

Attachment A – Desirable Offset Project Criteria

The following table provides an overview of the key criteria that will be used by the Province in the Stage 3 Application Review and Assessment. These criteria are defined more fully in the pages following the table. The criteria will be updated by the Province on an ongoing basis, and Applicants must use the most current Attachment A when completing their Application.

	Delivery Year (1 April – 31 March)			
	2017/18	2018/19	2019/20	2020/21 – 2029/30
Lowest Price Threshold (\$/tCO _{2e}) ¹	\$8.50	\$8.50	\$8.50	\$8.50
Maximum Purchase Size from a Single Project (tonnes) ²	100,000	100,000	100,000	100,000 annually
Estimated CIB Portfolio Room Available (tonnes) ³	200,000	240,000	150,000	600,000 annually
Desirable Project Types ⁴	1. Transportation 2. Buildings 3. Waste and Residual Management 4. Industry 5. Enhanced Carbon Sequestration (where revenues from sale are restricted in use ⁵).			1. Transportation 2. Buildings 3. Waste & Residual Management 4. Industry 5. Enhanced Carbon Sequestration
Desirable Project Attributes	A. Advancing Clean Technology B. Community Based C. First Nations Support D. New Offset Project			

Desirable Offset Project Criteria - Defined

- TRANSPORTATION.** GHG Reductions related to commercial and non-commercial transportation. Examples include:
 - Fuel switching to lower carbon fuels
 - Energy efficiencies in transportation of goods and people
- BUILDINGS.** GHG Reductions that result from reduced energy use in buildings or from alternative energy sources for buildings. Examples include:
 - District energy systems
 - Technologies to support energy efficiency
 - More energy-efficient building
 - Increased use of renewables or lower carbon fuels

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3. **WASTE AND RESIDUAL MANAGEMENT.** GHG Reductions derived from improved waste management. Examples include:
 - Improved landfill management practices
 - Organic waste diversion
 - Conversion of waste to biogas
4. **INDUSTRY.** GHG Reductions that result from changes in practice or clean technology in oil and gas, forestry, mining, agriculture, and other industry. Examples include:
 - Fuel switching from coal to waste products and biomass or other lower carbon fuels
 - Reduction in fugitive and vented methane emissions from upstream natural gas production, processing and pipeline transmission.
 - Equipment efficiency upgrades
5. **ENHANCED CARBON SEQUESTRATION.** GHG Reductions from stored or sequestered carbon that would otherwise be released into the atmosphere. Examples include:
 - Improved forest management
 - Afforestation

The Desirable Project Attributes - Defined

- A. **COMMUNITY BASED.** Projects where:
- a) the project proponent is a community-based entity or is a public utility regulated by the BC Utilities Commission. Community-based entities can include municipalities, community groups, and regional districts; and
 - b) the project enhances public infrastructure (e.g. transportation, landfill, wastewater treatment, green buildings, waste diversion)

Some community based project examples include:

- District energy systems
 - Improved landfill management practices
 - Organic waste diversion
 - Conversion of municipal waste or sewage to biogas
- B. **ADVANCING CLEAN TECHNOLOGY.** Projects that involve research, development or deployment of technological innovations in energy generation, transmission and storage; energy use in transportation; energy efficiency and resource management. Technological innovations can include new or improved technology, existing technology that is used in a new way, or a new process to deliver the same goods or service. The Province will assess the barriers faced by the proponent (see Desirable Project Types) to determine if the technology is innovative within their sector. Examples include:
- A new engine conversion kit to burn cleaner fuel
 - Biomass boilers in non-forestry sectors
 - A new or novel method to address waste management

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- C. **FIRST NATIONS CONTENT.** Projects that have a First Nation proponent. Examples include:
- Displacing diesel based power generation in remote communities
 - Enhanced carbon sequestration projects
- D. **NEW OFFSET PROJECT.** Projects that have not previously contracted their offsets to the Province. Projects that include a combination of old and new projects will be considered new.

¹ The Lowest Price Threshold indicates the ceiling price for offsets in this category. The portfolio target is to purchase at least 50% of Offset Units at, or below, the Lowest Price Threshold.

² The Maximum Purchase Size indicates how many offsets CIB is willing to purchase from a single Project for delivery in that Delivery Year.

³ The Estimated CIB Portfolio Room Available will be adjusted by CIB on an ongoing basis as new OPAs are executed.

⁴ The Desirable Project Types and Desirable Project Attributes are further defined on Pages 2 and 3 of Attachment A (below).

⁵ Proponent must demonstrate that the revenues from the sale of Offset Units to CIB will be employed in activities that help advance innovative offset opportunities. These activities could include, but are not limited to, work that leads to a greater scientific understanding of and/or establishes appropriate measurement, monitoring and reporting methodologies for offset project opportunities that employ biological processes (e.g. bio-filters, soil carbon enhancement, marine-based carbon enhancement).