Agenda item 3.4.
Paragraph 16 of the annotated agenda, Annex 3 to MEP 014 meeting report

Proposed mechanism methodology: Electricity generation from renewable sources connected to an electricity system

Article 6.4 Supervisory Body – SBM Briefing on the outcomes of MEP 014
Bonn, Germany, 21 July 2026

UNFCCC Secretariat
Mitigation Division

Procedural background

- SBM 015: approved MEP workplan for 2025, including revision of CDM methodologies “ACM0002: Grid connected electricity generation from renewable sources” and “AMS-I.D.: Grid connected renewable electricity generation” (hereinafter referred to as “the approved CDM methodologies”);
- MEP 012: published a draft version of the mechanism methodology for call for public inputs;
  - 17 March to 7 April 2026
  - 18 submissions were received (compilation of inputs available at https://unfccc.int/sites/default/files/resource/A6.4-INFO-MISC-010.pdf)
- MEP 013: continued working in draft version of the mechanism methodology

Purpose

- The purpose of this draft mechanism methodology is to define requirements for Article 6.4 activities that involve the installation of a greenfield power plant that generates electricity from renewable sources and feeds all electricity generated into an electricity system

1. Applicability conditions

Based on the mandate to support the CDM transition projects, this version of the mechanism methodology includes limitations on eligible activity types compared to the CDM methodology. This could be expanded in future revision processes.

CDM Methodologies		Mechanism methodology
ACM0002	• **Project type: retrofit, rehabilitation (or refurbishment), replacement, or capacity addition** to an existing power plant or construction and operation of a **new power plant/unit** that uses renewable energy sources and supplies electricity to the grid; • **Energy sources: renewable sources except biomass**;	• **Project type: a greenfield power plant** that generates electricity from renewable sources and feeds all the net electricity generated into an electricity system. The power plant may include a battery energy storage system; • **Energy sources: hydro (run-or-river or with existing reservoirs), wind, solar, and geothermal;** • Prioritization of major project types; • Further analysis is needed for critical elements such as baseline setting, CH_4 emissions from reservoirs; • Other methodological tools are needed.
AMS-I.D.	• **Project type:** construction and operation of a **new power plant/unit or retrofit, rehabilitation (or refurbishment), replacement, or capacity addition** of an existing power plant that uses renewable energy sources and supplies electricity to the grid; • **Energy sources: renewable energy** such as solar, hydro, tidal/wave, wind, geothermal, and renewable biomass;	

Specific conditions for certain types of renewable power generation activities also differ between the mechanism methodology and the CDM methodologies.

1. Applicability conditions (cont)

- Host Parties (policy decision by the SBM):
  - **Option A1:** limited to LDCs/SIDS;
  - **Option A2:** no host Party limitation.
- Capacity of hydropower plants (policy decision by the SBM):
  - **Option B1.1:** up to 15 MW for all host Parties or any lower threshold used by the host Party for defining small-scale hydro power;
  - **Option B1.2:** 15 MW for non-LDCs/SIDS and 50 MW for LDCs/SIDS, or any lower threshold used by the host Party for defining small-scale hydro power;
  - **Option B2:** no capacity restriction;

2. Activity boundary

- Site of the Article 6.4 project power plant and all power units physically connected to the electricity system;
  - Baseline emission sources: CO_2 emitted by fossil-fuel fired power plants connected to the electricity system;
  - Activity emission sources: GHG (CO_2, CH_4, N_2O) emitted from the combustion of fossil fuels in solar thermal and geothermal power plants, as well as from fossil fuel use in backup generators; and GHG (CO_2, CH_4 and Hydrocarbon refrigerant) emissions from non-condensable gases and working fluid for geothermal power plants;
  - Leakage emission sources: CO_2 emitted due to wake effect in wind power pants, GHG emitted due to upstream emissions from the manufacturing and installation of BESS;

Inclusion and exclusion of emission sources (Appendix 1)

- Baseline emission sources not accounted:
  - Non-CO_2 emissions from fossil fuel combustion of power plants in the electricity system;
  - Emissions from the operation of renewable power plants in the electricity system (e.g. biomass or geothermal power generation);
  - Upstream emissions from the construction of power plants in the electricity system;
  - Upstream emissions from the production, processing and transportation of fossil fuels used in power plants in the electricity system;
- Leakage emission sources not accounted:
  - Upstream emissions from the construction and operation of power plant, except for BESS;
  - Use of pre-used equipment (covered under applicability conditions of project equipment);
  - Competition for water use (covered under applicability conditions such as impact on upstream or downstream power plants, water volume of the reservoir, irrigation availability, and water rights, etc.)
  - Rebound effect.

