



**The Climate Registry**

**Accounting for RECs in your  
Corporate Footprint**

**November 17, 2011**



# Overview

- **Introduction to The Climate Registry**
- **How The Registry is addressing RECs**
  - **Electric Power Sector Delivery Metrics**
  - **Leadership Recognition Programs**
- **Efforts to standardize REC accounting**
  - **General Reporting Protocol 2.0**
  - **GHG Protocol: Green Power Accounting Guidance**



The Climate Registry

# About The Climate Registry

- Policy neutral non-profit that provides tools, resources and technical assistance to track and manage carbon footprints
  - Technical help desk
  - Webinars and training
  - Web-based software tool — CRIS 3.0
- We and our Board members provide major policy updates to keep Members informed
- We recognize climate leadership



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CLIMATE LEADERSHIP  
CONFERENCE

# A Community of Best Practices



BROWN-FORMAN



Kodak



Johnson & Johnson



Raytheon



BENTLEY PRINCE STREET





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# How The Registry is Addressing RECs



# Reporting Protocols

- **General Reporting Protocol (GRP) :**
  - Guidance to all members on how to calculate and report GHG emissions
- **Local Government Operations (LGO) Protocol:**
  - Reporting guidance for general-purpose local governments
- **Electric Power Sector (EPS) Protocol:**
  - Specific reporting guidance for electric power producers that deliver electricity to a grid
- **Oil & Gas Production (O&GP) Protocol:**
  - Specific reporting guidance for oil and gas production



# EPS Protocol: Delivery Metrics

- Utility companies can report customized delivery metrics based on sold power products
- **Methodology:**
  - RECs are used to displace an equivalent amount of power from the power mix

$$EF = \frac{\text{Lbs CO}_2}{(\text{Special Power MWh delivered} - \text{REC MWh})}$$

- RECs applied to a green power product cannot be included in the retail delivery metric
- RECs used to satisfy a RPS cannot be applied to a green power product



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# Leadership Recognition Programs

**PILOT  
CLIMATE  
REGISTERED  
PROGRAM**



## Platinum

Reduce by 20%,  
maintain reduction



## Gold

Reduce your emissions  
by 5%, retain status for 3  
years



## Silver

Publish a carbon management plan  
and reduction goal, demonstrate  
best practices



## **New Climate Leadership Awards**

Joint recognition program with U.S. EPA, The Climate Registry, ACCO and the Pew Center on Global Climate Change



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# Climate Registered Pilot

- Recognizes corporate-level GHG reduction goal setting and achievement
- Requirements designed through consensus
- First awardees:
  - **Climate Registered Platinum:**
    - Eastman Kodak Company
    - Bentley Prince Street
  - **Climate Registered Gold:**
    - US Postal Service
  - **Climate Registered Silver:**
    - 3Degrees



# Climate Registered Pilot

- RECs can be applied to scope 2 emissions to achieve goals
- **Methodology:**
  - REC purchase = a zero emissions rate
  - **Step 1:**
    - Sum MWh consumption by emission factor region
  - **Step 2:**
    - Subtract RECs from MWh consumed by default emission factor region beginning with the region with the lowest emission factor



# Climate Leadership Awards

- Recognize GHG reductions in internal operations and throughout the supply chain
- Categories:
  - ❑ Excellence in Greenhouse Gas Management (Goal Setting Certificate)
  - ❑ Excellence in Greenhouse Gas Management (Goal Achievement Award)
  - ❑ Supply Chain Leadership Award
  - ❑ Organizational Leadership Award
  - ❑ Individual Leadership Award



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# Climate Leadership Awards



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- RECs can be applied to scope 2 emissions associated with the consumption of purchased electricity
- RECs must be applied to inventory in accordance with best practices
- Climate Leadership Conference:
  - Feb. 29 - Mar. 1, 2012
  - Hyatt Bonaventure Conference Center, Fort Lauderdale, Florida



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# Efforts to Standardize REC Accounting



# TCR GRP 2.0

- **Comprehensive update to:**
  - Incorporate adopted updates and clarifications
  - Provide guidance on accounting for RECs & offsets in an inventory
- **Public Comment Period: December**
- **Final GRP 2.0 scheduled for early 2012**
  - Intended for use for 2011 inventories



# GHG Protocol: Green Power Accounting Guidance

- The Climate Registry is participating in this new initiative
- Guidance development process launched last year
- Purpose:
  - Clarify how different types of power purchases, particularly renewable energy contracts and instruments, should be accounted for and reported within a corporate GHG inventory



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## For more information:

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