

 <p style="text-align: center;">CDM: Proposed new methodology expert form (version 03) (To be used by methodology experts providing desk review for a proposed new methodology)</p>	
Name of expert responsible for completing and submitting this form	Sudhir Sharma
Related F-CDM-NM document ID number	NM0067
<p><i>Note to those completing this form, as applicable: Please provide recommendations on the proposed new baseline and monitoring methodologies based on an assessment of annexes 3 and 4 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.</i></p>	
A. Evaluation of the proposed new methodologies by desk reviewers:	
I. Evaluation of the proposed new baseline methodology:	
Title of new baseline methodology:>>GHG Reduction in Industrial Process Baseline Methodology	
<p>i. Conditions under which this methodology is applicable to other potential projects (e.g. project type, region, data availability):</p> <p>>>The methodology is applicable to all projects that capture and destroy production related GHG emissions. The methodology is applicable to projects that meet the following conditions:</p> <p>(i) There are strictly only two alternatives possible, the present practice and proposed CDM project.</p> <p>(ii) The baseline is continued use of present practice because the proposed CDM project activities do not result in any monetary benefits.</p> <p>(iii) The GHG emission from production is unaffected by measure(s), if any, taken to address the emissions of local air pollutants.</p> <p>(iii) Since the source of carbon in primary GHG is a renewable biomass source, the CO₂ emissions from destruction of captured primary GHG emissions are not accounted as CDM project emissions.</p> <p>(iv) The proposed project only results in use of "end-of-the-pipe" equipment(s) for capturing and destroying production related GHG emissions and does not result in change of any other equipment(s) and/or process in the production.</p> <p>(v) The existing equipment(s) (Kilns in case of the proposed CDM project) is not expected to be replaced over the crediting period due to expiry of equipment life.</p> <p>(v) Total production remains unchanged as a result of CDM project implementation.</p> <p>(vi) GHG emissions from production are difficult to measure. Production is used to measure the GHG emissions, as GHG emissions intensity is independent of production level and is statistically constant.</p> <p>Some of the above conditions are mentioned as assumptions but most of them have not been explicitly stated in the methodology. The methodology needs to address these while revising the methodology.</p> <p>ii. Strengths and weaknesses of the methodology:</p> <p>>>Strengths:</p> <p>Weakness: The methodology has a number of weakness</p> <p>(i) The methodology is very generic, which limits the specifics that can be detailed in the methodology. Use of this methodology, even if approved, by any proposed CDM project would still entail a methodological approval, given the lack of specifics in the methodology.</p> <p>(ii) The methodology refers to general guidance provided by COP/EB decisions without translating these guidances into specific application steps in the methodology.</p>	

- (iii) There are certain implicit assumptions made while exploring possible alternative baseline scenarios. These assumptions result in rejection a few of the possible baseline scenarios without explicitly stating so.
 - (iv) There are no specific procedure(s)/step(s) included in the methodology to ensure that methodology results in a conservative baseline.
 - (v) The leakage issue is addressed with superficiality and needs to be further improved.
 - (vi) As approach (b) is the basis for identifying the baseline scenario, most critical aspect of the methodology is investment analysis. This aspects has not at all been elaborated either in terms of formulae or data and sources to be used for investment analysis.
- iii. Any changes needed to improve the methodology:

Minor changes:>>

- (i) In section D.6, Eb is first defined as "project emissions" and later as "baseline emissions". This needs to be rectified.
- (ii) A sentence in Section B mentions "for more details see Annex III section 6". It is not clear which section 6 is being referred to.
- (iii) Careful editing of the document will improve the readability.

Major changes: >>

- (i) A major source of weakness of the methodology is its generic nature. This results in a non-transparent methodology. The methodology should be written with a narrower scope of project types to make it more transparent and specific.
- (ii) Methodology should address the weaknesses mentioned in Section I(ii) above.

