



CALL FOR INPUT

<i>Name of submitter</i>	Nuria Zanzottera
<i>Affiliated organization of submitter</i>	Karbon-x
<i>Email of submitter</i>	nz@karbon-x.com
<i>Date of submission</i>	06/04/2026

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
1	APPLICABILITY	8	We kindly request that PACM consider expanding the scope of this methodology. Expanding the scope will increase the flow of carbon finance to grid-connected renewable energy projects that require such assistance. For example, there is a growing trend to add BESS to brownfield renewable energy projects, which are currently excluded from this methodology. We suggest extending the applicability conditions to include combinations such as 'existing RE + greenfield BESS.' This specific project configuration is critical for markets experiencing high curtailment as it allows for the optimization of existing renewable assets through integrated storage solutions. In addition, for example in South Africa, there is a growing trend re the installation of grid-tied solar PV systems (with or without BESS) which are implemented primarily for embedded generation but also include the ability to back-feed surplus renewable energy into the grid. The provision for grid export can be very important: it can help project developers finance the PV (e.g. additional revenue stream); contributes to greening of the national energy sector (highest national GHG source) and helps make electricity supplies in the country more secure, which is extremely important for the country's development agenda.	Consider expansion of the scope of projects that are applicable under the methodology.

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
2	APPLICABILITY	11	Grid-down time and instability is common across many many developing country contexts. The provision of secure electricity supplies in developing country contexts is a key socio-economic development priority. It is therefore common for residential, commercial and industrial renewable power plants to include backup generators in their project boundaries, to ensure security of electricity supply, especially to critical onsite operations, when the renewable energy supplies are interrupted, for example during load shedding or when the renewable resource is constrained, e.g. non-sunlight hours in case of solar power or no wind in the case of wind power. Limiting applicability of project to <1% use of backup generators will exclude applicability of projects, many of which are located in developing country contexts. For example, South Africa experienced extreme load shedding of the grid in 2023. Electricity power cuts were active for roughly 289 to over 300 days. This indicates that load shedding was implemented for roughly 79% to 82% of the year (289–300 days out of 365). Furthermore, many grids in developing countries, such as those in Southern Africa, are characterised by high emission intensity due to continued use of coal fired power stations. These are precisely the grids and countries that will benefit from the implementation of grid connected renewable energy power plants, many of which require carbon finances to be bankable. The possible creation of the unintended barriers to the deployment of renewable energy would be contrary to the core objective of the Paris Agreement. Furthermore, can clarity/ details on the selection of 1% as the battery threshold be provided. On what basis has this figure been established?	Kindly considering deleting 11(a) as an applicability condition. This is not necessary, as project emissions are accounted for in the case of all project emissions, such as those arising from the use of fossil fuels in backup generators. Furthermore, the current 11(b) is a reasonable applicability condition, which will ensure that backup generators are not used unless required.

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
3	APPLICABILITY	14 (b)	This applicability condition exclude renewable power plants that are wheeled through the grid. Wheeling of renewable electricity is beneficial because it enables project developers to unlock geographically unconstrained demand, which in turn creates the conditions necessary to monetize carbon attributes and channel carbon finance into projects. Without wheeling, renewable projects are typically limited to selling electricity to the local grid or a single off-taker (often a utility). This restricts both pricing power and the ability to structure sophisticated environmental attribute transactions. The claiming of carbon credits and the wheeling of the renewable energy can coexist on the condition of clear articulation of the environmental attribute of renewable energy, as well as the clear and agreed ownership of the environmental attribute. This can be achieved if the project developer retains the environmental attributes and sells the “grey power” separately to the carbon credits. There must be a clear agreement and understanding that the off-taker cannot claim renewable energy use in this case.	Kindly consider allowing wheeling. This could be facilitated by changing the applicability condition of 14(b) to reflect that the claiming of carbon credits and the wheeling of the renewable energy can coexist on the condition of clear articulation of the environmental attribute of renewable energy, as well as the clear and agreed ownership of the environmental attribute. This can be achieved if the project developer retains the environmental attributes and sells the “grey power” separately to the carbon credits. There must be a clear agreement and understanding that the off-taker cannot claim renewable energy use in this case. As a suggestion, provisions from the GHG Protocol’s Scope 2 Guidance could be consulted and considered, particularly the Scope 2 Quality Criteria.
4	DEMONSTRATION OF ADDITIONALITY	6.2	We support Option 1 in Section 6.2, namely that no lock-in analysis is required under this methodology, as lock-in risks are not relevant for grid-connected renewable energy projects such as solar, wind, hydro, and geothermal.	We propose to set as Option 1.

