

2008 Virtual Members Meeting

Agenda



- Welcome
- President's Report
- Registry Updates
 - Policy Landscape
 - Protocol Update
 - Program Update
 - Best Practices
- Feedback



President's Report

Gary Gero President gary@climateregistry.org

Key Achievements in 2007



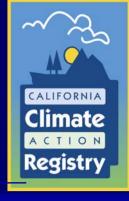
- Voluntary Carbon Market Development
 - New protocols adopted (livestock, landfill)
 - ARB adopted forest protocol
 - Support for PG&E launch of Climate Smart program
 - Offset Quality Initiative
- Support for Government Programs
 - Assist ARB in AB 32 implementation
 - Establishing and staffing The Climate Registry
 - State of New Mexico support

Key Achievements (2)



- Education and Outreach
 - Annual Conference
 - Delegation to UN Conference in Bali
 - Cool Planet Project
 - Workshops, seminars, conferences
- Organizational Development
 - Member and Staff Growth
 - Strategic Planning
 - Governance

Key Drivers of Change



- AB 32 Mandatory Reporting
- Development of AB 32 Regulatory Program
 - Reported inventories used for baseline setting in future market-based regulatory program.
- Launch of The Climate Registry
 - California model across North America
 - Consistency in reporting standards

Much of the original mission of California Registry has been fulfilled.

Future of the Registry



Vision

- To be a leading and recognized source of accurate, transparent, and credible GHG quantification standards for entities and projects.
- Strategic Plan
 - I. Strong Member Support
 - 2. Implement National Project Registry
 - 3. Provide Thought Leadership

1. Strong Member Support



- Provide excellent customer service to members
 - Technical and program support, workshops, seminars
- Represent member interests in ARB proceedings and at The Climate Registry
 - Ensure that data reported to California Registry is recognized
- Provide other member services not related to inventory data reporting

2. Implement National Project Registry



- Bring reputation for credible, accurate, transparent GHG accounting to the quantification of emission reductions from project activities.
- Implement rigorous tracking system to prevent double counting.
- Initial focus on voluntary market with goal that offsets can be applied in market-based regulatory setting once developed.
- Expand beyond California
 - To bring consistency and alignment
 - International linkages through VCS

3. Provide Thought Leadership



- Use knowledge and experience of California Registry staff to provide expert technical and policy services.
 - ARB, WCI, RGGI, The Climate Registry

Consider additional areas, such as Climate
 Neutral standards and certification.

Transition Strategy



- Encourage members to continue to report through California Registry for at least 2008 and 2009 reporting years
 - Transition to The Climate Registry by encouraging joint membership.
 - California data automatically transferred to TCR for joint members.
 - Ultimately fully transfer entity reporting to TCR.
 - Develop non-reporting related member services and continue to offer memberships in California Registry.



Policy Landscape

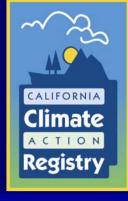
Derek Markolf Senior Policy Manager derek@climateregistry.org

California AB 32 process



- Mandatory Reporting Regulation
 - Based on CCAR protocols and programs
 - ARB staff consulted with CCAR during Regulatory development process
 - CCAR member participation in ARB public process instrumental to ARB success
- ARB board adopted Regulations at December 6th board meeting
 - Revised Regulation 15 day comment period soon
- Developing CCAR ARB comparison matrix

ARB Scoping Process



- Multiple sector specific subgroups
- Workshops November 2007-April 2008
- Draft Scoping Plan June 2008
- More workshops July 2008
- Scoping Plan to ARB board for adoption in November 2008



Climate Action Reserve

Joel Levin Vice President, Business Development jlevin@climateregistry.org

What are carbon reduction projects?



- Projects are discrete activities undertaken with the intention of reducing, avoiding or sequestering emissions
- Projects are often undertaken for trading purposes
- Projects demand a different type of accounting

What is the Climate Action Reserve?

