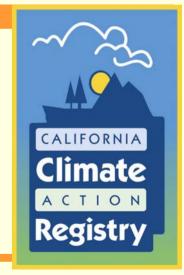
The Role of Protocols for Measuring, Monitoring, and Reporting GHG Reductions

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Policy Director *May 8, 2007*



Today's Presentation



- Intro to the Registry
- The role of protocols to measure, monitor, and report GHG reductions
- How reduction credits are used in a
 Cap & Trade and Voluntary program
- Preview of the Registry's LivestockProject Protocol



Introduction to the Registry



Background on the Registry



- Established as a business initiative
- Public/private partnership created by state legislation in 2000
 - Create a GHG accounting standard
 - Companies can establish a state-recognized baseline
 - Encourage voluntary public reporting and early actions for reduction
 - Board represents business, government, NGOs
- Define a "standard of excellence" in California

Registry Tools



- General Reporting Protocol
 - An operational handbook based on WRI/WBCSD guidelines
- Industry-Specific Protocols
- GHG Reduction Project Protocols
- Certification Protocols
 - Vital for voluntary reporting
- CARROT: An Online Reporting Tool
 - www.climateregistry.org/CARROT



Role of Protocols



- Two types
 - Inventory protocols footprint, snapshot
 - Project protocols reductions
- Project Protocols
 - Necessary for carbon transactions
 - A tool to provide the means to determine the impact of a GHG emissions reduction activity
 - To demonstrate the validity of project reductions real, surplus, & verifiable

GHG Emissions Cap







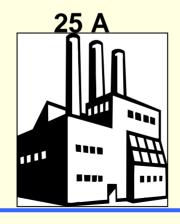


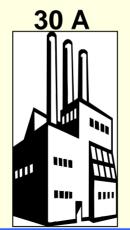
<u>GHG Emissions Cap</u> = 100 Metric Tonne

 $\frac{\text{Total Allowances}}{100} =$

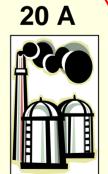
1 MT = 1 Allowance

10 A





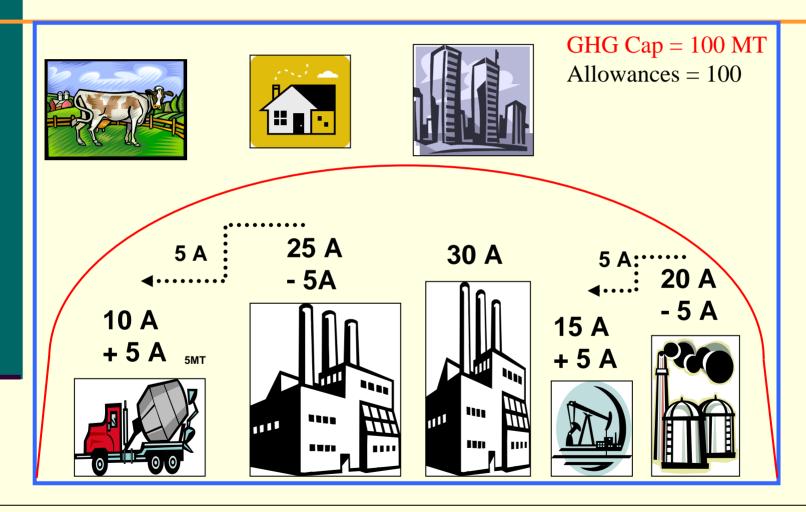




Emissions = 10MT 25MT 30MT 15MT 20 MT = 100 MT



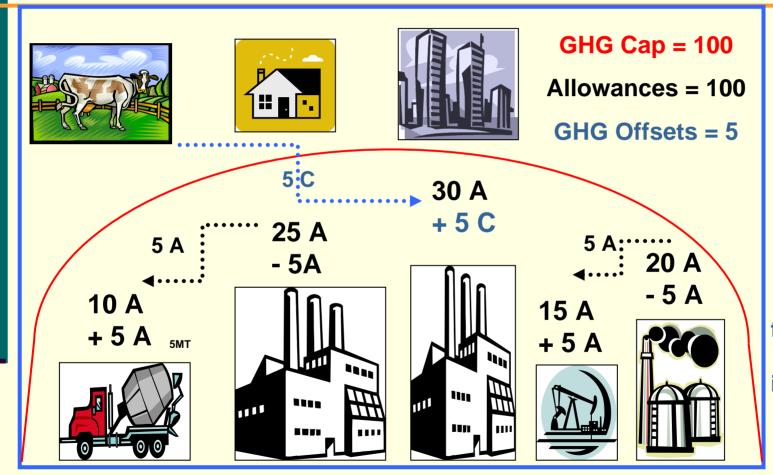




Emissions = 15MT 20MT 30MT 20MT 15 MT= 100 MT

Cap and Trade + Offsets





Effect:

Cap Broken

But

Credits from dairy offset imbalance

<u>Emissions = 15MT 20MT 35MT 20MT 15 MT = 105 MT</u>

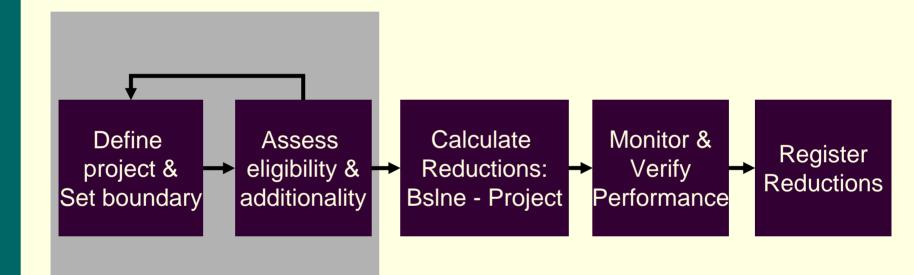
Principles Underpinning the Project Protocol



- Environmental Integrity
 - Fulfill "additionality" requirements
 - Credit only measurable reductions
- Transparency
 - Support third-party data review
 - Minimize judgment calls
- Consistency
 - Provide prescriptive guidance
- Practicality
 - Use a benchmark, program-wide approach

Flow of Steps in a Project Protocol





Initial screen for environmental integrity before substantial investment by developer Additionality assessed with a top-down approach & is separate from the baseline assessment

Quantification uses credible, practical, and flexible approaches, and uses top-down approaches if possible

The Livestock Project Protocol



- Project activity = install biogas control system
- Scope = direct emissions from manure management
- Eligibility = projects that install control systems in CA and the U.S. will be eligible
 - Biogas control devices not common practice and not explicitly mandated under current regulations.
- Quantitative procedures
 - Emission factor-based calculation for baseline
 - Measurement based estimates for project emissions





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