

**REPORT OF THE THIRTY-FOURTH MEETING OF  
THE METHODOLOGIES PANEL**

UNFCCC Headquarters, Bonn, Germany  
25 - 29 August 2008

**RECOMMENDATIONS BY THE METHODOLOGIES PANEL TO  
THE EXECUTIVE BOARD**

**A. Opening of the meeting and adoption of the agenda**

1. The Chair of the Methodologies Panel (the panel), Mr. Akihiro Kuroki opened the meeting.
2. The agenda was adopted as proposed.

**B. Consideration of proposed new methodologies**

3. The panel considered the proposed new methodologies listed in the table below, as well as desk reviews and public inputs received, where applicable.
4. The final recommendations, proposed by the panel for consideration by the Executive Board, are made available on the UNFCCC CDM website at <http://cdm.unfccc.int/goto/MPpropmeth>.
5. In accordance with the procedures for submission and consideration of a proposed new methodology, project participants may submit, via the DOE, technical clarifications to preliminary recommendations. Preliminary recommendations for which project participants submit clarification within a timeframe stipulated by the Chair of the panel (but not exceeding 4 weeks) shall be considered at the next meeting of the panel. If project participants do not provide clarification related to the preliminary recommendation by the panel within the timeframe of three (3) months, the case will be considered withdrawn.
6. The panel agreed on the following recommendations:

<b>Cases</b>	<b>MP 34<sup>1</sup> recommendation</b>
<b><u>NM0235</u></b> : Manufacturing of energy efficient domestic refrigerators	<b>A (see paragraph 7)</b>
<b><u>NM0239</u></b> : Environmental passive mitigation through the management of the swine manure by a Regional Sanitation Plant in the Santa Catarina State, Brazil	<b>WIP<sup>2</sup> (see paragraph 8)</b>
<b><u>NM0247</u></b> : Manufacturing and servicing of refrigerators using low GWP refrigerant by M/s Videocon Appliances Ltd.	<b>A (see paragraph 7)</b>

<sup>1</sup> Recommendations on the proposed new methodologies from the thirty-fourth meeting of the panel A (recommended for approval) and C (recommended for non-approval) are final recommendations to the Board. Preliminary Recommendations are technical clarifications requested by the panel from project participants before finalizing its recommendation to the Board.

<sup>2</sup> Work in progress (WIP) implies that the deliberations on these proposed methodologies could not be concluded at the thirty-fourth meeting of the panel. These cases will be further considered before providing a recommendation to the Board.

<b>Cases</b>	<b>MP 34<sup>1</sup> recommendation</b>
<b>NM0248:</b> Project for useful use of landfill gas actually being flared substituting natural gas	<b>WIP</b>
<b>NM0250:</b> Fès Waste Water Treatment Plant (WWTP) with sludge treatment and biogas recovery & utilization for electricity generation at Fès city, Morocco	<b>WIP (see paragraph 9)</b>
<b>NM0251:</b> South Korea SF6 capture and recycling project	<b>WIP (see paragraph 10)</b>
<b>NM0256:</b> Bekasi Power 100 MW CCGT project in Indonesia	<b>C</b>
<b>NM0258:</b> Metrobus Insurgentes, Mexico City	<b>WIP (see paragraph 11)</b>
<b>NM0261:</b> Baoding Geothermal Space Heating Project	<b>A</b>
<b>NM0263:</b> Method for Solar Water Heaters for hot water applications	<b>C</b>
<b>NM0264:</b> Caracol Knits Trigenation Project	<b>WIP (see paragraph 12)</b>
<b>NM0265:</b> Reduction of flaring of COG through conversion into dimethyl ether to be used as fuel in Shanxi, China	<b>Preliminary recommendation</b>
<b>NM0266:</b> Mumbai Metro One, India	<b>WIP (see paragraph 11)</b>
<b>NM0267:</b> Shuixi Gou Coal Field Fire Extinguishing Project	<b>WIP (see paragraph 13)</b>
<b>NM0268:</b> Titis Sampurna Semanggi Compressed Natural Gas Project	<b>Preliminary recommendation</b>
<b>NM0269:</b> Cambodia – Rural Electrification and Transmission Project (RETP) – 220 kV Interconnection between Cambodia and Vietnam	<b>Preliminary recommendation</b>
<b>NM0270:</b> Grid connected combined cycle power plant project in Qadirpur utilizing permeate gas, previously flared	<b>WIP (see paragraph 14)</b>
<b>NM0271:</b> Point of Use Abatement Device to Reduce SF6 emissions in LCD Manufacturing Operations in the Republic of Korea (South Korea)	<b>Preliminary recommendation</b>
<b>NM0272:</b> Second Interconnection Colombia - Ecuador 230 Kv	<b>Preliminary recommendation</b>
<b>NM0273:</b> Baseline and monitoring methodology for Coal-oxygen smelting reduction iron-making technology with lumping ore pre-reduction	<b>Preliminary recommendation</b>
<b>NM0274:</b> Installation of Natural gas based building combined cooling heating and power (CCHP) systems in commercial buildings of DLF in India	<b>C</b>
<b>NM0275:</b> Methodology for the production of a cement extender from slag and/or the increase in energy efficiency in the production of base metal alloys through the recovery of metal from the slag, as well as the increasing blend in cement	<b>Preliminary recommendation</b>
<b>NM0276:</b> Hot rolled steel coils transportation through ocean barges at ArcelorMittal Tubarão	<b>C</b>

