

 <p style="text-align: center;">CDM: Proposed New Methodology Meth Panel recommendation to the Executive Board (version 04) <i>(To be used by the Meth Panel to make a recommendation to the Board regarding a proposed new methodology)</i></p>	
Date of Meth Panel meeting:	6 – 9 September 2005
Related F-CDM-NM document ID number (electronically available to EB members)	F-CDM-NM0125: “La Vuelta and La Herradura Hidroelectric Project”
Related F-CDM-NMex document ID number(s) (electronically available to EB members)	F-CDM-NMex0125: Esparta / Fowler
Related F-CDM-NMpu document ID number(s) (electronically available to EB members)	F-CDM-Nmpu0125: Haya
<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 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.</i></p>	
A. Final recommendations by the Meth Panel	
I. Recommendation on the proposed new baseline methodology: (checkmark the choice made)	
Title of proposed new baseline methodology:>> Baseline methodology for new capacity that displaces electricity generation in a centrally dispatched hydrothermal interconnected power system.	
a. To approve this proposed methodology with minor changes <input type="checkbox"/> <ul style="list-style-type: none"> i. Conditions under which this proposed methodology is applicable to other potential CDM project activities (e.g. project type, region, data availability): >> ii. Minor changes: >> 	
b. To reconsider this proposed methodology, subject to required changes <input type="checkbox"/> <ul style="list-style-type: none"> i. Conditions under which the proposed methodology is applicable to other potential projects (e.g. project type, region, data availability): >> ii. Required changes: >> <p><i>(Project participants shall make required changes to the proposed new methodology and send it back to the Meth Panel. The proposed new methodology will be reconsidered by the Meth Panel if changes required are made by the project participants. The Executive Board will only consider this proposed new methodology after the revised proposed methodology has been reconsidered by the Meth Panel.)</i></p>	

c. Not to approve the proposed methodology



i. Reasons for non-approval:

>> The methodology has touches of brilliance, as in theory it captures the dynamics of a hydro-thermal better than any other methodology to date. In fact, in principle, it seems a method equally applicable to any system dispatched in more or less a least-cost manner. However, it is highly complex, confusingly written, hard to decipher, and often self-contradictory, non-transparent in implementation, unclear with respect to how the simulation treats other CDM project activities, lacking in uncertainty analysis, and problematic to verify. Furthermore, the methodology appears to have a deep flaw in the fundamental emission reductions calculation method, as noted below (point 2.). Revisions to this methodology would need to be fundamental and considerable, requiring a new desk review, and on this basis, it is not approved.

1. The methodology is ambiguous, confusing, and hard to decipher. A methodology that is so complex, highly data intensive, and potentially non-transparent (given the use of a model) requires a more systematic and unambiguous presentation in order that it can be a) effectively evaluated, and b) ultimately verifiable. (See next point in particular)
2. The methodology appears to implicitly attribute all deviations from the official expansion plan to the CDM project, which is fundamentally incorrect and could lead to very significant errors. It leads to a situation where the project could get credit for displacing thermal generation several times the amount it generates. Or conversely it result in the determination that it increases thermal generation (no CERs), even though this is highly unlikely. See explanation at the end of this section*.
3. The treatment of methane emissions from reservoir flooding is problematic, especially given the methodology as is would be applicable to hydro plants of any size or type, and that these emissions are still not well understood. CDM-NMB section D.7.a) begins by stating that “an extremely conservative assumption is proposed, consisting of bounding methane emissions by an upper limit extracted from literature.” Later the higher (Hydro Quebec) numbers are referred to as a “cross-check”, then finally they are shown, but not used, in the draft CDM-PDD.
4. Dispatch model specifications and requirements (including data), as well as contextual conditions under which it can be applied, are insufficiently specified. Furthermore, steps should be taken to enhance the transparency of the model, data, and outputs given the black-box nature of complex models. These items are essential to establish the credibility and relevance of a model and its results.
5. Uncertainties – especially with respect to the model input and algorithms - are not adequately addressed. In light of the above concerns, and in general because of the non-transparency of the method, sensitivity and/or uncertainty analysis would seem essential both in evaluating the method and in implementing it.
6. The methodology does not clearly specify if and how deviations from least-cost dispatch would be accounted for in the ex-post model runs.
7. It is not specified how other CDM projects activities would be dealt with in applying the methodology – this is particularly important for a methodology that consider small marginal effects (e.g. see NM0076-rev “Chile: Chacabucito 26 MW Run-of-River Hydropower Project” review and responses).
8. The additionality methodology is somewhat ambiguous and confusing. For example, Para 1 of D.3. suggests that two steps are needed to demonstrate additionality, then on p.9 it is suggested that barrier analysis alone may suffice (“this documentation [of barriers] should be enough to determine...”). There is mention of the use of common practice assessment, but no method for conducting this assessment is provided or referred to. It is also unclear how the barrier assessment should be applied to the assumed baseline (the capacity expansion plan), i.e. it is only stated “that it needs to be shown that any of these barriers prevents the continuation of current expansion plan.” Perhaps this is not what was intended, but such editorial/language problems complicate the assessment of this methodology.
9. Relevant alternatives are not clearly addressed in the baseline scenario and additionality analyses. They are mentioned under the financial analysis but are not considered for the barrier analysis.

