CDM-POA6600-RULE01

## Ruling note

## Request for registration for "Climate action response enterprise (CARE) for energy efficiency in chiller plants"

Version 01.0



United Nations Framework Convention on Climate Change

- 1. The CDM-Executive Board decided to reject the above proposed programme of activity (PoA) on 10 May 2013, in accordance with the "Procedures for review of requests for registration", version 1.1, 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) failed to substantiate: (1) the compliance of the eligibility criteria in accordance with EB 65, Annex 3, paragraph 14(i); (2) the conservativeness of the ex-ante parameters while determining the baseline emissions in accordance with validation and verification manual (VVM), version 1.2, paragraph 91; and (3) the compliance of emission reductions in accordance with AMS II.C, version 13, paragraph 3.
  - (b) EB65, Annex 3 Paragraph 14(i) states that "The eligibility criteria shall cover as a minimum the following... (i) Where applicable, target group (e.g. domestic/commercial/industrial, rural/urban, grid-connected/off-grid) and distribution mechanisms (e.g. direct installation)".
  - (c) VVM, version 1.2, Paragraph 91 states that "The DOE shall verify the justification given in the PDD for the choice of data and parameters used in the equations. If data and parameters will not be monitored throughout the crediting period of the proposed CDM project activity but have already been determined and will remain fixed throughout the crediting period, the DOE shall assess that all data sources and assumptions are appropriate and calculations are correct, applicable to the proposed CDM project activity and will result in a conservative estimate of the emission reductions".
  - (d) AMS II.C, version 13, Paragraph 3 states that "...This methodology credits emission reductions only due to the reduction in electricity consumption from use of more efficient equipment/appliances".
  - (e) The eligibility criteria related to the target group of the PoA is not included and the target group is not clear, thus the comprehensiveness of the eligibility criteria cannot be established.
  - (f) The DOE failed to substantiate the conservativeness of the ex-ante parameters in determining the baseline emissions, in particular the efficiency of baseline chiller system as the DOE has not justified that there is no mandatory regulation in the host country that requires the chiller systems of buildings to achieve a certain level of energy efficiency.
  - (g) The emission reductions from the replacement of refrigerant have also been claimed, whereas the applied methodology credits emission reductions only due to the reduction in electricity consumption from use of more efficient equipment/appliances.
- 2. Please note, however, that, with appropriate revisions, this programme of 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**

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01.0	17 June 2013	Initial publication. Related to EB 55, Annex 40 (Paragraphs 20, 27 & 28)
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