7. The panel considered a request from the Board raised at its forty-first meeting in relation to the draft methodologies based on the cases NM0235 and NM0247 recommended for approval by the panel at its thirty-second meeting. The panel agreed to recommend the Board to approve these draft methodologies on the basis of its assessment of the three issues raised by the Board (see para 22, EB41 report). Specifically, the Board requested the panel to analyze (a) possible implications of a supply side methodology, encouraging producers to introduce energy efficiency improvements in manufactured appliances, on a consumer side programme of activities using the same type of appliances; (b) how to demonstrate that a technological innovation in a manufacturing facility is introduced due to the CDM and not other reasons such as safety considerations, cost reduction, availability of new materials, etc; (c) feasibility of the applicability condition requiring DOEs to confirm that no double-counting occurs, specifically in the context of the large number of appliances that may be manufactured and sold in the project activity duration, in particular in the case of PoA. On the issue (a) the panel was of the opinion that project activities targeting a producer, a distributor or a consumer of a climate-friendly product should be equally acceptable under the CDM. The related methodological issue of potential double-counting is adequately addressed in both proposed methodologies. On the issue (b) the panel clarified that this issue related to the demonstration of additionality and appropriate procedures are included in the proposed new methodologies. On the issue (c) the panel was of the opinion that the implementation of the applicability condition requiring the DOE to confirm the absence of double-counting is feasible due to the monitoring procedures included in the proposed methodologies. The draft methodologies are contained in annex 1 and annex 2 to this report and the note from the panel to the Board is attached as annex 3.

8. The panel requested the Board to take note that it could not conclude its discussions on the case NM0239. The proposed new methodology is applicable to project activities where the baseline animal waste management practices of multiple livestock farms are substituted by periodic manure collection and its subsequent treatment in a single central plant. The panel discussed the case and noted that as expert input for assessing the estimation of emissions in storage tanks was not available for this meeting, consideration could not be concluded. The panel intends to conclude its discussions based on the expert input, at its next meeting.

9. The panel requested the Board to take note that it did not consider the case NM0250 at this meeting as experts input on the unresolved issues related to emissions of N<sub>2</sub>O and CH<sub>4</sub> associated with the operation of aerobic wastewater treatment plants was required before further consideration of the case. The case will be considered once the expert input becomes available.

10. The panel requested the Board to take note that it could not conclude its discussions on the case NM0251 due to unresolved issues mainly related to the robustness of the matrix model to cap SF<sub>6</sub> emissions, number of tests performed, mass balance in the reclamation facility and additionality assessment. The panel will further consider the case at its thirty-fifth meeting.

