

**CDM-MP65**

## Meeting report

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# Methodologies Panel sixty-fifth meeting

Version 02.0

Date of meeting: 21 to 24 October 2014

Place of meeting: Bonn, Germany



**United Nations**  
Framework Convention on  
Climate Change

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## **Agenda item 1. Agenda and meeting organization**

### **Agenda item 1.1. Opening**

1. The Chair of the Methodologies Panel (Meth Panel), Ms. Natalie Kushko, opened the meeting.
2. The Meth Panel noted that Mr. Luis Alberto De La Torre attended the meeting on 21 October, 22 October and 24 October 2014. The member provided proper justification for his absence.

**Table 1. Attendance list**

<b>Chair/Vice-Chair</b>	<b>Members</b>
Ms. Natalie Kushko (Chair)	Mr. Amr Osama Abdel-Aziz
Mr. Eduardo Calvo (Vice-Chair)	Mr. Ambachew Admassie
	Mr. Jean-Jacques Becker
	Mr. Luis Alberto De La Torre
	Mr. Daniel Perczyk
	Mr. Braulio Pikman
	Mr. Sudhir Sharma
	Mr. Christiaan Vrolijk
	Ms. Jessica Wade-Murphy
	Mr. Kenichiro Yamaguchi

### **Agenda item 1.2. Adoption of the agenda**

3. The agenda was adopted as proposed.

## **Agenda item 2. Governance and management matters**

### **Agenda item 2.1. Membership issues**

4. The Meth Panel considered information provided by members, Chair and Vice-Chair with respect to any potential conflict of interest. Statements on conflict of interest can be viewed on the UNFCCC clean development mechanism (CDM) website at <<https://cdm.unfccc.int/Panels/meth/index.html>>.

### **Agenda item 2.2. Performance management**

5. The Meth Panel considered an update on the workplan for panels and working groups for 2014.
6. The Meth Panel provided input to the secretariat on possible future tasks to be considered for inclusion in the 2015 workplan of the Meth Panel.

### **Agenda item 2.3. Matters related to the Meth Panel**

7. The Meth Panel received an update on the outcome of the 45<sup>th</sup> meeting of the Small-Scale Working Group (SSC WG) outlining the main actions and recommendations of relevance to the Meth Panel.
8. The Meth Panel noted the on-going and concluded consultancy work for the methodologies/tools/guidelines mentioned below:
  - (a) "Guidelines on the assessment of investment analysis": Determining cost of equity benchmark based on best financial practices;
  - (b) "ACM0022: Alternative waste treatment processes": Development of standardized additionality criteria for CDM-related composting projects.

#### **Agenda item 2.3.1. Upcoming deadlines of relevance to stakeholders**

9. The Meth Panel noted that the date for the 66<sup>th</sup> meeting of the Meth Panel (MP 66) is to be decided at the eighty-first meeting of the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board).
10. Project participants, designated national authorities (DNAs) and other stakeholders may note the following deadlines:
  - (a) The deadline for the submission of proposed new methodologies (PNMs) to be considered at MP 66 will be decided at the eighty-first meeting of the Board and accordingly updated on the public web page <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/index.html>>;
  - (b) The deadline for the submission of requests for revision to be considered at MP 66 will be decided at the eighty-first meeting of the Board and accordingly updated on the public web page <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/Revisions/index.html>>;
  - (c) The deadline for the submission of requests for clarification to be considered at MP 66 will be decided at the eighty-first meeting of the Board and accordingly updated on the public web page <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/Clarifications/index.html>>.

## **Agenda item 3. Regulatory matters**

### **Agenda item 3.1. Standards/tools**

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

11. Information on proposed new large-scale methodologies, their status, case history and final recommendations of the Meth Panel to the Board are made available on the UNFCCC CDM website at: <<http://cdm.unfccc.int/methodologies/PAmethodologies/pnm/pending>>. If the Board

accepts the recommendations, the final recommendations and responses are made available on the UNFCCC CDM website at:  
 <<http://cdm.unfccc.int/methodologies/PAmethodologies/pnm>>.

12. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1) is available on the UNFCCC CDM website at:  
 <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.
13. The Meth Panel considered the proposed new methodological standards listed in table 2 below, as well as external expert and public inputs received, where applicable.