3. Demonstration of additionality

3.1. Regulatory Analysis

- Law or regulation refers to or formally integrates the mechanism as an instrument for implementation;
- Legal requirements do not require the installation of renewable power plants at the same site;
- Legal requirements do not indirectly require the implementation of the Article 6.4 activity or another form of renewable electricity generation;
- Assessment shall be conducted in each monitoring period.

3.2. Assessment of lock-in risk

- Application of the lock-in risk analysis tool
  - Applicable in case of geothermal power plants only (literature review: some systems reported GHG emission intensities around 100 – 400 gCO_2eq/kWh, with some exceptional systems exceeding 1,000 gCO_2eq/kWh);
  - Methodology specifies the technology to be assessed, the lifetime and the approach to calculate the GHG intensity. Assessment of resources and scale assessment are not required.

3. Demonstration of additionality

3.3. Investment Analysis

- Application of the investment analysis tool
  - Alternative scenarios: activity not registered in the A6.4 mechanism, generation by existing and/or new power plant, electricity generation by new power plants of any type other than the activity – additional scenarios for hydropower plants implemented in existing reservoirs;
  - Analysis method: investment comparison analysis or benchmark analysis;
  - Financial indicator: NPV (investment comparison or benchmark analysis) or IRR (benchmark analysis);
  - Implementation entity: either activity participant only, or activity participant or other entities;
  - Sensitivity analysis: variation of +/- 10%;

3. Demonstration of additionality

3.4. Common practice analysis

- Application of the common practice analysis tool
  - Approach for common practice: Approach A;
  - Indicator: installed power generation capacity (in MW);
  - Stock-based or time-bound approach: time-bound approach (most recent 3 calendar years);
  - Geographical area: physical boundary of the electricity system (widened to host country, continent or global);
  - Scale: all capacity sizes of comparable activities;
  - Thresholds: **[2.5%] [5%] [10%]** for non-LDCs/SIDS; **[5%] [10%] [15%]** for LDCs/SIDS;
  - Comparable and similar activities:
    - Comparable: all power plants connected to the electricity system
    - Similar: all other wind onshore, all other wind offshore, all other solar thermal, all other solar PV, all other geothermal, all other hydropower

3. Demonstration of additionality

3.4. Common practice analysis (cont)

- Threshold also depends on how “similar” activities are defined;
- Implications of 3 alternative thresholds

Number of countries in which relevant renewable power generation technologies would NOT be deemed common practice

		Article 6.4 activities starting in 2021 (average 2018-2020)		
		Wind	Solar	Hydro
Lower thresholds:	LDCs/SIDS	75	56	47
- < 2.5% non-LDCs/SIDS;	Non-LDCs/SIDS	75	71	37
- < 5% LDCs/SIDS	**TOTAL**	**150**	**127**	**84**
Middle thresholds:	LDCs/SIDS	82	69	50
- < 5% non-LDCs/SIDS;	Non-LDCs/SIDS	86	82	42
- < 10% LDCs/SIDS	**TOTAL**	**168**	**151**	**92**
Upper thresholds:	LDCs/SIDS	83	78	52
- < 10% non-LDCs/SIDS;	Non-LDCs/SIDS	102	105	53
- < 15% LDCs/SIDS	**TOTAL**	**185**	**183**	**105**
All countries	LDCs/SIDS	84	84	84
	Non-LDCs/SIDS	130	130	130
	TOTAL	**204**	**204**	**204**

		Article 6.4 activities starting in 2025 (most recent 3 years)		
		Wind	Solar	Hydro
Lower thresholds:	LDCs/SIDS	74	43	47
- < 2.5% non-LDCs/SIDS;	Non-LDCs/SIDS	67	44	40
- < 5% LDCs/SIDS	**TOTAL**	**141**	**87**	**87**
Middle thresholds:	LDCs/SIDS	80	55	51
- < 5% non-LDCs/SIDS;	Non-LDCs/SIDS	79	61	44
- < 10% LDCs/SIDS	**TOTAL**	**159**	**116**	**95**
Upper thresholds:	LDCs/SIDS	82	66	51
- < 10% non-LDCs/SIDS;	Non-LDCs/SIDS	94	80	54
- < 15% LDCs/SIDS	**TOTAL**	**176**	**146**	**105**
All countries	LDCs/SIDS	84	84	84
	Non-LDCs/SIDS	130	130	130
	TOTAL	**204**	**204**	**204**

