



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

| | |
|--|--|
| <i>Date of Meth Panel meeting:</i> | 11 - 15 June 2012 |
| <i>Title and number of Request for revision</i> | Revision in ACM0009 in order to expand its applicability to greenfield project activities AM_REV_0232 |
| <u>Summary of the query:</u> Please use the space below to summarize the request for revision on the related approved methodologies. | |
| <p>ACM0009 version 03.2 is applicable to project activities that switch fuel in one or several element processes from coal or petroleum fuel to natural gas. The methodology is applicable to existing facilities where the quantity of coal or petroleum fuel that would be combusted in the identified element process in the absence of the CDM project activity is known.</p> <p>The methodology also requires that the project activity does not increase the capacity or any other fuel in the element processes during the crediting period i.e. emission reductions are only accounted up to the end of the lifetime of the relevant element process, nor does it result in an integrated process change.</p> <p>The request for revision seeks to extend the application of ACM0009 to Greenfield project activities. The project activity comprises adoption of a NG based energy-matrix (NG in combination with mineral coal and RFO) in a new element process.</p> | |
| <u>Recommendation by the Meth Panel:</u> (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. | |
| <u>Answer to authors of the request for revision by the Meth Panel :</u> Please use the space below to provide an answer to the authors of the above query | |
| <p>The Meth Panel recommends not to accept the revision.</p> <p>The methodology cannot be extended to Greenfield facilities due to following reasons:</p> <ul style="list-style-type: none"> - Currently, the methodology applies to only coal or petroleum fuel being used in the elemental process. In case of expansion to new facilities, the methodology may require thorough changes to the applicability criteria and selection of baseline scenario, and a review of how this change impacts this fuel-switch methodology. This is not provided; - The request introduces a concept of <u>partial substitution</u> (switching from coal or petroleum fuel to <i>or adoption of a natural gas-based energy matrix</i>) of the baseline energy matrix which includes NG as part of this energy matrix, whereas the methodology is applicable only to a complete fuel-switch from | |

coal or petroleum gas to NG in existing element process;

- An energy matrix does not correspond to the definition of an element process, where a single output is generated mainly by use of a single fuel (not plural energy sources);
- Equations would be needed to estimate this partial substitution that the request for revision has not provided.

Furthermore, the methodology cannot be extended to Greenfield facilities without modifications to the applicability conditions relating to existing facilities and demonstration of additionality. The most plausible baseline scenario is the “continued use of coal or petroleum in the crediting period/remaining lifetime of existing equipment where the fuel switch has been made” and therefore additional baseline scenario options would need to be included related to new equipment that allows plural energy sources with a partial substitution by NG being included in this energy mix, and may also include different equipment technology description.

If the methodology were to be expanded to Greenfield facilities, the Meth Panel is of the view that the methodology would need to introduce a concept of identifying a reference facility (possibly in the manner currently incorporated in ACM0012) that would be used in comparing the most likely baseline scenario/technology that would be in place if not for the proposed CDM project activity.

Signed by the Chair, Mr. Thomas Bernheim

Date: 15/06/2012

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 15/06/2012

| Information to be completed by the secretariat | |
|---|--------------|
| F-CDM-AM | AM_REV_0232 |
| Name of the authors of the query: | RINA |
| Date when the form was received at UNFCCC secretariat | 15 June 2012 |
| Date of transmission to the EB | 15 June 2012 |
| Date of posting in the UNFCCC CDM web site | 15 June 2012 |