

CDM-MP66

Meeting report

Methodologies Panel sixty-sixth meeting

Version 01.0

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Climate Change

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Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. The new Chair of the Methodologies Panel (Meth Panel), Mr. Hugh Sealy, appointed by the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) at its eighty-second meeting (EB 82), opened the meeting. The members of the Meth Panel expressed deep appreciation to the outgoing Chair Ms. Natalie Kushko and Vice-Chair Mr. Eduardo Calvo for their excellent contributions to the work of the Meth Panel, and further welcomed the new Chair Mr. Hugh Sealy and Vice-Chair Mr. Frank Wolke.

Table 1. Attendance list

| Chair/Vice-Chair | Members |
|------------------------------|------------------------------|
| Mr. Hugh Sealy (Chair) | Mr. Amr Osama Abdel-Aziz |
| Mr. Frank Wolke (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

2. The Meth Panel agreed to include on the proposed agenda a bottom-up submission of request for clarification (AM_CLA_0266) as referred to in paragraph 25 below. The Meth Panel adopted the agenda of the meeting.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

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

Agenda item 2.2. Performance management

4. The Meth Panel considered an update on the workplan for panels and working groups for 2015.

Agenda item 2.3. Matters related to the Meth Panel

5. The Chair briefed the Meth Panel on the outcomes of EB 81 and EB 82.
6. The Meth Panel received an update on the outcome of the 46th meeting of the Small-Scale Working Group (SSC WG) outlining the main actions and recommendations of relevance to the Meth Panel.
7. The Meth Panel noted the conclusion of consultancy work on “Guidelines on the assessment of investment analysis”: Report on cost of equity benchmarks based on best financial practice for CDM Projects.

Agenda item 2.3.1. Upcoming deadlines of relevance to stakeholders

8. The Meth Panel noted that its 67th meeting (MP 67) is tentatively scheduled from 15 to 19 June 2015.
9. 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 67 is 20 April 2015, 24:00 GMT;
 - (b) The deadline for the submission of requests for revision to be considered at MP 67 is 4 May 2015, 24:00 GMT;
 - (c) The deadline for the submission of requests for clarification to be considered at MP 67 is 4 May 2015, 24:00 GMT.

Agenda item 3. Regulatory matters

Agenda item 3.1. Standards/tools

10. The Meth Panel recommended that the Board take note that it continued to work on the agenda item titled “development of two standards with a methodological framework for two specific project types”. The panel noted that this work may have some overlap with the work to address the EB 81 mandate related to the revision of the “Guideline for establishment of sector-specific standardized baselines”. The panel agreed to base the work on sample data from selected countries/regions. This work is being undertaken as part of the CDM management plan (MAP) project 110.

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

11. 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>.

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 bottom-up submissions of requests for revision and top-down revisions of approved methodological standards listed in table 2 and table 3 below, as well as external expert and public inputs received, where applicable.

Table 2. Requests for bottom-up submissions of requests for revisions to large-scale methodological standards

| Submission/mandate | AM/AT | Title of request | Status/recommendation | Paragraph |
|--------------------|----------------------|--|--|-----------------|
| AM_REV_0254 | AM0086 ver. 03.0 | Request for Revision to broaden the scope of AM0086 Version 03.0 | Approve the proposed revised methodology | 14(a) and 15(c) |
| AM_REV_0255 | AM0110 Version 1.0.0 | Determination of project emissions from transportation of liquid fuels in complementary routes in trucks in year y (PECR,y) using specific consumptions obtained by sampling | Approve the proposed revised methodology | 14(b) and 15(f) |

