

From: Coleman, Helen J
Sent: Tue, 5 Dec 2017 11:33:41 -0600
To: Evan Delucia
Cc: McCall, Benjamin; Tomaszewski, Matthew Andrew; Gress, Vicky L; White, Morgan Butler
Subject: RE: Carbon Credit funding for Virtual Storeroom offsets purchase

Evan,

I do not understand why we should buy \$7.14 offsets instead of more \$0.40 offsets, especially when we sold our original carbon credits for \$6.75. I am not sure this added cost is justified and therefore, at this time, I cannot approve this request to purchase \$7.14 offsets for the virtual storeroom.

Thanks...Helen

From: White, Morgan Butler
Sent: Thursday, November 30, 2017 12:27 PM
To: Coleman, Helen J <hjcolema@illinois.edu>
Cc: Evan Delucia <delucia@life.illinois.edu>; McCall, Benjamin <bjmccall@illinois.edu>; Tomaszewski, Matthew Andrew <mat6@illinois.edu>; Gress, Vicky L <gress@illinois.edu>
Subject: Carbon Credit funding for Virtual Storeroom offsets purchase

Hi Helen,

In February 2017, you and Evan agreed to purchase 10,000 Carbon Offsets to start a Virtual Storeroom for carbon offsets on campus, for an estimated \$20-\$30K. The actual price for these will be \$71,400, due to the quality/impact of the offsets. The current funding available is approximately \$875K (before the purchase of these offsets and after the committed funding for other pre-approved items). We also anticipate a new sale of verified carbon credits in the coming months that would increase the funding in this pool.

Please approve: Virtual Storeroom for Carbon Offsets: \$71,400.

As you recall, the 10,000 CCs were originally going to be purchased in conjunction with the 121,330 replacement CCs from our sale(s) to BPTN. I do not know any details from the internal discussions at iSEE about the value of different types of carbon offsets. The replacement offsets we purchased were 2013 vintage from the Hyundai Steel Waste Energy Cogeneration Project in South Korea. These inventory offsets are from a refrigerant reclamation project from Terrapass in Texas, with a very high degree of additionality. The attached emails are the proposal for the new offsets, and the final notice of the retirement of the replacement offsets.

Ben McCall provided the following funding summary:

- We ended up purchasing 121,330 "replacement" tons at 0.40/ton, for a total of \$48,532.
- We now propose to purchase 10,000 "inventory" tons at 7.14/ton, for a total of \$71,400.
- This makes the grand total \$119,932.

- We were originally thinking we'd have to buy ~120,000 tons at \$2-3/ton, for a total expenditure of ~\$240-360k. So the total expenditure on the agreed-upon offsets purchase is still coming in substantially below our expectations (and the approved amount).

Please let me know if you would like to discuss this further.

Thanks,
Morgan

=====

Ms. Morgan White

Note my name changed from Morgan Johnston to Morgan White when I got married Sept. 2.

Associate Director, Sustainability
Facilities & Services (F&S), iSEE Staff Liaison
University of Illinois at Urbana-Champaign
148B Physical Plant Service Building, MC-800
1501 S. Oak, Champaign, IL 61820
217-333-2668 mbwhite@illinois.edu
<http://icap.sustainability.illinois.edu>

From: Johnston, Morgan B
Sent: Thursday, February 09, 2017 10:39 AM
To: Coleman, Helen J <hjcolema@illinois.edu>; Evan DeLucia <delucia@life.illinois.edu>
Cc: Ben McCall BJM - Center for a Sustainable Environment <bjmccall@illinois.edu>; Tomaszewski, Matthew Andrew <mat6@illinois.edu>; Gress, Vicky L <gress@illinois.edu>
Subject: Carbon Credit Sales - funding request 1 of 2

Hello Helen and Evan,

Per the attached MOU, the two of you are responsible for evaluating and approving the use of Carbon Credit sales funding. My understanding of our current funding level is in the attached document, showing approximately \$600K available to allocate. (Vicky, please correct me if my tracking file is inaccurate.)

Please approve: Virtual Storeroom for Carbon Offsets, estimated at \$20,000 to 30,000

With the Request for Purchase being submitted by Ben McCall through the Purchasing Division for replacement offsets from the 2015 calendar year sale of Carbon Credits to BPTN, we have an opportunity to also meet iCAP objective 8.2 "By the end of FY17, develop an administrative mechanism to enable campus units to voluntarily purchase carbon offsets." iSEE is preparing a virtual storeroom for carbon offsets, that will allow internal campus units to voluntarily purchase offsets for their departmental greenhouse gas emissions. This funding would provide the starting inventory for the storeroom, and the inventory would be replenished using income from the internal sales.

There is significant administrative savings to complete this purchase in conjunction with the purchase to replace the CCs sold to BPTN. There is also a risk that the price will be higher than anticipated. If pricing were to come in exorbitantly high, I understand we could reject the proposals. For instance, if the prices

we receive are higher than the income we received from the BPTN sale, that would be surprising and additional discussion would be needed.

Thank you,
Morgan

=====

Ms. Morgan B. Johnston

Associate Director of Facilities & Services
Director of Sustainability, F&S iSEE Staff Liaison
University of Illinois at Urbana-Champaign
Facilities & Services, 148B PPSB, MC-800
1501 S. Oak, Champaign, IL 61820
217-333-2668 mbjohnst@illinois.edu
<http://icap.sustainability.illinois.edu>