

# Carbon Credit Municipal Scan

Clean Air Council Meeting 04.23.24



Region of Waterloo

# Who we heard from

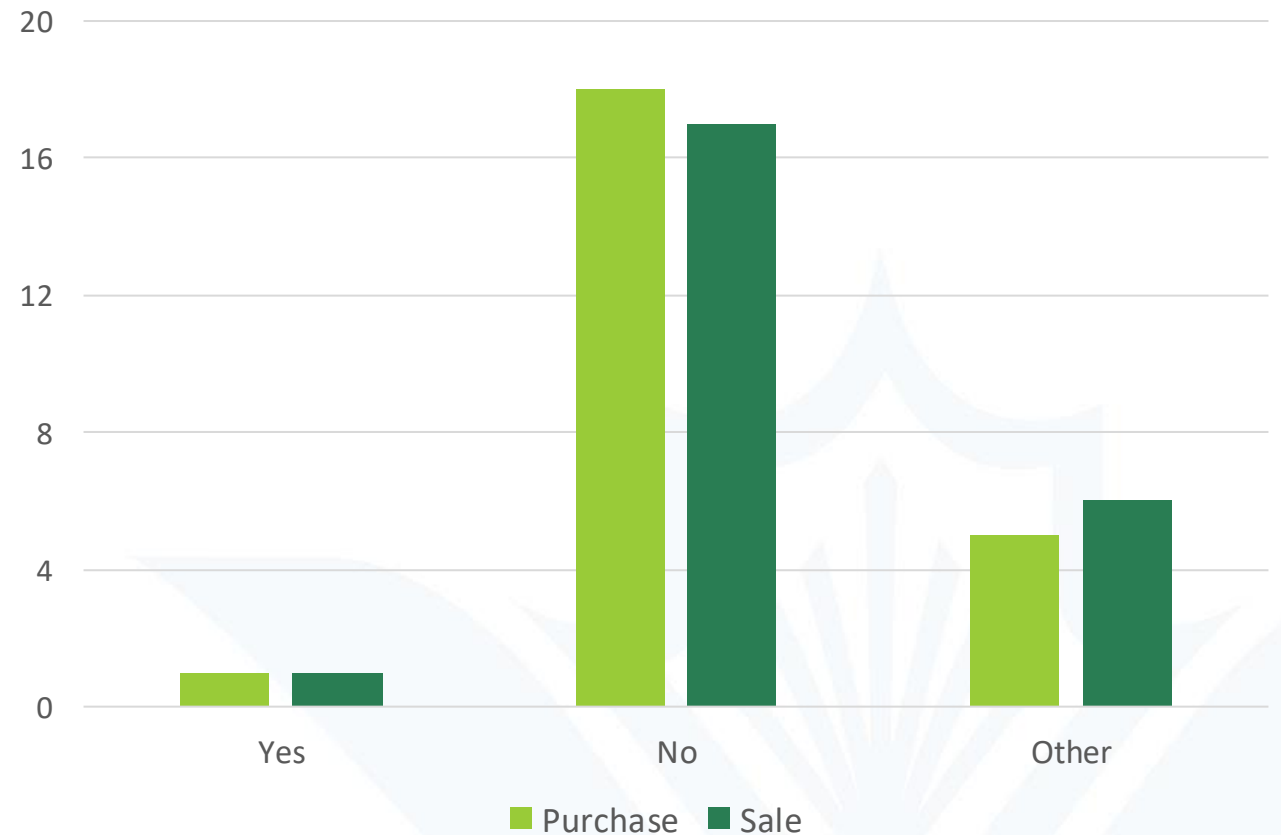


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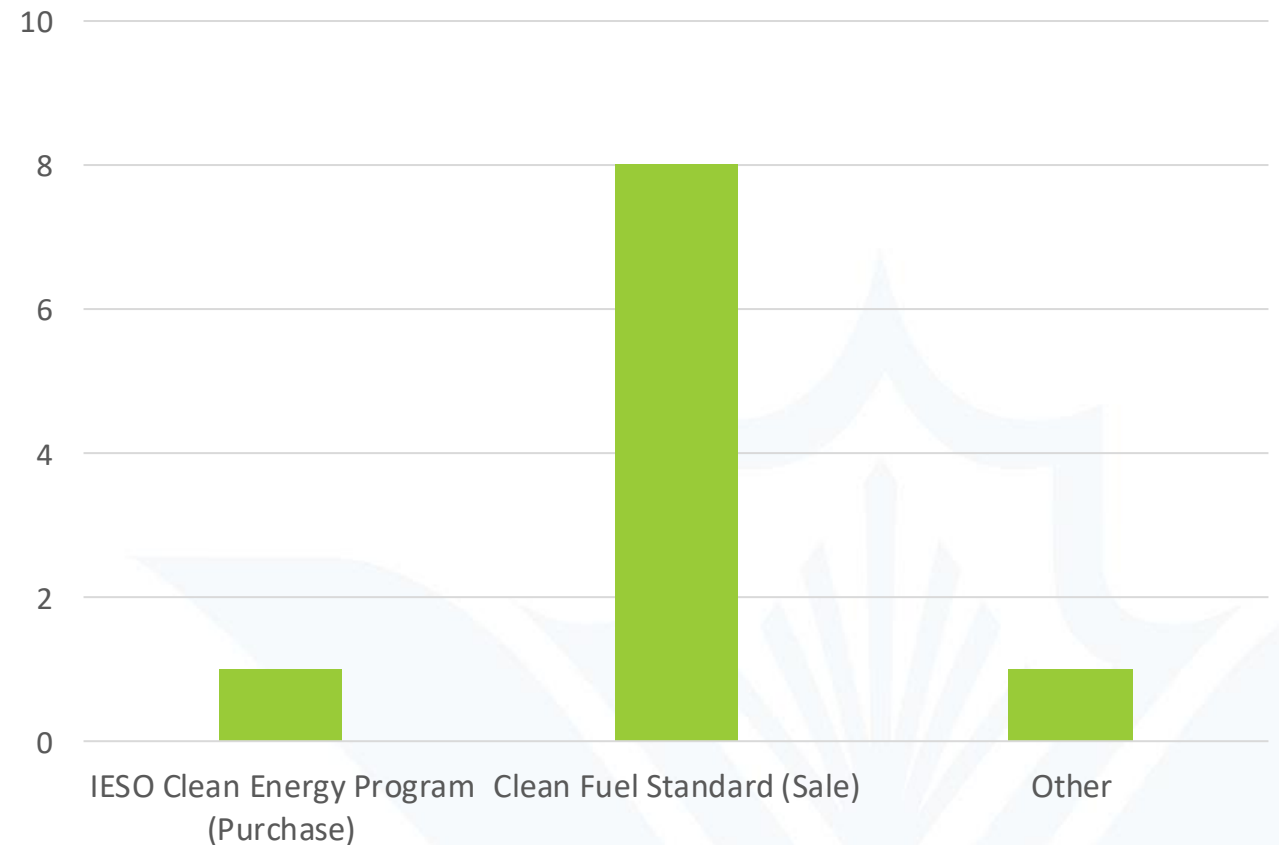
# Are Municipalities Participating in Carbon Credit Programs?

- **Building Certification:** Purchased credits in support of building certification programs, such as LEED Credits
- **Strategy Development:** Interested in/already developed a strategy for carbon credits to support achieving emissions reduction targets
- **Emissions Reducing Projects First:** Prioritizing emissions reducing projects first.



## What Programs are Municipalities Currently or Planning to Participate in?

- Developing, or exploring formal strategies and partnerships with a third party to monetize corporate and community credits
- Participated in pilots projects with the Federal Government for landfill gas capture (prior to becoming as regulatory requirement)



# What Formal Positions or Policies are Currently in Place?



Few municipal policies exist



Credits and offsets are referenced in existing plans



Interest in formal policy development

# Challenges & Opportunities



# Incorporating Carbon Credits into Emissions Inventories

Municipality	Approach
City of Kingston	Offsets included in emissions inventories to meet reduction targets. Revenue collected from the program is to be allocated for GHG emissions reduction projects
City of Toronto	Revenue generated from sale of carbon credits allocated to carbon credit reserve fund to reduce corporate emissions (Offset Credits Policy)

# Bringing it All Together: What Municipalities Want to Know



**General education:** Many expressed the need for education related to understanding what carbon credits are, including current markets and legislation.



**Criteria:** How to establish clear criteria on when carbon credits and offsets should be used in a municipal setting.



**Emissions Accounting:** Understanding the best practices for accounting for the purchase and/or sale of carbon credits within community and corporate GHG emissions inventories.



**Financial Benefit:** Need to understand current best practices for managing the revenue from the sale of carbon credits.



# Next Steps for the Region of Waterloo

- Develop a background research paper
- Departmental engagement
- Recommendation to Senior Leadership and Council on a Regional position regarding the sale of carbon credits
- Develop an offsetting strategy as part of the Region's ongoing Carbon Budget framework