Table 3. Status of consideration of Board-mandated revisions to methodological standards

| Issue | AM/AT | Mandate | Status/recommendation | Paragraph |
|----------|--------|---|---|--------------|
| Revision | AM0029 | EB 81, para. 55; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the consolidated methodology with AM0087 | 15(a) and 17 |
| Revision | AM0031 | EB 70, para. 56 and EB 75, para. 53; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodology | 15(b) |
| Revision | AM0058 | 2015 workplan MAP project 223 (EB 82, annex 8) | Work in progress (WIP) | 18(a) |

| Issue | AM/AT | Mandate | Status/ recommendation | Paragraph |
|--------------|--------------|--|---|------------------|
| Revision | AM0076 | EB 79, para. 46; 2015 workplan MAP project 223 (EB 82, annex 8) | Call for public input | 22(a) |
| Revision | AM0084 | 2015 workplan MAP project 223 (EB 82, annex 8) | Call for public input | 22(b) |
| Revision | AM0087 | EB 81, para. 55; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the consolidated methodology with AM0029 | 22(c) |
| Revision | AM0089 | EB 79, para. 46; 2015 workplan MAP project 223 (EB 82, annex 8) | Call for public input | 22(d) |
| Revision | AM0091 | EB 79, para. 46; 2015 workplan MAP project 223 (EB 82, annex 8) | Call for public input | 22(e) |
| Revision | AM0101 | EB 67, para. 107, EB 70, para. 56; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodology | 15(d) |
| Revision | AM0102 | 2015 workplan MAP project 223 (EB 82, annex 8) | WIP | 18(b) |
| Revision | AM0107 | 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodology | 15(e) |
| Revision | ACM0002 | EB 81, para. 58; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the inclusion of ocean thermal in the positive list | 16 |
| Revision | ACM00012 | EB 81, para. 59; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodology | 15(g) |

| Issue | AM/AT | Mandate | Status/ recommendation | Paragraph |
|----------|--|---|---|-----------|
| Revision | ACM0016 | EB 67, para. 107, EB 70, para. 56; 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodology | 15(h) |
| Revision | The methodological tool “Emissions from solid waste disposal sites” | 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodological tool | 15(i) |
| Revision | The methodological tool “Project emissions from cultivation of biomass” | 2015 workplan MAP project 223 (EB 82, annex 8) | To approve the proposed revised methodological tool | 15(j) |
| Revision | Tool to calculate the emission factor for an electricity system | EB 81, para. 83; 2015 workplan MAP project 223 (EB 82, annex 8) | WIP | 19 |
| Revision | Combined tool to identify the baseline scenario and demonstrate additionality | EB 81, para. 60; 2015 workplan MAP project 223 (EB 82, annex 8) | Call for public input | 22(e) |
| Revision | Tool to determine the baseline efficiency of thermal or electric energy generation systems | EB 81, para. 62; 2015 workplan MAP project 223 (EB 82, annex 8) | WIP | 18(c) |

14. The Meth Panel recommended that the Board approve the responses to the following requests for revision:
- (a) AM_REV_0254 regarding “AM0086: Distribution of zero energy water purification systems for safe drinking water”. Please see paragraph 15(c);
 - (b) AM_REV_0255 regarding “AM0110: Modal shift in transportation of liquid fuels”. Please see paragraph 15(f).

15. The Meth Panel recommended that the Board approve the following draft consolidated methodology and draft revisions of the methodologies/methodological tools 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 from the Board at EB 81 (EB 81 report, para. 55) and EB 82 (EB 82 report, annex 8; MAP project 223) (see also paragraph 17 below). The Meth Panel, at MP 64, requested the secretariat to make the draft consolidated methodology publicly available for global stakeholder consultation for a period of 15 days, 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 baseline emissions calculation;

(b) “AM0031: Bus rapid transit projects”, as contained in annex 2. 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 from the Board at EB 70 (EB 70 report, para. 56), EB 75 (EB 75 report, para. 53) and EB 82 (EB 82 report, annex 8; MAP project 223). The Meth Panel, at MP 65, requested the secretariat to make the draft methodology publicly available for global stakeholder consultation for a period of 15 days, from 7 November 2014. One input was received (available at: https://cdm.unfccc.int/public_inputs/2014/mp66_02/index.html).

