

 <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-NM0119: “Petrotemex Energy Integration Project”
Related F-CDM-NMex document ID number(s) (electronically available to EB members)	F-CDM-NMex0119: Schiller / Harthan
Related F-CDM-NMpu document ID number(s) (electronically available to EB members)	F-CDM-Nmpu0119:
<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 energy integration project activities involving energy efficiency, self-generation, and/or cogeneration measures at an industrial facility.	
a. To approve this proposed methodology with minor changes <input type="checkbox"/> <div style="margin-left: 40px;"> 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: >> </div>	
b. To reconsider this proposed methodology, subject to required changes <input type="checkbox"/> <div style="margin-left: 40px;"> i. Conditions under which the proposed methodology is applicable to other potential projects (e.g. project type, region, data availability): >> ii. Required changes: >> </div> <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:

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- Justification of key assumptions:

The methodology assumes that there is a relationship between the fuel use in the baseline, the production of and emissions from an industrial facility. Further, it is assumed that this relationship is fixed for the whole crediting period. This should be justified. Clearer criteria to ensure that there is a statistically valid relationship is needed, as asked for in the review of NM0086 “Petrotemex Energy Integration Project.” Explanation of all variables used should be given. If the associated project activity involves more than one plant (e.g. two plants in different locations), any relationship between energy use, production and emissions should be determined on a plant-specific basis. These are key issues to the quantification of greenhouse emissions reduction. Resolving them will lead to requiring a full review.

- Document the validity of using two algorithms, one for electricity versus production volume and one for fuel use versus production volume, and show that the operating modality of the electricity generating equipment (on/off) is not affected by the project activity, in order to assume, for baseline emissions calculations, that this operating modality is the same for both, the baseline and project scenarios.

- Definition of possible baseline scenarios:

Either the possibility of energy efficiency improvements during the crediting period should be included as one of the possible baseline scenarios, or the applicability conditions changed so that this methodology does not apply to plants that would have reached the end of their technical lifetime during the crediting period. Other possible baseline scenarios, e.g. another project activity that provides outputs or services comparable to the proposed project activity, should also be assessed.

- Additionality:

It should be clarified whether the methodology proposed to assess additionality by using just step 3 of the EB-approved additionality tool (which would not be appropriate), or the whole tool.

- Possible data gaps:

The methodology should indicate whether any industrial process changes that can affect greenhouse gas emissions are planned or expected during the crediting period, for example by the addition of an entrainer or mass separating agent for the azeotropic distillation (this was also asked for in the assessment of NM0086).

- In addition to the above, since the project activity involves two plants at different locations and with significantly different characteristics, details on how the two plants differ on pertinent issues like baseline conditions and additionality would be important to provide.

(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 energy integration project activities involving energy efficiency, self-generation, and/or cogeneration measures at an industrial facility.](#)

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):

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ii. Minor changes:

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

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

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ii. Required changes:

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(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

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i. Reasons for non-approval:

>> [The methodology needs to monitor conditions under which the baseline methodology is applicable.](#)

(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 energy integration project activities involving energy efficiency, self-generation, and/or cogeneration measures at an industrial facility.

(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:

>> This methodology is designed for project activities where a set of interrelated technological options generate improvements in fuel usage, in the management of electricity, and in the overall production process, giving rise to a better energy efficiency leading to fuel and/or electricity savings. Additionality is determined using the “Tool for the demonstration and assessment of additionality”. Baseline fuel and electricity consumption are determined with two regression equations that correlate (a) fuel consumption to industrial process production levels and (b) electricity consumption to industrial process production levels. Thus, the correlation curves are applied to the actual daily production in the crediting period to calculate the baseline fuel consumption. For baseline emissions associated with the purchase or sale of grid-based electricity, reference is made to the consolidated baseline methodology ACM0002 “Consolidated methodology for grid-connected electricity generation from renewable sources”. If relevant, leakage emissions are calculated and encompass fugitive emissions from the production of fuels, as well as transport of fuels.

