

**REPORT OF THE FIFTY-THIRD MEETING OF
THE METHODOLOGIES PANEL**

Langer Eugen, UN Campus, Bonn, Germany

31 October to 4 November 2011

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

A. Opening of the meeting and adoption of the agenda

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

B. 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 CDM Executive Board (the Board), are made available on the UNFCCC CDM website at <http://cdm.unfccc.int/goto/MPpropmeth>.
5. In accordance with the procedures for the submission and consideration of a proposed new methodology, project participants may submit to the secretariat, copying the DOE, clarifications to preliminary recommendations. If project participants provide the clarifications within four weeks of receiving the preliminary recommendation, then the Meth Panel considers the proposed new methodology at its next meeting. If project participants do not provide clarifications related to the preliminary recommendation within a timeframe of three months after the date of the published report of the Meth Panel meeting at which the proposed new methodology received its preliminary recommendation, the submission will be considered withdrawn.
6. The panel agreed on the following recommendations:

Table 1: Proposed new methodologies

Proposed new methodology	Recommendation¹
NM0350: Improving Energy Efficiency in Data Centers through Dynamic Power Management	Work in progress (see paragraph 7(a))
NM0351: High Speed Passenger Rail Systems	Work in progress (see paragraph 7(b))
NM0352: New cogeneration facilities supplying electricity and steam to a Greenfield Industrial Consumer with Excess Power Generated exported to a Grid and/or other Dedicated Consumer(s)	Preliminary recommendation
NM0353: Grid connection of isolated electricity systems in countries with merit order dispatch	Preliminary recommendation

¹ Recommendations on the proposed new methodologies from 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.

NM0354: Energy efficiency improvements of a lime production facility through installation of new kilns	Preliminary recommendation
NM0355: N ₂ O abatement from adipic acid production	Work in progress (see paragraph 7(c))

7. The panel requested the Board to take note that it could not conclude its consideration of the following proposed new methodologies:

- (a) NM0350 “Improving Energy Efficiency in Data Centers through Dynamic Power Management”, as further work is needed on the approaches related to the demonstration of additionality;
- (b) NM0351 “High Speed Passenger Rail Systems”, as further work is needed on the approaches related to the demonstration of additionality;
- (c) NM0355 “N₂O abatement from adipic acid production”, as further guidance from the Board is required on the case. The panel also requested the Board to consider an information note on the case, which is contained in annex 11.

C. Development of new methodologies and tools

8. Top-down development of a methodology for renewable energy power generation in isolated grids

In response to the task of developing top-down methodologies and tools, as contained in the 2011 work plan of the panel, the panel recommended the Board to approve the draft methodology “Renewable energy power generation in isolated grids”, which is applicable to power generation using renewable energy sources connected to new or existing isolated grids.

The draft methodology was prepared at the fifty-first meeting of the panel. Subsequently, the Board launched a call for public inputs on the draft. The inputs were considered by the panel when finalizing the draft methodology, which is contained in annex 8.

9. Top-down development of a draft tool to determine project emissions from anaerobic digesters

In response to the task of developing top-down methodologies and tools, as contained in the 2011 work plan of the panel, the panel requested the Board to take note that it developed a first draft of the tool. The tool calculates project and leakage emissions from anaerobic digesters, and offers options for estimating most parameters, either using conservative default values or monitored data.

The panel also requested the Board to consider launching a call for public inputs on the draft tool, open for a period of 30 days, with the aim to take the inputs into account when preparing the final draft of the tool to be recommended to the Board for approval at a future meeting. The draft tool is contained in annex 9.

10. Top-down development of the draft tool “Project and leakage emissions from composting”

In response to the task of developing top-down methodologies and tools, as contained in the 2011 work plan of the panel, the panel recommended the Board to approve the draft tool, which calculates project and leakage emissions from composting. Options are given in the tool to calculate emission sources based on monitored parameters or conservative default values. The draft tool is contained in annex 10.

The draft tool was prepared at the fifty-first meeting of the panel. Subsequently, the Board launched a call for public inputs on the draft. The inputs were considered by the panel when finalizing the draft tool.

D. Revisions of approved methodologies and tools

11. The panel requested the Board to consider the following responses to requests for revision related to the application of approved baseline and monitoring methodologies and methodological tools. The requests submitted and the responses provided by the panel are made publicly available on the UNFCCC CDM website at

<<http://cdm.unfccc.int/methodologies/PAmethodologies/revisions>> and
 <<http://cdm.unfccc.int/methodologies/PAmethodologies/tools-revisions>>.