The input noted that the “A benchmark of 20 gCO₂/pkm is unrealistic and in practice not achieved by any BRT system. Conventional bus systems have normally values of 100 gCO₂/pkm or more. A demanding benchmark would be around 50 gCO₂/km”. Furthermore the input noted that the addition of feeder lines to the trunk lane of a BRT project can significantly alter the emissions performance, i.e. gCO₂/PKM increases.

The panel considered the public input and emissions performance (in gCO₂/PKM) derived from monitoring reports and project design documents (PDDs) of registered BRT projects compiled by the secretariat as provided in annex 3. The latter showed that values ranged from 30 to 60gCO₂/PKM with an average of around 40gCO₂/PKM and standard deviation of 10gCO₂/PKM. The panel also considered the literature review by the secretariat summarizing the emission performance reported in the literature for bus systems. Noting that bus fleet, operating speed and operating conditions such as occupancy impact the performance, among other factors, the panel agreed to propose revised threshold to provide flexibility to project developers.

Thus the panel agreed to recommend a benchmark value of 30gCO₂/PKM for trunk route to demonstrate additionality. This value is the lower bound of CDM project data referred to in annex 3. The panel further noted that, in the case of AM0031 and ACM0016, the benchmark is used to demonstrate additionality only

in the cases where BRT projects are implemented in cities with more than two existing BRT lanes.

The draft revision:

- (i) Introduces reference to the tool “Baseline emissions for modal shift measures in urban passenger transport”;
 - (ii) Improves the approaches on additionality demonstration as described above;
 - (iii) Improves the guidance on the renewal of the crediting period;
 - (iv) Improves the language, readability, clarity and consistency;
- (c) “AM0086: Distribution of zero energy water purification systems for safe drinking water”, as contained in [annex 4](#). The revision was based on the request for revision AM_REV_0254. The draft revision expands the applicability of the methodology to scenarios in which the fraction of population with access to improved drinking water is above 60 per cent;
- (d) “AM0101: High speed passenger rail system”, as contained in [annex 5](#). The revision was carried out as per the mandate from the Board at EB 67 regarding the renewal of the crediting period (EB 67 report, para. 107) and EB 82 (EB 82 report, annex 8; MAP project 223). The revision also improves the current approach of demonstrating additionality without consideration of the CER revenues per the mandate from the Board at EB 70 (EB 70 report, para. 56). The Meth Panel, at MP 65, requested the secretariat to make the draft methodology publicly available for global stakeholder consultation for a period of 15 days, from 7 November 2014. No inputs were received. The draft revision:
- (i) Improves the approaches on additionality demonstration;
 - (ii) Improves the guidance on the renewal of the crediting period;
 - (iii) Improves the language, readability, clarity and consistency;
- (e) “AM0107: New natural gas based cogeneration plant”, as contained in [annex 6](#). The revision was carried out in response to the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) to simplify the methodology and improve its consistency. The Meth Panel, at MP 65, requested the secretariat to make the draft methodology publicly available for global stakeholder consultation for a period of 15 days, from 7 November 2014. No inputs were received. The draft revision simplifies the methodology and improves the consistency in the methodology;
- (f) “AM0110: Modal shift in transportation of liquid fuels”, as contained in [annex 7](#). The revision was based on the request for revision AM_REV_0255. The draft revision allows the use of sampling to determine the specific fuel consumption for calculation of project emissions from transportation of liquid fuel, in complementary routes, by trucks;
- (g) “ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects”, as contained in [annex 8](#). The revision was

