



## CDM: Proposed new methodology expert form (version 04)

*(To be used by methodology experts providing desk review for a proposed new methodology)*

Name of expert responsible for completing and submitting this form

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Related F-CDM-NM document ID number

NM0118

*Note to those completing this form, as applicable: Please provide recommendations on the proposed new baseline and monitoring methodologies based on an assessment of CDM-NMB and CDM-NMM and of their application in sections A to E of the draft CDM-PDD, desk reviews and public input. Please ensure that the form is entirely filled and that arguments and expert judgements are substantiated.*

### A. Evaluation of the proposed new methodologies by desk reviewers:

#### I. Evaluation of the proposed new baseline methodology:

Title of new baseline methodology:>>Specific consumption rate projection for demand-side brewery energy saving processes

- i. Conditions under which this methodology is applicable to other potential projects (e.g. project type, region, data availability):

The methodology is only applicable for project activities in the brewery sector that install integrated retrofit high energy efficiency applications (both on the demand- and supply-side) in the beer brewery production process that do not increase the production capacity of the existing production process. The methodology is only applicable to a project activity that includes biogas recovery and its use in a boiler to produce heat and/or electricity

- ii. Strengths and weaknesses of the methodology:

Strengths:

- The methodology tries to simplify the baseline scenario determination process in a project environment where the potential baseline scenarios are manifold due to the application of several distinct energy saving technologies
- The methodology tries to incorporate two project types (demand-side and supply-side energy efficiency) in one methodology

Weaknesses:

- The central feature of the methodology, the regression analysis, does not allow accurate calculation of emission reductions under its current design and with the vintage of data proposed
- The additionality test is confounded with applicability conditions and thus essentially the outcome pre-determined.
- The methodology lacks transparency
- The combination of the distinct project types energy efficiency improvement and methane recovery from wastewater complicates the methodology. For the latter type, an existing approved methodology should be used.

- iii. Any changes needed to improve the methodology:

- a. Minor changes:

- The approach outlined in paragraph 48 (a) of the CDM modalities and procedures "Existing actual or historical emissions, as applicable" should be used for the retrofit component whereas the approach 48 b) would be applicable for the capacity expansion

component (while the applicability conditions exclude capacity expansion, the PDD attached to the methodology clearly involves a capacity expansion component).

- Include a description on how to estimate the “lager-equivalent” energy consumption factor for electricity and heat
  - Describe situations when results of the regression analysis would have to be adjusted and how they should be adjusted
  - Use of ACM0002 for calculation of grid emission factor
  - The question of what would happen with an anaerobic lagoon waste water treatment system in the baseline scenario should be answered separately from what happens after the start of the project activity.
  - Historic data for the fuel mix ratio should be used for calculation of baseline emissions. This reasoning also applies for the in-house power generation.
  - The vintage of historic data used for ex-ante calculation of baseline parameters should be extended to at least three years.
  - The methodology needs to specify how calculation of energy intensities will be facilitated for beer types that have not been produced before the start of the project activity. As the methodology now stands baseline emissions could not be claimed for those beer types.
- b. Major changes:
- Use of the “consolidated additionality tool” of EB16 for additionality testing.
  - Determination of two separate energy intensity factors for heat and electricity for calculation of baseline emissions if the capacity of the facility is increased. The first energy intensity factor would be fixed at the value of highest historical output (minimum 3 years of monthly data). This factor should be used for calculation of baseline emissions from beer production up to the production capacity of the facility before extension. Above this production capacity, the beer production should be multiplied with the energy intensity factor of the economically most attractive option for capacity expansion as derived from the additionality test.
  - The biogas recovery component should either be excluded from the proposed methodology or alternatively the proposed methodology should try to accommodate the already approved methodologies for methane recovery from wastewater (AM 13, AM 22).
  - The methodology explicitly assumes that the baseline fuel mix ratio is the same as in the project scenario. This does not necessarily have to be the case and therefore the fuel mix ratio at the start of the project has to be used to determine baseline fuel use.

## II. Evaluation of the proposed new monitoring methodology:

Title of new monitoring methodology: [Specific consumption rate projection for demand-side brewery energy saving processes](#)

- i. Conditions under which this methodology is applicable to other potential projects (e.g. project type, region, data availability):

[Please see related comments on the baseline methodology.](#)

- ii. Strengths and weaknesses of the methodology:

[Strength: The methodology strictly follows the baseline methodology](#)

[Weakness: The proposed methodology is not adequate for the referred proposed project activity because the underlying baseline methodology is in parts not adequate for the referred project activity.](#)

- iii. Any changes needed to improve the methodology:
  - a. Minor changes: As the monitoring methodology accurately follows the baseline methodology it cannot be improved separately.
  - b. Major changes: Those necessary to reflect changes necessary for the baseline methodology.

