 CDM: Response form for Request for revision of approved methodologies (version 01.1)	
<i>Date of Meth Panel meeting:</i>	26 - 30 March 2007
<i>Title and number of Request for revision</i>	Enable the use of ACM0002 for power plants that result in emission reductions in another non-Annex I country because of the enhancement of dispatch of clean energy to that grid / AM_REV_0029
Summary of the query: Please use the space below to summarize the request for revision on the related approved methodologies.	
<p>The request for revision proposes to amend methodology ACM0002 in order to expand its applicability to situations in which the project activity produces emissions reductions in another non-Annex I country. This request for revision is related to the 200 MW Yguazú Hydropower Project which will be installed in order to address Paraguay's peak demand. According to the request for revision, the project activity will improve the conditions of the Electricity System of Paraguay and reduce the consumption of renewable energy from the Bi-national Itaipu Hydropower Plant. As a consequence, due to the Itaipu Treaty established between Paraguay and Brazil, Brazil will receive additional energy from Itaipu during its peak times, which in turn will result in the displacement of grid electricity in the Brazilian grid. Therefore, project proponents claim that the electricity generated by the project activity fed into the Paraguayan grid, will avoid the dispatch of an equal amount of electricity generated by fossil-fuelled thermal power plants in the combined margin of the Brazilian grid, reducing emissions.</p>	
Recommendation by the Meth Panel: (a) Please use the space below to provide amendments /changes (in your expert view, if necessary).	
<p>The Meth Panel recommends NOT to revise the methodology as proposed by the request for revision.</p> <p>The Meth Panel discussed the proposals for revision of approved consolidated methodology ACM0002 in response to the requests for revision AM_REV_0018, AM_REV_0026 and AM_REV_0029. These requests aim at expanding the applicability of the approved consolidated methodology ACM0002 to project activities in which renewable based power plants export or result in the export of electricity to a grid other than the one in which they are located. The Panel noted that the key issue in such project activities is the traceability of the impact of the project activity power plant, i.e., whether the displacement of electricity by the electricity generated by the project activity takes place in the receiving grid or in other connected grids. In view of this, the Panel decided not to approve the requests for revision and recommends that they may be submitted to the Board as requests for deviation, as these are very specific instances of a general class of such project activities. The Panel further observes that these project activities should include in the draft CDM-PDD a proper procedure to:</p> <ul style="list-style-type: none"> (i) Verify the electricity which is delivered to the grid to which the project activity is exporting; and, (ii) Demonstrate that the exported electricity results in the displacement of generation in the grid to which the electricity is exported. 	

(b) Please use the space below for providing guidance, as per Para 93 of EB25 Report, on what type of projects need to revise the PDD as a consequence of the suggested revision, if the recommendation is to revise the methodology.

Not applicable.

Answer to authors of the request for revision by the Meth Panel :

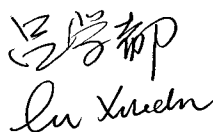
Please use the space below to provide an answer to the authors of the above query

Please refer to (a) above.



Signature of the Meth Panel Chair

Date: 30/03/2007 (Akihiro Kuroki)



Signature of the Meth Panel Vice-Chair

Date: 30/03/2007 (Xuedu Lu)

Information to be completed by the secretariat

F-CDM-AM	AM-REV-0029
Name of the authors of the query:	DNV-CUK
Date when the form was received at UNFCCC secretariat	30 March 2007
Date of transmission to the EB	30 March 2007
Date of posting in the UNFCCC CDM web site	30 March 2007