

# TEMPLATE

# **DEVIATION REQUEST FORM**

PUBLICATION DATE 11.04.2021

Version 5.0

# A. To be completed by Gold Standard

# 1 Decision

1.1 | Date - 09/08/2023

#### 1.2 | Decision

The proposed deviation request is not approved.

The methodology <u>AMS.III.AS</u> is only applicable for the case that the baseline fuel is fossil fuel. The project developer is suggested to follow the generally applicable postulation described in the methodology. Project developer's approach to quantify the ex-ante and ex-post weighted average C02 Emission factor by multiplying fNRB is not applicable for partial replacement of fossil fuels scenario.

However, if the Project Developer necessarily requires a deviation from the calculation approach provided in <u>AMS.III.AS</u> then they may re-submit the deviation request explaining that this project activity is an industrial project and not community servic project which would be the major change in methodology and request deviation from the above-mentioned methodology. In drafting this re-submission of deviation, PD is

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also expected to explain:

- 1. The methodological parameter to be revised.
- 2. The rationale behind drafting a new approach instead of following the already established method(s) set out in the approved Methodology for <u>AMS.III.AS</u>
- 3. The difference between the approach already established in the methodology and the new method proposed by PD and potential value implication(s).

# **1.3** | Is this decision applicable to other project activities under similar circumstances?

# B. To be completed by the Project Developer/Coordinating and Managing Entity and/or VVB requesting deviation (Submit deviation

request form in Microsoft Word format)

# 2 | Background information

Deviation Reference Number	DEV_487		
Date of decision	09.08.2023		
Precedent (YES/NO)	No		
Precedent details	N/A		
Date of submission	13/07/2023		
Project/PoA/VPA	Project		
	⊠ PoA	ID – GS12187	
	□ VPA		
Project/PoA/VPA title	Biomass Briquettes in Kenyan Manufacturing		
	Facilities		
Date of listing	24/04/2023	24/04/2023	
GS Standard version applicable	GS4GG	GS4GG	
Date of transition to GS4GG (if applicable)	Not applicable		
Date of transition to Gold	Not applicable		
Standard from another standard			
(e.g. CDM) (if applicable)			
Date of design certification/inclusion (if	Not applicable		
applicable)			
Location of project/PoA/VPA	Host country(ies) Kenya		
Scale of the project/PoA/VPA			
	Small scal	e	
	□ Large scal	e	
Gold Standard Impact Registry	Not available yet		
link of the project/PoA/VPA			
Status of the project/PoA/VPA	🛛 New		
	□ Listed		
	$\Box$ Certified d	esign	
	$\Box$ Certified p	roject	
Title/subject of deviation	Non-Renewa	ble Biomass Baseline for Kenyan	
	Manufacturin	g Facilities using AMS-III.AS	

Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	AMS III-AS Switch from fossil fuel to biomass in existing manufacturing facilities for non-energy applications. Version 2 Paragraph 5.2
Specify the monitoring period for which the request is valid (if applicable)	Entire crediting period
Submitted by	Contact person name: Nilesh Patel Email ID: Nilesh.patel@tamuwa.com
	Organisation: Tamuwa DMCC
	Project participant: Yes $oxtimes$ No $\Box$
Validation and Verification body (VVB opinion shall be included,	Yes □ No ⊠
where required by the	If yes:
applicable rules/requirements or request is submitted by the VVB).	VVB name: VVB Staff name(s):
Any previous deviations approved for the same project activity/PoA/VPA(s)?	Yes □ No ⊠

# 3 Deviation detail

## 3.1 | Description of the deviation:

3.1.1 | Deviation detail (to be completed by Project developer):

This Deviation Request comes under the Guidance paragraph 1.1.1 a) "*Deviation from Gold Standard ... applicable methodologies prior to submission for certification with GS4GG*".

## Background

In Kenyan industry wood has traditionally been used as an industrial fuel, as a source of heat. Wood is in short supply in Kenya and qualifies as *non-renewable biomass*, because it is being consumed faster than it is regrowing. This POA seeks to reduce the amount of non-renewable biomass that is being consumed for heat in manufacturing facilities by replacing a proportion of it with biomass briquettes that are made from bagasse, an agricultural by-product of the existing sugar industry which is classed as a renewable fuel.

#### Deviation Summary

The POA in this Deviation Request uses CDM Methodology AMS-III.AS "*Switch from fossil fuel to biomass in existing manufacturing facilities for non-energy applications*".

This Deviation Request proposes that non-renewable biomass is treated as a fossil fuel in the baseline scenario for the purposes of the methodology.

#### Change to the Methodology

The Methodology is amended by multiplying *EF CO*<sub>2</sub>, *<sub>FF, i, y</sub>* (in Equations 7 & 8) by *fNRB* (fraction of Non-Renewable Biomass), to provide the proportion of CO<sub>2</sub> in the baseline that is emitted from non-renewable biomass. *fNRB* is calculated using CDM's Methodological Tool 30 Calculation of the fraction of non-renewable biomass (Version 4.0), which is also adopted by the Gold Standard.