3. Demonstration of additionality

3.4. Common practice thresholds + applicability conditions (limitation to LDCs/SIDS + capacity of hydropower projects)

- Limitation to scales:
  - No limitation for solar, wind, geothermal;
  - Hydropower plants:
    - Decision to construct large plants: not only economic grounds, but policy decisions by authorities (not covered by the investment analysis tool);
    - Costs of electricity generation are often higher for smaller plants.

3. Demonstration of additionality

3.4. Common practice thresholds + applicability conditions (limitation to LDCs/SIDS + capacity of hydropower projects)

- Eligibility to groups of countries:
  - Costs of renewable electricity generation have declined over time;
  - VMR0017 (VCS): broadens earlier restrictions and uses different country eligibility criteria for different technologies;
  - Gold Standard limits eligibility for LDCs/SIDS/land-locked developing countries (LLDCs), and in low income and low middle-income countries (penetration < 5%).
  - CORSIA: limits to capacity < 15 MW (Phase I), no limitations on eligible countries;
  - ICVCM: recently approved VMR0017;

3. Demonstration of additionality

3.4. Common practice thresholds + applicability conditions (limitation to LDCs/SIDS + capacity of hydropower projects)

- Eligibility to groups of countries (cont.):
  a) Limiting the methodology to specific types of countries (Options A.1) or;
  b) Selecting strict common practice threshold (exclude countries where renewable generation technologies are already more widespread)
  - Trade-offs → Common practice, Limiting to group of countries:
    - Safeguard against "false positives" (given the decrease in the LCoE) ➔ no undermining of the integrity
    - Prevent registration of "false negatives" (activities face financing barriers, policy uncertainty, cost of grid upgrade) ➔ fewer registered projects and higher aggregated mitigation costs;
  - MEP considers that the **uptake of a technology** might be a better indicator for the risk of false positives than whether a host Party belongs to a certain group of countries.

4. Baseline scenario

4.1. Approach

- Existing actual/historical emissions adjusted downwards;

4.2. Baseline scenario:

- The electricity generation by existing and/or new grid-connected power plants;
- Operating the reservoir(s) at its/their current size and using it/them for the same purpose as that prior to the implementation of the Article 6.4 activity (hydropower plants implemented in existing reservoirs);

4.3. Unadjusted baseline emissions:

- Application of the electricity emissions tool
  - Source: electricity generated by the project power plant and fed into the electricity system;
  - Electricity generated or consumed: $EG_{PJ,y}$ or $EG_{PJ,h}$ corresponds to $EG_{s,y}$ or $EG_{s,h}$ in the tool;
  - Type of generation source: wind and solar (with or without BESS) are intermittent; all other technologies are non-intermittent;
  - Scenarios and cases applied: Scenario A in step 3; case 2 in step 4 of the tool;

4. Baseline scenario

4.3. Unadjusted baseline emissions (cont):

- Wind power plants: $EG_{PJ,y}$ or $EG_{PJ,h}$ shall account for the reduction in electricity generation by other wind power plants due to wake effects in year y ($EG_{wake,y}$)
- $EG_{wake,y}$ does not need to be accounted if:
  - Onshore power plants: distance between the wind turbines installed under the Article 6.4 activity and any other wind power plants is greater than 50 kilometers;
  - Offshore power plants: distance between the wind turbines installed under the Article 6.4 activity and any other wind power plants is greater than 100 kilometers;
  - Affected power plants are registered in the A6.4 mechanism;
- $EG_{wake,y}$ shall be determined using wake model (peer-reviewed, conservative or site-representative inputs, apply uncertainty of 50%);

4. Baseline scenario

4.4. Downward adjustment – relative downward adjustment

- Initial downward adjustment: Relative reduction expressed as a proportion

  $DA_{initial} = max(DA_{initial,min} ; DA_{initial,UNC})$

  $DA_{initial,min} = (BE_{EG,y1} – AE_{EG,y1}) \times 0.1 / BE_{EG,y1}$

- In subsequent years: Combining the above proportion with an annual increase of 1 per cent
- Rationale:
  - the absolute initial downward adjustment in the first year of the crediting period may not be representative for other years of the crediting period for Article 6.4 activities where the amount of emission reductions or net removals increase or decrease over time
  - the application of the absolute initial downward adjustment in the last calendar year of the last crediting period would be punitive if that year only includes a short period (e.g., one month).