Table 2: Requests for revision

Number of the request for revision	Approved methodology or tool	Title of the request for revision	MP response
AM_REV_0221	ACM0001	Revised ACM0001 ver12	To revise (see paragraph 18)
AM_REV_0223	AM0074	Revision of baseline methodology procedure in order to broaden the methodology’s scope and applicability	Work in progress (see paragraph 16)

12. AM0001 “Incineration of HFC 23 Waste Streams”

In response to the request contained in paragraph 85 of the report of the sixty-third meeting of the Board, the panel requested the Board to:

- (a) Take note of the information note presenting the analysis and justification of the proposed approach for the revision of the methodology AM0001, as contained in annex 12; and
- (b) Consider the draft revised methodology AM0001, as contained in annex 1.

The Board may also wish to take note that the panel, while revising the methodology AM0001, has changed its title from “Incineration of HFC 23 Waste Streams” to "Decomposition of HFC 23 Waste Streams".

13. AM0025 “Avoided emissions from organic waste through alternative waste treatment processes”

In preparing the draft tool “Project and leakage emissions from composting” and consulting with stakeholders about this tool, project participants expressed their wish that the project emissions from composting in AM0025 should be revised as soon as possible. The panel therefore recommended the Board to approve a revision of the approved methodology AM0025, which incorporates a reference to the new tool. The Board may also wish to take note that the panel will continue to work on a comprehensive revision of AM0025 to improve the methodology, which was initiated at the forty-seventh meeting of the panel. The draft revised methodology is contained in annex 2.

14. AM0031 “Baseline methodology for bus rapid transit projects”

In response to the task of improving approved methodologies and tools, as contained in the 2011 work plan of the panel, the panel recommended the Board to approve a revision of the approved methodology AM0031 as contained in annex 3.

The draft revision:

- (a) Introduces an innovative approach to additionality demonstration;
- (b) Limits the crediting period to 10 years;
- (c) Reduces the monitoring requirements;
- (d) Removes selected applicability conditions, including on local regulations and on the existence of public transportation prior to the implementation of the project activity;
- (e) Removes the option to determine baseline emissions using sectoral data (Path B);
- (f) Removes the requirements to analyze policy effects on emission reductions and to conduct a sensitivity analysis;
- (g) Improves the provisions on measurement of specific fuel consumption;
- (h) Removes the requirement to account for CH₄ and N₂O emissions for gasoline and diesel;
- (i) Makes references to relevant standards and tools;
- (j) Improves the language, readability and clarity.

A draft revision to the methodology was prepared at the fifty-second meeting of the panel. Subsequently, the Chair of the panel launched a call for public inputs on the draft. The inputs were considered by the panel when finalizing the revision to the methodology.

15. AM0053 “Biogenic methane injection to a natural gas distribution grid”

During its consideration of the revision of the methodology ACM0001 “Consolidated baseline and monitoring methodology for landfill gas project activities”, the panel identified the need to revise the methodology AM0053. Consequently, the panel recommended the Board to approve a revision of the approved methodology AM0053. The draft revision:

- (a) Removes the statement that this methodology can be applied in combination with the methodology ACM0001, as the draft revised ACM0001 incorporates relevant elements from AM0053; and
- (b) Refers project participants to ACM0001 if the source of biogas in the project activity is landfill gas.

The draft revised methodology is contained in annex 4.

16. AM0074 “Methodology for new grid connected power plants using permeate gas previously flared and/or vented”

In response to the request for revision AM_REV_0223, the panel requested the Board to take note that the panel could not conclude its consideration of the case due to a need to:

- (a) Assess the impact of the permeate gas quality on a barriers analysis of the project activity; and
- (b) Identify whether more approaches for estimating baseline emissions should be considered.

The panel intends to conclude the consideration of the case at its next meeting.

17. AM0078 “Point of Use Abatement Device to Reduce SF₆ emissions in LCD Manufacturing Operations”

The panel, while working on the methodology AM0096 “CF₄ emission reduction from installation of an abatement system in a semiconductor manufacturing facility”, noted that several sections of the approved methodology AM0078 may be improved, particularly, the baseline emissions calculation, project emissions calculation and monitoring table for some parameters. Consequently, the panel requested the Board to take note that it started the work to revise the approved methodology AM0078. The panel intends to conclude the work on the methodology at its next meeting.

