

Environmental Innovation Solutions (EIS)

August 10, 2010

On July 27th the Western Climate Initiative (WCI) released a comprehensive strategy designed to reduce greenhouse gas (GHG) emissions. The Design for the WCI Regional Program is the culmination of two years of work by seven U.S. states and four Canadian provinces. Supported by their jurisdictional goals, the objective of the WCI Partner jurisdictions' plan is to reduce regional GHG emissions to 15 percent below 2005 levels by 2020. The regional goal will be reached by:

- Creating a market-based system that caps GHG emissions and uses tradable permits to incent development of renewable and lower-polluting energy sources
- Encouraging GHG emissions reductions in industries not covered by the emissions cap, thus reducing energy costs region wide, and
- Advancing policies that expand energy efficiency programs, reduce vehicle emissions, encourage energy innovation in high-emitting industries, and help individuals transition to new jobs in the clean-energy economy.

The WCI program covers emitting entities within the WCI geographic region as well as electricity imported into the region from other geographic areas. The design document also allows for the potential to import units from other cap-and-trade platforms. For those entities directly affected, BNY Mellon can assist in preparing for the expected operational challenges. For entities outside the WCI, in the absence of Federal legislation, this regional effort is worth tracking for potential future expansion.

A detailed design document can be found at:
<http://westernclimateinitiative.org/the-wci-cap-and-trade-program/program-design>

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Resources

[EPA's Center for Environmental Finance](#)

[Glossary of Terms](#)

[Carbon Disclosure Project](#)

[BNY Mellon CSR 2009 Highlights](#)

[Understanding Climate Change \(National Academy of Science\)](#)

[NEW - World Bank's State and Trends of the Carbon Market 2010](#)

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