REPORT OF THE FOURTEENTH MEETING OF THE METHODOLOGIES PANEL
UNFCCC Headquarters, Bonn, Germany
26-28 January 2005

I. RECOMMENDATIONS BY THE METHODOLOGIES PANEL TO THE EXECUTIVE BOARD

A. Consideration of proposed new methodologies

1. The Methodologies Panel (Meth Panel) considered the following proposed new methodologies:

NM0029: V&M do Brasil Avoided Fuel Switch Project
NM0031 rev2: OSIL - 10 MW Waste Heat Recovery Based Captive Power Project
NM0038: Methane Gas Capture and Electricity Production at Chisinau Wastewater Treatment Plant, Moldova
NM0040: Replacement of Fossil Fuel by Palm Kernel Shell Biomass in the production of Portland Cement
NM0041-rev: Khorat Waste To Energy Project, Thailand
NM0042-rev: Energy Efficiency Improvements in Municipal Water Utilities in Karnataka, India - water pumping efficiency improvement
NM0045-rev: Birla Corporation Limited: CDM project for "Optimal Utilization of Clinker and Conversion Factor Improvement
NM0047-rev: Indocement's Sustainable Cement Production Project - Blended Cement Component
NM0048-rev: Indocement's Sustainable Cement Production Project - Alternative Fuel Component
NM0054: Sibimbe Hydroelectric Project
NM0057: PFC Emission reductions through installation of point break feeders (PBF) in horizontal stud Soderberg (HSS) cells in aluminum plants
NM0062: APCL Electricity Generation Project With Cleaner fuel
NM0061: N_2O Emission Reduction in Onsan, South Korea
NM0066: Coalmine Methane Utilization Project at Nanshan Mine, China
NM0067: Gerdau Carbonisation Improvement Project
NM0069: 30 TPD Biodiesel Project in Andhra Pradesh, India
NM0071: BOF Gas recovery at Jindal Vijayanagar Steel Limited (JVSL) and combustion for power generation and supply to Karnataka Grid, India
NM0073: Switching of fossil fuel from naphtha to natural gas at Essar Power Limited's (EpoL) generationstation located at Hazira, Gujarat, India, for power generation and supply to Gujarat ElectricityBoard (GEB) Grid and to Essar Steel Limited (ESTL).
NM0074 : Optimisation of Clinker use and energy conservation through technical improvement in the Ramla Cement Plant in Israel
NM0075: Pansan coal mine methane utilisation and destruction
NM0076: Chile: Chacabuquito 26 MW Run-of-River Hydropower Project
NM0079: Taishan Huafeng Cement Works Waste Heat Recovery and Utilisation for Power Generation Project
NM0081: Trupan Biomass Power Plant Project in Chile
NM0083: AutoLPG in India- A Road Transport Sector Fuel-Switching Project

2. After considering the proposed new methodologies as well as desk reviews, public inputs received, the Meth Panel:

(a) Agreed on the final recommendations on proposals (NM0029, NM0038, NM0031-rev2, NM0040, NM0041-rev, NM0042-rev, NM0045-rev, NM0048-rev, NM0054, NM0057, NM0062, NM0061, NM0067, NM0069, NM0073, NM0074, NM0081 and NM0083) for the consideration of the Executive Board at its eighteenth meeting. Final recommendations will be made available in the UNFCCC CDM web site: http://cdm.unfccc.int/methodologies/process. In particular the Meth Panel:

(i) Recommended the approval of proposals NM0031-rev2, NM0040, NM0041-rev, NM0042-rev, NM0048-rev, NM0061 and NM0081;

(ii) Recommended the revision of proposal NM0038 and NM0045-rev;

(iii) Recommend not to approve NM0029, NM0054, NM0057, NM0062, NM0067, NM0069, NM0073, NM0074 and NM0083.

(b) Agreed on the preliminary recommendations on proposals NM0066, NM0071, NM0075, NM0076 and NM0079. In accordance with the procedures for submission and consideration of a proposed new methodology, project participants would have the opportunity to provide technical clarifications on these preliminary recommendations. Preliminary recommendations for which project participants do not provide any clarification within the ten-day consultation period will be made available in the UNFCCC CDM web site: http://cdm.unfccc.int/methodologies/process.

3. The Meth Panel acknowledges that methodologies NM0040 and NM0048 have similar applicability and recommends that both methodologies are reformatted in a single consolidated methodology.

