	CDM: Response form for Request for revision of approved methodologies (version 01.1)
Date of Meth Panel meeting:	4 - 8 February 2008
Title and number of Request for revision	Considering planned individual higher emission source plant (incl. hypothetical power plant) as a baseline option AM_REV_0076
Summary of the query: Please use the space below to summarize the request for revision on the related approved methodologies.	
<p>Methodology AM0019 is applicable to renewable energy sources that displace electricity production from an existing individual plant; and where the identified baseline plant has sufficient capacity to meet the increase of demand expected during the crediting period.</p> <p>The request seeks to modify AM0019 and include the replacement of a hypothetical power plant with a renewable or a lower emission power plant. Project Proponents incorporate sections of AM0029 for the analysis of this alternative.</p>	
Recommendation by the Meth Panel: (a) Please use the space below to provide amendments /changes (in your expert view, if necessary).	
<p>The request for revision is not appropriate. The reference to AM0029 is biased because it incorporates the selection of a unique power plant to be displaced, but it does not incorporate the criteria to estimate the baseline scenario. The Project Proponents may consider to apply other methodologies where the issue of displacement of hypothetical power plants have been already incorporated i.e. ACM0002, ACM0013, AM0026, AM0029.</p> <p>When a new power plant is going to be implemented, there are different uncertainties related to the power generation technologies, which will be displaced. Those uncertainties are already incorporated in the estimation of the build margin emission factor. The build margin refers to a cohort of power units that reflect the type of power units whose construction would be affected by the proposed CDM project activity.</p> <p>Moreover, as it is mentioned in the request that AM0029 incorporates the option to identify a single power plant for a baseline scenario, but also incorporates provision to select the most conservative baseline scenario (page 5 of the AM0029 version 2) “. As a result of the project, the construction of an alternative power generation technology(s) could be avoided, or the construction of a series of other power plants could simply be delayed. Furthermore if the project were installed sooner than these other projects might have been constructed, its near-term impact could be largely to reduce electricity generation in existing plants. This depends on many factors and assumptions (e.g. whether there is a supply deficit) that are difficult to determine and that change over time. In order to address this uncertainty in a conservative manner, project participants shall use for (the emission factor) $EF_{BL,CO_2,y}$ the lowest emission factor among the following three options:</p> <p>For the first crediting period:</p> <ul style="list-style-type: none"> • Option 1: The build margin, calculated according to “Tool to calculate emission factor for an electricity system”; • Option 2: The combined margin, calculated according to “Tool to calculate emission factor for an electricity system”, using a 50/50 OM/BM weight; • Option 3: The emission factor of the technology (and fuel) identified as the most likely baseline scenario under “Identification of the baseline scenario”. 	

The possibility to calculate the baseline emission factor for AM0019 using the same criteria as AM0029, including selection of alternative scenarios and baseline scenario analysis, is not considered appropriate because it would reduce its simplicity, while not providing extra benefits of accuracy or conservativeness.

(b) Please use the space below for providing guidance, as per Para 93 of EB25 Report, on what type of projects need to revise the PDD as a consequence of the suggested revision, if the recommendation is to revise the methodology.

Answer to authors of the request for revision by the Meth Panel :

Please use the space below to provide an answer to the authors of the above query

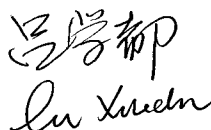
Not to revise AM0019 on the basis of this request for revision. See above.



Signature of Meth Panel Chair

Date: 08/02/2008

(Akihiro Kuroki)



Signature of Meth Panel Vice-Chair

Date: 08/02/2008

(Xuedu Lu)

Information to be completed by the secretariat

F-CDM-AM	AM_REV_0076
Name of the authors of the query:	SGS-UKL
Date when the form was received at UNFCCC secretariat	8 February 2008
Date of transmission to the EB	8 February 2008
Date of posting in the UNFCCC CDM web site	8 February 2008