**Table 2. Status of consideration of proposed new large-scale methodologies and tools**

Submission/ mandate	Title	Status/recommendations <sup>1</sup>	Paragraph
New top-down methodological tool (2014 workplan, Management plan (MAP) project 223 - EB78, annex 8)	Leakage due to biomass residues	Call for public input	26(a)

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

14. Information on requests for revision, their status, case history and the final recommendation and responses to the Board by the Meth Panel are made publicly available on the UNFCCC CDM website at:  
 <<http://cdm.unfccc.int/methodologies/PAmethodologies/revisions/pending>> and <<http://cdm.unfccc.int/methodologies/PAmethodologies/tools-revisions/pending>>. If the Board accepts the recommendations, the final recommendations and responses are made available on the UNFCCC CDM website at:  
 <<http://cdm.unfccc.int/methodologies/PAmethodologies/revisions>> and <<http://cdm.unfccc.int/methodologies/PAmethodologies/tools-revisions>>.
15. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1) is available on the UNFCCC CDM website at:  
 <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.
16. The Meth Panel considered the bottom-up submissions of requests for revision and top-down revisions of approved methodologies (AMs) listed in table 3 and table 4, as well as external expert and public inputs received, where applicable.

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<sup>1</sup> Recommendations from the Meth Panel: final recommendations: A (approve the proposed new methodology or methodological tool) and C (reject the proposed new methodology or methodological tool); status of cases: work-in-progress (WIP): cases that are still under consideration; preliminary recommendations: technical clarifications may be requested from the project participants before finalizing a recommendation to the Board.

**Table 3. Requests for bottom-up submissions of requests for revisions to large-scale methodologies /tools**

Submission/mandate	AM/AT	Title of the request	Status	Paragraph
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)	Approve the proposed revised methodology	17
AM_REV_0254	AM0086 ver. 03.0	Request for Revision to broaden the scope of AM0086 Version 03.0	WIP	18

**Table 4. Status of consideration of revisions to methodological standards**

Issue	AM/AT	Mandate	Status/recommendation	Paragraph
Revision	AM0014	2013 workplan (2013 Management plan (MAP) project 120)	To approve the proposed revised methodology	19(b)
Revision	AM0029	2014 workplan MAP project 223 (EB 78, annex 8)	To approve the consolidated methodology with AM0087	19(a) and 22
Revision	AM0031	EB 67, para. 107, EB 70, para. 56 and EB 75, para. 53	Call for public input	26(b)
Revision	AM0048	2013 workplan (2013 MAP project 120)	To approve the proposed revised methodology	19(c)
Revision	AM0058	2013 workplan (2013 MAP project 120)	WIP	23(a)
Revision	AM0076	EB 79, para. 46	WIP	23(b)
Revision	AM0087	2014 workplan MAP project 223 (EB 78, annex 8)	To approve the consolidated methodology with AM0029	19(a) and 22
Revision	AM0089	EB 79, para. 46	WIP	23(c)
Revision	AM0091	EB 79, para. 46	WIP	23(d)

<b>Issue</b>	<b>AM/AT</b>	<b>Mandate</b>	<b>Status/ recommendation</b>	<b>Paragraph</b>
Revision	AM0101	EB 67, para. 107 and EB 75, para 53	Call for public input	26(c)
Revision	AM0102	2014 workplan MAP project 223 (EB 78, annex 8)	WIP	23(e)
Revision	AM0107	2014 workplan MAP project 223 (EB 78, annex 8)	Call for public input	26(d)
Revision	ACM0001		N/A	20
Revision	ACM0002	2014 workplan MAP project 223 (EB 78, annex 8)	To approve the proposed revised methodology	19(d)
Revision	ACM0009	EB 79, para. 46	To approve the proposed revised methodology	19(e)
Revision	ACM0011	EB 79, para. 46	To approve the proposed revised methodology	19(f)
Revision	ACM0012	2013 workplan (2013 MAP project 120), EB 76, para. 48	To approve the proposed revised methodology	19(h) and 20
Revision	ACM0016	EB 67, para. 107 and EB 75, para. 53	Call for public input	26(e)
Revision	ACM0022	2013 workplan (2013 MAP project 164)	To approve the proposed revised methodology	19(i)
Revision	ACM0022	2014 workplan MAP project 223 (EB 78, annex 8)	N/A	26(f)
Revision	The methodological tool "Emissions from solid waste disposal sites"	2014 workplan MAP project 223 (EB 78, annex 8)	Call for public input	26(f)
Revision	The methodological tool "Upstream leakage emissions associated with fossil fuel use"	EB 79, para. 46	To approve the proposed revised tool	19(g)