## **B. Details of the evaluation of the proposed new methodology by the desk reviewer:**

### **I. Proposed new baseline methodology (*specify title here*): Specific consumption rate projection for demand-side brewery energy saving processes**

#### **(1) Short description of the methodology, including an assessment of which approach from paragraph 48 of the CDM modalities and procedures was used:**

##### *a) Describe the methodology:*

The methodology consists of 3 steps:

- 1) Check of applicability of the methodology to the project activity
- 2) Determination of the baseline scenario on the basis of three pre-defined scenarios under utilisation of parts of the “consolidated additionality tool” of EB16
- 3) Calculation of baseline emissions

The methodology is meant to be designed for project activities in the brewery sector that install integrated retrofit high energy efficiency applications (both on the demand- and supply-side) in the beer brewery production process that do not increase the production capacity of the existing production process. The methodology is only meant to be applicable to a project activity

- If the project activity includes biogas recovery and its use in a boiler to produce heat and/or electricity.
- If integrated highly efficient energy technologies are not current practice in the host country (penetration rate less than 10%).
- If energy conservation measures have low priority among the relevant decision-makers in the host country.
- If reduction of energy costs is not the most economically attractive course of action.
- If the grid electricity displaced by the project activity is small enough to neglect the build margin component for calculation of the grid electricity emission factor.

The methodology identifies the baseline scenario from among a number of generalized scenarios by taking into account:

- The local regulation on wastewater.
- Technical feasibility of the energy savings technologies applied.
- Determination of the most economically attractive course of action.

The methodology pre-qualifies the baseline scenario to be the utilization of the current production system and continuation of current practice for wastewater treatment.

The methodology is meant to quantify baseline emissions due to energy consumption as a function of historic specific energy intensities of the specific beer types produced as well as the volumes of specific beer types produced in the project scenario. For this purpose a regression model, which is fed with historical energy intensity rates for beer production based on historic beer production data as well as historic fuel and electricity consumption data, is used. The beer type specific energy intensity rates as a function of the volumes produced (regression curve) are fixed ex-ante and are applied throughout the crediting period.

##### *b) State the approach selected:*

The approach “Emissions from a technology that represents an economically attractive course of action, taking into account barriers to investment”, (48 (b)), is selected.

*c) Indicate (in summary form) why the approach selected is the most appropriate. Please provide your expert judgement on the appropriateness of the selected approach to the project category:*

The approach selected generally is appropriate because the argumentation for the baseline scenario in the profit-orientated brewery sector should be based on economic considerations. However, the approach is not followed in the methodology for two reasons. Firstly, the methodology pre-qualifies a specific scenario of continuation of current practice. Secondly, baseline emissions are modelled based on historic emission levels. Hence, the approach outlined in paragraph 48 (a) of the CDM modalities and procedures “Existing actual or historical emissions, as applicable” should be used for the retrofit component.

**(2) Basis for determining the baseline scenario:**

*a) State whether the documentation explains how the baseline scenario is to be chosen and identified:*

The explanation is clear.

*b) State the basic underlying rationale for algorithms/formulae used (e.g. marginal vs. average basis) (see also section 4 below):*

Emission reductions are calculated by subtracting project emissions from the baseline emissions. Leakage is not taken into account.

Baseline emissions are the sum of emissions due to electricity consumption and emissions due to heat consumption of the brewery before project implementation. If an anaerobic lagoon system is in operation before implementation of the project activity the emitted CH<sub>4</sub> emissions also account as baseline emissions.

Emissions due to electricity consumption are the sum of annual production measured ex-post of all specific categories of beer produced, times an adjustment factor for each specific category of beer based on a "lager-equivalence concept", times the specific ex-ante established energy intensity of beer production of the specific type of energy consumed for electricity production, times the CO<sub>2</sub> emission factor of the specific type of energy consumed for electricity production taking into account T&D losses if the project activity produces electricity on-site.

Emissions due to heat consumption are the sum of annual production measured ex-post of all specific categories of beer produced, times an adjustment factor for each specific category of beer based on a "lager-equivalence concept", times the specific ex-ante established energy intensity of beer production of the specific type of energy consumed for heat production, times the CO<sub>2</sub> emission factor of the specific type of energy consumed for heat production.

