

## Final Ruling Regarding the Request for Issuance of CERs

### “MEN-Tangerang 13.6MW Natural Gas Co-generation Project” (1313)

The CDM-Executive Board decided to reject the request for issuance for the above project activity on 16<sup>th</sup> February 2011, for the monitoring period 01/09/2008 - 31/08/2009 under “*Procedures for review of requests for issuance of CERs*”, version 1.3, EB 55 Annex 41, paragraph 24.

The Secretariat has provided the Chair of the Executive Board a proposed final ruling which was made available to the Board following his approval, in accordance with paragraphs 27 and 29 of the procedures.

In accordance with paragraph 28 of the procedures the final ruling shall contain an explanation of the reasons and rationale for the decision to reject issuance.

1. The reasons and rationale for the Board’s decision to reject issuance in this case are as follows:
  - a. the method for estimation of the power plant efficiency is not in line with the applied methodology because the efficiency of the two power plants was calculated based on the fuel consumption and electricity generation in the previous year while the methodology requires to estimate the efficiency of the power plant using technology provider’s name plate power plant efficiency or the anticipated energy efficiency documented in official sources; and
  - b. the grid emission factor is not applied as required by the applied methodology because the data vintage y-2 is applied while the methodology requires to apply the data vintage for year in which project generation occurs or data of the year previous generation.
2. The request for issuance of CERs is rejected because the verification report is not in compliance with the requirement of paragraph 208 (c) the latest “Clean Development Mechanism Validation and Verification Manual”, version 01.2, EB 55, Annex 1, which states that “The DOE shall determine whether calculations of baseline emissions, proposed CDM project activity emissions and leakage, as appropriate, have been carried out in accordance with the formulae and methods described in the monitoring plan and the applied methodology document.”
3. The DOE failed to verify that the calculation of baseline emissions, proposed CDM project activity emissions and leakage, as appropriate, have been carried out in accordance with the formulae and methods described in the monitoring plan and the applied methodology document with regard to
  - a. the calculation method for the two power plants efficiencies which were estimated based on the fuel consumption and electricity generation in the pervious year while the applied methodology for the calculation of the grid emission factor as indicated in the registered PDD (ACM0002 version 6) requires to estimate the power plant efficiency using technology provider’s name plate power plant efficiency or the anticipated energy efficiency documented in official sources; and
  - b. the application of the data vintage y-2 used during this monitoring period which was based on the “Tool to calculate the emission factor for an electricity system” (version 01.1) while the applied methodology for the calculation of the grid emission factor as indicated in the registered PDD (ACM0002 version 6) clearly



requires to apply the data vintage for year in which project generation occurs (y). Further, the relevant clarification to this methodology (AM\_CLA\_0038 ) allows only to use data of the year previous generation (y-1), and not data vintage y-2.

4. Please note, in accordance with paragraph 96 of the Report of the 28th EB Meeting, in cases where the reasons for rejection can be addressed by means of a revised verification report based on a revised monitoring report, the DOE may request permission (including explanation of reasons) to submit a revised request for issuance for the same monitoring period covered by the rejection. The Board will consider such a request at the subsequent EB meeting following that request in accordance with the procedures and decide on a case-by-case basis. In these cases the Board will provide further guidance, as appropriate. In cases where such a revised request for issuance is also rejected it shall not be possible to resubmit for a third time.

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### History of the document

<b>Project</b> 1313	Related to EB 55 Annex 41 Paragraphs 20, 27 & 29	<b>Decision Class:</b> Ruling <b>Document Type:</b> Information Note <b>Business Function:</b> Issuance
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