



# PROJECT CONCEPT NOTE

CARBON OFFSET UNIT (CoU) PROJECT

**Title:** 10 MW Toss Small Hydro Electric Project in Kullu District of Himachal Pradesh

Version 1.0

Date 03/01/2022

First CoU Issuance Period: 8 years, 00 months

Date: 01/01/2014 to 31/12/2021



Project Concept Note (PCN)  
CARBON OFFSET UNIT (CoU) PROJECT

**BASIC INFORMATION**

|   |   |
|---|---|
| Title of the project activity                     | 10 MW Toss Small Hydro Electric Project in Kullu District of Himachal Pradesh   |
| Scale of the project activity                     | Small Scale   |
| Completion date of the PCN                        | 03/01/2022  |
| Project participants                              | Creduce Technologies Private Limited (Representator)<br>Sai Engineering Foundation (Project Proponent)  |
| Host Party  | India   |
| Applied methodologies and standardized baselines  | Applied Baseline Methodology:<br>AMS-I.D : “Grid connected renewable electricity generation”, version 18<br><br>Standardized Methodology: Not Applicable. |
| Sectoral scopes                                   | 01 Energy industries<br>(Renewable/Non-Renewable Sources)   |
| Estimated amount of total GHG emission reductions | To be estimated during verification<br>[An ex-ante estimate is 46,760 CoUs per year]  |

## SECTION A. Description of project activity

### A.1. Purpose and general description of Carbon offset Unit (CoU) project activity >>

The proposed project titled under UCR is “10 MW Toss Small Hydro Electric Project in Kullu District of Himachal Pradesh”, which is a Hydro Power project located in village Toss of Kullu district in the state of Himachal Pradesh (India). The project is an operational activity with continuous reduction of GHG, currently being applied under “Universal Carbon Registry” (UCR).

#### **Purpose of the project activity:**

The proposed project activity is promoted by Sai Engineering Foundation (herein after called as Project Proponent or PP). The proposed project activity is installation and operation of 2 horizontal shaft Pelton hydro turbine generators having individual capacity of 5000 kW each with aggregated installed capacity of 10.00 MW in village Toss of Kullu district in the state of Himachal Pradesh in India.

This project activity also known as Toss small hydroelectric power project (SHEP) and is a run-of-river project that utilizes the flow of the river through Head Race Tunnel (HRT) and penstocks and by using two (2×5 MW) horizontal Pelton turbines connected to a synchronous generator to generate total energy of 10.00 MW. The main structure includes weir, intake forebay, DeSilting tank, chambers, Head Race Tunnel (HRT), surge shaft, penstock and power house. The voltage at the generator terminals is 3.3 kV, which is stepped up to 33 kV at the nearest substation. The generated electricity is fed into the sub-station of Himachal Pradesh State Electricity Board (HPSEB) grid system for transmission & distribution. This project activity is expected to supply a net amount of electricity of 51,956 MWh per year to the Northern regional grid, which is a part of the integrated or unified Indian Grid system. The project utilises a net head of about 173.75 m. The project activity is already been commissioned in phased manner as per following details.

| Unit of Toss SHEP | Installed Capacity | Commissioning Date |
|-------------------|--------------------|--------------------|
| Phase-I           | 5.00 MW            | 27/12/2008         |
| Phase-II          | 5.00 MW            | 15/09/2009         |

The net generated electricity from the project activity is sold to state electricity board i.e., HPSEB under the Power Purchase Agreement (PPA) signed between the PP and the utility. In pre-project scenario, electricity delivered to the grid by the project activity would have otherwise been generated by the operation of fossil fuel-based grid-connected power plants and by the addition of new fossil fuel-based generation sources in the grid. As the nature of the hydro project, no fossil fuel is involved for power generation in the project activity. The electricity produced by the project is directly contributing to climate change mitigation by reducing the anthropogenic emissions of greenhouse gases into the atmosphere by displacing an equivalent amount of power at grid.

Hence, project activity is displacing the estimated annual net electricity generation i.e., 51,956 MWh from the Indian grid system, which otherwise would have been generated by the operation of fossil fuel-based grid-connected power plants. The project activity doesn't involve any GHG emission sources. The estimated annual CO<sub>2</sub>e emission reductions by the project activity are expected to be 46,760 tCO<sub>2</sub>e.

The estimated annual average and the total CO<sub>2</sub>e emission reduction by the project activity is expected to be 46,760 tCO<sub>2</sub>e, whereas actual emission reduction achieved during the first CoU period shall be submitted as part of first monitoring and verification.

Since the project activity will generate electricity through hydro energy, a clean renewable energy source it will not cause any negative impact on the environment and thereby contributes to climate change mitigation efforts.

