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**From** rachel.child@pd-forum.net  
**Date** 7<sup>th</sup> April 2011  
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**Subject** **Unsolicited letter relating to the annotated agenda of the 60th meeting of the CDM's Executive Board**

Honourable Members of the CDM Executive Board,  
Dear Mr. Hession,

The Project Developer Forum (PD Forum) would like to provide input on two subjects listed in the annotated agenda to EB 60. We would like to express our support to the EB on the items it will discuss in the upcoming meeting. In particular, we commend the Board and Secretariat on increasing transparency and understanding of outcomes by reporting clearly on workshops (e.g. on the standardised baselines workshop and the workshop on energy efficiency in buildings) and providing annexes summarising public responses to call for inputs (e.g. PoA and standardised baselines).

With this letter, we seek to provide views and information on the following topics, which the Board might find helpful:

1. Comments on 'Measures to enhance communication with stakeholders' (see Annex 1)
2. Proposals to amend SSC-I.J "Solar water heating systems" which has been recommended to the EB for approval (see Annex 2)
3. Information note on standardised baselines: We welcome the note as it provides a common understanding of the concept. We see, however, the need for more clarity on section IV.A and B as to whether both Project Participants and DNAs will be allowed to make submissions of standardised approaches and whether such approaches submitted by Project Participants will require some form of DNA approval.

Should there be any questions regarding our comments, please do not hesitate to contact me through the contact details provided above.

With kind regards,



Rachel Child  
Co Vice-Chair of the PD Forum

**Attachments:**

1. Annex 1- Measures to enhance communication with stakeholders
2. Annex 2 - SSC-I.J Solar water heating systems

## **Annex 1 - Measures to enhance communication with stakeholders (Para 81, Annex 11)**

The official submission by the PD Forum to the call for public input can be found on its website<sup>1</sup>.

As regards the proposed measures to enhance communication outlined in Annex 11 we would like to note the following:

- a. Para 25 and 26, Interactions including other stakeholders: We have observed that the current format has discouraged stakeholders from attending EB meetings as observers (due to continual postponement of the interaction, limitation in registration, etc). We recommend that the interaction session is fixed to a specific timeslot and that observers' comments are noted in the meeting report. Moreover, we would welcome the possibility to enhance the circle of observers to all project participants (represented by only one person).
- b. Para 35, the PD Forum welcomes the proposal to prepare agendas of Roundtable meetings and Joint Coordination Workshops in consultation with stakeholders as this would allow the identification of priorities for stakeholders.
- c. Para 47, Standardisation of unsolicited submission is welcome if it assists the Board in taking comments into account in their discussions. However, often a timely submission is not possible, e.g. commenting on the content of the annotated agenda, as the PD Forum has been doing on a regular basis since EB53, as such communication is necessarily after the publication of the annotated agenda, and has therefore often been disregarded by the Board. The PD Forum strongly recommends that representations that relate to the annotated agenda of an EB meeting and are made by the PD Forum and other selected stakeholders should be considered at that EB meeting.
- d. Para 51 (a), the PD Forum agrees that a key objective of communication on case specific issues is to allow better understanding of the rationale behind decisions. As such, the PD Forum requests that the Secretariat publishes the assessments made by the Secretariat and RIT in review cases and that reasons for rejection of issuance requests and registration requests are made available as soon after the decision has been taken as possible.
- e. Section VI.2, Disclosure of case specific submissions status. The CDM website provides all relevant information regarding the status of projects going through the registration and issuance process, including the completeness check steps. However, the PD Forum notes the lack of status information for projects at request for review. The date of the scheduled review and assessment by the RIT and Secretariat is the only date made available; while the date of commencement of consideration by the EB is not published. Hence, it is impossible to assess

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<sup>1</sup> Response to call for public input, submitted on 17 March 2011, to be found: <http://pd-forum.net/files/05031ccfc2459d512e2fbb2ffd9339b.pdf>

how long it takes for projects to go through the review process, information which is important for adjusting delivery schedules. Also, the final submission made by DOE/PP during the Under Review process is not made available. Publishing the replies would certainly add to transparency in the system besides assisting other developers in understanding reasons for rejections/ acceptance by EB. Publication of review decision notes on the CDM website is also often delayed by up to two weeks.

- f. Para 58: We would like to seek clarification as to whether this proposal means that clarifications received through direct 'communication' will have a negative impact on the performance of the DOE. If this is the case, DOEs will try to avoid this kind of communication, which Project Participants see as being useful.
- g. Para 59: The PD Forum strongly supports the notion of transparency in communications between the EB/its support functions and stakeholders. On the record telephone communication is therefore strongly welcomed.
- h. Para 61: in line with the provided clarification that "The purpose of stakeholder led communication post decision making is to ensure mutual understanding of the decision, and does not provide a possibility to challenge a decision..." the PD Forum has proposed in its submission to the call for input to establish a procedure whereby
  - i. Project participants are automatically offered the opportunity of a telephone conversation with the Secretariat in every situation where project documents are delayed or rejected<sup>2</sup> and
  - ii. The Secretariat/RIT members shall have the opportunity to talk to DOEs/PPs during their assessments. The call can be automatically scheduled and offered to stakeholders in the existing notifications of Completeness Check/Information & Reporting rejections or Requests for Review.