The specific energy intensity of beer production of the specific type of energy consumed for electricity and heat production is established in the following manner:

- Plotting of historical data on beer production as a function of fuel consumption and as a function of electricity consumption.
- Development of a regression formula.
- Conversion of the specific energy intensities in terms of electricity and heat generation into specific energy intensities in terms of fuel/electricity consumption.

The CO<sub>2</sub> emission factor of electricity supplied from the grid is calculated using an operating margin approach with data taken from the grid operator.

Project emissions are the amount of annual beer production, times the specific ex-post measured energy intensity of beer production, times the CO<sub>2</sub> emission factor of the fuel/electricity taking into account T&D losses for the emission factor of electricity.

*c) State whether the documentation explains how, through the use of the methodology, it can be demonstrated that a project activity is additional and therefore not the baseline scenario. If so, what are the tools provided by the project participants?*

>>The methodology foresees four steps in order to derive the baseline scenario:

Step 0: The methodology pre-determines a number of generalized potential baseline scenarios for energy saving options and wastewater treatment separately:

- Beer production continues with the current utility facility or by addition of another production line (almost no energy saving)
- Installation of elementary energy-saving technology (examples are given),

- Installation of an integrated and advanced energy savings system,
- Simple dilution of waste water
- Aerobic treatment of waste water
- Anaerobic treatment and biogas recovery
- Increase of beer production capacity without any alteration to the utility system
- Other scenarios.

Step 1: Assessment if the facility can comply with local regulations for waste water. If not, the scenario cannot be the baseline scenario.

Step 2: Assessment if the technology option is technically feasible. If not, the scenario cannot be the baseline scenario.

Step 3: Assessment which technology option is the economically most attractive course of action.

The methodology pre-qualifies the baseline scenario to be the utilization of the current production system and continuation of current practice for wastewater treatment by referring to the applicability conditions of the methodology, especially naming that highly efficient energy technologies are not current practice in the host country and that reduction of energy costs is not the most economically attractive course of action. The methodology states that the baseline scenario “may include” simple energy saving technology and increase of production capacity.

*d) State whether the basis for determining the baseline scenario and for assessing additionality is appropriate and adequate:*

>>It is not appropriate and adequate for the following reasons:

- Pre-qualification of a certain baseline scenario is not adequate. Determination of the baseline scenario should be based on the additionality test.
- Referring to the applicability conditions of the methodology when determining the baseline scenario is not adequate as the applicability conditions do not necessarily reflect the outcome of the additionality test.
- Pre-determination of discrete project scenarios in a methodology is not adequate as it does not reflect project specific conditions.
- The methodology should also foresee a test if the current legislation mandates utilisation of a certain energy saving technology or energy efficiency standard or mandates a certain wastewater treatment technology. The threshold would then be the minimum baseline scenario. It is clear that a project activity that does not fulfil the (enforced) environmental regulations of the host country could not be implemented and therefore cannot be the baseline scenario.
- Testing of technological feasibility should be undertaken after the determination of the most economically attractive project scenario (e.g. in the form of a barrier test).
- Testing of the economical attractiveness of the integrated energy-saving system including biogas recovery is problematic as components of the system might be more economically attractive than others. As a minimum the supply-side energy efficiency improvements (e.g. biogas recovery) should undergo separate additionality testing from the demand-side energy efficiency improvements.
- The methodology should foresee a test whether the lifetime of the currently installed utility system/ waste water treatment is lower than the crediting period. In this case emission reductions can only be claimed until the end of the technical lifetime.
- While the applicability criteria of the methodology say it should only be used for retrofits, its further specification and the use in the context of the attached PDD show that it is also used for capacity expansion which requires a specific treatment (see suggestions below)

The proponent should refer to the “consolidated additionality tool” EB16 for additionality testing instead of mixing components of additionality testing with applicability conditions.

### (3) Assessment of the description of the proposed methodology and its applicability

*a) State whether the methodology has been described in an adequate manner:*

The methodology has not been described in an adequate manner for the following reasons:

- It is not made clear how to estimate the “lager-equivalent” energy consumption factor for electricity and heat
- The regression analysis for determination of the specific energy intensity (electricity and heat) of beer production leaves considerable room for adjustment of results. However, the description of situations when results may be adjusted and how they should be adjusted are not clearly described.

