April 17, 2023

Robert J. Jones, Chancellor

University of Illinois Urbana-Champaign

Mike DeLorenzo, Senior Associate Chancellor for Administration and Operations

Chair, 2022-2023 University of Illinois Sustainability Council Sub-Committee

Dear Chancellor Jones and Mr. DeLorenzo,

The [Illinois Climate Action Plan Resilience Team](https://sustainability.illinois.edu/campus-sustainability/icap/swateams/resilience-working-advisory-team/) is requesting the University of Illinois at Urbana-Champaign to take swift action on two revisions to its past practices on carbon credits: (a) for its existing commitment to purchase carbon credits related to UIUC’s prior sale of credits to a third-party, finance local projects along with purchases through carbon markets; and (b) do not sell additional carbon credits. .

In 2016, the University of Illinois sold carbon credits in the Carbon Credit and Purchasing Program through Second Nature. The [MOU on Sale of Carbon Credits to BP](https://icap.sustainability.illinois.edu/files/project/393/MOU.Carbon%20Credits%207.18.16.pdf) [IDENTIFY PARTIES TO THE MOU AND DATE] stated that “revenues generated from the sale of carbon credits are then reinvested in accordance with the Illinois Climate Action [Plan] to further reduce campus’ carbon emissions…. In the event that the entity purchasing campus’ carbon credits will use them [to] offset their own emissions, iSEE will purchase carbon offsets on the open market to mitigate the negative effect on the atmosphere.”

The MOU further states that “iSEE is charged with conducting regular RFP processes as needed to purchase offsets on the open market, in order to preserve the campus’s ability to report a reduction in total emissions. The purchase of these offsets will be funded by the proceeds of the BPTN and future carbon credit sales, and this will represent that top priority for the use of such funds.”

In February 2016, iSEE was informed that credits BPTN purchases would most likely to go offsetting emissions. In June 2017, UIUC purchased 113,000 tonnes of carbon credits at $0.40 for a total of $45,200 through EcoAct Inc.

Following those transactions in 2016 and 2017, UIUC again engaged in sales of its carbon credits. Currently, there is a balance of 249,304 carbon credits necessary to satisfy the MOU on Sale of Carbon Credits.

In addition to the responsibility for replacing the University Carbon Credit Sales with purchases of carbon credits, the University of Illinois Climate Action Plan [Objective 8.7 Local offsets Program](https://icap.sustainability.illinois.edu/project/develop-local-carbon-offset-program) and [Objective 3.5 Offset Air Travel Emissions](https://icap.sustainability.illinois.edu/project/offset-emissions-plane-trips) both discuss creating local carbon offset programs for the purposes of offsetting both UIUC emissions and emissions from faculty and staff air travel. The iCAP puts forth bold program ideas that require campus partnerships and resources, investment, outreach, and oversight.

Our request is that UIUC swiftly purchase 249,304 carbon credits as required under the 2016 MOU. Carbon credits purchased should promote UIUC’s mission as an Illinois land grant university committed to local community engagement and meet the following standards:

1. Additional (in the sense that they enable reductions beyond business as usual);
2. Measurable;
3. Conservative (to ensure reductions are not overstated);
4. Permanent;
5. Independently verified;
6. Trackable; and
7. Transparent.

In general, carbon credits through local projects are more expensive than the carbon credits available through national or global markets. Moreover, the prices of carbon credits through markets vary substantially, in part reflecting differences on the standards stated above.

We support a hybrid or mixed approach to obtaining the 249,304 carbon credits. The associated budget would not allow for obtaining all of these credits through local carbon-reducing projects. The budget would allow for obtaining a substantial portion of the credits from local projects and the remainder through national or global markets.

While very high-quality carbon credits are trading in markets as much as $25.00 per credit, we recommend purchasing lower-priced but still quality carbon offsets priced between $2.00 and $5.00 per credit. The remaining budget for purchasing carbon credits would be used for supporting local projects of significant local benefit. Our Resilience Team is research some options for local projects.

We further recommend that UIUC halts the practice of selling carbon credits generated by it to third-party organizations who will use them to offset their own emissions. Such sales are contrary to best practices by universities in pursuing carbon neutrality.

On behalf of the iCAP Resilience Team, we thank for your time to read our statement.

Yours sincerely,

Stacy Gloss Chair, iCAP Resilience Team

Scott Tess, Vice-Chair, iCAP Resilience Team

iCAP Resilience Team Members:

Warren Lavey

Constance Brown

Asli Topuzlu

Lisa Merrifield

Lacey Rains Lowe

Nichole Millage

Helin Anil

Gabriella Zervakis

Linda Derhak

Caitlin Kelly

Bob Flider

Morgan White

Jennifer Fraterrigo

CC: 2022-2023 University of Illinois Sustainability Council Sub-Committee members:

Susan Martinis, Vice Chancellor for Research and Innovation

Paul Redman, Associate Provost for Capital Planning

Lowa Mwilambwe, Associate Vice Chancellor for Auxiliary, Health, and Well-Being

Ehab Kamarah, Associate Vice Chancellor and Executive Director, Facilities & Services

Madhu Khanna, Interim Director, iSEE

Jennifer Fraterrigo, iSEE Associate Director for Campus Sustainability

Morgan White, Associate Director of Facilities & Services (F&S), Sustainability

Owen Jennings, Co-Chair, Student Sustainability Leadership Council (SSLC)