



**CDM: Proposed New Methodology**  
**Meth Panel recommendation to the Executive Board**  
*(To be used by methodology panel to make a recommendation regarding a proposed new methodology)*

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| <i>Date of Meth Panel meeting:</i>   | 7 - 8 July 2003  |
| <i>Related F-CDM-NM document ID number (already available to EB members)</i>             | NM0004 – rev<br>Salvador da Bahia landfillgas project.   |
| <i>Related F-CDM-NMex document ID number(s) (electronically available to EB members)</i> | F-CDM-NMex0004:<br>Ingo Puhl/Pedro Moura Costa   |
| <i>Related F-CDM-NMpu document ID number(s) (electronically available to EB members)</i> | F-CDM-NMpu0004:<br>Hamburg Institute of International Economics,<br>Axel Michaelowa<br>Oeko-Institut, Anke Herold, Ralph Harthan |

**Recommendations by the Meth Panel**

Recommendations on baseline methodology(ies): Panel selected option (a) below.

**a. Methodology approved/Approved with minor changes**

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

Title: “Contractual amount of landfill gas capture and flaring defined through public concession contract”

This methodology is applicable to landfill gas capture and flaring project activities where:

- There exists a contractual agreement to capture a certain volume of biogas from a landfill;
- The concession obligations stipulate the amounts of landfill gas to be collected by the concessionaire;
- Given the possibility of generating electricity from captured landfill gas, there should be no electricity generation planned.

If the project participants were to choose to use a renewable crediting period, at each renewal of the crediting period, the applicability of this methodology to the project activity should be reassessed in order to ensure that no electricity generation from captured landfill gas has occurred or is planned.

- ii. Minor changes

The project proponents re-submitted a PDD and Annex 3 and 4 following the first round of comments from the Meth Panel and Executive Board. These documents incorporated many of the changes requested. Further minor editing is needed to remove repetitive paragraphs and improve syntax.

The methodology should stipulate that the baseline emissions derived from the contractual amount of LFG to be collected and flared shall be calculated using the estimated/measured methane content of the LFG (and not the hypothetical methane content of the LFG possibly appearing in the contract). In the CDM-PDD this has been wrongly applied, as in the contract the percentage of methane in the LFG was

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| <p>assumed to be 50% but the draft CDM-PDD reports that actual measurements are 57%. Therefore, the baseline should be corrected to be the contracted amount multiplied by the factor (57/50).</p>   |
| <p>b. Methodology may be approved, subject to required changes</p> <p>i. Conditions under which methodology is applicable to other potential projects (e.g. project type, region, data availability, etc.)</p> <p>ii. Required changes</p> <p><i>(Project participants shall make required changes in the proposed new methodology and send it back to the Meth panel. The proposed project new methodology will be reconsidered by the Meth Panel if changes recommended are correctly prepared by project participants. The Executive Board will only consider this proposed new methodology after changes proposed are made and reconsidered by the Meth panel)</i></p>   |
| <p>c. Methodology not approved</p> <p>i. Reasons for non approval</p> <p><i>(May be resubmitted in accordance with the procedures for submission and consideration of proposed new methodologies of the Executive Board)</i></p>   |
| <p>Recommendations on monitoring methodology(ies): <a href="#">Panel selected option (a) below.</a></p> <p><b>a. <u>Methodology approved/Approved with minor changes</u></b></p> <p>i. Conditions under which methodology is applicable to other potential projects (e.g. project type, region, data availability, etc.)</p> <p>Title: “Contractual amount of landfill gas capture and flaring defined through public concession contract”</p> <p>This methodology is applicable to landfill gas capture and flaring project activities where:</p> <ul style="list-style-type: none"> <li>• There exists a contractual agreement to capture a certain volume of biogas from a landfill;</li> <li>• The concession obligations stipulate the amounts of landfill gas to be collected by the concessionaire;</li> <li>• Given the possibility of generating electricity from captured landfill gas, there should be no electricity generation planned;</li> <li>• The gas flow and analysis equipment is appropriate to the climatic conditions and any contaminant that the gas may contain;</li> <li>• The equipment is calibrated periodically.</li> </ul> <p>ii. Minor changes</p> <p>The project proponents re-submitted a PDD and Annex 3 and 4 following the first round of comments from the Meth Panel and Executive Board. Further minor editing is needed to remove repetitive paragraphs and improve syntax.</p> <p>The baseline of the contractual amount should assume the percentage of methane in the LFG to be equal to</p> |

