

	<b>CDM: Response form for Request for revision of approved methodologies (version 01.1)</b>
<i>Date of Meth Panel meeting:</i>	09 - 11 October 2006
<i>Title and number of Request for revision</i>	“Waste gases captive generation power plant to be decommissioned in the project scenario”
<b>Summary of the query:</b>	
Please use the space below to summarize the request for revision on the related approved methodologies.	
<p>ACM0004 is applicable to project activities that generate electricity from the combustion of waste gases and or heat and or pressure in industrial facilities, displacing generation with fossil fuels from the grid or from captive plants.</p> <p>The applicability of the methodology could be expanded to cover cases where:</p> <ul style="list-style-type: none"> <li>• Captive electricity is generated in the baseline scenario using part of the off-gases that will be the input for the new generation facility;</li> <li>• The existing captive power plant will be decommissioned as part of the project activity.</li> </ul> <p>As in the baseline scenario some energy benefit may already occur from the combustion of the waste gases, an amendment of the methodology is requested in order to make provision for the decommissioning mentioned above and correctly calculate the emissions reduction. It is proposed that, the electricity generated that will be considered in the calculation of emission reductions will be the difference between the electricity generated in the project activity and the highest value of captive electricity produced in the baseline scenario captive power plant over the last three years.</p> <p>A summary of the proposed changes is included here.</p> <ol style="list-style-type: none"> <li>1. Applicability conditions <p>A footnote (number 1) has been added to the first condition.</p> <p>“that displace electricity generation with fossil fuels in the electricity grid or displace captive electricity generation from fossil fuels<sup>1</sup>,”</p> <p>“<sup>1</sup> Including cases where captive electricity generation from waste gas and/or heat and/or pressure is being decommissioned in the Project Activity.”</p> </li> <li>2. Project boundary <p>The following emission source has been included:</p> <p>“CO<sub>2</sub> emissions from captive waste gas and/or heat and/or pressure electricity generation being decommissioned in the Project Activity.”</p> </li> <li>3. Baseline Emissions <p>The definition of electricity generated has been clarified, by adding the word “grid”.</p> <p>“EGy” “Net quantity of electricity supplied to the manufacturing facility or grid by the project during the year y in MWh”</p> <p>-A procedure to consider that some waste gas and/or heat and/or pressure already have been used in the baseline is included.</p> <p>“In the particular case of some waste gas and/or heat and/or pressure already having been used as the only feedstock for all captive power electricity generation in the baseline but where this captive power is due to be decommissioned in the Project Activity, EGy is to be calculated by subtracting the highest annual generation from the captive power occurring in the last three years for which data is available from the net quantity of electricity supplied to the manufacturing facility or grid by the project during the year y in MWh before using the emissions factor for electricity to be displaced by the Project Activity to calculate CER’s. In calculating the emissions factor for electricity to be displaced by the Project Activity, the to-be-decommissioned waste gas and/or heat and/or pressure captive power is then to be disregarded.”</p> </li> </ol>	

-A new option to calculate emission factor is provided.

**“Option 4** *If the baseline scenario includes both captive power from waste gas and/or heat and/or pressure which is to be decommissioned in the Project Activity and imported power*

Should however the baseline contain both captive power generated exclusively from waste gas and/or heat and/or pressure and grid imports and the captive power be decommissioned in the Project Activity, Option 2 above should be used to calculate the baseline with the proviso that the highest annual generation from the captive power occurring in the last three years for which data is available should be subtracted from the net quantity of electricity supplied to the manufacturing facility or grid by the project during the year y in MWh before using the displaced electricity emissions factor to calculate the baseline.”

4. Monitoring

The data required is specified.

“For the particular case of some waste gas and/or heat and/or pressure already having been used as the only feedstock for all captive power electricity generation in the baseline but where this captive power is due to be decommissioned in the Project Activity, data needed to calculate the highest annual generation in MWh from the captive power occurring in the last three years for which data is available. This data only needs to be monitored until data up to the decommissioning date becomes available.”

The data Table and the QA/QC Table are modified accordingly.

**Recommendation by the Meth Panel:**

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

It is recommended not to approve the proposed deviation.

The proposed changes do not consider the following issues:

1. Additional specifications should be included regarding how to perform the baseline scenario identification, in order to consider the fact that the recovery of waste gas and the generation of electricity has been performed historically, but a reduced level, compared with the project activity level.
2. The set of alternatives for the baseline scenario should be expanded to cover the proposed project activity, where the generation of electricity is performed by a third party, with the proposal of supplying to the grid.

(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 relevant.

**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 request can not be approved in the present form.

Further specifications in the baseline scenario identification are required:

1. Additional guidance should be included regarding how to perform the baseline scenario identification, in order to consider the fact that the recovery of waste gas and the generation of electricity has been performed historically, but a reduced level, compared with the project activity level.
2. The set of alternatives for the baseline scenario should be expanded to cover the proposed project activity, where the generation of electricity is performed by a third party, with the proposal of supplying to the grid.



Signature of the Meth Panel Chair .....

Date: 13/09/2006 (Rajesh Kumar Sethi)



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

Date: 13/09/2006 (Jean-Jacques Becker)

**Information to be completed by the secretariat**

F-CDM-AM	F-CDM-AM-REV-0022
Name of the authors of the query:	DNV-CUK
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