Issue	AM/AT	Mandate	Status/ recommendation	Paragraph
Revision	The methodological tool "Project emissions from cultivation of biomass"	2014 workplan MAP project 223 (EB 78, annex 8)	Call for public input	26(a)

17. The Meth Panel recommended that the Board approve the response to the request for revision "AM\_REV\_0253: 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) related to the approved consolidated methodology "ACM0022: Alternative waste treatment processes". Please see paragraph 19(i).
18. The Meth Panel recommended that the Board take note that it could not conclude its consideration of the following request for revision (referred to as a work-in-progress case):
- (a) AM\_REV\_0254 regarding "AM0086: Distribution of zero energy water purification systems for safe drinking water". The Meth Panel agreed to continue to consider the proposed revision, particularly the requirements on additionality demonstration.
19. The Meth Panel recommended that the Board approve the following draft consolidated methodology(ies) and draft revisions of the methodology(ies) as major revisions:
- (a) "ACM00XX: Construction of a new natural gas power plant" based on the revision of "AM0029: Baseline Methodology for Grid Connected Electricity Generation Plants using Natural Gas" and "AM0087: Construction of a new natural gas power plant supplying electricity to the grid or a single consumer", as contained in annex 1. The revision was carried out in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223) to simplify and improve the consistency in the methodologies. The Meth Panel, at its 64<sup>th</sup> meeting, requested the secretariat to make the draft consolidated methodology publicly available for global stakeholder consultation for a period of 15 days, starting from 2 September 2014. The draft revision:
- (i) Aligns baseline scenarios by clarifying identification of baseline alternative;
- (ii) Simplifies estimation of leakage emissions;
- (iii) Streamlines the baseline emissions calculation;
- (b) "AM0014: Natural gas-based package cogeneration", as contained in annex 2. The revision was carried out as per the workplan 2013 (MAP project 120) to simplify and streamline the methodology and in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223) to simplify and improve the consistency in the methodology. The Meth Panel, at its 62<sup>nd</sup> meeting, requested the secretariat to make the draft revised methodology AM0014 publicly available for global stakeholder consultation for a period of 15 days, starting from 12 February 2014, in response to which one input was received. The Meth Panel considered the possibility of a



consolidation of AM0014 with the approved methodology “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)” as indicated in the MP 64 meeting report (MP 64, para. 20 (a)) but agreed not to consolidate the methodologies as the applicability of the methodologies cannot be fully aligned. The draft revision:

- (i) Simplifies and streamlines the methodology with respect to baseline scenario identification, additionality demonstration and baseline emissions calculation procedure;
  - (ii) Expands applicability to Greenfield consumer facilities;
  - (iii) Changes the title to “Fossil fuel based cogeneration for identified recipient facility(ies)”;
- (c) “AM0048: New cogeneration project activities supplying electricity and heat to multiple costumers” (sic), as contained in [annex 3](#). The revision was carried out as per the workplan 2013 (MAP project 120) to simplify and streamline the methodology. The Meth Panel, at its 63<sup>rd</sup> meeting, requested the secretariat to make the draft revised methodology publicly available for global stakeholder consultation for a period of 15 days, starting from 16 May 2014 in response to which one input was received. The draft revision:
- (i) Simplifies and streamlines the methodology with respect to baseline scenario identification, additionality demonstration and baseline emissions calculation procedure;
  - (ii) Corrects the title to “New cogeneration project activities supplying electricity and heat to multiple customers”;
- (d) “ACM0002: Grid-connected electricity generation from renewable sources”, as contained in [annex 4](#). The revision was carried out in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223) to standardize the requirements on additionality in the methodology. The Meth Panel, at its 64<sup>th</sup> meeting, requested the secretariat to make the draft revised methodology publicly available for global stakeholder consultation for a period of 15 days, starting from 2 September 2014. The draft revision standardizes the requirements on additionality in the methodology;
- (e) “ACM0009: Consolidated baseline and monitoring methodology for fuel switching from coal or petroleum fuel to natural gas”, as contained in [annex 5](#). The revision was carried out in response to the mandate received from the Board at its seventy-ninth meeting (EB 79, para 46) to further work on the revision of methodologies involving fuel switch as well as the methodological tool “Upstream leakage emissions associated with fossil fuel use” and based on the request for clarification: “AM\_CLA\_0262: Monitoring of εproject,i in case of application of Option D as per ACM009 version 4.0.0 page 6”. The Meth Panel, at its 64<sup>th</sup> meeting, requested the secretariat to make the draft revised methodology publicly available for global stakeholder consultation for a period of 15 days, starting from 2 September 2014. The draft revision:
- (i) Adds a reference to the following methodological tools:

