Guidelines for Evaluating Existing Carbon Offset Projects

There are a number of factors that distinguish carbon offset projects. We look at each of the criteria below to evaluate the merits of existing carbon offset projects, and then present the best options for you to consider investing in.

Vintage – The vintage is the year in which the carbon credit occurred. An action happens, carbon is avoided or reduced, and that reduction is verified by a third party, typically at the end of a calendar year. For instance, 2018 vintage carbon credits (reductions achieved in 2018) will not likely be verified until the middle of 2019. NativeEnergy most often recommends the vintage of carbon credit you purchase be within 2 years of the emission year that the credit will be addressing. This makes a more direct temporal link to your emissions and the emission reduction action.

Price per tonne – We look at projects with a range of pricing, and can work with Discover Corps to find the best projects that meet your budget. By supporting more than one project, higher priced projects can be blended with lower price projects to develop a portfolio of projects that can meet your budget requirements.

Standard- To protect your investment, we make sure that a third-party has verified any project(s) you are interested in, and that there is an oversight system in place for monitoring and enforcing the project's specifications. All carbon offset projects' performance is independently verified under one of several carbon offset project standards, such as the Verified Carbon Standard, Climate Action Reserve, American Carbon Registry, Plan Vivo or Gold Standard.

Additionality- To meet the requirements of the standards (see above), the project developer has to demonstrate, among other things, that the project would not have been possible without the opportunity to receive payments for the offset credits - in other words, that the project would not have "happened anyway." A carbon offset program only has value if it has been proved that the project would not have been possible without the opportunity for carbon investments. This is known as the rule of additionality. All carbon offset projects that NativeEnergy offers to Discover Corps must meet the requirement of additionality.

Leakage- If a carbon offset project's emissions reductions somehow results in more greenhouse gas emissions elsewhere, the carbon reduction is nullified due to what's known as "leakage" of carbon emissions. NativeEnergy evaluates projects to ensure that there is no carbon leakage.

Place – We will work with Discover Corps to identify locations that are important to your business (i.e. places you run tours, where your HQ offices are, or locations that meet other goals), and can support projects connected to such locations. Many carbon offset projects have socio economic and local environmental benefits which these locations can benefit from. Discover Corps' purchase of carbon offsets can generate greater return when it can simultaneously invest in the communities where it does business.

Project Type – Certain project types may be viewed as more favorable than another, due to the ability to build a story around the project (i.e. develop a renewable energy story relative to retail locations), more favorable pricing, community benefits, or many other reasons. Different types of emissions reduction projects that we evaluate include:

- Renewable energy (wind, solar, biogas, landfill gas to energy, hydro). Some companies have a preference towards, or a reason to avoid, one type of technology or another. For example, hydro is often avoided for the environmental impacts of dam building. In addition to climate benefits, community scale renewable energy projects can bring energy to schools and municipal buildings at lower prices, generate tax revenue, or bring income to landowners. Some renewable projects can be coupled with habitat protection or creation, for example pollinator habitats, or other landscape benefits. These projects are built in locations where renewable energy is not mandated by law.
- Methane Destruction
    - Landfill gas destruction (landfill gas to energy, and landfill flare projects)
    - Farm digesters (capture of methane created from the anaerobic digestion of manure)
    - Destruction of fugitive methane (capture and destruction of methane that naturally seeps from the ground)
- Carbon sequestration
    - Forestry (REDD+, Improved Forest Management) projects follow management practices that commit to maintaining current forest carbon stocks. These projects can also preserve rich biodiversity and deliver a wide range of ecosystem services, as well as provides direct benefits to local communities.
    - Regenerative Agriculture (capture of carbon through improved soil management practices)
        - Row crop projects (implementing low disturbance cropping practices that improve soil health and sequester carbon on wheat, corn, or other row crops)
        - Sustainable Ranching (improved grazing practices that improve soil health and increase soil carbon)
        - Grassland management (avoided conversion of grassland habitat to agricultural, residential or commercial land)
- Clean water and clean cookstoves. These projects prevent the unsustainable harvesting of wood and the burning of wood by offering alternatives to boiled water (water filters) and to wood-fired cooking. In addition to climate benefits, these projects bring clean water to families (reducing illnesses, improving indoor air quality, reducing time spent gathering wood and freeing up time for attending school, work, or other pursuits) or cleaner indoor air while cooking (with the same health and time benefits). As such, these projects are typically in developing countries.
- Transportation
    - Fuel switching from a high carbon fuel to a lower carbon fuel (i.e. diesel to biodiesel).
    - Truck stop electrification (utilization of technology to allow trucks to stop idling overnight when drivers are resting)
- Industrial gases with very high global warming potential (GWP)
    - N20, SF6 (carbon offset projects that destroy these high GWP gases, usually associated with the manufacturing of refrigerants or other products)

Other corporate priorities- We can evaluate carbon offset projects against other environmental or social issues that are a priority for Discover Corps (for example, UN SDG goals, supporting women's empowerment, equal education opportunities, clean water, zero waste).