resources constitute less than 50% of total grid generation.

The simple OM emission factor is calculated as the generation-weighted average CO₂ emissions per unit net electricity generation (t CO₂/MWh) of all generating power plants serving the system, not including low-cost/must-run power plants/units.

For the simple OM, the simple adjusted OM and the average OM, the emissions factor can be calculated using either of the two following data vintages:

- **Ex ante option:** If the ex ante option is chosen, the emission factor is determined once at the validation stage, thus no monitoring and recalculation of the emissions factor during the crediting period is required.
- OR**
- **Ex post option:** If the ex post option is chosen, the emission factor is determined for the year in which the project activity displaces grid electricity, requiring the emissions factor to be updated annually during monitoring.

PP has chosen ex ante option for the calculation of OM with 3 years generation weighted average of the most recent years available at the time of submission of CDM-PDD to the DOE for validation.

OM determined at validation stage will be the same throughout the crediting period. There will be no requirement to monitor & recalculate the emission factor during the crediting period.

STEP 4: Calculate the operating margin emission factor ($EF_{grid,OM,y}$) according to the selected method

The operating margin emission factor has been calculated using a 3 year data vintage:

Net Generation in Operating Margin (MWh) (incl. Imports)			
	2015-16	2016-17	2017-18
Indian Grid	871,753	916,278	960,693

Simple Operating Margin (tCO ₂ /MWh) (incl. Imports)			
	2015-16	2016-17	2017-18
Indian Grid	0.9655	0.9636	0.9543

Weighted Generation Operating Margin	
Indian Grid	0.9610

STEP 5: Calculate the build margin emission factor ($EF_{grid,BM,y}$)

In terms of vintage of data, project participants can choose between one of the following two options:

*(a) **Option 1** - for the first crediting period, calculate the build margin emission factor ex ante based on the most recent information available on units already built for sample group m at the time of CDM-PDD submission to the DOE for validation. For the second crediting period, the build margin emission factor should be updated based on the most recent information available on units already built at the time of submission of the request for renewal of the crediting period to the DOE. For the third crediting period, the build margin emission factor calculated for the second crediting period should be used. This option does not require monitoring the emission factor during the crediting period.*

*(b) **Option 2** - For the first crediting period, the build margin emission factor shall be updated annually, ex post, including those units built up to the year of registration of the project activity or, if information up to the year of registration is not yet available, including those units built up to the latest year for which information is available. For the second crediting period, the build margin emissions factor shall be calculated ex ante, as described in Option 1 above. For the third crediting period, the build margin emission factor calculated for the second crediting period should be used.*

Option 1 as described above is chosen to calculate the build margin emission factor for the project activity. BM is calculated ex-ante based on the most recent information available at the time of submission of PDD and is fixed for the entire crediting period.

Build Margin (tCO ₂ /MWh) (not adjusted for imports)

	2017-18
Indian Grid	0.8644

STEP 6: Calculate the combined margin (CM) emissions factor

Combined Margin – The combined margin is the weighted average of the simple operating Margin and the build margin. In reference to para 81 (b) of the Tool to calculate the emission factor for an electricity system, Version 04.0.0, EB 75, Annex 15, all projects other than wind and solar photovoltaic :

$w_{OM} = 0.5$ and $w_{BM} = 0.5$ for the first crediting period, and

$w_{OM} = 0.25$ and $w_{BM} = 0.75$ for the second and third crediting period,

unless otherwise specified in the approved methodology which refers to this tool.

The baseline emission factor is calculated using the combined margin approach as described in the following steps:

Calculation of Baseline Emission Factor ($EF_{grid,y}$)

The baseline emission factor $EF_{grid,y}$ is calculated as the weighted average of the Operating Margin emission factor ($EF_{grid,OM,y}$) and the Build Margin emission factor ($EF_{grid,BM,y}$):

$$EF_{grid,y} = w_{OM} * EF_{grid,OM,y} + w_{BM} * EF_{grid,BM,y}$$

Where,

w_{OM}	75% weight of operating margin emissions factor (%)
w_{BM}	25% weight of operating margin emissions factor (%)
$EF_{grid,OM,y}$	Build margin CO ₂ emission factor of a particular grid in year y; calculated as described in Steps 3&4 above (tCO ₂ /MWh)
$EF_{grid,BM,y}$	Build margin CO ₂ emission factor of a particular grid in year y; calculated as described in Steps 5 above (tCO ₂ /MWh)

