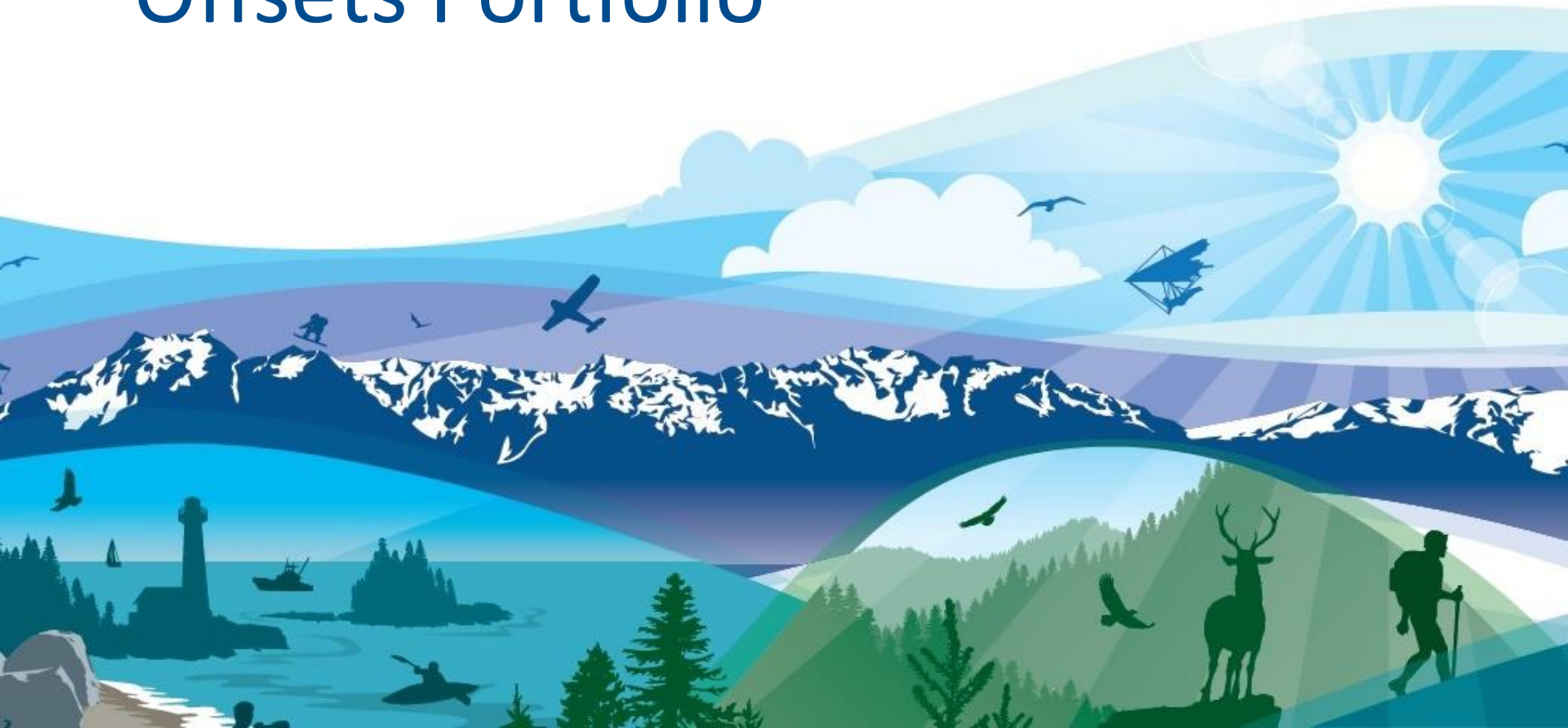
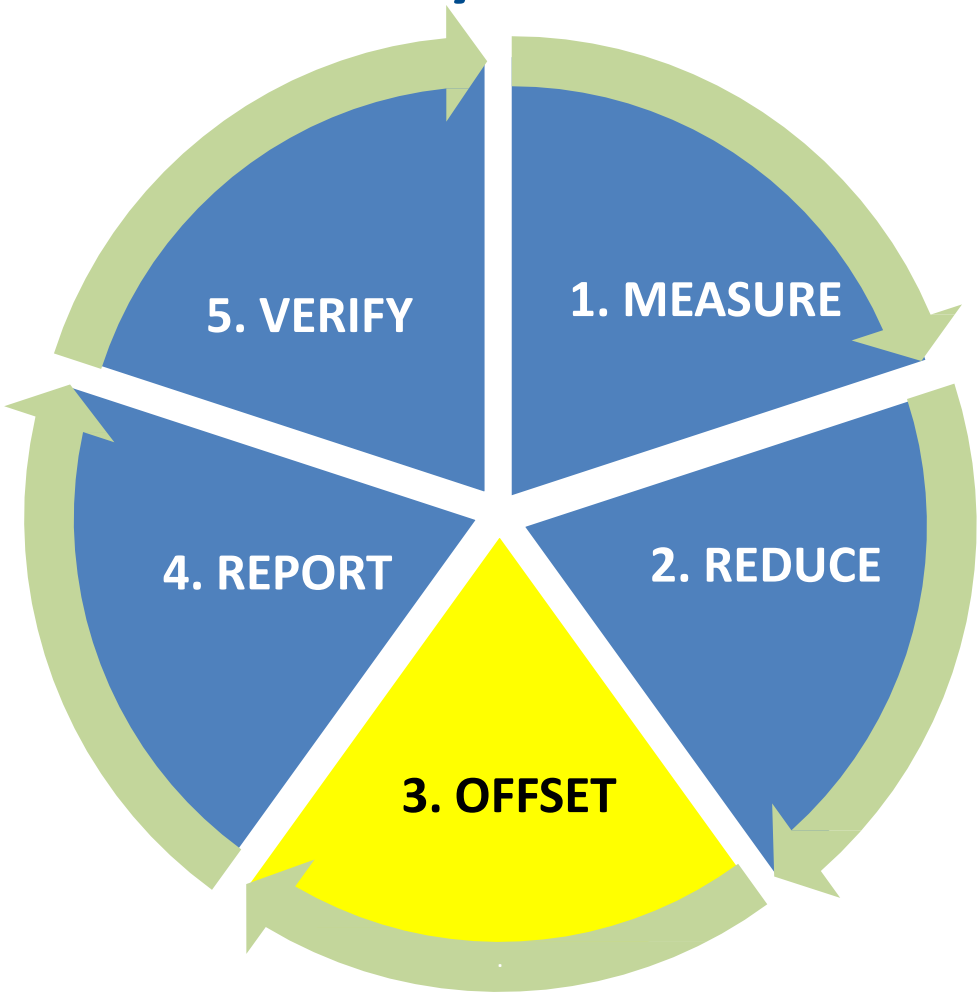