*b) State whether the proposed methodology is appropriate for the referred proposed project activity and the referred project context (described in Sections A - E of the draft CDM-PDD and submitted along with CDM-NMB):*

It is not appropriate for the reason that biogas recovery for the purpose of energy generation is a supply-side measure. All other components covered by the methodology are demand-side energy efficiency improvements. The biogas recovery component should either be excluded from the proposed methodology or alternatively the proposed methodology should try to be based on an already approved methodology for methane recovery from wastewater and its energetic use (AM 13, AM 22).

*c) State whether the application of the methodology could result in a baseline scenario that reasonably represents the anthropogenic emissions by sources of greenhouse gases that would occur in the absence of the proposed project activity.*

No.

*Please explain:*

>>The methodology implicitly assumes that the regression curve adequately represents the energy intensity rate for heat and electricity consumption if the production capacity of the brewery is increased. However, the regression curve is unlikely to reflect the “real” energy intensity of the baseline for two reasons. First, the results of the regression analysis are the more inaccurate, the less data can be plotted. This is especially important for the proposed methodology as in the worst case it allows to produce a regression curve based on only 18 plots. Secondly, even in the case of a statistically sufficient number of plots the extrapolation of the energy intensities at higher outputs needs still to be regarded as unreliable.

It is therefore proposed to derive two separate energy intensity factors for calculation of baseline emissions if the capacity of the facility is increased. The first energy intensity factor would be fixed at the value of highest historical output (minimum 3 years of monthly data). This factor should be used for calculation of baseline emissions from beer production up to the full production capacity of the facility before extension. Above this production capacity, the beer production should be multiplied with the energy intensity factor of the economically most attractive option for capacity expansion as derived from the additionality test.

If the practice before the start of the project activity is the use of anaerobic lagoons for wastewater treatment, methane is assumed to be emitted in the baseline scenario only prior to the expansion of the beer production capacity. This assumption is problematic as the question of what would happen in the baseline scenario should be answered separately from what happens after the start of the project activity (e.g. during additionality testing).

It is explicitly assumed that the electricity generation by the project activity from the recovered biogas is too small to have an impact on the build margin. This may be the case but the methodology should specify what is the threshold until which the project activity has no impact on the build margin and give reasons why (as rightly stated in the public comment).

The methodology explicitly assumes that the baseline fuel mix ratio is the same as in the project scenario. This does not necessarily have to be the case and therefore historic data for the fuel mix ration should be used for calculation of baseline emissions. This reasoning also applies for the in-house power generation.



**(4) Assessment of algorithms/formulae and type of data needed:**

*a) State whether the description of the methodology includes algorithms and generic formulae that can be applied to other potential project activities (if not, the proposed new methodology will be considered as a project-specific methodology):*

While in principle, the methodology could be applied to any energy-saving retrofit in a brewery, due to the very specific acceptability conditions, the methodology should be considered as a project-specific methodology.

*b) Explain the spatial scope of data used to determine the baseline and whether the scope is appropriate:*

Local: project site data; appropriate.

Regional/national: national electricity grid including all power generation sources, fuel suppliers data; appropriate.

*c) Explain the vintage of data used (in relation to the duration of the project crediting period) and whether the vintage of data is appropriate, indicating the period covered by the data:*

The methodology requires all data required for ex-ante calculation of energy intensity to be available for at least one year. This period is not appropriate and should be extended to at least three years in analogy to the electricity generation methodologies approved.

For all other parameters ex-post measurements should be carried out at least on a monthly basis.

**(5) Definition of the project boundary related to the baseline methodology:**

*a) State how the project boundary is defined in terms of:*

*i) Gases and sources*

CO<sub>2</sub> from fuel burning and CH<sub>4</sub> from waste water; appropriate.

*ii) Physical delineation*

Facility site (brewery) and the national electricity grid including all power generation sources connected;

*b) Indicate whether this project boundary is appropriate:*

Appropriate.

**(6) Key assumptions/parameters (including emission factors and activity levels) and data sources:**

*a) List the implicit and explicit key assumptions. Identify those, if any, which are problematic and explain:*

Explicit assumptions:

- The regression analysis leads to significant results. This assumption is problematic as statistical significance depends on the number of measurements made.
- Annual production of beverage products at the facility is assumed to be the same for the baseline and the project scenario if the capacity increase is not the baseline scenario. Annual project activity production is measured ex-post. This is problematic as beer types produced might diverge significantly from the historic production pattern.
- Electricity generation by the project activity from the recovered biogas is too small to have an impact on the build margin. This is problematic. This may be the case but the methodology should specify what is the threshold until which the project activity has no impact on the build margin and give reasons why. Interviews with the grid operator are not sufficient to prove this.
- The methodology explicitly assumes that the baseline fuel mix ratio is the same as in the project



scenario. This does not necessarily have to be the case and therefore is problematic. Historic data for the fuel mix ration should be used.

