



**Project design document form  
(Version 10.1)**

*Complete this form in accordance with the instructions attached at the end of this form.*

**BASIC INFORMATION**

<b>Title of the project activity</b>	Bokpoort CSP (Concentrating Solar Power) Project, South Africa
<b>Scale of the project activity</b>	<input checked="" type="checkbox"/> Large-scale <input type="checkbox"/> Small-scale
<b>Version number of the PDD</b>	05
<b>Completion date of the PDD</b>	26/07/2017
<b>Project participants</b>	Private entity - ACWA Power Solafrica Bokpoort CSP Power Plant (Pty) Ltd Private entity - Solafrica Thermal Energy (Pty) Ltd Private entity - ACWA Power Africa Holdings (Pty) Ltd Swedish Energy Agency
<b>Host Party</b>	Republic of South Africa
<b>Applied methodologies and standardized baselines</b>	ACM0002 ver. 13.0.0 - Consolidated baseline methodology for grid-connected electricity generation from renewable sources.
<b>Sectoral scopes linked to the applied methodologies</b>	Sectoral scope 01: Energy industries (renewable-/non-renewable sources)
<b>Estimated amount of annual average GHG emission reductions</b>	205,501 tCO <sub>2e</sub>

## SECTION A. Description of project activity

### A.1. Purpose and general description of project activity

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#### (i) Purpose of the project

The purpose of the proposed project activity is to reduce greenhouse gas emissions by installing a greenfield grid-connected parabolic trough concentrated solar thermal power (CSP) plant. This type of technology is clean, safe, sound and environmentally friendly in comparison to conventional sources of fossil fuel power generation in South Africa. This project will be developed by a Consortium of three entities, namely, ACWA Power Africa Holdings (Pty) Ltd, ACWA Power Solafrica Bokpoort CSP Power Plant (Pty) and Solafrica Thermal Energy (Pty) Ltd ("Solafrica"). The power plant will have a maximum net generation capacity of 50MW electrical energy. In order to achieve this the plant has a gross rated capacity of 55MWe. The plant will include a 1300MWh thermal storage system capable of delivering up to 9.3 hours of stored energy for continued power generation. The stored thermal energy is not the waste or by-product of any existing process and is simply a mechanism to optimise the time of energy conversion from solar thermal to electrical. The power generation activity therefore does not include co-generation. With the extended operating profile afforded by thermal energy storage, the 55MW rated plant will produce, on average, approximately 224 GWh of electricity per annum.

The selected site for the installation of the CSP plant is a portion of Farm Bokpoort 390 located in the Northern Cape Province; of South Africa, where solar irradiation rates are good all year round. A key advantage of the site is that Eskom's<sup>1</sup> Garona substation is situated on the site which currently has a spare feeder bay and is therefore able to receive the intended output.

#### (ii) Greenhouse gas reduction:

The electricity generated from the CSP plant will displace electricity generated from the South African electricity grid. The South African electricity grid is predominantly coal-fired and therefore GHG emissions intensive (coal accounts for more than 92% of the fuel used in South Africa's electricity generation<sup>2</sup>).

The reduction in electricity consumed from the grid will result in a reduction in greenhouse gas emissions, as well as the negative impacts associated with coal mining.

#### (iii) Contribution to sustainable development:

The South African Designated National Authority (DNA) evaluates sustainability in three categories<sup>3</sup>: economic, environmental, and social. The contribution towards sustainable development by the project activity is discussed below in terms of these three categories:

##### *Economic*

The deployment of the project activity will have a positive macro-economic impact by reducing South Africa's dependence on fossil fuel generated power and assisting the country in meeting its growing electricity demand.

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<sup>1</sup> Eskom is South Africa's national electricity provider.

<sup>2</sup> Department of Water and Environmental Affairs. (2010). National Climate Change Response Draft Green Paper, pg 13, para.3. Retrieved from South Africa Government Online: <http://www.environment.gov.za>. Date accessed 16/02/2011.

<sup>3</sup> RSA DNA Guideline 2011

Economic benefits will extend through the local municipalities jurisdiction which will be derived from the project activity's favourable effects on local employment rates, demand for infrastructure and housing as well as the increased contribution to municipal rates and taxes for the !Kheis Local Municipality.

#### *Environmental*

Concentrated solar thermal power technology does not produce the sulphur emissions, ash or coal mining concerns associated with conventional coal fired electricity generation technologies resulting in a relatively low level of environmental impacts. It is a clean technology which contributes toward a better quality environment for employees and nearby communities.

On a global scale, the project makes a contribution to greenhouse gas emission reduction and therefore contributes toward climate change mitigation.

#### *Social*

The project activity is likely to have significant long-term, indirect positive social impacts that may extend to a regional and even national scale. The larger scale impacts are to be derived in the utilization of solar power and the experience gained through the construction and operation of the power plant. In future, this experience can be employed at other similar solar installations in South Africa.

The operational phase of the solar power plant will create approximately 50 job opportunities. This includes approximately 20 unskilled jobs, 20 moderately-skilled jobs and 10 highly skilled jobs<sup>4</sup>.

It is the intention of the project developer to involve the local community directly with the project by including 10% local or regional ownership in the project through a Broad Based Black Economic Empowerment programme. An organisation called loveLife will receive a 5% share in the project with the remaining 5% going into a bespoke community trust benefitting community members within a 50km radius. There will be further socio-economic development contributions of 1.25%. An enterprise development programme will be established to inter-alia support Black Economic Empowerment (BEE) farming initiatives for the majority within a 50km radius of the project. Enterprise development contributions of 0.45% of the revenue will be allocated to this programme and other SMME development initiatives.

The increase in the demand for services such as accommodation, transportation, security, general maintenance and catering will generate additional indirect socio-economic benefits for the local community members.

## **A.2. Location of project activity**

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The project is located in the Republic of South Africa, Northern Cape Province. The project is located northwest of Groblershoop. The selected site is situated on a portion of Farm Bokpoort 390, approximately 20 km north of Groblershoop, Division Gordonia, in the Northern Cape Province of South Africa. The nearest medium sized town is Upington. The farm has a total area of approximately 6 700 hectares although the footprint of the project site will be approximately 250 Ha within the site.

### **The new plant will be located at the following GPS coordinates:**

28.724156 S  
21.993022 E

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<sup>4</sup> Bohlweki SSI Environmental (February 2011). Environmental Impact Assessment for a proposed 75MW Concentrating Solar Thermal Power Plant and associated infrastructure in the Siyanda District, Northern Cape, page 192.

Location of project activity



Figure 1: Map of South Africa<sup>5</sup>

Location of project activity



Figure 2: The Northern Cape Province<sup>6</sup>

**A.3. Technologies/measures**

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This project activity will employ parabolic trough concentrated solar thermal technology. The technology generates electricity in a similar way to conventional power stations by using steam to drive a steam turbine generator. The fundamental principle of the technology is to collect the energy carried by sunrays, allowing a heat transfer fluid (HTF) to absorb the collected energy and then converting the thermal energy first into steam and then into electricity. The parabolic trough concentrated solar thermal technology is a clean, safe, sound and environmentally friendly technology in comparison to conventional sources of power generation in South Africa. The capacity of the Bokpoort CSP project is 50 MW (net). The gross rated capacity of the plant is 55MWe. The power plant will include a 1 300 MWh molten salt thermal energy storage system

<sup>5</sup> Retrieved from [http://www.nationsonline.org/oneworld/map/za\\_provinces\\_map.htm](http://www.nationsonline.org/oneworld/map/za_provinces_map.htm)

<sup>6</sup> Retrieved from Google Earth

capable of delivering up to 9 hours of stored energy for power generation in order to meet peak demand. While the solar resource is available, the plant operator will divert a portion of the collected thermal energy to the thermal energy storage system for later deployment. This inherent capability of CSP technology allows an optimisation of the plant operation profile and is not a system retrofit or electricity co-generation.

The power plant will employ well established Spanish CSP technology via a consortium consisting of three leading Spanish CSP firms and a local construction company. Construction and operational know-how will be transferred to South Africa through the close working relationship within this consortium and the experience gained by local component manufacturers and suppliers. In South Africa, electricity is supplied by the parastatal ESKOM<sup>7</sup>, whose electricity generation is derived predominantly from coal-fired power stations. Coal accounts for more than 92%<sup>8</sup> of the fuel used in South Africa's electricity generation. South Africa has large reserves of coal; therefore, it has been favourable economically to utilize these reserves as a fuel source in the electricity generation process previously. As CSP technology has significantly lower emissions of CO<sub>2</sub> and other GHG's than coal power generation, it is a cleaner and more environmentally safe and sound technology. The power plant will meet all local health, safety, and labour standards and will use technology licensed for use in Europe and the USA.

Power plant facilities:

Parabolic trough concentrated solar thermal power (CSP) technology, which will be installed by the project owner, uses very precise parabolic shaped, sun-tracking mirrors to concentrate and collect sunlight on thermally efficient receiver tubes running through the optical focal line of the parabolic mirror troughs. The parabolic troughs, orientated along the north-south directional plane, are designed to track the sun along one axis as it moves from east to west. A heat transfer fluid (HTF), such as synthetic thermal oil, is heated by the focused sunlight as it circulates through the receivers and is then pumped through a series of heat exchangers where thermal energy is transferred to water. This happens until the temperature of the water side of the system is heated sufficiently to generate medium/high-pressure superheated steam. To start up the plant the HTF is circulated through the solar field using auxiliary power until the solar power becomes self-sustaining, after which the oil circulation is powered by the electricity generated by the solar plant.

A stream of the same HTF is also used to heat a molten salt mixture, which is stored in large insulated tanks. The molten salt, thanks to its composition, is able to retain heat for a long time. The heat of the molten salt is then released again to the steam cycle during transitory periods (i.e. clouds passing) and in the evenings when the solar irradiation is lower. This helps to maintain a more constant load in the steam turbine having a more efficient power generation process. At the same time the plant is equipped with storage to produce electricity during the evenings, which are typically high peak periods in South Africa contributing to the reduction of the usage of other polluting generation plants currently used for peak demand management.

After passing through the heat exchangers and transferring the absorbed thermal heat, the cooled HTF is re-circulated through the solar field receivers to repeat the process. The heat transfer (exchange) system is a closed system resulting in the re-use of the same HTF for the heat collection.

The high-pressure steam is directed to a conventional Rankine-cycle steam turbine/generator set where the steam provides the energy to rotate the steam turbine and drive the generator producing electricity. The remaining steam is then transported to a condenser which cools the steam back to a liquid state. The low-pressure (spent) steam from the turbine is condensed by a cooling system as it flows through the cooling loop. After being cooled and condensed, the condensed water – or

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<sup>7</sup> <http://www.eskom.co.za/live/index.php>

<sup>8</sup> Department of Water and Environmental Affairs. (2010). National Climate Change Response Draft Green Paper, pg 13, para.3. Retrieved from South Africa Government Online: <http://www.environment.gov.za>. Date accessed 16/02/2011.

condensate - is returned to the HTF heat exchangers by feedwater pumps to again be turned into steam for electricity generation.

The main components of the plant are the solar collector assembly, heat exchanger system, molten salt energy storage system, cooling towers and generator. Associated infrastructure will include the auxiliary power plant, sub-transmission power line and water pipeline. The CSP components and process are depicted in Figure 3 below.

