



CALL FOR INPUT

Name of submitter	Andrea Bonzanni
Affiliated organization of submitter	International Emissions Trading Association (IETA)
Email of submitter	bonzanni@ieta.org
Date of submission	07/04/2026

Document reference number and title: (Recommendation from the MEP to SBM020)

A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
1	APPLICABILITY	Paragraph 14: "Furthermore, the mechanism methodology is only applicable under the following conditions:... (b) The activity participants have not entered into any agreements to supply the electricity through the electricity system to specific consumers;"	This condition would exclude renewable power plants that enter into a power purchase agreement (PPA) with a specific customer and whose electricity is wheeled through the grid. The exclusion of projects relying on these commercial arrangements is unwarranted as these projects should be allowed to monetize their carbon attributes and finance investment through carbon finance. This condition would force renewable projects relying on carbon finance to sell electricity to the local power pool or single off-taker (often a utility), restricting their ability to structure transactions and fully capture the value of their generation. The direct marketing of renewable energy can coexist with the issuance of carbon credits subject to a clear articulation and ownership environmental attributes.	Paragraph 14(b) should be deleted. If lack of clarity on the ownership of environmental attributes and the risk of double claiming are considered a concern within the mandate of PACM, the methodology may include safeguards requesting the project proponents to disclose how the environmental attribute is separated from the electricity generated and that it will not be possible for the off-taker to claim renewable energy use in some cases. Provisions from the GHG Protocol's Scope 2 Guidance could be consulted and considered, particularly the Scope 2 Quality Criteria.
5	DEMONSTRATION OF ADDITIONALITY	Paragraph 29: "No lock-in analysis is required to be conducted under this mechanism methodology."	We strongly support Option 1. No lock-in analysis is required under this methodology as these risks are not relevant for grid-connected renewable energy projects.	-

Document reference number and title: (Recommendation from the MEP to SBM020)**A6.4 MEP012-A03: Draft mechanism methodology: Electricity generation from renewable sources connected to electricity systems (version 01.0)**

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
7	BASELINE EMISSIONS	Paragraph 39(a): "The distance between the wind turbines installed under the Article 6.4 activity and any other wind power plants is greater than [x] kilometers."	It is impossible to objectively determine one fixed distance when shadowing effect can be neglected. The distance depends on whether the plants are offshore or onshore, on weather conditions, wind directions, and the duration of wake-affected periods.	As the potential for shadowing must be a product of complex modelling, it is more sound to ask project proponents to demonstrate that the activity: a) Does not have a shadowing effect on any other downwind site; or b) If it does, proper accounting of such effect, including reconciliation with the affected sites, is considered for baseline emissions downward adjustments or subtractions.
8	BASELINE EMISSIONS	Paragraph 39(b): "The shadowing effects affect other wind power plants that are registered as an Article 6.4 activity."	PACM is not the only crediting programme recognised under the Paris Agreement. Other crediting mechanisms can be used to generate ITMOs under Article 6.2 and/or by the host Party to achieve its NDC. At a minimum, any shadowing effects should be accounted for and considered for reducing carbon credit units issued to the facility provoking such effect.	"The shadowing effects affect other wind power plants that are registered as an Article 6.4 activity or under another carbon crediting programme."