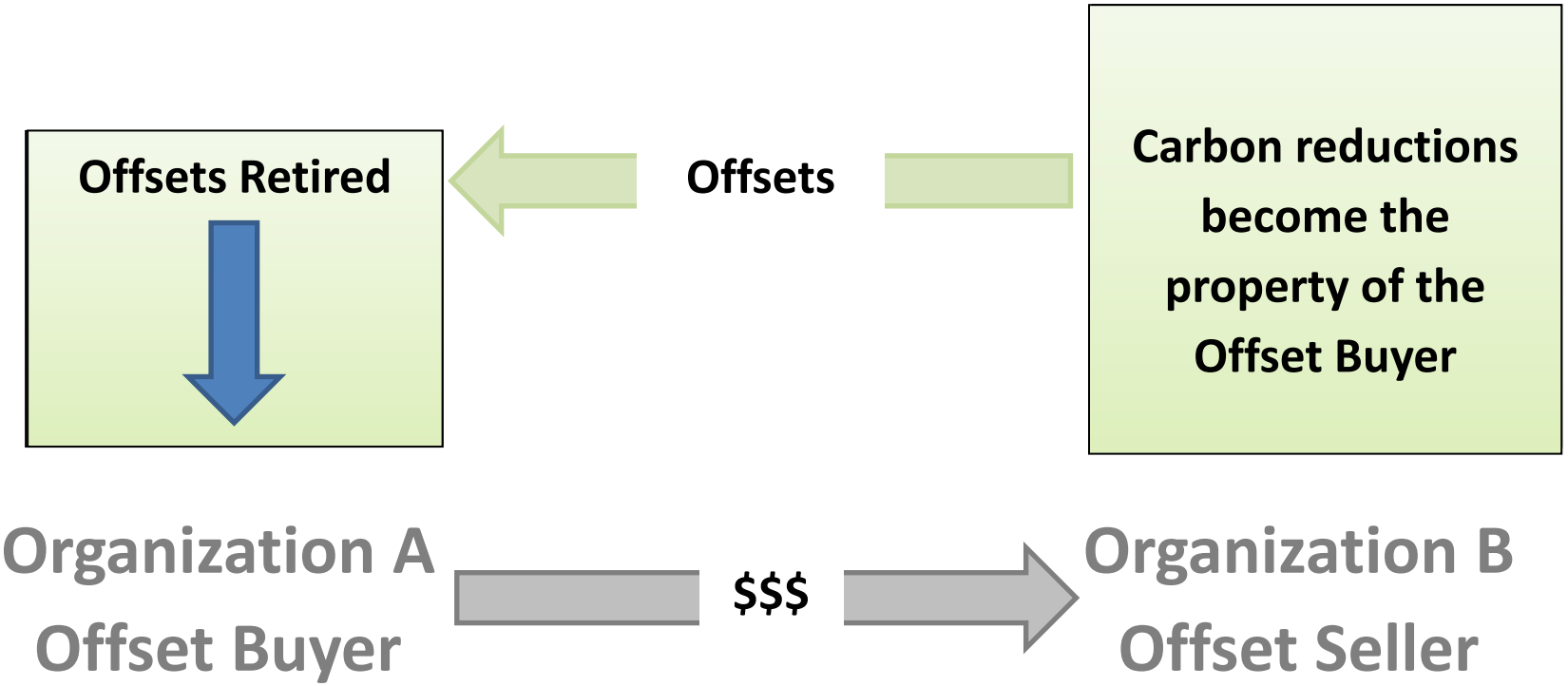
Your Carbon Neutral Government Offsets Portfolio