carried out in response to the mandate from the Board at EB 81 (EB 81 report, para. 59) to work further on appendix 1 of the methodology and EB 82 (EB 82 report, annex 8; MAP project 223) to simplify and streamline the methodology. 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”;
- (h) “ACM0016: Mass Rapid Transit Projects”, as contained in [annex 9](#). The revision was carried out per the mandate from the Board at EB 67 regarding the renewal of the crediting period (EB 67 report, para. 107) and EB 82 (EB 82 report, annex 8; MAP project 223). The revision also improves the current approach of demonstrating additionality without consideration of the CER revenues per the mandate from the Board at EB 70 (EB 70 report, para. 56). The Meth Panel, at MP 65, requested the secretariat to make the draft consolidated methodology publicly available for global stakeholder consultation for a period of 15 days, from 7 November 2014. One input was received¹ (available at https://cdm.unfccc.int/public_inputs/2014/mp66_05/index.html). The draft revision:
- (i) Introduces reference to the tool “Baseline emissions for modal shift measures in urban passenger transport”;
 - (ii) Improves the approaches on additionality demonstration;
 - (iii) Improves the guidance on the renewal of the crediting period;
 - (iv) Improves the language, readability, clarity and consistency;
- (i) The methodological tool “Emissions from solid waste disposal sites”, as contained in [annex 10](#). The revision was carried out in response to the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) regarding standardization of input parameters to the first-order decay (FOD) model. The Meth Panel, at MP 65, requested the secretariat to make the draft methodological tool publicly available for global stakeholder consultation for a period of 15 days, from 7 November 2014. One input was received, which expressed appreciation for the simplified approach proposed by the Meth Panel, and requested the inclusion of another approach which requires more monitoring effort than the

¹ See paragraph 15(b) above, regarding the analysis of stakeholder input received.

originally proposed approach. The draft revision introduces both approaches for the application of an FOD model by integrating default values for different climatic regions;

- (j) The methodological tool “Project emissions from cultivation of biomass”, as contained in [annex 11](#). The revision was carried out in response to the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) to simplify and streamline the requirements for accounting for leakage emissions from the use of biomass residues/biomass from cultivation. The Meth Panel, at MP 65, requested the secretariat to make the draft methodological tool publicly available for global stakeholder consultation for a period of 15 days, from 7 November 2014. No inputs were received. The draft revision:
- (i) Simplifies and streamlines the requirements for accounting for leakage emissions from the use of biomass residues or biomass from cultivation;
 - (ii) Introduces leakage calculation due to the use of biomass residues;
 - (iii) Expands simplified approaches to include both small-scale and large-scale methodologies;
 - (iv) Includes project emissions due to biomass processing and biomass transport;
 - (v) Changes the title to “Project and leakage emissions for biomass”.

The Meth Panel also recommends that the Board initiate revision of approved methodologies, identified as relevant for this tool, to introduce reference to the revised tool to simplify and streamline related requirements.

16. The Meth Panel recommended that the Board [approve](#) the inclusion of ocean thermal technology in the positive list of the approved consolidated methodology “ACM0002: Grid-connected electricity generation from renewable sources” and to implement this inclusion in the next revision of the methodology. The Meth Panel also agreed to continue its work to identify other renewable energy technologies that can be included in the positive list. The work was carried out in response to the request from the Board at EB 81 (EB 81 report, para. 58) and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223).
17. 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 para. 15(a) above).
18. 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 worked further on simplifying and streamlining the methodology AM0058. The revision is being carried out in response to the mandate from the Board at EB 82