4. Baseline scenario

4.5. Conservative BAU scenario and emissions

- Deemed to be the same as the baseline scenario: the electricity delivered by the Article 6.4 activity to the electricity system would otherwise be generated by the operation of existing grid-connected power plants and by the addition of new generation sources;
- Conservative BAU emissions will always be higher than the downward adjusted baseline emissions except for the calendar year of the start date of the first crediting period. A discount factor is applied in that year.

5. Activity scenario

- Emissions from fuel consumed, electricity consumed from the electricity system and emissions from the operation of geothermal power plants;

6. Leakage

- Emissions due to wake effect (discounted when determining the baseline emissions);
- Upstream emissions from the manufacturing, transportation and installation of BESS (electricity delivered by the BESS x conservative upstream emission factor)

7. Avoidance of double-counting

- Renewable electricity not claimed by other crediting or certification schemes;
- Reported emission reductions do not overlap with mandatory domestic mitigation schemes, or measures are in place to ensure that any relevant impacts of the activity are not counted towards the achievement of targets or obligations under the mandatory domestic mitigation scheme

8. Data and parameters monitored

- Electricity generated and exported to and consumed form the electricity system (as per the methodological tool);
- Reduction in electricity generation by other wind power plants through wake effects;
- Quantity and properties of the fossil fuel consumed;
- Geothermal power plants: mass of steam produced, mass of steam entering and leaving the power plant, mass fraction of CO_2 and CH_4 in the produced steam, quantity of working fluid leaked/reinjected

Call for public inputs

SECTION OF THE METHODOLOGY	NUMBER OF INPUTS
COVER NOTE	2
1. Introduction	1
2. Definitions	3
3. Applicability conditions	26
4. Normative references	1
5. Project boundary	5
6. Demonstration of additionality - General	2
6.1. Demonstration of additionality - Regulatory analysis	15
6.2. Demonstration of additionality - Lock-in risk	14
6.3. Demonstration of additionality - Investment analysis	2
6.4. Demonstration of additionality - Common practice analysis	26

SECTION OF THE METHODOLOGY	NUMBER OF INPUTS
7. Baseline emissions - General	2
7.2. Baseline emissions - unadjusted baseline emissions	5
7.2. Baseline emissions - shadowing effect	12
7.3. Baseline emissions - downward adjustment	12
8. Project emissions	6
9. Leakage emissions	4
11. Avoidance of double-counting	5
12. Alignment with policies	2
13. Data and parameters not monitored	6
14. Data and parameters monitored	3

- Consideration of inputs provided in the cover note

Call for public inputs

- Inputs not considered:
  - Not aligned with RMPs, methodological standards or methodological tools
    - Alternative approaches to calculate the initial downward adjustment or eliminate it;
    - Alternative approaches to demonstrate additionality;
    - Simplified requirements for small-scale projects;
  - Methodology provides simplified and practical approach (focused on enabling the transition from CDM), however proposed changes are not ruled-out (submission of revisions of the mechanism methodology)
    - Capacity increase, modernization, rehabilitation, or replacement of existing power plants;
    - Different types of energy storage projects, such as pumped-storage projects;
    - Power plant exists in the project site, but was shut-down long before;
    - Captive consumption or sale of the renewable electricity to specific end consumers.

Subsequent work and timelines

- Mechanism methodology is only applicable to activities implemented at the project level → will be amended in the future, following the revision to the methodological standards to include requirements for other scales (e.g., Programmes of Activities or large-scale crediting programmes);
- Mechanism methodology should be revised once the work on the revision of the CDM TOOL03 “Tool to calculate project or leakage CO2 emissions from fossil fuel combustion” has been concluded and the tool has been adopted by the Supervisory Body;
- MEP will reflect the approach of a relative downward adjustment in a future revision of the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004) once the standard will be reviewed – if methodology is approved

Recommendations to the Supervisory Body

- The MEP agreed to recommend that the Supervisory Body consider the draft mechanism methodology, including the options on policy matters included in the mechanism methodology, and adopt the draft mechanism methodology.