**Original Equation 7** 

$$EF_{CO2,BL,(ex-ante)} - \frac{\sum\limits_{i} (FC_{i,x-2} + FC_{i,x-1} + FC_{i,x}) \times NCV_i \times EF_{CO2,FF,i}}{\sum\limits_{i} (FC_{i,x-2} + FC_{i,x-1} + FC_{i,x}) \times NCV_i}$$

Proposed Equation 7

$$EF_{CO2,BL,(ex-ante)} = \frac{\sum\limits_{i} (FC_{i,x-2} + FC_{i,x-1} + FC_{i,x}) \times NCV_i \times EF_{CO2,FF,i}}{\sum\limits_{i} (FC_{i,x-2} + FC_{i,x-1} + FC_{i,x}) \times NCV_i} \times INRB$$

**Original Equation 8** 

$$\text{EF}_{\text{CO2,BL},y,(\text{ex-post})} = \frac{\sum_{i} FC_{PJ,i,y} \times \text{NCV}_{i,y} \times \text{EF}_{\text{CO2,FF},i,y}}{\sum_{i} FC_{PJ,i,y} \times \text{NCV}_{i,y}}$$

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3.1.2 | VVB opinion (to be completed by VVB, if applicable):

Not applicable

Proposed Equation 8

$$\text{EF}_{\text{CO2,BL},y,(\text{ex-post})} = \frac{\sum_{i} FC_{PJ,i,y} \times \text{NCV}_{i,y} \times \text{EF}_{\text{CO2,FF},i,y} \times fNRB}{\sum_{i} FC_{PJ,i,y} \times \text{NCV}_{i,y}}$$

#### 3.2 | Assessment of the deviation:

3.2.1 | Deviation assessment (to be completed by Project developer):

#### Rationale

The methodology was written for the Clean Development Mechanism and was subsequently adopted by the Gold Standard. Baselines of Non-Renewable Biomass are only allowed in a limited number of circumstances in the CDM. In the Gold Standard,

#### Similar Examples

This Deviation Request makes a simple change to the Methodology to align it with the Gold Standard approach of recognising Non-Renewable Biomass as a valid baseline in other project types. Methodologies where the Gold Standard uses Non-Renewable Baselines are as follows:

- GS methodology: Technologies and practices to displace decentralized thermal energy consumption (large scale methodology to reduce Non-Renewable Biomass in kitchens).
- GS methodology: Simplified Methodology for Clean Cookstoves (also to reduce Non-Renewable Biomass in kitchens).
- Adapted CDM methodology: AMS-III.Z Fuel Switch, process improvement and energy efficiency in brick manufacture as used by GS7530 (to reduce Non-Renewable Biomass in industrial production facilities).

#### Requirements

The methodology has various applicability conditions that are considered in the POA-DD and VPA-DD, the salient ones are:

- The baseline fossil fuel and the project biomass are consumed in thermal energy conversion equipment (e.g. furnaces, kilns, dryers) that are used in the manufacture of products (e.g. steel, ceramics, aluminium, lime, clinker).
- It shall be demonstrated, with historical data, that for at least the immediately prior three years to the start date of project, only fossil fuels were used in the production systems, which are being modified, retrofitted or replaced.

This Design Change proposes that non-renewable biomass is treated as a fossil fuel in the baseline scenario for the purposes of the methodology.

## Applicability

The applicability of the methodology under the deviation will not change, save that non-renewable biomass is considered as a fossil fuel.

A non-renewable biomass assessment will be undertaken at a VPA level, in accordance with normal Gold Standard procedures and requirements.

The resulting figure of *fNRB* will be used when calculating the emission factor, as outlined above.

## Conservativeness

The proposed deviation retains the conservativeness of other projects that use a Non-Renewable Biomass Basis. In all other respects the methodology is followed, which entails measures to ensure conservativeness.

3.2.2 | VVB opinion (to be completed by VVB, if applicable):

Not applicable

## 3.3 | Impact of the deviation:

\**Guidance*\* Use the space below to describe the impact of the deviation on project design, safeguarding principles assessment, SDG assessment, emissions reductions,

monitoring frequency, data quality, potential risk or any other relevant aspect of the project. Please substantiate the impact assessment with relevant and verifiable data/information.

3.3.1 | Impact assessment (to be completed by Project developer):

The deviation makes no difference to the design, safeguarding principles assessment, SDG assessment, emissions reductions, monitoring frequency, data quality or potential risks. All the Gold Standard requirements in this regard are carried out in the normal way independently of this change.

3.3.2 | VVB opinion (to be completed by VVB, if applicable):

Not applicable

## 3.4 | Documents:

No further documents are provided as part of the Deviation Request.

Version number	Release date	Description
5	11.04.2022	<ul> <li>Additional information added:</li> <li>date of listing, design certification, transition</li> <li>standard version</li> <li>specific reference to a requirement deviated from</li> <li>any previous deviations/design changes approved</li> <li>Guidance on VVB opinion</li> </ul>
4	14.01.2021	
3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption