

# **WGES CleanSteps® Carbon Offsets**



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# Agenda



- Company Introductions- Sterling Planet and WGES
- Carbon Offsets 101
- WGES CleanSteps® Carbon Offsets Product Overview
- Chesapeake Bay Foundation and the Carbon Reduction Fund
- Carbon Offsets to Counter Carbon Emissions
- Marketing Benefits of a WGES CleanSteps® Carbon Offsets Purchase

# **Company Introductions- WGES & Sterling Planet**

Part One



# Sterling Planet

- Founded in 2000, headquartered in Atlanta
- Nation's leading retail carbon and renewable energy services provider
- 2012 & 2013 U.S. EPA Green Power Supplier of the Year
- Comprehensive product suite: RECs, carbon offsets, renewable project development
- Our aim is to grow the demand for purchases of carbon-free energy by energy consumers
- "Triple bottom line" social, environmental and economic performer



# Sterling Planet



152 Utilities	2,314 Businesses	76 Colleges	343 Gov't Entities
			

# Washington Gas Energy Services (WGES)



- Most tenured green energy supplier in the Mid-Atlantic
  - Selling wind power for over 10 years
  - Launched a carbon offset product in 2010
- In 2011, the U.S. Department of Energy (DOE) named WGES the Green Power Supplier of the Year
- Recipient of a 2013 DC Mayor's Sustainability Award
- Aggressive GHG emissions reduction goals- 70% by 2020 based off of a 2008 baseline

# Washington Gas Energy Services (WGES)



## OUR WIND POWER PARTNERS

WGES is proud to partner with so many respected area businesses and organizations that use clean, renewable WGES CleanSteps® WindPower. To distinguish your organization with a green power purchase, please call: **703-793-7578**, or go to [www.wges.com/commercialwind](http://www.wges.com/commercialwind) to learn more.



## ADDITIONAL WIND POWER PARTNERS

- ▶ 124 Slade Associates LLC
- ▶ Deka Immobilien Investment GmbH

- ▶ Nattak Investments

- ▶ Calvary Baptist Church
- ▶ Cambridge Commons
- ▶ Capital Restaurant Holdings, Inc.
- ▶ Capitol Document Solutions
- ▶ Capitol Hill Day School
- ▶ Carbon



## POWER PARTNERS

- ▶ Deka Immobilien Investment GmbH
- ▶ Delmar School District
- ▶ Demers Real Estate
- ▶ Dhss Comm Mental Health
- ▶ Donatelli Development
- ▶ Doubletree Hotel Bethesda
- ▶ Downtown BID
- ▶ Dwinward Smith and Associates, Inc.
- ▶ Eastern Village
- ▶ Eden Brook Condo, Inc.
- ▶ Embassy of Bosnia and Herzegovina
- ▶ Embassy of Egypt
- ▶ Embassy of Finland
- ▶ Embassy of Montenegro
- ▶ Embassy of New Zealand
- ▶ Frederick County Consumer Cooperative
- ▶ GEA Process Engineering, Inc.
- ▶ Gold Crust Bakery
- ▶ International Limousine Service, Inc.
- ▶ J.B. Johnson Nursing Center
- ▶ Nattak Investments
- ▶ The Netherlands Embassy
- ▶ Nice Lines Direct Mail, Inc.
- ▶ Oldfields School, Inc.
- ▶ Olson Wire Products
- ▶ Park View Florist
- ▶ Paul Associates
- ▶ The Phillips Collection
- ▶ Prince George's County Libraries
- ▶ R & L Service Center
- ▶ Regional Management, Inc.
- ▶ R M Schmidt, Inc.
- ▶ The Rockfish Raw Bar & Grill LLC
- ▶ Rockland Homeowners Association
- ▶ Saint-Ex Group LLC
- ▶ The Savoy Suites Hotel
- ▶ Sisters Of The Holy Cross
- ▶ Society of the Cincinnati
- ▶ State of Delaware
- ▶ State of Maryland

# WGES/Sterling Planet Partnership

A stylized graphic of a wind turbine is located in the top right corner of the slide. The turbine is white and stands on a green field. The background of the slide is a gradient of green and blue, with a wavy pattern.

