

carbon trading program

Controlling greenhouse gas emissions is fast becoming a management priority. Analysts predict that even for companies not directly subject to greenhouse gas regulation, significant emissions will eventually increase costs or reduce sales.

In North America, the Chicago Climate Exchange (CCX[®]) is a member-based market for trading carbon credits obtained by reducing greenhouse gas emissions. The Delta P2E2 Center helps companies, farmers, and landowners get involved in carbon trading on the CCX[®] by providing the following services.

Carbon Baseline Analysis

Our experts work with direct emitters, such as manufacturers, and indirect emitters, such as office-based service companies, to fulfill Chicago Climate Exchange requirements.

Develop a Carbon Emissions Footprint A carbon emissions profile takes into account all activities that generate greenhouse gases, such as manufacturing and facility operations, corporate travel, and energy use. To develop the profile, we assess corporate data on carbon emissions, identify gaps, and fill them. This information is used to calculate a carbon emissions baseline and establish protocols for tracking changes in a company's footprint moving forward.

Create Carbon Credits The Delta P2E2 Center works with companies to design pollution prevention and energy efficiency strategies for reducing their carbon footprint—in some cases by a sufficient amount to generate carbon credits. Financing to implement these strategies is available through the Delta P2E2 Center.

Carbon Offset Aggregation

Both carbon dioxide and methane are greenhouse gases that contribute to global warming. The Chicago Climate Exchange specifies a range of eligible conservation practices [link to first bullet below] for reducing these greenhouse gases and allows benefits from these practices to be quantified, credited, and sold. Credits are aggregated, or pooled, from many different producers and landowners for sale to CCX® members—large companies, municipalities, and institutions that have made voluntary commitments to reduce greenhouse gas emissions. These organizations agree either to reduce their own emissions or to offset their emissions by purchasing credits generated by other organizations or by farmers and landowners.

Quantify Credits from Eligible Conservation Practices Experts from the Delta P2E2 Center can help farmers and landowners identify, quantify and aggregate credits resulting from eligible conservation practices.

Conservation Practices

No-till, low-till, and ridge-till farming are eligible practices for generating carbon credits. Producers or landowners must make at least a five-year contractual commitment to employ these practices. Carbon benefits are credited at .5 metric tons of carbon dioxide (CO₂) per acre, per year.

Grass Plantings

Producers or landowners must make a five-year contractual commitment to maintain grass plantings. Grass plantings implemented after January 1, 1999, can be credited at 0.75 metric tons of CO₂ per acre, per year.

Methane Digesters

Eligible methane digesters are those that were in operation any time after 1999 and have installed biogas flow monitoring and/or electrical metering equipment. Methane is credited at 18.25 metric tons of CO₂ per ton of methane, per year.

Tree Planting

Eligible projects include afforestation (allowing forests to regenerate naturally), reforestation via plantings, forest enrichment, and passive reforestation. Projects can be enrolled if plantings were initiated on or after January 1, 1990, on land that was not forested or on forest land that was degraded on December 31, 1989. Tree plantings can be credited up to 7.7 metric tons of CO₂ per acre, per year.

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Aggregate and Trade Credits The Delta P2E2 Center serves as aggregator to sell carbon credits on behalf of producers or landowners. All credits are traded on the Chicago Climate Exchange (CCX®). The market price per metric ton of carbon varies.

For current market prices see www.chicagoclimatex.com. Sale proceeds are returned to the producer/landowner minus a per-ton trading fee from CCX®, and an aggregation fee.

Enroll in the Carbon Trading Program Contact the Delta P2E2 Center for an application form and standard contract, then complete and sign the forms. CCX® requires that these be verified by an independent party. The Delta P2E2 Center, as aggregator, will arrange for verification. Once verification reports are sent to CCX®, trading can occur.

Contact Us

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