18. ACM0001 “Consolidated baseline and monitoring methodology for landfill gas project activities”

In response to the request for revision AM_REV_0221 and the task of improving approved methodologies and tools, as contained in the 2011 work plan of the panel, the panel recommended the Board to approve a revision of the approved methodology ACM0001 as contained in annex 5. The draft revision:

- (a) Clarifies that the methodology is applicable to new and existing landfills;
- (b) Broadens the applicability by allowing the use of landfill gas in brick kilns;
- (c) Provides procedures in the methodology to claim emission reductions associated with fossil fuel displaced by landfill gas fed into a natural gas network;
- (d) Revises the applicability conditions;
- (e) Incorporates the effect of methane oxidation in the top layer of the solid waste disposal site in the calculation of baseline emissions; and
- (f) Refers to relevant tools.

A draft revision to the methodology was prepared at the fifty-second meeting of the panel. Subsequently, the Chair of the panel launched a call for public inputs on the draft. The inputs were considered by the panel when finalizing the revision to the methodology.

19. ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”

In response to issues identified by the panel concerning the application of the methodology ACM0002 in hydro power plants with multiple reservoirs, the panel agreed to recommend the Board to approve an amendment to the approved consolidated methodology ACM0002. The draft amendment:

- (a) Broadens the applicability of methodology to new hydro power projects requiring construction of multiple reservoirs or an increase of the area of existing multiple reservoirs; and
- (b) Provides conditions under which the methodology is applicable to the project activities mentioned above.

The draft amended methodology is contained in annex 6.

20. ACM0013 “Consolidated baseline and monitoring methodology for new grid connected fossil fuel fired power plants using a less GHG intensive technology”

In response to the request contained in paragraph 19 of the report of the sixty-second meeting of the Board, the panel requested the Board to take note of an information note that presents the analysis of the issues identified by the panel at its fifty meeting in the methodology ACM0013. The information note is contained in annex 13.

The panel further agreed that the issues mentioned above affect the environmental integrity of CDM project activities that might be registered under the methodology ACM0013, and requested the Board to consider its recommendation to put the methodology on hold with immediate effect.

21. ACM0015 “Consolidated baseline and monitoring methodology for project activities using alternative raw materials that do not contain carbonates for clinker production in cement kilns”

In response to the request contained in paragraph 28 of the report of the fifty-third meeting of the Board, concerning methodological approaches applicable to the estimation of baseline emissions for CDM project activities using less GHG intensive raw materials in Greenfield cement plants, the panel requested the Board to take note that it continued its work to implement such approaches in the methodology ACM0015. The panel will seek external expertise and intends to finalize a draft revision of the methodology at a future meeting.

22. ACM0016 “Baseline Methodology for Mass Rapid Transit Projects”

In response to the task of improving approved methodologies and tools, as contained in the 2011 work plan of the panel, the panel recommended the Board to approve a revision of the approved methodology ACM0016 as contained in annex 7. The draft revision:

- (a) Introduces an innovative approach to additionality demonstration;
- (b) Limits the crediting period to 10 years;
- (c) Reduces monitoring requirements;
- (d) Removes an applicability condition requiring demonstration that the project system partially replaces a traditional public transport system in the city hosting the proposed project activity;
- (e) Removes the requirement to conduct a sensitivity analysis;
- (f) Introduces the requirement to account for leakage due to upstream emissions in case project vehicles consume more gaseous fuels than baseline vehicles;
- (g) Makes references to relevant standards and tools;
- (h) Improves the language, readability and clarity.

A draft revision to the methodology was prepared at the fifty-first meeting of the panel. Subsequently, the Chair of the panel launched a call for public inputs on the draft. The inputs were considered by the panel when finalizing the revision to the methodology.

23. Further work on methodology improvement

In response to the task of improving approved methodologies and tools, as contained in the 2011 work plan of the panel, the panel requested the Board to consider its recommendation to initiate work to improve the following methodologies, with the view to recommend the draft revisions for their consideration by the Board during year 2012:

- (a) AM0021 “Baseline methodology for decomposition of N₂O from existing adipic acid productions plants”; and
- (b) ACM0014 “Mitigation of greenhouse gas emissions from treatment of industrial wastewater”.

The revisions aim to simplify the methodologies and to improve the clarity, objectivity and consistency, taking into account environmental integrity.

E. Clarifications to approved methodologies and tools

24. The panel requested the Board to take note of the following responses to requests for clarification related to the application of approved baseline and monitoring methodologies and methodological tools. The requests submitted and the responses provided by the panel are made publicly available on the UNFCCC CDM website at <<http://cdm.unfccc.int/methodologies/PAmethodologies/clarifications>> and <<http://cdm.unfccc.int/methodologies/PAmethodologies/tools-clarifications>>. If requests for clarification resulted in a recommendation by the panel to revise an approved methodology or approved tool they are reflected in section D.