- Partnership launched in 2010
- WGES offers locally-sourced WGES CleanSteps® Carbon Offsets matched to any portion of a customer's natural gas usage or to offset the environmental impact of other business activities
- Sterling Planet secures the local carbon offsets needed to support the WGES CleanSteps® Carbon Offsets product
- When offsets are purchased, WGES and Sterling Planet contribute to the Carbon Reduction Fund, which supports Chesapeake Bay Foundation (CBF) involvement in local environmental projects to reduce greenhouse gases and improve water quality

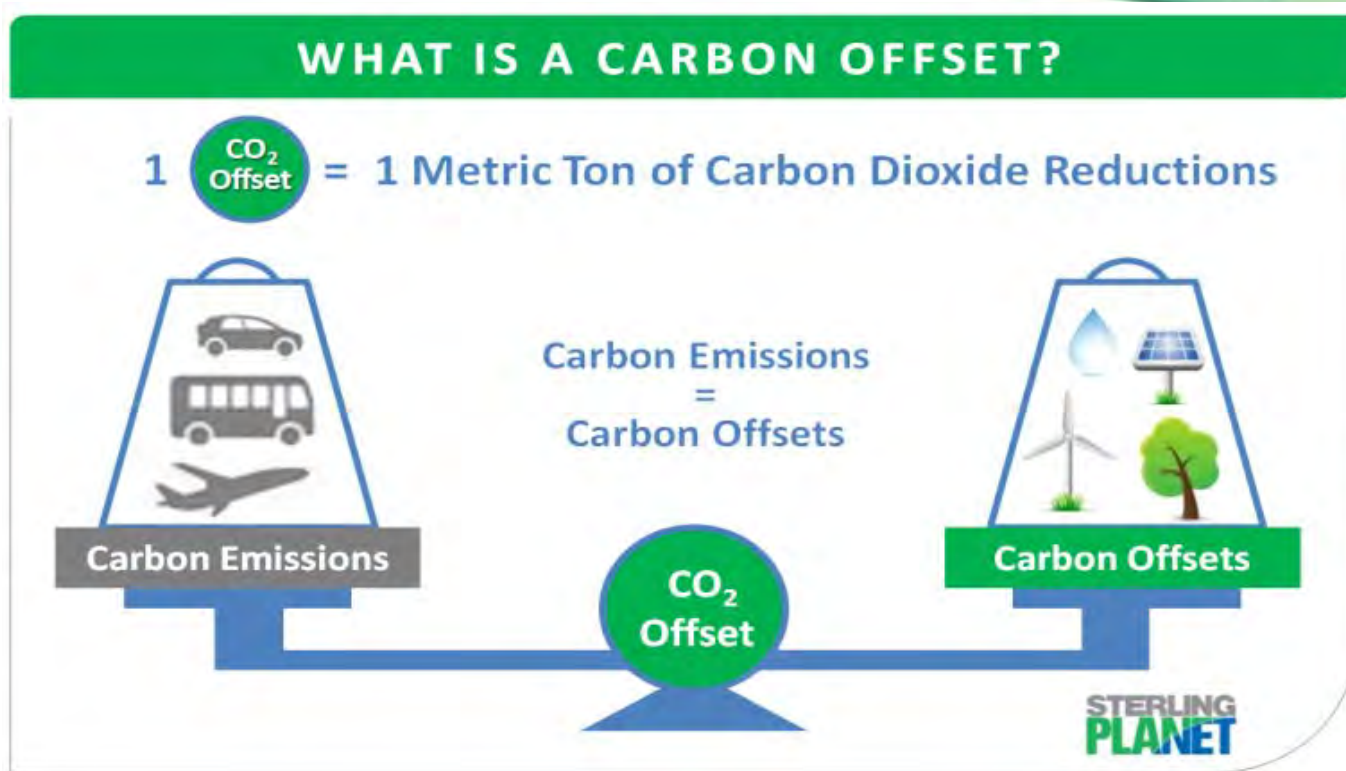


# Carbon Offsets 101

The background features a white wind turbine on the right side, set against a clear blue sky with light, wispy clouds. Overlaid on the scene are several translucent, wavy lines in shades of light blue and green, creating a sense of movement and energy.

