



Driving Climate Actions

Information Note-Non-binding Examples of Bundling

V1.0 - 2022

Contents

| | |
|------------------------|----------|
| 1. INTRODUCTION | 4 |
| 2. SCOPE | 4 |
| 3. CONTEXT | 4 |
| 4. EXAMPLES | 5 |

1. Introduction

1. The GCC Program Framework¹ in section 14 provides the information on ‘GCC Documentation Framework’, which defines various types of GCC documents including the ‘Information Documents’. This document provides the non-binding examples for the stakeholders to understand some requirements and is categorized as ‘Information Documents’.
2. The GCC Clarification No.1² has provided the specific design requirements for a single Project having multiple bundles/sub-bundles as well as one non-binding example of bundling in its Appendix 1.
3. By consolidating several queries and feedback provided by stakeholders, the GCC Steering Committee decide to separate the non-binding examples of bundling from the Clarification No.1 to this document, and provide detailed three different examples.

2. Scope

4. This document provides supplemental information/guidance to project owner and verifier demonstrating how the specific design requirements for a single project having multiple bundles/sub-bundles as described in Clarification No.1 can be satisfied. The guidance provided in this document is not mandatory and not binding, and the project owner can voluntarily apply this document.

3. Context

5. To scale-up the GCC Program and to reduce the transaction costs of the project development, the GCC Program allows the projects to be designed either as a single³ or bundled project. In developing the framework for the project-based approach for the bundled project, the GCC program, in ‘Clarification No. 1’, has applied and combined the concepts of project-based approach with Program of Activities (CDM-POA) and bundling as applied under Clean Development Mechanism.
6. ‘Clarification No. 1’ allows a single project to have multiple bundles, covering multiple technologies or measures, and be submitted as a single project under type A1 or A2, while adopting a project-based approach, provided the conditions and requirements stipulated in section 4 of this document is demonstrated.
7. To develop and design a single bundled project, any of the two options, as per paragraphs 8-10 of ‘Clarification No. 1’, can be applied:
 - (a) *Bundle level demonstration*: the activities included in the bundles shall be of homogeneous nature that facilitates the collective establishment of baseline,

¹ GCC documents are available here: www.globalcarboncouncil.com/resource-centre.html

² <https://www.globalcarboncouncil.com/wp-content/uploads/2022/01/Clarification-No.-01.pdf>

³ Such project which apply same technology (wind power) and methodology (ACM0002, v20.0), has same baseline (which is national electricity grid), generate the same output (electricity), apply the same additionality approach (Investment analysis) and has single investment decision for all the activities in the project, are by default ‘homogenous’ and is not a bundled project, therefore can apply requirements applicable to single projects (with single or multiple sites).

emission reductions calculation, additionality demonstration (including barrier/investment and common practice analysis), project monitoring plan and assessment of certification labels for multiple activities in a bundle. If this option is chosen, the Project owner shall apply two-level analysis for formulation of homogeneous bundles as stipulated by section 4 of 'Clarification No. 1' version (v1.1); or

- (b) *Activity level demonstration:* If the activities are heterogeneous in nature and cannot be put together as homogeneous bundles, then the activities can still be clubbed and submitted as single bundled project, provided at least baseline, emission reductions calculation, additionality demonstration (including barrier/investment and common practice analysis), project monitoring plan and assessment of certification labels for multiple activities in a bundle is carried out at individual activity level, as required by the applicable methodology (single or combined for which cross effects are approved).

8. The requirements contained in 'Clarification No. 1' are mandatory and is applicable as the request for registration of this project activity has not yet been submitted to the GCC Program. The application of Clarification No. 1 has been reflected in all the relevant and respective sections of the PSF and reporting of the compliance including additional information on demonstration of how the homogenous bundles have been created and how they met the criteria of determination of homogenous bundle has been reflected by creating a new Annex 8 in the Project Submission Form (PSF), as described below.

4. Examples

9. Three non-binding best practice examples below show compliance of section 4 of 'Clarification No. 1'

Example 1- of ‘Not a Bundled Project’: Design of a single project and having single investment decision for all activities/sites.

The Project’ is a 25 MW (6x3.6 MW + 1x3.4 MW) wind farm project, consisting of 7 turbines and generators, commissioned in year 2018 and located in SQW district in Country X. The electricity generated will be exported to national Grid and applies the same methodology (ACM0002 v20.0). For this project, the Letter of Authorization states that there is only one legal owner (XYZ Ltd.), who has authorized two project owners (XYZ Ltd., EFG Ltd.) and one of which is authorized to be the only focal point (EFG Ltd.) to act on behalf of all the project owners and has authority to manage the project and will have the ownership of ACCs. The investment decision for all the activities in the project in 10 June 2017 confirms that a pre-tax equity IRR without ACC revenues, over IRR period of 20 years for the whole project is 10.95%, lower than the 15% pre-tax benchmark for such projects in the whole country. The whole project is owned by a single entity.