- a. “Upstream leakage emissions associated with fossil fuel use”;
    - b. “Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”;
  - (ii) Clarifies that net leakage should always be considered as zero when net leakage effects are negative;
  - (iii) Corrects the approach in Option D of the baseline efficiency calculation which was leading to overestimation of baseline emissions;
  - (iv) Includes other editorial changes;
- (f) “ACM0011: Consolidated baseline methodology for fuel switching from coal and/or petroleum fuels to natural gas in existing power plants for electricity generation”, as contained in [annex 6](#). The revision was carried out in response to the mandate received from the Board at its seventy-ninth meeting (EB 79, para 46) to further work on the revision of methodologies involving fuel switch as well as the methodological tool “Upstream leakage emissions associated with fossil fuel use”. The Meth Panel, at its 64<sup>th</sup> meeting, requested the secretariat to make the draft revised methodology publicly available for global stakeholder consultation for a period of 15 days, starting from 2 September 2014. The draft revision:
- (i) Adds a reference to the following methodological tools:
    - a. “Upstream leakage emissions associated with fossil fuel use”;
    - b. “Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”;
  - (ii) Clarifies that net leakage should always be considered as zero when net leakage effects are negative;
  - (iii) Includes other editorial changes;
- (g) The methodological tool: “Upstream leakage emissions associated with fossil fuel use”, as contained in [annex 7](#). The revision was carried out in response to the mandate received from the Board at its seventy-ninth meeting (EB 79, para 46) to further work on the revision of methodologies involving fuel switch as well as the methodological tool “Upstream leakage emissions associated with fossil fuel use”. The Meth Panel, at its 64<sup>th</sup> meeting, requested the secretariat to make the draft revised tool publicly available for global stakeholder consultation for a period of 15 days, starting from 2 September 2014. The draft revision highlights that net leakage needs to be considered always as zero in situations where net leakage is calculated as negative;
- (h) “ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects”, as contained in [annex 8](#). The revision was carried out as per the workplan 2013 (MAP project 120) to simplify and streamline the methodology and in response to the mandate received from the Board at its seventy-sixth meeting (EB 76, para. 48) to further work on certain sections of the methodology. The Meth Panel, at its 63<sup>rd</sup> meeting, requested the secretariat to make the draft revised consolidated methodology publicly available

for global stakeholder consultation for a period of 15 days, starting from 16 May 2014 in response to which one input was received. The draft revision:

- (i) Provides new definitions, and streamlines the sections for applicability, procedure for baseline scenario identification, additionality and baseline emissions;
  - (ii) Includes previously issued clarifications and Board decisions such as the “Information note: previous rulings related to the appropriateness of benchmarks for project activities utilizing waste heat/waste gas for power generation” that relates to this methodology;
  - (iii) Expands the application of the methodology to claim additional emission reduction to those project activities that generate electricity and mechanical energy from recovery and use of waste energy beyond the maximum capacity of the pre-existing equipment at the recipient facilities;
  - (iv) Changes the title to “Waste energy recovery”;
- (i) “ACM0022: Alternative waste treatment processes”, as contained in annex 9. The revision was carried out as per the workplan 2013 (MAP project 164) to introduce standardized approaches for additionality demonstration, request for revision AM\_REV\_0253 and (MAP project 127) to implement the Programme of Activities (PoA) standards and procedures. The Meth Panel, at its 64<sup>th</sup> meeting, requested the secretariat to make the draft revised consolidated methodology publicly available for global stakeholder consultation for a period of 15 days, starting from 2 September 2014. The draft revision:
- (i) Introduces standardized approaches for the demonstration of additionality;
  - (ii) Improves the provision for the use of this methodology in a component project activity under a PoA;
  - (iii) Addresses relevant comments from the commenting system;
  - (iv) Introduces an additional option (balance method) for the determining the parameter of fossil fraction of the waste;
20. While considering the revision of the methodology ACM0012, the Meth Panel considered the proposal to provide guiding elements to guide the users of the methodology. The Meth Panel appreciated the proposal and agreed that providing such guiding elements will increase the usability of the methodology and will potentially reduce the number of request for reviews of the CDM project activities using the methodology. In this regard, the Meth Panel recommended that the Board take note that the Meth Panel will continue working on the guiding elements of the methodology ACM0012. The issues were identified based on assessment of the requests for reviews, clarification, etc. The Meth Panel considered this to be a good approach for identifying similar issues in other methodologies. Furthermore, the Meth Panel agreed to seek a mandate to work on guiding elements for the methodology ACM0001.
21. While considering the guiding elements, the Meth Panel also agreed to seek a mandate to further work on the presentation of these guiding elements and its related procedural issues, including their implications. The work will focus on consideration of providing