Part two

# Carbon Offsets 101



- Represents a greenhouse gas emission reduction made in one place to compensate for emissions created in another
- One “offset” represents the reduction of greenhouse gases equivalent to one metric ton of carbon dioxide (CO<sub>2</sub>e)

# Carbon Offsets 101

Offset purchases reduce or neutralize your carbon footprint, typically after emission reduction methods are in place



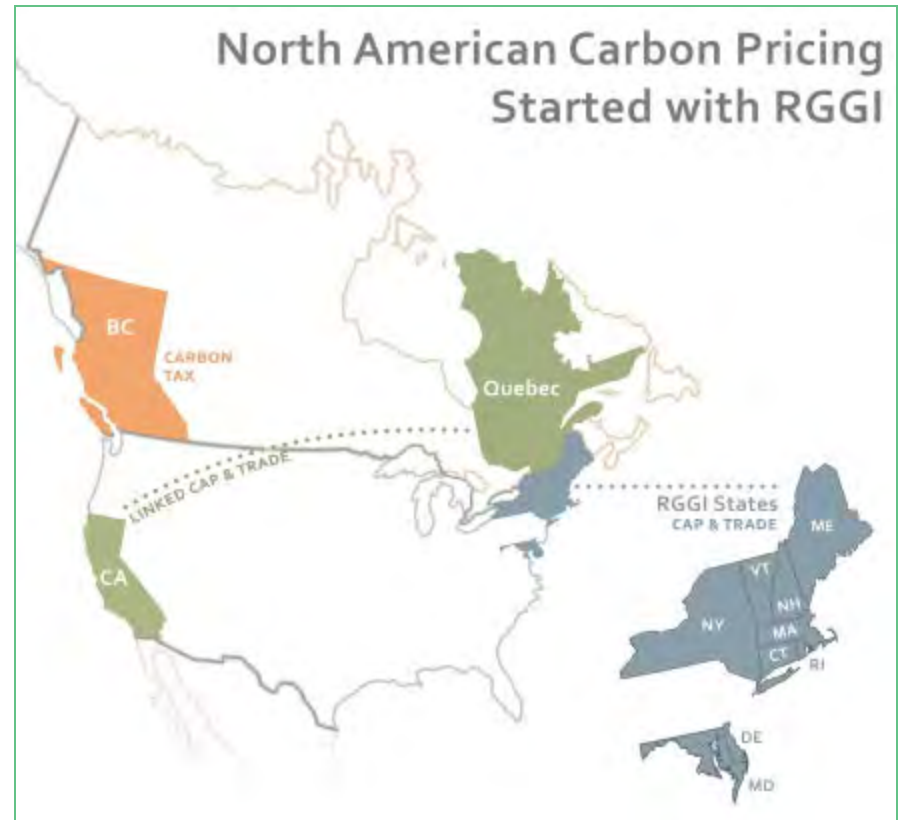
# Carbon Offsets 101 – Why Buy?

Pricing of Carbon Offsets is driven by mandate markets –

⇒ 17,998,687 CO<sub>2</sub> allowances sold at Sept.'14 auction @ \$4.88

Key Question - Above what threshold is it economically viable to register and sell a project's offsets?

- Monitoring Costs
- Verification/Registration Fees
- Project Development brokerage
- Offsets tracking delivery structure & fees



# **WGES CleanSteps® Carbon Offsets: Product Overview**

Part three



# WGES CleanSteps Carbon Offsets

- First of its kind initiative
- Developed as a way to offer residential and business customers in MD, DC, VA and PA an easy way to green their natural gas usage
- Matches independently verified, regionally-created carbon offsets to natural gas use
- Independent third party engineers verify the offsets, and each offset is tracked in an online registry

## HOW WGES CLEANSTEPS® CARBON OFFSETS WORK



Natural gas is the cleanest-burning fossil fuel. But its use still leaves a carbon footprint.



WGES invests in carbon offsets on your behalf to reduce that footprint.



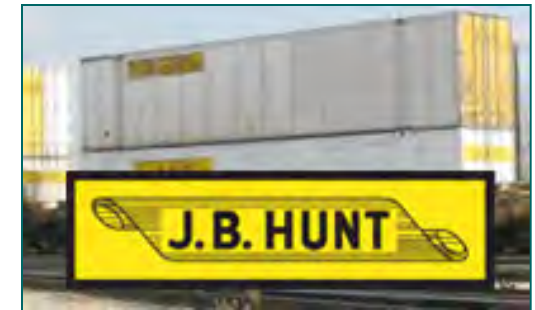
And also funds future carbon-reducing activities, such as tree plantings.