Carbon Neutrality Process



Offsets Explained



Offset Project Development Process

Evaluate

- Is there an applicable protocol for the project activity?
- Will the project meet regulatory requirements?
- Is there a market for the offset units that would be generated?

Implement

- Register the 3rd party validated project plan with the Regulator
- Implement the project according to the validated plan

Quantify

- Report GHG reductions periodically
- 3rd party auditor verifies the report and calculations

Issue

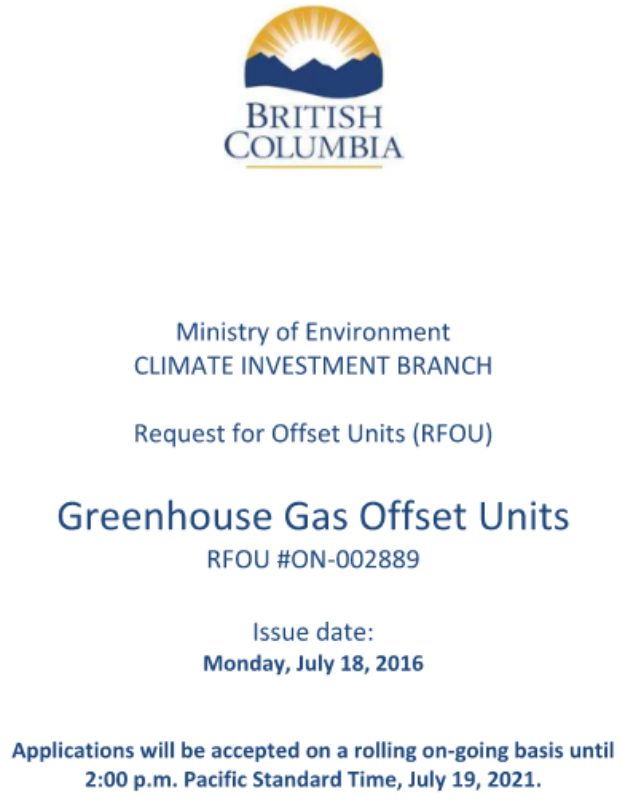
- Submit the verified project report to Regulator for review
- Regulator issues offset units onto the BC Carbon Registry

