

Offsets discussion with IEEE

Presented by

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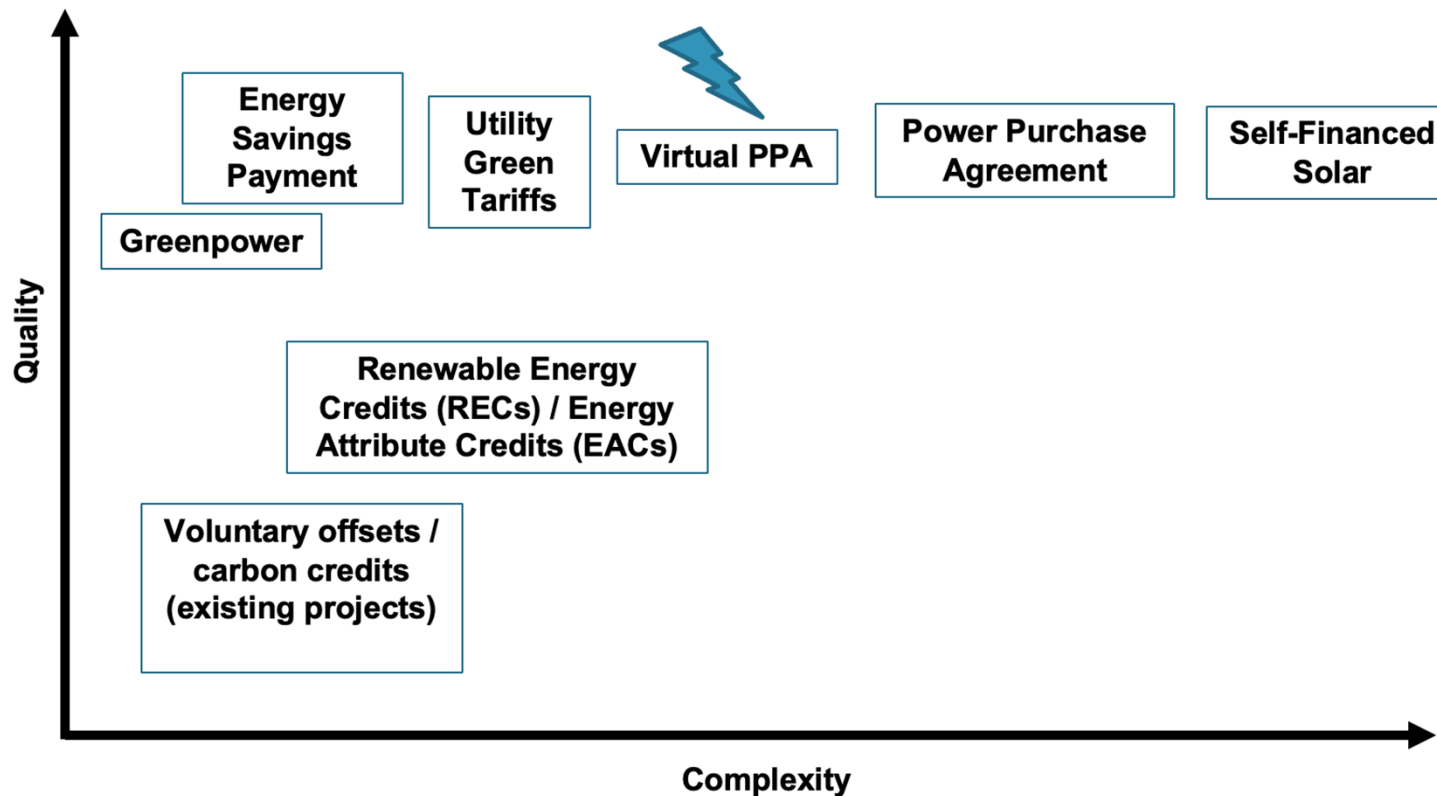


