
Practical Approaches to AB 32

The Climate Registry



The Climate Registry

Metro Sustainability Summit

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The Climate Registry

Board of
Directors:

39 U.S. States +DC
13 Canadian Provinces
3 Native Sovereign Nations
6 Mexican states

Reporting
Members:

242 Founding Members
330 Members *and growing..*

Staff:

25 staff that support
The Registry's day-to-day
operations



What we do

- Maintain a robust, voluntary, entity-wide reporting program across North America
- Support mandatory GHG reporting programs
- Policy neutral
- Develop reporting protocols
- Provide a nexus for environmentalists, regulators, and businesses to dialogue
- Work with regional initiatives: WCI, MGGA



How does a Registry function?

- A GHG emissions registry is a bottom-up approach to emissions accounting, where companies and organizations quantify and report their emissions from various individual sources according to a uniform accounting standard
 - The Climate Registry is the most recognized and robust voluntary GHG registry in North America
 - The Registry provides a recognized platform for consistent and credible greenhouse gas emissions inventory



Reporting to The Registry:

1. Build a verifiable inventory

- Gather data according to your organizational boundaries
- Report it to the Registry using the Climate Registry Information System (CRIS)

2. Verify CO₂ emissions

- Separate contract with 3rd party verifier
- Release data to public through CRIS

3. Reduce emissions

- Form a practical reduction plan



Who are our Members?



PACIFICORP



Pacific Gas and
Electric Company



WELCOME TO

SALT LAKE CITY



BENTLEY PRINCE STREET

The Climate Registry

Numerous tangible and intangible benefits to reporting your GHGs:

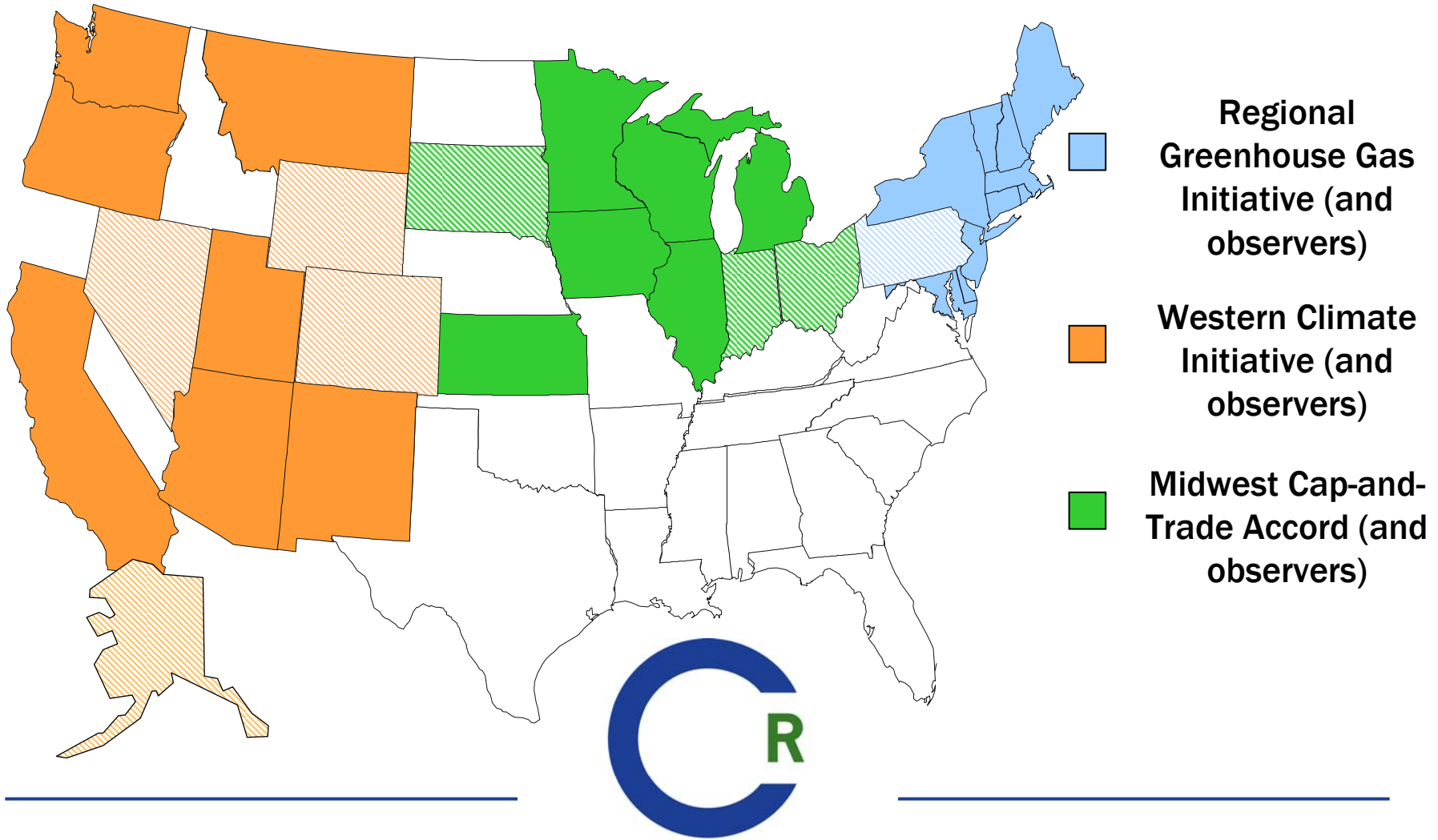
1. **Energy Efficiency** – Opportunity for innovation
2. **Public Disclosure** – Legal, stakeholder, research
3. **Risk Management** – Cost of climate change
4. **Investment Research** – Indicator of long-term value
5. **Emissions Reductions** – Identify inefficiencies
6. **Product Footprint** – Provides a base for life cycle analysis
7. **Marketing** – Consumers want “green” products
8. **Recruitment** – Employees want to work for “green” companies