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
5	DEMONSTRATION OF ADDITIONALITY	26(b)(iii)	The regulatory analysis disqualifies activities that 'participate in a support scheme designed to achieve a quantitative target or outcome, such as competitive bidding processes for the installation of a certain capacity of renewable power plants.' This is overly broad. Competitive bidding processes are widely used precisely because they reduce the cost of renewable energy deployment in developing countries. Under this provision, a project that won a competitive tender — even in a country with a 5% renewable penetration — would be ineligible, regardless of whether it is financially additional.	Revise para 26(b)(iii) to distinguish between support schemes that achieve renewable targets at or above a country's NDC trajectory (which may undermine additionality) and those in countries where renewable penetration remains well below NDC targets. Projects in the latter category that participated in competitive tenders should be eligible if investment analysis demonstrates financial additionality. A specific carve-out for LDCs and SIDS — where government support schemes are often the only viable financing mechanism — should also be included.
6	DEMONSTRATION OF ADDITIONALITY	28	The methodology indicates that the activity participants shall assess the requirements of paragraph 26 for each monitoring period and that the crediting shall cease on the date when a new relevant legal requirement enters into force. This is too stringent considering the investment involved in constructing a greenfield power plant and could lead to situations in which after investing and implementing in the project activity, the implementor could not receive any revenue if the law changes a year or two (for example) after implementation and before the first verification. This is contrary to the principle of non- retroactivity of the laws that exists in many countries.	The requirements of paragraph 26 should be assessed at the crediting period renewal.
7	DEMONSTRATION OF ADDITIONALITY	33 (c)	The number of years (3 or 5) to be included in the reference period should be consistent with the number of years used to calculate the grid emission factor with A6.4-MEP011-A02.	To fix the number of years consistently with the fgrid emission calculation

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
8	DEMONSTRATION OF ADDITIONALITY	33 (d)	The very absence of technologies/ activities in a host country should automatically demonstrate that the technologies/ activities are not common practice. Widening the geographic scope has many disadvantages, principally because different countries have different political, economic, social, technological and environmental factors that may promote or constrain projects. Therefore, a comparison across countries is very unlikely to be useful and may likely serve to exclude projects/activities where they are needed the most. Our first preference is to include a provision that the widening of the geographical boundary be limited to the host country, unless various comparability criteria can be established.	The geographical scope for common practice analysis should be limited to the host country. Expansion beyond the host country should only be permitted where the activity participant demonstrates that: (i) there is insufficient data within the host country, and (ii) the expanded geographical area represents comparable political, economic, technological and regulatory conditions. If condition (ii) is not fulfilled, used information provided by international recognised sources, for example, IEA.
9	DEMONSTRATION OF ADDITIONALITY	33 (g)	Support Option 2 because different types of wind facilities (e.g. onshore vs offshore) are subject to distinct economic, financial, and regulatory conditions. Aggregating all wind facilities without differentiation risks distorting the assessment of common practice, as it may mask these material differences and lead to inappropriate comparisons. This could undermine the accuracy of the analysis and potentially affect the determination of additionality. It is therefore important that comparable activities are appropriately stratified by wind project category (e.g. onshore vs offshore) to ensure that the analysis reflects like-for-like conditions. This would improve the robustness and fairness of the methodology. For these reasons, we support Option 2.	We propose Option 2.
10	BASELINE EMISSIONS	7.3.1.3 equation 4	The calculation proposed to calculate the minimum downward adjusted baseline is arbitrary and it beneficiates the activities with larger project emissions. We suggest the elimination of this minimum downward adjusted baseline.	We propose to eliminate the minimum downward adjusted baseline.
11	BASELINE EMISSIONS	Section 7.3.1.4 Para 48	This paragraph shall be consistent with the previous one. Please, see comment 10.	We propose to eliminate the comparison

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
12	BASELINE EMISSIONS	7.3.1.5 Para 49	This paragraph shall be consistent with the previous one. Please, see comment 10.	We propose to eliminate the comparison
13	PROJECT EMISSIONS	60 and 61	The emission coefficient for fossil fuels used in backup generators can be calculated via three options: chemical composition (A.1 for mass-based, A.2 for volume-based) or net calorific value (B). Option A is preferred unless data is unavailable, at which point Option B is allowed. However, for diesel generators in remote locations — the most common backup generator type for renewable plants — the practical data available to project developers is typically the volume of fuel purchased (litres of diesel), and Option A.2 requires the density of the fuel, which may not be reliably known. Option B's reliance on net calorific value is simpler but introduces additional uncertainty.	Can add a default density value for diesel (as per IPCC) and default carbon content values for common backup generator fuels (diesel, LPG, natural gas) to Table 13 (Data and Parameters Not Monitored), so that activity participants in data-poor environments can apply Option A.2 without requiring fuel sampling. This reduces uncertainty relative to Option B while maintaining practicality.
14	APPENDIX	Section 3 para. 13	If emissions due to the construction of the greenfield renewable power plant would be included as project emissions, emissions due to the construction of all the plants connected to the grid should be included in the baseline calculation.	-
15	DATA AND PARAMETERS MONITORED	Table 5	In the row "Measurement methods and procedures" it is mentioned the ASTM standard; we propose to include the wording "or equivalent". There are other norms applicable to sampling and analysis in laboratories that could be used. Moreover, there are countries in which there is no laboratory using the ASTM standard but using national standards and procedures.	We propose to include the wording "ASTM or equivalent".
16	AVOIDANCE OF DOUBLE COUNTING	73 (b)	We kindly ask the MEP to clarify how these points may impact a project which has already received a National Authorization. We understand that once a project receives the authorization no further demonstration is required.	-