CDM: Revision Form for Approved Methodologies (version 01)

(To be used for responding to requests for revision on approved methodologies)

Date of Meth Panel meeting:	06 – 09 June 2006
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	"Amendment of ACM0006 by a new scenario"
Indicative methodology to which your submission relates	ACM0006: "Consolidated methodology for grid-connected electricity generation from biomass residues"
Name of the authors of the query:	SGS United Kingdom Ltd

Summary of the query:

Please use the space below to summarize the request for revision on the related approved methodologies.

It is requested to amend ACM0006 by a new scenario that covers, inter alia, the possibility that biomass would be used as a feedstock in the absence of the project activity.

Recommendation by the Meth Panel:

Please use the space below to provide amendments /changes (in your expert view, if necessary).

It is recommended not to approve the request, since there are a number of methodological issues that are not appropriately addressed. Details are provided below.

Answer to authors of the request for revision by the Meth Panel :

Please use the space below to provide an answer to the authors of the above query

Calculation of EG_y

The link between the most plausible baseline scenario of the proposed new scenario (power generation with a lower capacity) and the approach to calculate the electricity generation due to the project activity (EG_y) is not clear.

EG_y is suggested to be determined as the quantity of electricity that is exported plus the quantity of electricity that would be imported from the grid during non-season days of the year. This involves a number of implicit assumption that might be valid for the underlying project activity but not necessarily for other project activities:

- It is not clear how EG_y should be determined in cases where other biomass residues than crops with a distinguishable crop season are used, for example, biomass residues from industries, which are available throughout the year.
- It is implicitly assumed that the "crop-season" can be clearly distinguished from a "non-crop-season" but there no guidance is being provided how the crop-season should be determined.
- It is implicitly assumed that the power plant that would be built in the absence of the project activity ("reference plant") is designed to serve the power demand of the facility during the season. However, the baseline scenario identified is much more general and allows for any type of reference plants with a lower power and thermal capacity.
- It is further implicitly assumed that there are no other uses of electricity at the project site, i.e., it is assumed that the reference plant would not operate during the non-season period. However, there

may be projects that can use this methodology where the reference plant may operate throughout the year, e.g. by co-firing other types of biomass residues.

Thus, the methodology takes a very specific approach towards calculating EG_y, which is not fully consistent with the broad applicability conditions of this methodology and the description of the baseline scenario.

Calculation of baseline emissions due to natural decay or uncontrolled burning of anthropogenic sources of biomass

The equation provided is not fully appropriate for the following reasons:

- An emission factor is lacking in order to calculate emissions;
- $BF_{used\text{-}for\text{-}non\text{-}energy\text{-}use,y}$ is not defined or explained anywhere and it is not fully clear, what quantity of biomass is referred to and how it should be determined.
- The methodological approach is not fully consistent with the approach to calculate EG_y. Dividing the heat by the project cogeneration plant (Q_y) by the efficiency of the boiler (of the reference plant?) results in a hypothetical biomass quantity that is not really related to the baseline scenario. (The use of the thermal efficiency of the cogeneration plant may make more sense than the efficiency of the boiler.)

Use of biomass residues that would be used as feedstock in the absence of the project activity

The methodology introduces new elements in the leakage section in order to allow for projects that divert biomass from feedstock uses to the project plant.

Generally, the methodology focuses on the demonstration that the use of biomass residues does not lead to an increase in fossil fuels elsewhere. This is a potential leakage source and appropriate, however, if the methodology diverts the biomass residues from feedstock applications to the project it may not only replace fossil fuels but also other biomass types (renewable or non-renewable) that are associated GHG emissions.

If the same biomass type continues to be used for feedstock purposes but is achieved from other sources, the proposed approach (L4) to demonstrate that this type of biomass is available in abundance in the region is appropriate in order to exclude leakage effects.

However, if the biomass is replaced by pulp or other renewable biomass sources, a further consideration of leakage emission sources is required. In this case, the project indirectly results in the use of additional renewable biomass (and not biomass residues). The use of renewable biomass may be associated with the following emission sources:

- **Shifts of pre-project activities.** Decreases of carbon stocks, for example as a result of deforestation, outside the land area where the biomass is grown, due to shifts of pre-project activities.
- **Emissions related to the production of the biomass.** This may include, inter alia, emissions associated with the use or production of fertilizer or emissions related to ploughing.
- **Competing uses for the biomass.** The biomass may in the absence of the project activity be used elsewhere, for the same or a different purpose.

Furthermore, it would be necessary to demonstrate that the biomass that substitutes the biomass residues in the feedstock application is actually renewable.

Project participants may wish to consult the Board / Meth Panel recommendations on proposed new methodologies that involve the use of renewable energy sources, for example for the purpose of production of biofuels. If, in the underlying project, the biomass is replaced with renewable biomass sources (and not biomass residues) a thorough analysis of the leakage effects and the origin of that biomass is required, since

in this case emission reductions are mainly achieved through the generation and use of this type of biomass. In that case, it may be appropriate to propose a new methodology, since ACM0006 is explicitly limited to emission reductions resulting from the use of *biomass residues* and does not provide methodological approaches to deal with emissions associated with the cultivation and use of *renewable biomass*.

If it can not demonstrated for the underlying project activity that the emissions associated with the cultivation and use of renewable biomass are negligible or if these emissions can not be quantified,

Project participants may also consider to only claim emission reductions for using a more efficient boiler in the project case than in the reference plant (and thus not accounting for emission reductions due to a higher capacity and increased electricity / steam generation) and for using biomass that would otherwise be dumped and/or left to decay – thus not claiming emission reductions for biomass quantities that are diverted from feedstock uses to the project plant.

Signature of the Meth Panel Chair ……..
Date: 21/06/2006 *(Rajesh Kumar Sethi)*

Signature of the Meth Panel Vice-Chair ……..
Date: 21/06/2006 *(Jean-Jacques Becker)*

Information to be completed by the secretariat	
F-CDM-AM	F-CDM-AM-REV-0013
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