CDM: Response form for Request for revision of approved methodologies (version 01.1)

Date of Meth Panel meeting:	25 - 29 August 2008
Title and number of Request for revision	Revise the scenario 15 so that it is applicable for power plants connected to the grid prior to the fuel switch as well as the method to calculate the emission factor of electricity displaced. AM_REV_0099

Summary of the query:

Please use the space below to summarize the request for revision on the related approved methodologies.

ACM0006 "Consolidated methodology for electricity generation from biomass residues" is applicable to electricity generation project activities (cogeneration or not) using biomass residues, including greenfield power plants, power capacity expansion projects, energy efficiency improvement projects and fuel switch projects. The methodology is currently applicable to 20 different scenarios.

The objective of the request is to revise scenario 15 to expand its applicability to power/cogeneration plants that are connected to the grid prior to the fuel switch. Currently, the scenario is only applicable if the power/cogeneration plant is not connected to the grid.

The request also proposes the revision of the emission factor used for calculating emission reductions from electricity generation. The proposal is to use, in case of grid connected power plants, the minimum between the emission factor of the existing plant and the emission factor of the grid, calculated as per the latest version of ACM0002 ("Consolidated baseline methodology for grid-connected electricity generation from renewable sources").

The underlying project activity is a partial fuel switch from coal to rice husks at an existing grid-connected cogeneration plant. The rice husks are agricultural residues available in the region and would be dumped and left to decay in the absence of the project activity.

Recommendation by the Meth Panel:

(a) Please use the space below to provide amendments /changes (in your expert view, if necessary).

Not applicable.

(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.

Not applicable.

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

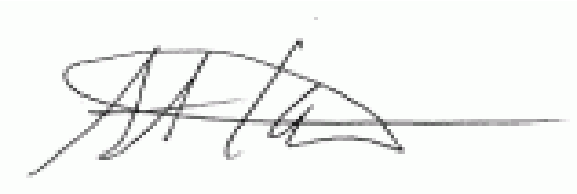
Please use the space below to provide an answer to the authors of the above query

The recommendation is not to approve the request for revision. The Meth Panel acknowledges that it is reasonable that scenario 15 be revised to include situations in which the project plant is grid connected. However, differently from the revision proposed in this request, the calculation of emissions reductions should reflect the approach provided in ACM0011, in which baseline emissions from different levels of electricity generation are calculated with different emission factors, considering the fact that the fuel switch may affect not only the existing power plant but also grid connected power plants.

Apart from the recommendation on the methodology, the Panel would like to make some remarks about the CDM-PDD which could be taken into account in case project proponents decide to re-submit their case:

- The underlying CDM-PDD does not apply the revised version of ACM0006 as proposed in the request;
- The assessment of leakage is inadequate as only the underlying project activity is included in the assessment whereas all other users of the same biomass residues should also be included;
- The monitoring plan is incomplete. For instance the data required for calculating EF_{CP} on page 26 is not available in the CDM-PDD;
- The description of the underlying project activity is confusing. In principle the project activity seems not to be a fuel switch but the construction of a new cogeneration plant, as implied by the following statement on page 2: "*the supplying of electricity from biomass power plant will replace the equivalent power generated from coal fired based power plant connected to NECPG and the waste heat from the proposed project will replace the equivalent heat generated from coal fired based boiler*". Further reading the document, it appears that the project activity will not replace electricity and heat generation in other coal plants. Rather, it is the same plant which will produce equivalent amounts of electricity and heat using a different fuel;
- On page 2 the CDM-PDD mentions that the project has an installed capacity of 2 x 75 tonnes of steam per hour in terms of boilers and 2 x 12 MW in terms of turbo-generators. However, on page 4, it is mentioned that there are 5 boilers with total capacity of 165t/h and four generators with a capacity of 24 MW in the power plant prior to the proposed project. Those numbers seem to be inconsistent.
- In different places the CDM-PDD describes that "*without the proposed project, the power generation is just imported from the grid*" (pages 9 and 10) and that "*before the proposed project construction, there is no existing power plant connected to the grid*" (page 12). Those statements are confusing and seem to indicate that the project activity is a greenfield plant, as opposed to a fuel switch project at an existing grid-connected power plant. The CDM-PDD should describe in a consistent and transparent manner the historical situation and the situation after the implementation of the project activity.

The Panel requests project proponents to take note that an overall revision of ACM0006 is currently being undertaken. This revision will consider expanding the methodology to the type of project activities described in this request for revision.



Signature of Meth Panel Chair ……..
Date: 29/08/2008 *(Akihiro Kuroki)*

Signature of Meth Panel Vice-Chair ……..
Date: 29/08/2008 *(Philip Gwage)*

Information to be completed by the secretariat	
F-CDM-AM	AM_REV_0099
Name of the authors of the query:	BVC Holding SAS
Date when the form was received at UNFCCC secretariat	29 August 2008
Date of transmission to the EB	29 August 2008
Date of posting in the UNFCCC CDM web site	29 August 2008