	CDM: Response form for Request for revision of approved methodologies (version 01.1)
Date of Meth Panel meeting:	12 - 16 November 2007
Title and number of Request for revision	Inclusion of new plants or production/commercial facilities in applicability and allow change in form of energy from baseline to project. AM_REV_0069
Summary of the query:	
Please use the space below to summarize the request for revision on the related approved methodologies.	
<p>The request for revision in AM0014 seeks following changes.</p> <ul style="list-style-type: none"> • The methodology should also be applicable to new facilities rather than to existing facilities only, shifting to energy from cogeneration. • The methodology should, besides allowing the claim for reduction for the cases where in the baseline <ol style="list-style-type: none"> 1. Electricity would have been supplied by the grid or fossil fuel based dedicated captive power plants; also allow the claim for reduction for the cases where in the baseline 2. The other energy forms would have provided thermal energy. For example: The heat requirements in the project case for the Vapor Absorption Chillers (VAC) would have been substituted by conventional systems such as electric chillers. <p>Apart from above, a different procedure based on prevailing practices barriers has been provided for consideration.</p> <p>Project proponents have made the following changes in revised draft methodology NM0014:</p> <ol style="list-style-type: none"> 1. Methodology extended from industrial plants to <i>commercial or institutional establishments</i> as well; 2. A different baseline approach is provided for the new plants/<i>commercial or institutional establishments</i> (48b); 3. Applicability condition added for baseline electricity generated by grid or captive system and change of form of energy from baseline to project activity e.g. Electric Chillers to Vapour Absorption Chiller based on waste heat of cogeneration plant; 4. Provision for <i>incremental</i> baseline emissions added for change of form of energy by introducing “appropriate conversion factor” for converting project heat energy into equivalent baseline electrical energy; 5. Prevailing practice barrier test added to demonstrate Additionality; and 6. In the monitoring section, provision is made to monitor the conversion factor as discussed above. 	
Recommendation by the Meth Panel:	
(a) Please use the space below to provide amendments /changes (in your expert view, if necessary).	
<p>The proposed revision to AM0014 can not be accepted for the following reasons:</p> <ol style="list-style-type: none"> 1. The inclusion extension of the applicability to new facilities as well would require a more robust baseline determination procedure, which is not provided. Baseline scenario determination of the revised draft is quite weak, as it does not identify separate scenarios for new and existing plants. They are all mixed together. Also, there are some potential scenarios not covered. For example, some other potential baseline scenarios for waste heat based vapour absorption chiller could be: 	

- a. The installation of direct-fired or steam based vapour absorption chiller.
- b. Providing split air conditioners or window A/Cs in each office of the building.

2. The inclusion of other energy forms that would have provided thermal energy for the project, for example where the heat requirements in the project case for the Vapor Absorption Chillers (VAC) would have been substituted by conventional systems such as electric chillers, would require a precise determination of a conversion factor used for such change of form of energy. The definition provided in the modified methodology is rather vague. Such conversion factor essentially involves the effect of efficiency of both systems. There is no method provided for determination for such factor especially for new systems, where there is no data available on which type of system (e.g. chiller) would have been installed in the baseline. The monitoring section also does not cover any details about this factor.
3. The prevailing practice barrier test added to demonstrate Additionality, as well as the modification made in the additionality test number 1, where only “one no” now proves additionality, as opposed to the required “all nos” proposed in the original methodology to prove additionality, now turns the Additionality test weaker than originally thought.

Additionally, from the associated project activity as defined in the PDD, which is submitted by Indian real estate company, it is evident that the project of 9.8 MW NG fired cogeneration plant will be set up by DLF to supply electricity and heat (for vapour absorption chiller) to its own building in which offices (probably) are given on lease to IT companies. The methodology is either applicable to a third party or to the user of electricity and heat who shifts from grid and fossil fuel to self generation, provided no excess electricity/heat is supplied outside of the plant. By this definition, the case in sample PDD neither fits in the definition of third party, nor in the complete self-generation

(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 as recommendation is not 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

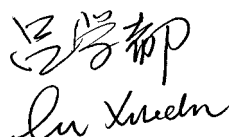
As above.



Signature of Meth Panel Chair

Date: 16/11/2007

(Akihiro Kuroki)



Signature of Meth Panel Vice-Chair

Date: 16/11/2007

(Xuedu Lu)

Information to be completed by the secretariat

F-CDM-AM	AM_REV_0069
Name of the authors of the query:	SGS-UKL
Date when the form was received at UNFCCC secretariat	16 November 2007
Date of transmission to the EB	16 November 2007
Date of posting in the UNFCCC CDM web site	16 November 2007