11. The panel requested the Board to take note that it did not consider the cases NM0258 and NM0266 at this meeting due to unresolved technical issues related to the modeling of transport related activities, for which expert input was required. The panel intends to revert to the consideration of these cases once the expert input becomes available.

12. The panel requested the Board to take note that it could not conclude its consideration of the case NM0264. This methodology is applicable to heavy fuel-oil trigeneration projects in existing industrial facilities, replacing electrical chillers, heavy fuel-oil boilers, and electricity from the grid. The panel considered the case and noted that, although no major issues were identified, many minor issues related to applicability conditions, baseline scenario and monitoring procedure must be addressed. The panel intends to conclude its consideration of this case at its next meeting.

13. The panel requested the Board to take note that it could not conclude its consideration of the case NM0267 as further expertise on the issues relating to the permanence<sup>3</sup> of emission reductions achieved, procedures for calculation of baseline and project emissions and monitoring procedures is required. The panel intends to continue the consideration of this case once the required expert input becomes available.

14. The panel requested the Board to take note that it could not conclude its consideration of the case NM0270 due to issues regarding the procedure for baseline scenario selection for power generation and for the use of permeate/associated gas. The panel intends to conclude its consideration of this case at its next meeting.

### C. Requests for clarification on and revision to approved methodologies

15. The panel recommended the Board to take note of the following responses to requests for clarification related to the application of approved baseline and monitoring methodologies and approve the following responses to requests for revision to approved methodologies. Nine requests for clarification were processed prior to the panel meeting in accordance with the fast-track procedure.<sup>4</sup> The requests submitted and the responses provided by the panel are made publicly available on the UNFCCC CDM web site at <<http://cdm.unfccc.int/goto/MPclar>> and <<http://cdm.unfccc.int/goto/MPrev>>, respectively. The requests for revisions/clarifications that resulted in a recommendation by the panel to revise an approved methodology are reflected in section D below.

<b>Number of the request for clarification</b>	<b>Approved methodology</b>	<b>Title of the request for clarification</b>	<b>MP 34 response</b>
<b><u>AM CLA 0100</u></b>	<b>AM0010</b>	Flare efficiency/Clarification regarding flare efficiency applied in AM0010	<b>Clarified (fast track)</b>

<sup>3</sup> This issue relates to the probability of re-occurrence of fire in the project coal mine after the end of the crediting period of the project activity.

<sup>4</sup> In accordance with the fast-track procedure, the secretariat, while preparing the draft response to a request for clarification, may assess that the clarification is simple enough and does not require the panel's consideration. In this case the secretariat forwards the proposal to two appointed members for early consideration. If both the appointed panel members agree to the draft proposal within two days, the secretariat seeks the approval of the Chair of the panel within one day and upon endorsement forwards the final response to the DOE and posts it on the UNFCCC CDM web page for methodology clarifications.

<a href="#"><u>AM CLA 0101</u></a>	ACM0012	Request for clarification regarding the claim of measuring $Q_{wg,y}$ (Quantity of waste gas used for energy generation during year y) for waste heat projects	<b>Clarified (fast track)</b>
<a href="#"><u>AM CLA 0102</u></a>	ACM0014	Request for clarification whether the applicable scenarios in this methodology can be combined in another way and whether a decanter can be considered as a settler	<b>Clarified (fast track)</b>
<a href="#"><u>AM CLA 0103</u></a>	ACM0002	Negative emissions in grid connected electricity generation from renewable sources	<b>Clarified (fast track)</b>
<a href="#"><u>AM CLA 0104</u></a>	AM0057	Errors in monitoring methodology related to leakage	<b>Clarified and revised (fast track)</b>
<a href="#"><u>AM CLA 0105</u></a>	ACM0006	ACM0006 Consolidated methodology for electricity generation from biomass residues	<b>Clarified (fast track)</b>
<a href="#"><u>AM CLA 0106</u></a>	ACM0002	Treatment of installing experimental wind turbine in a registered CDM wind project	<b>Clarified (fast track)</b>
<a href="#"><u>AM CLA 0107</u></a>	AM0009	Errors in equation 3	<b>Clarified and revised (see paragraph 18)</b>
<a href="#"><u>AM CLA 0108</u></a>	ACM0012	Applicability for waste heat utilization from MSW incineration facility	<b>Clarified</b>
<a href="#"><u>AM CLA 0109</u></a>	AM0034	Recording of TSG and PSG	<b>Clarified (fast track)</b>
<a href="#"><u>AM CLA 0110</u></a>	AM0018	Clarification on increase in the production capacity during the crediting year	<b>Clarified</b>
<a href="#"><u>AM CLA 0113</u></a>	ACM0008	Technologies for “Flameless VAM Oxidation with or without the use of a catalyst	<b>Clarified and revised (see paragraph 21)</b>
<a href="#"><u>AM CLA 0114</u></a>	ACM0002	Applicability to projects where a dam is built for irrigation and thus not a result of a CDM project activity	<b>Clarified</b>
<a href="#"><u>AM CLA 0115</u></a>	AM0037	Clarification regarding associated gas and the use of the previously flared gas as feedstock	<b>Clarified</b>