* Explanation regarding issue outlined in bullet 2:

The methodology appears to implicitly attribute all deviations from the official expansion plan to the CDM project, which is fundamentally incorrect and could lead to very significant errors.

Imagine the following hypothetical situation in 2010, explicitly exaggerated:

- Expansion Plan (2006-2010): 1000 MW coal
- Reality (2006-2010): 100 MW hydro CDM project, 900 MW non-CDM hydro
(Assume all capacity runs at same capacity factor)

If we have read the methodology correctly - which is not an easy task - the fraction of displaced generation that is thermal (F) in this explicitly exaggerated case above would appear to be 9. The project would then get credit for avoiding thermal generation (GWh) 9 times its own generation. The example is deliberately exaggerated only make clear the systematic problem related to this methodology. Under more realistic conditions, F could still significantly exceed 1, to the extent that the expansion plan underestimates the amount of hydro that will get built.

In general, the methodology appears to implicitly attribute all deviations from the expansion plan to the CDM project. As a result, a CDM project could gain or be penalized in a major fashion from spurious changes from current plans (i.e. changes unrelated to the CDM project), whether such plans are based on the best available analysis, strategic considerations, and/or political motivations.

The effect could go either way, unduly rewarding or unduly penalizing the project. F could in fact turn out to be less than zero, if you flip the above example on its head. Under realistic conditions, it appears likely that the effects (of deviations from the expansion plan leading to errors in ER estimation) could be very significant, especially so in a rapidly growing/changing grid system. At a minimum, this needs to be more carefully evaluated.

(A new proposal should be submitted in accordance with the procedures for submission and consideration of proposed new methodologies of the Executive Board.)

II. Recommendation on the proposed new monitoring methodology: (checkmark the choice made)

Title of proposed new monitoring methodology: >> [Monitoring methodology for new capacity that displaces electricity generation in a centrally dispatched hydrothermal interconnected power system.](#)

a. To approve this proposed methodology with minor changes

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

>>

ii. Minor changes:

>>

b. To reconsider this proposed methodology, subjected to required changes



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

>>

ii. Required changes:

>>

(Project participants shall make required changes in the proposed new methodology and send it back to the Meth Panel. The proposed new methodology will be reconsidered by the Meth Panel if changes required are correctly made by the project participants. The Executive Board will only consider this proposed new methodology after required changes proposed have been made and the revised proposed methodology has been reconsidered by the Meth Panel.)

c. Not to approve the proposed methodology



i. Reasons for non-approval:

>> Because the CDM-NMM is closely linked with the CDM-NMB, a new CDM- NMM would need to be resubmitted.

(A new proposal should be submitted in accordance with the procedures for submission and consideration of proposed new methodologies of the Executive Board.)

B. Details of the evaluation of the proposed new methodology by the Meth Panel:

I. Proposed new baseline methodology (specify title here): >> Baseline methodology for new capacity that displaces electricity generation in a centrally dispatched hydrothermal interconnected power system.

(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 proposed baseline methodology uses a centrally run dispatch simulation model (updated and re-run annually) to estimate the volume of thermal power generation that is dispatched in the “with project” actual situation. This is compared to how much thermal power generation would have been dispatched in the without project case, which is estimated by running the same model but using an official expansion plan. The difference is the estimate of thermal generation displaced by the project. This information is then combined with the GHG emissions factors of the non-renewable power generators on the grid to derive an estimate of the GHG emissions that have been avoided through the dispatch of the power generated by the project over the previous year.

b) State the approach selected:

>>The approach selected is as per paragraph 48(a) of the CDM modalities and procedures: “Existing actual or historical emissions, as applicable”.

