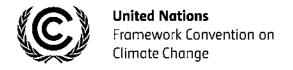
## **CDM-PA3793-RULE01**

## Ruling note

Rationale for the rejection of PRC-3793-001

Version 01.0



Ruling note
Rationale for the rejection of PRC-3793-001

Version 01.0

- 1. The CDM-Executive Board decided to reject the proposed request for post-registration changes for CDM Project Activity (PA) 3793 on 3 May 2021 in accordance with the "CDM project cycle procedure for project activities" (PCP-PA), version 02.0, paragraphs 146 and 147. Further, in accordance with paragraph 153 of the PCP-PA, the ruling shall contain an explanation of the reasons and rationale for the final decision, which are as follows:
  - (a) The request for post-registration changes for PA 3793 "PRC-3793-001: Pindó Biomass Energy Generation from Forest Biomass", proposed to change the monitoring plan for (along with other changes):
    - (i) The volume of biomass residue coming into the boiler from the measurement (as per registered monitoring plan) to the calculation (proposed) based on boiler nominal efficiency, NCV of biomass and measurement of steam production; and
    - (ii) The volume of biomass residue from sawmill from the measurement (as per registered monitoring plan) to the measurement of sawmill residues from third parties and the calculation of Pindó's sawmill residues (proposed) which accounts for 56% of volume of wood processed at Pindó sawmill.

The DOE (Earthood) failed to demonstrate compliance with the requirements of the Procedures and the applicable Standard as mentioned in paragraph (b) below.

(b) The relevant requirement is:

The validation and verification standard for project activities, version 2, paragraph 298 states "The DOE shall determine whether the permanent changes to the registered monitoring plan or the permanent deviation of the monitoring from the applied methodologies, standardized baselines, or the other applied methodological regulatory documents are likely to lead to a reduction in the accuracy of the calculation of GHG emission reductions or net anthropogenic GHG removals. If the DOE considers that the permanent changes or the permanent deviation will lead to a reduction in the accuracy of the calculation, the DOE shall request the project participants to apply conservative assumptions or discount factors to the calculations to the extent required to ensure that GHG emission reductions or net anthropogenic GHG removals will not be over-estimated as a result of the permanent change or the permanent deviation."

- (c) The reasons and rationale for the final decisions are:
  - (i) The alternative monitoring of biomass residues coming into the boiler is not conservative since it does not consider/discount the condensate which will return to the boiler from the steam production; and
  - (ii) Although the proposed approach to calculate the amount of Pindó's sawmill residues as 56% of wooden logs weighted at the entrance is considered conservative as substantiated by two external reports and the internal report on biomass yield analysis for 5 years in 2020, this approach might not remain conservative during subsequent crediting periods since efficiencies could change over time. Therefore, value adopted for this parameter (biomass residue/wooden log) need to be updated during subsequent crediting period renewals.

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## **Document information**

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01.0	6 May 2021	Initial publication.  Related to CDM project cycle procedure for project activities (CDM-EB93-A06-PROC), version 02.0, paragraphs 146, 147 and 153.

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