<a href="#"><u>AM CLA 0116</u></a>	<b>ACM0001</b>	Further clarification on AM_CLA_0092 – Alternatives for the correction of measured flow rate of the residual gas from wet basis to dry basis	<b>Clarified</b>
<a href="#"><u>AM CLA 0117</u></a>	<b>AM0047</b>	Clarification on monitoring in the case of a biodiesel "grid	<b>Clarified</b>
<a href="#"><u>CLA TOOL 0006</u></a>	<b>Tool to calculate the emission factor for an electricity system</b>	Request for clarification regarding the applicability of the Tool in electricity systems where no new generation facilities were built in the previous 10 years	<b>Clarified and revised (fast track)</b>

<b>Number of the request for revision</b>	<b>Approved methodology</b>	<b>Title of the request for revision</b>	<b>MP 34 recommendation</b>
<a href="#"><u>AM REV 0099</u></a>	<b>ACM0006</b>	Revised the scenario 15 so that it is applicable for power plants connected to the grid prior to the fuel switch as well as the method to calculate the emission factor of electricity displaced	<b>Not to revise</b>
<a href="#"><u>AM REV 0100</u></a>	<b>AM0049</b>	Revision of AM0049 to include export of electricity and to revise leakage requirements	<b>WIP (see paragraph 16)</b>
<a href="#"><u>AM REV 0101</u></a>	<b>AM0025</b>	Revision of MSW incineration section of AM0025 regarding applicability and calculation of emission reductions	<b>WIP (see paragraph 17)</b>
<a href="#"><u>AM REV 0102</u></a>	<b>AM0058</b>	Expand applicability by applying five changes	<b>To revise</b>
<a href="#"><u>AM REV 0103</u></a>	<b>AM0034</b>	Revision of AM0034 ver 03	<b>Not to revise</b>
<a href="#"><u>AM REV 0104</u></a>	<b>AM0048</b>	Revision to extend AM0048 applicability to include the cogeneration project type of supplying steam and electricity to newly introduced project customers	<b>Not to revise</b>
<a href="#"><u>AM REV 0105</u></a>	<b>ACM0008</b>	Include procedures for calculating emission reductions from displaced household cooking fuel	<b>Not to revise</b>

16. The panel requested the Board to take note that it could not conclude its discussions on the request for revision AM\_REV\_0100. The objective of this request is to (1) include a scenario where electricity produced from cogeneration is exported on an ad hoc basis to the grid without claiming emission reductions, (2) replace the term “syngas” by “methane rich gas” in the text of the methodology, and (3) revise requirements under leakage emissions. The panel considered that further analysis was required on the appropriateness of the proposal from the project proponents. The panel intends to revert to the consideration of the case at its next meeting.

17. The panel requested the Board to take note that it could not complete the work on the request for revision AM\_REV\_0101 due to technical issues related to the estimation of the fossil carbon in the waste, which required further inputs from external experts.

#### D. Revision to approved methodologies

18. **AM0009:** The panel recommended the Board to approve the editorial revision to the approved methodology made in response to the request for clarification AM\_CLA\_0107. The draft revision includes the following: correction of error in equation 3 and clarification on the calculation of project emissions from associated gas used within the processing facility for power generation. The draft revised approved methodology is contained in annex 5.