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 selected approach is appropriate as the methodology deals with existing power plants and estimates of their actual emissions intensity over a given period.

(2) Basis for determining the baseline scenario:

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

>> The documentation provides an explanation of how the baseline scenario is to be determined. Given the high level of complexity inherent in the preparation and operation of the sort of dispatch simulation model described in the proposed methodology, the description of how the baseline is developed could be significantly improved.

Perhaps the proposed methodology should also specify exactly the dispatch simulation model that is to be used (i.e. by name, developer and version), and therefore provide more explicit guidance on how to set up and run the simulation to achieve the desired outcomes.

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

>> The proposed methodology uses a sophisticated dispatch simulation model to identify the volume of non-renewable power generation from individual power stations across the hydrothermal interconnected grid that has been displaced by the project. The dispatch simulation is based on least-cost order of merit, taking into account the opportunity costs of water for hydro generation, transmission constraints and other grid characteristics.

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?

>> Yes. Both barrier and financial analysis are employed, a common practice analysis is mentioned but not provided..

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

>> The basis for determining the baseline scenario is appropriate but is not adequate. The basis for assessing additionality is appropriate but also inadequate (e.g. lack of suggested common practice analysis).

(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. See comments in section A.I.iii above.

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):

>> The proposed methodology is appropriate for the referred proposed project activity, but only if certain aspects of the proposed methodology are improved. See comments in section A.I.c above.

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.

>> The application of the methodology, for the very specific situation described in the referred proposed project activity, could result in an appropriate baseline scenario, but only if certain aspects of the proposed methodology are improved *and* only if the official expansion plan is closely followed per above.

Please explain:

>> See A. I. c. above. There are a number of other possible situations where the outputs from the dispatch simulation model would not reasonably reflect what would have happened in the absence of the proposed project activity. For example, the assumption that dispatch order of merit is based on least-cost generation (within the boundaries of transmission constraints) does not recognise the significant impact that fuel supply arrangements or portfolio management strategies employed by large power generation companies can have on bid price and therefore merit order.

The methodology assumes that delays and any other changes from direct implementation of the Reference Expansion Plan are solely due to the proposed project activities. This is a very simplified assumption, and does not take into consideration the wide variety of factors (political, social and economic) that impact the realisation of official expansion plans.

(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 description of the methodology includes algorithms and formulae that could be applied to other potential project activities. However there are a significant number of specific requirements that must be fulfilled for the dispatch simulation approach employed in the proposed methodology to be applied to other potential project activities. See A.I.c above.

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

>> Data from entire interconnected grid, including detail of the characteristics of all generators and any transmission constraints that exist within the power system. This spatial scope 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:

>> The data used is for each year in the project crediting period, plus the most recent Reference Expansion Plan published prior to the implementation of the project. The characteristics of the grid, which form the majority of the inputs to the dispatch simulation model, are specified as current as at the time that the simulation is run (i.e., updates to model inputs such as generator efficiency improvements, changes to transmission capacities, or grid capacity additions are specified as “when available”).

The vintage of data is appropriate. However, to allow the outputs from the dispatch simulation model to be assessed for reasonableness (see Step 12 in section D.6 of the proposed baseline methodology) a series of historical data may be needed.

(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*

>> According to the CDM-NMB of NM0125: “Project participants shall account only the following emission sources for the project activity:

- For geothermal project activities, fugitive emissions of methane and carbon dioxide from non-condensable gases contained in geothermal steam and carbon dioxide emissions from combustion of fossil fuels required to operate the geothermal power plant.
- For hydroelectric power plants, methane emissions generated as a consequence of organic matter decomposition in flooded areas by the project.

For the baseline determination, project participants shall only account CO₂ emissions from electricity generation in fossil fuel fired power that is displaced due to the project activity.”

Regarding baseline determination it is also stated later in the document that “fuel emission factors ... for carbon dioxide, methane and nitrous oxide, and specific consumptions of thermal power plants ... are needed to estimate GHG emission factors.”

ii) *Physical delineation*

>> According to the CDM-NMB of NM0125: “The spatial extent of the project boundary includes the project site and all power plants connected physically to the electricity system that the CDM project power plant is connected to.”

