

CDM-PA6971-RULE01

Ruling note

Request for registration for “Methane Recovery in Wastewater Treatment and Utilization for Electricity Generation at Saremas 1 Palm Oil Mill, Sarawak, Malaysia”

Version 01.0



United Nations
Framework Convention on
Climate Change

1. The CDM-Executive Board decided to reject the above proposed project activity on 7 March 2013, in accordance with the “Procedures for review of requests for registration”, version 01.1, EB 55, Annex 40, paragraphs 20 and 28 (the procedures). In accordance with paragraph 27 of the procedures, the rulings shall contain an explanation of the reasons and rationale for the final decision, which are as follows:
 - (a) The DOE (BVCH) has failed to substantiate the applicability of the methodology, in accordance with the Validation and Verification Manual (VVM) version 01.2, paragraphs 68-69 and AMS I.C version 19, paragraphs 1 and 2.
 - (b) The VVM, version 01.2, paragraphs 68-69, states that “the DOE shall validate that the selected baseline and monitoring methodology previously approved by the CDM Executive Board is applicable to the project activity”. Further, the applied methodology AMS I.C version 19.0, states, in paragraph 1, that “This methodology comprises renewable energy technologies that supply users with thermal energy that displaces fossil fuel use”, and in paragraph 2, that “Biomass-based cogeneration systems are included in this category. For the purpose of this methodology, “cogeneration” shall mean the simultaneous generation of thermal energy and electrical energy in one process.”
 - (c) The project activity is using biogas to produce electricity that would have otherwise been generated from diesel generator sets in the baseline, therefore it is not supplying users with thermal energy that displaces fossil fuel use.
 - (d) In addition, the DOE (BVCH) has failed to substantiate that the methodology has been applied correctly in determining the baseline scenario and corresponding baseline emissions, in line with paragraphs 82 and 89 of the VVM ver. 01.2 and AMS I.C version 19.0, paragraph 16.
 - (e) The VVM version 01.2, in paragraphs 82 and 89, respectively, states that “The DOE shall confirm that any procedure contained in the methodology to identify the most reasonable baseline scenario, has been correctly applied” and “The steps taken and equations applied to calculate project emissions, baseline emissions, leakage and emission reductions shall comply with the requirements of the selected baseline and monitoring methodology”. Further, according to AMS I.C version 19.0, paragraph 16, the simplified baseline is the fuel consumption of the technologies that would have been used in the absence of the project activity, and baseline emissions are calculated by multiplying such fuel consumption by the emission factor for the fossil fuel displaced.
 - (f) The baseline scenario for the project activity is the electricity generation from the diesel generator sets and not fossil fuel-based thermal energy production; hence, the baseline scenario and the corresponding baseline emission calculations are not in accordance with the methodology.
2. 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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Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	22 April 2013	Initial publication. Related to EB 55, Annex 40 (Paragraphs 20, 27 & 28).

Decision Class: Ruling
Document Type: Ruling note
Business Function: Registration
Keywords: rejected project activity, PA6971, E-0009, water, biogas recovery
