

 <p style="text-align: center;">CDM: Revision Form for Approved Methodologies (version 01) (To be used for responding to requests for clarifications on approved methodologies)</p>	
Date of Meth Panel meeting:	04 – 07 April 2006
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Applicability of AM0008 to projects in the district heating sector and projects where natural gas comes from LNG
Indicative methodology to which your submission relates	AM0008
Name of the authors of the query:	DNV-CUK
Summary of the query: Please use the space below to summarize the request for clarification on the related approved methodologies.	
<ul style="list-style-type: none"> AM0008 is currently linked to sectoral scope 4 (Manufacturing industries) only. It is requested whether AM0008 is also applicable to a project in the energy sector (sectoral scope 1), such as to a project in the district heating sector; While one of the applicability criteria of ACM0009 is that “the natural gas used in the project activity is not generated from liquefied natural gas (LNG) or compressed natural gas (CNG)”, AM0008 does not contain such an applicability criteria. The Meth Panel is thus requested to clarify whether AM0008 is applicable to projects where the natural gas used in the project activity is generated from LNG. 	
Recommendation by the Meth Panel: Please use the space below to provide amendments /changes (in your expert view, if necessary).	
<ul style="list-style-type: none"> AM0008 has been limited to sectoral scope 4 because in most cases the dispatch of power plants in the energy sector is different and depends on the marginal generation costs. However, with a fuel switch from another fuel to natural gas, the marginal generation costs change and as a result the relevant plant may generate less or more electricity than in the absence of the project activity. This may affect the generation of power in other plants in the grid. To take this into account a different methodological approach would be required for fuel switches in existing power plants in the energy sector. Hence, AM0008 should not be applicable to the energy sector; Currently, AM0008 does not provide this applicability condition and consequently it should also be applicable to project activities where the natural gas comes from LNG or CNG. However, the Meth Panel recommends revision of ACM0009 in order to cover also LNG and CNG and recommends to remove AM0008. 	
Answer to authors of the request for clarification by the Meth Panel : Please use the space below to provide an answer to the authors of the above query	



Signature of the Meth Panel Chair

Date: 13 / 04 /06 (Rajesh Kumar Sethi)



Signature of the Meth Panel Vice-Chair

Date: 13 / 04/06 (Jean-Jacques Becker)

Information to be completed by the secretariat

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