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

Date of Meth Panel meeting:	19 - 23 October 2009
Title and number of Request for revision	Request for revision of methodology ACM0006 Version 9 to allow the installation of a new biomass residue fired power plant at a site where a fossil fuel-fired power plant has been retired AM_REV_0165

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 request for revision concerns the revision of the description of the situation of scenario 2 of ACM0006. The description of the situation for scenario 2 currently states:

"*The project activity involves the installation of a new biomass residue fired power plant at a site where no power was generated prior to the implementation of the project activity.*"

The request for revision proposes the following change (underlined text):

"*The project activity involves the installation of a new biomass residue fired power plant at a site where currently no power generation occurs. (e.g. in the case of a site where previously no power generation has occurred, or at a site where a fossil fuel-fired power plant has been retired for at least one year before the implementation of the project activity. In the latter case, it is not mandatory to retrofit the fossil fuel-fired boiler in order to combust biomass residues or other fuels and the retirement of the fossil fuel-fired power plant is not related to the implementation of the project activity; the fossil-fired power plant has retired for example because of legal requirements and / or insufficient economic viability).*"

The project activity underlying this request is the retrofit of two (6 + 12 MW) retired coal-based power plants into a biomass-residue-based power plant, connected to the grid with the same total capacity (18 MW). The two retired power plants were coal-fired steam-cycle power plants. Those two coal plants started operation in September 1998 and retired in January 2005 because of legal requirements, inefficiency of the coal-fired boilers and a great deficit resulting from the increased price of coal. The biomass source for the project activity consists of rice husk. The power generated by the project will be supplied to the grid (the power generated by the retires coal plants was also supplied to the grid). The biomass residues that are used in the project plant would have been dumped or left to decay or burnt in an uncontrolled manner without utilizing it for energy purposes in absence of the project activity.

This request for revision is ismilar to AM_REV_0167, AM_REV_0166, AM_REV_0154, AM_CLA_0134.

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 Meth Panel recommends that the request for revision should not be approved owing to the following reasons: • The request does not address the issue of how to determine the conditions under which the discontinuation of the operations of the previous power plant would have happened anyway, independently of the proposed project activity. Only in those situations the previous power plant can be clearly disregarded in the selection of the baseline scenario. Although in the case of the underlying project activity, since the previous power plant is coal-based, the non-consideration of that power plant in the baseline scenario selection may turn out to be conservative, in other situations that may not be the case. • The project case as described in the PDD could be considered as a greenfield project only if the entire old plant was replaced by a new biomass residue fired power plant. The case described, however, is a retrofit of an existing plant, rather than a greenfield power plant. As defined in the methodology a Greenfield project is installation of a new biomass residue fired power plant at a site where currently no power generation occurs, which means that prior to the implementation of the project activity no physical activity has been undertaken in the project site relative to the proposed project technology or measure (ex: power/heat/co-generation as applicable). The case described here necessitates a relaxation in fundamental definition of the Greenfield project, which is not acceptable and project proponents are encouraged to submit new revision request by creating a new scenario that may fit to this project situation and while doing so it is suggested to also refer to the panels recommendation on the other revision cases AM_CLA_0134, AM_REV_0154, AM_REV_0166 and AM_REV_0167.

Signature of Meth Panel Chair ……..
Date: 23/10/2009 *(Philip Gwage)*

Signature of Meth Panel Vice-Chair ……..
Date: 23/10/2009 *(Pedro Martins Barata)*

Information to be completed by the secretariat	
F-CDM-AM	AM_REV_0165
Name of the authors of the query:	TUEV-NORD
Date when the form was received at UNFCCC secretariat	23 October 2009
Date of transmission to the EB	23 October 2009
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