### **Project's Contribution to Sustainable Development**

Indian economy is highly dependent on “Coal” as fuel to generate energy and for production processes. Thermal power plants are the major consumers of coal in India and yet the basic electricity needs of a large section of population are not being met. This results in excessive demands for electricity and places immense stress on the environment.

Changing coal consumption patterns will require a multi-pronged strategy focusing on demand, reducing wastage of energy and the optimum use of renewable energy (RE) sources. This project is a greenfield activity where grid power is the baseline. The renewable power generation is gradually contributing to the share of clean & green power in the grid; however, grid emission factor is still on higher side which defines grid as distinct baseline.

The Government of India has stipulated following indicators for sustainable development in the interim approval guidelines for such projects which are contributing to GHG mitigations. The Ministry of Environment, Forests & Climate Change, has stipulated economic, social, environment and technological well-being as the four indicators of sustainable development. It has been envisaged that the project shall contribute to sustainable development using the following ways:

**Social well-being:** The project will facilitate communication development and access infrastructures in the area, which will help in civic development and enhance various livelihood options for the villagers, helping them improving their standard of living. Thus, project will improve the economical index around the project area.

**Economic well-being:** The project proponent agrees to provide employment local people against the manpower requirement in the project activity to bonafide people of the state of Himachal Pradesh, in respect of all the unskilled, skilled, semi-skilled staff and other non-executives as may be required for execution, operation and maintenance of the project. The project activity will contribute in reduction of power demand-supply gap in the region in an environment friendly manner, thus meeting the development needs of the country.

**Technological well-being:** The project activity leads to the promotion of 10 MW hydro turbine generators into the region and will promote practice for small scale industries to reduce the dependence on carbon intensive grid supply to meet the captive requirement of electrical energy and also increasing energy availability and improving quality of power under the service area. Hence, the technology used is safe and well-practised and leads to technological well-being.

**Environmental well-being:** The project activity, being a run-of-the-river hydro scheme, will have no requirement of reservoirs and will be having no impacts on the local environment and the community living in the vicinity. The electricity to be generated by the proposed project activity will be replacing the carbon intensive thermal energy (by equivalent amount) dominated power generation from the respective grid system, thus will help in reducing GHG emission from the atmosphere.

### **With regards to ESG credentials:**

At present specific ESG credentials have not been evaluated, however, the project essentially contributes to various indicators which can be considered under ESG credentials. Some of the examples are as follows:

#### **Under Environment:**

The following environmental benefits are derived from the project activity:

- Produces renewable electricity without any GHG emissions.
- Run of river hydro power plant with little impact on the surrounding ecology.
- No increase in volume of reservoir and no land inundation, hence no disturbance to the natural habitat.

For the PP, energy sale pattern is now based on renewable energy due to the project and it also contributes to GHG emission reduction and conservation of depleting energy sources associated with the project baseline. Hence, project contributes to ESG credentials.

#### **Under Social:**

The social well-being is assessed by contribution to improvement in living standards of the local community. The project activity is located in remote villages of industrially backward state of Himachal Pradesh. The implementation of the project activity has provided job opportunities to the local community; contribute in poverty alleviation of the local community and development of basic amenities to community leading to improvement in living standards of the community.

#### **Under Economics:**

Economic well-being refers to additional investment consistent with the needs of the local community. The project activity has invested significantly (nearly about INR 458.95 million). This investment is quite significant in a rural area. These activities have contributed to the economic well-being of the local community. The project activity has also provided direct and indirect job opportunities to the local community during construction and shall provide permanent job opportunities during operation. During operation of the project activity, many persons has been employed directly, apart from indirect employment, which would augur well for the economic well-being of the community

### **A.2 Do no harm or Impact test of the project activity>>**

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

**Rational:** as per 'Central Pollution Control Board (Ministry of Environment & Forests, Govt. of India)', final document on revised classification of Industrial Sectors under Red, Orange, Green and White Categories (07/03/2016), it has been declared that hydro project activity falls under the "White category". White Category projects/industries do not require any Environmental Clearance such as 'Consent to Operate' from PCB as such project does not lead to any negative environmental impacts. Additionally, as per Indian Regulation, Environmental and Social Impact Assessment is not required for small Hydro Projects.

Nevertheless, PP had conveyed about project activity before implementation at respective village of

Kullu district of Himachal Pradesh, India to understand, discuss, record all possible concerns related to environment and socio-economic aspects of the project so that as per requirements mitigation measures can be taken. The feedback and inputs received from local stakeholders confirm that no negative impact is foreseen by them.

Additionally, there are social, environmental, economic and technological benefits which contribute to sustainable development. The key details have been discussed in the previous section.