Analysis:

An analysis indicates that a project’ is a 25 MW (6x3.6 MW + 1x3.4 MW) wind farm project, applying the same methodology (ACM0002 v20.0), where all activities have same baseline (which is national electricity grid), generate the same output (electricity), have the same date of investment decision on (10 June 2017), commissioned at the same time within the year (in 2018), and located in district SQW in Country X.

Such project which apply same technology (wind power) and methodology (ACM0002, v20.0), has same baseline (which is national electricity grid), generate the same output (electricity), apply the same additionality approach (Investment analysis) and has single investment decision for all the activities in the project, are by default ‘homogenous’ and is not a bundled project, therefore can apply requirements applicable to single projects (with single or multiple sites).

Such type of projects, as defined above, do not require to apply two-level analysis as per section 4 of ‘Clarification No. 1’ version (v1.1)

Example 2- of ‘a Bundled Project’: Design of three bundles applying multiple technologies, but a single methodology, at multiple locations.

The overall ‘Bundled Project’ is a set of several renewable energy project activities in Country A considering developing a new 460 MW of renewable energy portfolio, consisting of solar and wind farms, to displace fossil fuel-based electricity generation from the electricity grid. The electricity generated will be exported to national Grid. For this Bundled Project, the Letter of Authorization states that there are 3 legal owners (XYZ Ltd., EFG Ltd., ABC Ltd.), who have authorized four project owners (XYZ Ltd., EFG Ltd., ABC Ltd., XYZEFGABC Ltd.) and one of which is authorized to be the only focal point (XYZEFGABC. Ltd.) to act on behalf of all the project owners and has authority to manage the project and will have the ownership of ACCs. The details are provided in figure 1 as given below.