- This reasoning also applies to the assumptions on in-house power generation.
- If the practice before the start of the project activity is the use of anaerobic lagoons for wastewater treatment, methane is assumed to be emitted in the baseline scenario only prior to the expansion of the beer production capacity. This assumption is problematic (see (3) c)).

Implicit assumptions:

- The methodology implicitly assumes that the regression curve adequately represents the energy intensity rate for heat and electricity consumption if the production capacity of the brewery is increased. This is problematic (see (3) c)).
- The methodology implicitly assumes (pre-qualifies) that the baseline scenario is the utilization of the current production system and continuation of current practice for wastewater treatment by referring to the applicability conditions of the methodology, especially naming that highly efficient energy technologies are not current practice in the host country and that reduction of energy costs is not the most economically attractive course of action. The methodology states that the baseline scenario “may include” simple energy saving technology and increase of production capacity. This is problematic because (i) Pre-qualification of a certain baseline scenario is not adequate. Determination of the baseline scenario should be based on the additionality test (ii) Referring to the applicability conditions of the methodology when determining the baseline scenario is not adequate as the applicability conditions may but need not be tested for additionality.
- It is implicitly assumed that the brewery will not produce types of beer it has not produced before the start of the project activity as otherwise the energy intensities do not exist for such beer types and baseline emissions cannot be calculated as a consequence.
- It is assumed that the beer authority in the host country can adequately judge significance of results of the regression analysis. This is problematic as the DOE should make such a judgement.

*b) State whether the key assumptions are arrived at in a transparent manner:*

>>All assumptions are not arrived at in a transparent manner.

*c) Give your expert judgement on whether the assumptions/parameters are adequate:*

>>Problematic assumptions are not adequate. The reason is given in (6) a) for each individual problematic assumption.

*d) Indicate which data sources are used and how the data are obtained (e.g. official statistics, expert judgement):*

Carbon emission factor of fuels: fuel supplier or measurement by sampling.

Carbon emission factor of electricity: plants at the operating margin as judged by the grid operator.

*e) Give your expert judgement on whether the data used are adequate, consistent, accurate and reliable:*

Carbon emission factor of fuels: adequate, accurate and reliable.

Carbon emission factor of electricity: may be accurate but not adequate and not consistent with any methodology approved that has a electricity generation/consumption component. These methodologies as well offer scope for neglecting the build margin (e.g. ACM 2).

*f) State possible data gaps:*

Historic beer production (per beverage type) and date required for calculation of energy intensities both in terms of electricity/heat as well as electricity/fuel.

## **(7) Assessment of uncertainties:**

*a) State whether the methodology includes an assessment of uncertainties regarding:*

*i) The basis for determining the baseline scenario:*

The methodology names a number of relevant uncertainties qualitatively:

- Energy consumption pattern for beverage production in the baseline scenario, especially if other products than beer are produced
- Amount of beer of different types produced might diverge significantly from the historic production pattern and inflate baseline emissions.
- Carbon emission factor of coal
- Carbon emission factor of grid electricity
- CO<sub>2</sub> emissions from fuel transport

Uncertainties not named:

- Pattern of beer production. If the types of beer produced change no historic data for calculation of energy intensities is available for estimation of baseline emissions. As the methodology now stands baseline emissions could not be claimed for those beer types.

ii) *Algorithms/formulae:*

Uncertainties not quantified.

iii) *Key assumptions:*

-

iv) *Data:*

-

b) *State whether the uncertainties presented are reasonable:*

Uncertainties are reasonable and substantial, except for

- CO<sub>2</sub> emissions from transportation, that are rightly neglected
- Uncertainties in carbon emission factor of coal can be mitigated by regular measurements as proposed in the monitoring methodology

## **(8) Leakage:**

a) *State how the baseline methodology addresses any potential leakage due to the project activity.*

Leakage is not taken into account.

b) *Indicate whether the treatment for leakage is appropriate and adequate:*

Both appropriate and adequate

## **(9) Transparency and “conservativeness”:**

a) *Indicate whether the baseline methodology was developed in a transparent way:*

>>The methodology lacks transparency on:

- approach used for estimation of an adjustment factor for each specific category of beer based on the “lager-equivalence concept”
- determination of the carbon emission factor of grid electricity is not transparent as interviews with the grid operator are proposed rather than a transparent procedure for calculation based on publicly available data

b) *State whether the baseline methodology is conservative:*

No, it is not conservative as it might potentially lead to an overestimation of emission reductions (see (3) c).