### A.3. Location of project activity >>

Country : India  
State : Himachal Pradesh  
District : Kullu  
Village : Toss

This Toss SHEP project is located in district Kullu of Himachal Pradesh and harnesses hydro power potential through weir constructed on the streams of Toss khad, a tributary of Parbati river. The project site is connected to Shimla-Kullu-Manikaran road which makes site 263 kms from Shimla and 20 kms from Manikaran. The nearest airport is at Bhuntar which is 165 kms. The nearest rail head is Joginder nagar, which is about 437 kms from the project site. The geographic co-ordinates of the project location are 77°24' to 77°41' E and 32°32' to 32°14' N.

The representative location map is included below:



(Courtesy: google map and images)

#### A.4. Technologies/measures >>

The project activity involves 2 numbers hydro turbine generators of 5000 KW capacity each with internal electrical lines connecting the project activity with local evacuation facility. The generators generate power at 3.3kV, which can further be stepped up to 33 KV. The project activity can operate in the frequency of 50 Hz and in the voltage range of 3.3kV  $\pm$  10%. The average life time of the generator is around 35 years as per the equipment supplier specification. The other salient features of the technology are:

|                               |  |
|-------------------------------|--|
| Design Discharge              | 15.00 cumecs                             |
| Gross Head                    | 185.44 m                                 |
| Net Head                      | 173.75 m                                 |
| Diversion Weir                |  |
| Type                          | Trench weir                              |
| Shape                         | Trapezoidal                              |
| Length                        | 15 m                                     |
| Feeder Channel                |  |
| Length                        | 135.63 m                                 |
| Shape / Material              | D-shaped / R.C.C (cut and cover)         |
| Size                          | Dia. 3.60 m                              |
| Design Discharge              | 15 cumecs + 50% flushing                 |
| Intake Tank                   |  |
| Type                          | R.C.C.                                   |
| Shape                         | Oval                                     |
| Size                          | 27 m $\times$ 7.73 m $\times$ 3.75 m     |
| Flow velocity                 | 0.682 m/sec                              |
| Head Race Tunnel              |  |
| Shape & size                  | Circular & 1.80 m dia.                   |
| Length                        | 130.04 m                                 |
| Design Discharge              | 15 cumecs + 25% flushing                 |
| Desilting Tank                |  |
| Type                          | Hopper Type Surfaced                     |
| Total Length                  | 48.00 m                                  |
| Width                         | 22.68 m                                  |
| Full supply depth             | 9.00 m                                   |
| Type / Material               | R.C.C                                    |
| Velocity of flow              | 0.19 m/sec                               |
| Penstock                      |  |
| Number                        | Two                                      |
| Diameter – Main pipe          | 1500 mm (I.D.)                           |
| Thickness for main pipe       | 12 mm & 16 mm                            |
| Length                        | 900 m                                    |
| Diameter of Branched penstock | 1200 mm & 20 mm thickness                |
| Material                      | Steel                                    |
| Power House                   |  |
| Type                          | Surfaced Power House (R.C.C structure)   |
| Size                          | 52.65 m $\times$ 16.47 m $\times$ 19.4 m |
| Capacity                      | 2 $\times$ 5000 kW                       |



|  |                   |
|--|-------------------|
| Gross head                             | 185.44 m          |
| Net head                               | 173.75 m          |
| Electromechanical Equipment            |                   |
| Turbine type                           | Pelton Horizontal |
| Turbine number                         | 02 Nos.           |
| Rated Capacity of each turbine         | 5372 kW           |
| Turbine normal speed                   | 500 rpm           |
| Type of generators                     | Synchronous       |
| Generator Normal Speed                 | 500 rpm           |
| Generator Rated voltage                | 3.3kV             |
| Tail Race                              |                   |
| Shape                                  | Rectangular       |
| Length                                 | 45 m              |
| Size                                   | 3.60 m × 2.70 m   |
| Power                                  |                   |
| Installed capacity                     | 2 × 5000 kW       |
| No. of unit generated @ 75% dependable | 52.19 MU          |

The hydro turbines have already been commissioned by HPSEB as per following details;

- Phase-I: Serial number HPSEB/PHE/TOSS/08- 3133-41 Dated – 27/12/2008
- Phase-II: Serial number HPSEB/PHE/Toss HEP/09- 1947-54 Dated – 15/09/2009

In the absence of the project activity the equivalent amount of electricity would have otherwise been generated by the operation of fossil fuel-based grid-connected power plants and fed into Indian grid system, hence baseline scenario of the project activity is the grid-based electricity system, which is also the pre-project scenario as discussed in the previous section.