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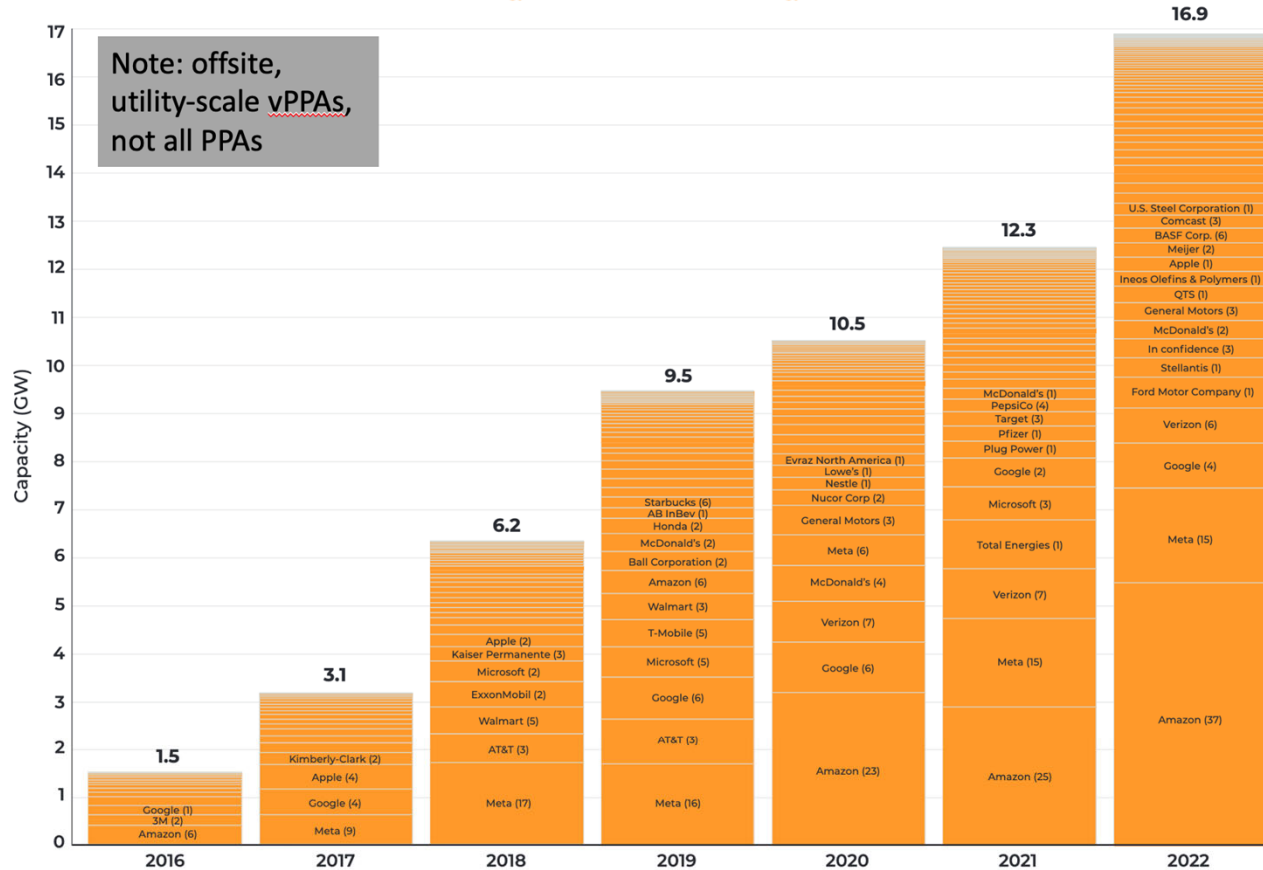
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Typical decarb strategies we share with our clients





CEBA Deal Tracker 2016 through Q4 2022
Energy Customers Accelerate Clean Energy Deals



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Voluntary Carbon Credits and Offsets

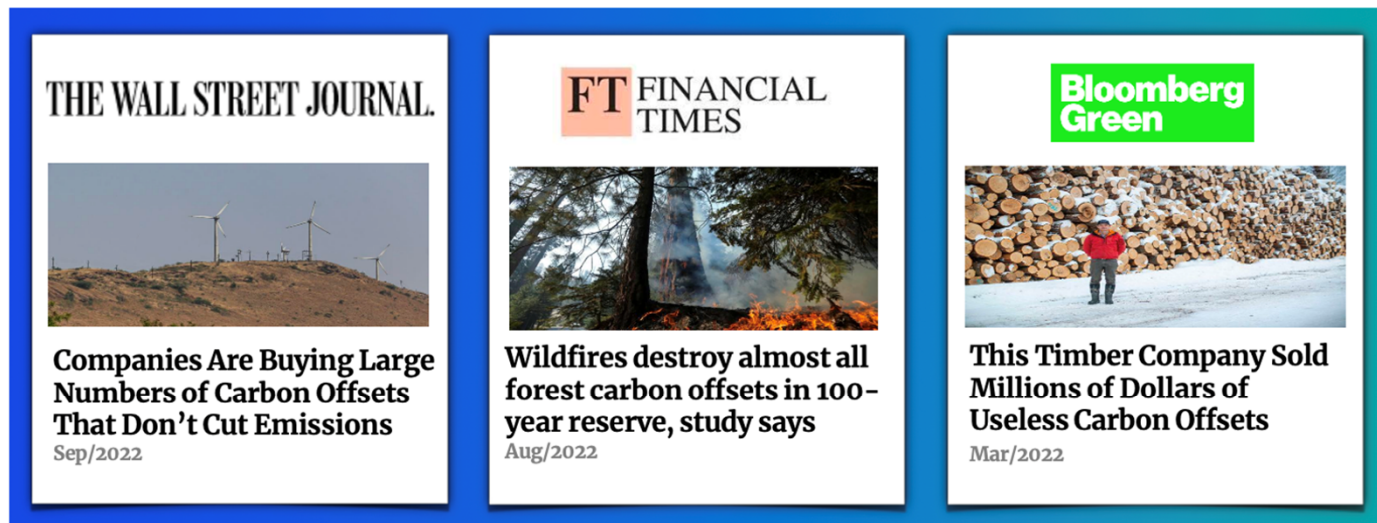
Basics:

- **Qualities:** Measurable, additional, permanent, verifiable, exclusively claimed (not double counted) and accounting for leakage are the most common ground rules to ensure good offset quality.
- **Costs:** For most common voluntary carbon credits, prices range from \$7- \$26 per MT, dependent on location, vintage (new or existing), avoidance/removal and co-benefits.