Calls could be limited to a 30 minute window and their scope limited to issues identified by the Secretariat/RIT in the incompleteness message or review assessment. We consider a phone call of 15 minutes for discussing questions arising from the Information and Reporting Check, as proposed in the table on page 9, as a step in the right direction but believe that this is an insufficient time span. Rather than it being an additional drain on resources, we strongly believe that this type of communication will resolve many issues and will therefore avoid re-submissions of requests or reviews and hence will lead to a decrease in case-specific workload. In the end, a 30 minute call will only be a minor expenditure of time within the I&R check, which can take up to 23 calendar days.

The PD Forum therefore welcomes the proposal detailed in the table on pages 9-13 regarding how to trigger case-specific direct communication.

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<sup>2</sup> for example, during completeness check but not including rejections of requests for issuance and registration

- i. VII. Establishment of a formal communication channel with project participants: the PD Forum was founded based on the desire to have a forum formally recognised by the EB to represent the interests of all project participants, and we have continually pursued formal recognition, although, to date, without success. We therefore welcome the proposal to close the current representation gap. Given the resource constraints by the Secretariat, we feel that the more practical approach would be the recognition of an existing organisation under certain conditions as outlined under para 63 b.

## **Annex 2 - SSC-I.J “Solar water heating systems (SWH)” recommended to the Board for approval (Para 52c)**

We welcome the initiative of the SSC-WG to develop a SWH specific methodology. A new workable SWH methodology is urgently needed to assist the renewable thermal energy sector. SWH project initiatives are specifically suited to be developed under a PoA format, as the number of devices installed is high and mostly not defined at the moment of preparation of project documents.

Currently seven SWH PoAs are under validation, some for almost three years. In mid March 2011, the first SWH PoA (“SASSA Low Pressure Solar Water Heater Programme”) reached the status of requesting registration. The difficult and partly unspecified monitoring requirements of AMS-I.C were met by the project developer by only allowing one type of SWH (i.e. same size, brand and model). Additionally, the PoA took advantage of a well-developed meteorological database in South Africa. Other SWH PoAs struggle to comply with the current requirements of AMS I.C facing extensive monitoring challenges compared to a relatively small amount of expected emission reductions. Hence, we believe the **new SWH methodology should satisfy following needs:**

- Definition of clear monitoring procedures thereby avoiding lengthy discussions with DOEs who tend to be over conservative due to their concerns over liability of erroneous inclusion of CPAs
- Standardisation of the methodology in a way that allows it to be applied in countries with limited data availability (e.g. LDCs)

In the context of the above needs, we would like to make the following **comments on the recommended methodology “AMS-I.J Solar Water Heater Systems (SWH)”**:

- The methodology recognises suppressed demand, which is a very positive development.
- All three emission reduction measurement methods should be applicable for commercial systems. Applying the system metering method for SMEs with limited thermal energy needs is not practical due to the related monitoring costs. Applicability of the methods shall be based on collector size only. The applicability conditions of the Stipulated Energy Saving Method should therefore be revised to ensure that this option is available for **commercial** SWH system projects (e.g. delete applicability condition (i) as it is residential specific and oversizing is already prevented by applicability condition (iv)).
- The Stipulated Energy Saving Method should be applicable for total collector sizes up to 100 m<sup>2</sup> if the project activity is situated in an LDC. Both the Model Based Method and System Metering require solid data and local expert knowledge, which mostly doesn't exist in LDCs. The applicability conditions of the Stipulated Energy Saving Method should therefore be revised to

- comply with **larger** SWH systems (e.g. delete applicability condition (i) as oversizing is already prevented by applicability condition (iv)).
- The stipulated energy saving values are highly appreciated and will enable the implementation of projects with limited data availability and small monitoring budgets. However, it should still be possible to use project specific solar resource data and SWH efficiencies to incentivise the dispersion of SWH systems with high efficiencies. The project specific data could be multiplied by a conservativeness factor e.g. 0.9.
  - When only a sample of SWHs are monitored, the methodology states that the “General guidelines for sampling and surveys” are followed. The guideline requires 90% confidence of the measurement results. This approach is problematic, as this way the number of monitoring points (i.e. sample size) can be fixed only after comparing the first measurement results. This leads to a situation where monitoring costs cannot be determined upfront. Especially when continuous monitoring of a sample group of the SWHs is undertaken, the monitoring costs are significant. It is suggested that the size of the sample group (i.e. number of monitoring points) is fixed upfront. In doing this, in addition to the number of occupants and demographic differences, weather conditions should be considered, as they may differ significantly within one country. All SWHs should have a measurement point within a certain radius (e.g. 50km) that can be justified based on weather conditions and demographics.
  - When metering SWHs, it is suggested that the metering interval “at least every minute” is reduced for example to every ten minutes. If readings are taken every minute, this will result in a huge number of readings (1440 readings per day) and increases data capturing needs. Weather conditions in some countries may change rapidly. However, the differences do not occur in such a short period of time (i.e. every minute).
  - The model based method for emission reduction calculations should allow for the use of models developed by private companies or universities, as long as the simulation approach can be justified (e.g. could be based on the same method as the SWH thermal performance standards). Furthermore it is suggested that the model based method should allow the use of own measurement data for isolation and ambient temperature, as long as the measurement equipment is certified to national or IEC standards and calibrated according to the national standards or IEC standards at appropriate intervals according to manufacturer specifications.
  - The frequency of maintenance periods should be determined by the supplier. Different parts of a SWH can come from different manufacturers (e.g. in South Africa vacuum tubes are imported mainly from China and storage tanks, frames and piping are locally produced) and typically each part of a SWH will have different warranties.