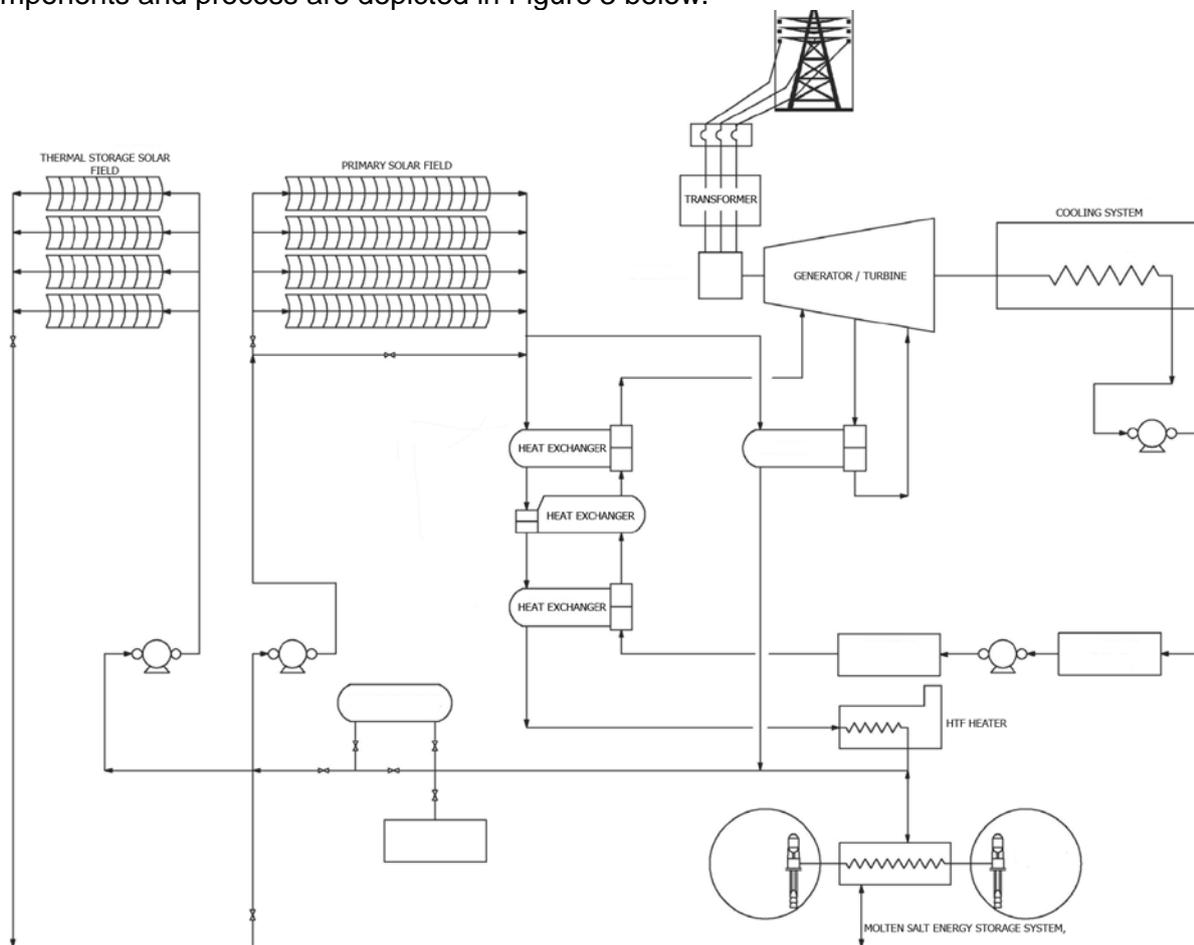


Figure 3: CSP process schematic diagram

Auxiliary Heaters:

A diesel fired boiler will also be constructed in order to provide heat directly to the HTF to prevent the crystallisation of the molten salt during cold nights.

A diesel boiler is used to maintain the temperature of the HTF above its freezing point of 12°C. Fired heaters are used in the petrochemical and hydrocarbon industries to heat fluids in tubes for further processing. In this type of process, fluids flow through an array of tubes located inside a furnace or heater. The tubes are heated by direct-fired burners. Using tubes to contain the load is somewhat unique compared to the other types of industrial combustion applications.

Process heaters are sometimes referred to as process furnaces or direct-fired heaters. They are heat transfer units designed to heat petroleum products, chemicals, and other liquids and gases flowing through tubes. For this plant the heating is done to raise the temperature of the fluid to prevent freezing in the CSP plant.

The operator will start up the auxiliary heaters when it is not possible to maintain the minimum temperature at an appropriate value by means of oil circulation. In this mode, the operator will select the Boiler output temperature (approximately 120 °C).

Ancillary Facilities:

A river water intake and water transmission pipeline will be constructed to support the water usage condensing requirements of the CSP facility. The water is abstracted from the Orange River and transported about 12km to the Bokpoort site. There are water abstraction pumps at the river which transport the water to the halfway house, this water then gets transported from the halfway house to site. During initial planning of the Bokpoort project the pumps were to be powered by electricity, however the necessary transmission lines to transport the electricity were not installed in time. As an interim arrangement the pumps are being operated by diesel generators until electricity can be delivered to the pumps. Water usage is minimized by the increase of the recirculation cycles within the cooling towers. Wastewater (pre-treated) will then be collected into evaporation ponds at site.

After sunset, the collected energy levels decline. Due to the thermal storage, the solar plant can stay connected to the grid until the critical turbine power output level is reached, at which point the solar plant is disconnected from the grid, either manually or by the automated control system. Once disconnected from the grid, the power block and solar fields are in stand-by for the next day operation.

A solar photovoltaic plant may be installed to operate all auxiliary requirements of the power plant at a later stage.

Turbine and generator:

The steam turbine will be a tandem-compound reheat condensing unit with the high-speed/ high-pressure section connected by a speed reduction gear to a single-flow-singlecasing low pressure section.

A single turbine capable of the mechanical input required for a net power output of 50 MWe will be included in the Power Block. The electrical generation system has a rated capacity of 55MWe.

The turbine has two rotors (high and low pressure) connected to one another through a speed reduction gear and to the generator rotor with a solid bolted coupling. The steam turbine will be connected to a high-pressure steam inlet (supplying working steam from the steam generator) and a steam outlet (transferring spent steam to the cooling system). The turbine will also be connected, via a common axial shaft, to a single generator to which it supplies the input power that is converted to electricity.

Key equipment is tabled below<sup>9</sup>:

Component	Specification	Value
Solar Collector Assembly	SenerTrough	646 095 m <sup>2</sup> of reflective field mirror area
Heat Receiver	Schott / Siemens-Solel	≥ 95.5% solar absorptance
Heat Transfer Fluid	Dowtherm A	2 640 tonnes
HTF Heater	LFO Boiler System	2 x 5 MWt
Electrical Generation System	Siemens SST700	55 MWe gross rated capacity 50 MWe net power output
Cooling System	Esindus	86 000 kWt heat rejection
Thermal Storage System	Molten Nitrate Salts	1300 MWh <sub>t</sub>
Step-Up Transformer		50/62 (ONAN/ONAF)

<sup>9</sup> C4 – Equipment Specification

**A.4. Parties and project participants**

Parties involved	Project participants	Indicate if the Party involved wishes to be considered as project participant (Yes/No)
Republic of South Africa (host)	Private entity- ACWA Power Solafrica Bokpoort CSP Power Plant (Pty) Ltd Private entity- Solafrica Thermal Energy (Pty) Ltd Private entity- ACWA Power Africa Holdings (Pty) Ltd	No
Sweden	Swedish Energy Agency	No

**A.5. Public funding of project activity**

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No public funding has been used in the development of this project and no public funding will be used in its implementation<sup>10</sup>.

**A.6. History of project activity**

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This is a stand-alone project activity which was neither registered as a CDM project activity nor included as a component project activity (CPA) in a registered CDM programme of activities (PoA) prior to its registration in 26 October 2012. The proposed CDM project activity is not a project activity that has been deregistered. This project activity was not a CPA that has been excluded from a registered PoA. There are no other CDM registered project activities or CPAs which exist in the same geographical location.

**A.7. Debundling**

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Not applicable.

**SECTION B. Application of selected methodologies and standardized baselines****B.1. Reference to methodologies and standardized baselines**

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The approved baseline and monitoring methodology is ACM0002: "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", Version 13.0.0, Sectoral Scope: 01, EB 66.

The following methodological tools are used:

"Tool to calculate the emission factor for an electricity system" (Version 02.2.1).

"Tool for the demonstration and assessment of additionality" (Version 06.1.0).

"Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion" (Version 02).

**B.2. Applicability of methodologies and standardized baselines**

&gt;&gt;

The following table summarises the main applicability criteria's for projects using ACM0002 (version 13.0.0) is intended. This project activity meets all of the criteria as reflected in the table below.

<sup>10</sup> Solafrica ODA Letter 9 February 2012

Item	ACM0002 (version 13.0.0)	Project Activity
1.	<p><i>This methodology is applicable to grid-connected renewable power generation project activities that</i></p> <ul style="list-style-type: none"> <li><i>(a) install a new power plant at a site where no renewable power plant was operated prior to the implementation of the project activity (greenfield plant);</i></li> <li><i>(b) involve a capacity addition;</i></li> <li><i>(c) involve a retrofit of (an) existing plant(s); or</i></li> <li><i>(d) involve a replacement of (an) existing plant(s).</i></li> </ul>	<p><b>Meets the applicability criterion</b></p> <p>This project activity involves the installation of a new grid-connected power plant at a site where no renewable power plant was operated prior to implementation of the project activity therefore criterion (a) is applicable.</p> <p>The Power Purchase Agreement (PPA) has been signed and the project activity has been declared as a preferred bidder by the Department of Energy<sup>11</sup>. This clearly indicates that the project activity is connected to the ESKOM grid.</p>
2.	<p><i>The methodology is applicable under the following conditions:</i></p> <ul style="list-style-type: none"> <li><i>• The project activity is the installation, capacity addition, retrofit or replacement of a power plant/unit of one of the following types: hydro power plant/unit (either with a run-of-river reservoir or an accumulation reservoir), wind power plant/unit, geothermal power plant/unit, solar power plant/unit, wave power plant/unit or tidal power plant/unit;</i></li> <li><i>• In the case of capacity additions, retrofits or replacements (except for capacity addition projects for which the electricity generation of the existing power plant(s) or unit(s) is not affected): the existing plant 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 addition or retrofit of the plant has been undertaken between the start of this minimum historical reference period and the implementation of the project activity;</i></li> </ul>	<p><b>Meets the applicability criterion</b></p> <p>The project activity does not involve a capacity addition, retrofit or replacement.</p> <p>The stored thermal energy is not the waste or by-product of any existing process and is simply a mechanism to optimise the time of energy conversion from solar to thermal to electrical. The power generation activity therefore does not include co-generation.</p>
3.	<p><i>In case of hydro power plants:</i></p> <ul style="list-style-type: none"> <li><i>• One of the following conditions must apply:</i> <ul style="list-style-type: none"> <li><i>○ The project activity is implemented in an existing single or multiple reservoirs, with no change in the volume of any of reservoirs; or</i></li> <li><i>○ The project activity is implemented in an existing single or multiple reservoirs, where</i></li> </ul> </li> </ul>	<p><b>Not relevant</b></p> <p>This project activity does not involve a hydro power plant.</p>

<sup>11</sup> <http://www.ipprenewables.co.za/#/blog/post/view/isAjaxRequest/true/id/182>