ISSUES RAISED DURING THE BRIEFING SESSIONS WITH THE MEP

Comparison of emission reductions under the CDM meth and the proposed A6.4 meth

Question/concern

- More than 300 renewable energy projects have already been approved by host parties, including projects in countries such as Brazil. Has any exercise been conducted to estimate emission reductions under the proposed new A6.4 methodology and compare them with emission reductions that would be calculated under the current CDM methodology?

Response by MEP small group:

The MEP has not conducted quantitative assessments, as they may also depend highly on the context.

Projects may be affected in different ways:

- Downward adjustment will reduce the emission reductions
- Other updates to the grid emission factor tool can have some impacts
- Consideration of wake effects
- Limited applicability of the methodology (no capacity additions, no new large reservoirs, etc)
- Common practice test or other eligibility criteria may affect eligibility of plants

Share of CDM Transitioning Projects and Prior Consideration Activities in LDCs/SIDS and Non-LDC/SIDS countries

Question/concern

- Do statistics exist from prior notifications on renewable energy projects showing what percentage are located in non-LDCs/SIDS versus LDCs/SIDS? This would help clarify the scale of exclusion if the A6.4 restriction is adopted.

Analysis results

The projects and PoAs using ACM0002 and/or AMS-I.D which requested for transition from CDM to A6.4 and gained host Party approval.

	Non-LDCs/SIDS			LDCs/SIDS		
	PA	PoA	Total	PA	PoA	Total
ACM0002	132	7	139	12	0	12
AMS-I.D.	43	5	48	4	0	4
ACM0002 + AMS-I.D.	0	3	3	0	0	0

The number of the prior consideration notification submissions for new A6.4 activities involving renewable energy

Type of project (own classification)	Count of prior consideration notification (PCN) in non-LDCs/SIDS	Count of prior consideration notification (PCN) in LDCs/SIDS
Geothermal only	10	
Hydro only	90	11
PSP only	4	
Solar only	250	14
Solar + Hydro		2
Solar + Wind	29	
Wind only	106	1
Grand Total	489	28

Exclusion of rebound effect from leakage emission sources

Question / concern

- Why is the rebound effect not included?

Response by MEP small group

- The rebound effect has been considered and is discussed in section 2.5 of Appendix 1
- The rebound effect was acknowledged as complex, highly variable, and context-dependent. Its omission was considered reasonable given the other conservative assumptions included in the methodology.

BESS upstream emissions – scientific basis for inclusion

Question / concern

- What is the scientific basis for including upstream emissions from BESS?

Response by MEP small group

- An analysis of all upstream emissions is included in Appendix 1. The MEP identified that upstream emissions can generally be disregarded, as they are likely to be higher in the baseline scenario than in the activity scenario. However, it was identified that this does not hold for BESS which has higher upstream emissions.
- BESS upstream emissions are included in leakage emissions using conservative literature-based values.

BESS upstream emissions – scientific basis for inclusion

Question / concern

- How should differences between BESS and non-BESS projects be addressed?

Response by MEP small group

- Difference in determination of baseline emissions: The difference lies in the classification of BESS as either intermittent or non-intermittent sources when applying the electricity emissions tool. For this version of the methodology, a simplified conservative approach is used to classify BESS as intermittent sources.
- Difference in additionality demonstration: Although the investment costs of BESS and non-BESS differ, their incomes could also vary depending on the local context (e.g. the operation pattern of the storage component and the tariff). For this version of the methodology, BESS and non-BESS are considered as similar technologies for the common practice analysis.

This version of the methodology takes a simplified and conservative approach, considering the limited number and small scale of the CDM transition projects integrated with BESS.

Relative downward adjustment and consistency with RMPs

Question / concern

- Does paragraph 50(c) of the cover note correctly interpret the RMPs?

Response by MEP small group

- A public comment suggested that a dynamic or context-specific downward adjustment may be used.
- Paragraph 50 of the cover note indicates that those comments were not implemented because they do not align with the RMP.

Clarity of paragraphs 69 and 73 of the cover note

Question / concern

- Paragraphs 69 and 73 of the cover note require clarification.