## A.5. Parties and project participants >>

| Party (Host) | Participants   |
|--------------|--|
| India        | <p data-bbox="555 324 1310 360"><b>Creduce Technologies Private Limited (Representator)</b></p> <p data-bbox="555 398 1417 577">Contact person: Shailendra Singh Rao<br/>Mobile: +91 9016850742, 9601378723<br/>Address:<br/>2-O-13,14 Housing Board Colony, Banswara, Rajasthan - 327001,<br/>India</p> <p data-bbox="555 618 1114 654"><b>Sai Engineering Foundation (Developer)</b></p> <p data-bbox="555 658 979 792">Address:<br/>Sai Bhawan Building, Sector-IV,<br/>New Shimla - 171009,<br/>Himachal Pradesh, India.</p> |

## A.6. Baseline Emissions>>

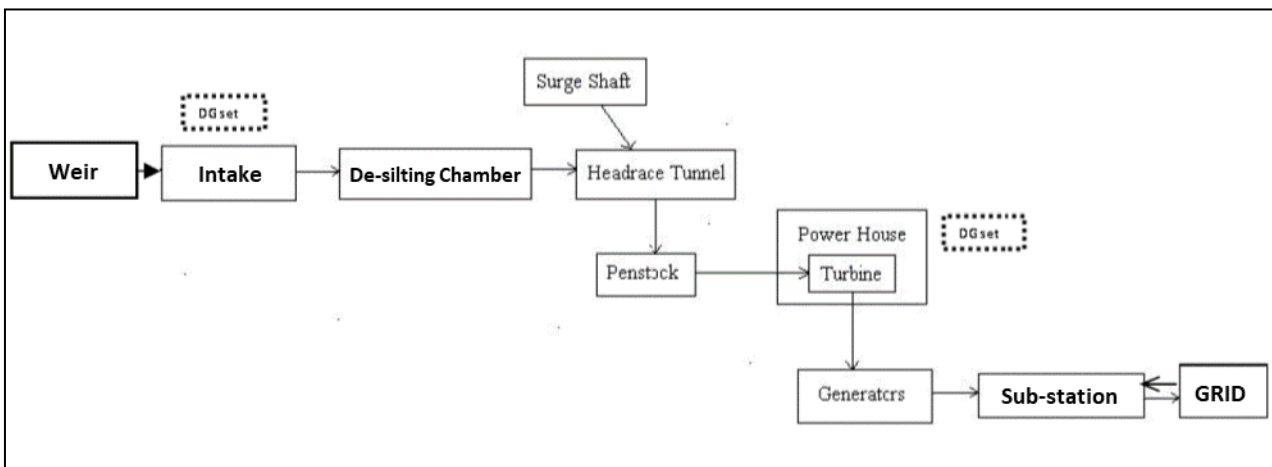
The baseline scenario identified at the PCN stage of the project activity is:

- Grid

In the absence of this project activity, the equivalent amount of electricity would have been generated by the operation of fossil fuel-based grid-connected power plants and fed into Indian grid system, which is carbon intensive due to use of fossil fuels. Hence, baseline scenario of the project activity is the grid-based electricity system, which is also the pre-project scenario.

Schematic diagram showing the baseline scenario:

### Project Scenario:



### Baseline Scenario:

As per the approved consolidated methodology AMS-I.D. Version 18, if the project activity is the installation of a new grid-connected renewable power plant/unit, the baseline scenario is the following:

*“The baseline scenario is that the 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 into the grid”.*

The project activity involves setting up of a new SHEP plant to harness the green power from Hydel energy and to supply the produced power to the grid. In the absence of the project activity, the equivalent amount of power would have been supplied by the Indian grid, which is fed mainly by fossil fuel fired plants. Hence, the baseline for the project activity is the equivalent amount of power produced at the Indian grid.

## A.7. Debundling>>

This project activity is not a debundled component of a larger project activity.

## SECTION B. Application of methodologies and standardized baselines

### B.1. References to methodologies and standardized baselines >>

#### SECTORAL SCOPE:

01, Energy industries (Renewable/Non-renewable sources)

#### TYPE:

I - Renewable Energy Projects

#### CATEGORY:

AMS. I.D. (Title: “Grid connected renewable electricity generation”, version 18)