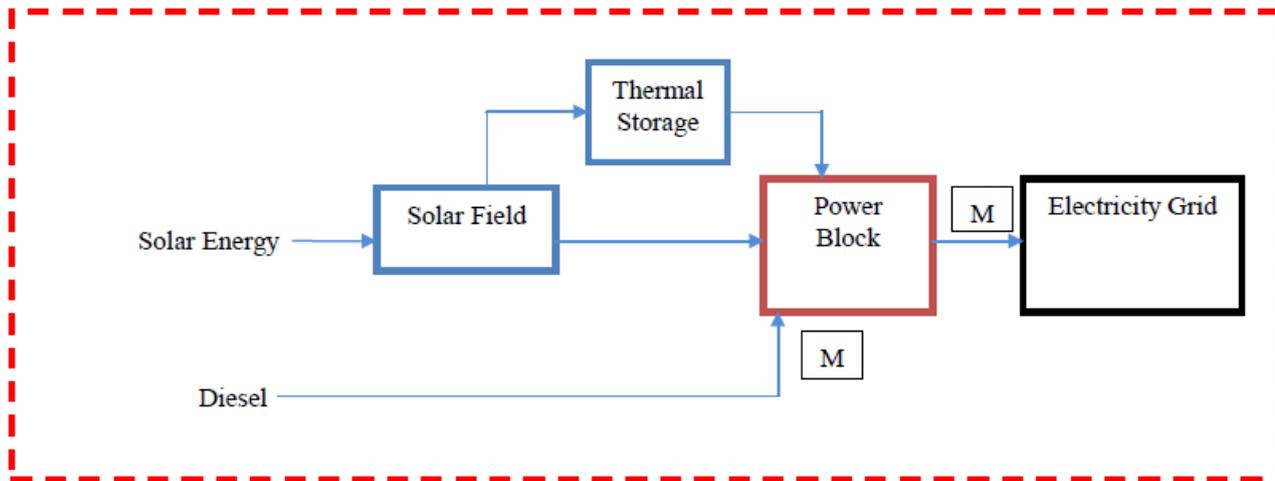
Item	ACM0002 (version 13.0.0)	Project Activity
	<p><i>the volume of any of reservoirs is increased and the power density of each reservoir, as per the definitions given in the Project Emissions section, is greater than 4 W/m<sup>2</sup>; or</i></p> <ul style="list-style-type: none"> <li>○ <i>The project activity results in new single or multiple reservoirs and the power density of each reservoir, as per the definitions given in the Project Emissions section, is greater than 4 W/m<sup>2</sup>.</i></li> </ul>	
4.	<p><i>In case of hydro power plants using multiple reservoirs where the power density of any of the reservoirs is lower than 4 W/m<sup>2</sup> all the following conditions must apply:</i></p> <ul style="list-style-type: none"> <li>• <i>The power density calculated for the entire project activity using equation 5 is greater than 4 W/m<sup>2</sup>;</i></li> <li>• <i>Multiple reservoirs and hydro power plants located at the same river and where are designed together to function as an integrated project<sup>1</sup> that collectively constitute the generation capacity of the combined power plant;</i></li> <li>• <i>Water flow between multiple reservoirs is not used by any other hydropower unit which is not a part of the project activity;</i></li> <li>• <i>Total installed capacity of the power units, which are driven using water from the reservoirs with power density lower than 4 W/m<sup>2</sup>, is lower than 15MW;</i></li> <li>• <i>Total installed capacity of the power units, which are driven using water from reservoirs with power density lower than 4 W/m<sup>2</sup>, is less than 10% of the total installed capacity of the project activity from multiple reservoirs.</i></li> </ul>	<p><b>Not relevant</b> This project activity does not involve a hydro power plant.</p>
5.	<p><i>The methodology is not applicable to the following:</i></p> <ul style="list-style-type: none"> <li>• <i>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;</i></li> <li>• <i>Biomass fired power plants;</i></li> <li>• <i>A hydro power plant that results in the creation of a new single reservoir or in the increase in an existing single reservoir where the power density of the power plant is less than 4 W/m<sup>2</sup>.</i></li> </ul>	<p><b>Meets the applicability criterion</b> This is a greenfield project and therefore does not involve switching from fossil fuels to renewable energy sources at the site of the project activity.</p> <p>Furthermore, this project activity does not include a biomass fired power plant or a hydro power plant.</p>
6.	<p><i>In the case of retrofits, 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, i.e. 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.</i></p>	<p><b>Not relevant</b> This project does not involve a retrofit, a replacement or a capacity addition.</p>
7.	<p><i>In addition, the applicability conditions included in the tools referred to above apply.</i></p>	<p><b>Meets the applicability criterion</b> The applicability conditions included in the tools have been met. This is shown in Section B</p>

Item	ACM0002 (version 13.0.0)	Project Activity
		.1. and Appendix 4.

**B.3. Project boundary, sources and greenhouse gases (GHGs)**

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As per methodology ACM0002, the spatial extent of the project boundary includes the project power plant and all power plants connected physically to the electricity system that the CDM project power plant is connected to. See diagram below. The monitoring points are indicated with an “M”.



The greenhouse gases and emission sources included in or excluded from the project boundary are shown in the table below.

Source		GHG	Included?	Justification/Explanation
Baseline	CO <sub>2</sub> emissions from electricity generation in fossil fuel fired power plants that are displaced due to the project activity.	CO <sub>2</sub>	Yes	Main emission source
		CH <sub>4</sub>	No	Minor emission source
		N <sub>2</sub> O	No	Minor emission source
Project activity	For geothermal power plants, fugitive emissions of CH <sub>4</sub> and CO <sub>2</sub> from non-condensable gases contained in geothermal steam.	CO <sub>2</sub>	No	Not applicable as project activity is not a geothermal power plant.
		CH <sub>4</sub>	No	Not applicable as project activity is not a geothermal power plant.
		N <sub>2</sub> O	No	Not applicable as project activity is not a geothermal power plant.
	CO <sub>2</sub> emissions from combustion of diesel for electricity generation in solar thermal power plants and geothermal power plants.	CO <sub>2</sub>	Yes	The main emission source is a diesel fired boiler which provides heat directly to the heat transfer fluid to prevent freezing of the heat transfer fluid.
		CH <sub>4</sub>	No	Minor emission source
		N <sub>2</sub> O	No	Minor emission source
	For hydro power plants, emissions of CH <sub>4</sub> from the reservoir	CO <sub>2</sub>	No	Not applicable as project activity is not a hydro power plant.
		CH <sub>4</sub>	No	Not applicable as project activity is not a hydro power plant.
		N <sub>2</sub> O	No	Not applicable as project activity is not a hydro power plant.

#### B.4. Establishment and description of baseline scenario

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As per the approved methodology ACM0002/Version 13.0.0, this project activity does not include a capacity addition, retrofit or replacement to an existing grid-connected renewable power plant.

In accordance with the description in the approved baseline methodology ACM0002/Version 13.0.0, for a project activity involving the installation of a new grid-connected renewable power plant as in this project activity, the baseline is the following:

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" (Version 02.2.1). These calculations are shown in Appendix 4.

South Africa's approach to new electricity generation capacity is outlined in the Integrated Resources Plan (IRP) for Electricity for the period 2010-2030<sup>12</sup>. The IRP addresses the long-term outlook for the power generation mix in South Africa which will continue to be dominated by coal-based generation with renewable energy sources beginning to play a role in supplying the country's electricity needs.

#### B.5. Demonstration of additionality

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ACM0002 (Version 13.0.0) directs that the additionality of a project activity shall be demonstrated and assessed using the latest version of the "Tool for the demonstration and assessment of additionality", which is available. Version 06.1.0 is the latest version at the time, used in the analysis below.

<sup>12</sup> South African Department of Energy (March 2011), Integrated Resource Plan for Electricity 2010-2030, Revision 2

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

The objective of Step 1 is to define realistic and credible alternatives to the project activity that can be part of the baseline scenario through the following sub-steps:

**Sub-step 1a: Define alternatives to the project activity:**

P1: The project activity not implemented as a CDM project;

P2: The continuation of the current situation, i.e. to use all power generation equipment that was already in use prior to the implementation of the project activity and undertaking business as usual maintenance. The additional power generated under the project would be generated in existing and new grid-connected power plants in the electricity system.

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

The alternatives shall be assessed in terms of their compliance with applicable mandatory legal and regulatory requirements. Both of the above mentioned alternatives comply with the legal and regulatory requirements of the host country, South Africa.

**Step 3: Barrier analysis**

Step 3 has been opted for as per the tool to demonstrate additionality.

This step serves to identify barriers and to assess which alternatives are prevented by these barriers. The “Tool for demonstration and assessment of additionality” (Version 06.1.0) requests that the latest version of the “Guidelines for objective demonstration and assessment of barriers” shall be taken into account when applying this step.

**Sub-step 3a: Identify barriers that would prevent the implementation of the proposed CDM project activity:**

Barriers due to prevailing practice, inter alia:

The project activity is the “first of its kind”

<u>Criteria</u>	<u>Choice / Selection</u>	<u>Existing / Alternatives (as applicable)</u>	<u>Justification</u>
1. Applicable geographical area	South Africa	Southern African Power Pool.	It is the host country and can be used as the default. Decisions around policies, regulations and licensing concerning the applicable geographical area would only relate to South Africa.
2. Measure	As per para2(b) of First-of-its-kind guidelines ver.2.0, Switch of technology with or without change of energy source including energy efficiency improvement as well as use of renewable energies (example: energy efficiency improvements, power generation based on renewable energy);	In South Africa, electricity is produced by coal fired (fossil fuel) power plants predominantly.  Other CSP plant implementers are applying for the Independent Power Producer (IPP) programme.	The proposed project is power generation based on renewable energy (solar thermal) which is in line with paragraph 2(b) of Guidelines on additionality of first-of-its-kind project activities, ver.2.0
3. Output	Solar energy is used to create	South Africa has the capacity to develop	Electricity will be fed into the national grid with comparable

<u>Criteria</u>	<u>Choice / Selection</u>	<u>Existing / Alternatives (as applicable)</u>	<u>Justification</u>
	steam to drive steam turbine generators supplying electricity to the grid.	Concentrated Solar Power plants as it is one of the best located regions for Concentrated Solar Power (CSP) with some of the highest levels of Direct Normal Irradiance (DNI) in the world. The Northern Cape region of the country experiences levels of more than 2 900 kWh/m <sup>2</sup> . <sup>13</sup> .	qualities and in compliance with the South African Grid Code.  There are no operational CSP plants in South Africa. However, two proposed CSP projects, namely, the Ikhi 50MW tower plant and the 100 MW !KaXu trough plant are in the public domain. Both projects have not been awarded a Power Purchase Agreement (PPA) yet and will not be operational on the start date of this project.
4. Different technologies	Similar types of solar thermal technologies include solar tower system, linear Fresnel systems and Dish Stirling systems.	There is no CSP plant of a similar size in existence within South Africa currently.	There are no large scale CSP plants in commercial operation within South Africa.  This proposed project is different as it is a large commercial scale installation.
5. Timing	At the start of Global Stakeholder Consultation (31/03/2012) or the project start date (10/01/2013) whichever date is the earliest.		Currently there are no grid connected solar thermal projects <sup>14</sup> of a similar size. A confirmation letter from Sustainable Energy Society Southern Africa (SESSA) received on 10/02/2012 stating that there are currently no grid-connected CSP plants in commercial operation exporting electricity to the grid.  Preferred bidders for Independent Power Producer status announced in November 2011 included some solar thermal plants mentioned above. The expected commissioning date of these projects is scheduled for 2014 and is therefore after the start date of this project.

The applicable geographical area is selected as the host country, South Africa, where the regulatory and policy framework applies to all its provinces. The investment climate<sup>15</sup> is similar across the regions of South Africa<sup>16</sup>.

<sup>13</sup> <http://www.sessa.org.za/news/item/csp-in-south-africa>

<sup>14</sup> IRENA Renewable Energy Country Profile-South Africa

<sup>15</sup> [http://www.rbidz.co.za/Publications\\_Downloads/Documents/Investment%20Climate%20AssessmentII.pdf](http://www.rbidz.co.za/Publications_Downloads/Documents/Investment%20Climate%20AssessmentII.pdf)

<sup>16</sup> <http://www.npconline.co.za/MediaLib/Downloads/Home/Tabs/Diagnostic/Economy2/Investment%20Climate%20Survey%20of%20South%20Africa.pdf>

The type of technology installed by the project activity is large scale, parabolic trough concentrated solar thermal technology. Similar types of solar thermal technologies include solar tower systems, linear Fresnel systems and Dish Stirling systems. There are no similar examples of technology in commercial operation within the applicable geographical area currently<sup>17</sup>.

As per the “Tool for demonstration and assessment of additionality” (Version 06.1.0), the proposed project activity is the First-of-its-kind in the applicable geographical area if:

- a. The project is the first in the applicable geographical area that applies a technology that is different from any other technologies that are implemented by any other project, which are able to deliver the same output and that have started commercial operation in the applicable geographical area before the project design document (CDM-PDD) is published for global stakeholder consultation or before the start date of the proposed project activity, whichever is earlier.

In South Africa, electricity is supplied by the parastatal ESKOM<sup>18</sup>, whose electricity generation is derived predominantly from coal-fired power stations. Coal accounts for more than 92%<sup>19</sup> of the fuel used in South Africa’s electricity generation. South Africa has large reserves of coal; therefore, it has been favourable economically to utilize these reserves as a fuel source in the electricity generation process previously. The type of technology employed by the project activity is a relatively new, sound and clean technology.

This project activity’s solar thermal power plant is the first of its kind in South Africa (which is the “applicable geographical area”). There are at present (February 2012)<sup>20</sup> no large scale, grid-connected solar thermal power plants in commercial operation that are exporting electricity to the grid. The project activity is thus additional as a first-of-its-kind project activity.

