

CDM-PA8084-RULE01

Ruling note

Request for registration for “Alcoholes Del Istmo – Biomass energy plant”

Version 01.0



United Nations
Framework Convention on
Climate Change

1. The CDM-Executive Board decided to reject the above proposed project activity on 20 September 2013 in accordance with "Procedures for review of requests for registration", version 1.2, EB 55, Annex 40, paragraphs 20 and 28 (the procedure). According to paragraph 27 of the procedure, the ruling shall contain an explanation of the reasons and rationale for the final decision, which are as follows:
 - (a) The DOE (RINA) failed to validate the project activity in compliance with paragraph 23 of "General Guidelines for SSC CDM Methodologies", and paragraph 17 and 28 of the methodology AMS-I.C, version 19.
 - (b) The relevant requirements in full are:
 - (i) Paragraph 23 of "General Guidelines for SSC CDM Methodologies" states that *"For project activities and PoAs that seek to retrofit or modify existing units or equipment, the baseline may refer to the characteristics (i.e. emissions, efficiency) of the existing unit or equipment only to the extent that the project activity or PoA does not increase capacity or output or level of service unless detailed specifications are provided as part of the applied methodology. For any increase of capacity or output or level of service beyond this range due to the project activity or PoA, a different baseline shall apply"*.
 - (ii) Paragraph 17 of the methodology AMS I.C, version 19 states that *"Existing facilities are those that have been in operation for at least three years immediately prior to the start date of the project activity. For project activities implemented in existing facilities, baseline calculations shall be based on historical data on energy use (e.g. electricity, fossil fuel) and plant output (e.g. steam/electricity) in the baseline plant for at least three years prior to project implementation. For existing facilities with less than three years of operational data, all historical data shall be available (a minimum of one year data would be required). For existing facilities having no historical data/information on baseline parameters such as efficiency, energy consumption and output (e.g. the available data is not reliable due to various factors such as the use of imprecise or non-calibrated measuring equipment), the baseline parameters can be determined using a performance test/measurement campaign to be carried out prior to the implementation of the project activity. The project proponent may follow the relevant provisions from the Tool to determine baseline efficiency of thermal and electricity systems"*.
 - (iii) Paragraph 28 of the methodology AMS I.C, version 19 states that *"in the case of an existing baseline cogeneration plant, the efficiency shall be calculated as the total annual energy produced over the last three years using the historical data as prescribed in paragraph 17 (total electricity generated and total steam/heat extracted divided by the thermal energy value of the fuel use)"*.
 - (c) The DOE failed to validate the baseline scenario for the additional electricity generation capacity due to the replacement of the existing 300kW turbo-generator with a 500k Wturbo-generator in line with paragraph 23 of the "General Guidelines for SSC CDM Methodologies" which mentions that *"...For any*

increase of capacity or output or level of service beyond this range due to the project activity or PoA, a different baseline shall apply".

- (d) The DOE also failed to demonstrate that the calculation of the baseline emissions, including the annual average energy efficiency, is in compliance with paragraph 17 and 28 of the methodology AMS-I.C, version 19 given that the baseline turbo generator started operation in 2007 and thus the 3-year historical data selected (2005 - 2007) does not represent the cogeneration plant which was determined as the baseline scenario.
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

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