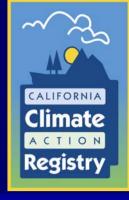


- New CCAR program to register and track carbon reduction projects throughout the U.S.
- Climate Action Reserve
 - Will be established as its own name, but co-branded with CCAR

climate action reserve

Intended to be the premier place to register voluntary carbon reduction projects

Why is CCAR doing this?



- Current status of voluntary carbon market
 - Bad press, skeptical public
- Key concerns
 - Projects aren't real or additional
 - Projects create other social or environmental problems
 - Credits are being double counted or sold
- CCAR reputation for high-quality accounting standards can address these concerns
- CCAR goal: To be the recognized "seal of approval" for market participants

What project protocols do we have?



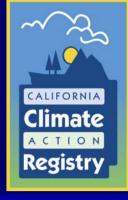
- Livestock methane
- Forestry
- Landfill methane

Crediting reductions



- Developer opens an account on the Reserve
 - Web-based banking software
- When CCAR accepts the project documents and verifier's opinion, it credits the project developer's account with the appropriate number of CRTs (carbon reduction tons, pronounced "carrots")
 - Project documents are visible to the public
- Each CRT has a unique serial number for tracking
 - Includes embedded information about the project, project type, vintage, and location

Trading



- Developer contracts to sell CRTs with an interested buyer
 - Financial transaction is outside of the system
 - Buyer must have an account on the system
- Developer instructs the system to transfer the CRTs into the buyer's account
- Buyer can hold them, retire them or trade them to someone else

How can CCAR members report purchases of CRTs



If a CCAR member purchases CRTs to offset their emissions, these can be reported and verified in their CARROT report

- Scope I & Scope 2 emissions only
- This is a change from current practice

Current Status of the Climate Action Reserve



- Currently accepting projects
 - Two forest projects verified
 - ~ 210,000 tCO2 from 2 years of project activity
- Software: Online software will go live in late April
 - Public launch



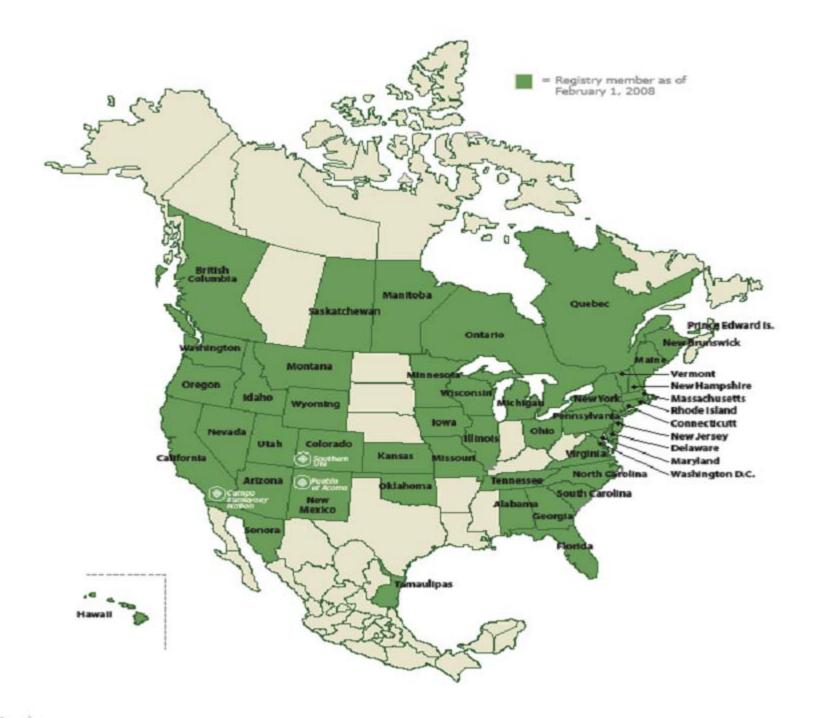
Harmonization: The Climate Registry

Diane Wittenberg Executive Director, The Climate Registry diane@theclimateregistry.org