### B.2. Applicability of methodologies and standardized baselines >>

The project activity involves generation of grid connected electricity from the operation of a new hydro power-based power project. The project activity has installed capacity of 10.00 MW which will qualify for a small-scale project activity under Type-I of the Small-Scale methodology. The project status is corresponding to the methodology AMS-I.D., version 18 and applicability of methodology is discussed below:

| Applicability Criterion  | Project Case   |
|--|--|
| 1. This methodology comprises renewable energy generation units, such as photovoltaic, hydro, tidal/wave, wind, geothermal and renewable biomass:<br><br>(a) Supplying electricity to a national or a regional grid; or<br>(b) Supplying electricity to an identified consumer facility via national/regional grid through a contractual arrangement such as wheeling. | The project activity involves setting up of a renewable energy (hydro) generation plant that exports electricity to the fossil fuel dominated Indian electricity grid system. Thus, the project activity meets this applicability conditions.  |
| 2. Illustration of respective situations under which each of the methodology (i.e. AMS-I.D: Grid connected renewable electricity generation”, AMS-I.F: Renewable electricity generation for captive use and mini-grid” and AMS-I.A: Electricity generation by the user) applies is included in Table 2   | According to the point 1 of the Table 2 in the methodology – “Project supplies electricity to a national/ regional grid” is applicable under AMS I.D. As the project activity supplies the electricity to the regional grid which is a regional grid, the methodology AMS-I.D. is applicable |
| 3. This methodology is applicable to project activities that:<br>(a) Install a Greenfield plant;<br>(b) Involve a capacity addition in (an) existing plant(s);<br>(c) Involve a retrofit of (an) existing plant(s);<br>(d) Involve a rehabilitation of (an) existing plant(s); or  | The Project activity involves the installation of new power plant at a site where there was no renewable energy power plant operating prior to the implementation of the project activity. Thus, Project activity is a Greenfield plant and satisfies this applicability condition (a).      |

| Applicability Criterion  | Project Case  |
|--|---|
| (e) Involve a replacement of (an) existing plant(s).   |   |
| <p>4. Hydro power plants with reservoirs that satisfy at least one of the following conditions are eligible to apply this methodology:</p> <p>(a) The project activity is implemented in existing reservoir, with no change in the volume of the reservoir; or</p> <p>(b) The project activity is implemented in existing reservoir, where the volume of the reservoir(s) is increased and the power density as per definitions given in the project emissions section, is greater than 4 W/m<sup>2</sup>.</p> <p>(c) The project activity results in new reservoirs and the power density of the power plant, as per definitions given in the project emissions section, is greater than 4 W/m<sup>2</sup>.</p> | As the project activity is a run-off river type hydro power plant, this criterion is not relevant for the project activity.                                     |
| <p>5. If the new unit has both renewable and non-renewable components (e.g., a wind/diesel unit), the eligibility limit of 15 MW for a small-scale CDM project activity applies only to the renewable component. If the new unit co-fires fossil fuel, the capacity of the entire unit shall not exceed the limit of 15 MW.</p>  | The rated capacity of the project activity is 10.00 MW with no provision of Co-firing fossil fuel. Hence, meeting with this criterion.                          |
| <p>6. Combined heat and power (co-generation) systems are not eligible under this category</p>   | This is not relevant to the project activity as the project involves only hydro power generating units.   |
| <p>7. In the case of project activities that involve the capacity addition of renewable energy generation units at an existing renewable power generation facility, the added capacity of the units added by the project should be lower than 15 MW and should be physically distinct from the existing units.</p>   | There is no other existing renewable energy power generation facility at the project site. Therefore, this criterion is not applicable.                         |
| <p>8. In the case of retrofit or replacement, to qualify as a small-scale project, the total output of the retrofitted or replacement power plant/unit shall not exceed the limit of 15 MW.</p>  | The project activity is a new installation, it does not involve any retrofit measures nor any replacement and hence is not applicable for the project activity. |
| <p>9. In the case of landfill gas, waste gas, wastewater treatment and agro-industries projects, recovered methane emissions are eligible under a relevant Type III category. If the recovered methane is used for electricity generation for supply to a grid then the baseline for the electricity component shall be in accordance with procedure prescribed under this methodology. If the recovered methane is used for heat generation or cogeneration other applicable Type-I methodologies such as “AMS I. C.: Thermal energy production with or without</p>   | This is not relevant to the project activity as the project involves only hydro power generating units.   |

| Applicability Criterion  | Project Case  |
|--|---|
| electricity” shall be explored.  |   |
| 10. In case biomass is sourced from dedicated plantations, the applicability criteria in the tool “Project emissions from cultivation of biomass” shall apply. | This is not relevant to the project activity as the project involves only hydro power generating units. |

### B.3. Applicability of double counting emission reductions >>

There is no double accounting of emission reductions in the project activity due to the following reasons:

- Project is uniquely identifiable based on its location coordinates,
- Project has dedicated commissioning certificate and connection point,
- Project is associated with energy meters which are dedicated to the generation/feeding point of the grid interface

### B.4. Project boundary, sources and greenhouse gases (GHGs)>>

As per applicable methodology AMS-I.D. Version 18, “*The spatial extent of the project boundary includes the project power plant and all power plants connected physically to the electricity system that the project power plant is connected to.*”

Thus, the project boundary includes the Hydro Turbine Generators and the Indian grid system.