Baseline Emission factor (Indian Grid)

$$\begin{aligned} EF_{Grid,CM,y} &= 0.75*0.9610 + 0.25*0.8644 \\ &= 0.9368 \text{ tCO}_2/\text{MW} \end{aligned}$$

Therefore, Baseline Emissions:

$$BE_y = EG_{PJ,y} \times EF_{grid,CM,y}$$

$$BE_y = 357,692 \times 0.9368 = 335,086 \text{ tCO}_2$$

3.2 Project Emissions

The project emission calculation as per para 34 of ACM0002 version 19,

$$PE_y = PE_{FF,y} + PE_{GP,y} + PE_{HP,y}$$

Where:

- PE_y = Project emissions in year y (t CO₂e/yr)
 $PE_{FF,y}$ = Project emissions from fossil fuel consumption in year y (t CO₂/yr)
 $PE_{GP,y}$ = Project emissions from the operation of geothermal power plants due to the release of non-condensable gases in year y (t CO₂e/yr)
 $PE_{HP,y}$ = Project emissions from water reservoirs of hydro power plants in year y (t CO₂e/yr)

$$PE_{FF,y} = 0$$

As per para 37 of ACM0002 version 19,

“For all renewable energy power generation project activities, emissions due to the use of fossil fuels for the backup generator can be neglected”

$$PE_{GP,y} = 0$$

Therefore, $PE_y=0$

3.3 Leakage

As per para 56 of ACM0002 version 19, No leakage emissions need to considered for the project activity.

3.4 Estimated Net GHG Emission Reductions and Removals

As per para 61 of ACM0002 version16; Emission Reductions are calculated as follows:

$$ER_y = BE_y - PE_y$$

Where:

- ER_y = Emission reductions in year y (t CO₂e/yr)
 BE_y = Baseline emissions in year y (t CO₂/yr)
 PE_y = Project emissions in year y (t CO₂e/yr)

Therefore, Net GHG Emission Reductions and Removals are calculated as follows:

$$ER_y = BE_y - PE_y$$

$$ER_y = 335,086 - 0 = 335,086 \text{ tCO}_2$$

Year	Estimated baseline emissions or removals (tCO ₂ e)	Estimated project emissions or removals (tCO ₂ e)	Estimated leakage emissions (tCO ₂ e)	Estimated net GHG emission reductions or removals (tCO ₂ e)
Year 1	335,086	0	0	335,086
Year 2	335,086	0	0	335,086
Year 3	335,086	0	0	335,086
Year 4	335,086	0	0	335,086
Year 5	335,086	0	0	335,086
Year 6	335,086	0	0	335,086
Year 7	335,086	0	0	335,086
Year 8	335,086	0	0	335,086
Year 9	335,086	0	0	335,086
Year 10	335,086	0	0	335,086
Total	3,350,860	0	0	3,350,860

4 MONITORING

4.1 Data and Parameters Available at Validation

Data / Parameter	EF _{grid,OM,y}
Data unit	tCO ₂ /MWh
Description	Operating Margin CO ₂ emission factor in year y
Source of data	Calculated from CEA database, Version 14, December 2018 ¹¹
Value applied:	0.9610 (Indian Grid)
Justification of choice of data or description of measurement methods and procedures applied	Calculated as per "Tool to calculate the emission factor for an electricity system, version 07.0.0" as 3-year generation weighted average using data for the years 2015-16, 2016-17 & 2017-18. The data are obtained from "CO ₂ Baseline Database for Indian Power Sector" version 14.0, published by the Central Electricity Authority, Ministry of Power, Government of India.
Purpose of Data	For the calculation of the Baseline Emission
Comments	This parameter is fixed ex-ante for the entire crediting period.

¹¹ http://www.cea.nic.in/reports/planning/cdm_co2/user_guide_ver10.pdf

Data / Parameter	EF _{grid,BM,y}
Data unit	tCO ₂ /MWh
Description	Build Margin CO ₂ emission factor in year y
Source of data	Calculated from CEA database, Version 14, December 2018
Value applied:	0.8644 (Indian Grid)
Justification of choice of data or description of measurement methods and procedures applied	Calculated as per "Tool to calculate the emission factor for an electricity system, version 07.0.0" as 3-year generation weighted average using data for the years 2017-18. The data are obtained from "CO ₂ Baseline Database for Indian Power Sector" version 14.0, published by the Central Electricity Authority, Ministry of Power, Government of India.
Purpose of Data	For the calculation of the Baseline Emission
Comments	This parameter is fixed ex-ante for the entire crediting period.