- (EB 82 report, annex 8; MAP project 223) to simplify and streamline methodologies and tools;
- (b) “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)”. The revision is being carried out in response to the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) to simplify the methodology and improve its consistency along with other cogeneration methodologies;
- (c) “Tool to determine the baseline efficiency of thermal or electric energy generation systems”. The revision is being carried out in response to the mandate from the Board at EB 81 (EB 81 report, para. 62) to expand the applicability of the tool by updating the default baseline efficiency table and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223). In addition to the update on default baseline efficiency, the Meth Panel is also exploring the possibility of introducing default efficiency for biomass-based energy generation systems and update of existing protocols to determine efficiency in the tool.
19. The Meth Panel recommended that the Board take note that it initiated work to address the mandate from the Board at EB 81 (EB 81 report, para. 83) and EB 82 (annex 8; MAP project 223) on: i) the possibility of revising the “Tool to calculate the emission factor for an electricity system” (grid tool) for broadening the application of simplified combined margin (CM) option for grid/isolated systems also in countries that are not least developed countries/small island developing States/underrepresented countries; and ii) applicability of “AM0104: Interconnection of electricity grids in countries with economic merit order dispatch” to actual projects. Based on the work done on this mandate as well as the analysis carried out under the work stream related to standardized baselines (SBs), the Meth Panel agreed to request the Board to provide an additional mandate to expand the scope of the revision of the grid tool covering the following aspects, which will further enhance user-friendliness and provide more options for estimating emission factors:
- (a) Project and SB assessment experience shows that the application of Simple Adjusted Operating Margin has not been consistent across projects. Therefore, the work will further clarify the procedure to determine the percentage of time when low-cost/must-run power units are on the operating margin (OM) (with illustrative diagrams) under the Simple Adjusted Operating Margin;
- (b) Currently, the criteria for exclusion/inclusion of renewable energy plants for determining operating margin are based on the threshold of 50 per cent. Preliminary analysis shows that in some cases the threshold rule might not hold. The proposed work will further simplify the procedure by making it more precise as to how to consider inclusion/exclusion of low-cost/must-run plants for determining the operating margin;
- (c) The work will explore providing an alternative option to determine the build margin emission factor taking into account past deviation requests approved by the Board. This will facilitate the determination of the build margin emission factor for cases where data for fuel consumption and electricity generation by each plant type are not readily available;

- (d) During the assessment of some standardized baselines, the limitation of the grid tool was noted with regard to the definition of 'connected electricity system'. For example in cases where no delineation of the grid has been provided by the DNA and no transmission constraint exists between importing and exporting electricity systems as defined in the tool, then the electricity systems together constitute a single electricity system. This makes the tool inapplicable to countries where electricity exchange with neighbouring countries exceeds the threshold and where neighbouring countries are reluctant to develop the common grid emission factor. The work will explore providing flexibility to DNAs for defining delineation of 'connected electricity systems';
 - (e) Stakeholders have communicated that they have experienced difficulty in determining the grid emission factor when off-grid plants are included. The work will explore further simplification of the relevant procedure;
 - (f) Project and SB assessment experience shows that the simplified provisions included in the grid tool are sometimes not visible and its application is not clear. The revision will aim to provide flow charts on the application of the grid tool with systematic illustrations of provisions (e.g. simplified provisions for off-grid default values, simplified OM, simplified CM option, etc.).
20. 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 designated operational entities (DOEs) may upload 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.
21. 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 3.1.2. Global stakeholder consultation/call for public input

22. The Meth Panel recommended that the Board take note of the recommendation on the following draft revised guidelines/methodologies/tools. The Meth Panel requested the secretariat to make these draft revised guidelines/methodologies/tools 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) "AM0076: Methodology for implementation of fossil fuel trigeneration systems in existing industrial facilities", as contained in annex 12. The revision was carried

- out in response to the mandate from the Board at EB 79 (EB 79 report, para. 46) to provide a consistent approach for the estimation of upstream leakage emissions and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223);
- (b) “AM0084: Installation of cogeneration system supplying electricity and chilled water to new and existing consumers”, as contained in annex 13. The revision was carried out to provide a consistent approach for the estimation of upstream leakage emissions and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223);
 - (c) “AM0089: Production of diesel using a mixed feedstock of gasoil and vegetable oil”, as contained in annex 14. The revision was carried out in response to the mandate from the Board at EB 79 (EB 79 report, para. 46) to provide a consistent approach for the estimation of upstream leakage emissions and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223);
 - (d) “AM0091: Energy efficiency technologies and fuel switching in new and existing buildings”, as contained in annex 15. The revision was carried out in response to the mandate from the Board at EB 79 (EB 79 report, para. 46) to provide a consistent approach for the estimation of upstream leakage emissions and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223);
 - (e) The methodological tool “Combined tool to identify the baseline scenario and demonstrate additionality”, as contained in annex 16. The revision was carried out in response to the mandate from the Board at EB 81 (EB 81 report, para. 60) and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223). The draft revision also improves the language, readability, clarity and consistency;
 - (f) “Guidelines on the assessment of investment analysis”, as contained in annex 17. The revision was carried out in response to the mandate from the Board at EB 75 (EB 75 report, para. 57) and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) to provide 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 limited to the CAPM) and to update the default values in appendix 1 to the guidelines. The draft revision:
 - (i) Describes the conditions under which the application of CAPM can be considered appropriate;
 - (ii) Provides guidance on how CAPM should be applied to calculate the cost of equity;
 - (iii) Updates the default values for the cost of equity in appendix 1;
 - (iv) Incorporates a clarification issued by the Board (EB73-A08-CLAR);