*For a cleaner  
air and water  
in your region.*

# WGES CleanSteps® Carbon Offsets

- Offsets sourced from transportation and waste management projects
- Automatic inclusion of 5% from Chesapeake Bay projects in all of our standard gas supply residential contracts (3.5% small commercial)
- Residents- High offset option (100%)
- Businesses- offset only or as a % of natural gas use
- More than 109,000 carbon offsets have been purchased by WGES customers since 2010



# WGES CleanSteps® Carbon Offsets - Overview

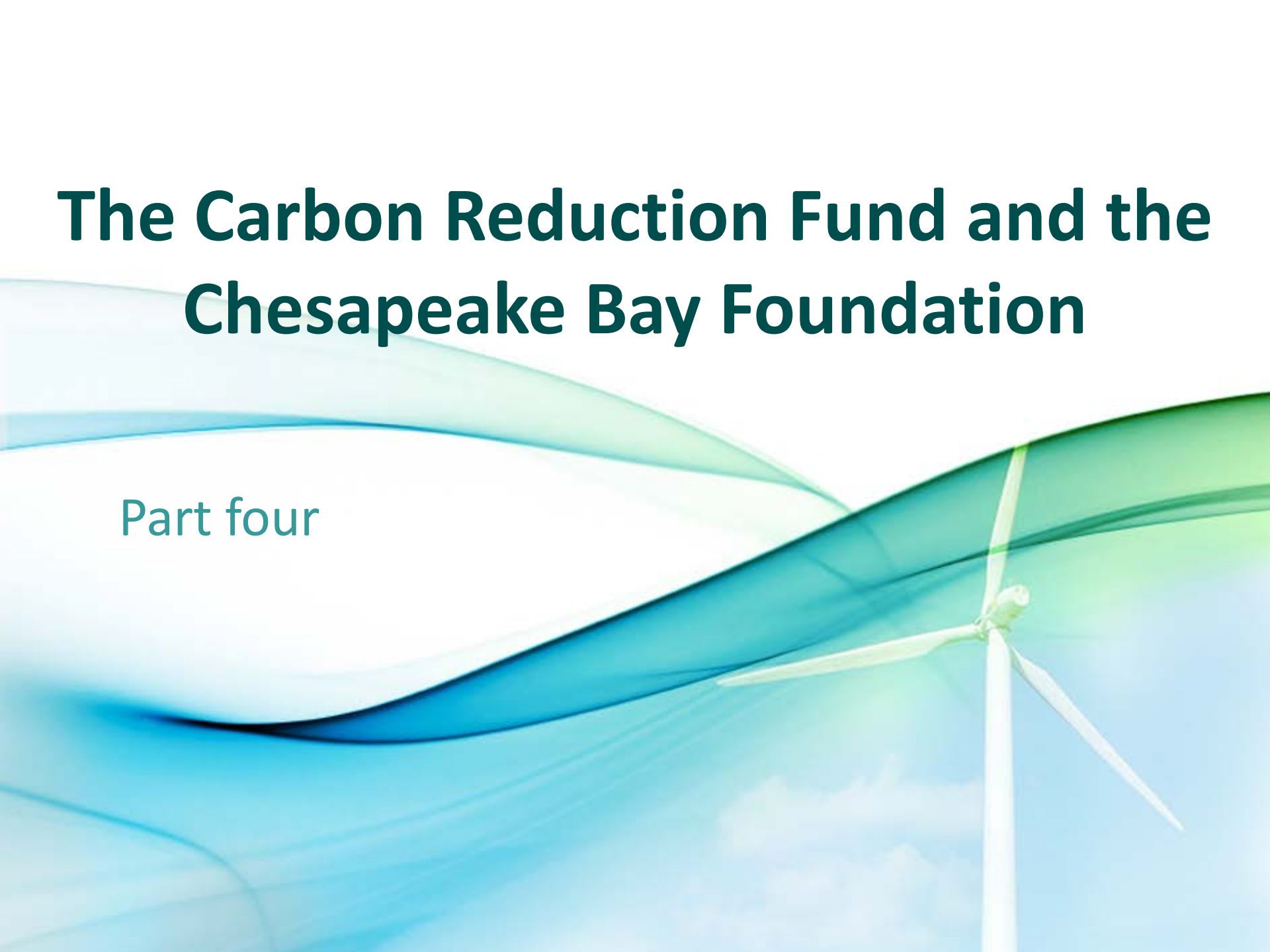
- Goal is to improve air and water quality in the Chesapeake Bay Watershed
- Sourced 100% in the Chesapeake Bay Region
  - Other offsets can be national or even international
- Added Value: WGES carbon offsets fund new projects — such as tree plantings along rivers and streams that flow into the Chesapeake Bay — that are managed by the Chesapeake Bay Foundation
  - Others provide offsets without any added new project benefits or innovative partnerships





