

Lessons Learned from a Carbon Offset Program

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Ecosystem Markets: Making Them Work
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CLIMATE
ACTION
RESERVE

What is the Climate Action Reserve?



- Non-profit national GHG offsets registry
 - Develop high-quality projects standards and register/track offset credits in public online system
 - Ensure environmental integrity and quality of offset credits
 - Intended to be the premier place to register carbon offset projects for North America
- Also houses the **California Climate Action Registry**
 - Non-profit GHG inventory registry created by state legislation in 2001
 - Encourage voluntary entity-wide reporting and reductions
 - Over 350 members and 730 million metric tons CO₂e registered for years 2000 - 2007

Reserve Stats



- Launched May 2008
- 6 project types; 4 more in development for 2009
- 103 account holders
- 60 projects in progress in 26 states
- 7 projects registered = 1.3 million CRTs
- Recent average price: \$6.10/tonne
 - According to *New Carbon Finance, Voluntary Carbon Index, May 2009*

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Reserve Software



- Platform and support provided by APX
 - Same platform as VCS, the Gold Standard, American Carbon Registry
- Primary objectives:
 - Banking/credit tracking function for account holders
 - Transparency and disclosure for public
- System architecture is highly scalable
- Software is not program; it is a user interface with program

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It's What's *Behind* the Software



SOFTWARE

PROTOCOLS:
Standards for
measurement,
monitoring and
verification

**PROGRAM
MANUAL:**
Overarching
policies
and procedures

**VERIFICATION
MANUAL:**
Accreditation,
training,
processes

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Is Carbon's Path Relevant for You?



- Standardization has become integral to valuation
 - *State of the Voluntary Carbon Markets 2008* called 2007 “the year of the standard”
 - *State of the Voluntary Carbon Markets 2009* noted a “flight to quality” with increased reliance on standards, verification and registries
- Carbon often calculated from directly monitored sources; ecosystem services can be much more complex
 - Standardization will be even more critical!

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Thank you



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