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

Date of Meth Panel meeting:	22 - 26 June 2009
Title and number of Request for revision	Expansion of ACM0006 to include a new scenario AM_REV_0151

Summary of the query:

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

ACM0006 "Consolidated methodology for electricity generation from biomass residues" is applicable to electricity generation project activities (cogeneration or not) using biomass residues, including greenfield power plants, power capacity expansion projects, energy efficiency improvement projects and fuel switch projects.

The request seeks to expand the applicability of the methodology by the inclusion of a new scenario described below:

- The project activity is the installation of a new grid-connected biomass residue fired power plant (no cogeneration) at a site where an existing fossil fuel grid-connected power plant operates. The new biomass power plant can be a completely new installation or use pieces of equipment from the existing power plant;
- Prior to the implementation of the project activity, only fossil fuels have been used in the existing power plant and after the implementation of the project activity the existing fossil plant is no longer operated;
- The biomass residues would have been dumped or left to decay or burnt in an uncontrolled manner, without utilizing it for energy purposes, in the absence of the project activity;
- In the absence of the project activity, a new grid-connected fossil fuel power plant with same rated power capacity as the project plant may be indentified as a possible alternative to be installed instead of the project plant at the same site. The reference plant would generate the same amount of power as is generated in the project plant, and only fossil fuels would be used;
- Consequently, the power generated by the project plant would in the absence of the project activity have been generated: (a) in the existing power plant which is replaced by the project activity; or (b) in the grid; or (c) in the reference fossil fuel plant. Emissions reductions are attained thus by preventing the use of fossil fuels for electricity generation in the existing plant, the reference plant and/or the grid.

A summary description of the underlying project activity is provided below:

Existing scenario (prior to the implementation of the project activity): At the project site, a coal power plant operated and supplied electricity to the grid between 1992 and 2006. In 2007, after the existing boilers became obsolete, the main pieces of equipment of the plant, such as boilers and turbines, were dismantled. The foundation and lines of the old plant however were left.

Project scenario: The project activity is the installation of a new biomass residues power plant with a capacity of 25 MW. The project partly uses pieces of equipment which were left from the old coal power plant, such as foundation and lines, and partly involves the installation of new pieces of equipment, such as two new biomass boilers and one turbo-generator set. The electricity produced is exported to the grid. The biomass used in the project activity is agricultural residues collected from different sources in the project region.

Baseline scenario: The baseline scenario for electricity generation is identified as a combination of three possibilities: (a) generation in the existing power plant which is replaced by the project activity; or (b) generation in the grid; or (c) generation in a reference fossil fuel plant. Biomass residues would have been dumped or left to decay. Emissions reductions are attained thus by preventing the use of fossil fuels for electricity generation in the existing plant, the reference plant and/or the grid, and for preventing methane emissions from biomass residues decay.

This request for revision follows up on AM_REV_0135 previously submitted on this case and not approved.

Recommendation by the Meth Panel:

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

Not applicable.

(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.

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 Panel agreed not to accept the request to revise ACM0006 along the line suggested in this submission.

The two basic reasons why the request is not accepted can be summarized as follows:

- First the recommendation is flawed in several areas, the key ones of which are discussed in subsequent sections of this feedback;
- Secondly, the Panel is currently engaged in a comprehensive revision of ACM0006 and the key components of the underlying project covered by this request for revision (request for addition of scenario 22) will be included in the revised of ACM0006, and as such, we recommend that the PP should wait for the approval of the revised version of ACM0006 by the EB.

We note the following general flaws in the submission:

- The information provided in the submission indicated that the baseline power plant had been dismantled even before the decision to construct a biomass fired power plant at the site ("a coal power plant operated and supplied electricity to the grid between 1992 and 2006 at the site. In 2007, after the existing boilers became obsolete, the main pieces of equipment of the plant, such as boilers and turbines, were dismantled", leaving only the lines and foundation at the site). Therefore as at the time of making the decision to build the project plant, the baseline scenario options available will only include: (a.) generation in the grid and (b.) generation in a reference fossil fuel plant. The baseline scenarios should thus be: power is supplied from the grid; or from a reference fossil fuelled power plant;
- Another way to look at the issue raised above can be summarized as follows: The submission did not provide a convincing argument to proof that the decision to discontinue the operation of the pre-existing power plant (which was actually dismantled) happened as a result of CDM. One wonders how a system that has been almost completely dismantled can qualify as a candidate for the implementation of a Brownfield retrofit of an existing plant. T he decision to construct a new biomass fired power plant at this site will therefore yield a Greenfield Power Plant;
- The baseline emission factor for the Greenfield plant, will be more correctly specified as the Min{grid emission factor, the emission factor of a reference plant at the site}.

Signature of Meth Panel Chair ……..
Date: 26/06/2009 *(Philip Gwage)*

Signature of Meth Panel Vice-Chair ……..
Date: 26/06/2009 *(Pedro Martins Barata)*

Information to be completed by the secretariat	
F-CDM-AM	AM_REV_0151
Name of the authors of the query:	TUEV SUED
Date when the form was received at UNFCCC secretariat	26 June 2009
Date of transmission to the EB	26 June 2009
Date of posting in the UNFCCC CDM web site	26 June 2009