

CDM-MP64-AA

Annotated agenda

Methodologies Panel sixty-fourth meeting

Version 1.0

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Annotations to the proposed agenda

Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. ► **Action:** The meeting will be opened by the Chair of the Methodologies Panel (Meth Panel).

Agenda item 1.2. Adoption of the agenda

2. ► **Action:** The Meth Panel Chair may wish to adopt the proposed agenda for the sixty-fourth meeting.

Background: The agenda was drawn up based on submission requests, workplan of panel and working groups for 2014, top-down work and mandates from the Board.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

3. ► **Action:** Members of the Meth Panel may wish to provide statements on any potential conflict of interest concerning the issues on the agenda for the meeting, and take action, as appropriate.

Background: In accordance with paragraph 25 of the “Terms of reference of the support structure of the CDM Executive Board (version 04.0)” members of a panel or working group shall abide by the code of conduct of the Board, as well as by the provisions related to conflict of interest and transparency of the Board, taking into account specific confidentiality requirements. They shall declare whether they have a pecuniary or financial interest in an issue presented to them as a member of the panel or working group and refrain from participating in any discussion or decision on the issue”. Such issues include accreditation of operational entities, consideration and approval of methodologies, registration of clean development mechanism (CDM) project activities and/or the issuance of related certified emission reductions. Furthermore, Meth Panel members shall disclose any interest in any matter under discussion before the Meth Panel which may constitute a conflict of interest or which might be incompatible with the requirements of integrity and impartiality expected of a member of the Meth Panel and shall refrain from participating in the work of the Meth Panel in relation to such matter.

Agenda item 2.2. Performance management

4. ► **Action:** The Meth Panel may wish to take note of the update on the workplan of panels and working groups for 2014.

Background: The workplan specifies products and routine operations that each of the panels and working groups are requested to consider during the year and is as such applicable to the CDM Accreditation Panel (CDM-AP), the Methodologies Panel (Meth Panel), the Small-Scale Working Group (SSC WG), the Carbon Dioxide Capture and

Storage Working Group (CCS WG), and the Afforestation and Reforestation Working Group (A/R WG).

Agenda item 2.3. Matters related to the Meth Panel

5. ► **Action:** The Meth Panel members may wish to take note of the update on the outcomes of the EB 79 and EB 80 meetings.

Background: There have been two Board meetings (EB 79 on 28 May–1 June 2014 and EB 80 on 14–18 July 2014) since the MP 63 meeting (28 April–2 May 2014).

6. ► **Action:** The Meth Panel members may wish to take note of the update on the outcomes of the SSC WG 44 meeting.

Background: There has been one SSC WG meeting (SSC WG 44 on 5–8 May 2014) since the MP 63 meeting (28 April–2 May 2014).

7. ► **Action:** The Meth Panel members may wish to take note of the update on the outcomes of the A/R WG 39 meeting.

Background: There has been one A/R WG meeting (A/R WG 39 on 11 August 2014) since the MP 63 meeting (28 April–2 May 2014).

8. ► **Action:** The Meth Panel members may wish to take note of the overview of the top-down and bottom-up proposed standardized baselines.

Background: The secretariat will brief the Meth Panel on the status of top-down and bottom-up proposed standardized baselines.

9. ► **Action:** The Meth Panel members may wish to take note of the update on the relevant regulatory matters in preparation of the consideration of agenda items for this meeting.

Background: The secretariat will brief the Meth Panel on relevant editorial revisions, fast track clarifications and proposed standardized baselines finalized since the last meeting of the Meth Panel in accordance with the relevant procedures. The procedures for “Development, revision and clarification of baseline and monitoring methodologies and methodological tools (version 01.1)” and for “Procedure for the submission and consideration of standardized baselines” (version 02.0) are available at <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

Agenda item 3. Regulatory matters

Agenda item 3.1. Standards/tools

Agenda item 3.1.1. Consideration of new large-scale methodologies and tools

10. ► **Action:** The Meth Panel may wish to consider the proposed new large-scale methodology:

(a) NM0372: Recovery of Coke oven gas for production of LNG.

Background: New large-scale methodologies are developed based on submissions of proposed new methodologies, upon decision by the Board to develop a new methodology or as prompted by the CMP, or as suggested by a methodological panel or

working group or the UNFCCC secretariat in accordance with the procedures “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1). The methodology related procedures are available on the UNFCCC CDM website at:
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.2. Consideration of revisions of large-scale methodologies and tools