The Climate Registry

- 51 members: U.S. states, Canadian provinces, Mexican states, Indian tribes
 - More will join
- 57 Founding Reporters to date
 - Founding Reporter status for those that join by May 1, 2008.
 - 15 Founding Reporters are also Ca. Registry members
- General Reporting Protocol available March 31
- Software: CRIS June





TCR: Reporting Terminology

Historical reporting

- 3rd party verified CO₂ reporting, at least state-wide
 - All Ca. Registry verified data meets this requirement

Transitional reporting

- CO₂ statewide data meets minimum requirement
- TCR verification required

Complete reporting

- All 6 gases for all sources across North America
- Required no later than with third year of reporting to TCR



Benefits of Joint Membership

- Strong reasons for joint membership
 - Report once each year
 - CCAR is operational, well-recognized
 - CARB will recognize CA verified data
 - TCR provides risk management for future federal programs
- 50% reduction in TCR fees for 2008 and 2009
 - Fee schedule is same as Ca Registry
 - Free transfer of historical data if join TCR in 2008



Membership Options

	Option 1	Option 2	Option 3
Join TCR in Year:	2008	2008	2009
Start reporting in CRIS with emissions data from Year:	2007	2008	2009
TCR Transitional Reporting Data Years Include:	2007, 2008	2008, 2009	2009, 2010
Reporting of complete North American data is required for emissions year:	2009	2010	2011
Historic data years will be transferred by TCR for:	2006 and earlier	2007 and earlier	2008 and earlier

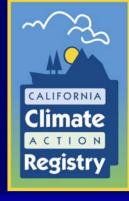




Protocol Update

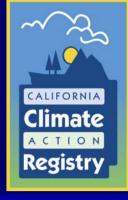
Rachel Tornek
Senior Policy Manager
rachel@climateregistry.org

Updates in GRP 3.0



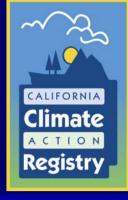
- New reporting/verification deadlines:
 - Submit CARROT report by June 30
 - Complete verification by October 31
- Updated emission factors:
 - Stationary combustion to match ARB, TCR
 - eGRID2006 CO₂ electricity factors; changes in subregions
 - Added CH₄, N₂O factors for off-road vehicles/ construction equipment

Updates in GRP 3.0



- New methodologies included for:
 - California-based electricity use estimation
 - Calculating CO₂ emissions from biodiesel blends
- Changes to HFC/PFC to be reported:
 - Added HFC-32, removed C₅F₁₂ to harmonize with ARB
- De minimis emissions
 - Required to be disclosed to California Registry and to the public

Updates in GVP 3.0



- Change "certification" to verification"
- If NDA needed in case of State oversight, must use standard NDA
- Member to submit signed Verification
 Opinion to CCAR, not verifier

CCAR Protocols



Entity:

- General Reporting Protocol
- Industry-specific reporting protocols
 - Power/Utility
 - Forest
 - Cement

Project:

- Livestock
- Landfill
- Forest (3 project types)

Entity Protocols



Natural Gas Transmission & Distribution

- Draft protocol being reviewed by workgroup
- Draft for public comment: mid-June 2008
- Expected adoption: August 2008

Oil & Gas Exploration & Production

- WRAP is driving process; partnering with NM and ARB
- Draft for public comment: November 2008
- Expected adoption: February 2008

Entity Protocols



Local Government Protocols

- Partnering with ICLEI, ARB and TCR
- Three-phase approach:
 - I. Local Government Operations Protocol
 - 2. Community-level inventory guidance
 - 3. Project protocols, if identified through process
- Local Government Operations Protocol kick off this week
 - Public comment: mid-June 2008
 - Expected adoption: August 2008
- Community guidance to be kicked off this summer

Project Protocols



In development:

- Expanding Forest Protocols for public lands/ working forests
 - Public comment: October 2008
 - Expected adoption: December 2008
- Urban Forestry
 - Public comment: mid-June 2008
 - Expected adoption: August 2008

Project Protocols



Scoping:

- Natural Gas Operations & Maintenance
- Recycling/Waste Diversion

Evaluating:

- Blended Cement
- Bus Rapid Transit
- CH₄ Avoidance Composting
- CH₄ Avoidance Co-Digestion
- Fleet Upgrade

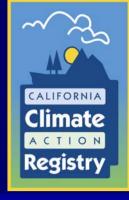
- N₂0 Reduction in Acid Plants
- Soil Sequestration
- Tidal Wetland Restoration
- Truck Stop Electrification
- Wastewater Biogas Capture & Combustion



Registry Program Update

Robyn Camp Vice President, Programs robyn@climateregistry.org





to better serve you...