- these guiding elements in a separate document and consider procedural aspects regarding the guiding document.
22. The Meth Panel recommended that the Board approve the recommendation to withdraw the approved methodologies “AM0029: Baseline Methodology for Grid Connected Electricity Generation Plants using Natural Gas” and “AM0087: Construction of a new natural gas power plant supplying electricity to the grid or a single consumer” as these methodologies have been fully incorporated into the new consolidated methodology “ACM00XX: Construction of a new natural gas power plant” (see paragraph 19(a)).
  23. The Meth Panel recommended that the Board take note that it could not conclude its consideration of the revisions of the following methodologies and methodological tools (referred to as work-in-progress cases):
    - (a) “AM0058: Introduction of a new primary district heating system”. The Meth Panel further worked on simplifying and streamlining the methodology AM0058 as part of the MAP project 120 on “Simplification and streamlining of methodologies and tools”, as in the 2013 workplan of the Meth Panel;
    - (b) “AM0076: Methodology for implementation of fossil fuel trigeneration systems in existing industrial facilities”. This work has been undertaken in response to the mandate received from the Board at its seventy-ninth meeting (EB 79 report, para 46) to provide a consistent approach for the estimation of upstream leakage emissions”;
    - (c) “AM0089: Production of diesel using a mixed feedstock of gasoil and vegetable oil”. This work has been undertaken in response to the mandate received from the Board at its seventy-ninth meeting (EB 79 report, para 46) to provide a consistent approach for the estimation of upstream leakage emissions”;
    - (d) “AM0091: Energy efficiency technologies and fuel switching in new and existing buildings”. This work has been undertaken in response to the mandate received from the Board at its seventy-ninth meeting (EB 79 report, para 46) to provide a consistent approach for the estimation of upstream leakage emissions”;
    - (e) “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)”. This work was carried out in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223) to simplify and improve the consistency in the methodology.
  24. If the revisions are approved by the Board as major revisions in accordance with paragraph 69(a)(i) or 82(a)(i) of the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1), the revised large-scale methodological standards will become effective from the day of publication of the Board meeting report and DOEs may upload project design documents (PDDs) for registration using the previous version of the methodology not later than 240 days from this date unless the previous version has been put on hold by the Board in accordance with paragraph 73(a) or 73(b) of the procedure.
  25. If the revisions are approved by the Board as minor revisions in accordance with paragraph 69(a)(ii) or 82(a)(ii) of the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1), the

version number of the methodology or methodological tool shall increase by one fractional number (e.g. from 1.0 to 1.1), and the previous version shall continue to be valid until the next revision for mandatory use. In this case, for the purpose of publication of a PDD or programme of activities design document (PoA-DD) for global stakeholder consultation, submission of a request for registration, or submission of a request for renewal of crediting period in accordance with the “Clean development mechanism project cycle procedure”, a project activity or PoA may still apply the previous version or any earlier version until the end of the 240-day period after the next major revision.