11. ► **Action:** The Meth Panel may wish to consider the bottom-up and top-down revisions of large-scale methodologies and methodological tools:
- (a) AM_REV_0253 (ACM0022 ver. 01.0.0): The balanced method for measurement of FCCj (Fraction of total carbon content in waste type j) and FFCj (Fraction of fossil carbon in total content of waste type j);
 - (b) To improve the current approach of demonstrating additionality and to update the requirement for the renewal of the crediting period:
 - (i) AM0031: Bus rapid transit projects;
 - (ii) AM0101: High speed passenger rail systems;
 - (iii) ACM0016: Mass Rapid Transit Projects;
 - (c) To standardize requirements on additionality:
 - (i) ACM0002: Grid-connected electricity generation from renewable sources;
 - (d) To improve PoA provisions:
 - (i) ACM0022: Alternative waste treatment processes;
 - (e) To simplify and streamline methodologies and tools:
 - (i) AM0014: Natural gas-based package cogeneration;
 - (ii) AM0048: New cogeneration project activities supplying electricity and heat to multiple costumers;
 - (iii) AM0058: Introduction of a new primary district heating system;
 - (iv) ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects;
 - (f) To introduce standardized approaches for additionality demonstration:
 - (i) ACM0022: Alternative waste treatment processes;
 - (g) To standardize the application of First Order Decay (FOD) model:
 - (i) ACM0022: Alternative waste treatment processes;
 - (ii) The methodological tool “Emissions from solid waste disposal sites”;

- (h) To improve the consistency:
 - (i) AM0029: Baseline Methodology for Grid Connected Electricity Generation Plants using Natural Gas;
 - (ii) AM0087: Construction of a new natural gas power plant supplying electricity to the grid or a single consumer;
 - (iii) AM0102: Greenfield cogeneration facility supplying electricity and steam to a Greenfield Industrial Consumer and exporting excess electricity to a grid and/or project customer(s);
 - (iv) AM0107: New natural gas based cogeneration plant;
- (i) To provide a consistent approach for the estimation of upstream leakage emissions:
 - (i) ACM0009: Consolidated baseline and monitoring methodology for fuel switching from coal or petroleum fuel to natural gas;
 - (ii) ACM0011: Consolidated baseline methodology for fuel switching from coal and/or petroleum fuels to natural gas in existing power plants for electricity generation;
 - (iii) The methodological tool: “Upstream leakage emissions associated with fossil fuel use”.

Background: Revisions of approved large-scale methodologies and tools are based on submissions of proposed revised methodologies or tools, upon decision by the Board to revise a methodology or a methodological tool or as prompted by the CMP, or as suggested by a methodological panel or working group or the UNFCCC secretariat in accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1). The procedure is available on the UNFCCC CDM website at:
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.3. Global stakeholder consultation/call for public input

12. ► **Action:** The Meth Panel may wish to specify the outcomes of the meeting which will result in calls for public input.

Background: In accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools (version 01.1)”, available on the UNFCCC website at
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>> the secretariat shall make the draft recommendation from the panel or working group to the Board on top-down development of a new methodology or tool and top-down revision of approved methodologies or tools, publicly available on the UNFCCC CDM website for global stakeholder consultation for a period of 15 days. After this period, the secretariat shall make all comments received publicly available on the UNFCCC CDM website.

Agenda item 3.1.4. Consideration of requests for clarification on large-scale methodologies and tools

13. ► **Action:** The Meth Panel may wish to consider the submitted request for clarification:
- (a) AM_CLA_0259: Applicability of the oxidation factor for ex-ante baseline emissions calculation in ACM001 and waste tool;
 - (b) AM_CLA_0260: Applicability of ACM0014 when the biogas extracted from the anaerobic digester is used to obtain Bio-CNG to be used in transportation applications under AMS-III.AQ;
 - (c) AM_CLA_0261: Clarification on the application of combined tool and on classification of cargo transported;
 - (d) AM_CLA_0262: Monitoring of εproject,i in case of application of Option D in ACM009 version 4.0 page 6;
 - (e) CLA_TOOL_0023: Clarification on determining share of low-cost must run resources using long term averages for hydro electricity production for Simple OM calculations using tool;
 - (f) CLA_TOOL_0024: Request for clarification on the response received from Meth Panel for CLA _TOOL_0019.

Background: Requests for clarification are considered by the Meth Panel in accordance with the procedures “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1). The procedure is available on the UNFCCC CDM website at:
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.5. Consultation on issues related to methodological standards

14. ► **Action:** The Meth Panel may wish to provide comments on the concept note on “Development of two standards with a methodological framework for two specific project types”.

Background: The work is based on the approved workplan of panels and working groups for 2014 (EB 77 report, annex 2).

15. ► **Action:** The Meth Panel may wish to provide input on future strategic methodological developments and how to make best use of meth related panels and working groups.

Background: The work is based in a request by the Board at its seventy-ninth meeting to review of the roles of panels and working groups and elaborate a new concept note for the consideration by the Board at a future meeting.

Agenda item 3.1.6. Deviations from approved methodologies and tools

16. ► **Action:** the Meth Panel may wish to provide input on the request for deviation on:
- (a) **M-Dev0487:** To allow fuel switching activities in ACM009 for all steam generation that is used thermally in processes, in which the amount of fuel consumed for this purpose can be calculated.