## **(10) Potential strengths and weaknesses of the proposed baseline methodology (please explain):**

Strengths:

- Methodology tries to simplify the baseline scenario determination process in a project environment where

the potential baseline scenarios are manifold due to the application of several distinct energy saving technologies

- Methodology tries to incorporate two project types (demand-side and supply-side energy efficiency) in one methodology

Weaknesses:

- The central feature of the methodology, the regression analysis, cannot facilitate accurate calculation of emission reductions under its current design and with the vintage of data proposed

- The additionality test is confounded with applicability conditions and thus essentially the outcome pre-determined

- Lacks transparency

**(11) Other considerations, such as a description of how national and/or sectoral policies and circumstances have been taken into account (please explain):**

>>Not appropriately (see (2) d))

**(12) Applicability of the proposed methodology across project types and regions (please indicate):**

Regional applicability: any region where data for utilisation of the methodology is available. Not applicable to other project types.

**(13) Any other comments:**

a) State whether any other source of information (i.e. other than documentation on this proposed methodology available on the UNFCCC CDM web site) has been used by you in evaluating this methodology. If so, please provide specific references:

-

b) Indicate any further comments:

Conditions 4,5 and 6 from the applicability conditions should be erased. Condition 4 and 5 need to be taken care of during determination of baseline scenario. Condition 6 is not adequate as described above.

The discussion of market leakage should also be erased. Market leakage has so far not been considered in any methodology as it is methodologically practically impossible to handle.

## **II. Proposed new monitoring methodology (specify title here): >> Specific consumption rate projection for demand-side brewery energy saving processes**

*In respect of the proposed new monitoring methodology, evaluate each section of CDM-NMM to the draft CDM-PDD. Please provide your comments section by section:*

**(1) Brief description of new methodology:**

*Describe new methodology:*

The methodology is meant to be designed for project activities in the brewery sector that install integrated retrofit high energy efficiency applications (both on the demand- and supply-side) in the beer brewery production process.

**(2) Key assumptions/parameters:**

a) List the implicit and explicit key assumptions. Identify those, if any, which are problematic and explain:

In most parts the proposed monitoring methodology is based on the proposed baseline methodology. Therefore, all assumptions/ parameters made/chosen in the baseline methodology as well as the critique on them also apply to the monitoring methodology (see (6)).

b) State whether the key assumptions are arrived at in a transparent manner:

-

c) Give your expert judgement on whether the assumptions/parameters are adequate:

-

**(3) Data sources and data quality:**

a) Indicate which data sources are used and how the data are obtained (e.g. official statistics, expert judgement):

See B.I.(6) d)

b) Give your expert judgement on whether the data used are adequate, consistent, accurate and reliable:

See B.I.(6) e)

c) State possible data gaps:

See B.I.(6) f)

**(4) Assessment of the description of the proposed methodology and its applicability:**

a) State whether the proposed methodology has been described in an adequate manner:

No. This shortcoming, however, is also due to the inadequateness of parts of the baseline methodology.

b) State whether the proposed methodology is appropriate for the referred proposed project activity and the referred project context (described in Sections A - E of the draft CDM-PDD and submitted along with CDM-NMM):

No. The proposed methodology is not adequate for the referred proposed project activity because the underlying baseline methodology is in parts not adequate for the referred project activity.

c) State whether this proposed monitoring methodology is compatible with the proposed baseline methodology described in CDM-NMB of the draft CDM-PDD:

Yes.

**(5) Leakage (please elaborate, if appropriate):**

Monitoring of leakage not necessary.

**(6) Quality assurance and control procedures (please explain):**

Not described.

**(7) Potential strengths and weaknesses of the proposed monitoring methodology (please explain):**

Strength: The methodology strictly follows the baseline methodology

Weakness: The proposed methodology is not adequate for the referred proposed project activity because the underlying baseline methodology is in parts not adequate for the referred project activity.

**(8) Applicability of the proposed methodology across project types and regions (please indicate):**

Please see related comments on the baseline methodology.

**(9) Any other comments:**

a) State whether any other source of information (i.e. other than documentation on this proposed methodology available on the UNFCCC CDM web site) has been used by you in evaluating this methodology. If so, please provide specific references:

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*b) Indicate any further comments:*

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Signature of desk reviewer .....

Date:    /    /

**Information to be completed by the secretariat**

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