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

26. The Meth Panel recommended that the Board take note of the recommendation on the following draft methodology(ies)/draft revised methodologies/tool(s). The Meth Panel requested the secretariat to make these draft methodology(ies)/draft revised methodologies/tool(s) publicly available for global stakeholder consultation. The public inputs will be taken into account when recommending these to the Board at a future meeting.
- (a) Methodological tool “Project emissions from cultivation of biomass”, as contained in annex 10. This work has been undertaken in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223) to simplify and streamline the requirements for accounting for leakage emissions from use of biomass residues/biomass from cultivation. Furthermore, the panel considered an option to recommend a new methodological tool titled “Leakage due to biomass residues” to address leakage issues however concluded that the above draft revised tool can incorporate the related elements;
  - (b) “AM0031: Bus rapid transit projects”, as contained in annex 11. The revision was carried out to improve the current approach of demonstrating additionality without the consideration of certified emission reduction (CER) revenues as per the mandates received from the Board at its seventieth meeting (EB 70 report, para 56) and its seventy-fifth meeting (EB 75 report, para 53);
  - (c) “AM0101: High speed passenger rail system”, as contained in annex 12. The revision was carried out as per the mandate received from the Board at its sixty-seventh meeting regarding the renewal of the crediting period (EB 67 report, para 107). The revision also improves the current approach of demonstrating additionality without consideration of the CER revenues per the mandate received from the Board at its seventieth meeting (EB70 report, para 56);
  - (d) “AM0107: New natural gas based cogeneration plant”, as contained in annex 13. The revision was carried out as per the workplan 2013 (MAP project 120) to simplify and streamline the methodology and in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223) to simplify and improve the consistency in the methodology;
  - (e) “ACM0016: Mass Rapid Transit Projects”, as contained in annex 14. The revision was carried out as per the mandate received from the Board at its sixty-seventh meeting regarding the renewal of the crediting period (EB 67 report, para 107). The revision also improves the current approach of demonstrating additionality

without consideration of the CER revenues per the mandate received from the Board at its seventieth meeting (EB 70 report, para 56);

- (f) The methodological tool “Emissions from solid waste disposal sites”; as contained in annex 15. The revision was carried out as per the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8) regarding standardization of input parameters to the first order decay (FOD) model. The Meth Panel agreed that a revision to “ACM0022: Alternative waste treatment processes” is not needed for this mandate.

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

- 27. Information on requests for clarification, their status, case history and the final recommendations and responses to the Board by the Meth Panel are made available on the UNFCCC CDM website at: <http://cdm.unfccc.int/methodologies/PAmethodologies/clarifications/pending> and <http://cdm.unfccc.int/methodologies/PAmethodologies/tools-clarifications/pending>. If the Board accepts the recommendations, the final recommendations and responses are made available on the UNFCCC CDM website at: <http://cdm.unfccc.int/methodologies/PAmethodologies/clarifications> and <http://cdm.unfccc.int/methodologies/PAmethodologies/tools-clarifications>.
- 28. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1) is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.
- 29. The Meth Panel recommended that the Board approve the responses prepared for requests for clarification to approved baseline and monitoring methodologies and approved methodological tools as available on the UNFCCC CDM website for cases specified as “clarified” in table 5 below.

**Table 5. Requests for clarification**

Submission number	AM/AT	Title	Status
AM_CLA_0263	AM0028	AM0028 correct application of IPCC default value	Clarified
AM_CLA_0264	ACM0016 ver. 03	Clarification on the approved methodology ACM0016 version 03 regarding application of Step 3 (to demonstrate additionality) of the methodology to a proposed PoA	Clarified

### **Agenda item 3.1.5. Deviations from approved methodologies and tools**

30. The Meth Panel recommended that the Board take note that it provided input to the secretariat regarding the request for deviation “M-Dev0488: Proposal of biomass and project scenario heat engines and boiler efficiencies for biomass power generation project”.
31. While considering the request for deviation M-Dev0488, the Meth Panel agreed to seek a mandate from the Board to revise the methodological tool “Tool to determine the baseline efficiency of thermal or electric energy generation systems” to update the table containing “default baseline efficiency for different technologies” with efficiency value for biomass as a fuel, and cogeneration technologies.
32. The Meth Panel recommended that the Board take note that it provided input to the secretariat regarding the request for deviation “M-Dev0489: Approval for deviation of the requirement of combinations of baseline scenarios”.

### **Agenda item 3.1.6. Post-registration changes**

33. The Meth Panel recommended that the Board take note that it provided input to the secretariat regarding the request for post registration changes “PRC-0765-001: Catalytic N2O destruction project in the tail gas of three Nitric Acid Plants at Hu-Chems Fine Chemical Corp.”

### **Agenda item 3.1.7. Other issues**

34. The Meth Panel recommended that the Board take note that it considered the concept note on “Simplification of requirements on the application of multiple large-scale methodologies for PoAs” and provided its input to the secretariat. This on-going work has been undertaken in response to the mandate received from the Board at its eightieth meeting (EB 80, para 35).
35. The Meth Panel recommended that the Board take note that it considered the information related to simplification in monitoring in small-scale and large-scale methodologies. The work will be finalized at a future meeting of the Meth Panel. This work has been undertaken in response to the mandate received from the Board at its seventy-eighth meeting (EB 78, annex 8; MAP project 223).