| Source   |   | Gas              | Included? | Justification/Explanation   |
|----------|---|------------------|-----------|---|
| Baseline | Grid connected electricity generation   | CO <sub>2</sub>  | Yes       | <b>CO<sub>2</sub> emissions from electricity generation in fossil fuel fired power plants</b> |
|          |   | CH <sub>4</sub>  | No        | Minor emission source   |
|          |   | N <sub>2</sub> O | No        | Minor emission source   |
|          |   | Other            | No        | No other GHG emissions were emitted from the project  |
| Project  | Greenfield Hydro Power Project Activity | CO <sub>2</sub>  | No        | No CO <sub>2</sub> emissions are emitted from the project                                     |
|          |   | CH <sub>4</sub>  | No        | Project activity does not emit CH <sub>4</sub>  |
|          |   | N <sub>2</sub> O | No        | Project activity does not emit N <sub>2</sub> O   |
|          |   | Other            | No        | No other emissions are emitted from the project   |

## B.5. Establishment and description of baseline scenario >>

This section provides details of emission displacement rates/coefficients/factors established by the applicable methodology selected for the project.

As per para 19 of the approved consolidated methodology AMS-I.D. Version 18, if the project activity is the installation of a new grid-connected renewable power plant/unit, the baseline scenario is the following:

***“The baseline scenario is that the 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 into the grid”.***

The project activity involves setting up of a new hydro power plant to harness the green power from hydro energy and to use for sale to national grid through PPA arrangement. In the absence of the project activity, the equivalent amount of power would have been generated by the operation of grid-connected fossil fuel-based power plants and by the addition of new fossil fuel-based generation sources into the grid. The power produced at grid from the other conventional sources which are predominantly fossil fuel based. Hence, the baseline for the project activity is the equivalent amount of power produced at the Indian grid.

A "grid emission factor" refers to a CO<sub>2</sub> emission factor (tCO<sub>2</sub>/MWh) which will be associated with each unit of electricity provided by an electricity system. The UCR recommends an emission factor of 0.9 tCO<sub>2</sub>/MWh for the 2014 - 2020 years as a conservative estimate for Indian projects not previously verified under any GHG program. Hence, the same emission factor has been considered to calculate the emission reduction under conservative approach.

### Net GHG Emission Reductions and Removals

$$\text{Thus, } ER_y = BE_y - PE_y - LE_y$$

Where:

- ER<sub>y</sub> = Emission reductions in year y (tCO<sub>2</sub>/y)
- BE<sub>y</sub> = Baseline Emissions in year y (t CO<sub>2</sub>/y)
- PE<sub>y</sub> = Project emissions in year y (tCO<sub>2</sub>/y)
- LE<sub>y</sub> = Leakage emissions in year y (tCO<sub>2</sub>/y)

### Baseline Emissions

Baseline emissions include only CO<sub>2</sub> emissions from electricity generation in 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:

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

Where:

|                    |   |  |
|--------------------|---|--|
| BE <sub>y</sub>    | = | Baseline emissions in year y (t CO <sub>2</sub> )  |
| EG <sub>PJ,y</sub> | = | Quantity of net electricity generation that is produced and fed into the grid as a result of the implementation of this project activity in year y (MWh) |

|               |   |   |
|---------------|---|---|
| $EF_{grid,y}$ | = | UCR recommended emission factor of 0.9 tCO <sub>2</sub> /MWh has been considered.<br>(Reference: General Project Eligibility Criteria and Guidance, UCR Standard, page 4) |
|---------------|---|---|

## Project Emissions

As per paragraph 39 of AMS-I.D, version 18, for most renewable energy project activities emission is zero.

As per applied methodology only emission associated with the fossil fuel combustion, emission from operation of DG Set, would be accounted for the project emission on actuals. Therefore, following project emission type has been considered for the project activity:

### Diesel consumption:

The project also involves consumption of minor quantity of Diesel in standby DG Set. So, the formula used to calculate the project emissions due to diesel consumption is provided below:

$$PE_{\text{Diesel}} = \sum DC_y \times P \times NCV_{\text{Diesel}} \times EF_{\text{CO2Diesel}}$$

Where:

$PE_{\text{Diesel}}$  = Project Emission due to Diesel consumed during monitoring period in DG set

$DC_y$  = Diesel Consumption in Liters (lit)

$P$  = Density of Diesel (0.86 kg/lit)

$NCV_{\text{Diesel}}$  = Net Calorific Value of Diesel

$EF_{\text{CO2Diesel}}$  = IPCC 2006 Emission factor for Diesel

**Hence,  $PE_y = PE_{\text{Diesel}}$**

### Leakage

As per paragraph 22 of AMS-I.D. version-18, 'If the energy generating equipment is transferred from another activity, leakage is to be considered.' In the project activity, there is no transfer of energy generating equipment and therefore the leakage from the project activity is considered as zero.