- Robyn Camp: harmonization
- Sarah Stanner-Cranston: annual conference, sector work groups
- Marie Massa: QA/QC and coordination
- Kati Price: state agencies liaison
- Josh Perlman: COI, batch verification
- Kristen Garcia: verification workshops

help@climateregistry.org

Membership Update



- 331 Members
 - Newest members:
 - City of Thousand Oaks
 - WRA Group
 - Mammoth Mountain Ski Area
- 511,549,225 tons verified to date
 - CA annual inventory ~ 500 mmtCO2e

What Your Inventory Tells You



- What is your footprint?
- Where are your inefficiencies?
- What are your potential liabilities?
- How do you compare to other organizations in your sector?

 Unique data set: consistent, comparable, accurate, transparent data

Program Milestones



April

- CARROT updates
- Analysis of verified data
- Survey
- Debrief on 2006 certification
- Batch Verification (April 25)

May

- Annual Conference (May 15-16)
- Climate Action Champion Awards

<u>June</u>

- Prepare for Verification Workshops:
 - June 3 in Los Angeles
 - June 6 in Sacramento
- Reporting Deadline (June 30)

<u>Fall</u>

- Members Meeting
- Verification Deadline (October 31)

May 15-16 2008

Join us at the California Registry's 6th Annual

Conference!!



Four streams:

- I. California and the West
 - Implementing AB 32
 - Low Carbon Fuel Standard
 - Western Climate Initiative
- 2. Carbon Markets and Finance
 - Voluntary Carbon Markets
 - Linking Regional Markets
 - Business Opps from GHG Projects

Speakers include internationally recognized experts and visionaries in the climate change field!



- 3. National and International Policies
 - US Carbon Policy
 - The Climate Registry
 - Global Approaches International Update
- Emerging Technologies and Reduction Opportunities
 - Energy Efficiency Cost Effective Means of Reducing Demand
 - New and Emerging Climate Change Technologies
 - Forest Projects
- and much much more...

Special for Members:

- Opening cocktail party
- Protocol Update
- Discounted registration

New Member Services



- Reporting Roundtables (virtual)
 - Indirects, mobile sources, Refrigerants
- Talk to President Gary (quarterly)
- Climate Policy Conference Calls
 - ICAP, WCI, Lieberman-Warner and more
- Improving your Inventory
 - Training resources, tips
- Fall Members Meeting?
 - Want to volunteer for the planning committee?
 Email <u>help@climateregistry.org</u>



Innovations

Nancy Whalen
Director of Marketing
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Cool Planet Project & ClimatEEfficient Program



The Registry and utility companies bring their customers and members added benefits when participating in Energy Efficiency programs and Registry Membership.

Reducing energy usage reduces greenhouse gas (GHG) emissions

Publicity and marketing assistance to communicate companies environmental leadership to the public.

Cool Planet Project & ClimatEEfficient Program (2)



- Initiate & install project/s that potentially save I-3 million kWh annually & Edison reimburses

 Up to 50% of the cost of the project(s)

 100% of Registry first year membership

 Up to 50% of first year GHG verification fee
- Initiate & install project/s that potentially save over 3 million kWh annually & Edison reimburses

 Up to 100% of GHG verification fee

^{*} See your Edison representative for further eligibility details.

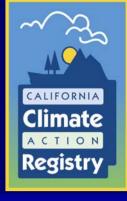
Feedback



What is the highest value service the Registry can provide?

How can the Registry improve your reporting experience?

Thank You!



for your Leadership

for sharing your knowledge & experience

...North America is looking to you...



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