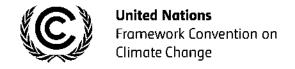
CDM-MP61-A10

Information note

Project activities located at the same site as CDM project activities whose crediting period expired

Version 01.0



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COVER NOTE

1. Procedural background

1. While considering the request for clarification "AM_CLA_0249: Suitability of ACM0001 for an unplanned expansion of a CDM project activity" the Methodologies Panel (Meth Panel) at its 60th and 61st meetings, raised a policy issue. AM_CLA_0249 requested a clarification on whether "ACM0001: Flaring or use of landfill gas" (version 13) is applicable to a project activity where a "new landfill" is constructed on top of a closed landfill registered with a fixed crediting period that expired in December 2012 (Project 0027).

2. Purpose

2. The Meth Panel is seeking guidance from the Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM) on whether a mitigation activity within the physical project boundary of a registered CDM project activity whose crediting period has expired can be considered as a new project activity eligible to apply for CDM registration, where the technology/measure of the mitigation activity is similar to the CDM project activity that has expired. The guidance is requested in the context of project activities using the approved methodology "ACM0001: Flaring or use of landfill gas".

3. Key issues and proposed solutions

- 3. The issue is whether a "new landfill" that is constructed on top of a "closed landfill" which has been registered as a CDM project and whose crediting period has expired can be considered a new project activity.
- 4. In this particular case of landfill project activity, the Meth Panel did not identify concerns related to environmental integrity of the emission reduction estimates, if a number of issues are addressed by a revision to the methodology ACM0001.

4. Impacts

5. If the Board agrees that a "new" landfill constructed on top of a "closed landfill" which has been registered and whose crediting period has expired is eligible to request registration under the CDM, then for that particular case the specific methodology (ACM0001) needs to be revised and the project proponent may submit a request for revision.

5. Subsequent work and timelines

6. No further work is intended.

6. Recommendations to the Board

7. The Meth Panel recommends the Board that a project activity to capture and destroy/use landfill gas implemented within the project boundary (landfill) of an existing registered

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CDM project activity to capture and destroy/use landfill gas whose crediting period has expired, can be considered as an eligible CDM project activity under certain conditions.

- 8. The Meth Panel further recommends the Board to allow the project participants to submit a request for revision of methodology "ACM0001: Flaring or use of landfill gas" to accommodate the situation defined in paragraph 7 above taking into account the conditions under which such a project activity can be considered eligible.
- 9. Further the Meth Panel would like to inform the Board that it did not assess potential similar situations for other types of project activities (i.e. project activities applicable under other methodologies). In case the Board requires such an assessment for other types of project activities, more analysis would be needed to conclude on these cases.

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1. Introduction

- 1. The request for clarification "AM_CLA_0249: Suitability of ACM0001 for an unplanned expansion of a CDM project activity" sought clarification on whether "ACM0001: Flaring or use of landfill gas" (version 13) is applicable to a project activity where a "new landfill" is constructed on top of a "closed landfill" which was registered with a fixed crediting period that expired in December 2012 (Project 0027).
- 2. The project participants clarified, by e-mail, that the flow of gas between the top landfill and the bottom deactivated region (old landfill) will be separated by using an appropriate cover material between the two regions/layers and different wells. Furthermore there will be two independent extraction systems. The old and new landfill will not share LFG collection and destruction equipment. A new extraction, flaring and electricity generation systems are being planned for the new project activity.

2. Analysis for the particular case of the submission (AM_CLA_0249)

- 3. A "new landfill" is constructed on top of a "closed landfill" which has been registered with a fixed crediting period that has expired. A new investment is undertaken to build the "new" facility but using the same technology/measure.
- 4. In this particular case the Meth Panel did not identify concerns related to environmental integrity of the emission reduction estimates as long as the "new" project can be clearly distinguished as new and not a continuation of the "old" project. The Meth Panel understands the two options for selecting a crediting period, as set out in 3/CMP.1, were meant to ensure that, no matter how long a project activity registered as CDM project activity might last, it benefits from CDM revenues only for a set and maximum period.
- 5. To avoid a situation where an "old" project activity is requesting credits beyond the crediting period, in the case of a proposed project activity to capture and destroy/use landfill gas from waste disposed in a landfill that is included in the project boundary of a registered CDM project activity to capture and destroy/use landfill gas, the Meth Panel proposes that the "new" proposed CDM project activity can be considered as eligible to request registration under the CDM under the following conditions:
 - (a) The equipment used in the "new" landfill is new. Rationale: New equipment implies that a CDM project activity cannot be achieved without substantial investment to mitigate GHG reductions;
 - (b) Emission reductions claimed by the new proposed CDM project activity are limited to the destruction of methane generated by new and further waste compared to the waste capacity considered for capture and destruction of methane in the registered CDM project activity within the same project boundary (i.e. landfill). This implies that emission reductions can be claimed only for methane destruction from the new waste, over and above the capacity of the registered CDM project activity, processed by the "new" landfill. No CERs can be claimed from the destruction of methane generated from waste capacity of the registered CDM project activity in the same project boundary (the existing landfill). Rationale: New waste implies that the emission sources mitigated are

- not the same as the "old" CDM project as future waste is a new source of emissions:
- (c) Investment analysis is mandatory. Rationale: It is assumed that barriers were overcome by project participants during the "old" project activity, therefore, it is difficult to envisage that the project participants are still facing barriers.

3. Guidance requested

- 6. The Meth Panel recommends to the Board that a project activity to capture and destroy/use landfill gas implemented within the project boundary (landfill) of an existing registered CDM project activity to capture and destroy/use landfill gas whose crediting period has expired, can be considered as an eligible CDM project activity under the following conditions:
 - (a) The equipment used in the "new" proposed CDM project activity is new;
 - (b) Emission reductions claimed by the new proposed CDM project activity are limited to the destruction of methane generated by new waste over and above the waste capacity considered for capture and destruction of methane in the registered CDM project activity within the same project boundary (i.e. landfill). This implies emission reductions can be claimed only for methane destruction from the new waste processed in by the "new" landfill. No CERs can be claimed from destruction of methane generated from waste capacity of the registered CDM project activity in the same project boundary (the existing landfill) whose crediting period has expired;
 - (c) Investment analysis is mandatory.
- 7. The Meth Panel further recommends that the Board allow the project participants to submit a request for revision of methodology "ACM0001: Flaring or use of landfill gas" to accommodate the situation defined in paragraph 1 and 2 above taking into account the conditions indicated in paragraph 6 under which such a project activity can be considered eligible.
- 8. Further the Meth Panel would like to inform the Board that it did not assess potential similar situations for other types of project activities (i.e. project activities applicable under other methodologies). In case the Board requires such an assessment for other types of project activities, more analysis would be needed to conclude on these cases.

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