# The Carbon Reduction Fund and the Chesapeake Bay Foundation

Part four



# Carbon Reduction Fund



- WGES CleanSteps Carbon Offsets features a reinvestment component to develop new local sources of carbon offsets
  - Carbon Reduction Fund (CRF) managed by the Chesapeake Bay Foundation



# Carbon Reduction Fund



**\$500,000**

In contributions to the Carbon Reduction Fund to date

**9,000 acres**

Of trees planted on 45 acres in several counties in Maryland



# Carbon Offsets to Counter Carbon Emissions

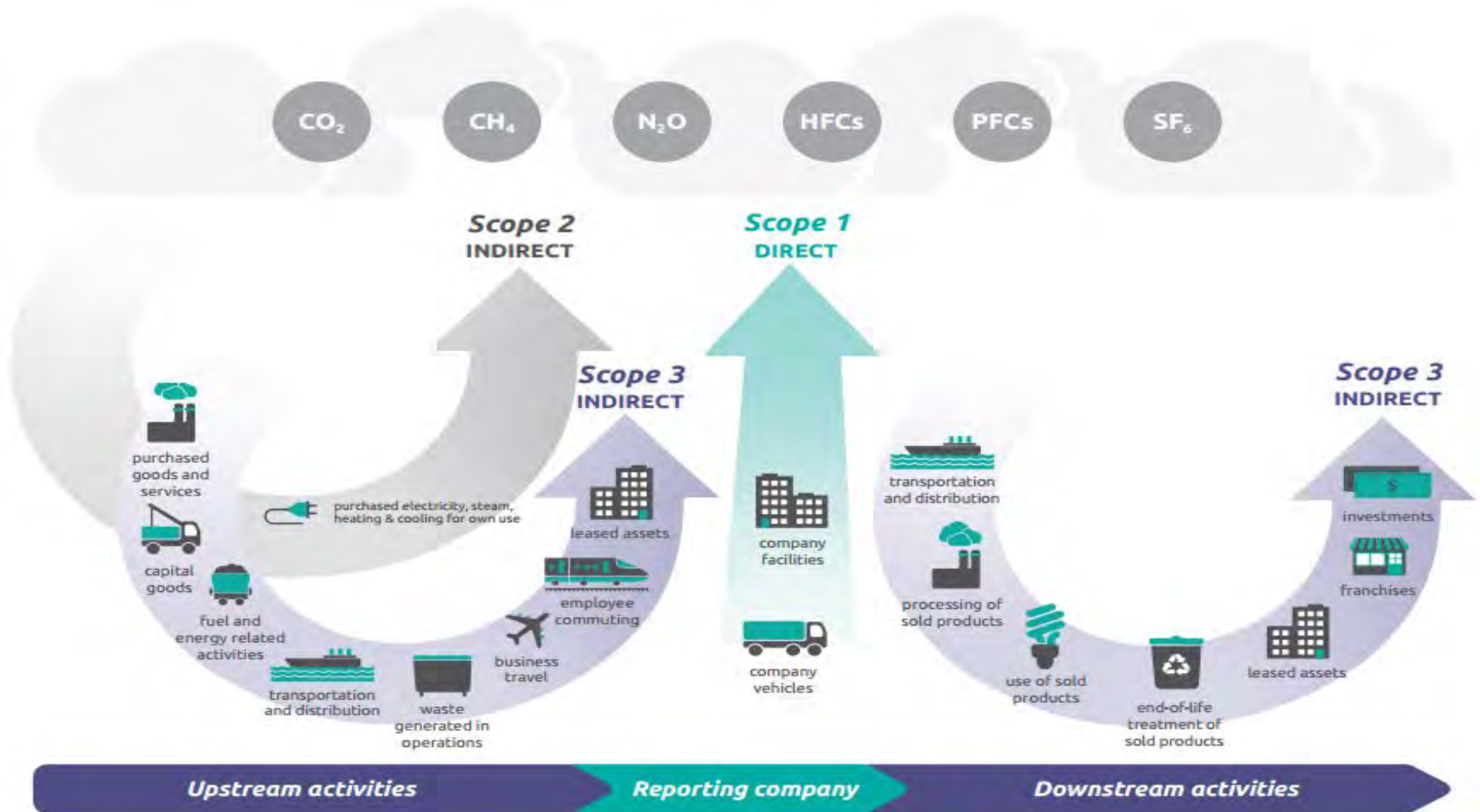
Part five



# Carbon Offsets 101



## Who Buys?



Commercial purchasers are a major share of the voluntary market

# Carbon Offsets to Counter Carbon Emissions



- Commercial, federal, and non-profit customers can purchase any amount of carbon offsets to help meet emission reduction and carbon neutrality goals
  - Northern Virginia Community College offsets 100% of their natural gas usage with WGES CleanSteps Carbon Offsets
  - Many Fortune 100 corporations, banks, hotels and sustainable-focused businesses
- Organizations can counterbalance the environmental impact of a conference, travel and hotel stays
  - RAE Summit
  - Professional Sports Teams

# Marketing Benefits of a WGES CleanSteps<sup>®</sup> Carbon Offsets Purchase

Part six



# Marketing Benefits of a CleanSteps Carbon Offsets Purchase



- Position your organization as an environmental leader
- Demonstrate your commitment to improving air quality and reducing carbon emissions
- Strengthen your brand
- Environmental responsibility will attract members, customers and top candidates
- Matching every 100,000 therms of natural gas your institution uses with carbon offsets has the environmental benefit equivalent to taking more than 100 cars off the road for one year



# Marketing Benefits of a CleanSteps Carbon Offsets Purchase

www.WGES.com/CommercialOffsets

**Washington Gas Energy Services**  
A Washington Gas Affiliated Company

**CleanSteps**  
CARBON OFFSETS  
make your own footprint

Green Power  
LEADERSHIP  
AWARD  
WINNER  
U.S. Department of Energy

## INFORMATION

- Information & Benefits
- Carbon Offsets 101
- Carbon Offset Sources
- About the Carbon Reduction Fund
- Key Terms & Acronyms

