

Programmatic CDM



December 2009

cool nrg 

combating
climate change

Why CDM?

- ✓ Emission Reduction targets at the lowest economic cost
- ✓ Offsets are a tool for transition for developed and developing countries
- ✓ Sustainable Development

The Two Approaches to CDM



LARGE
SCALE
PROJECT

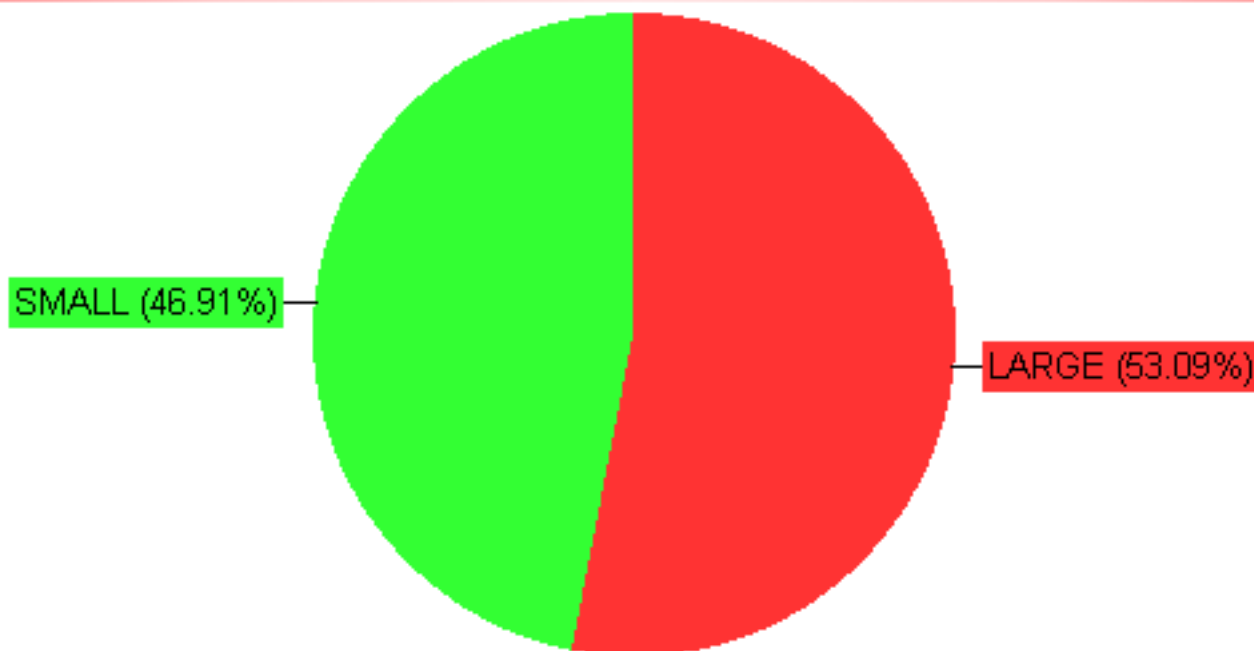
- Mainly industrial projects
- 60% in China; 11% in India
- Complex Methodologies

small
scale
projects

- Working in small communities
- Mainly in India
- Simplified Methodologies
- Limited scale (< 60GWh p.a.)

Current Registered Project Activities – By Scale

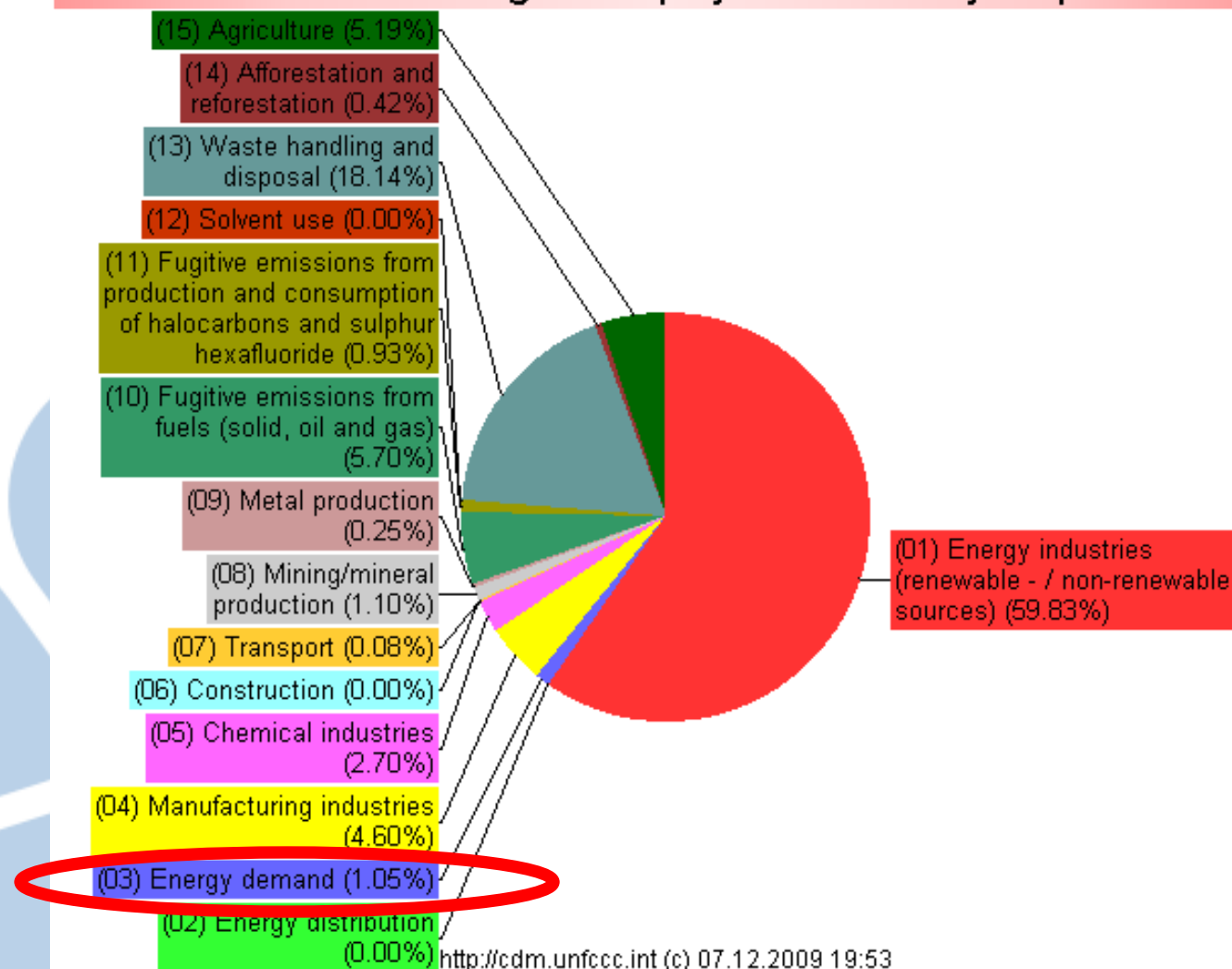
Registered projects activities by scale. Total 1940



