

## CDM: Proposed new methodology - public comment form

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Name of person / organization responsible for completing and submitting this form

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Related F-CDM-NM document ID number

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0002

**Comments on the proposed new methodology:**

*Based on an assessment of the draft PDD, evaluate the proposed new baseline and /or monitoring methodologies with respect to the Annexes 3 and 4 of the CDM PDD*

**New baseline methodology(ies)**

*In respect of a new baseline methodology(ies), evaluate each section of Annex 3 of the CDM-PDD. Please provide your comments below, also taking into consideration further questions in italics below:*

Section 2. Description of the methodology

Section 2.1. General approach

*Is the approach selected the most appropriate (see paragraph 48 of the CDM M&P)?*

Section 2.2. Overall description

*Adequacy of methodology description*

*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.*

Section 3. Key parameters/assumptions (including emission factors and activity levels) and data sources considered and used:

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

*Key implicit and explicit assumptions (if any)*

a. Identification

b. Acceptability

*Transparency*

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

*Coverage of project boundary (adequate?):*

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

Section 5. Assessment of uncertainties:

*Key implicit and explicit assumptions (if any)*

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

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*)"

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

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:


Section 9. Assessment of strengths and weaknesses of the baseline methodology:

Section 10. Other considerations, such as a description of how national and/or sectoral policies and circumstances have been taken into account:

*In addition, please address the following aspects*

Applicability of methodology across project types and regions

Any other comments

Comment of NM 

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It is not suitable to estimate the baseline scenario by using a dispatch analysis due to following reasons.

Ø From the viewpoint of arbitrariness, it is not desirable to estimate the baseline scenario based on prospects or plans for the future such like power expansion plan.

Ø Furthermore, it is not acceptable to use dispatch analysis focusing on only cost merit since the future power sources will be determined in terms of cost, energy securities, convenience, environment, social acceptance, etc.

Ø If a dispatch analysis based on prospects or plans for the future power sources is approved as CDM baseline, it could give an incentive for an entity applying the CDM project to develop a plan of more high GHG intensity power sources.

Ø Meanwhile, it is desirable to use latest average emission factor from all power sources rather than using a dispatch analysis. Credits can be obtained from differences between assumed GHG emissions derived from latest average emission factor and actual GHG emissions derived from the project based emission factor.

Ø This method can avoid over estimate since there are no room for arbitrariness.

Ø Similar baseline approach is adopted for small scale projects, that is, the average of the "approximate operating margin" and the "build margin". This "approximate operating margin" demands to exclude "must run" and "low cost" power sources. However, the definition of "must run" and "low cost" are controversial, vague and they cannot be chosen specifically. Therefore, there is the possibility of overestimating the emission reduction. Fundamentally, it is desirable not to be used. Though the error can be small for small scale projects because of limited reduction amount, but it must be the issue for large projects.

#### **New monitoring methodology(ies)**

*In respect of new monitoring methodology(ies), evaluate each section of Annex 4. Please provide your comments section by section:*

Please also address the following

Applicability of methodology across project types and regions

Any other comments

**Cross-cutting issues**

- . Can the presentation of the methodology/ies be further simplified?
- . Should this methodology/ies be considered as new (see paragraph 37 (e) of the CDM M&P)?
- . Comparison with other relevant methodologies
- . Are the methodology/ies rigorous?

**Section below to be filled by UNFCCC secretariat**

Related F-CDM-NM document ID number	
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Date when the form was received at UNFCCC secretariat	
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