

Final Ruling Regarding the Request for Registration of

“Shanxi Yuncheng 25 MW Biomass Power Plant Project” (3407)

The CDM-Executive Board decided to reject the above proposed project activity on 3rd June 2011, during its 61st meeting, in accordance with the “*Procedures for review of requests for registration*”, version 1.2, EB 55, Annex 40, paragraphs 23, 24 and 28 (the procedures). In accordance with paragraph 27 of the procedures, the ruling shall contain an explanation of the reasons and rationale for the final decision which are as follows:

- The DOE (DNV) has failed to substantiate the application of the methodology, ACM0006, version 9, to the project activity, in particular the determination of availability of surplus biomass residues to eliminate potential leakage as it has not sufficiently validated that there is at least 25% surplus in the availability of biomass over what is to be used in the project activity.
- ACM0006, version 9, page 53, states that “*L2 Demonstrate that there is an abundant surplus of the biomass residue in the region of the project activity which is not utilized. For this purpose, demonstrate that the quantity of available biomass residue of type k in the region is at least 25% larger than the quantity of biomass residues of type k that are utilized (e.g. for energy generation or as feedstock), including the project plant.*”
- The DOE confirmed the surplus availability of cereal stalk (consisting of corn and wheat stalks), but the biomass type was changed from “corn stalk” as the fuel for electricity generation, without any explanation. In the original PDD and Validation Report corn stalks was considered as the feed-in stalk by the project activity for electricity generation. Furthermore, no adjustments were made to the net calorific value of the new fuel or its price and the DOE neither explained nor validated that the changes will not impact the baseline determination, emission reduction calculation, investment analysis and monitoring plan. Finally, since the methodology requires that the baseline scenario be identified for each type of biomass residue separately (and not as a grouped cereal stalk), the project activity also fails to comply with this requirement.

Please note, however, that, with appropriate revisions, this project activity may be resubmitted for validation and registration provided it meets the requirements for validation and registration, in accordance with paragraph 42 of the CDM Modalities and Procedures (Decision 3/CMP.1).

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History of the document

Project 3407	Related to EB 61 Meeting Report Paragraph 73 3 June 2011	Decision Class: Ruling Document Type: Information Note Business Function: Registration
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