Looking at the triple bottom line – economic, environmental, and social



What's going on at the state level?

States involved in emissions trading program/design



Regulatory Considerations

■ AB 32

- Mandatory GHG reporting for certain sectors
- Starting in 2009 for 2008 data
 - Reporting threshold 25,000 Metric tons CO₂e

■ Western Climate Initiative

- Mandatory Reporting
 - At the earliest, report 2010 emissions in 2011
 - 10,000 Metric tons CO₂e
 - Verification threshold 25,000 Metric tons CO₂e
- Regional cap & trade program
 - Expected 2012
 - Subject to cap at 25,000 Metric tons CO₂e



What's going on at the federal level?

- Draft EPA Rule out for public comment
 - Reporting Threshold 25,000 metric tons CO₂e
- Waxman-Markey Cap & Trade Bill
- Obama wants to cut U.S. emissions by roughly 15 percent back to 1990 levels by 2020
- Post-Kyoto –A new international climate treaty - Copenhagen



Political Considerations

- Mandatory Reporting is coming
- Cap & Trade is on the horizon

Until then:

- Requirements for mandatory programs will be determined by the states
- Many states are implementing mandatory reporting through the Registry
- Regulated companies will not necessarily have to meet all Registry reporting requirements (such as North American reporting)



How can you prepare for reporting?

Technical considerations for reporting

■ Data Management Systems

- Key to building an accurate and verifiable inventory

■ Trained Staff

- Where does GHG reporting fit into your organization's goals? Do you have qualified staff?

■ Available Resources

- Are there funds for training, new data management software, etc?



Registry Recommendations

- Use an accepted standard:
 - WRI's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard
 - The Climate Registry's General Reporting Protocol
 - Accurate methods ensure that a ton of CO₂ is a ton of CO₂, no matter who is reporting
- Know the intended use and goal of the inventory:
 - Reductions?
 - Energy efficiency?
 - Document Early Action?



More Recommendations

- **Make it part of business as usual**
 - Compile your inventory on annual basis
- **Get help if you need it**
 - Technical Assistance Providers, Trainings for employees, etc.
- **Incorporate it into your sustainability initiatives**
 - Market and communicate your efforts
- **Disclose the information to the public**
 - Aim for transparency
- **Have your inventory third party verified**
 - Be sure it's right!



Don't wait and see

- Regulations are coming, state-wide and regionally
- Waiting will put you behind the curve
 - It's highly likely there will be mandatory reporting by 2011
- An inventory provides you with connections between energy use and efficiency/reductions that result in cost-savings
- Early movers *can* get started now



How does voluntary reporting fit in with regulatory requirements?

- Reporting voluntarily helps to prepare for mandatory reporting
 - Registry Member experience states that it takes up to three years to get the inventory right
- Even if you aren't subject to legislation, reporting still helps to:
 - Identify inefficiencies
 - Reduce overall emissions
 - Plan for sustainability
 - Market and brand



Reporting Voluntarily

- **You can't manage what you don't measure:**
 - Identify areas to improve energy efficiency
 - Increase inter-organizational communication
- **Understand the impact of your operations:**
 - Assess environmental liability and risk
 - Readiness for compliance with new regulations
 - Document early action
 - Provide information to public and stakeholders
- **Recognition as an environmental leader**
- **Seat at the table for policy development**
- **Expert Registry educational services:**
 - Access to software and technical support



Stats on the benefits

- Kodak disclosed \$68 million in cumulative energy savings over 2002-2007 due to emissions reductions
- At the end of 2007, Rio Tinto achieved 0.7% improvement in energy efficiency and 0.7% improvement in GHG emissions per ton of production
- Duke Energy reported actions that have avoided or biologically sequestered GHG emissions equivalent to 175 million metric tons of CO₂e between 1991 and 2005

The Registry is:

- Best practice scope 1 and 2 registry
- Supported by 82% of US states, 93% provinces
- Only North American Registry



The Climate Registry

Preparing for the future

- Membership in The Climate Registry is a vital first step toward managing GHG emissions

“You can’t manage what you don’t measure”



- Registry membership provides organizations with annual GHG emissions profiles, equipping them with the data necessary to benchmark and to create GHG reduction plans



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What is Reported?