II. Evaluation of the proposed new monitoring methodology:

Title of new monitoring methodology: >>GHG destruction in Industrial process monitoring methodology

- i. Conditions under which this methodology is applicable to other potential projects (e.g. project type, region, data availability):
>>The methodology should be used along with the baseline methodology.
 - ii. Strengths and weaknesses of the methodology:
>>Strength: The methodology is well tailored to the baseline methodology and most of the limitations of monitoring methodology originate from the baseline methodology.
Weakness: One major draw back of measuring only production as proxy for GHG emissions is that it is expected that the GHG capture and destruction equipment will operate throughout its lifetime without fail.
 - iii. Any changes needed to improve the methodology:
 - a. Minor changes:>>(i) Section B.4.1 mentions that emission factor of material input or energy will be "continuously measured". This needs to be explained and reconfirmed.
 - b. Major changes: >>
- (i) Changes in methodology to reflect the changes in baseline methodology suggested above.
 - (ii) Address the weakness of monitoring methodology mentioned in Section (ii) above.

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

I. Proposed new baseline methodology (*specify title here*): >>GHG Reduction in Industrial Process Baseline Methodology

(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 uses approach 48 (b) - ""Emissions from a technology that represents an economically attractive course of action taking into account barriers to investment". The methodology uses the "Draft consolidated tools for demonstration of additionality" to determine the baseline scenario and assess project additionality. The identified baseline scenario is existing production and emissions management practice. The emission reductions are estimated as difference in production related GHG emissions destroyed in the project case over and above those in the baseline scenario. It is assumed that neither the production level nor the GHG intensity of production changes with the implementation of project. Leakages related to difference in use of energy and inputs for production process between the project case and baseline scenario are accounted in estimating net GHG emissions reduction from the proposed CDM projects.

b) State the approach selected:

>>Approach 48 (b) - ""Emissions from a technology that represents an economically attractive course of action taking into account barriers to investment.

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 is appropriate as it captures the decision process of investments.

(2) Basis for determining the baseline scenario:*a) State whether the documentation explains how the baseline scenario is to be chosen and identified:*

>>The baseline scenario is chosen and identified using economic analysis of alternative baseline scenarios. The methodology uses simple cost analysis to identify the baseline scenario.

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

>>Average GHG emission per unit of production is used to estimate the baseline.

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 states that "Draft consolidated tools for demonstration of additionality" is used to determine additionality. There is no further elaboration on how the steps described in the referenced document are applied. The application of methodology to the proposed CDM project uses Step 1 (identification of alternatives to project activity), step 2 (investment analysis), step 4 (Impact of CDM registration), and Step 5 (Common practice analysis) for additionality assessment. Investment analysis is based on simple cost analysis.

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

>>No. All possible baseline alternatives are neither elaborated nor considered. For example, the methodology explicitly assumes that there is no change in production from implementation of project. This assumption translates to, either there is no change in the existing process (or equipments) or the process (equipment) is replaced by exactly the same as existing equipment. This also is the underlying assumption in considering GHG emission intensity for project case and baseline scenario as same. The description of proposed CDM projects gives an impression that the existing "half orange kilns" will be replaced by "rectangular kiln" because the GHG capture and destruction equipment can't be used on existing kilns. Therefore, one possible baseline scenario is replacement of existing Kiln by a different Kiln type without the GHG capture.

Another important aspect unaddressed is replacement of existing equipment due to expiry of life within the project credit period. These factors have not been clearly incorporated into the identification of alternatives to the project activity.

The additionality assessment is appropriate for present possibilities of alternatives considered.

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

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

>>No.

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 Annex 3):*

>>No.

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 is too generic in nature. Specific circumstances of different sectors and project types can't be captured in a methodology of this nature. Further, the methodology rather than providing specifics of how various steps are to be applied, mostly gives reference to the various documents on guidance to develop baseline.

The methodology though stated to be applicable to all kind of fugitive emissions doesn't take into account possibility of destruction of captured GHG emissions resulting in emission of other GHG emissions. Though, at a later stage it is stated that methodology is expected to be used by project where the source of GHG emissions is renewable biomass.

The implicit assumption of the methodology is that the project implementation results only in addition of equipment for capturing GHG and its destruction to the existing production process. In contrast, it is not clear from CDM-PDD whether the project to which methodology is applied is just simply addition of equipment to capture and destroy GHG emissions from production or it also includes replacement of existing Kilns. Further, the methodology states that production is unchanged after implementation of the project. The presentation of information in the CDM-PDD gives an impression that total number of Kilns operational increases with time. The estimation of emission reductions show an increase in production over the years giving an impression that new Kilns will be added increasing the production.