4. The Meth Panel also acknowledges that methodology NM0081 could be consolidated with approved methodologies AM0004 and AM0015 (please refer to section D. Proposal for revision of approved methodologies below). If the Board agrees with the consolidation of these methodologies the Meth Panel will consider a proposal for consolidation at its fifteenth meeting with a view to prepare a final recommendation to the Board.

5. The Meth Panel recognized that additional expertise on the practice of use of blended cement would be necessary for further analysis of documentation on proposal NM0047. The Meth Panel agreed to request that a consultant prepares some input on this issue with a view to preparing a recommendation on this proposal at its fifteenth meeting.

B. Use of the tool to assess and determine additionality.

6. Project participants wishing to make use of the tool for the demonstration and assessment of additionality as part of a proposed new methodology shall directly refer to the tool itself and not repeat the text.

7. Project participants are encouraged however to suggest further details on how to implement this tool to specific project types covered by the proposed methodology. If project participants suggest such further details, in the proposed methodology, they should refer to the tool and reproduce only the section(s) of the additionality tool, they propose to modify, clearly highlighting the proposed changes and/or additions to the tool.

C. Revisions of approved methodologies

AM0001: Incineration of HFC 23 waste streams

8. In accordance with the request by the Board the Meth Panel has revised approved baseline and monitoring methodologies AM0001 in order to incorporate revisions agreed by the Board at its seventeenth meeting as contained in annex 1 to this report. In order to operationalize some of these provisions the Meth Panel has incorporated in the methodology provisions for the calculation of mass balance of release of HFC 23. AM0001 was also revised in order to reflect more detail on how the readings of the meters are to be used in the baseline calculation in order to provide a conservative estimate of the HFC 23 destroyed. Revisions are highlighted.

Incorporation of operating margin method from NM00051 in ACM0002: Consolidated baseline methodology for grid-connected electricity generation from renewable sources

9. The Meth Panel recognized that additional clarifications from the project participants regarding the operating margin method contained in NM0051 are needed prior finalizing the revision of ACM0002.

D. Proposal for revision of approved methodologies

AM0013: Forced methane extraction from organic waste-water treatment plants for grid-connected electricity supply

10. The Meth Panel recommends the revision of AM0013, in order to include the impact of uncertainties related to factors used on baseline emission calculation (Maximum Methane Producing Capacity B_0 and Methane Conversion Factor MCF), and to include additional requirements to present applicability conditions to ensure the open lagoon anaerobic condition. i.e. minimum temperature of 15C and 1m sediment depth, in accordance with the Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories (Chap.6).

AM0015: Bagasse-based cogeneration connected to an electricity grid and AM0004: Grid-connected biomass power generation that avoids uncontrolled burning of biomass

11. The Meth Panel commends the developers of NM0081 for coming up with a straightforward methodology. The Meth Panel recommends that this methodology and methodologies AM0004 and AM0015 be consolidated to cover issues related to a wide range of biomass-fired project.

12. The Meth Panel acknowledges that AM0004 would need to be revised in order to explicitly stipulate that for power generation capacity of more than 15 MW a combined margin should apply and that the system average may be used only by project activities with power generation capacity of less than 15 MW. In addition this methodology would need to be revised in order to ensure consistency in the treatment of biomass (see section E. Renewable biomass below), including by providing a more detailed description of how is leakage taken into consideration. The Meth Panel recommends therefore this methodology to be replaced by the consolidated methodology for grid-connected electricity generation from biomass project activities once it is available.

E. Renewable biomass

13. The Meth Panel recommends the need for developing a common recommendation from the Meth Panel and AR WG to the Board regarding the definition of renewable biomass and the treatment of non-renewable biomass. The Meth Panel suggests that the Meth Panel and AR WG meet once jointly in order to discuss this issue.

14. The Meth Panel further recommends that, until a clear definition and recommendation is available, it shall be understood that renewable biomass is such that do not contribute to net

anthropogenic greenhouse gas emissions and that current methodologies approved by the Board so far shall not be applicable to non-renewable sources of biomass.

F. Renewal of crediting period

15. Due to time constraints the Meth Panel had no time to finalize its discussions on the procedures and documentation which need to be used for the renewal of a crediting period and agreed to continue the discussions at its fifteenth meeting.

G. National policies

16. Due to time constraints the Meth Panel had no time to finalize its discussions on national policies and agreed to continue the discussions at its fifteenth meeting.

H. Schedule of meetings

17. The Meth Panel agreed to hold its fifteenth meeting from 4 to 8 April 2004.

I. Roster of experts

18. The Meth Panel noted the satisfactory completion of the desk reviews undertaken for proposed new methodologies considered at the meeting as well as the desk reviews considered for submissions submitted at round 8.