Data / Parameter	EF _{grid,CM,y}
Data unit	tCO ₂ /MWh
Description	Combined Margin CO ₂ emission factor in year y
Source of data	Calculated from CEA database, Version 14, December 2018
Value applied:	0.9368 (Indian Grid)
Justification of choice of data or description of measurement methods and procedures applied	<p>The combined margin emissions factor is calculated as follows:</p> $EF_{grid,CM,y} = EF_{grid,OM,y} * W_{OM} + EF_{grid,BM,y} * W_{BM}$ <p>Where:</p> <p>EF_{grid,BM,y} = Build margin CO₂ emission factor in year y (tCO₂/MWh)</p> <p>EF_{grid,OM,y} = Operating margin CO₂ emission factor in year y (tCO₂/MWh)</p> <p>W_{OM} = Weighting of operating margin emissions factor (%) = 75%</p> <p>W_{BM} = Weighting of build margin emissions factor (%) = 25%</p>
Purpose of Data	For the calculation of the Baseline Emission
Comments	This parameter is fixed ex-ante for the entire crediting period.

4.2 Data and Parameters Monitored

Data / Parameter	EG _y
Data unit	MWh
Description	Electricity supplied to Grid
Source of data	Certificate for share of electricity generated by the wind farm.

Description of measurement methods and procedures to be applied	<p>Net electricity generated will be calculated at the main meter connected to the Grid Substation.</p> <p>The procedures for metering will be as per the provisions of the power purchase agreement. The WEGs of a single customer (individual PPS) at a particular site are connected to a feeder that ultimately leads to the main meter at the substation maintained by O&M team.</p> <p>Data monitoring takes place at the metering yard and Main meter at the substation. The electricity metered at the main meter is proportionally divided among the customers connected to the meter on the basis of the prorata readings taken at the individual WTGs. The emission reduction calculations are done on the basis of the Main meter reading (net electricity exported to the grid) after deducting imports from the grid as mentioned in the share certificate issued on monthly basis.</p> <p>The electricity measurements at main meter are continuous and recorded on monthly basis.</p>
Frequency of monitoring/recording	Continuous measurement and at least monthly recording
Value applied:	357,692 MWh
Monitoring equipment	Electricity Meters of 0.2s Class
QA/QC procedures to be applied	<p>Calibration of all the meters will be undertaken at required intervals and faulty meters will be duly replaced immediately based on CEA guidelines which specifies calibration once in 5 years.</p> <p>The data will be cross checked with sales receipts.</p>
Purpose of data	Calculation of Baseline emissions
Calculation method	N/A
Comments	The data will be archived electronically for two years after the end of the last crediting period or the last issuance of VERs for this project activity, whichever occurs later.

4.3 Monitoring Plan

The project proponents at the power station have a procedure to ensure proper monitoring of the VCS project activity. The project activity has installed monitoring and control equipment that measure, record, report, monitor and control various key parameters.

The methodology requires monitoring of the net electricity supplied from the project activity.

The proponent shall maintain complete and accurate records and all other data required for the purpose of proper administration and operation of the wind power project. The data will be kept for at least 2 years after the end of the crediting period.

1. Purpose - The purpose of monitoring the project is to assess the annual emission reductions in tonnes of CO₂ that the project activity has achieved.
2. Data to be reported - EGP_{J,y} in MWh and periodical calibrations of monitoring equipment's.
3. Monitoring times and periods - The data will be monitored on a continuous basis but will be recorded on a monthly basis with the energy meters installed at the site.
4. Data Accuracy - Metering Arrangement of the Power Purchase Agreement (PPA) the metering arrangement including its installation, testing, maintenance and collection transportation and processing of data required for energy exchange shall be governed as per the notification/ directives issued/or to be issued by Central Electricity Regulatory Commission and as per relevant provisions contained in IEGC as amended from time to time. The Central Electricity Authority (CEA) notification regarding Installation and Operation of meters regulations, 2006, says that meters are required to be tested once in 5 years (refer clause 18 of the guideline)¹². Thus, the meters recording the electricity exported will be calibrated at least once 5 years.
5. Emission Reduction Calculation Approach - The emission reductions are calculated as a product of the net electricity generated from the project activity and the combined margin emission factor. The calculation approach is explained in detail under section 3 of this document.
6. Approach to be followed in following cases:

In case monitoring period is between the billing cycle, pro rata calculation for the number of days in the monitoring period shall be estimated for emissions reduction calculation.

