

Participants:

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Highlighted text indicates changes to be made to protocol from V2 Draft.

Minutes:

1. Introductions

2. Review of the process

3. TM - Background :

Context of what we are doing here – review of the Alberta Offset System

- Review of protocol development
 - Rules of offset system – including criteria
 - Review of Specified Gas Regulations and compliance options
 - Government wants to develop a set of standards following a quasi life cycle assessment and based on the ISO 14064-2 system in which all sinks, sources and reservoirs (SSRs) are identified.
 - The system is designed on the following principles:
 - i. We need to ensure environmental integrity;
 - ii. we need to be reasonable (not every molecule);
 - iii. we want to adapt precedence set elsewhere (if there is an approach used elsewhere (i.e WRI/CDM – grid intensity factor (GIF) calculations based on build and marginal capacity of a system) – if it makes sense;
 - iv. Life Cycle Approach – it’s cumbersome but worthwhile – we are trying to streamline it.
 - Hope is that early in the new year we will have a Grid Intensity Factor that is necessary for this and other protocols.
4. This is the first round of technical review – there will likely be some revisions – hopefully nothing too substantial.
- **Consensus is no sustained objection** – want to have something that we can all live with.
 - All comments and issues must be tracked. It will go to the regulator for final approval.
 - Once we are happy for this it will move forward for a broader consultation. The next step for this protocol will be to streamline it and have a technical/market consultation. If things arise along the way, we will work on those things. The final steps are to go back to the regulator and post for public review.
5. Keith Driver – Walk through of the protocol – approach, logic and calculations

- Scope and Description – where it is applicable, where it fits
- Process Flow Diagrams – show which sources and sinks are applicable based on ISO 14064-2. Not all sources and sinks are relevant to all projects
- **Project Condition** – what actually happens due to the project
- **Baseline condition** is what is happening in the absence of the project. I.e. Community built according to the previous model vs. a project which is a community built to new standards. “5 Box approach” in Figure 2.1. Top to bottom is what is happening during the project. Going from Left to Right is looking at what is happening before and after the project – site development on left, site decommissioning on right. We look at this for both the baseline and project condition.
- **The difference between the project condition and the baseline condition is the GHG benefit of the project**
- **Discussion of functional equivalence** – ensure we are comparing apples to apples
- **Process flow diagrams** – materials and energy
- **Project Applicability** – what this protocol applies to
- **Flexibility Mechanisms** – here is a few little things you can do if your project is a little bit different and what you can do to make your project fit.
- **Want to identify all the sources and sinks - Definitions:**
 - i. **Controlled** – onsite – project operator controlled
 - ii. **Related** – upstream – the more they use the more is used but not directly responsible
 - iii. **Affected** – Unexpected market consequences.
 - iv. **Materiality** – defined as greater than 5%
- Equations – for all the sources and sinks included – Calculators are built for those equations.
- **KD - Do we have the right sources and sinks? Are we using the right equations? Is there an alternate source of data that would make things easier?**

Comment [tm1]: Karen - can you confirm that I got this right?

6. Protocol Details:

- ROV either connected to grid or dedicated to end user.
- BL condition is that electricity would have been produced elsewhere related to GIF
- Based on measurement and monitoring
- Must be Ecologo certification (but not nec. Certified)
- Obviously, you must have a valid operating permit.
- Measurement at the point of interconnection to the grid or delivery to end user. (Want to measure to the lowest point (i.e. exclude line loss))
- For line loss there is another protocol that will involve measurement and monitoring. Protocols are being built in a modular fashion to allow protocols to be stacked.

- KU – WRT EcoLogo certification – why is it in there and how is it confirmed. Can be done ahead of time for about 1500 to get a letter from EcoLogo that says you meet the standards. OR it can be done by an auditor to essentially get a document that says that you meet the standards. You do not have to maintain certification but simply that you meet the standards. It is a way of making sure the system doesn't cause other environmental impacts in the area. It is useful to site an existing standard – it's in the Solar Power one. Also, it allows some flexibility between going the REC route and the Offset route. **Clarification needed that certification is a one time thing and not ongoing.**
- **Given that site decommissioning may be 100 years in the future, do we need to account for that?** Essentially, it ends up immaterial (table 2.3). The only things that actually remain are fuel use on site and electricity generation and facility operation (B1, P2, P1) are material in the end.
- **Emissions on the baseline are electricity that would have been generated.** Emissions from project is determined by facility operation and fuel extraction and processing.
- **One appendix to be added** – emissions intensity for fuel production.
- **Generic Questions:**
- **Q:** Does the GIF applies to all projects regardless of if you operate intermittent vs. continuous? **A:** It has been a policy choice to have one factor for all.
- **Identified Issues:**
 - i. Setting of a Grid Intensity Factor for the province of Alberta - covered
 - ii. Addressing the emissions / emission reductions from the change in overall system line losses associated with the location of these generation sources. Do we need to account for relative remoteness or does the market already account for this because those projects are unpractical? There are economic constraints into where you put a plant. You need to look at the line loss protocol. Hydro delivers to the grid and doesn't deliver to a load therefore the whole line loss thing makes sense on the electron level but unsure of what it means to the GHG side.
 - iii. For wind, people are talking about electricity storage (specifically for time of day issues to hit peak) – does it apply to ROV? Anybody generating renewable energy is interested in energy storage and depending on economics it should be a bolt on. **Add storage ability to protocol.** Theoretically a separate energy storage protocol may be considered.

- iv. Recognizing that GHGs are a component of the environmental benefits included in any RECs generated and sold from the project.
 - 1. This is essential.
 - 2. Just need to ensure that there is no double counting of RECs and offsets.
 - 3. Will there be a policy document surrounding this?
 - 4. Typically this higher level policy is in the guidance document on ABEnv.
 - 5. Is there a preference to have it in the protocols or the guidance documents?
 - 6. As long as the message is clearly understood.
 - 7. Might be good to have a statement under protocol applicability in section 1 to discuss this matter.
- v. Would it be difficult to include small hydro in this – specifically irrigation in man made constructed irrigation canal? KD – commit to look at that and ensure that these types of projects apply.