 Forestation	 Solar power
 Wind farm	 Geothermal
 Biogas	 Hydropower
 Biomass	 Waste generation
 Cogeneration	 Energy efficiency
 Cookstoves	 Landfill

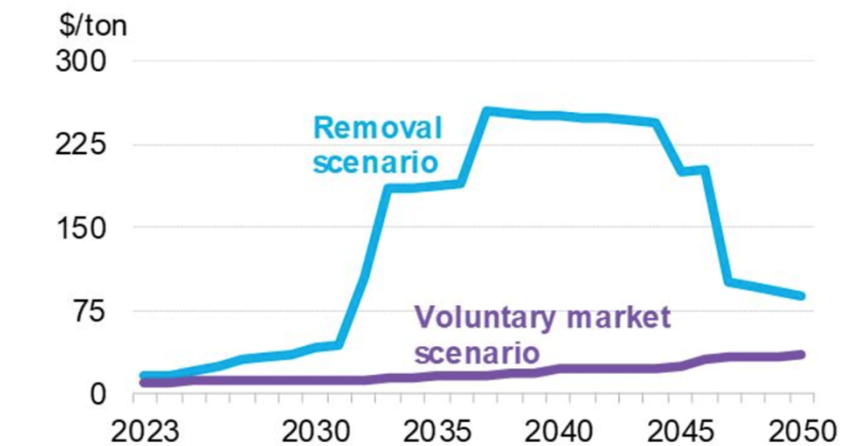
Voluntary Carbon Credits and Offsets

- Greenwashing concerns
- Offset market shrunk¹: Offset purchases were down 4% from 2021 due reputational risk of low-quality credits
- Likely changes coming to offset and removals market demand

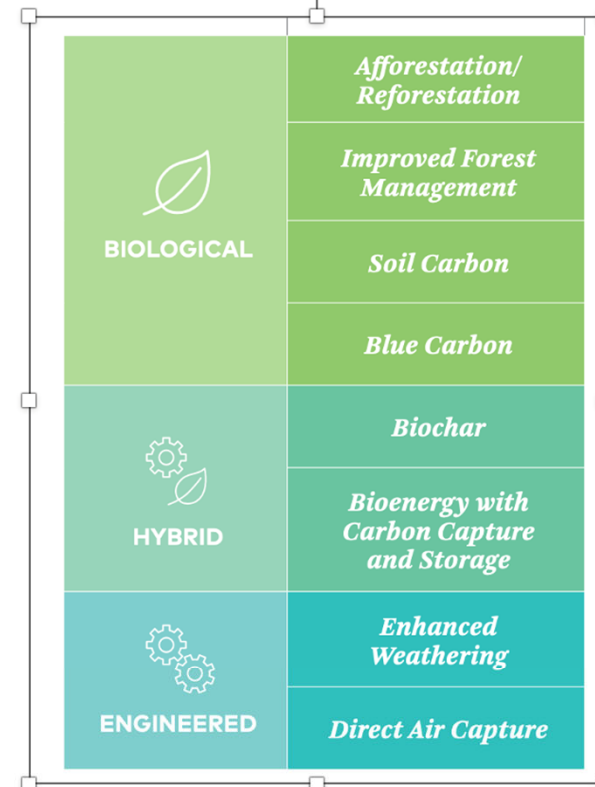


Voluntary Carbon Credits and Offsets

- Likely changes coming to offset and removals market demand
- Considerations on social cost of carbon
- Setting an internal price of carbon



Offset Type	Overview	Average Cost
REC/EAC	Renewable energy production	\$2/MWh
Voluntary Carbon Credit	Verified carbon reduction projects	\$10-\$12/MT*
Climate Vault – Compliance Market	Investment in carbon removal projects	\$20/MT



Thank you!



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Project Experience

MEASURE			
	Public Agencies	Private Sector	Total
Product and Service Life Cycle Analysis	25	20	45
Greenhouse Gas Inventories	198	66	264
Feasibility Studies and Business Plans	33	12	45
Regulatory Review	10	15	25
MANAGE			
	Public Agencies	Private Sector	Total
Climate Action, Mitigation and Adaptation Plans	45	10	55
Sustainability Plans and Programs	29	9	38
Decision Support, Alternatives Analysis & Triple Bottom Line	49	8	57
Social and Environmental Management Systems and Tools	61	24	85
Training	39	8	47
MARKET			
	Public Agencies	Private Sector	Total
Market Research and Business Development	36	18	54
Due Diligence	15	14	29
Stakeholder Engagement and Education	43	20	63
Transparency Reporting and Public Disclosure (CSR)	5	14	19
Total	588	238	826