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| <p><a href="#">the estimated/measured amount, in the interest of conservative estimates for the baseline.</a></p> <p>b. Methodology may be approved, subject to required changes</p> <p style="padding-left: 40px;">i. Conditions under which methodology is applicable to other potential projects (e.g. project type, region, data availability, etc.)</p> <p style="padding-left: 40px;">ii. Required changes</p> <p><i>(Project participants shall make required changes in the proposed new methodology and send it back to the Meth panel. The proposed project new methodology will be reconsidered by the Meth Panel if changes recommended are correctly prepared by project participants. The Executive Board will only consider this proposed new methodology after changes proposed are made and reconsidered by the Meth panel)</i></p> |
| <p>c. Methodology not approved</p> <p style="padding-left: 40px;">i. Reasons for non approval</p> <p><i>(May be resubmitted in accordance with the procedures for submission and consideration of proposed new methodologies of the Executive Board)</i></p>   |
| <p><b>Details of the evaluation of the proposed new methodology by the Meth Panel:</b></p>   |
| <p><b>New baseline methodology(ies)</b></p>  |
| <p>Section 2. Description of the methodology:</p>  |
| <p>Section 2.1. General approach</p> <p><i>Is the approach selected the most appropriate (see paragraph 48 of the CDM M&amp;P)?</i></p> <p><a href="#">The approach used is that outlined in paragraph 48 (b) of the CDM modalities and procedures. It is assumed that the contractual obligations of the concession contract define what an “economically attractive course of action” is.</a></p>  |
| <p>Section 2.2. Overall description</p> <p><i>Adequacy of methodology description</i></p> <p><i>Appropriateness of determining the baseline scenario proposed. Does the baseline scenario reasonably represent the anthropogenic emissions by sources of greenhouse gases that would occur in the absence of the proposed project activity? Explain.</i></p> <p><a href="#">The current contractual obligation for collection and destruction of landfill gas is likely to be an appropriate basis for deriving the baseline scenario for a project where electricity generation from captured landfill gas (in excess of the contracted amount) is not planned or occurring.</a></p>  |
| <p>Section 3. Key parameters/assumptions (including emission factors and activity levels), and data sources considered and used:</p>   |

*Reliability, accuracy and adequacy of data required (e.g. your expert judgement on the emissions factors and activity data used)*

*Key implicit and explicit assumptions (if any)*

- a. *Identification*
- b. *Acceptability*

Based on details provided, the contractual amount should not assume the percentage of methane to be lower than that estimated or measured.

- c. *Transparency*

The main source of data used for the determination of this baseline (i.e., the proportion of gas that would have been flared in the absence of the project activity) is the contractual agreement between the project participants and the government agency.

Section 4. Definition of the project boundary related to the baseline methodology:

*Coverage of project boundary (adequate?):*

- a. *Gases and sources*
- b. *Physical delineation*

The selection of both the gases and project boundaries are considered appropriate.

Section 5. Assessment of uncertainties:

*Key implicit and explicit assumptions (if any)*

- a. *Identification*
- b. *Acceptability*

The method takes into account uncertainties related to the actual quantity of delivered waste by allowing for its ex-post adjustment. It does not allow for the ex-post adjustment of waste composition, which can be considered as acceptable.

Section 6. Description of how the baseline methodology addresses the calculation of baseline emissions and the determination of project additionality:

Please evaluate the proposed new methodology:

“Description of how the anthropogenic emissions of GHG by sources are reduced below those that would have occurred in the absence of the registered CDM project activity (*i.e. explanation of how and why this project is additional and therefore not the baseline scenario*)”

The methodology provides an estimate of the landfill gas to be captured and flared in the baseline scenario. This is done by referring to a contractual obligation to flare a certain amount of gas in the absence of the CDM project activity.

Section 7. Description of how the baseline methodology addresses any potential leakage of the project activity:

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| <p>The methodology correctly assumes that there is no potential leakage as methane in excess of the corrected contractual amount will not be used for power generation.</p>  |
| <p>Section 8. Criteria used in developing the proposed baseline methodology, including an explanation of how the baseline methodology was developed in a transparent and conservative manner:</p> <p>The setting of the baseline (the percentage of landfill gas captured and flared in absence of the project activity) is transparent (the percentage is taken from the landfill concession contract).</p> |
| <p>Section 9. Assessment of strengths and weaknesses of the baseline methodology:</p> <p><b>Weakness:</b><br/>A weakness identified is with respect to the levels of methane to be collected as part of the contractual agreement as this was found to underestimate the baseline.</p>   |
| <p>Section 10. Other considerations, such as a description of how national and/or sectoral policies and circumstances have been taken into account:</p> <p>Adequate.</p>   |
| <p><i>In addition, please address the following aspects</i><br/>Applicability of methodology across project types and regions</p> <p>See main recommendations on the baseline methodology above (“a” i).</p>   |
| <p>Any other comments</p>  |
| <p><b>New monitoring methodology(ies)</b></p>  |
| <p><i>In respect of new monitoring methodology(ies), evaluate each section of Annex 4. Please provide your comments section by section:</i></p>  |
| <p>Please also address the following</p> <p>Applicability of methodology across project types and regions</p> <p>See main recommendations on the monitoring methodology above (“a” i).</p>   |
| <p>Any other comments</p>  |

Signature of Meth Panel Chair



Date: 11 July 2003

Signature of Meth Panel Vice-Chair



Date: 11 July 2003

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