It is essentially the same spatial scope of ACM0002 “Consolidated methodology for grid-connected electricity generation from renewable sources”.

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

>> Yes. However, the project boundary described in different parts of the proposed methodology is inconsistent in both its treatment of GHG emissions from non-renewable generation and its inclusion of transport related emissions for project construction activities. For example, Section D.5 of the proposed methodology specifies that only CO₂ emissions from fossil fuel fired power are to be accounted for in the baseline determination, while section E.1 of the proposed methodology specifies that fuel emission factors for carbon dioxide, methane and nitrous oxide are required to be collected.

(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:*

>>

Key assumptions are the availability of:

- A dispatch model that reasonably describes the hydrothermal interconnected power system operation; The dispatch simulation model assumes that generation will always be dispatched based on a least-cost merit order in a perfect competitive market, taking transmission constraints into consideration. This assumption is problematic based on actual behaviour of players in real power systems (based on fuel supply arrangements, portfolio management strategies, and other contractual situations that disrupt the least-cost merit order for dispatch).
- Publicly, verifiable and indisputable input data for simulation model. This assumption is problematic based on the verification activities that a DOE may be required to perform to provide assurance over the key outputs from the dispatch simulation model (i.e. if the data is not verified/audited by the data providers and/or system regulator, then does it fall on the DOE to provide assurance over the data accuracy?)
- Reliable official expansion plans. The Reference Expansion Plan provided by the official source would have been realised exactly as specified if the proposed CDM project activity had not gone

ahead. This assumption is problematic as it does not consider the wide variety of reasons (political, social and economic) that impact the realisation of official expansion plans.

- The key outputs from running the dispatch simulation model can be compared during monitoring to decide whether the thermal generation displacement factor remains realistic. The basis for this assumption should be further explained in the proposed methodology.

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

>> Yes, although certain assumptions are problematic (as described above)

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

>> No, as noted above. Although, as stated in the CDM-NMB of NM0125, “running simulation models to forecast power plant dispatch is a standard procedure most generators usually perform,” commonly:

- Different models for the same scenario have different results. It is not uncommon that the results are significantly diverse.
- A significant number of variables necessary to run hydrothermal power system simulation models are subjective and/or confidential.
- Government plans are usually susceptible to political interests and uncertainties.

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

>> The majority of data sources used are official and include Ministry of Energy, dispatch centres, national statistics, IPCC and IEA. Other sources are not official and include generators, fuel distributors, electricity distributors and the project sponsor.

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

>> No. See c) above.

f) State possible data gaps:

>> Possible data gaps include thermal generator fuel contracts, portfolio management strategies, and other contractual situations that could disrupt the least-cost merit order for dispatch.

(7) Assessment of uncertainties:

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

i) The basis for determining the baseline scenario:

>> Yes. Two categories of uncertainties are identified:

(1) Uncertainties in the inputs to the dispatch simulation model, and

(2) Uncertainties related to the estimation of emissions reductions.

ii) Algorithms/formulae:

>> Yes. Although there is a high level of confidence in the particular dispatch simulation model that the project proponents plan to use. This may not be justified for other simulation models that may be employed under the proposed methodology.

iii) Key assumptions:

>> Yes. Although there is no attempt to provide guidance on the quantification of uncertainties relating to generator contract situations or other factors that impact the least-cost merit order assumption.

iv) Data:

>> Yes. The proposed methodology states that since the majority of model inputs are provided by official sources that “error bars can be assumed by project developers under reasonable and justifiable hypotheses.” The dispatch simulation model is then assumed to be able to quantify the uncertainty associated with the outputs based on the specified uncertainties of the inputs.

b) State whether the uncertainties presented are reasonable:

>> The level of deviation in the key model output (thermal displacement factor) that is cited in the proposed methodology (“up to 20%”) is of significant concern and should prompt a greater level of scrutiny in terms of uncertainty quantification and conservative assumptions. Furthermore, the fundamental uncertainties (see A.I.c.) related to deviations from the expansion plan should be examined to determine whether errors of very large magnitude (e.g. >100% as noted above) are possible.

(8) Leakage:

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

>> No leakage is perceived.

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

>> Yes.