The methodology assumes that GHG emission intensity of production remains unchanged before and after the project. But the proposed CDM project description gives an impression that existing Kilns will be replaced by new type of Kilns, whereas, no explanation is provided whether this will affect the GHG emission intensity of production.

(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):*

>>The methodology presents generic formulae for estimation of emissions reduction and leakage assessment. The formulae can be used for other potential projects with further refinement as per the need of the project.

The formulae for simple cost analysis, used to assess additionality of the project, is not described.

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

>>Baseline production – the data is obtained from monitoring of production during implementation of the project, as it is assumed that implementation of CDM project activities will not affect the production.

GHG intensity of production – data is technology specific and not location specific.

Fraction of GHG destroyed – data provided by equipment manufacturer or scientific publication or any other recognized source. Since there is no capture of emissions in the baseline, the fraction of GHG destroyed is taken as zero.

The methodology doesn't provide any details of spatial scope for data used in simple cost analysis, except

for the discount rate. Spatial scope of discount rate is National or local. Section E4 of CDM-NMB also mentions that spatial level of IRR is local. IRR is an estimated value based on the cost and other economic/financial data and, therefore, stating spatial scale of IRR is irrelevant unless it refers to IRR data used to compare the estimated IRR for project case and baseline scenario.

The spatial scope of project is 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:

>>All the data used, except the GHG emission intensity of production and discount rate, are project specific data and, hence, the vintage is most recent. The methodology further states that most recent data will be used. It is difficult to assess the vintage of discount rate from the application of the methodology to specific proposed CDM project, as no reference is provided. Data for GHG emission intensity of production is from 1995 publication of US-EPA. The publication itself states that data is not reliable. A more recent study, which is referred by CDM-PDD, also provides GHG emission intensity data and could have been used.

(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

>>The methodology does not clearly define the project boundary, neither in terms of gases nor in terms of sources. Application of methodology to specific proposed CDM project, as described in CDM-PDD, describes project boundary as follows:

Gases: CH₄

Sources: All Kilns that are connected to equipment installed for capturing and destroying the GHG emissions.

ii) Physical delineation

>>The physical boundary of the Carbonisation Kilns.

b) Indicate whether this project boundary is appropriate:

>>The gases covered are appropriate.

With respect to sources, since the project boundary covers only those Kilns that are connected to equipment for capturing and destroying GHG emissions from production, the physical boundary changes with time as the GHG emission capture and destruction equipment is installed in stages. The boundary should rather be defined as covering all the Kilns that are proposed to be covered by the proposed CDM activities. This boundary will be in consonance with the project emissions reduction formulae stated in the baseline methodology.

(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:

>>Information on acceptable IRRs or discount rates is available – Since no alternatives for identification of baseline scenario is provided for situation where IRR or discount rate is not available, this should be also stated as applicability condition for the methodology.

Conservative calculation of IRR – This assumption undermines one of the underpinning principles of developing baselines, conservatism. Rather than assuming that IRR estimation is conservative and making it the onus of DOE to verify it, the methodology should include steps to ensure that estimate of IRR is conservative.

The level of production activity will be the same in the project and baseline scenario – Since it is not explained how to account for emission reduction from increased production, this too should be stated as an application condition of the methodology. The actual underlying assumption is that the existing production

process will not be changed because the device used to capture the GHG emissions is end-of-the pipe technology. This implies that the only equipment added through the project is the GHG emission capture device and implementation of this device will not result in replacement/modification of any existing equipment(s). This should be stated as the applicability condition of the methodology.

The production efficiency may be different for the baseline and project scenario – This in contradiction with the above assumption. An improvement in efficiency implies that from existing capacity to process inputs the total production will increase. Further, since the production data used for estimating emissions reduction is based on actual production after implementation of project, the assumption implies that emissions reductions claims can be overestimated.

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

>>No.

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

>>No. Some of the implicit assumptions not stated in the methodology are:

(i) Effort to address the local air pollutants from the production process will not affect the GHG emission intensity of production.