- b. The project implements one or more of the measures.
- c. Project participants selected a crediting period for the project activity that is “a maximum of 10 years with no option of renewal.”

The project participants have selected a ten year crediting period with no option for renewal.

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<sup>17</sup> Letter from SESSA Letter-10 February 2012

<sup>18</sup> <http://www.eskom.co.za/live/index.php>

<sup>19</sup> Department of Water and Environmental Affairs. (2010). *National Climate Change Response Draft Green Paper, pg 13, para. 3*. Retrieved from South Africa Government Online: <http://www.environment.gov.za>. Date accessed 16/02/2011.

<sup>20</sup> Letter from SESSA Letter-10 February 2012

**Step 4: Common practice analysis****Sub-step 4a: Analyse other activities similar to the proposed project activity**

Due to the nature of this project activity being demonstrated as a first-of-its-kind, common practice analysis is not required.

The proposed project activity has been identified as a first-of-its-kind project activity which is additional.

**B.6. Estimation of emission reductions****B.6.1. Explanation of methodological choices**

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The emission reductions were calculated in accordance with ACM0002: “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, Version 13.0.0, Sectoral Scope: 01, EB 66.

**Baseline emissions:**

Baseline emissions include only CO<sub>2</sub> 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 will be calculated as follows:

$$BE_y = EG_{PJ,y} * EF_{grid,CM,y} \quad \text{ACM 0002 Equation 6}$$

Where:

- BE<sub>y</sub> = Baseline emissions in year y (tCO<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 the CDM project activity in year y (MWh);
- EF<sub>grid,CM,y</sub> = Combined margin CO<sub>2</sub> 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” (tCO<sub>2</sub>/MWh).

The methodological choices made regarding the ‘Tool to calculate the emission factor for an electricity system’ (Version 02.2.1) are as follows:

- In terms of data vintages, the ex-ante option was chosen to calculate the simple OM. In this option a 3 year generation-weighted average are used for the grid power plants. Using this option also means that the emission factor is determined only once at the validation stage, thus no monitoring and recalculation is required during the crediting period.
- The simple operating margin emission factor (EF<sub>grid,OMsimple,y</sub>) is chosen for the calculation method, seeing as low-cost/must-run resources constitute less than 50% of total grid generation in average of the five most recent years.
- For calculating of the combined margin emission factor: w<sub>OM</sub> = 0.75 and w<sub>BM</sub> = 0.25 (as specified by the applied tool – it is a ‘solar power generation project activity’).

Since the proposed project activity is the installation of a new grid-connected renewable power plant at a site where no renewable power plant was operated prior to the implementation of the project activity, the quantity of net electricity generation is calculated as follows:

$$EG_{PJ,y} = EG_{facility,y} \quad \text{ACM 0002 Equation 7}$$

Where:

- 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 the CDM project activity in year y (MWh/yr);
- EG<sub>facility,y</sub> = Quantity of net electricity generation supplied by the project plant to the grid in year y (MWh/yr).

**Project emissions:**

For most renewable power generation project activities,  $PE_y = 0$ . However, some project activities may involve project emissions that can be significant. These emissions shall be accounted for as project emissions by using equation (1) of the applied methodology:

$$PE_y = PE_{FF,y} + PE_{GP,y} + PE_{HP,y} \quad \text{ACM 0002 Equation 1}$$

Where:

- $PE_y$  = Project emissions in year y (tCO<sub>2</sub>e);
- $PE_{FF,y}$  = Project emissions from fossil fuel consumption in year y (tCO<sub>2</sub>e);
- $PE_{GP,y}$  = Project emissions from the operation of geothermal power plants due to the release of non-condensable gases in year y (tCO<sub>2</sub>e);
- $PE_{HP,y}$  = Project emissions from reservoirs of hydro power plants in year y (tCO<sub>2</sub>e).

But  $PE_{GP,y}$  and  $PE_{HP,y} = 0$  because emissions from this project activity do not include emissions arising from the operation of geothermal or hydro plants.

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

Where:

- $PE_y$  = Project emissions in year y (tCO<sub>2</sub>e/yr);
- $PE_{FF,y}$  = Project emissions from fossil fuel consumption in year y (tCO<sub>2</sub>e/yr).

*Fossil Fuel Combustion (PE<sub>FF,y</sub>)*

For solar thermal projects, which also use fossil fuels for electricity generation, CO<sub>2</sub> emissions from the combustion of fossil fuels shall be accounted for as project emissions (PE<sub>FF,y</sub>).

PE<sub>FF,y</sub> is calculated as per the latest version of the "Tool to calculate project or leakage CO<sub>2</sub> emissions from fossil fuel combustion" (Version 02), as shown below.

CO<sub>2</sub> emissions from fossil fuel combustion in the CSP plant are calculated based on the quantity of fuels combusted and the CO<sub>2</sub> emission coefficient of those fuels, as follows:

$$PE_{FC,y} = FC_{i,y} * COEF_{i,y} \quad \text{Applied tool Equation 1}$$

Where:

- $PE_{FC,y}$  = Are the CO<sub>2</sub> emissions from fossil fuel combustion during the year y (tCO<sub>2</sub>/yr);
- $FC_{i,y}$  = Is the quantity of diesel fuel combusted during the year y (mass or volume unit/yr);
- $COEF_{i,y}$  = Is the CO<sub>2</sub> emission coefficient of fuel type i in year y (tCO<sub>2</sub>/mass or volume unit);
- $i$  = Are the fuel types (diesel) combusted during the year y.

The CO<sub>2</sub> emission coefficient COEF<sub>i,y</sub> can be calculated using one of the following two Options, depending on the availability of data on the fossil fuel type i, as follows:

Option B:

The CO<sub>2</sub> emission coefficient COEF<sub>i,y</sub> is calculated based on net calorific value and CO<sub>2</sub> emission factor of the fuel type i, as follows:

$$COEF_{i,y} = NCV_i \times EF_{CO_2,i,y} \quad \text{Applied tool Equation 4}$$

Where:

- COEF<sub>i,y</sub> = Is the CO<sub>2</sub> emission coefficient of fuel type i in year y (tCO<sub>2</sub>/mass or volume unit);  
 NCV<sub>i</sub> = Is the weighted average net calorific value of the fuel type i in the year y (GJ/mass or volume unit);  
 EF<sub>CO<sub>2</sub>,i,y</sub> = Is the weighted average CO<sub>2</sub> emission factor of fuel type i in year y (tCO<sub>2</sub>/GJ);  
 i = Are the fuel types (diesel) combusted during the year y.

**Leakage:**

No leakage emissions are considered. The main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing and transport). These emission sources are neglected, in accordance with ACM 0002.

**Emission reductions:**

Emission reductions are calculated as follows:

$$ER_y = BE_y - PE_y \qquad \text{ACM 0002 Equation 11}$$

Where:

- ER<sub>y</sub> = Emission reductions in year y (tCO<sub>2</sub>e);  
 BE<sub>y</sub> = Baseline emissions in year y (tCO<sub>2</sub>e);  
 PE<sub>y</sub> = Project emissions in year y (tCO<sub>2</sub>e).

**B.6.2. Data and parameters fixed ex ante**

<b>Data/Parameter</b>	EF <sub>grid,OMsimple,y</sub>
<b>Data unit</b>	tCO <sub>2</sub> /MWh
<b>Description</b>	Operating Margin CO <sub>2</sub> Emission Factor
<b>Source of data</b>	The operating margin emission factor, determined according to the latest approved version of the “Tool to calculate emission factor for an electricity system”. The source of data is from Eskom Holdings SOC Limited (2011) CDM Calculations. Retrieved October 06, 2011, from Eskom: <a href="http://www.eskom.co.za/c/article/236/cdm-calculations/">http://www.eskom.co.za/c/article/236/cdm-calculations/</a>
<b>Value(s) applied</b>	0.923
<b>Choice of data or measurement methods and procedures</b>	This figure is calculated using the “Tool to calculate emission factor for an electricity system” (Version 02.2.1) at the beginning of the project and kept constant for the life of the project.
<b>Purpose of data</b>	Calculation of baseline emissions.
<b>Additional comment</b>	Refer to Appendix 4 for detailed calculation

<b>Data/Parameter</b>	EF <sub>grid,BM,y</sub>
Data unit	tCO <sub>2</sub> /MWh
Description	Build Margin CO <sub>2</sub> Emission Factor
Source of data	The build margin emission factor, determined according to the latest approved version of the “Tool to calculate emission factor for an electricity system”. The source of data is from Eskom Holdings SOC Limited (2011) CDM Calculations. Retrieved October 06, 2011, from Eskom: <a href="http://www.eskom.co.za/c/article/236/cdm-calculations/">http://www.eskom.co.za/c/article/236/cdm-calculations/</a>
Value(s) applied	0.871
Choice of data or measurement methods and procedures	This figure is calculated using the “Tool to calculate emission factor for an electricity system” (Version 02.2.1) at the beginning of the project and kept constant for the life of the project.
Purpose of data	Calculation of baseline emissions.
Additional comment	Refer to Appendix 4 for detailed calculation.

<b>Data/Parameter</b>	EF <sub>grid,CM</sub>
Data unit	tCO <sub>2</sub> /MWh
Description	Combined margin CO <sub>2</sub> emission factor for grid connected power generation.
Source of data	The combined margin emission factor, determined according to the latest approved version of the “Tool to calculate emission factor for an electricity system”. The source of data is from Eskom Holdings SOC Limited (2011) CDM Calculations. Retrieved October 06, 2011, from Eskom: <a href="http://www.eskom.co.za/c/article/236/cdm-calculations/">http://www.eskom.co.za/c/article/236/cdm-calculations/</a>
Value(s) applied	0.910
Choice of data or measurement methods and procedures	This figure is calculated using the “Tool to calculate emission factor for an electricity system” (Version 02.2.1) at the beginning of the project and kept constant for the life of the project.
Purpose of data	Calculation of baseline emissions.
Additional comment	Refer to Appendix 4 for detailed calculations.

### B.6.3. Ex ante calculation of emission reductions

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#### Baseline emissions:

#### Equation 4:

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

Year	BE <sub>y</sub>	EG <sub>PJ,y</sub>	EF <sub>grid,CM,y</sub>
	(tCO <sub>2</sub> /yr)	(MWh/yr)	(tCO <sub>2</sub> /MWh)
01 June 2016 to 31 May 2017	182,349	200,365	0.910
01 June 2017 to 31 May 2018	203,395	223,490	0.910
01 June 2018 to 31 May 2019	213,672	234,782	0.910
01 June 2019 to 31 May 2020	205,596	225,909	0.910
01 June 2020 to 31 May 2021	213,348	234,427	0.910
01 June 2021 to 31 May 2022	211,733	232,652	0.910
01 June 2022 to 31 May 2023	213,348	234,427	0.910
01 June 2023 to 31 May 2024	205,596	225,909	0.910
01 June 2024 to 31 May 2025	213,348	234,427	0.910

Year	BE <sub>y</sub>	EG <sub>PJ,y</sub>	EF <sub>grid,CM,y</sub>
	(tCO <sub>2</sub> /yr)	(MWh/yr)	(tCO <sub>2</sub> /MWh)
01 June 2025 to 30 May 2026	211,733	232,652	0.910

**Project emissions:****Equation 4:**

$$PE_{FC,j,y} = FC_{i,j,y} \times COEF_{i,y}$$

Year	NCV <sub>i,y</sub>	EF <sub>CO2,i,y</sub>	COEF <sub>i,y</sub>	FC <sub>i,j,y</sub>	PE <sub>FC,j,y</sub>
	(GJ/L)	(tCO <sub>2</sub> /GJ)	(tCO <sub>2</sub> /L)	(L/Yr)	(tCO <sub>2</sub> /Yr)
01 June 2016 to 31 May 2017	0.0368	0.0748	0.00275	694,118	1,911
01 June 2017 to 31 May 2018	0.0368	0.0748	0.00275	694,118	1,911
01 June 2018 to 31 May 2019	0.0368	0.0748	0.00275	694,118	1,911
01 June 2019 to 31 May 2020	0.0368	0.0748	0.002752	694,118	1,911
01 June 2020 to 31 May 2021	0.0368	0.0748	0.002752	694,118	1,911
01 June 2021 to 31 May 2022	0.0368	0.0748	0.002752	694,118	1,911
01 June 2022 to 31 May 2023	0.0368	0.0748	0.002752	694,118	1,911
01 June 2023 to 31 May 2024	0.0368	0.0748	0.002752	694,118	1,911
01 June 2024 to 31 May 2025	0.0368	0.0748	0.002752	694,118	1,911
01 June 2025 to 30 May 2026	0.0368	0.0748	0.002752	694,118	1,911