### **Agenda item 3.2. Guidelines**

36. The Meth Panel recommended that the Board take note that the Meth Panel considered the issues on how to calculate the cost of equity based on “best financial practices” and how to update the default values in annex A to the “Guidelines on the assessment of investment analysis”. The work will be finalized at a future meeting of the Meth Panel. This work has been undertaken in response to the mandate received from the Board at its seventy-fifth meeting (EB 75 report, para 57).
37. The Meth Panel recommended that the Board take note that the Meth Panel considered the recommendation on the revision of the “Guidelines for the establishment of sector specific standardized baselines” (SB guideline) and agreed to the proposal from the secretariat. The revised draft is entitled “Standard for development of standardized baselines” (SB standard). The Meth Panel further considered and agreed to the report on the results of road-testing the current approaches in the SB guideline with available

data so far. However, due to the lack of data on cost and barriers, the road testing did not cover the determination of positive list and the baseline after the identification of the threshold.

38. The Meth Panel recommended that the Board limits the applicability of the SB standard to sectors other than the power sector, as the work on analysing the implications of applying this standard to power sector is still undergoing. This work has been undertaken as part of MAP project 110 and in response to the mandate received from the Board at its seventy-fifth meeting (EB 75, para 38).
39. The Meth Panel recommended that the Board take note that, in response to the mandate in the EB workplan 2014 to conduct road testing of the current approaches of the SB standard, the Meth Panel requested the secretariat to prepare an analysis, based on the literature review and country data, that highlights the implications of applying the SB standard to the power sector including newly proposed “weighted average emission factor approach”. The analysis will also reflect the comparison of this approach with the approach of the “Tool to calculate the emission factor for an electricity system” (Grid tool). In addition, it will consider lessons learned from the submissions on standardized baselines for grid emission factors using the “Tool to calculate the emission factor for an electricity system”. The Meth Panel, therefore, seeks a mandate from the Board for a possible revision of the Grid Tool taking into account further analysis.
40. The Meth Panel recommended that the Board take note that it considered the concept note on the analysis of different options for baseline and additionality thresholds and agreed on a proposal. This work has been undertaken as the part of MAP project 110 and in response to the mandate received from the Board at its seventy-ninth meeting (EB 79, para 40) to draft a 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).

### **Agenda item 3.3. Conclusion of the meeting**

41. The Meth Panel dealt with methodology related bottom-up submissions, including requests for revision, requests for clarification, and top-down development of methodologies, tools and revision of methodologies and made recommendations to the Board.
42. The Meth Panel adopted the report and concluded its 65<sup>th</sup> meeting. The report and annexes will be available on the UNFCCC website.



## **Annexes to the report**

- Annex 1 - ACM00XX: Construction of a new natural gas power plant
- Annex 2 - AM0014: Fossil fuel based cogeneration for identified recipient facility(ies)
- Annex 3 - AM0048: New cogeneration project activities supplying electricity and heat to multiple costumers
- Annex 4 - ACM0002: Grid-connected electricity generation from renewable sources
- Annex 5 - ACM0009: Consolidated baseline and monitoring methodology for fuel switching from coal or petroleum fuel to natural gas
- Annex 6 - ACM0011: Consolidated baseline methodology for fuel switching from coal and/or petroleum fuels to natural gas in existing power plants for electricity generation
- Annex 7 - Methodological tool: “Upstream leakage emissions associated with fossil fuel use”
- Annex 8 - ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects
- Annex 9 - ACM0022: Alternative waste treatment processes
- Annex 10 - Methodological tool: “Project emissions from cultivation of biomass”
- Annex 11 - AM0031: Bus rapid transit projects
- Annex 12 - AM0101: High speed passenger rail system
- Annex 13 - AM0107: New natural gas based cogeneration plant
- Annex 14 - ACM0016: Mass Rapid Transit Projects
- Annex 15 - Methodological tool: “Emissions from solid waste disposal sites”

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### Document information

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<i>Version</i>	<i>Date</i>	<i>Description</i>
02.0	10 November 2014	Revision to add missing three standard paragraphs (paragraphs 27 to 29) regarding consideration of requests for clarification on large-scale methodologies and tools.
01.0	3 November 2014	MP 65 meeting report.

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