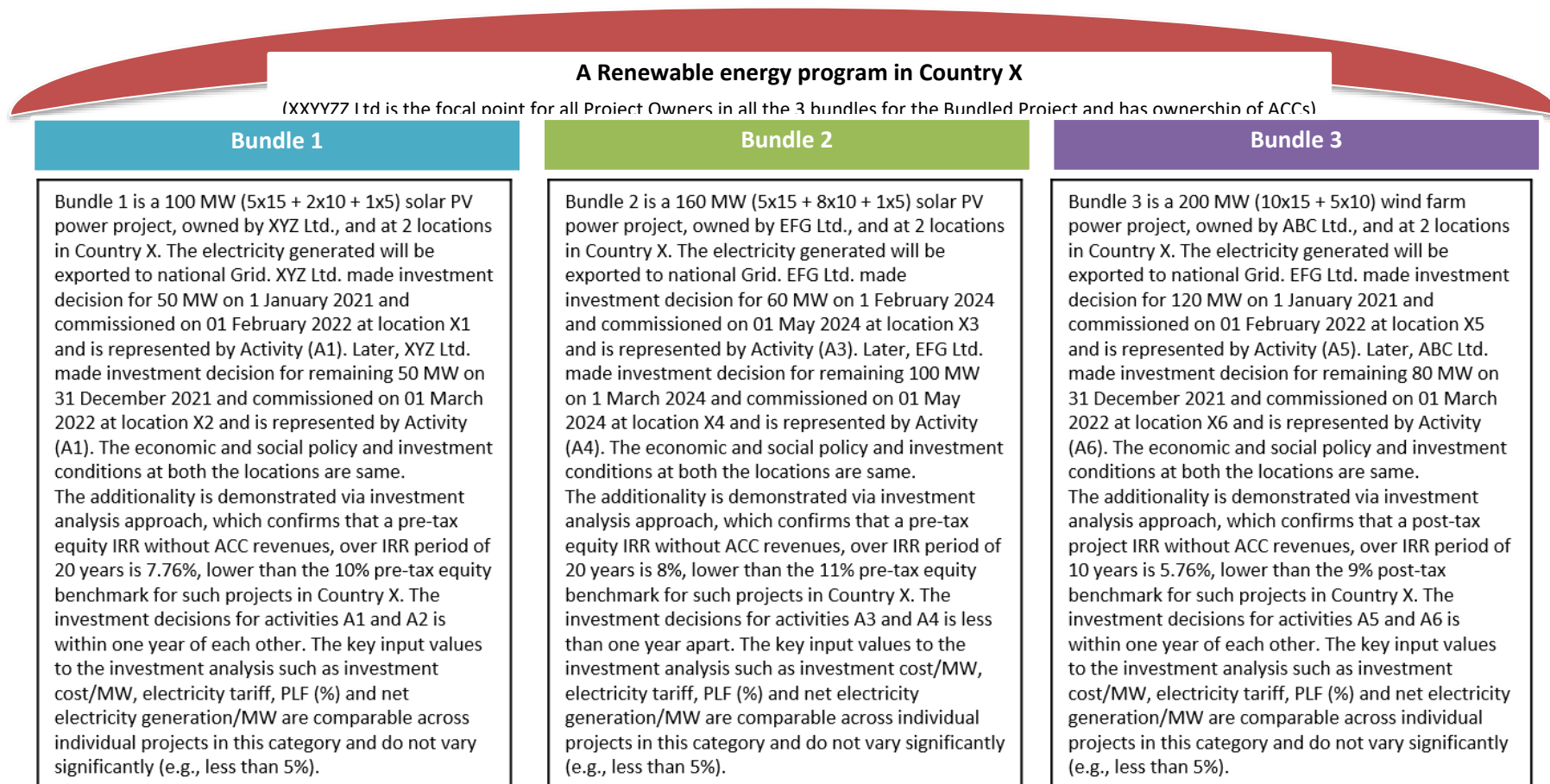


Figure-1: Description of Bundled Project

Analysis:

Initial analysis seems to indicate that all the activities (A1 and A2 in Bundle, B1) at both the locations within this bundle apply same technology and methodology, has same baseline and has similar additionality. This indicates that all the activities within this bundle at both the locations are likely to be homogenous and therefore can apply requirements (baseline, additionality, monitoring, etc.) at the bundle level, however this is required to be confirmed via detailed level 1 and level 2 analysis as per section 4 of Clarification No. 1 and is given below. Similar analysis and initial observations also applies to activities (A3, A4) in Bundle, B2 and activities (A5, A6) in Bundle, B3.

Two-level analysis for formulation of homogeneous bundles:

The Project owner has applied two-level analysis for formulation of homogeneous bundles as per section 4 of 'Clarification No. 1' version (v1.1) and as described below:

- (a) *Level-1 analysis - Consideration of key aspects for developing Homogeneous Bundles:* The analysis of the information presented in Table 1 below demonstrates that all the activities in the bundle are similar and homogeneous and has been grouped into one bundle, resulting into three different bundles. Note that Table 1 indicates similarity and homogeneity of all the 6 activities (A1-A6) by the same color coding corresponding to rows containing the requirements.
- (b) *Level-2 analysis – Criteria for differentiating the Bundles:* The analysis of the information presented in Table 2 below demonstrates that all the 6 activities (A1-A6) within their respective bundles are not different and the homogeneous activities have been grouped into three bundles.

Other considerations for Bundled Projects: The analysis of the information presented in Table 3 below demonstrates that all other requirements stipulated by paragraphs 13-19 of Clarification No.1 are complied.

Based on the outcome of the above analysis, this bundled project has been designed to have three levels as depicted in figure 2 below.

- (a) **Bundled Project:** The overall 'Bundled Project' is a renewable energy program in Country A considering developing a new 460 MW of renewable energy portfolio, consisting of solar and wind farms, to displace fossil fuel-based electricity generation from the electricity grid. The electricity generated will be exported to national Grid. The title of the Bundled Project is unique.
- (b) **Bundles:** The project is designed to have three bundles: B1 (having activities A1-A2), B2 (having activities A3-A4), and B3 (having activities A5-A6). The Project owner has applied two-level analysis for formulation of homogeneous bundles as per section 4 of 'Clarification No. 1' version (v1.1) and described above.
- (c) **Activities:** The project is composed of a total of 6 homogeneous activities (A1-A6). All the activities are broadly similar.

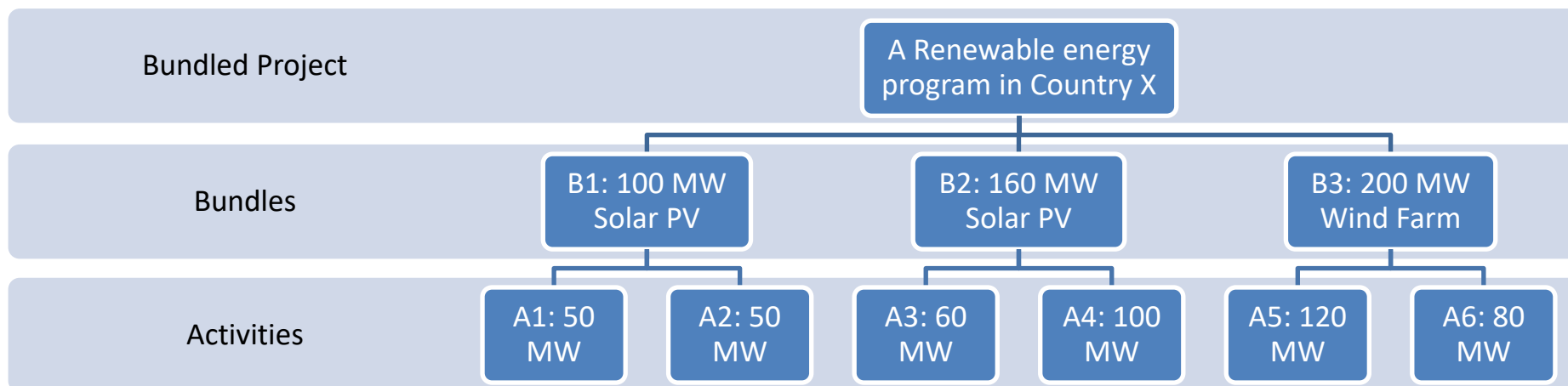


Figure-2: Levels in Bundled Project

As the project is designed to have three bundles which are homogeneous, therefore, as per as per paragraphs 8 of ‘Clarification No. 1’, version (v1.1), collective establishment of baseline, emission reductions calculation, additionality demonstration (including investment and common practice analysis), project monitoring plan and assessment of certification labels for multiple activities in a bundle can be allowed at the bundle level. All the three bundles and their respective activities can demonstrate above requirements at bundle level