The methodology assumes that the baseline scenario is continuation of current practice, although it does check this by assessing whether or not continuation of current practice is prevented by barriers or other circumstances.

b) State the approach selected:

>> The approach selected is as per paragraph 48(a) of the CDM modalities and procedures: “Existing 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 determination of baseline emissions is based on a statistical analysis of fuel and electricity consumption and production during the last three years prior to project implementation. Since the methodology encompasses a set of mitigation options, the chosen approach is appropriate (as long as the plants to which this methodology applies do not reach the end of their technical life, or increase capacity, during the crediting period).

(2) Basis for determining the baseline scenario:

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

>> Yes, it does (although only limited options for possible baseline scenarios are assessed).

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

>>

- Baseline electricity and fuel usage can be accurately correlated to production rates
- The use of a combined margin (as outlined in ACM0002) is an appropriate basis to calculate emission reductions from avoided electricity generation.
- The project will displace historic fuel and electricity consumption at the facility
- There will be no modifications of industrial process (or product) during the crediting period, no fuel switching

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?*

>> Documentation is provided. The documentation provided is “based on “Tool for the demonstration and assessment of additionality”, but it is not clear if the tool is being used in its entirety.

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

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Additionality: The basis for determining the additionality is appropriate and adequate if the “Tool for the demonstration and assessment of additionality” is used. However, the proposed methodology indicates that it is using just step three of this tool: “In proving project additionality, Step 3 of the *Tool* Is used”. This partial use of the tool is not appropriate. (While the proposed new methodology includes mention of the common practice analysis and regulatory analysis also included in the “Tool for the demonstration and assessment of additionality”, it is not clear whether or not their use is required).

Baseline scenario: Other possible baseline scenarios should be included in the list of plausible options assessed, e.g. refurbishment/retrofitting during the crediting period. The additionality tool should be used to assess all these plausible baseline scenarios.

(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 been described adequately. However, there are a few exceptions that are fundamental to its applicability, e.g. alternatives to project activity, requirements for statistical validity of the equations, the specific criteria are not presently clearly.

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):*

>> Generally it is appropriate, but additional documentation is required to demonstrate that there is a valid correlation between fuel/electricity use and production rates. Further, documentation is required to indicate whether the doubling of capacity of the Altamira plant would lead to such modifications being undertaken under business as usual (BAU), and whether the age of the Cosoleacaque plant would also mean that under a business as usual scenario energy efficiency improvements would have been undertaken.

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.*

>> Yes, it could, if the required fundamental changes and clarifications are incorporated.

Please explain:

>> Clearer indication of the tests and criteria for statistical validity are required. The current version of the methodology indicates basic statistical concepts but does not clearly specify the requirements for proving that the relationships between production volumes and electricity and fuel use are valid.

(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):*

>> There is text on basic statistical modelling technologies that could be applied to this type of project. This is a key and difficult issue for all industrial facilities where baseline energy use can vary based on changes during the project period with respect to production volumes, product types and characteristics, and/or other factors that can change baseline energy use depending on the industrial process in question. It would probably be better if the statistical discussion were written more specifically for this type of project

with an indication of specific tests for validity and a discussion of other factors that may determine emissions other than just production volumes.

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

>> Fuel consumption data correspond to the industrial facility. Parameters needed to determine the emission factor for grid-connected electricity generation depend on the wholesale electricity market and power plants connected to the grid in question. The information related to on-site fuel and electricity consumption is “local” and the displaced emissions from grid electricity is “national”. The 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 methodology calls for evaluation of fuel and energy consumption baseline data from a period starting at least three years prior to project implementation. This may or may not be adequate if

- The data are available;
- If the data leads to a statically valid regression analysis, and
- The data can be shown to be accurate and valid and cover a range of operating scenarios that are reasonably expected to occur during the project crediting period.

(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

>> Direct fuels used and indirect emissions from electricity generation are included in the project boundary both in the baseline scenario and in the project case. CO₂, NO₂ and CH₄ are included in algorithms (although this is not clearly explained in the boundary section of CDM-NMB).

ii) Physical delineation

>> The project boundary encompasses the site of the industrial facilities

b) Indicate whether this project boundary is appropriate:

>> The project boundary is appropriate if changes to any process GHG emissions are accounted for in the leakage provisions. However, it should be ensured that the smallest plausible project boundary is chosen, i.e. if only parts of the facility are affected by the measures and the other parts are not affected, the project boundary shall be chosen as the former.