**Hence,  $LE_y = 0$**

The actual emission reduction achieved during the first CoU period shall be submitted as a part of first monitoring and verification. However, for the purpose of an ex-ante estimation, following calculation has been submitted:

Estimated annual baseline emission reductions ( $BE_y$ )

$$= 51,956 \text{ MWh/year} \times 0.9 \text{ tCO}_2/\text{MWh}$$

$$= 46,760 \text{ tCO}_2/\text{year (i.e., 46,760 CoUs/year)}$$



#### **B.6. Prior History>>**

The project activity is a small-scale hydro project and was not applied under any other GHG mechanism prior to this registration with UCR. Also, project has not been applied for any other environmental crediting or certification mechanism. Hence project will not cause double accounting of carbon credits (i.e., COUs).

Historically, the project was planned in two phases with 5 MW as phase 1 and then intended to go upto a total capacity of 20 MW under phase 2. This capacity was evaluated in the DPR stage and also received approval. However, during the actual implementation of the project, the 2<sup>nd</sup> phase was limited to only 5 MW due to financial viability and timeline, whereas 1<sup>st</sup> phase was installed with total approved 5 MW capacity. Thus, total project capacity was limited to 10 MW.

#### **B.7. Changes to start date of crediting period >>**

There is no change in the start date of crediting period.

The start date of crediting under UCR is considered as 01/01/2014, as both the phases of the project were commissioned before 2014 (i.e. phase-1 on 27/12/2008 and phase-2 on 15/09/2009) and no GHG emission reduction has been claimed so far.

#### **B.8. Permanent changes from PCN monitoring plan, applied methodology or applied standardized baseline >>**

Not applicable.

#### **B.9. Monitoring period number and duration>>**

First Monitoring Period:

8 years, 00 months

01/01/2014 to 31/12/2021 (inclusive of both dates)

## B.8. Monitoring plan>>

### Data and Parameters available at validation (ex-ante values):

|                                    |   |
|------------------------------------|---|
| Data / Parameter                   | UCR recommended emission factor   |
| Data unit                          | tCO <sub>2</sub> /MWh   |
| Description                        | A "grid emission factor" refers to a CO <sub>2</sub> emission factor (tCO <sub>2</sub> /MWh) which will be associated with each unit of electricity provided by an electricity system. The UCR recommends an emission factor of 0.9 tCO <sub>2</sub> /MWh for the 2014 - 2020 years as a fairly conservative estimate for Indian projects not previously verified under any GHG program. Hence, the same emission factor has been considered to calculate the emission reduction under conservative approach. |
| Source of data                     | <a href="https://a23e347601d72166dcd6-16da518ed3035d35cf0439f1cdf449c9.ssl.cf2.rackcdn.com//Documents/UCRStandardNov2021updatedVer2_301121081557551620.pdf">https://a23e347601d72166dcd6-16da518ed3035d35cf0439f1cdf449c9.ssl.cf2.rackcdn.com//Documents/UCRStandardNov2021updatedVer2_301121081557551620.pdf</a>   |
| Value applied                      | 0.9   |
| Measurement methods and procedures | -   |
| Monitoring frequency               | Ex-ante fixed parameter   |
| Purpose of Data                    | For the calculation of Emission Factor of the grid  |
| Additional Comment                 | The combined margin emission factor as per CEA database (current version 16, Year 2021) results into higher emission factor. Hence for 2021 vintage UCR default emission factor remains conservative.   |

|                                    |  |
|------------------------------------|--|
| Data / Parameter                   | P  |
| Data unit                          | kg/lit   |
| Description                        | Density of diesel  |
| Source of data                     | <a href="http://www.fast-tek.com/TM104.pdf">http://www.fast-tek.com/TM104.pdf</a><br><a href="http://www.iocl.com/Products/DieselSpecifications.pdf">http://www.iocl.com/Products/DieselSpecifications.pdf</a> |
| Value applied                      | 0.860  |
| Measurement methods and procedures | Fixed Value has been taken from the publicly available data source.  |
| Purpose of Data                    | Calculation of project emission  |
| Comments                           | This parameter is fixed ex-ante for the entire crediting period.   |

|                  |   |
|------------------|---|
| Data / Parameter | NCV <sub>diesel,y</sub>   |
| Data unit        | GJ/Ton  |
| Description      | Net calorific value of the Diesel in year y   |
| Source of data   | As options a, b & c are not available, the project proponent chooses option d i.e., IPCC default values at the upper limit of the uncertainty at a 95% confidence interval as provided in Table 1.2 of Chapter 1 of Vol. 2 (Energy) of the 2006 IPCC Guidelines on National GHG Inventories |