| Table 1: Level-1 analysis - Consideration of key aspects for developing Homogeneous Bundles: | | | | | | | | |
|--|----------------------------|------------------|--|----|------------------------|----|------------------------|----|
| Requirements of paragraphs 10-11 of Clarification No. 1 | | Reference | Similar Bundles/Activities (color coded) | | | | | |
| | | | B1 | | B2 | | B3 | |
| | | | A1 | A2 | A3 | A4 | A5 | A6 |
| Similarity in Technological Considerations | Technology | Paragraph 11 (i) | Solar power | | Solar power | | Wind power | |
| | Methodology | | ACM0002, v20.0 | | ACM0002, v20.0 | | ACM0002, v20.0 | |
| | Cross-effects exist or not | | No cross effects exist | | No cross effects exist | | No cross effects exist | |

Non-binding Examples of Bundling

| | Same output of each activity (e.g., heat or power or cogeneration); | Paragraph 12 (b) | Electricity | Electricity | Electricity |
|---|--|------------------------|---|---|---|
| Similarity in Economic and Policy Considerations | Additionality approach (investment or barrier analysis as stipulated by the applicable methodology) | Paragraph 11 (ii) | Investment analysis. | Investment analysis. | Investment analysis. |
| | All the activities within the bundle should have same barrier(s). | Paragraph 12 (d) (iii) | Does not apply barrier analysis. Not applicable. | | |
| | Investment analysis method and financial indicator (e.g., post tax project or equity IRR, or pre-tax project or equity IRR, NPV, etc.) | Paragraph 11 (ii) | 7.76% Pre-tax equity IRR | 8% Pre-tax equity IRR | 5.76% Post-tax project IRR |
| | Comparable key input values (which constitute more than 20% of total project investment costs and total project revenues, which is applicable as per the specific project situation) | | Key input values to the investment analysis (such as investment cost/MW, electricity tariff, PLF (%) and net electricity generation/MW) for activity A1 and A2 do not vary more than 5% in comparison to A2 | Key input values to the investment analysis (such as investment cost/MW, electricity tariff, PLF (%) and net electricity generation/MW) for activity A3 and A4 do not vary more than 5% in comparison to A4 | Key input values to the investment analysis (such as investment cost/MW, electricity tariff, PLF (%) and net electricity generation/MW) for activity A5 and A6 do not vary more than 5% in comparison to A6 |
| | Same investment decision year | | The investment decisions for activities A1 and A2 is within one year of each other. | The investment decisions for activities A3 and A4 is within one year of each other. | The investment decisions for activities A5 and A6 is within one year of each other. |
| | Same investment benchmark applicable for additionality analysis (e.g. Cost of Equity, weighed average cost of capital). | | 10% pre-tax equity benchmark | 11% pre-tax equity benchmark | 9% post-tax benchmark |
| | Location | | Location X1 Location X2. | Location X3. Location X4. | Location X5. Location 16 |
| | Supplying electricity to the different grids/ captive purposes | | Exported to national Grid | Exported to national Grid | Exported to national Grid |
| | Project capacity | | 50 MW 50 MW | 60 MW 100 MW | 120 MW 80 MW |
| | Project investors profile | | Owned by XYZ Ltd. | Owned by EFG Ltd. | Owned by ABC Ltd. |
| | Legal ownership of bundles | | For this Bundled Project, the Letter of Authorization states that there are 3 legal owners (XYZ Ltd., EFG Ltd., ABC Ltd.), who have authorized four project owners (XYZ Ltd., EFG Ltd., ABC Ltd., XYZEFGABC Ltd.) and one of which is authorized to be the only focal point (XYZEFGABC. Ltd.) to act on behalf of all the project owners and has authority to manage the project and will have the ownership of ACCs. | | |
| | Others: | | | | |