Sell

- Transfer offsets to buyer and receive payment
- Buyer may retire offsets for their purposes

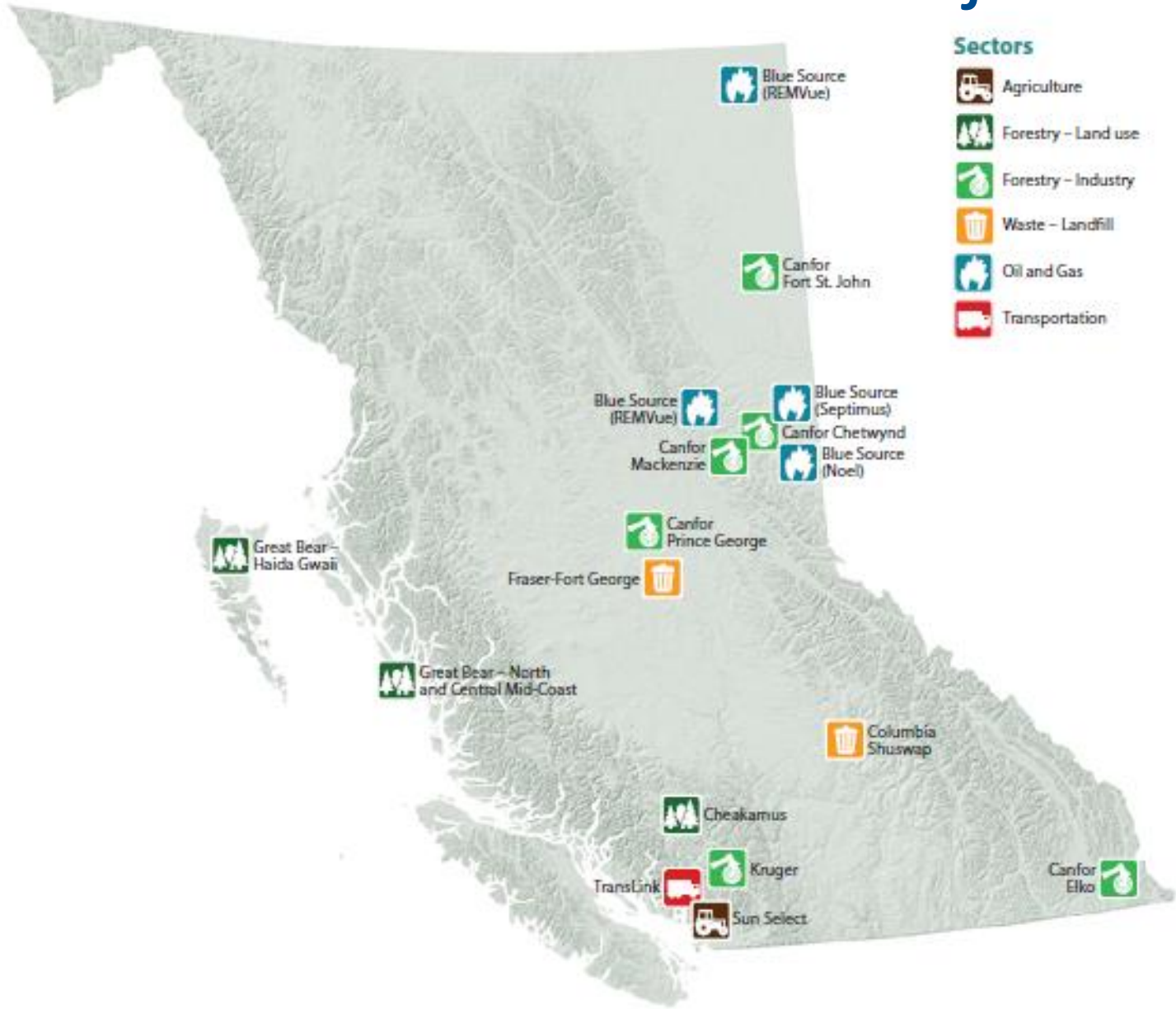
Offset Procurement Process

- Procurement Call
- Proposal
- CIB Evaluation
- Contract

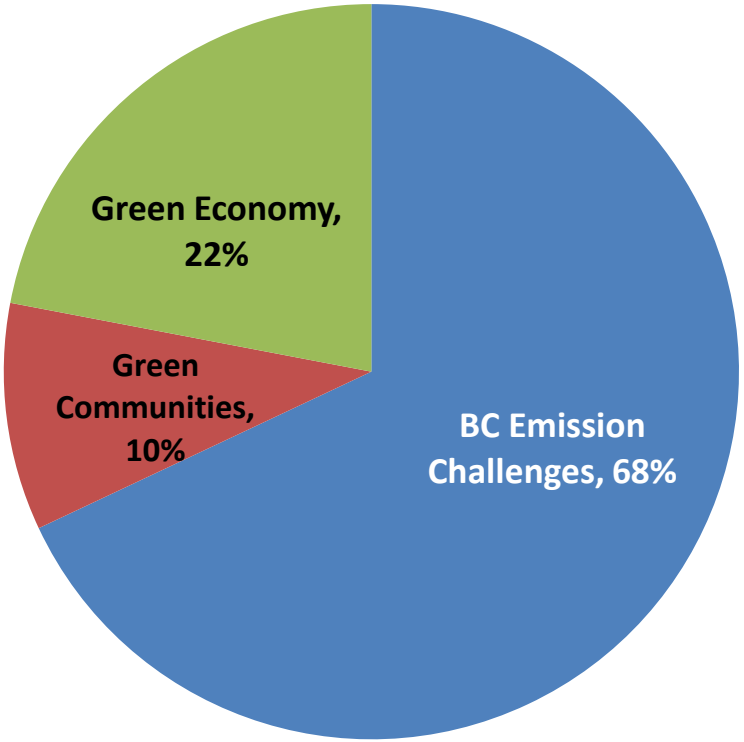


CNG 2015 Offset Portfolio

CNG 2015 Offset Portfolio Project Map



2015 Offset Portfolio



Total: 625,044 tCO_2e

Target: minimum of 5% from each objective

- Key Emission Challenges
- Green Communities
- Green Economy

Key Emissions Challenges

Noel Gas Plant Electrification

Type: Fuel Switch, Oil & Gas

Location: Dawson Creek

Volume: 18,500 tCO_2e

Project Start: 2010

- **The project reduces GHG emissions by using grid electricity instead of natural gas to power compressors and other equipment at the Noel gas production facilities.**
- **Involved significant effort and expense to construct the electricity transmission infrastructure that allowed the facilities to connect to the BC Hydro grid.**
- **As electricity in B.C. has a much lower GHG intensity than natural gas combustion, this project has significantly reduced GHG emissions.**

Green Communities

Columbia Shuswap Regional District

Type: Landfill Gas Collection

Location: Salmon Arm

Volume: 6,600 tCO_2e

Project Start: 2011

- **The project captures methane produced from decomposing organic waste in the landfill and flares or utilizes the gas.**
- **Fortis, a project partner, conditions high energy content gas and injects it into their pipeline.**
- **This award-winning project captures and converts enough energy to heat over 300 homes.**

Green Economy

Canfor Wood Residuals Fuel Switch

Type: Fuel Switch
Locations: Elko, Prince George, Fort St. John, Chetwynd, Mackenzie
Volume: 113,000 tCO_2e
First Project Started: 2009

- **The projects utilize heat derived from wood waste to dry lumber at five Canfor sawmills rather than natural gas.**
- **The bio-energy system technology was provided by DelTech, a BC-based company.**
- **Transportation-related emissions to truck the wood residuals off-site are also reduced.**
- **The projects are a model for reducing B.C.'s industrial emissions in a way that supports clean, local technologies and creates new economic opportunities for local communities.**

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