|                                    |  |
|------------------------------------|--|
|                                    | and is fixed Ex-ante. This is in accordance to the “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion”, latest version applied. |
| Value applied                      | 43.30  |
| Measurement methods and procedures | IPCC Default Value is considered.  |
| Purpose of Data                    | Calculation of project emission  |
| Comments                           | This parameter is fixed ex-ante for the entire crediting period.   |

|                                    |   |
|------------------------------------|---|
| Data / Parameter                   | EF <sub>CO<sub>2</sub>,diesel,y</sub>   |
| Data unit                          | tCO <sub>2</sub> e/TJ   |
| Description                        | CO2 emission factor of diesel in year y   |
| Source of data                     | IPCC default value  |
| Value applied                      | 74.8  |
| Measurement methods and procedures | As options a, b & c are not available, the project proponent chooses option d i.e., IPCC default values at the upper limit of the uncertainty at a 95% confidence interval as provided in Table 1.4 of Chapter 1 of Vol. 2 (Energy) of the 2006 IPCC Guidelines on National GHG Inventories and is fixed Ex-ante. This is in accordance to the “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion” latest version applied. |
| Purpose of Data                    | Calculation of project emission   |
| Comments                           | This parameter is fixed ex-ante for the entire crediting period.  |

**Data and Parameters to be monitored (ex-post monitoring values):**

|                                  |  |
|----------------------------------|--|
| Data / Parameter                 | EG <sub>PJ,y</sub>   |
| Data unit                        | MWh / year   |
| Description                      | Net electricity supplied to the grid by the project activity   |
| Source of data                   | Monthly Joint Meter Readings (JMRs)  |
| Measurement procedures (if any): | <p>Data Type: Measured<br/> Monitoring equipment: Energy Meters are used for monitoring<br/> Recording Frequency: Continuous monitoring and Monthly recording from Energy Meters, Summarized Annually<br/> Archiving Policy: Paper &amp; Electronic<br/> Calibration frequency: 5 years (as per CEA provision)</p> <p>Generally, the calculation is done by the Authority/Discom and PP has no control over the authority for the calculation. Therefore, based on the joint meter reading certificates/credit notes, PP shall raise the invoice for monthly payments.</p> <p>In case the monthly JMR provides net export quantity, the same will be directly considered for calculation. However, if the JMR does not directly provide “net electricity” units, then quantity of net electricity supplied to the grid shall be calculated using the parameters reflected in</p> |

|                           |  |
|---------------------------|--|
|                           | <p>the JMR.</p> <p>For example, the difference between the measured quantities of the grid export and the import will be considered as net export:</p> $EG_{PJ,y} = EG_{Export} - EG_{Import}$ <p>Thus, <math>EG_{PJ,y}</math> is the net export which will be either directly sourced from the monthly generation statements (such as JMR) or to be calculated from export and import values reported.</p>              |
| Measurement Frequency:    | Monthly  |
| Value applied:            | 51,956<br>(Annualized average value has been considered here for an ex-ante estimation only, whereas this is an ex-post parameter hence actual value shall be applied during monitoring and verification)  |
| QA/QC procedures applied: | <p>Calibration of the Main meters will be carried out once in five (5) years as per National Standards (as per the provision of CEA, India) and faulty meters will be duly replaced immediately as per the provision of power purchase agreement.</p> <p>Cross Checking:<br/>Quantity of net electricity supplied to the grid will be cross checked from the invoices raised by the project participant to the grid.</p> |
| Purpose of data:          | The Data/Parameter is required to calculate the baseline emission.   |
| Any comment:              | All the data will be archived till a period of two years from the end of the crediting period.   |

|                                    |   |
|------------------------------------|---|
| Data / Parameter                   | $DC_y$  |
| Data unit                          | Liters  |
| Description                        | Diesel consumption by the standby DG set in year y  |
| Source of data                     | Plant Records   |
| Measurement methods and procedures | The diesel quantity available in the diesel storage tanks is recorded daily by PP in the plant log book. The diesel consumption has been recorded in the logbook in litres. However, based on the density of diesel of about 0.86 kg/lit, the diesel consumption in tons is calculated. |
| Frequency of monitoring/recording  | Continuously and recorded monthly basis.  |
| Value monitored                    | To be monitored as per actuals  |
| Monitoring equipment               | Calculated  |
| QA/QC procedures to be applied     | The measured data will be cross checked with total diesel procurement using payment receipts.   |
| Purpose of the data                | Calculation of project emissions.   |
| Calculation method                 | Data Type: Measured & Calculated<br>Data Archiving: Paper/ Electronic.  |
| Comments                           | The data would be archived up to two years after the end of crediting period.   |