

Climate Change Alberta's Credit Trading System

FACTS AT YOUR FINGERTIPS

September 12,
2007

Alberta is the first jurisdiction in North America to impose comprehensive regulations requiring large facilities in various sectors to reduce their greenhouse gas emissions.

These regulations are a first step. Our new climate change plan will address future challenges and outline how every Albertan can reduce emissions.

Alberta is the first jurisdiction in North America to require industries to reduce their greenhouse gas emissions.

Alberta facilities that emit more than 100,000 tonnes of greenhouse gases a year must reduce their emissions intensity by 12 per cent a year under the recently amended [Climate Change and Emissions Management Act](#). The reductions, which include facilities in the energy, chemical and electricity sectors, came into effect July 1, 2007.

They apply to about 100 large industrial emitters, which account for about 70 per cent of Alberta's industrial greenhouse gas emissions.

Industries have three options to meet the reduction. Facilities can make operating improvements, buy Alberta-based credits or contribute to the Climate Change and Emissions Management Fund. Industries can comply by using any combination of the three options.

These options promote made-in-Alberta solutions that bolster the provincial economy and encourage investment in technology that will support larger reductions in the future. They also encourage all Albertans to reduce emissions.

Alberta-based credits

Under the credit system, large industrial emitters can purchase credits from other sectors that have voluntarily reduced their emissions in Alberta.

Any project initiated and any reduction realized after Jan. 1, 2002, are eligible. Also, any reductions that occurred after that date may qualify. Any credits used to meet the reduction targets must be verified by an independent third party.

Credits will be created using protocols approved by the Alberta government.

These comprehensive and strict [protocols](#) were developed in partnership with federal and provincial governments and stakeholders.

They outline how to quantify and verify emissions reductions for different types of projects (e.g. low tillage, biomass and biofuel). [More protocols will be developed](#) as additional emission reduction opportunities are identified.

To see which facilities may be interested in purchasing credits look at the [Alberta Environment Summary Report of 2005 Greenhouse Gas Emissions](#).

A credit registry will be established to post project and credit information to help in trading. Details will be finalized over the summer 2007

Alberta Environment and our partner, Climate Change Central, will be developing additional information materials on the credit system.

The act, regulations, protocols and greenhouse gas reports can be found at www.gov.ab.ca/env/climate.