**Emission reductions:****Equation 11:**

$$ER_y = BE_y - PE_y$$

Year	BE <sub>y</sub>	PE <sub>y</sub>	ER <sub>y</sub>
	(tCO <sub>2</sub> e/yr)	(tCO <sub>2</sub> e/yr)	(tCO <sub>2</sub> e/yr)
01 June 2016 to 31 May 2017	182,349	1,911	180,438
01 June 2017 to 31 May 2018	203,395	1,911	201,484
01 June 2018 to 31 May 2019	213,672	1,911	211,761
01 June 2019 to 31 May 2020	205,596	1,911	203,686
01 June 2020 to 31 May 2021	213,348	1,911	211,438
01 June 2021 to 31 May 2022	211,733	1,911	209,822
01 June 2022 to 31 May 2023	213,348	1,911	211,438
01 June 2023 to 31 May 2024	205,596	1,911	203,686
01 June 2024 to 31 May 2025	213,348	1,911	211,438
01 June 2025 to 30 May 2026	211,733	1,911	209,822

**B.6.4. Summary of ex ante estimates of emission reductions**

Year	Baseline emissions (t CO <sub>2</sub> e)	Project emissions (t CO <sub>2</sub> e)	Leakage (t CO <sub>2</sub> e)	Emission reductions (t CO <sub>2</sub> e)
01 June 2016 to 31 May 2017	182,349	1,911	0	180,440
01 June 2017 to 31 May 2018	203,395	1,911	0	201,486
01 June 2018 to 31 May 2019	213,672	1,911	0	211,763
01 June 2019 to 31 May 2020	205,596	1,911	0	203,687
01 June 2020 to 31 May 2021	213,348	1,911	0	211,439
01 June 2021 to 31 May 2022	211,733	1,911	0	209,824
01 June 2022 to 31 May 2023	213,348	1,911	0	211,439
01 June 2023 to 31 May 2024	205,569	1,911	0	203,687
01 June 2024 to 31 May 2025	213,348	1,911	0	211,439
01 June 2025 to 30 May 2026	211,733	1,911	0	209,824
<b>Total</b>	2,074,120	19,107	0	2,055,013
<b>Total number of crediting years</b>	10			
<b>Annual average over the crediting period</b>	207,412	1,911	0	205,501

**B.7. Monitoring plan****B.7.1. Data and parameters to be monitored**

<b>Data/Parameter</b>	EG <sub>facility,y</sub>
<b>Data unit</b>	MWh
<b>Description</b>	Quantity of net electricity generation supplied by the project plant to the grid in year y.
<b>Source of data</b>	Bi-directional electricity meters installed at the substation of the proposed solar power plant.
<b>Value(s) applied</b>	01 June 2016 to 31 May 2017: 200365 01 June 2017 to 31 May 2018: 223490 01 June 2018 to 31 May 2019: 234782 01 June 2019 to 31 May 2020: 225909 01 June 2020 to 31 May 2021: 234427 01 June 2021 to 31 May 2022: 232652 01 June 2022 to 31 May 2023: 234427 01 June 2023 to 31 May 2024: 225909 01 June 2024 to 31 May 2025: 234427 01 June 2025 to 30 May 2026: 232652

Measurement methods and procedures	<p>A bi-directional meter installed at the grid interconnection point can record both the export and import of electricity.</p> <p>The quantity of net electricity supplied by the project will be calculated by the difference between:</p> <ul style="list-style-type: none"> <li>a) The quantity of electricity supplied by the project plant to the grid; and</li> <li>b) The quantity of the electricity delivered to the project plant from the grid.</li> </ul> <p>The data is logged electronically and aggregated monthly for the purposes of calculating the emission reductions.</p>
Monitoring frequency	All electricity supplied to the grid is measured continuously. The data is logged electronically and aggregated monthly for the purposes of calculating the emission reductions.
QA/QC procedures	<p>The electricity meter will be calibrated in accordance with manufacturer specifications.</p> <p>All electricity supplied to the grid is measured continuously. Data will be collated and recorded on a monthly basis for CDM purposes and compared to the sales invoices.</p>
Purpose of data	Calculation of baseline emissions.
Additional comment	-

<b>Data/Parameter</b>	$FC_{i,j,y}$																				
Data unit	l/yr																				
Description	Is the quantity of diesel <sup>21</sup> combusted in the CSP plant during the year y.																				
Source of data	Measured by diesel meters installed at the onsite diesel tank. The metering equipment consists of both a diesel flow meter and a level meter. The flow meter is the primary meter and the level meter is for back up purposes.																				
Value(s) applied	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 60%;">01 June 2016 to 31 May 2017:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2017 to 31 May 2018:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2018 to 31 May 2019:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2019 to 31 May 2020:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2020 to 31 May 2021:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2021 to 31 May 2022:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2022 to 31 May 2023:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2023 to 31 May 2024:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2024 to 31 May 2025:</td><td style="text-align: right;">694118</td></tr> <tr><td>01 June 2025 to 30 May 2026:</td><td style="text-align: right;">694118</td></tr> </table>	01 June 2016 to 31 May 2017:	694118	01 June 2017 to 31 May 2018:	694118	01 June 2018 to 31 May 2019:	694118	01 June 2019 to 31 May 2020:	694118	01 June 2020 to 31 May 2021:	694118	01 June 2021 to 31 May 2022:	694118	01 June 2022 to 31 May 2023:	694118	01 June 2023 to 31 May 2024:	694118	01 June 2024 to 31 May 2025:	694118	01 June 2025 to 30 May 2026:	694118
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01 June 2023 to 31 May 2024:	694118																				
01 June 2024 to 31 May 2025:	694118																				
01 June 2025 to 30 May 2026:	694118																				
Measurement methods and procedures	<p>The quantity of net diesel consumed by the project will be measured continuously by the diesel meters, logged electronically and aggregated monthly for the purposes of calculating the emission reductions. The data recording is the responsibility of the Head of Operations as per the roles defined in B.7.3. The diesel level meter conforms to EU standards and has an accuracy of 1% as per the manufacturer specifications.</p>																				
Monitoring frequency	All diesel consumed by the plant is measured continuously. The data is aggregated monthly for use in the emission reduction calculations.																				
QA/QC procedures	The diesel meters will be calibrated in accordance with manufacturer specifications. For quality purposes the diesel meter readings will be cross checked with the purchase invoices. This will be checked monthly and material differences will be investigated and discussed in the monitoring report.																				
Purpose of data	Calculation of project emissions.																				
Additional comment	-																				

<sup>21</sup> Confirmation of project parameters letter 22/03/2012

<b>Data/Parameter</b>	NCV <sub>diesel</sub>	
<b>Data unit</b>	GJ/L	
<b>Description</b>	Is the weighted average net calorific value of diesel.	
<b>Source of data</b>	IPCC default value at the upper limit of the uncertainty at a 95% confidence interval as provided in table 1.2 Chapter 1 of Volume 2 (Energy) of the 2006 IPCC Guidelines on National GHG Inventories.	
<b>Value(s) applied</b>	01 June 2016 to 31 May 2017:	0.0368
	01 June 2017 to 31 May 2018:	0.0368
	01 June 2018 to 31 May 2019:	0.0368
	01 June 2019 to 31 May 2020:	0.0368
	01 June 2020 to 31 May 2021:	0.0368
	01 June 2021 to 31 May 2022:	0.0368
	01 June 2022 to 31 May 2023:	0.0368
	01 June 2023 to 31 May 2024:	0.0368
	01 June 2024 to 31 May 2025:	0.0368
	01 June 2025 to 30 May 2026:	0.0368
<b>Measurement methods and procedures</b>	-	
<b>Monitoring frequency</b>	Any future revision of the IPCC Guidelines will be taken into account.	
<b>QA/QC procedures</b>	-	
<b>Purpose of data</b>	Calculation of project emissions.	
<b>Additional comment</b>	<p>The IPCC default values were selected as a data source as values are not provided by the fuel supplier invoice, measurements will not be undertaken by the project participants and no regional or national default values are available. A fixed diesel density of 0.85kg/l was applied.</p> <p>In the event that any liquid fuels are used other than diesel then the IPCC default value provided in table 1.2 of Chapter 1 of Volume 2 (Energy) of the 2006 IPCC Guidelines on National GHG Inventories will be used to calculate the project emissions associated with the consumption of the liquid fuel selected.</p>	

<b>Data/Parameter</b>	EF <sub>CO<sub>2</sub>,diesel</sub>	
<b>Data unit</b>	tCO <sub>2</sub> /GJ	
<b>Description</b>	Is the weighted average CO <sub>2</sub> emission factor or diesel.	
<b>Source of data</b>	IPCC default value at the upper limit of uncertainty at a 95% confidence interval as provided in table 1.4 of Chapter 1 of Volume 2 (Energy) of the 2006 IPCC Guidelines on National GHG Inventories.	
<b>Value(s) applied</b>	01 June 2016 to 31 May 2017:	0.0748
	01 June 2017 to 31 May 2018:	0.0748
	01 June 2018 to 31 May 2019:	0.0748
	01 June 2019 to 31 May 2020:	0.0748
	01 June 2020 to 31 May 2021:	0.0748
	01 June 2021 to 31 May 2022:	0.0748
	01 June 2022 to 31 May 2023:	0.0748
	01 June 2023 to 31 May 2024:	0.0748
	01 June 2024 to 31 May 2025:	0.0748
	01 June 2025 to 30 May 2026:	0.0748
<b>Measurement methods and procedures</b>	-	
<b>Monitoring frequency</b>	Any future revision of the IPCC Guidelines will be taken into account.	
<b>QA/QC procedures</b>	-	

Purpose of data	Calculation of project emissions.
Additional comment	The IPCC default values were selected as a data source as values are not provided by the fuel supplier invoice, measurements will not be undertaken by the project participants and no regional or national default values are available.

**B.7.2. Sampling plan**

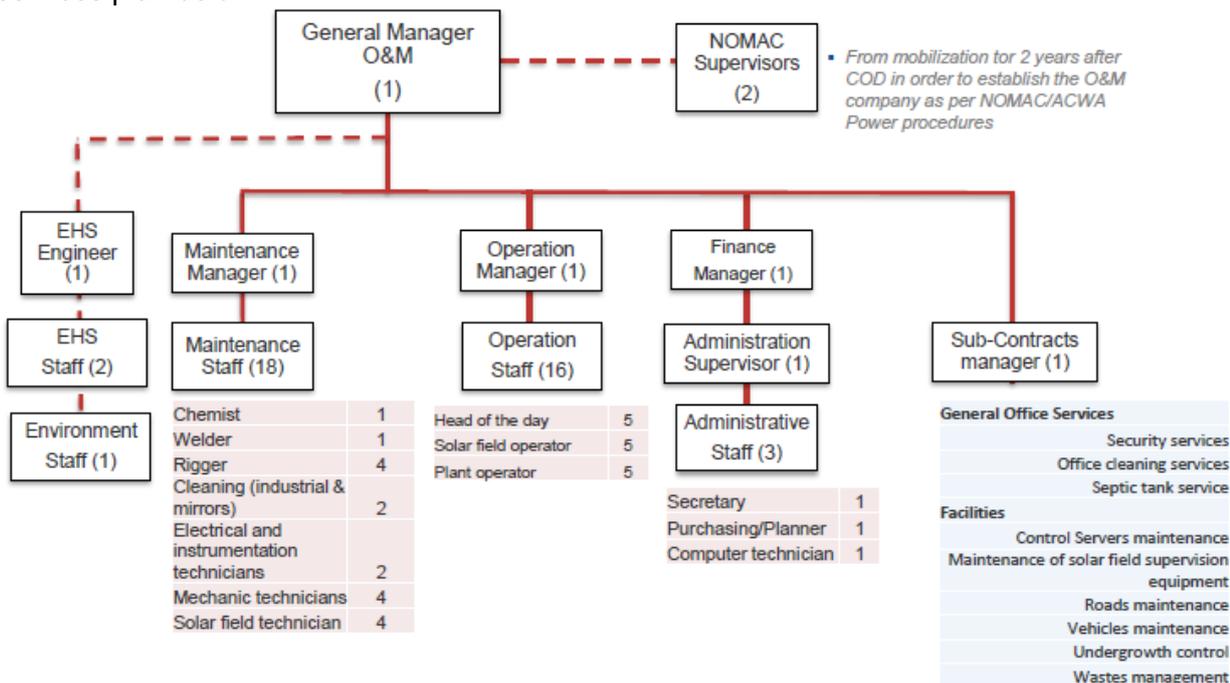
>>  
A sampling plan does not form part of this project activity.