## Carbon Offsets And Your Business

When you choose WGES CleanSteps® Carbon Offsets, you distinguish your organization as an environmental leader committed to improving regional air and water quality.

Your WGES carbon offset purchase comes with access to exclusive marketing support, including collateral material, technical assistance and sample press releases.

For more information on WGES CleanSteps Carbon Offsets, call 703.793.7578.

Corcoran Gallery of Art is creating a greener DC.

### WGES CLEANSTEPS® CARBON OFFSETS MARKETING MATERIALS

**LOGO**

**CLEANSTEPS**  
CARBON OFFSETS  
make your own footprint

**COLLATERAL**

Restoring nature's balance.  
CleanSteps CARBON OFFSETS

Washington Gas Energy Services  
www.wgescleansteps.com

- WGES provides an electronic suite of marketing tools, including signage, banners, window decals, logos and customizable press materials to promote your environmental commitment

### Merging Eco-Friendly with Luxury - Washington Gas Energy Services Provides Green Energy Products to Mandarin Oriental, Washington D.C.

Apr 19, 2012

Herndon, VA and Washington, D.C. - Washington Gas Energy Services (WGES), today announced that it will support the decision of Mandarin Oriental, Washington D.C. to further reduce its carbon footprint by providing the hotel with WGES CleanSteps® Carbon Offsets matched to the hotel's natural gas use, and WGES CleanSteps® WindPower. The purchases are equivalent to taking 1,685 cars off the road for one year or planting 29,906 trees.

The purchase of WGES CleanSteps® WindPower and WGES CleanSteps® Carbon Offsets reflects the hotel's strategy to improve its environmental performance through reduced greenhouse gas emissions from energy use. As part of their sustainability initiatives, the hotel also optimizes water use, minimizes waste and educates guests and the general public about its continuing effort to be a steadfast steward of the environment.

"Luxury, legendary service and sustainability are integral elements of our business model," said General Manager Amanda Hyndman at Mandarin Oriental, Washington D.C. "Reducing our environmental impact

# Questions/Contact

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[cleansteps.com/offsets](http://cleansteps.com/offsets)