(9) Transparency and “conservativeness”:

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

>> Yes. However, the verification of the outputs from the dispatch simulation model may be problematic for the DOE.

b) State whether the baseline methodology is conservative:

>> Impossible to determine. Errors could be very large in either direction.

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

>> See A.I.c. above. Potential strength is the detailed consideration of a wide range of hydrothermal electricity system variables in a dispatch simulation model. The potential strength can turn out to be a major weakness if publicly, verifiable and indisputable input data for simulation model is not available.

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

>> The methodology has a key dependence on official expansion plans, which by their turn theoretically take into account national and/or sectoral policies.

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

>> The proposed baseline methodology is applicable where renewable energy power generation capacity is added to a hydrothermal interconnected grid, where:

- The operation of the grid is accurately described by a centrally run, highly sophisticated dispatch simulation model;
- Data is readily available to the project proponent to periodically update that model;
- The project proponent has the capacity to effectively run the model, and ;
- A reliable capacity expansion plan is regularly published by a central authority.

(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:

>> None.

b) Indicate any further comments:

>> No further comments.

II. Proposed new monitoring methodology (specify title here): >> Monitoring methodology for new capacity that displaces electricity generation in a centrally dispatched hydrothermal interconnected power system.

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:

>> According to the proposed new Monitoring methodology for new capacity that displaces electricity generation in a centrally dispatched hydrothermal interconnected power system (hereafter referred to simply as “CDM-NMM of NM0125”): “The Monitoring Plan is based on recording mainly electricity generation of the proposed power plant and the electricity generation of all thermal plants serving the interconnected national system and running the simulation model every year. Data should be collected on a monthly basis for the duration of the project lifetime and crediting period. Since most generation projects last longer than the maximum crediting period permitted under CDM, the later value of 21 years will also determine the monitoring period.”

(2) Key assumptions/parameters:

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

>> Same as for the baseline methodology since the monitoring methodology is consistent with the baseline methodology.

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

>> Yes, although certain assumptions are problematic (as described for the baseline methodology).

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

>> No. The assumptions are not adequate and should be further explained and refined.

(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):

>> The majority of data sources used are official and include Ministry of Energy, dispatch centres, national statistics, IPCC and IEA. Other sources are not official and include generators, fuel distributors, electricity distributors and the project sponsor.

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

>> Data used are adequate if the assumptions listed above prove to be appropriate for a particular interconnected hydrothermal power system. If the assumptions listed above are not appropriate, then additional data would be required.

c) State possible data gaps:

>> Possible data gaps include thermal generator fuel contracts, portfolio management strategies, and other contractual situations that could disrupt the least-cost merit order for dispatch.

(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. There is insufficient detail on the information that is required to prepare and operate the dispatch simulation model. "Power plant and grid configuration data (a big set of parameters)" is not sufficiently explicit to allow the proposed methodology to be effectively implemented or verified. In addition, references to later sections are not applicable (for example, there are a number of references to Section E in the description of the formulae used to estimate baseline emissions. The proposed monitoring methodology only has sections A and B).

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):

>> The proposed methodology is appropriate for the referred proposed project activity, but only if certain aspects of the proposed methodology are improved. See comments in section A.II.iii above.

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):

>> No leakage is perceived and therefore not monitored. This is appropriate.

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

>> The proposed methodology relies heavily on the QA and QC procedures of the grid regulator, generators, fuel suppliers, and essentially asserts that the data used will be of high quality by default. This is not a reasonable position for a good number of interconnected power systems around the globe where data quality and reliability are extremely low.

The QA and QC procedures for the key inputs to the simulation model and baseline emissions calculations should be more explicitly described to enable effective validation of projects employing this methodology and verification of ongoing data collection and use.

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

>> These are closely linked with those of the CDM-NMB above.

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

>> The proposed baseline methodology is applicable where renewable energy power generation capacity is added to a hydrothermal interconnected grid, where:

- The operation of the grid is accurately described by a centrally run, highly sophisticated dispatch simulation model;
- Data is readily available to the project proponent to periodically update that model;
- The project proponent has the capacity to effectively run the model, and;
- A reliable capacity expansion plan is regularly published by a central authority.

(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:

>> None.

b) Indicate any further comments:

>> No further comments.



Signature of Meth Panel Chair

Date: 14/09/2005

(Jean –Jacques Becker)



Signature of Meth Panel Vice-Chair

Date: 14/09/2005

(José Miguez)

Information to be completed by the secretariat

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