19. **AM0058:** The panel recommended the Board to approve the revision to the approved methodology made in response to the request for revision AM\_REV\_0102. The proposed changes in the methodology are the addition of a backpressure cogeneration plant as a possible technology in the project activity, and the inclusion of a new baseline scenario where an isolated boiler supplies heat to one building. In the latter case historical data on fuel consumption and heat production is required. The draft revised approved methodology is contained in annex 6.

20. **AM0064:** The panel recommended the Board to approve the revision to the approved methodology made in response to the submission of a proposed new small-scale methodology SSC-NM001. The revision is to expand the applicability of the methodology to include project activities that capture and destruct methane from exploration boreholes (see also paragraph 27). The draft revised approved methodology is contained in annex 7.

21. **ACM0008:** The panel recommended the Board to approve the revision to the approved consolidated methodology made in response to the requests for clarification AM\_CLA\_0113 and AM\_CLA\_0089. The revision is to expand the applicability of the methodology to include project activities where captured methane is destructed by flameless oxidation without the use of a catalyst. The draft revised approved methodology is contained in annex 8.

22. **ACM0010:** The panel recommended the Board to approve the revision to the approved consolidated methodology. The revision includes the response to the EB40 request to re-assess the requirement of ACM0010 for 100 per cent measurement of the animal weight and to consider if a sampling method can be applied to meet this requirement instead. Based on the panel’s assessment, sampling is acceptable for estimating the annual average weight of the livestock at 95 per cent confidence interval. The choice of the lower/upper bounds of the 95 per cent confidence interval should be done in a manner that ensures conservativeness i.e. lower baseline emissions and higher project emissions. The draft revised approved methodology is contained in annex 9.

#### E. Requests from the Board to the panel

23. The panel requested the Board to take note that it further discussed the issue of default emission factors from changes in soil carbon stocks following a land use change or a change in the land management. Expert inputs on this issue will be available for the next panel meeting. The panel also discussed the issue of upstream emissions for the production of fossil fuels, noting that further data from different regions is needed. The panel intends to revise AM0047 for consideration at its next meeting, taking into account inputs mentioned above, with a view to make a recommendation to the Board for its forty-fourth meeting.

24. The panel requested the Board to take note of the on-going work on the revision of ACM0006. Further developments on the revision will be reported at the next panel meeting.

25. The Board at its thirty-ninth meeting requested the panel to analyse the feasibility of developing a procedure/approach/model to sample the wind speed to arrive at an accurate plant load factor to establish energy generation pattern for project activities applying ACM0002. The panel requested the Board to take note that it initiated the work on this issue and will report its conclusions to the Board at its forty-fourth meeting.

26. The Board at its fortieth meeting requested the panel to re-assess the requirement of ACM0010 for 100 per cent measurement of the animal weight and to consider if a sampling method can be applied to meet this requirement instead. Having analysed the request, the panel recommended the Board to revise the approved consolidated methodology. See also paragraph 22.

27. The Board at its thirty-ninth meeting requested SSC WG to review the proposed new small-scale methodology SSC-NM001 in consultation with the panel to assess, *inter alia*, its consistency with AM0064. Having considered the request, the panel recommended the Board to revise the approved methodology AM0064 to expand its applicability to include project activities dealing with exploration boreholes. See also paragraph 20.

#### F. Issues of general guidance and tools

28. **“First-of-its-kind” project activity:** The Board at its thirty-eighth meeting considered the analysis of the application of the common practice test to a sample of project activities and requested the panel to work on providing a definition of the “first-of-its-kind” project activity. In accordance with this request, the panel prepared guidance on the barrier “first-of-its-kind”. Main issues covered in the draft guidance are the following:

1. The definition of the technologies that are eligible to use the barrier “first-of-its-kind” and the definition of what is regarded as a similar technology or project activity.
2. The definition of the number of similar project activities that may have already been implemented in the past to still regard the project activity as “first-of-its-kind”.
3. The definition of the geographical area to be used when assessing the number of similar project activities that have already been implemented.