(ii) Source of GHG emissions is renewable biomass and, hence, generation of CO₂ from destruction of captured GHG emissions doesn't result in project emissions.

(iii) The GHG emissions from production are difficult to measure and information from published sources is a conservative approximation of actual GHG intensity of production.

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

>>The methodology states that the data related to production, costs, inputs, discount rates, IRR, and price of electricity will be elaborated by the project proponents. The above data for proposed CDM project is project specific except for discount rate and price of electricity, for which no sources are provided.

GHG emission intensity of production should be from scientific publications, specialized institutions and consultants, the IPCC, or any other recognized sources, or from validated/documented data gathered by the project company. In case of proposed CDM project, the data source is US-EPA publication.

The % GHG destroyed parameter should be based on the equipment manufacturer, scientific publication, or any other recognized source. In case of proposed CDM project the data is from equipment manufacturer.

Material and energy input to production should be based on project specific data.

Emission factor for material and energy input should be from scientific publications, specialized institutions and consultants, the IPCC, or any other recognized sources, or from validated/documented data gathered by the project company. The proposed CDM project uses combined margin method of small scale CDM project category I.D to estimate emission factor for electricity used by project.

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

>>The data for GHG emission intensity of production, sourced from US-EPA publication, is not a conservative estimate. The US EPA publication itself states that the data has low reliability. GHG Emission intensity reported by another source, referenced in the CDM-PDD (Smith et.al, 1998), reports intensity values by Kiln type, which for most types is much lower than the value used by the study. Similarly the IPCC default value also is much lower

f) State possible data gaps:

>>

(7) Assessment of uncertainties:

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

i) The basis for determining the baseline scenario:

>>Yes.

<p>ii) <i>Algorithms/formulae:</i></p> <p>>>Yes</p> <p>iii) <i>Key assumptions:</i></p> <p>>>No</p> <p>iv) <i>Data:</i></p> <p>>>Yes</p> <p>b) <i>State whether the uncertainties presented are reasonable:</i></p> <p>>>Though the uncertainties have been discussed, the methodology doesn't describe how these are addressed. It places the onus of addressing uncertainty on DOEs.</p>
<p>(8) Leakage:</p> <p>a) <i>State how the baseline methodology addresses any potential leakage due to the project activity:</i></p> <p>>>The methodology considers two types of leakages.</p> <p>(i) Leakage due to differences in emissions from use of "inputs and energy" in the project and baseline scenario.</p> <p>(ii) Emission of secondary GHG emissions, produced in the process of destruction of captured primary GHG. This leakage is not considered, as secondary GHG produced from destruction process is CO₂ and the source of primary GHG emission is renewable biomass.</p> <p>b) <i>Indicate whether the treatment for leakage is appropriate and adequate:</i></p> <p>>>The treatment of leakage requires refinement. The methodology erroneously defines leakage as difference in emissions between the project case and baseline scenario. Leakage, as per the definition, is purely related to project activities and is not assessed in relation to the baseline activities. Further, any emission within the project boundary, either due to use of energy or CO₂ emission from destruction of GHG emissions captured, are not leakage but project emissions and should be treated as such.</p> <p>Also, a very generic formulae for leakage estimation is stated without clearly stating the formulae or algorithm for assessing the emission factors for energy used by inputs to production or purchased heat or electricity.</p>
<p>(9) Transparency and “conservativeness”:</p> <p>a) <i>Indicate whether the baseline methodology was developed in a transparent way:</i></p> <p>>>The generic nature of methodology description inherently makes the methodology non-transparent because the actual elaboration of most aspects of methodology will have to be undertaken at the application stage of the methodology for a specific project.</p> <p>b) <i>State whether the baseline methodology is conservative:</i></p> <p>>>The methodology provides no description/steps/procedures for ensuring conservativeness in selection of baseline scenario, use of formulae, or data. In most cases it is stated that DOE should ensure proper application. For example, the methodology states that emission factors will be sourced from published sources without providing guidance on which source to use if more than one sources of information are available. In the case of application of methodology to the proposed CDM project, the emission factor chosen are higher than that suggested by IPCC or reported in another reference quoted in CDM-PDD. No explanation is provided for the choice or which source is more relevant for the specific case. Therefore, there is a clear possibility that the baseline emissions are not likely to be conservative.</p>
<p>(10) Potential strengths and weaknesses of the proposed baseline methodology (please explain):</p> <p>>>Strengths:</p> <p>Weakness: The methodology has a number of weakness</p> <p>(i) The methodology is very generic, which limits the specifics that can be detailed in the methodology. Use</p>