Background: In accordance with the current procedure “Clean development mechanism project cycle procedure” available on the UNFCCC website at <http://cdm.unfccc.int/Reference/Procedures/index.html#proj_cycle> a designated operation entity may submit request for deviation regarding a project activity or PoA at the validation or verification stage. If the secretariat, during the preparation of the summary note, identifies issues that require inputs from a relevant panel or working group, it shall place the case on the agenda of the next meeting of the panel or working group.

Agenda item 3.1.7 Post registration changes

17. ► **Action:** The Meth Panel may wish to provide input on the request for approval of post registration changes on:

- (a) **PRC-0834-002:** Request for permanent changes from the registered monitoring plan using ACM009 to remove the monitoring of project efficiency and output for projects involving large number of small brick factories.

Background: In accordance with the current procedure “Clean development mechanism project cycle procedure” available on the UNFCCC website at <http://cdm.unfccc.int/Reference/Procedures/index.html#proj_cycle> a designated operation entity may submit a request for approval of post registration changes. If the secretariat, during the preparation of the summary note, identifies issues that require inputs from a relevant panel or working group, it shall place the case on the agenda of the next meeting of the panel or working group.

Agenda item 3.1.8 Other issues

18. ► **Action:** The Meth Panel may wish to consider the concept note on simplification in monitoring in small-scale and large-scale methodologies.

Background: At its seventy–eighth meeting, the Board considered a concept note on further work on methodologies, tools and standards. The Board agreed to the methodological products for further work as contained in tables 1 to 4 in annex 8 to the EB 78 report.

19. ► **Action:** The Meth Panel may wish to discuss “Simplification and streamlining of requirements for accounting for leakage emissions from use of biomass residues/biomass from cultivation”.

Background: At its seventy–eighth meeting, the Board considered a concept note on further work on methodologies, tools and standards. The Board agreed to the methodological products for further work as contained in tables 1 to 4 in annex 8 to the EB 78 report.

20. ► **Action:** The Meth Panel may wish to consider an update on methane emissions from storage of biomass types other than agricultural residues.

Background: The work is based on a request from the Board, at its seventy-ninth meeting, (EB 79, para. 51) to include a condition in the “General guidelines to SSC CDM methodologies” at its next revision that biomass agricultural residues (wood, wood product, straw) utilized for energy purposes shall not be stored longer than one year before they are used. The Board furthermore requested the SSC WG and Meth Panel to

address potential methane emissions from storage of biomass types other than agricultural residues in respective methodologies as applicable).

21. ► **Action:** The Meth Panel may wish to consider the concept note on "Guidance for the new projects in the same physical geographical location at which a project whose crediting period has expired existed".

Background: The work is based on the approved workplan of panels and working groups for 2014 (EB 77 report, annex 2).

Agenda item 3.2. Guidelines

22. ► **Action:** The Meth Panel may wish to consider the revision of the "Guidelines on the assessment of investment analysis".

Background: Based on the request by the Board at its seventy-fifth meeting (EB 75 report, para. 57) the Meth Panel is requested to develop further guidance on how the cost of equity should be calculated based on "best financial practices", including an approach for the application of financial models to determine benchmarks against which projects may be compared (e.g. capital asset pricing model (CAPM)), as well as circumstances under which the application of financial models can be considered appropriate (including but not restricted to the CAPM). The Meth Panel is further requested to update the default values in annex A of the "Guidelines on the assessment of investment analysis", taking into account the latest available data.

23. ► **Action:** The Meth Panel may wish to consider a draft recommendation on the "Guidelines for the establishment of sector specific standardized baselines".

Background: The revision is based on a request by the Board, at its seventy-fifth meeting (EB 75 report, para. 38) and seventy-ninth meeting (EB 79, para 41) to revise the draft guidelines for development of standardized baselines and is part of the routine operations for the Meth Panel in 2014.

24. **Action:** The Meth Panel may wish to consider a draft recommendation of the report on the results of road testing the current approaches in the power sector of the "Guidelines for the establishment of sector specific standardized baselines" as part of the further development and implementation of standardized baselines.

Background: The work is based on the approved CDM Executive Board workplan 2014 (EB 77 report, annex 1).

25. ► **Action:** The Meth Panel may wish to consider the draft recommendation on analysis of different options (further work on standardized baseline regulatory framework, including development of top-down thresholds on baseline and additionality for underrepresented countries).

Background: At its seventy-ninth meeting, the Board considered a concept note on further work on standardized baseline regulatory framework, including development of top-down thresholds on baseline and additionality for underrepresented countries and requested the secretariat and Meth Panel to jointly prepare an analysis of different options for the consideration of the Board at a future meeting(s), including road testing of the options based on submissions of standardized baselines as well as other information

if available, and assess the options with regard to environmental integrity, attractiveness to CDM projects and comparability across sectors/countries (EB 79, para 40).

Agenda item 4. Conclusion of the meeting

26. ► **Action:** The Meth Panel may wish to approve the internal and external reports of the 64th meeting.
27. ► **Action:** The Chair may wish to close the meeting.

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