

# The Environmental Resources Trust: GHG Registry® Capabilities

## Who We Are

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In 1996, market-oriented environmental experts at the Environmental Defense Fund launched the Environmental Resources Trust (ERT) and its GHG Registry®. Now a business unit of the non-profit Winrock International, ERT and the GHG Registry are leaders in the field of greenhouse gas (GHG) emissions trading.

Today, the GHG Registry is the largest online registry in the U.S. voluntary and pre-compliance carbon markets in terms of the metric tons of tradable verified emissions reductions (VERs). As of January 1, 2008, the GHG Registry listed 18.5 million tradable project-based VERs, had facilitated the trading of 2 million tons in the previous year, and had over 348 million metric tons of emissions reductions under management.

## What We Offer

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The GHG Registry helps buyers and sellers of carbon offsets in the U.S. carbon market identify and screen projects, develop and customize measurement, reporting, verification (MRV) protocols, and to verify, register, and transform VERs resulting from those projects, into fungible, tradable environmental assets.

The GHG Registry provides a transparent record of processes and outcomes, having subjected these to rigorous, independent verification using best practice methodologies and protocols, and having established incontestable ownership.

The GHG Registry's services combine to create its core product fungible, tradable global environmental assets. To facilitate over-the-counter (OTC) transactions in the U.S. voluntary carbon market, the Registry uses a double entry accounting framework in the registration process and online transaction log to guard against double counting and overselling in the marketplace.

Our service offering includes:

### **GHG Accounting**

- Project level accounting
- Corporate inventory

### **MRV protocols**

- MRV protocol customization
- MRV protocol development

### **Independent Project Verification**

- Project verification (all project types)
- Validation of existing verification

### **Asset Creation & Registry Services**

- Carbon offset/VER registration
  - ◆ Project offset registration



- ◆ Corporate inventory registration
- ◆ Corporate positioning consultation
- ◆ Technical advisory
- ◆ Transparent retirement
- Transaction & Marketing Support
  - ◆ Bulletin board service
  - ◆ Quality scoring service
  - ◆ Market and public policy consultation
  - ◆ Marketing consultation

## How We Create Environmental Assets

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Emissions reductions that conform to the Clean Development Mechanism (CDM) methodologies and Voluntary Carbon Standard (VCS) are eligible to become GHG Registry branded VERs. An emission reduction from a project becomes a VER upon verification that it has met the Registry's quality threshold for environmental integrity. A high-quality VER is:

- Additional
- Direct
- Leakage free
- Measurable
- Permanent
- Surplus

A VER becomes a tradable environmental asset once the Registry assigns it a unique serial number and credits the GHG Registry branded VER in the owner's individual Registry account. On paper, the asset exists as a certificate with the serial numbers, total VER tonnage, verifier company name and signature, and information on project location, owner name and address, and vintage year.

One VER represents the reduction or removal from the atmosphere of one unit of GHG emissions equal to the equivalent of one metric ton of carbon dioxide (CO<sub>2</sub>e).

### How We Add Value

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Quality drives today's U.S. voluntary and pre-compliance carbon markets. The GHG Registry brand promises the highest quality offsets on the market and adds value to

The GHG Registry is a leader in supporting emissions trading in the U.S. voluntary carbon market. In 1998, the Registry's emissions trading and verification expertise facilitated the world's first international emissions trade. The transaction, between Niagara Mohawk, an American electric utility, and Suncor Energy, Inc., a Canadian integrated oil and gas company, was an OTC transaction of 100,000 VERs from Niagara Mohawk's portfolio of energy efficiency and fuel switching offset projects.



its client's global environmental assets by synthesizing and integrating project development, risk management, and public policy considerations to create fungible, tradable global environmental assets.

Registry staff do not rely solely on "industry standards" for carbon offset quality but instead have developed and customized MRV protocols that in application to carbon offset projects, meet, if not exceed, expectations of environmental protection and provide an outstanding level of regulatory pre-compliance. The Registry provides services at a cost that is at the low end of the industry average.

### How We Measure Success

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The GHG Registry measures success one transaction at a time. Every time the registry convenes two or more private parties to exchange VERs in a way that is in the mutual best interests of the parties and in the best interest of the global environment, the Registry counts a success. Each success helps the market deepen and mature.

### Our Experience & Qualifications

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ERT is a leader in developing and verifying corporate inventories (carbon footprints). In 2005, the U.S. Environmental Protection Agency (U.S. EPA) commissioned ERT to develop the U.S. federal government's guidelines on corporate GHG accounting. The guidelines document, entitled *Corporate GHG Verification Guideline* (2005), is available for download on the EPA's Climate Leaders Program website.

ERT staff experts comprise agricultural scientists, climate and energy policy analysts, ecologists, engineers, former government regulators, investment analysts, and MBAs versed in multiple project types: anaerobic digesters, coalmine methane, energy efficiency and fuel switching, forestry, landfill gas, geologic sequestration, industrial gases, and solar photovoltaics. Examples of recent projects include:

- **Nike SF6 Project:** ERT developed a MRV protocol for a Nike manufacturing facility and completed the quantification and verification of GHG reductions at the facility. Nike has sold reductions from this project successfully and registered the results on the GHG Registry.
- **Entergy Corporate Inventory:** ERT verified Entergy's corporate inventory. The company, one of the largest utilities in the U.S., registered the results from its domestic and international portfolio combined on the GHG Registry.
- **Inland Empire Utilities Agency Anaerobic Digester and GHG Reduction Project:** ERT developed an MRV protocol for a large centralized anaerobic digester project for the IEUA in Chino, California. This required developing a baseline model for the local dairies to quantify ammonia, methane and nitrous oxide emission reductions.
- **Uganda PV Power, Community Development, and GHG Reduction Project:** ERT helped develop and field test a methodology for quantifying the GHG reductions from small, off-grid electricity generation projects in Uganda. The GHG Registry allowed bundling of VERs from multiple village-level Ugandan emissions reduction projects.