<p>of this methodology, even if approved, by any proposed CDM project would still entail a methodological approval, given the lack of specifics in the methodology.</p> <p>(ii) The methodology refers to general guidance provided by COP/EB decisions without translating these guidances into specific application steps in the methodology.</p> <p>(iii) There are certain implicit assumptions made while exploring possible alternative baseline scenarios. These assumptions result in rejection a few of the possible baseline scenarios without explicitly stating so.</p> <p>(iv) There are no specific procedure(s)/step(s) included in the methodology to ensure that methodology results in a conservative baseline.</p> <p>(v) The leakage issue is addressed with superficiality and needs to be further improved.</p> <p>(vi) As approach (b) is the basis for identifying the baseline scenario, most critical aspect of the methodology is investment analysis. This aspects has not at all been elaborated either in terms of formulae or data and sources to be used for investment analysis.</p>
<p>(11) Other considerations, such as a description of how national and/or sectoral policies and circumstances have been taken into account (please explain):</p> <p>>>The methodology does not include any specific step to take into account national/sector policies except for what is included in step 1 of draft tool for additionality assessment. The application of methodology to the proposed CDM project considers only the national policies for GHG emissions. An important area of policy, that is not adequately addressed, is emission control on local pollutants, such as CO and particulate matter, which are significant from charcoal making process.</p>
<p>(12) Applicability of the proposed methodology across project types and regions (please indicate):</p> <p>>>The methodology is very generic and as such can be used as guidance for developing methodologies for GHG capture and destruction projects.</p>
<p>(13) Any other comments:</p> <p>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:</p> <p>>></p> <p>b) Indicate any further comments:</p> <p>>></p>
<p>II. Proposed new monitoring methodology (specify title here): >>GHG destruction in Industrial process monitoring methodology</p>
<p><i>In respect of the proposed new monitoring methodology, evaluate each section of annex 4 to the draft CDM PDD. Please provide your comments section by section:</i></p>
<p>(1) Brief description of new methodology:</p> <p>Describe new methodology:</p> <p>>>The Methodology is based on monitoring of proxy indicator correlated with the GHG generation and parameters to</p> <p>(i) Define the baseline scenario,</p> <p>(ii) Prove project additionality,</p> <p>(iii) Calculate emissions reductions,</p> <p>(iv) Estimate the amount of leakage.</p>
<p>(2) Key assumptions/parameters:</p> <p>a) List the implicit and explicit key assumptions. Identify those, if any, which are problematic and explain:</p> <p>>>Explicit Assumptions stated in the Document:</p>

(i) The production of secondary GHG from destruction of primary GHG is not considered as emissions if the raw material used in the production process is from renewable sources (e.g. agricultural waste, biomass from renewable forest plantations) - The assumption should be restated that the CO₂ emissions from destruction of captured GHG emissions are not accounted if the origin of Carbon in primary GHG is from renewable biomass sources.

(ii) The emission factors and technical parameters to be used for the monitoring methodology (e.g. fuel emission factors, efficiency of GHG destruction equipment, etc.), are available from internationally recognized sources - 2nd and 3rd bullet points in section B6 CDM - NMM are subcomponents of the same assumption and should be stated as such.

(iii) The methodology can only be used if there is a simple, transparent and accurate way to measure the proxy indicator (of GHG emissions)

(iv) The Global Warming Potential values for GHGs will need to be those approved by the IPCC - this is a requirement of the baseline development guidelines and, therefore, is not an assumption.

(v) All the variables included in the baseline definition, additionality test or emission reduction calculation and not included in this monitoring plan are expected to be constant for the project duration - the assumption should clearly state the parameters to be used and also justification should be provided for the assumption.

