CDM: Response form for request for clarification on Approved Methodologies (version 01.1)

Date of Meth Panel meeting:	21 - 25 June 2010
Title and number of request for clarification	Applicability of ACM0002 to hydropower plants increasing power output through control and removal of the sedimentation accumulating in existing reservoirs AM_CLA_0181

Summary of the query:

Please use the space below to summarize the request for clarification on the related approved methodologies.

The approved consolidated methodology ACM0002, "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", is applicable to grid-connected renewable power generation project activities that: (a) install a new power plant at a site where no renewable power plant was operated prior to the implementation of the project activity (greenfield plant); (b) involve a capacity addition; (c) involve a retrofit of (an) existing plant(s); or (d) involve a replacement of (an) existing plant(s).

In this request, the project proponents seek clarification on whether the de-sedimentation of a water reservoir of a hydropower plant, including flushing and dredging activities, can be considered as a retrofit project activity applicable to ACM0002. According to the request, the project proponents state that: (i) dredging activities includes engineering, site access, installation, dredging, evacuation and storage of dredging material, safety measures during de-sedimentation, and contingency measures; and (ii) flushing activities include model scale testing.

For further details on the submission, please refer to:
http://cdm.unfccc.int/UserManagement/FileStorage/UY3JBGSTM4QRIKH1V9XWZDPF82NL07

Questions from project proponents

1. Are measures to control and remove the sediment in existing hydro reservoirs considered as refurbishment?
2. In such a case, is ACM0002 applicable for de-sedimentation projects?
3. If not, is a request for deviation from ACM0002 ver. 11 required?
4. If not, is a request for revision of ACM0002 required?
5. In case of a de-sedimentation project is considered as refurbishment, kindly confirm that the calculation of the baseline scenario as per ACM0002, for the existing plant, is applicable providing no de-sedimentation work has been undertaken between the start of the minimum historical reference period and the implementation of the newly proposed project activity; and
6. In case of a de-sedimentation project is considered as refurbishment, kindly confirm that the calculation of $EG_{PJ,y}$ as per equation 8 is applicable for de-sedimentation projects.

Recommendation by the Meth Panel:

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

Not applicable.

Answer to authors of the request for clarification by the Meth Panel :

Please use the space below to provide an answer to the authors of the above query

Response from the Meth Panel to question 1:

The intention of what is covered by retrofit, rehabilitation or refurbishment projects is clearly stated in the definition provided in the approved methodology as follows: *"an investment to repair or modify an existing power plant/unit, with the purpose to increase the efficiency, performance or power generation capacity of the plant, without adding new power plants or units, or to resume the operation of closed (mothballed) power plants. A retrofit restores the installed power generation capacity to or above its original level. Retrofits shall only include measures that involve capital investments and not regular maintenance or housekeeping measures."*

The Meth Panel therefore clarifies that measures to control and remove sediments may accompany refurbishment project activities that comply with the definition above, including capital investments and not only maintenance activities in an existing hydropower plant (e.g. the retrofit or replacement of turbines, the installation of new control equipment, the replacement of mechanical elements). Furthermore, the Meth Panel also clarifies that standalone de-sedimentation activities, as presented in the submitted request for clarification and which should have been taken place as part of the normal housekeeping/maintenance measures at the hydro plant in the first place, are not considered as a refurbishment activity under the approved methodology ACM0002.

Response from the Meth Panel to question 2:

As stated in the response to question 1, ACM0002 is not applicable to standalone de-sedimentation projects as the one presented by the project proponents in the submitted request for clarification form.

Response from the Meth Panel to question 3:

The Meth Panel clarifies that a request for deviation from ACM0002 is not appropriated, as ACM0002 is not applicable to the underlying project activity described by the proponent in this submission. The Meth Panel further clarifies that a DOE may submit a request for deviation if the DOE considers that the deviation was due to a project specific issue, implying that a revision of the methodology would not be required to address the issue, following the "Procedures for requests to the executive board for deviation from an approved methodology" as per Annex 4 of the report of the 49th EB meeting.

Response from the Meth Panel to question 4:

The Meth Panel clarifies that (i) a request for revision to an approved methodology, as well as (ii) new methodology proposals, can be submitted via a DOE at any time following the related procedures approved by the EB. The Meth Panel would like to stress that in case that the project proponents wish to submit a new methodology applicable to their project activity, this submission must include provisions to:

- Guide how an investment analysis for de-sedimentation activities is to be performed in order to demonstrate the additionality of the project activity;
- Calculate project and leakage emissions from the project activity. E.g. fuel combustion from using dredging (and other utilized) equipment; methane emission from dumping and decomposition of organic material in the dredging waste; electricity used for the de-sedimentation activities;
- Calculate the baseline electricity generation taking into account long term hydrological patterns of the hydro reservoir, to ensure that potential increase in the electricity generation actually results from the project activity, as this is not addressed in the current version of ACM0002.

Response from the Meth Panel to question 5:

Please refer to responses to questions 1 and 2.

Response from the Meth Panel to question 6:

Please refer to responses to questions 1 and 2.

Signed by the Chair, Mr. Lex de Jonge
Date: 25/06/2010

Signed by the Vice-Chair, Mr. Philip Gwage
Date: 25/06/2010

Information to be completed by the secretariat	
F-CDM-AM	AM_CLA_0181
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