

Subject: IETA response to the call for input on the draft "Consolidated Methodology for electricity and heat generation from biomass residues"

4 August 2010

UNFCCC Secretariat
Martin-Luther-King-Strasse 8
D 53153 Bonn
Germany

Dear Mr. Mahlung,

I am writing to you on behalf of the International Emissions Trading Association (IETA) in response to the call for input issued in between EB54 and EB55 on the draft "Consolidated Methodology for electricity and heat generation from biomass residues".

IETA has been working with the Project Developers Forum (PDF) on this submission and supports, in its entirety, the input provided to you by the PDF. We urge you to take that input into serious consideration as you continue your work on the draft methodology.

In addition to that input, IETA would like to make the following two points.

1. The definition of "project site" should be clarified. The term "project plant" was previously used, in which case it was clear that all of the limitations (e.g. fossil fuel co-firing limit) were applied to the power plant of the project activity. The use of the term "project site" seems to indicate that the fossil fuel co-firing limit will apply to all the plants inside of the project boundary, not just the "project plant". IETA suggests that the methodology set a clear definition of "project site".
2. The paragraph on p.12 (part of which is copied below) regarding the identification of relevant alternative scenarios should be clarified. This paragraph is not new, but it is not evident how the scenarios for B must be identified. In other words, is it necessary to identify all the 7 scenarios for P,H and the 8 scenarios for B? IETA finds this to be problematic, as B scenarios do not always have an output.

"In case of scenarios type P, H and B, for the purpose of identifying relevant alternative scenarios, provide an overview of other technologies or practices that provide outputs or services with comparable quality, properties and application areas as the proposed CDM project activity and that have been implemented previously or are currently underway in the relevant geographical area. ... Provide relevant documentation to support the results of the analysis."

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"Consolidated Methodology for electricity and heat generation from biomass residues"

IETA greatly appreciates the opportunity to provide our input on this issue in particular and on the development of methodologies in general. Please do not hesitate to contact IETA's Policy Leader for Flexible Mechanisms, Kim Carnahan, at carnahan@ieta.org should you have any questions regarding this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Derwent", with a long horizontal flourish extending to the right.

Henry Derwent
President and CEO, IETA