**B.7.3. Other elements of monitoring plan**

>>  
The approved monitoring methodology ACM0002 is used for the monitoring plan. The monitoring tasks must be implemented according to the monitoring plan in order to ensure that real, measurable and long-term greenhouse gas (GHG) emission reductions for the proposed project is monitored and reported. As per the methodology ACM0002 the following parameters will be monitored:

1. The quantity of diesel (l/yr) combusted in the CSP plant.
2. The quantity of net electricity generation (MWh/yr) supplied by the project plant to the grid.

The provisional organizational structure of the project activity is depicted in the manning and services plan below:



This is a preliminary indicative organizational structure and may change over time as economic circumstances dictate.

The following roles and responsibilities, summarized in the table below, will be designated to staff members so that the monitoring requirements of the project activity are adhered to:

**ROLES AND RESPONSIBILITIES**

Task	Responsibility	Task Description
Facility Metering Installation	EPC Contractor	Installation of all required metering equipment.
Overall Metering	O&M Contractor	The O&M Contractor shall perform the

Task	Responsibility	Task Description
Responsibilities		Owner's obligations in relation to metering pursuant to and in accordance with the Power Purchase Agreement (PPA) and in particular shall, in accordance with the standard of a reasonable prudent operator and good utility practice operate and maintain the facility metering Installation.
Meter Operation and Maintenance	Electrical and Instrumentation Technicians	Daily operation and maintenance of metering and data recording equipment.
Data Recording	Head of Operations	Oversight of accurate and up-to-date logging of data.
Recordkeeping	Operation Manager	Recordkeeping of all data, including calibration records and logs including collation of data for CDM verification purposes.  Data will be kept in electronic format until two years after the crediting period.

The project data will include the following:

1. Supplementary fuel consumption (diesel in litres) by the facility shall be measured monthly using an appropriately calibrated measurement device. Calibration and cleaning of the device shall be undertaken on a regular basis and in line with the manufacturer's recommendations.
2. The energy output will be monitored continuously, integrated hourly and aggregated monthly for the purpose of calculating emission reductions.

The metering equipment will be calibrated in accordance with manufacturer's specification, national or international standards.

## **SECTION C. Start date, crediting period type and duration**

### **C.1. Start date of project activity**

>>

According to the CDM Glossary (Version 06) the start date, in the context of a CDM project activity, shall be considered to be the earliest date on which the project participant has committed to the implementation.

The estimated start date of the project activity is 10/01/2013 as per the Notice to Proceed (NTC) for Engineering, Procurement and Construction (EPC) in the Project Schedule<sup>22</sup>.

### **C.2. Expected operational lifetime of project activity**

>>

The expected operational lifetime of the project is twenty five years from the commercial operation date, therefore exceeding the crediting period of ten years.

<sup>22</sup> Page 1 of the Project Schedule-Activity A4350

**C.3. Crediting period of project activity****C.3.1. Type of crediting period**

&gt;&gt;

Fixed crediting period

**C.3.2. Start date of crediting period**

&gt;&gt;

The starting date of the crediting period is 01/06/2016.

**C.3.3. Duration of crediting period**

&gt;&gt;

10 years 0 months

**SECTION D. Environmental impacts****D.1. Analysis of environmental impacts**

&gt;&gt;

The following environmental impacts were evaluated as part of a full Environmental Impact Assessment (EIA):

1. Potential impacts on surface and groundwater resources;
2. Potential visual impacts associated with the proposed project and associated impacts;
3. Potential impacts on tourism in the region;
4. Potential noise impacts on surrounding landowner;
5. Potential impacts on biodiversity (i.e. flora and fauna);
6. Potential impacts on avifaunal species;
7. Potential social impacts;
8. Potential impacts on cultural and heritage resources.

There will be no transboundary effects from this project activity as any potential impacts are confined within the borders of South Africa.

**D.2. Environmental impact assessment**

&gt;&gt;

The Environmental Impact Assessment (EIA) process for the proposed establishment of a Concentrating Solar Power (CSP) Plant in the Northern Cape Province has been undertaken by Bohlweki SSI Environmental in accordance with the EIA Regulations published in Government Notice R385 to R387 (as amended), in terms of the National Environmental Management Act (No 107 of 1998).

In assessing the environmental feasibility of the project activity, the requirements of all relevant legislation has been considered. This relevant legislation has informed the identification and development of appropriate management and mitigation measures that will be implemented through the environmental management plan (EMP)<sup>23</sup> in order to minimise the potential impacts associated with the project activity.

Impacts likely to occur during the construction and operational phases of the CSP plant can be mitigated to acceptable levels. The EMP will form part of the contract with the contractors

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<sup>23</sup> Bohlweki SSI Environmental Draft Environmental Management Plan (EMP) - SolAfrica Concentrating Solar Thermal Power Plant on a Portion of the Farm Bokpoort 390 in the Siyanda District, Northern Cape (November 2010)

appointed to construct and maintain the proposed plant and associated infrastructure. The EMP will be used to ensure compliance with environmental specifications and management measures. The implementation of this EMP for all life cycle phases (i.e. construction, operation and de-commissioning) of the project activity is required in accordance with the project activity's environmental impact assessment.

## **SECTION E. Local stakeholder consultation**

### **E.1. Modalities for local stakeholder consultation**

>>

The following stakeholders were identified and informed of the potential development through the scoping phase public participation process (PPP) and the Water Use License PPP:

1. National and Provincial Government Representatives:

Department of Environmental Affairs (DEA);  
Department of Water Affairs (DWA);  
Department of Agriculture;  
Department of Public Enterprises;  
Department of Trade and Industry (DTI);  
Department of Minerals and Resources (DMR);  
South African Heritage Resources Agency (SAHRA); and  
Relevant Northern Cape Provincial Authorities (e.g. Environment & Conservation, Agriculture).

2. Relevant Local and District Municipalities:

Siyanda District Municipality  
//Khara Hais Local Municipality; and  
!Kheis Local Municipality.

3. Parastatals-Eskom.

4. Affected and surrounding landowners.

5. Environmental Non-Governmental Organizations (ex. Endangered Wildlife Trust, World Wildlife Fund).

Subsequent to the identification of the relevant stakeholders the following meetings were organised.

A Public Meeting advertised in "The Gemsbok", a local Afrikaans newspaper, was held at the Orange River Cellars in Groblershoop on the 12th of October 2010 with the objective of informing Interested and Affected Parties (I&APs) of the proposed construction of the CSP plant in the Siyanda District Municipality. Information on the Environmental Impact Assessment process was provided in the form of a Microsoft PowerPoint presentation. Bohlweki-SSI Environmental presented in Afrikaans which is the preferred language in the region.

Reference to CDM was included in the Environmental Impact Assessment, at the public meeting<sup>24</sup> and in a letter which was sent to stakeholders inviting them to register as I&APs ahead of the Public Meeting.

Pamphlets referring to the project activity being registered under CDM were distributed at the site and at the Interested and Affected Parties (I&AP) meetings.

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<sup>24</sup> Environmental Impact Assessment for a proposed 75MW Concentrating Solar Thermal Power plant and associated infrastructure in the Siyanda District, Northern Cape, Page 60

A meeting was held on the 13th of October 2010 with the !Kheis District Municipality to inform local government officials as well as provincial and national departments of the proposed construction and operation of the CSP plant in the Siyanda District Municipality.

Another meeting was held on the 14th September 2011 with the Department of Water Affairs to present the project activity and the technology to be employed.

Stakeholders were invited to make oral comments during the local stakeholder consultations on 12 October 2010, 13 October 2010, 28 September 2011 and 14 September 2011. Queries and comments were noted in the minutes of the meeting<sup>25</sup>, along with the details of the stakeholder enquiring.

An attendance register was compiled and recorded at the three meetings.

## **E.2. Summary of comments received**

>>

The Public Meeting attendees expressed their support for the project as a whole<sup>26</sup>.

## **E.3. Consideration of comments received**

>>

A summary of the comments received by I&AP's and the responses from the project owner's representatives can be seen in the minutes of all three of the meetings<sup>27</sup>. The comments did not impact on the CDM part of the project.

## **SECTION F. Approval and authorization**

>>

The original letter of approval was issued on 28/08/2012 and a revised letter of approval was issued on 15/03/2017 by the Department of Energy being the Designated National Authority for the Clean Development Mechanism in South Africa, the Host Country, to include the Swedish Energy Agency as a project participant. The letter of approval from Sweden was issued on 24-02-2014.

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<sup>25</sup> Environmental Impact Assessment Study for a proposed CSP plant in the Syanda District, Northern Cape Apendix B4-4 Meeting Minutes.

<sup>26</sup> Minutes of the Public Meeting: Orange River Cellars 12 October 2010, page 4.

<sup>27</sup> Environmental Impact Assessment Study for a proposed CSP plant in the Syanda District, Northern Cape Apendix B4-4 Meeting Minutes.

## Appendix 1. Contact information of project participants

<b>Organization name</b>	ACWA Power Solafrica Bokpoort CSP Power Plant (Pty) Ltd
<b>Country</b>	South Africa
<b>Address</b>	90 Grayston Drive, 7th Floor 90 Grayston Building, Sandton, Johannesburg, Gauteng, 2196
<b>Telephone</b>	+27 11 722 4100
<b>Fax</b>	+27 11 722 4113
<b>E-mail</b>	Mmoga@acwapower.com
<b>Website</b>	<a href="http://www.acwapi.com">http://www.acwapi.com</a>
<b>Contact person</b>	Muhammed Moga

<b>Organization name</b>	Solafrica Thermal Energy (Pty) Ltd
<b>Country</b>	South Africa
<b>Address</b>	39 Rivonia Road, 2 <sup>nd</sup> Floor, 5 Commerce Square, Johannesburg, Gauteng, 2196
<b>Telephone</b>	+27 11 268 4074
<b>Fax</b>	+27 86 648 1006
<b>E-mail</b>	mike@metier.co.za
<b>Website</b>	-
<b>Contact person</b>	Michael Goldblatt

<b>Organization name</b>	ACWA Power Africa Holdings (Pty) Ltd
<b>Country</b>	South Africa
<b>Address</b>	90 Grayston Drive, 7th Floor 90 Grayston Building, Sandton, Johannesburg, Gauteng, 2196
<b>Telephone</b>	+27 11 722 4100
<b>Fax</b>	+27 11 722 4113
<b>E-mail</b>	pgovender@acwapower.com
<b>Website</b>	-
<b>Contact person</b>	Prabashen Govender

<b>Organization name</b>	Swedish Energy Agency
<b>Country</b>	Sweden
<b>Address</b>	Kungsgatan 43, Eskilstuna, 63104
<b>Telephone</b>	+46 16 544 24 30
<b>Fax</b>	-
<b>E-mail</b>	<a href="mailto:christer.gustafsson@energimyndigheten.se">christer.gustafsson@energimyndigheten.se</a>
<b>Website</b>	<a href="http://www.energimyndigheten.se/en/">http://www.energimyndigheten.se/en/</a>
<b>Contact person</b>	Christer Gustafsson

## Appendix 2. Affirmation regarding public funding

No public funding has been used in the development of this project and no public funding will be used in its implementation.

### Appendix 3. Applicability of methodologies and standardized baselines

N/A

### Appendix 4. Further background information on ex ante calculation of emission reductions

#### BASELINE INFORMATION

This section presents the calculations for the South African grid emission factor.