The panel recommended the Board to approve the draft guidance as contained in annex 10 to the report.

**29. Expansion of industrial gas recovery methodologies to new facilities:** The panel noted an increasing number of submissions of new methodologies and requests for revision to expand the scope of existing methodologies on industrial gas recovery and destruction to cover project activities implemented in new facilities. The panel developed a note listing the main

issues to be considered when developing and assessing future submissions in this category. The panel recommended the Board to approve this guidance as contained in annex 11 to the report.

**30. Tool for estimation of efficiency v/s load curve for baseline equipment:** The panel requested the Board to take note that it continued its work on the new tool and agreed to finalise its consideration at the next meeting.

**31. Energy efficiency:** The panel requested the Board to take note that it discussed and agreed upon the timelines for the development of tools and guidance on methodologies and project activities in the area of energy efficiency. These tools and guidance documents will be developed in support of the Board's work on energy efficiency and in cooperation with SSC WG.

**32. Sectoral scopes:** The panel considered the issue of assignment of sectoral scopes in the context of, *inter alia*, one of the submitted requests for clarification. The panel clarified that there is a difference between assigning a sectoral scope to a methodology and to a project activity. The assignment of sectoral scopes to a methodology is done by the panel. Given the broad applicability of some methodologies, several sectoral scopes can be assigned to a methodology. Generally, only one sectoral scope should be assigned to a project activity. The assignment of a sectoral scope to a given project activity is to be done on a case by case basis, and only the most relevant sectoral scope can be assigned after the assessment by CDM-AP.

**33. Renewal of crediting period:** The panel requested the Board to take note that it conducted an assessment of the requirements for the renewal of a crediting period of a project activity as reflected in the approved methodologies with a view to analysing consistency between the methodologies and with the related EB guidance. The panel will continue the work on the issue at its next meeting.

**34. Request for clarification leading to revision of an approved methodology:** The panel recommended the Board to provide guidance to the DOEs to identify cases where the project proponents submit a request for clarification with an apparent intention to expand the applicability of the methodology to project activities not covered (explicitly or otherwise) by the methodology, and in such cases advise the project proponents to submit a request for revision of the approved methodology, complete with a draft PDD and a draft revised methodology. The panel, upon receiving a request for clarification with such an intent, may determine that the request be submitted as a request for revision. The panel also recommended the Board to revise the related procedure accordingly.

**G. Schedule of meetings and rounds of submissions of proposed new methodologies**

35. The panel confirmed that its thirty-fifth meeting will be held from 3 - 7 November 2008, as per annex 25 of the report of the thirty-seventh meeting of the Board.

36. The panel reminded project participants that the deadline for the twenty-fifth round of submissions of proposed new methodologies is 17 September 2008 and the deadline for the twenty-sixth round of submissions of proposed new methodologies is 17 December 2008. The panel also reminded project participants that baseline and monitoring methodologies could be submitted at any time prior to these deadlines.

37. The panel also reminded the project participants that the deadline for submission of requests for revision and requests for clarification to be considered at the thirty-fifth meeting to be held from 3 -7 November 2008 shall be 22 September 2008, 24:00 GMT.

**H. Roster of experts**

38. The panel noted the satisfactory completion of the desk reviews undertaken for the proposed new methodologies considered at the meeting.

**External annexes to the report of the thirty-fourth meeting of the Methodologies Panel**

- Annex 1 - Draft reformatted baseline and monitoring methodology based on NM0235
- Annex 2 - Draft reformatted baseline and monitoring methodology based on NM0247
- Annex 3 - Note on NM0235 and NM0247
- Annex 4 - Draft reformatted baseline and monitoring methodology based on NM0261
- Annex 5 - Draft revision to AM0009
- Annex 6 - Draft revision to AM0058
- Annex 7 - Draft revision to AM0064
- Annex 8 - Draft revision to ACM0008
- Annex 9 - Draft revision to ACM0010
- Annex 10 - Note on the barrier “first-of-its-kind”
- Annex 11 - Note on expansion of industrial gas recovery methodologies to new facilities

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