Non-binding Examples of Bundling

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|---|--|------------------------|---|---|---|
| Similarity in Environmental or Methodological Considerations | Application of same methodology (or approved combinations where cross effects are addressed) | Paragraph 11 (iii) i | ACM0002, v20.0 | ACM0002, v20.0 | ACM0002, v20.0 |
| | Same baseline approach and the outcome | Paragraph 11 (iii) ii | The baseline for all the activities in the bundle is national electricity grid. | The baseline for all the activities in the bundle is national electricity grid | The baseline for all the activities in the bundle is national electricity grid. |
| | Same monitoring approach and parameters for the part included for GHG | Paragraph 11 (iii) iii | All projects in this category have same monitoring approach and measurement parameters. | All projects in this category have same monitoring approach and measurement parameters. | All projects in this category have same monitoring approach and measurement parameters. |

| Table 2: Level 2- analysis - Criteria for differentiating the Bundles: | | | |
|--|------------------|---|----------------------------------|
| Requirements of paragraph 12 of Clarification No. 1 | Reference | Description of how the activities within bundles are similar | Are the requirements met? |
| Do the bundles have same baseline of each activity within a bundle? | Paragraph 12 (a) | Yes, the baseline for all the activities in all the bundle is national electricity grid. | Yes |
| Do the bundles have same output of each activity (e.g., heat or power or cogeneration); | Paragraph 12 (b) | Yes, all the all the activities in all the bundle generate the same output (electricity) | Yes |
| Do the bundles have same Technology for each activity (e.g., wind or solar)? | Paragraph 12 (c) | Yes, all the all the activities in a bundle apply the same technology. Activities in bundle B1, B2 apply solar technology, where as B3 applies wind technology. | Yes |
| Do the bundles have same additionality approach stipulated by the applicable methodology: i. If a large scale CDM/GCC as well as small scale CDM methodology, considered for cross-effects, is applied in a bundled project, the additionality approach stipulated by the large-scale methodology will supersede. ii. If investment analysis is applied: | Paragraph 12 (d) | Yes, all activities in bundle B1 apply the same additionality approach and apply single Investment analysis at bundle level. Bundles B2 and B2 also apply a similar approach. | Yes |

Non-binding Examples of Bundling

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|--|--|--|--|--|
| <p>a) Similar key investment costs of activities (which constitute more than 20% of either total project investment costs or total project revenues, which is applicable as per the specific project situation); and</p> <p>b) Same investment benchmark applicable for additionality analysis (e.g. Cost of Equity, weighed average cost of capital).</p> <p>iii. If barrier analysis is used: a. All the activities within the bundle should have same barrier(s).</p> | | | | |
|--|--|--|--|--|

Table 3: Other considerations for Bundled Projects

| Requirements of paragraph 13-19 of Clarification No. 1 | | Reference | Description of how the requirements are met | Requirements met? |
|--|---|--------------|---|-------------------|
| Other considerations for Bundled Projects | The crediting period of entire project Bundle shall be same | Paragraph 13 | The crediting period for the entire bundled project is for a period of 10 years from 01/02/2022 till 31/01/2032 | Yes |
| | The start date of operation of the Bundled Project shall be the earliest date among all of the bundles. | Paragraph 13 | The start date of operation of the Bundled Project is 01/02/2022, which is the earliest date among all of the bundles/activities. | Yes |
| | Separate monitoring plans shall be defined for each bundle in a bundled project that account for: <ul style="list-style-type: none"> (a) GHG reduction component; (b) For voluntary certification labels (E+, S+). These labels for the entire bundled project shall be issued if all the bundles demonstrate no-net-harm; and (c) For voluntary SDG+ certification labels. The SDG label for the entire project shall be issued corresponding to the lowest SDG label achieved among all the bundles. | Paragraph 14 | Separate monitoring plans are provided for GHG, as well as voluntary certifications (E+. S+ and SDG+). | Yes |
| | If combination of methodologies is applied, the cross-effects between methodologies and/or technologies/measures and/or bundles within and across the bundles shall be addressed and impacts considered as per ' <i>Guidelines for the consideration of interactive effects for the application of multiple CDM methodologies for a programme of activities (EB68, Annex 3)</i> ' | Paragraph 15 | As single methodology (ACM0002, v20.0) is applied by all the activities in all the 3 bundles, so there are no cross effects. | Yes |

Non-binding Examples of Bundling

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|--|---|--------------|---|-----|
| | The Letter of Authorization shall be signed by each organisation and legal owner of the activities included in bundle and bundled project and shall nominate and authorize a single Project Owner (organisation to act on behalf of the all the parties/ legal owners/ Project Owners) for GCC project development (to open account in GCC Portal, for document submission, etc) and for ownership of ACCs. | Paragraph 16 | For this Bundled Project, the Letter of Authorization states that there are 3 legal owners (XYZ Ltd., EFG Ltd., ABC Ltd.), who have authorized four project owners (XYZ Ltd., EFG Ltd., ABC Ltd., XYZEFGABC Ltd.) and one of which is authorized to be the only focal point (XYZEFGABC. Ltd.) to act on behalf of all the project owners and has authority to manage the project and will have the ownership of ACCs. | Yes |
| | Common practice for the bundled project shall be defined as per the CDM Tool for Common Practice. The common practice shall be ascertained for each bundle or activity depending upon the level for which additionality is defined. | Paragraph 18 | Yes, all activities in bundle B1 apply the same additionality approach and apply single Investment analysis at bundle level. Bundles B2 and B2 also apply a similar approach. Similarly, common practice analysis is also applied at the bundle level. | Yes |

Example 3- of ‘a Bundled Project’: Design of two bundles applying a single technology and methodology, at the different locations.