(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:

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Explicit assumptions:

- CEF: Carbon dioxide emission factor per unit energy of fuel j (e.g. tCO₂/GJ)
- MEF: Methane emission factor per unit energy of fuel j (e.g. t CH₄/GJ)
- NEF: Nitrous oxide emission factor per unit of energy of fuel j (e.g. t N₂O/GJ)
- EFel: Baseline emission factor from energy generation, including electricity generation by the grid and/or private plant (e.g. t CO₂/MWh).

Implicit assumptions:

- No energy-intensive equipment would be replaced during the crediting period under business as usual (BAU) and no major changes in operation at the project sites
- The project activity will not affect process-related emissions of the industrial facility. This is

problematic unless verified, or included in leakage provisions.

- There is no fuel switching and no change in proportions of different fuels used prior to and after project installation. Situations that cause a facility to use different proportions of electricity or fuel do not change from baseline to project scenarios.
- Adequate historical data is available
- The most important implicit assumption is the validity of the changing baseline energy and emissions, up or down, based on product production rates.

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

>> The key assumptions concerning the baseline data and electric grid markets are transparent with the exception of:

- Lack of information, as noted above, on production versus energy use for the baseline. It should be noted that the draft CDM-PDD indicates that the baseline energy use and production rates data are “scattered” which does not inspire confidence in the method or results, particularly since the data and analyses are not provided.
- Assumption that “Circumstances giving rise to an eventual interdependence between fuel consumption and electricity purchase/sale can be identified, and their effects separated, in such a way that fuel consumption and electricity purchase/sale are independent variables, removing the constraints among them, if any.” is a key assumption in the analyses and needs to be validated for each project, in so much that the reasons for maximizing either electricity purchases or electricity production do not vary from the baseline through the 10 years of the crediting period.

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

>> The explicit assumptions are transparent. The implicit assumptions can only be shown to be adequate, on a case by case basis, if the regression models correlating fuel use and electricity use to production rates are shown to be valid over the full range of project production volumes.

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

>>

The following data sources are used:

- CO₂ emission factors per unit energy of fuel
 - i. National inventory of GHG emissions, prepared as part of the National Communications to the UNFCCC or other official documents
 - ii. On-site measurements of carbon content and calorific value of fuels. This would be recommended for fuels where there is significant variation in properties and/or when the fuel is not widely commercialized.
 - iii. IPCC default emission factors
- Methane emission factors per unit energy of fuel: IPCC values
- Nitrous oxide emission factors per unit energy of fuel: IPCC values
- Baseline emission factor for electricity generation by the grid and/or a private plant
- ACM0002 “Consolidated methodology for grid-connected electricity generation from renewable sources”
- Simplified methodology for small-scale project activities (for electricity generation less than or equal to 15 MW equivalent)
- Emission factors provided by power plant owners (for the purchase of electricity from isolated power plants)
- Leakage emission: IPCC default values
- Determination of the quasi dynamic baseline as well as project emissions: the data stems from the industrial facility.

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

>> Use of official data is adequate. Use of facility data requires an audit documentation procedure. On-site data, such as acid production rates and baseline fuel usage, rely on company provided documentation. The QA/QC process is not transparently described.

f) State possible data gaps:

>> The data gaps may consist of historical on site energy usage and production data, and post-installation project fuel and electricity usage, possible effects on process emissions.

Further, the methodology should indicate whether any process changes that can affect greenhouse gas emissions in the production process are planned or expected during the crediting period, for example by the addition of an entrainer or mass separating agent for the azeotropic distillation.

(7) Assessment of uncertainties:

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

i) The basis for determining the baseline scenario:

>> No. Since the methodology does not analyze alternatives to the proposed project, there is significant uncertainty related to the determination of the baseline scenario.

ii) Algorithms/formulae:

>> Yes.

iii) Key assumptions:

>> Yes.

iv) Data:

>> No.

b) State whether the uncertainties presented are reasonable:

>> Two of the key assumptions are mentioned and they are reasonable if the project conforms to the requirements:

- The ex-post baseline fuel consumption and electricity purchases and sales will be determined through the relations established prior to project implementation, based on measurements of the production in the monitoring process.
- The methodology also assumes that, in the baseline scenario the same type and proportion of fuels are consumed as in the project.