5 SAFEGUARDS

5.1 No Net Harm

There were no harm identified from the project and hence no mitigations measures are applicable.

5.2 Environmental Impact

The proposed project activity is using renewable energy generation technology (Wind energy) which is free from any kind of anthropogenic emission. Project activity is not having any negative environmental impacts.

As per the notification from MoEF dated September 14, 2006 and its amendment notification S.O.-3067(E) dated 1/12/2009, the list of project activities which require prior environmental clearance is stipulated. This does not include the proposed project activity type as it involves wind

¹² CEA metering regulation clause 18 on page 12 of the regulation

http://www.powermin.nic.in/whats_new/pdf/Metering_Regulations.pdf

power generation. Hence the proposed project activity does not require any Environmental impact analysis. Project activity has no significant emissions.

5.3 Local Stakeholder Consultation

The Local Stakeholder Meetings were organized at the project site substation.

The local stakeholder were informed regarding the meeting on 20th Jan 2018. The following are the stakeholders for the project activity:

- Local community
- Local village administration
- Technology suppliers
- Local vendors

All the stakeholders have been invited through invitation letters and/ or public notice to attend the stakeholders meeting 25th Jan 2018

In the introductory speech, the representatives of PP welcomed the gathering and given a brief about the VCS/CDM project activity. Subsequent to the introductory speech, stakeholders were explained about the electricity generation from wind power project/ unit is an environmental friendly power generation technology contributing to reduction in GHG emissions. They were also explained about the benefits of the wind power project/ unit like, increasing energy availability and improving quality of power and its assistance to the local population by providing employment opportunities to both skilled & unskilled labours.

The Minutes of LSH meeting along with List of Attendees and other supporting's shall be submitted to the DOE.

No other major issues were identified for the project. All the minor issues were addressed and also the concerned departments are keeping a tight vigil for assessing any changes likely that may take place.

5.4 Public Comments

The project shall be listed for 30 days period. In case any comments are received they shall be incorporated during the validation.

6 ACHIEVED GHG EMISSION REDUCTIONS AND REMOVALS

6.1 Data and Parameters Monitored

Data / Parameter	To be provided later
Data unit	
Description	
Value applied:	
Comments	

6.2 Baseline Emissions

6.3 Project Emissions

The project activity involves in harnessing wind power. So, the emissions from the project are zero

6.4 Leakage

No leakage emissions have been considered and hence the leakage emission is zero.

6.5 Net GHG Emission Reductions and Removals

As per the applied methodology, emission reductions are calculated as follows:

$$ER_y = BE_y - PE_y$$

Where,

ER_y = Emission Reduction in tCO₂/year

BE_y = Baseline emission in tCO₂/year

PE_y = Project emissions in tCO₂/year

Year	Baseline emissions or removals (tCO ₂ e)	Project emissions or removals (tCO ₂ e)	Leakage emissions (tCO ₂ e)	Net GHG emission reductions or removals (tCO ₂ e)
Total				

APPENDIX 1: CENTRAL ELECTRICITY AUTHORITY: CO2 BASELINE DATABASE

CENTRAL ELECTRICITY AUTHORITY: CO2 BASELINE DATABASE	
VERSION	14
DATE	Dec'18
Tool Applied	"Tool to Calculate the Emission Factor for an Electricity System", Version 7.0

Net Generation in Operating Margin (GWH) (incl. Imports)			
	2015-16	2016-17	2017-18
Indian Grid	871,753	916,278	960,693

Simple Operating Margin (tCO2/MWh) (incl. Imports) (1) (2)			
	2015-16	2016-17	2017-18
Indian Grid	0.9655	0.9636	0.9543

Build Margin (tCO2/MWh) (not adjusted for imports)			
	2015-16	2016-17	2017-18
Indian Grid	0.9083	0.8723	0.8644

Weighted Generation Operating Margin	
Indian Grid	0.9610

Combined Margin Emission Factor	
Indian Grid	0.9368