The overall ‘Bundled Project’ consists of 10 projects is diverse capacities with an aggregated capacity of 9.9 MW. 10 different solar power projects located in principally 2 different districts of the host country X are bundled together. The project activities have been commissioned between the period Jan 2017 to October 2017. The electricity generated will be exported to national Grid. For this Bundled Project, the Letter of Authorization states that there is only one legal owner (XYZ Ltd.), who has authorized two project owners (XYZ Ltd., ABC Ltd..) and one of which is authorized to be the only focal point (ABC Ltd.) to act on behalf of all the project owners and has authority to manage the project and will have the ownership of ACCs. The investment decision for all the activities in the bundle were taken in 2016 within 6 months of each other and confirms that a pre-tax equity IRR without ACC revenues, over IRR period of 25 years is used to demonstrate that the economic attractiveness of the bundles are lower than the pre-tax benchmark for such projects in the whole country. The whole project is owned by a single entity (XYZ Ltd).

Analysis:

Two-level analysis for formulation of homogeneous bundles:

The Project owner has applied two-level analysis for formulation of homogeneous bundles as per section 4 of ‘Clarification No. 1’ version (v1.1) and as described below:

- (a) *Level-1 analysis - Consideration of key aspects for developing Homogeneous Bundles:* An analysis of the project indicates that the 10 activities (A1 ~A10 consisting of ten solar power generation projects spread over 2 different districts within the Host country and these districts have very different land costs with land in one district is two times expensive than other) in 2 two different Bundles (B1 and B2) apply same solar energy based technology and methodology, ACM0002, v20.0, has same baseline (which is national electricity grid), generate the same output (electricity), apply the same additionality approach (Investment analysis) at bundle level but are located in different in 2 different districts (with entirely different levels of investment costs in land) of the host country. The investment decisions of the 10 activities were made within a year time of each other. This indicates that all the activities included within the individual bundles are located at distinct areas and homogenous and therefore can apply requirements (baseline, additionality, monitoring, etc.) at the bundle level.
- (b) *Level-2 analysis – Criteria for differentiating the Bundles:* The analysis of the information presented above demonstrates that that 10 different activities (A1~ A10 consisting of ten different solar power generation units spread over 2 different districts) are into 2 different bundles (B1 and B2) are similar at the bundle level except for the difference in key investment costs of land in two different districts which is differentiating factor between the bundles.

Other considerations for Bundled Projects: The analysis of the information presented in Table 4 below demonstrates that all other requirements stipulated by paragraphs 13-19 of Clarification No.1 are complied.

Based on the outcome of the above analysis, this bundled project has been designed to have three levels as depicted in figure 3 below.

- (a) **Bundled Project:** The overall 'Bundled Project' is a 9.9 MW (consisting of 10 different solar based power generation units) solar PV project, consisting of a 10 different activities (A1 ~ A10 consisting of ten solar power generation units) are taken up under 2 distinct bundles B1 (Consisting of 7 different project activities, A1~A7) and B2 (Consisting of 3 different project activities, A8~A10) which were all commissioned in 2017 and located at a single location in Country X. The electricity generated will be exported to national Grid. The title of the Bundled Project is unique.
- (b) **Bundles:** The project is designed to have 2 bundles, where the first homogenous bundle (B1) consists of 7 different plants (A1 ~A7) located in district Z of the host country H and 2nd Homogenous bundle (B2) which consists of 3 different activities (A8, A9 and A10) located in district J of the host country H. The Project owner has applied two-level analysis for formulation of homogeneous bundles as per section 4 of 'Clarification No. 1' version (v1.1) and described above. It must be noted that difference in land investment costs (which constitutes more than 20% of total cost of project) in two different districts is the reason of two bundles, and not mere difference in geographical location.
- (c) **Activities:** The project is composed of a single activity (A1 consisting of seven turbines and generators at a single location) in the single Bundle (B1)).

As the project is designed to have two distinct bundles which are homogeneous, therefore, as per paragraphs 8 of ‘Clarification No. 1’, version (v1.1), collective establishment of baseline, emission reductions calculations, additionality demonstration (including investment and common practice analysis), project monitoring plan and assessment of certification labels for multiple activities in a bundle can be allowed at the bundle level. All the two bundles and their respective activities can demonstrate above requirements at bundle level.