(8) Leakage:

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

>> The methodology addresses leakage from upstream fuel production and delivery. For a generic methodology the primary potentials for leakage come from:

- i) Movement of production of the industrial product (acid in this case) to or from this facility from where it is produced to another facility with higher emission rates
- ii) Any process changes that should be evaluated for their possible emission impacts

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

>> The limited discussion of leakage is adequate and conservative for this specific project with the condition that the following items be included within the project boundary:

- All fuel use at the project site(s) and
- All power purchase from the grid and/or private parties for any use at the project site(s).

Further, the possible effect of improvements that affect energy efficiency and also GHG process emissions

should be considered and included.

(9) Transparency and “conservativeness”:

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

>> Generally, yes.

b) State whether the baseline methodology is conservative:

>> There is a risk that the baseline methodology may not be conservative because the statistical analysis lacks explanation and guidance on how to implement it and on how to judge whether it is valid in a certain project context. This may therefore lead to a wrong calculation of baseline emissions, an overestimation as well as an underestimation.

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

>>

Strengths:

- Well organized;
- Builds on approved methodologies;
- Relies on what may be generally available and verifiable data.

Weaknesses:

- Is so specific in terms of requirements for validity that it may not be able to be generalized for a wide variety of projects;
- Requires three years of adequate data and that viable correlations be established between facility energy use and (only) production volumes.

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

>> Legal and regulatory issues as well as national and/or sectoral policies and circumstances are taken into account in the determination of the baseline scenario.

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

>>

General applicability conditions;

- Baseline emission rates can be determined using a statistically valid calibrated model which includes industrial production volumes as the sole independent variable for determining electricity and fuel consumption;
- Circumstances giving rise to an eventual interdependence between fuel consumption and electricity purchase/sale can be identified, and their effects separated;
- At least three year's worth of validated historical data are available
- There are no significant modifications to the industrial facility that would impact energy use, during the project crediting period.
- There is no fuel switching and no change in proportions of different fuels used prior to and after project installation

(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:

>>

- Documents related to the previously submitted methodology NM0086 “Petrotemex Energy Integration Project”.
- “Tool for the demonstration and assessment of additionality”.
- ACM0002 “Consolidated methodology for grid-connected electricity generation from renewable sources”.

b) Indicate any further comments:

>> No further comments.

II. Proposed new monitoring methodology (specify title here): >>Monitoring methodology for energy integration project activities involving energy efficiency, self-generation, and/or cogeneration measures at an industrial facility.

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 proposed methodology primarily involves collection of data on baseline and project activities:

- Fuel consumed and electricity purchased and sold
- Production rates of the facility product
- Fuel emission factors (indicated in text to be site specific or IPCC but not indicated in B.2.3), and
- Displaced electricity emission factors (ACM0002).

The collected data are then used to estimate emissions reductions.

The methodology for this type of project is relatively simple and with post-project installation monitoring of all fuel usage and electricity usage (and sales) the emission savings can be calculated without concern for accuracy of initial estimates of emission reductions with one large caveat. This caveat is that the baseline energy (fuel and electricity) consumption, and thus emissions, can be calculated from information about project term production volumes with the use of a baseline model.

(2) Key assumptions/parameters:

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

>>

Major assumptions are:

- There are accurate data available on fuel and electricity usage for the prior three years at each facility – unknown in terms of validity as data were not provided for this specific project
- There are no major changes to the facility during the term of the project and the product being produced at the facility does not change during the term of the project. At least one of the proposed facility sites (in the draft CDM-PDD) is undergoing major changes to double its production capacity.
- A correlation can be made between production volume and baseline electricity and fuel usage – unknown in terms of validity as the analysis and data were not provided for this specific project.
- Information is available to calculate grid and private party electricity emissions factors - unknown in terms of validity since data and analyses were not provided for this specific project.
- Use of site specific or IPCC factors for various fuel type used on site and leakage calculations.

