

Putting it in a Global Perspective

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California Climate Action Registry

- Nonprofit greenhouse gas registry created by state legislation in 2001
 - Encourage voluntary reporting and reductions
 - Over 350 members and 730 million metric tonnes CO₂e registered for years 2000 – 2007
 - Members are transitioning to TCR
- Focus over past two years is increasingly on GHG emission reduction (offset) projects.
 - Offset program is national in scope
 - Undergoing name change to reflect geographic reach



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Climate Action Reserve

- National independent nonprofit organization dedicated to ensuring environmental integrity of GHG emission reduction claims
 - The organic seal of approval for GHG offsets
- High-quality, regulatory-grade project protocols
 - Open, public process for development and adoption
- Strong verifier training, accreditation, and oversight program
 - Working with American National Standards Institute to ensure International Standards Organization consistency
- Transparent and robust offset registry
 - Secure serialization, tracking, and retirement



Role of Offsets

- Offsets are part of the solution to climate change
 - Obtain reductions in uncapped sectors
 - Spur new technologies
- Must ensure environmental integrity to be effective
- Voluntary Market
 - Support climate neutral claims
- Compliance Programs
 - Provide economic efficiency, price pressure relief
 - Reduce more emissions faster



What Makes a Good Offset?

- It occurs outside of any regulatory requirement (incl. outside capped sector).
- It would not have occurred save for the incentive provided by a GHG market.
- It can be accurately measured and independently verified.
- Its ownership is undisputed.
- It is permanent.

Climate Action Reserve Features



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- Performance Based Standards
 - Objectivity, certainty, efficiency
- Focused
 - No financial interests or role
- Transparent
 - Open, public processes and information
- Compliance Grade
 - Processes, systems, internal controls mirrored on government rulemaking procedures and operational requirements
- Recognized
 - California, Pennsylvania, Mexico
 - EDF, NRDC, Sierra Club

Harmonizing Standards: The National Picture



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- Many Programs in U.S. Today
 - RGGI, Oregon Climate Trust, CCX, ERT, VCS
 - A broad range of approaches, programs, and quality
- Market Sophistication
 - Better understanding of quality drivers
 - Reflected in market price
- Collaboration and Consolidation
 - Programs will move toward harmony
 - Shared goals lead to greater collaboration
 - Market forces will begin to pick leaders and laggards
 - Regulatory decisions will dictate

Harmonizing Standards: The International Picture



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- Compliance Programs
 - United Nations: CDM & JI
 - Project Specific Assessments
 - Financial Additionality Test
 - Baseline Determination
 - Others: Alberta, New South Wales, WCI
- Voluntary Programs
 - Compliance Plus: VER+, Gold Standard, CCBA
 - CDM Alternatives: VCS (streamlined CDM?)
- Harmonization
 - Standardized, performance-based approaches?
 - U.S. regulatory decisions will drive international policy.



The Bottom Line

- Quality will win out.
- State, regional, and federal regulatory efforts will learn from both current voluntary programs and compliance regimes.
- The chosen path for a U.S. offsets system will greatly influence any post-Kyoto program to ensure harmony.

Contact Information



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Additional Information



Existing Protocols

- Forest
 - Reforestation
 - Improved forest management
 - Avoided conversion
- Landfill gas capture
- Livestock (agricultural methane capture)
- Urban forest



Protocols Under Consideration

- **Industrial Processes**
 - Boiler efficiency
 - Industrial gas destruction
 - Blended cement
 - Coal mine methane*
- **Transportation**
 - Bus fleet upgrades
 - Truck stop electrification
- **Agriculture and Biological Sequestration**
 - Waste diversion: composting and co-digestion*
 - Grassland/rangeland management
- **International**
 - Mexico landfill and agricultural methane*
 - Canada

New potential project areas are evaluated regularly.

* Protocols currently in process