#### STEP 1: IDENTIFY THE RELEVANT ELECTRICITY SYSTEMS

This tool will serve project activities that will displace grid electricity in South Africa.

The **project electricity system** is defined by the spatial extent of the power plants that are physically connected through transmission and distribution lines to the project activity and that can be displaced without significant transmission constraints.

Similarly, a **connected electricity system**, e.g. national or international, is defined as an electricity system that is connected by transmission lines to the project electricity system. Power plants within the connected electricity system can be dispatched without significant transmission constraints, but transmission to the project electricity system has significant transmission constraints.

The DNA of South Africa has not published a delineation of the project electricity system and connected electricity systems. Also, the application of the criteria with regards to determining significant transmission constraints does not result in a clear grid boundary due to a lack of sufficient data. For these reasons the following was chosen for the reference system of this project:

- The **project electricity system** entails all the Eskom power plants in the South African electricity grid.
- Due to a lack of data available in the public domain (in order to evaluate significant transmission constraints), all other power stations (non-Eskom) and countries with power grids connected to South Africa, are treated as **connected electricity systems**, and emission factors for imports from these systems are conservatively assumed to be 0 tCO<sub>2</sub>/MWh.

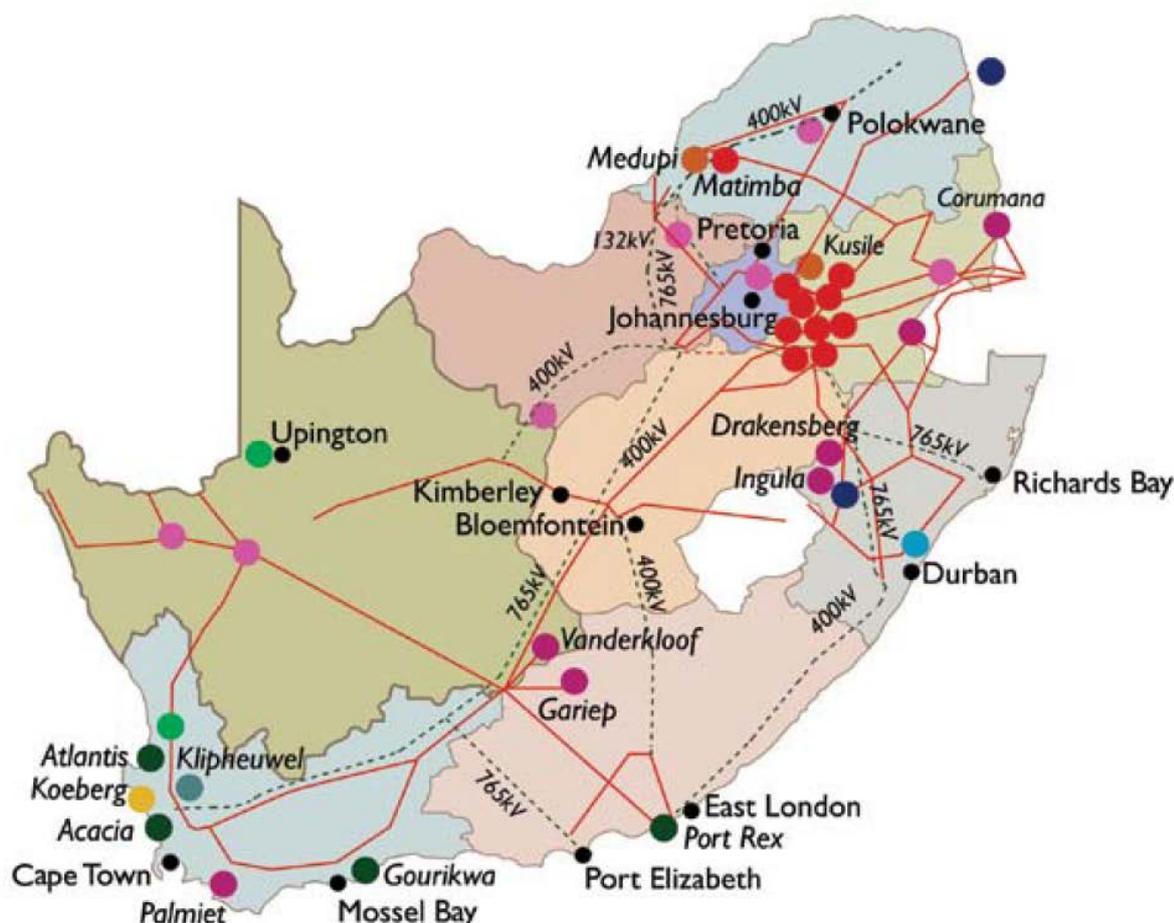
All electricity generated by the Eskom power stations is taken into consideration when calculating the grid emission factor; exports are not subtracted.

All the data for the Eskom power stations are obtained from the Eskom website, where they have a specific webpage dedicated to CDM grid emission factor related data<sup>28</sup>. This data includes commissioning dates, electricity generated, and fuel consumed.

Data for the imported electricity are obtained from the Eskom annual report, where “*Total purchased for the Eskom system (GWh)*” is shown in the “*Statistical overview*” table on pg. 324 of the report<sup>29</sup>.

<sup>28</sup> Eskom Holdings SOC Limited . (2011). *CDM Calculations*. Retrieved October 06, 2011, from Eskom: <http://www.eskom.co.za/c/article/236/cdm-calculations/>

<sup>29</sup> Eskom Holdings SOC Limited. (2011). *Annual Report 2011*.



## STEP 2: CHOSE WHETHER TO INCLUDE OFF-GRID POWER PLANTS IN THE PROJECT ELECTRICITY SYSTEM

This step is optional according to the tool. The grid emission factor is calculated from only grid power plants (**Option I**). Off-grid power plants are not included in the calculations.

## STEP 3: SELECT A METHOD TO DETERMINE THE OPERATING MARGIN (OM)

The OM is calculated using the **simple OM method (Option a)**. The simple OM method can be used provided that the low-cost/must-run resources constitute less than 50% of the total grid generation in average of the five most recent years.

The average percentage of low-cost/must-run resources amount to 0.00% of the total grid generation for this project electricity system. Therefore, Option (a) is applicable.

In terms of data vintages, the *ex ante* option were chosen to calculate the simple OM. In this option a 3 year generation-weighted average are used for the grid power plants. Using this option also means that the emission factor is determined only once at the validation stage, thus no monitoring and recalculation is required during the crediting period.

The data used in OM calculations are for the 3 year period of 1 April 2008 – 31 March 2011 (Eskom financial year runs from 1 April – 31 March). This is the latest available data.

## STEP 4: CALCULATE THE OPERATING MARGIN EMISSION FACTOR ACCORDING TO THE SELECTED METHOD

The simple OM emission factor ( $EF_{grid,OMsimple,y}$ ) is calculated as the generation-weighted average CO<sub>2</sub> emissions per unit net electricity generation (tCO<sub>2</sub>/MWh) of all generating power plants serving the system, not including low-cost/must-run power plants/units. Hence, the hydro and nuclear power plants are excluded from the calculation of the OM.

**Option A** is used for calculating the simple OM. The calculations in this option are based on the total net electricity generation and a CO<sub>2</sub> emission factor of each power plant.

*Option A – Calculation based on average efficiency and electricity generation of each plant*

Under this option, the simple OM emission factor is calculated based on the net electricity generation of each power plant and an emission factor of each power plant, as follows:

$$EF_{grid,OMsimple,y} = \frac{\sum_m EG_{m,y} \times EF_{EL,m,y}}{\sum_m EG_{m,y}}$$

Where:

- $EF_{grid,OMsimple,y}$  = Simple operating margin CO<sub>2</sub> emission factor in year  $y$  (tCO<sub>2</sub>/MWh);
- $EG_{m,y}$  = Net quantity of electricity generated and delivered to the grid by power unit  $m$  in the year  $y$  (MWh);
- $EF_{EL,m,y}$  = CO<sub>2</sub> emission factor of power unit  $m$  in year  $y$  (tCO<sub>2</sub>/MWh);
- $m$  = All power units serving the grid in year  $y$  except low-cost/must-run power units;
- $y$  = The relevant year as per data vintage chosen in Step 3.

*Determination of  $EF_{EL,m,y}$*

The emission factor for each power plant  $m$  were determined as follows (**Option A1**):

$$EF_{grid,OMsimple,y} = \frac{\sum_i (FC_{i,y} \times NCV_{i,y} \times EF_{CO2,i,y})}{EG_y} \tag{6}$$

Where:

- $EF_{grid,OMsimple,y}$  = Simple operating margin CO<sub>2</sub> emission factor in year  $y$  (tCO<sub>2</sub>/MWh);
- $FC_{i,y}$  = Amount of fossil fuel type  $i$  consumed in the project electricity system in year  $y$  (mass or volume unit);
- $NCV_{i,y}$  = Net calorific value (energy content) fossil fuel type  $i$  in year  $y$  (GJ/mass or volume unit);
- $EF_{CO2,i,y}$  = CO<sub>2</sub> emission factor of fossil fuel type  $i$  in year  $y$  (tCO<sub>2</sub>/GJ);
- $EG_y$  = Net electricity generated and delivered to the grid by all power sources serving the system, not including low-cost/must-run power plants/units, in year  $y$  (MWh);
- $i$  = All fossil fuel types combusted in power sources in the project electricity system in year  $y$ ;
- $y$  = The relevant year as per data vintage chosen in Step 3.

Electricity imports are treated as one power plant, as per the tool guidance.

The parameters used in calculations appear in Table 1.

Table 1: Constants used in calculations

Constants		
NCV <sub>other bituminous coal, 2009</sub> <sup>30</sup>	19.10	GJ/T
NCV <sub>other bituminous coal, 2010</sub> <sup>31</sup>	19.22	GJ/T
NCV <sub>other bituminous coal, 2011</sub> <sup>32</sup>	19.45	GJ/T
NCV <sub>other kerosene</sub> <sup>33</sup>	42.4	GJ/T
EF <sub>CO2,other bituminous coal</sub> <sup>34</sup>	0.0895	tCO <sub>2</sub> /GJ
EF <sub>CO2,other kerosene</sub> <sup>35</sup>	0.0708	tCO <sub>2</sub> /GJ

The fuel used for coal power stations is other bituminous coal. In “Eskom Fact Sheet – Formation of Coal”<sup>36</sup> it is stated that coal in South Africa is “mostly classified as ‘bituminous’ coals”. The article “What is the carbon emission factor for the South African electricity grid? (Spalding-Fecher, 2011)”<sup>37</sup> also specifies the use of “other bituminous coal” as the fuel used in the Eskom power stations.

The fuel used for Acacia and Port Rex power stations is kerosene. This is stated in “Eskom Fact Sheet – Port Rex and Acacia Power Stations”<sup>38</sup>. Also, in the source data for electricity generation and fuel consumption the fuel consumption for these two power stations are specified in units of “liters kerosene/year”<sup>39</sup>.

Using equation 6, the OM is calculated as **0.923** tCO<sub>2</sub>e/MWh.

## STEP 5: CALCULATE THE BUILD MARGIN (BM) EMISSION FACTOR

In terms of vintage of data, one **Option 1** was selected: 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.

The sample group of power units *m* used to calculate the build margin were determined as per the procedure delineated in the tool, consistent with the data vintages selected.

The following diagram summarizes the procedure of identifying the sample group:

<sup>30</sup> Eskom Holdings SOC Limited. (2011). *Annual Report 2011*.

<sup>31</sup> Eskom Holdings SOC Limited. (2011). *Annual Report 2011*.

<sup>32</sup> Eskom Holdings SOC Limited. (2011). *Annual Report 2011*.