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

>> Yes.

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

>> It is possible that the regression analysis will result in a valid set of algorithms and that there will not be any significant changes at both facilities during the term of the project, but it must be demonstrated for each project. This may be particularly difficult to show for the Altamira plant which appears to be undergoing a doubling in production capacity, as indicated in the draft CDM-PDD.

(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):

>>

Data comes from:

- Industrial facility
- Power grid and/or private plant

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

>> The use of metered data from billing records or government reporting information would be preferable to what is assumed to be manual data collection by facility staff with paper records.

c) State possible data gaps:

>>

- Need to ensure that there is sufficient and valid data available for modelling of baseline energy use and calculation of project emissions
- Confirming other requirements for methodology validation – such as no changes to product, no fuel switching and no major changes to facility that effect energy usage
- Fuel consumption QFij (item 1 in tables 2.1 and 2.3) is not reflected in the formulae, neither in the baseline, nor in the monitoring methodology. The corresponding formulae should therefore be updated.

<ul style="list-style-type: none"> • The methodology does not, in many cases, determine the monitoring frequency. This refers to the fuel consumption, to electricity purchases/sales and to the production of the facility. • Item 1 in table 2.3 may be deleted, since the fuel consumption in the project scenario is not necessary to determine baseline emissions. • Need to adapt monitoring aspects of ACM 0002 to the methodology.
<p>(4) Assessment of the description of the proposed methodology and its applicability:</p> <p><i>a) State whether the proposed methodology has been described in an adequate manner:</i></p> <p>>> Yes.</p> <p><i>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):</i></p> <p>>> Yes, if the criteria shown in A.I.i can be shown to be met with additional documentation not provided in the draft CDM-PDD – e.g., a statically set of energy versus production models and that there will be no change in product or the plants over the crediting period. As indicated above this may be particularly difficult to show in the application of this proposed methodology for the associated project.</p> <p><i>c) State whether this proposed monitoring methodology is compatible with the proposed baseline methodology described in CDM-NMB of the draft CDM-PDD:</i></p> <p>>> Yes.</p>
<p>(5) Leakage (please elaborate, if appropriate):</p> <p>>> The CDM-NMM indicates “The methodology addresses leakage from upstream fuel production and delivery. Emissions from fuel production, pipeline and distribution, and CO₂ emissions from fuel transportation are considered as leakage. Emissions from fuel production/transportation are counted only if the fuel is produced/transported in a non-Annex I country.” However, no leakage due to shifts in production are included nor is leakage considered due to changes in the industrial process associated with the project.</p>
<p>(6) Quality assurance and control procedures (please explain):</p> <p>>> QA/QC is covered but with limited descriptions of what the QA/QC procedures will actually be and how they ensure data integrity, accuracy, etc. As emissions estimates are wholly dependent on energy consumption and production volumes information, the quality and accuracy of the data are critical. One option is an independent audit function for the data.</p>
<p>(7) Potential strengths and weaknesses of the proposed monitoring methodology (please explain):</p> <p>>></p> <p><u>Strengths:</u></p> <ul style="list-style-type: none"> • Well organized • Builds on approved methodologies <p><u>Weaknesses:</u></p> <ul style="list-style-type: none"> • Requires a stronger QC/QA regiment.
<p>(8) Applicability of the proposed methodology across project types and regions (please indicate):</p> <p>>></p> <p>General applicability conditions as in the baseline methodology. Specifically;</p> <ul style="list-style-type: none"> • Baseline emission rates can be determined using a statistically valid calibrated model which includes industrial production volumes as the sole independent variable for determining electricity and fuel consumption; • Circumstances giving rise to an eventual interdependence between fuel consumption and electricity

- purchase/sale can be identified, and their effects separated;
- At least three year's worth of validated historical data are available;
- There are no significant modifications to the industrial facility that would impact energy use, during the project-crediting period;
- There is no fuel switching and no change in proportions of different fuels used prior to and after project installation.

(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:

>>

- Documents related to the previously submitted methodology NM0086 "Petrotemex Energy Integration Project".
- ACM0002 "Consolidated methodology for grid-connected electricity generation from renewable sources".

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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