



NOTICE OF OPPORTUNITY

RICHMOND CARBON MARKET

1.0 Introduction

- 1.1. The City of Richmond (the City) invites prospective businesses, non-profit groups or individuals to participate in the Richmond Carbon Market program.
- 1.2. To participate in this program, interested parties will provide project plans to the City for projects that result in greenhouse gas (GHG) emissions reductions as compared to baseline emissions.
- 1.3. Projects that meet City and Provincial requirements may be able to access support funding for the associated carbon reduction credits, once approval is received from Council. Potential eligible GHG reduction projects must be conducted in the City by a business, registered non-profit organization, or an individual and be carried out within the City of Richmond limits. In addition, projects must be outside the scope of a traditional BC municipality service (e.g. water service, recycling collection, roads maintenance, etc.).
- 1.4. If selected and approved, qualified projects and organizations would be eligible for funding from the City to purchase the quantified carbon credits associated with the completed GHG reduction project.

2.0 Objectives

- 2.1. The objectives of this program include the following;
 - a) Invest in Richmond-based energy reduction projects to help increase energy efficiency, reduce GHG emissions, and reduce energy operating costs.
 - b) Purchase qualified carbon credits that can be applied to offset corporate GHG emissions from City operations, reducing the City's carbon footprint.
 - c) Support community-based initiatives, that provide environmental, economic and social benefits to Richmond, and promote the development of the local low-carbon economy

3.0 Scope

- 3.1. To prospective businesses, non-profit groups or individuals, the program is an offering of either an annual or lump sum purchase of carbon reductions that come from projects that result in GHG emissions reductions as compared to baseline emissions.
- 3.2. Currently, the City will purchase qualified GHG reductions up to \$25 per tonne of carbon dioxide equivalent (CO₂e) depending on the quality of the reduction, the associated community benefits, and the level of documentation rigour.



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- 3.3. In addition, the City will promote within the community the businesses that have successfully completed GHG emission reduction projects and transferred carbon reduction credits to the City to reduce its carbon footprint.
- 3.4. Depending on the scope and complexity of the GHG emissions reduction projects, annual verification of the maintained emissions reduction may be required.

4.0 Qualification Process

- 4.1. Interested parties are requested to submit an application form located at:
www.energy.richmond.ca/richmond-carbon-marketplace-pilot-program/marketplace/.
- 4.2. The completion and submission of this form will help determine which project plans are eligible for further assessment and potential inclusion in the program.

5.0 Qualification Criteria

- 5.1. Interested parties need to demonstrate that the submitted project plans meet the following criteria:
 - a) The project(s) is conducted in the City of Richmond, BC, Canada.
 - b) The project proponent is duly authorized to complete the project for the identified organization and has not disposed of or sold the associated GHG emissions reduction credits to any other party, nor has entered into any other agency or other agreement by which the Seller is obligated to sell or transfer the GHG emissions reduction credits.
 - c) The project(s) will result in GHG emissions reductions as compared to the baseline emissions scenario
 - d) The project(s) is outside the scope of a traditional BC municipality service¹
 - e) The project(s) is economically and technically feasible
 - f) The project(s) supports a City non-profit organization, business, and/or resident through increased energy efficiency and reduce energy related operating costs
 - g) The project(s) need to be beyond “business as usual” replacements and need to pass at a minimum the first Legal and Regulatory additionality test below, followed by one of the three remaining additionality tests (2-4). The evaluation of whether or not a project passes the additionality tests will be done on a case by case basis.
 1. Legal and Regulatory Test - A project can only be considered additional if it is not required to fulfil official policies, regulations, or industry standards



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2. Financial Test - A project can only be considered additional if it is not profitable without revenue from carbon offsets
 3. Barriers Test - A project can only be considered additional if there are barriers, such as local resistance, lack of know-how, institutional barriers, etc, that prevent its being implemented regardless of its profitability
 4. Common Practice Test - A project can only be considered additional if it employs technologies or practices that are not already in common use
- h) At a minimum the project(s) will need to be able to achieve approximately 100 tonnes of carbon dioxide equivalent (CO₂e) reduction annually, as compared to baseline operating conditions.
 - i) If the emission reduction project has been completed, the project will need to have been completed after September 26, 2007.
 - j) Additional optional criteria - The project(s) demonstrate other positive community benefits, including but not limited to; growth in Richmond-based employment opportunities, reductions in resource use, operating and/or maintenance costs for Richmond-based associations or societies, and enhanced and/or conserved Richmond “greenspace.”

6.0 Review of Applications

- 6.1. The City will review the applications submitted to determine whether, in the City’s opinion, the project can fulfill the requirements of the Richmond Carbon Market program. Upon approval of a project plan by City Council, the City will enter into an agreement with the interested party.
- 6.2. The City may, prior to entering into an agreement, negotiate changes to the scope of the project, the materials, the Requirements or any conditions of the project.
- 6.3. All applications received by the City will be subject to the *Freedom of Information & Protection of Privacy Act* of British Columbia.
- 6.4. The City reserves the right to accept applications at any time and the issuing of this Notification of Opportunity is provided as a courtesy to interested parties.

For additional information or for questions related to this opportunity please see:

<https://energy.richmond.ca/richmond-carbon-marketplace-pilot-program/frequently-asked-questions-cm/>