<sup>33</sup> IPCC, 2006

<sup>34</sup> IPCC, 2006

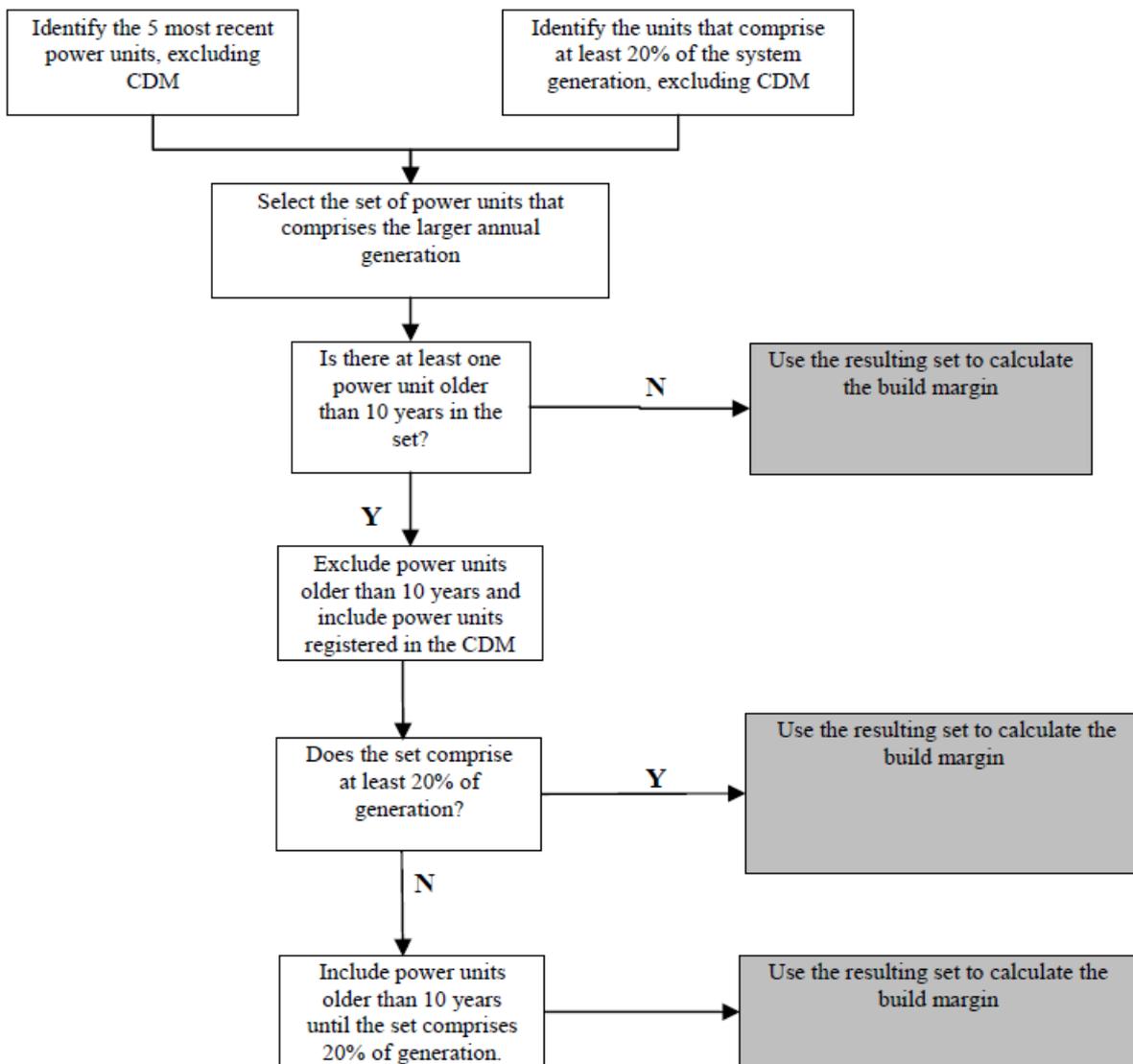
<sup>35</sup> IPCC, 2006

<sup>36</sup> [http://recruitment.eskom.co/live/content.php?Category\\_ID=60](http://recruitment.eskom.co/live/content.php?Category_ID=60)

<sup>37</sup> Supplied to validators.

<sup>38</sup> [http://www.eskom.co.za/content/GS\\_0001GasTurbAcaciaPortRexRev6~1~1.pdf](http://www.eskom.co.za/content/GS_0001GasTurbAcaciaPortRexRev6~1~1.pdf)

<sup>39</sup> Eskom Holdings SOC Limited . (2011). *CDM Calculations*. Retrieved October 06, 2011, from Eskom: <http://www.eskom.co.za/c/article/236/cdm-calculations/>



According to the above diagram, the only two power stations that are included in the build margin are Majuba (1996) and Kendal (1988). There is no power generation data available for power units registered in the CDM, therefore these could not be included. Majuba and Kendal comprises 23% of generation.

The sample group of power units  $m$  used to calculate the build margin is the resulting set **SETsample-CDM->10yrs**.

The build margin emissions factor is the generation-weighted average emission factor (tCO<sub>2</sub>/MWh) of all power units  $m$  during the most recent year  $y$  for which power generation data is available, calculated as follows:

$$EF_{grid, BM, y} = \frac{\sum_m EG_{m,y} \times EF_{EL,m,y}}{\sum_m EG_{m,y}} \tag{13}$$

Where:

- $EF_{grid, BM, y}$  = Build margin CO<sub>2</sub> emission factor in year  $y$  (tCO<sub>2</sub>/MWh);
- $EG_{m,y}$  = Net quantity of electricity generated and delivered to the grid by power unit  $m$  in year  $y$  (MWh);
- $EF_{EL,m,y}$  = CO<sub>2</sub> emission factor of power unit  $m$  in year  $y$  (tCO<sub>2</sub>/GJ);

- $m$  = Power units included in the build margin;
- $y$  = Most recent historical year for which power generation data is available.

According to the tool: *If the power units included in the build margin  $m$  correspond to the sample group **SETsample-CDM->10yrs**, then, as a conservative approach, only option A2 from guidance in Step 4 (a) can be used and the default values provided in Annex 1 shall be used to determine the parameter  $\eta_{m,y}$ .* The CO<sub>2</sub> emission factor of each power unit  $m$  ( $EF_{EL,m,y}$ ) should be determined as per the guidance in Step 4 (a) for the simple OM, using **Option A2**:

$$EF_{EL,m,y} = \frac{EF_{CO2,m,i,y} \times 3.6}{\eta_{m,y}} \quad (3)$$

Where:

- $EF_{EL,m,y}$  = CO<sub>2</sub> emission factor of power unit  $m$  in year  $y$  (tCO<sub>2</sub>/MWh);
- $EF_{CO2,m,i,y}$  = Average CO<sub>2</sub> emission factor of fuel type  $i$  used in power unit  $m$  in year  $y$  (tCO<sub>2</sub>/GJ);
- $\eta_{m,y}$  = Average net energy conversion efficiency of power unit  $m$  in year  $y$  (ratio);
- $m$  = All power plants/units serving the grid in year  $y$  except low-cost/must-run power plants/units;
- $i$  = All fossil fuel types combusted in power plant/unit  $m$  in year  $y$ ;
- $y$  = The relevant year as per data vintage chosen in Step 3.

The default value for  $\eta_{m,y}$  for the coal power stations in the BM were obtained from Annex 1 of the tool. The value used is 37%.

Using equation 13, the BM is calculated as **0.871 tCO<sub>2</sub>e/MWh**.

### STEP 6: CALCULATE THE COMBINED MARGIN (CM) EMISSION FACTOR

The combined margin factor is calculated as follows:

$$EF_{grid,CM,y} = EF_{grid,OM,y} \times W_{OM} + EF_{grid,BM,y} \times W_{BM} \quad (14)$$

Where:

- $EF_{grid,BM,y}$  = Build Margin CO<sub>2</sub> emission factor in year  $y$  (tCO<sub>2</sub>/MWh);
- $EF_{grid,OM,y}$  = Operating margin CO<sub>2</sub> emission factor in year  $y$  (tCO<sub>2</sub>/MWh);
- $W_{OM}$  = Weighting of operating margin emissions factor (%);
- $W_{BM}$  = Weighting of build margin emissions factor (%).

The emission factors for the final combined margin appear in Table 2.

**Table 2: CM emission factor**

	W <sub>OM</sub>	W <sub>BM</sub>	Combined Margin Emission Factor
Wind and solar power generation project activities for the first crediting period and for subsequent crediting periods.	0.75	0.25	<b>0.910</b>
All other projects for the first crediting period.	0.5	0.5	<b>0.90</b>
All other projects for the second and third crediting period.	0.25	0.75	<b>0.88</b>

### BIBLIOGRAPHY

Eskom Holdings SOC Limited . (2011). *CDM Calculations*. Retrieved October 06, 2011, from Eskom: <http://www.eskom.co.za/c/article/236/cdm-calculations/>  
 Eskom Holdings SOC Limited. (2011). *Annual Report 2011*.

## Appendix 5. Further background information on monitoring plan

N/A

## Appendix 6. Summary report of comments received from local stakeholders

The following stakeholders were identified and informed of the potential development through the scoping phase public participation process (PPP) and the Water Use License PPP:

1. National and Provincial Government Representatives:

Department of Environmental Affairs (DEA);  
 Department of Water Affairs (DWA);  
 Department of Agriculture;  
 Department of Public Enterprises;  
 Department of Trade and Industry (DTI);  
 Department of Minerals and Resources (DMR);  
 South African Heritage Resources Agency (SAHRA); and  
 Relevant Northern Cape Provincial Authorities (e.g. Environment & Conservation, Agriculture).

2. Relevant Local and District Municipalities:

Siyanda District Municipality  
 //Khara Hais Local Municipality; and  
 !Kheis Local Municipality.

3. Parastatals-Eskom.

4. Affected and surrounding landowners.

5. Environmental Non-Governmental Organizations (ex. Endangered Wildlife Trust, World Wildlife Fund).

Subsequent to the identification of the relevant stakeholders the following meetings were organised.

A Public Meeting advertised in “The Gemsbok”, a local Afrikaans newspaper, was held at the Orange River Cellars in Groblershoop on the 12th of October 2010 with the objective of informing Interested and Affected Parties (I&APs) of the proposed construction of the CSP plant in the Siyanda District Municipality. Information on the Environmental Impact Assessment process was provided in the form of a Microsoft PowerPoint presentation. Bohlweki-SSI Environmental presented in Afrikaans which is the preferred language in the region.

Reference to CDM was included in the Environmental Impact Assessment, at the public meeting<sup>40</sup> and in a letter which was sent to stakeholders inviting them to register as I&APs ahead of the Public Meeting.

Pamphlets referring to the project activity being registered under CDM were distributed at the site and at the Interested and Affected Parties (I&AP) meetings.

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<sup>40</sup> Environmental Impact Assessment for a proposed 75MW Concentrating Solar Thermal Power plant and associated infrastructure in the Siyanda District, Northern Cape, Page 60

A meeting was held on the 13th of October 2010 with the !Kheis District Municipality to inform local government officials as well as provincial and national departments of the proposed construction and operation of the CSP plant in the Siyanda District Municipality.

Another meeting was held on the 14th September 2011 with the Department of Water Affairs to present the project activity and the technology to be employed.

Stakeholders were invited to make oral comments during the local stakeholder consultations on 12 October 2010, 13 October 2010, 28 September 2011 and 14 September 2011. Queries and comments were noted in the minutes of the meeting<sup>41</sup>, along with the details of the stakeholder enquiring.

An attendance register was compiled and recorded at the three meetings.

The Public Meeting attendees expressed their support for the project as a whole<sup>42</sup>. A summary of the comments received by I&AP's and the responses from the project owner's representatives can be seen in the minutes of all three of the meetings<sup>43</sup>. The comments did not impact on the CDM part of the project.

## **Appendix 7. Summary of post-registration changes**

1. Corrections - updated project technical specifications with the correct details reflecting what was actually installed. This related to updating the rating of the generator to the rated capacity and not the net capacity as previously indicated.
2. Corrected the diesel net calorific value and emission factor to align with the IPCC default value at the upper limit of the uncertainty at a 95% confidence interval.
3. Added the Swedish Energy Agency as project participant.

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<sup>41</sup> Environmental Impact Assessment Study for a proposed CSP plant in the Syanda District, Northern Cape Appendix B4-4 Meeting Minutes.

<sup>42</sup> Minutes of the Public Meeting: Orange River Cellars 12 October 2010, page 4.

<sup>43</sup> Environmental Impact Assessment Study for a proposed CSP plant in the Syanda District, Northern Cape Appendix B4-4 Meeting Minutes.