Table 3: Requests for clarification

Number of the request for clarification	Approved methodology or tool	Title of the request for clarification	MP response
CLA_TOOL_0013	Tool for the demonstration and assessment of additionality	Common practice	Clarified
CLA_TOOL_0014	Tool to calculate the emission factor for an electricity system	Validity of “Tool to calculate the emission factor for an electricity system”	Clarified

F. Other issues

25. Concept note on guidelines on baseline determination

In response to the request contained in paragraph 41 of the report of the sixtieth meeting of the Board, the panel requested the Board to take note that it has considered a “Concept note on guidelines on baseline determination”, as prepared by the secretariat, and that it provided feedback on the draft.

26. Notification of changes of the project activity “Durban Landfill-gas-to-electricity project - Mariannahill and La Mercy Landfills” (PA0545)

In response to the request contained in paragraph 67 of the report of the sixty-third meeting of the Board, the panel requested the Board to take note that it agreed that:

- (a) The alternative approach proposed by the project participants for the monitoring and determination of the parameter “Amount of landfill gas collected from the project wells” is technically acceptable, provided that calculation of theoretical methane emissions using the first order decay model is conducted to confirm the methane calculated from the proposed approach; and
- (b) The alternative approach proposed by the project participants for the monitoring and determination of the parameters “Combustion efficiency” and “Heat rate of the generator” is technically acceptable considering that the monitoring of these parameters is no longer required by the methodology ACM0001 “Consolidated baseline and monitoring methodology for landfill gas project activities”, which replaced the withdrawn methodology AM0010 used by the project activity.

27. Work plan to revise methodologies concerning the Board's ruling on the renewal of the crediting period

In response to the request contained in paragraph 93 of the report of the sixty-third meeting of the Board, the panel requested the Board to take note that it continued the consideration of this issue and will further work to revise the methodologies at its next meeting, taking into account the amendment of the “Tool to assess the validity of the original/current baseline and to update the baseline at the renewal of a crediting period” if approved by the Board at its sixty-fifth meeting.

28. Work plan to review methodologies for programme of activities (PoA) requirements

In response to the request contained in paragraph 74 of the report of the sixty-third meeting of the Board, the panel requested the Board to take note that it agreed to a work plan to assess the methodologies for their application under a PoA.

G. Schedule of meetings and rounds of submissions

29. The Meth Panel noted the tentative dates of 23 to 27 January 2012 for its fifty-fourth meeting.

30. Following the guidance contained in paragraph 5 of the “Procedure for the submission and consideration of a proposed new baseline and monitoring methodology for large scale CDM project activities”, the panel considers proposed new methodologies submitted by a deadline at a subsequent meeting conditional to priorities set by the Board and by the Chair of the panel.

31. Project participants may note that the deadline for the 44th round of submissions of proposed new methodologies to be considered at the fifty-fourth meeting is 14 November 2011, 24:00 GMT.

32. The panel also informed project participants that the deadlines for the submission of requests for revision and clarification to be considered at the fifty-fourth meeting are 14 November 2011, 24:00 GMT, and 5 December 2011, 24:00 GMT, respectively.

H. Desk Reviews

33. The panel noted the satisfactory completion of the desk reviews undertaken for the proposed new methodologies.

Annexes to the external report of the fifty-third meeting of the Methodologies Panel

- Annex 1 Draft revision of AM0001 “Incineration of HFC 23 Waste Streams”;
- Annex 2 Draft revision of AM0025 “Avoided emissions from organic waste through alternative waste treatment processes”;
- Annex 3 Draft revision of AM0031 “Baseline methodology for bus rapid transit projects”;
- Annex 4 Draft revision of AM0053 “Biogenic methane injection to a natural gas distribution grid”;
- Annex 5 Draft revision of ACM0001 “Consolidated baseline and monitoring methodology for landfill gas project activities”;
- Annex 6 Draft amendment of ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”;
- Annex 7 Draft revision of ACM0016 “Baseline Methodology for Mass Rapid Transit Projects”;
- Annex 8 Draft methodology “Renewable energy power generation in isolated grids”;
- Annex 9 Draft methodological tool “Project and leakage emissions from anaerobic digestion”;
- Annex 10 Draft methodological tool “Project and leakage emissions from composting”;
- Annex 11 Information note on the proposed new methodology submission NM0355 “N₂O abatement from adipic acid production”;
- Annex 12 Information note on approaches for AM0001;
- Annex 13 Information note on the report on the analysis of issues concerning the methodology ACM0013.