

**CDM-PA0171-RULE01**

Ruling note

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Rationale for rejection of PRC-0171-004

Version 01.0



**United Nations**  
Framework Convention on  
Climate Change

1. The CDM-Executive Board decided to reject the proposed request for post-registration changes for CDM project activity 0171 on 1 March 2018, during its ninety-eight meeting, in accordance with the clean development mechanism project cycle procedure (CDM-EB93-A06-PROC, version 01.0), paragraphs 147, 148 and 150 (the procedures):
  - (a) The DOE (EPIC Sustainability Services Pvt. Ltd. (EPIC)) failed to substantiate how the proposed or actual changes would adversely affect the additionality of the registered CDM project activity in accordance with CDM validation and verification standard for project activity (VVS-PA) version 01.0 paragraph 303 (a), 304 and 309 (c) and CDM project standard for project activities (PS-PA) version 01.0 paragraph 202-244.
  - (b) The relevant requirements are:
    - (i) VVS-PA version 01.0, paragraph 303 (a) states that “The DOE shall, by means of reviewing the revised PDD against applicable additionality and methodological requirements, determine whether the proposed or actual changes would adversely affect the conclusions of the validation report of the registered PDD with regard to additionality of the registered CDM project activity”;
    - (ii) VVS-PA version 01.0, paragraph 304 states “If the proposed or actual changes affect the additionality of the registered CDM project activity, the DOE shall confirm that: (a) If investment analysis has been used to demonstrate additionality, the project participants have only modified the key parameters in the original spreadsheet calculations affected by the proposed or actual changes to the project activity; (b) If only barriers have been claimed to demonstrate additionality, the project participants have demonstrated that the barriers are still valid under the new circumstances”;
    - (iii) VVS-PA version 01.0, paragraph 309 (c) states “The DOE shall state its opinion on an assessment regarding whether the changes would adversely affect the additionality of the registered CDM project activity”; and
    - (iv) PS-PA version 1 paragraph 244 states that “If the proposed or actual changes affect the additionality of the registered CDM project activity as referred to in paragraph 243 (d) above, the demonstration of the impacts of the changes on the additionality shall be based on all original input data. In addition: (a) If investment analysis was used, the project participants shall only modify the key parameters in the original spreadsheet calculations affected by the proposed or actual changes to the project activity; (b) If only barriers were claimed to demonstrate additionality, the project participants shall demonstrate that the barriers are still valid under the new circumstances”.
  - (c) The reasons and rationale for the final decisions are:
    - (i) The DOE validated that the investment decision for the project activity was considered in 2004 and 2005 and confirmed that no other formal investment decision was made afterward. However, based on the documents submitted for the post registration changes, it is observed that the capital expenditure for the electricity generation was planned in 2014 and 2016 and the major

capital expenditures for installation of the electricity generation occurred in 2015. Therefore, the DOE failed to justify how the investment decision for electricity generation was considered and analysed at the time of the investment decision in 2004 and 2005;

- (ii) The PDD submitted for the initial registration has demonstrated the additionality based on barrier analysis. Further, the registered and renewed PDDs do not contain technical details and investment analysis regarding the electricity generation. Therefore, based on the DOE validation opinion on the investment decision and the registered and renewed PDDs not containing technical and investment details for the electricity generation, the Board considers not to accept the extension of technology to claim CERs from LFG power generation through a post registration changes.
- (d) The PP/DOE may wish to submit a post registration change to reflect the actual implementation of the project activity and continue claiming CERs from the landfill gas (LFG) capture and destruction, if any, in accordance with corresponding procedures and standards.
- (e) The PP/DOE may also wish to submit a new project activity covering the power generation based on the captured LFG in accordance with corresponding procedures and standards.

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### Document information

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<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	1 March 2018	Initial publication Related to CDM project cycle procedure for project activities, version 01.0 (CDM-EB93-A06-PROC) (Paragraphs 147, 148 and 150)

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