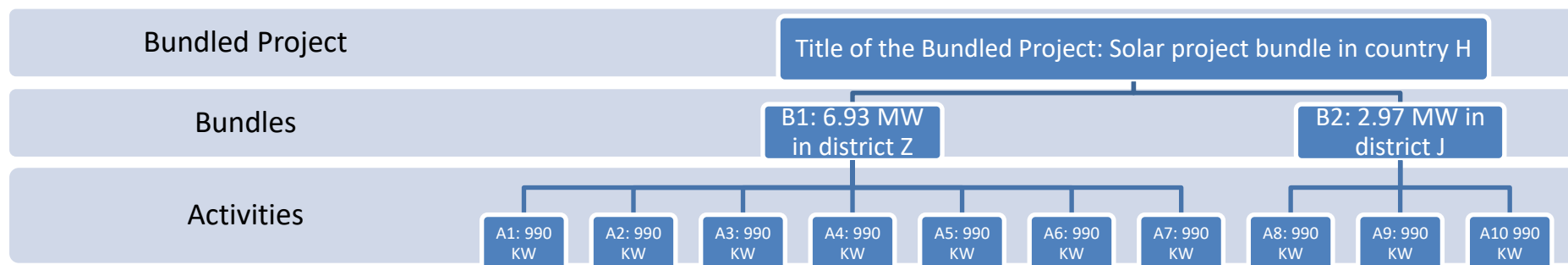


Figure-3: Levels in Bundled Project

| Table 4: Level-1 analysis - Consideration of key aspects for developing Homogeneous Bundles: | | | | |
|--|---|------------------|--|------------------------|
| Requirements of paragraphs 10-11 of Clarification No. 1 | | Reference | Similar Bundles/Activities (color coded) | |
| | | | B1 | B2 |
| | | | A1 ~ A7 | A8 ~A10 |
| Similarity in Technological Considerations | Technology | Paragraph 11 (i) | Solar power | Solar power |
| | Methodology | | ACM0002, v20.0 | ACM0002, v20.0 |
| | Cross-effects exist or not | | No cross effects exist | No cross effects exist |
| | Same output of each activity (e.g., heat or power or cogeneration); | Paragraph 12 (b) | Electricity | Electricity |

Non-binding Examples of Bundling

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|---|---|------------------------|---|--|--|
| Similarity in Economic and Policy Considerations | Additionality approach (investment or barrier analysis as stipulated by the applicable methodology) | Paragraph 11 (ii) | Investment analysis. | Investment analysis. | |
| | All the activities within the bundle should have same barrier(s). | Paragraph 12 (d) (iii) | Does not apply barrier analysis. Not applicable. | | |
| | Investment analysis method and financial indicator (e.g., post tax project or equity IRR, or pre-tax project or equity IRR, NPV, etc.) | Paragraph 11 (ii) | Pre-tax equity IRR | Pre-tax equity IRR | |
| | Comparable key input values (which constitute more than 20% of total project investment costs and total project revenues, which is applicable as per the specific project situation) (Key differentiating parameter between bundles) | | Key input values to the investment analysis (such as investment cost/MW, electricity tariff, PLF (%) and net electricity generation/MW) for activities A1~A7 do not vary more than 5% | Key input values to the investment analysis (such as investment cost/MW, electricity tariff, PLF (%) and net electricity generation/MW) for activities A8~A10 do not vary more than 5% | |
| | Same investment decision year | | The investment decisions for activities A1 ~ A7 is within one year of each other. | The investment decisions for activities A7 ~ A10 is within one year of each other. | |
| | Same investment benchmark applicable for additionality analysis (e.g. Cost of Equity, weighed average cost of capital). | | 10% pre-tax equity benchmark | 10% pre-tax equity benchmark | |
| | Different land costs at two different locations (Key differentiating parameter between bundles) | | Land cost in District Z is half of District J | Land cost in District J is double of District Z | |
| | Supplying electricity to the different grids/ captive purposes | | Exported to national Grid through Discom of Zone Z | Exported to national Grid through Discom of Zone J | |
| | Project capacity | | All plants of similar capacity @ 900 KW | All plants of similar capacity @ 900 KW | |
| | Project investors profile | | Owned by XYZ Ltd. | Owned by XYZ Ltd. | |
| | Legal ownership of bundles | | The Letter of Authorization states that there is only one legal owner (XYZ Ltd.), who has authorized two project owners (XYZ Ltd., ABC Ltd..) and one of which is authorized to be the only focal point (ABC Ltd.) to act on behalf of all the project owners and has authority to manage the project and will have the ownership of ACCs | | |
| | Others: | | | | |
| | Similarity in Environmental or Methodological Considerations | | Application of same methodology (or approved combinations where cross effects are addressed) | Paragraph 11 (iii) i | ACM0002, v20.0 |
| Same baseline approach and the outcome | | | Paragraph 11 (iii) ii | The baseline for all the activities in the bundle is national electricity grid. | The baseline for all the activities in the bundle is national electricity grid |