- (v) Includes other editorial improvements;
- (vi) Changes the title to “Standard on investment analysis”.

Agenda item 3.1.3. Consideration of requests for clarification on large-scale methodologies and tools

23. 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>>.
24. 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>>.
25. 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 4 below.

Table 4. Requests for clarification

| Submission number | AM/AT | Title | Status |
|-------------------|------------------------|---|-----------|
| AM_CLA_0265 | ACM0001 (version 15.0) | Procedure to determine the amount of methane that would have been captured and destroyed (by flaring) in the baseline (FCH4,BL,y). | Clarified |
| AM_CLA_0266 | ACM0002 (version 16.0) | Clarification on the applicability of ACM0002 to a rehabilitation hydro project when the project activity electricity generation is lower than the historical generation data | Clarified |

Agenda item 3.1.4. Post-registration changes

26. In response to the request for post-registration changes “PRC 3841-001: Municipal Solid Waste (MSW) Composting Project in Ikorodu, Lagos State”, the Meth Panel requested the Board to take note that it provided feedback to the secretariat.

Agenda item 3.1.5. Consultation on issues related to methodological standards

27. The Meth Panel recommended that the Board take note that the panel provided feedback to the secretariat on the concept note on “Non-binding best practice examples in methodologies”. This work is based on a request by the Board at EB 81 (EB 81 report, para. 61) and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223).
28. The Meth Panel recommended that the Board take note that the panel provided feedback to the secretariat on the concept note on “Analysis of the implications of allowing requests for revision of a methodology without a draft PDD”. The work has been undertaken in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) originating from a request from the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) (decision 4/CMP.10, para. 5).
29. The Meth Panel recommended that the Board take note that the panel provided feedback to the secretariat on digitized methodology-specific PDD forms covering three methodologies. The work has been undertaken in response to the mandate from the Board at EB 81 (EB 81 report, para. 51) and in accordance with the mandate from the Board at EB 82 (EB 82 report, annex 8; MAP project 223) originating from a request from the CMP (decision 4/CMP.10, para. 15). The Meth Panel expressed its appreciation for the work undertaken by the secretariat in developing methodology-specific PDD forms covering three methodologies, which is a major step towards digitization of methodology-specific PDDs. Further, the panel suggested that the secretariat road-test the digitized forms with various stakeholders including the DOE/AIE forum. The panel furthermore offered the following feedback: at the time of the deployment it may be necessary to ensure that: (a) all valid versions of methodologies are made available for the use of the project participants; (b) quality control checks are appropriately addressed (e.g. bugs, regulatory guidelines and procedures) and (c) project participants are provided guidance on what needs to be monitored ex post. In addition, the panel suggested that the secretariat explore the possibility of developing independent modules for easier application of CDM tools (e.g. additionality tool) and highlighted the challenges to convert models to digitized forms.

Agenda item 3.1.6. Other issues

30. The Meth Panel recommended that the Board take note that the panel considered the concept note on “New project in the same physical or geographical location of a project whose crediting period has expired” and agreed to the proposal from the secretariat that took into account the feedback received from the Board at EB 81 (EB 81 report, para. 52). This work has been undertaken as part of MAP project 225.
31. The Meth Panel recommended that the Board take note that it considered the discussion paper on “Combinations of methodologies that do not require prior approval” and agreed to continue to work on this issue. This work has been undertaken in response to the

mandate from the Board at EB 81 (EB 81 report, para. 50) and EB 82 (EB 82 report, annex 8; MAP project 223).

