	<b>CDM: Response form for Request for revision of approved methodologies (version 01.1)</b>
<i>Date of Meth Panel meeting:</i>	24 - 28 September 2007
<i>Title and number of Request for revision</i>	“Addition of Renewable Power Generation in AM0036 ver.1” / AM_REV_0056
<b>Summary of the query:</b> Please use the space below to summarize the request for revision on the related approved methodologies.	
<p>The current version of AM0036 is applicable to project activities that deal with the generation of heat (i.e. fuel switch from fossil fuels to biomass residues in boilers), where there is no power generation or power generation does not change as a result of the project activity. The request for revision seeks to allow the crediting of emission reductions from the expansion of grid-connected renewable electricity generation in association with the switch from fossil fuels to biomass in the project activity boiler. This implies to extend the ability to credit emissions reductions from interconnected renewable power generation to projects which co-fire fossil fuels with some biomass residues in the baseline case.</p> <p>Crediting reductions from additional power generation is permitted in ACM0006 for several baseline scenarios, but is not yet permitted for the specific baseline scenario where fossil fuels are co-fired with some biomass.</p>	
<b>Recommendation by the Meth Panel:</b> (a) Please use the space below to provide amendments /changes (in your expert view, if necessary).	
<p>As mentioned in the background documents of AM0036, specifically in the final recommendation for NM0140-rev, it was considered that the inclusion of project activities involving fuel switch in boilers for heat generation would make ACM0006 more complex and therefore AM0036 was designed as a dedicated methodology to deal with the generation of heat. Further, it was recommended that project activities that result in an increase in electricity generation should consider the use of ACM0006.</p> <p>Based on the analysis of the information presented in the submission, it appears that the project activity meets most of the criteria included in ACM0006. For instance:</p> <p>The project activity may include the following activities or combinations of these activities:</p> <ul style="list-style-type: none"> <li>• The installation of a new biomass residue fired power plant, which replaces or is operated next to existing power plants fired with either fossil fuels or the same type of biomass residue as in the project plant (power capacity expansion projects); or</li> <li>• The improvement of energy efficiency of an existing power plant (energy efficiency improvement projects), e.g. by retrofitting the existing plant or by installing a more efficient plant that replaces the existing plant; or</li> <li>• The replacement of fossil fuels by biomass residues in an existing power plant (fuel switch projects).</li> <li>• No other biomass types than biomass residues, as defined above, are used in the project plant and these biomass residues are the predominant fuel used in the project plant (some fossil fuels may be co-fired)</li> </ul> <p>The underlying project activity of this request involves (i) replacement of the existing fossil fuel fired boilers with a new biomass residue fired boiler and (ii) installation of a new high efficiency steam turbine to provide electrical energy to the plant and supply the excess to the grid (iii) heat efficiency activities. The PDD as well as the request itself state that fuels are co-fired in the baseline, besides it is also mentioned that the</p>	

project will reduce or eliminate the practice of burning biomass in an uncontrolled manner.

The information in the PDD was insufficient to fully understand the situation prior to the start of the project activity implementation and assess whether this project activity could apply ACM0006 without a revision. The secretariat approached the project proponents seeking additional clarifications on the baseline and project scenarios. However, only a partial response was received, which did not contain required details and diagrams.

Based on the above mentioned considerations, project participants are encouraged to submit a new request for revision to develop an additional scenario within ACM0006 taking into account the following:

- Additional methodological procedures are needed to determine to which extent the project activity (increase in the power generation using biomass) displaces on-site electricity generation with fossil fuels or electricity generation in the grid. Please refer to the recommendation prepared at MP27 for AM\_REV\_048, available on the UNFCCC CDM website, where the Meth panel addressed the issue of allowing co-firing in existing biomass residue fired power generation unit(s).
- Additionality demonstration and selection of a baseline scenario for demand side measures (i.e. change of steam-driven mechanical processes by electrical motors).
- Impact of demand side versus supply side measures on the overall emissions reductions. The following should be considered, inter alia: risk of double counting; use of the excess steam for generation of power because of the electrification of some equipment that used steam in the baseline scenario; a possibility that the fuel switch is a direct result of the changes in the production processes, etc.

Finally, the clarity on the configuration of the equipment used in both the baseline scenario and the project scenario (in particular, whether or not the baseline scenario included a cogeneration plant) is fundamental for the correct selection of possible alternatives and their combinations for the generation of electricity and heat. It is therefore suggested to include corresponding diagrams in the PDD. Please also include in the PDD a clear description of the energy efficiency activities.

(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

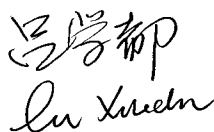
No to revise AM0036. Project participants are encouraged to submit a different request for revision to develop an additional scenario within ACM0006 taking into consideration the elements discussed above.



Signature of Meth Panel Chair .....

Date: 28/09/2007

(Akihiro Kuroki)



Signature of Meth Panel Vice-Chair .....

Date: 28/09/2007

(Xuedu Lu)

**Information to be completed by the secretariat**

F-CDM-AM	AM_REV_0056
Name of the authors of the query:	DNV -CUK
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