



WESTCARB Annual Business Meeting

Emission Crediting Protocols for CCS

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Summary

1. What is an “offset”?
2. Issues for geologic sequestration projects

WEST COAST REGIONAL CARBON SEQUESTRATION PARTNERSHIP



The screenshot shows the American Carbon Registry website. At the top left is the logo with the text "American Carbon Registry". To its right is the main heading "American Carbon Registry™" and the tagline "Trusted solutions for the carbon market". A search bar is located in the top right. A navigation menu on the left includes links for "About Us", "Membership", "Carbon Registry", "Carbon Accounting", and "News". The main content area features an "About Us" section with a paragraph describing the registry as the first private voluntary greenhouse gas registry in the U.S., followed by a list of benefits for "Founding Members" such as reporting a corporate carbon footprint and registering carbon offsets. A photograph of a forest is positioned below the text. The footer contains the text "WEST COAST REGIONAL CARBON SEQUESTRATION PARTNERSHIP" and several small circular icons.

ACR Statistics

All units in metric tons CO₂-equivalent

Total Tradable ERTs		24,873,178	
Registry Activity			
	ERTs Issued	ERTs Retired	ERTs Traded
2009	2,828,335	289,383	1,334,501
2008	7,938,812	1,684,387	2,609,753
2007	5,847,510	423,432	1,570,477
2006	11,027,146	7,705	350,938
2005	2,580,358	369	3,000
Total	30,222,161	2,405,276	5,868,669

WEST COAST REGIONAL CARBON SEQUESTRATION PARTNERSHIP

A Well Designed GHG Registry...

- Provides a “gatekeeper” function screening poorly conceived projects
- Ensures measurable, verifiable, and comparable environmental results
- Provides a central, independent repository for credible information about emissions activities
- Serves as a ledger of all transactions across accounts

What is an Offset?



- A reduction in GHG emissions from an uncapped source
- 1 metric ton of CO₂-e emission reductions
- Verified by independent 3rd party
- **Surplus, real, additional, free from leakage, fungible and transferable**
- Vintage year specified
- Goal: “a ton is a ton is a ton”

Current Use of Carbon Capture & Storage for Offsets

- Five CCS Projects on ACR –all are Enhanced Oil Recovery (EOR) Projects
 - Blue Source Merit Energy, Wyoming
 - Blue Source PetroSource, Texas
 - Anadarko Petroleum Monell, Wyoming
 - Anadarko Petroleum Salt Creek, Wyoming
 - Anadarko Petroleum Pikes Peak, Texas
- IPCC Special Report on CCS (2005) estimates “niche” markets of CO₂ at 360 MtCO₂/yr



Key Issues for Geologic Sequestration (1)

- Ownership – clear, unique and uncontested
 - Pore space and CO₂
 - State versus federal jurisdiction
 - Liability
- Permanence
 - Insurance
- Measurement and monitoring
 - Good practice requires measurement be conservative, transparent and thorough
 - Predictable reliability, resolution and sensitivity
 - Prefer performance-based approaches



Key Issues for Geologic Sequestration (2)

- Setting the project boundary
- Measuring the project baseline
- Additionality



Additionality on ACR

- Exceed regulatory and legal requirements
- Go beyond common practice
- Overcome one of three implementation barriers:
 - Institutional
 - Financial
 - Technical



Early Action?

- Should companies that act in advance of GHG regulatory requirements receive allowances or credits?
 - If so, how should “additionality” be determined?
- Are other regulatory requirements clear?
- Does technical consensus exist on current best practice for measurement and monitoring?
- Can insurance products be made available to assure permanence?

The ability to assure project integrity is critical to any early action efforts

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