32. 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 from the Board at EB 82 (EB 82 report, annex 8; MAP project 223).
33. The Meth Panel recommended that the Board take note that it considered the information related to the products from project 244 “Development of new methodologies to broaden the applicability of the CDM” and provided input to the secretariat on the workplan. This work has been undertaken in response to the mandate from the Board at EB 82 (EB 82 report, annex 7; MAP project 244).

Agenda item 3.2. Guidelines

34. The Meth Panel recommended that the Board take note that the panel started the work to develop a concept note in order to respond to the Board’s mandate (EB 81 report, para. 48) related to the revision of the “Guidelines for the establishment of sector-specific standardized baselines” including:
 - (a) Assessing the applicability of the proposed framework to different project types and sectors, considering which of the three approaches used (market penetration, performance, costs/barriers) may be suited for which project types and sectors;
 - (b) Also exploring other approaches for standardization highlighted in the literature, especially, but not limited to, a possible process-oriented approach like the development of the performance standard;
 - (c) Using the current thresholds as default and considering whether different threshold values may be more appropriate for specific project types.

The Meth Panel agreed jointly with the secretariat on the scope and approaches for the analysis for the proposed work. The Meth Panel will further consider the issue. The work is based on the approved workplan of panels and working groups for 2015 (EB 82 report, annex 2) and the workplan of the project “Further development of the standardized baselines framework” (EB 82 report, annex 6).

35. The Meth Panel requested that the Board take note that the panel started its work for the development of a concept note containing an analysis of options for the development of sector-wide emission factors based on a combination of measure-specific standardized baselines. The Meth Panel noted that this work may have some overlap with the mandate from EB 81 related to the revision of the “Guideline for the establishment of sector-specific standardized baselines”. This work is based on the approved workplan of panels and working groups for 2015 (EB 82 report, annex 2) and the workplan of the project “Further development of the standardized baselines framework” (EB 82 report, annex 6).
36. The Meth Panel recommended that the Board take note that it considered the revision of the sampling standard/guidelines to include guidelines on conducting surveys and provided its input to the secretariat. This work is based on the approved workplan of

panels and working groups for 2015 (EB 82 report, annex 2) and the workplan of the project “Simplification of methodologies including digitization to reduce transaction costs” (EB 82 report, annex 8).

Agenda item 4. Conclusion of the meeting

37. 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.
38. The Meth Panel adopted the meeting report and concluded its 66th meeting. The report and annexes will be made available on the UNFCCC website.

Annexes to the report

- Annex 1 - ACM00XX: Construction of a new natural gas power plant
- Annex 2 - AM0031: Bus rapid transit projects
- Annex 3 - Information note: Emission benchmarks in draft revision of AM0031 and ACM0016
- Annex 4 - AM0086: Distribution of zero energy water purification systems for safe drinking water
- Annex 5 - AM0101: High speed passenger rail system
- Annex 6 - AM0107: New natural gas based cogeneration plant
- Annex 7 - AM0110: Modal shift in transportation of liquid fuels
- Annex 8 - ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects
- Annex 9 - ACM0016: Mass Rapid Transit Projects
- Annex 10 - Methodological tool: "Emissions from solid waste disposal sites"
- Annex 11 - Methodological tool: "Project emissions from cultivation of biomass"
- Annex 12 - AM0076: Methodology for implementation of fossil fuel trigeneration systems in existing industrial facilities
- Annex 13 - AM0084: Installation of cogeneration system supplying electricity and chilled water to new and existing consumers
- Annex 14 - AM0089: Production of diesel using a mixed feedstock of gasoil and vegetable oil
- Annex 15 - AM0091: Energy efficiency technologies and fuel switching in new and existing buildings
- Annex 16 - Methodological tool: "Combined tool to identify the baseline scenario and demonstrate additionality"
- Annex 17 - Guidelines on the assessment of investment analysis

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