Non-binding Examples of Bundling

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|--|---|------------------------|---|---|
| | Same monitoring approach and parameters for the part included for GHG | Paragraph 11 (iii) iii | All projects in this category have same monitoring approach and measurement parameters. | All projects in this category have same monitoring approach and measurement parameters. |
|--|---|------------------------|---|---|

| Table 5: Level 2- analysis - Criteria for differentiating the Bundles: | | | |
|---|------------------|--|----------------------------------|
| Requirements of paragraph 12 of Clarification No. 1 | Reference | Description of how the activities within bundles are similar | Are the requirements met? |
| Do the bundles have same baseline of each activity within a bundle? | Paragraph 12 (a) | Yes, the baseline for all the activities in all the bundle is national electricity grid. | Yes |
| Do the bundles have same output of each activity (e.g., heat or power or cogeneration); | Paragraph 12 (b) | Yes, all the all the activities in all the bundle generate the same output (electricity) | Yes |
| Do the bundles have same Technology for each activity (e.g., wind or solar)? | Paragraph 12 (c) | Yes, all the all the activities in a bundle apply the same technology. Activities in bundle B1, B2 apply solar technology. | Yes |
| <p>Do the bundles have same additionality approach stipulated by the applicable methodology:</p> <p>iv. If a large scale CDM/GCC as well as small scale CDM methodology, considered for cross-effects, is applied in a bundled project, the additionality approach stipulated by the large-scale methodology will supersede.</p> <p>v. If investment analysis is applied:</p> <p>c) Similar key investment costs of activities (which constitute more than 20% of either total project investment costs or total project revenues, which is applicable as per the specific project situation); and</p> <p>d) Same investment benchmark applicable for additionality analysis (e.g. Cost of Equity, weighed average cost of capital).</p> <p>vi. If barrier analysis is used: a. All the activities within the bundle should have same barrier(s).</p> | Paragraph 12 (d) | <p>Key paraments for differentiation between bundles is that one of the key costs (land cost) is entirely different in district Z and J).</p> <p>However, all activities in bundles B1 and B2 apply the same additionality approach and apply Investment analysis at bundle level.</p> | Yes |

Non-binding Examples of Bundling

| Table 6: Other considerations for Bundled Projects | | | | |
|---|--|------------------|--|--------------------------|
| Requirements of paragraph 13-19 of Clarification No. 1 | | Reference | Description of how the requirements are met | Requirements met? |
| Other considerations for Bundled Projects | The crediting period of entire project Bundle shall be same | Paragraph 13 | The crediting period for the entire bundled project is for a period of 10 years duration with the earliest dates of commissioning of the 10 projects being the start date of crediting period. | Yes |
| | The start date of operation of the Bundled Project shall be the earliest date among all of the bundles. | Paragraph 13 | The start date of operation of the Bundled Project is 01/01/2017, which is the earliest date of commissioning among the 10 project activities. | Yes |
| | Separate monitoring plans shall be defined for each bundle in a bundled project that account for: (d) GHG reduction component; (e) For voluntary certification labels (E+, S+). These labels for the entire bundled project shall be issued if all the bundles demonstrate no-net-harm; and (f) For voluntary SDG+ certification labels. The SDG label for the entire project shall be issued corresponding to the lowest SDG label achieved among all the bundles. | Paragraph 14 | Separate monitoring plans are provided for GHG, as well as voluntary certifications (E+, S+ and SDG+). | Yes |
| | If combination of methodologies is applied, the cross-effects between methodologies and/or technologies/measures and/or bundles within and across the bundles shall be addressed and impacts considered as per ' <i>Guidelines for the consideration of interactive effects for the application of multiple CDM methodologies for a programme of activities (EB68, Annex 3)</i> ' | Paragraph 15 | As single methodology (ACM0002, v20.0) is applied by all the activities in all the 2 bundles, so there are no cross effects. | Yes |
| | The Letter of Authorization shall be signed by each organisation and legal owner of the activities included in bundle and bundled project and shall nominate and authorize a single Project Owner (organisation to act on behalf of the all the parties/ legal owners/ | Paragraph 16 | The Letter of Authorization states that there is only one legal owner (XYZ Ltd.), who has authorized two project owners (XYZ Ltd., ABC Ltd.) and one of which is authorized to be the only focal point (ABC Ltd.) to act on behalf of all the project owners and has | Yes |

Non-binding Examples of Bundling

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|--|---|--------------|--|-----|
| | Project Owners) for GCC project development (to open account in GCC Portal, for document submission, etc) and for ownership of ACCs. | | authority to manage the project and will have the ownership of ACCs | |
| | Common practice for the bundled project shall be defined as per the CDM Tool for Common Practice. The common practice shall be ascertained for each bundle or activity depending upon the level for which additionality is defined. | Paragraph 18 | Yes, common practice analysis is carried out based on the aggregate capacities of the bundles B1 and B2, the level at which the additionality is determined. | Yes |

| DOCUMENT HISTORY | | |
|-------------------------|-------------|---|
| Version | Date | Comment |
| V 1.0 | 29/03/2022 | <ul style="list-style-type: none">Initial version released for approval by the Steering Committee as per the GCC Program Process. |



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