



UNFCCC secretariat work on end-use efficiency

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Scaling Up Energy Efficiency under the CDM -
Do we Need a "Plan B"?

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(13:00 - 15:00, Room Wind)

Bali, 2007

The response to EE | CDM

- The potential for using energy efficiency as a strategy for climate change mitigation is large
- Since end use energy efficiency currently accounts for only a small fraction of projects in the CDM pipeline
- CDM Executive Board is exploring possibilities for creating an environment that would better enable the provision of qualified energy efficiency projects and programs under CDM in particular DS EE
- There are methodological challenges for verifying reductions from energy efficiency projects and assessing the requirements for additionality

Analysis of Energy Efficiency Project Activities and Key methodological issues | CDM

- A bibliography of energy efficiency program literature, relating to measurement, monitoring & verification of energy reductions and assessment of approved, cases and rejected methodologies in DS EE
- Development of criteria to select the EE programmes for review
- Development of a framework for analysis of the EE programmes identified above, covering issues of estimating reductions, monitoring & verification procedures & any other issues that may be relevant
- Review the EE programmes identified above to provide a summary of key good practices & how these practices ensure reductions in energy consumption are real
- An analysis of how key issues, such as free riders, gross to net adjustment, rebound effects and suppressed demand in EE programmes are addressed to ensure real reductions in energy consumption

Progress to date | CDM

- The key factors highlighted by the review of methodologies are:
 - The effect of other factors - internal or external - on the energy efficiency gains from the project activity - distinguish exogenous factors from the project activity
 - Overtime improvements in the energy efficiency that would happen even in absence of the project activity - Autonomous Energy Efficiency Improvement (AEEI)
 - Identifying system boundaries so as to isolate outside effects on efficiency of process/equipment
 - Differentiation between project-related gains and BAU gains
 - Efficiency variations due to load variations and changes in capacity of equipments
 - Theoretical models to estimate energy saved that can not be confirmed against measurements
- The final reports will than be used to identify solutions for key issues identified, develop guidance and or improve proposed methodologies

Networking with other EE orgs | CDM

- Expert Group launched in Bali Energy Efficiency & Carbon finance expert group in Paris (launched here in Bali) (1300 -1500 hrs 6th December 2007)
 - Share information between organizations represented in the expert group
 - Mechanism to share and make available information
 - Focus (initially) on energy efficient building and industrial energy efficiency (demand side)
 - Share information on approved methodologies & key issues emerging from new methodologies
 - Information fed into enhancing methodologies
 - Exchange views on how PoA could be tailored to further assist
 - Regular updates to the Board