



We Have The Power
ColoradoCarbonFund.org

The Quick Start Guide to Submitting Offset Project Proposals to the Colorado Carbon Fund

The Colorado Carbon Fund is currently recruiting high-quality, innovative greenhouse gas offset projects. The Climate Trust, in partnership with the Governor’s Energy Office, is responsible for evaluating and contracting to buy the emission reductions from innovative energy projects in Colorado. There is no deadline for submitting project proposals; the first proposals received, however, are the most likely to be funded.

Process

Step 1: Submit an initial proposal. In this three-page form, project developers request an amount of funding, and quantify the project’s greenhouse gas reductions.

Step 2: Submit a detailed proposal. Pending approval, in this formal proposal, project developers describe the project’s timeline, financing, and major risks, and attach a *Pro Forma*.

Step 3: Negotiate a contract. For projects that pass our due diligence, an Emission Reduction Purchase Agreement will be negotiated with project developers. This contract vehicle establishes such key terms as ownership of the project’s emission reductions, price, the timing of the payment, and provisions in case the project underperforms.

Project Requirements

Additional. Project developers must demonstrate that selling emission reductions to The Climate Trust somehow enables a project’s implementation and that without the opportunity to sell the project’s emission reductions the project would not occur.

Scale. Projects must reduce at least 40,000 metric tons of carbon dioxide equivalents over the contract term (see sidebar).

Energy. Projects must reduce emissions through energy-related measures such as avoidance of methane emissions, switching to renewables, or making efficiency improvements. The Colorado Carbon Fund is not currently accepting sequestration project proposals.

Direct. Projects must reduce emissions at the site where they are implemented by reducing or displacing the use of fossil fuels. Projects that result in grid-electricity reductions are not considered because they result in indirect emission reductions causing ownership and double counting concerns.

<p>A 40,000 metric ton CO₂-e reduction is equivalent to:</p> <p>Heat <i>Reducing or displacing</i></p> <ul style="list-style-type: none"> • 7.3 million therms of natural gas • 7 million gallons of propane • 4 million gallons of diesel <p>This is equivalent to the average heat use of twelve 75,000 square foot buildings over 15 years.</p> <p>Transportation</p> <ul style="list-style-type: none"> • Reducing 5 million gallons of gasoline • Switching 20 million gallons of diesel to B20 <p>Assuming the average vehicle drives 15,000 miles per year, this is equivalent to:</p> <ul style="list-style-type: none"> • the average gasoline use of 380 passenger vehicles over 15 years; • the average diesel use of 92 heavy duty vehicles over 15 years <p>Agriculture</p> <ul style="list-style-type: none"> • The manure from roughly 1,000 cows on a farm using a liquid manure management system (lagoon, pond, or holding tank) for 15 years

As a public fund, the Colorado Carbon Fund and The Climate Trust are dedicated to financing innovative projects that contribute to Colorado’s transition to a New Energy Economy and which are not currently being funded by the rest of the renewable energy or carbon market.

More information is available at: <http://www.coloradocarbonfund.org/developers.html>.