(vi) The need of inclusion of one or more variable based on sector or national policies and circumstances will be evaluated by the local DOE - This is not an the assumption. The implicit assumption in this methodology is that there is no likelihood of any regulation on GHG emission control over the crediting period and, if there is some such proposal, the process of enacting and implementing regulation in the country is long drawn process, therefore, the policies will not affect the baseline over the crediting period. Further, the assumption essentially implies that the role of Meth Panel through CDM-EB of approving a methodology can be done by a DOE because DOE will have the discretion to decide whether to accept the continuation of past as baseline or modify the baseline scenario by incorporating parameters to account for national/sectoral policies.

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

>>No.

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

>>No. Firstly, as stated in (a) above the implicit assumptions stated in document need to be carefully drafted. Secondly, two important implicit assumptions of the methodology are not stated in the documentation.

(i) The project results in addition of end-of-the-pipe GHG capture mechanism and there are no alterations in the production process. Only under these circumstances neither the GHG intensity of the production process nor the production will be different from that in the baseline. In these conditions only production during operation of the project can be considered as representative of production in the baseline.

(iii) The GHG destruction and capture equipment will operate 100% of the time over the crediting period without any failure or shut down.

(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):

>>(i) Production: project case - actual production; Baseline - production is assumed to be same as in project case.

(ii) Emission factor: based on internationally recognized sources. Emission factor for both project and baseline are same.

(iii) % of gas destroyed - based on equipment manufactures or scientific publications.

(iv) Discount rate for IRR calculation - To be indicated by Project proponents and verified by DOE.

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

<p>>>The limitations of data are same as those mentioned in the assessment of Baseline methodology.</p> <p>c) <i>State possible data gaps:</i></p> <p>>> Please see section 4 on baseline methodology. Further, the methodology doesn't specify any data to capture the affect of policy on the baseline % of GHG destroyed.</p>
<p>(4) Assessment of the description of the proposed methodology and its applicability:</p> <p>a) <i>State whether the proposed methodology has been described in an adequate manner:</i></p> <p>>>Subject to the limitations of baseline methodology, the methodology has been described in adequate manner.</p> <p>b) <i>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 annex 4):</i></p> <p>>>No.</p> <p>c) <i>State whether this proposed monitoring methodology is compatible with the proposed baseline methodology described in annex 3 of the draft CDM-PDD:</i></p> <p>>>Yes.</p>
<p>(5) Leakage (please elaborate, if appropriate):</p> <p>>>The monitoring methodology lacks description of data required for estimating emission factor of energy and material inputs for leakage assessment. Also, only a generic statement is provided regarding source of emission factors stating "in most cases this parameter will be available in internationally available reference". There is no discussion of its appropriateness or relevance. On the other hand, the application of methodology to the proposed CDM project highlights that emission factor for electricity used is based on combined margin methodology.</p>
<p>(6) Quality assurance and control procedures (please explain):</p> <p>>>QA&QC are described in very generic terms without any specifics. Also, as most of the data required for estimating emissions reduction and leakage is from published sources, the important element of QA, appropriateness of reference to project case, is left to the DOE undertaking validation of the project.</p>
<p>(7) Potential strengths and weaknesses of the proposed monitoring methodology (please explain):</p> <p>>>Strength: The methodology is well tailored to the baseline methodology and most of the limitations of monitoring methodology originate from the baseline methodology.</p> <p>Weakness: One major draw back of measuring only production as proxy for GHG emissions is that it is expected that the GHG capture and destruction equipment will operate throughout its lifetime without fail.</p>
<p>(8) Applicability of the proposed methodology across project types and regions (please indicate):</p> <p>>>It is applicable only to projects where the baseline methodology is applicable.</p>
<p>(9) Any other comments:</p> <p>a) <i>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:</i></p> <p>>></p> <p>b) <i>Indicate any further comments:</i></p> <p>>>Methodology is consistent with baseline methodology presented, but will have to be revised along with the revision of the baseline methodology.</p>

Signature of desk reviewer	
Date: / /	
Information to be completed by the secretariat	
F-CDM-NMex doc id number	
Date when the form was received at UNFCCC secretariat	
Date of transmission to the Meth Panel and EB	
Date of posting in the UNFCCC CDM web site	