



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

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| <i>Date of Meth Panel meeting:</i> | 13–17 August 2012 |
| <i>Title and number of Request for revision</i> | Inclusion of partial amount of gas recovered and delivered to final users as a baseline scenario AM_REV_0240 |

Summary of the query:

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

AM0009 version 05.0.1 “Recovery and utilization of gas from oil wells that would otherwise be flared or vented” is applicable to project activities that recover and utilise associated gas and/or gaslift gas from oil wells.

With this request for revision, project proponent is requesting to include the new baseline and project scenario.

Proposed new baseline scenario: On site use of partial amount of associated gas and/or gas-lift gas to meet gas-lift gas demand, partial amount of associated gas and/or gas-lift gas transported to a gas pipeline and the rest of gas are either vented or flared.

Proposed new project scenario: Where the recovered gas is transported to a processing plant where it is processed into hydrocarbon products (e.g. dry gas, LPG and condensates). The dry gas is injected in the existing gas lift system where the baseline portion is used as gas-lift gas and the excess amount of gas lift gas is sent to the gas pipeline to end users.

To accommodate the new scenario, the following changes are proposed:

1. Definition of ‘source of gas-lift gas’ as gas coming from oil & gas basin.
2. Amendment in applicability condition including the baseline scenario.
3. Revision in identification of baseline scenario to include the scenario described above.
4. Revision of project boundary (to illustrate the project activity).

Recommendation by the Meth Panel:

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

Please refer to the box below.

(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.

Please refer to the box below.

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 not to approve the request for revision.

The request for revision have some fundamental issues:

1. The existing version of the methodology is applicable only for the cases where there is no external use of the associated and/or gas-lift gases in baseline scenario. With this condition it is possible to calculate the emission reduction as per the existing procedures in methodology. Simply the quantity which is recovered can be claimed for the emission reduction. In the case of proposed revision, the emission reduction section has been kept the same which will potentially give more emission reduction considering some amount of gas was already going to consumers in baseline scenario.
2. The proposed revision has assumed the gas-lift gas quantity will be same in project and baseline scenario; which is very difficult to ascertain considering the declining of production and non-standard geophysical conditions of oil wells during the crediting period. If this is possible, proposed revision has not provided any safeguards to retain this condition throughout the crediting period.

Considering the explanation above it is believed that the proposed revision is not conservative for emission reduction calculation.

The case presented in this request for revision would need further procedures for emission reduction calculations and/or additionality demonstration to be added in the methodology. Project proponents are encouraged to submit a revised request for revision or a new methodology.

Signed by the Chair, Mr. Thomas Bernheim

Date: 17/08/2012

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 17/08/2012

Information to be completed by the secretariat

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| F-CDM-AM | AM_REV_240 |
| Name of the authors of the query: | JCI |
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