Response by MEP small group

- Paragraph 69 refers to comments on the regulatory analysis. The version of the methodology published by MEP012 for the purpose of a call for public inputs allowed determining the amount of electricity required by a legal requirement ($EG_{legal,y}$), and the activity to claim the emission reduction from the power generation that exceeds $EG_{legal,y}$. Public comments proposed to remove such provision, and the MEP agreed with the proposal considering the difficulty and uncertainty in determining the capacity that would be built, and the amount of electricity generated, in the absence of such legal requirements.
- Paragraph 73 refers to comments requesting clarity on the provisions for investment analysis. The MEP did not implement the comment because such requirement is already covered by the tool for investment analysis.

PUBLIC INPUTS TO THE RECOMMENDATIONS FROM THE MEP TO SBM 022

Summary of public comments – Overview

- A call for public input on recommendations from the MEP to SBM022 was open between **6 and 13 July 2026**
- In total **8 submissions** were received from:
  a) Auren Energia;
  b) Benmoussa Samia;
  c) Ontario Rivers Alliance;
  d) Value Network Ventures Pte.;
  e) ABBEolica;
  f) Carbon Market Watch;
  g) IETA; and
  h) Various stakeholders

- The largest number of comments was received on the applicability section after the cover note

Section	# of comments
Cover Note	37
2. Definitions	5
4. Applicability	21
5. Activity Boundary	1
6.2 Demonstration of additionality: Assessment of lock-in risk	2
6.4 Demonstration of additionality: Common practice analysis	5
7.2.2 Baseline scenario: Calculation of the unadjusted baseline emissions	1
7.3 Baseline scenario: Application of the downward adjustment	1
12. Demonstration of alignment with policies	1
13. Data and parameters not monitored	1
14. Data and parameters monitored	1
Appendix 1 Background information	3
Total	**79**

Summary of public comments – Not implemented by the MEP Small Group

All the public comments were considered by the MEP Small Group but some comments are not further addressed in this presentation for the reasons noted below.

- **Already addressed by existing tools**
  - Environmental impacts of hydropower plants – Covered by the A6.4 SD tool
  - Further guidance on investment analysis– Addressed by the investment analysis tool
- **Policy matters already included as options in the methodology**
  - Additionality of hydropower plants and any scale-based applicability conditions – a political matter for the Supervisory Body to determine
- **Out of scope of this version of the methodology and thus suggesting to submit new methodology proposals or requests for revisions to this methodology**
  - Inclusion of electricity supply to specific consumers
  - Expansion of the scope to brownfield projects
  - Proposed stepwise approach to wake-effect assessment for wind turbines
  - Proposals on approaches for avoidance of double-counting

GHG emissions from hydro power plants

Question / concern

- Several comments raised concerns that the current approaches may not be sufficient to address greenhouse gas emissions from hydropower reservoirs, including:
  - Multiple comments question the assumption that CO_2, CH_4 and N_2O emissions from reservoir are “very small” or “negligible” even with the currently suggested applicability conditions, e.g. for the water resident time.
  - The fluctuation of water level of reservoir is a significant cause of CH4 emissions from reservoir, but this aspect is not considered.

Response by MEP small group

- The MEP small group notes that these comments were not received in the previous call for public inputs and that it would require considerable time and resources to assess their implications
- The Supervisory Body may request the MEP to conduct further work on this matter.

Summary of public comments – Changes proposed by the MEP Small Group

- **Common practice analysis – applicable geographical area**
  - Comments: The methodology should allow a narrower subnational or subsystem area where objective evidence demonstrates relevant structural differences.
  - ➢ The MEP Small Group suggests adding the following footnote to paragraph 37(d): *"The electricity system shall be determined based on the Methodological tool: Emissions from electricity generation and consumption(A6.4-AMT-007)."*

- **Common practice analysis – distinguishing market segments**
  - Comments: The common practice analysis should distinguish utility-scale, grid-connected projects from distributed generation, behind-the-meter generation and other materially different market segments.
  - ➢ To address this comment, the MEP Small Group is of the view that paragraph 37 could be revised as follows: *"the installed power generation capacity of power plants connected to (the) electricity system(s) within the applicable geographical area, expressed in MW"*

- **Definition of hydraulic retention time for run-of-river hydropower plants**
  - Comments: Residence time is variable and tied to inflow - the higher the inflow, the shorter the residence time. *"Steady state conditions"* should be removed and a more appropriate measure should be inserted.
  - ➢ The MEP small group acknowledge the comment and suggests to accept the proposed revision. The definition in paragraph 7(f) could be updated to: *"…the ratio of reservoir volume to mean inflow, representing the average time water remains within the reservoir under various inflow conditions."*