Scale	Registered Projects
LARGE	1030
SMALL	910

Current Registered Project Activities – By Type

Distribution of registered project activities by scope



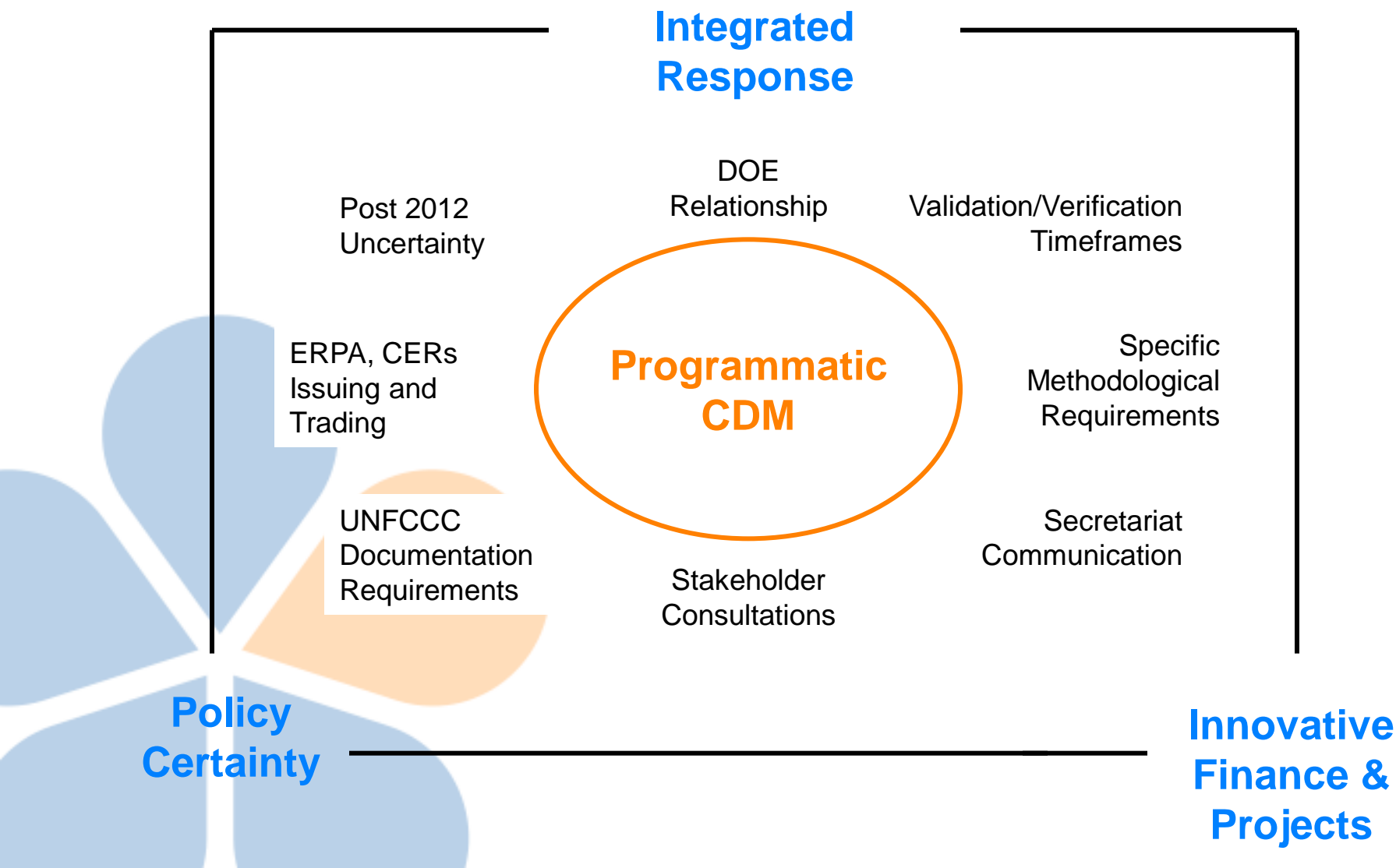
Programmatic CDM: Only 1 project registered

PROGRAM



- Scale
- Low transaction costs
- Simplified procedures
- More countries
- Energy Security
- Scales up CDM

Elements of Success for Programmatic CDM

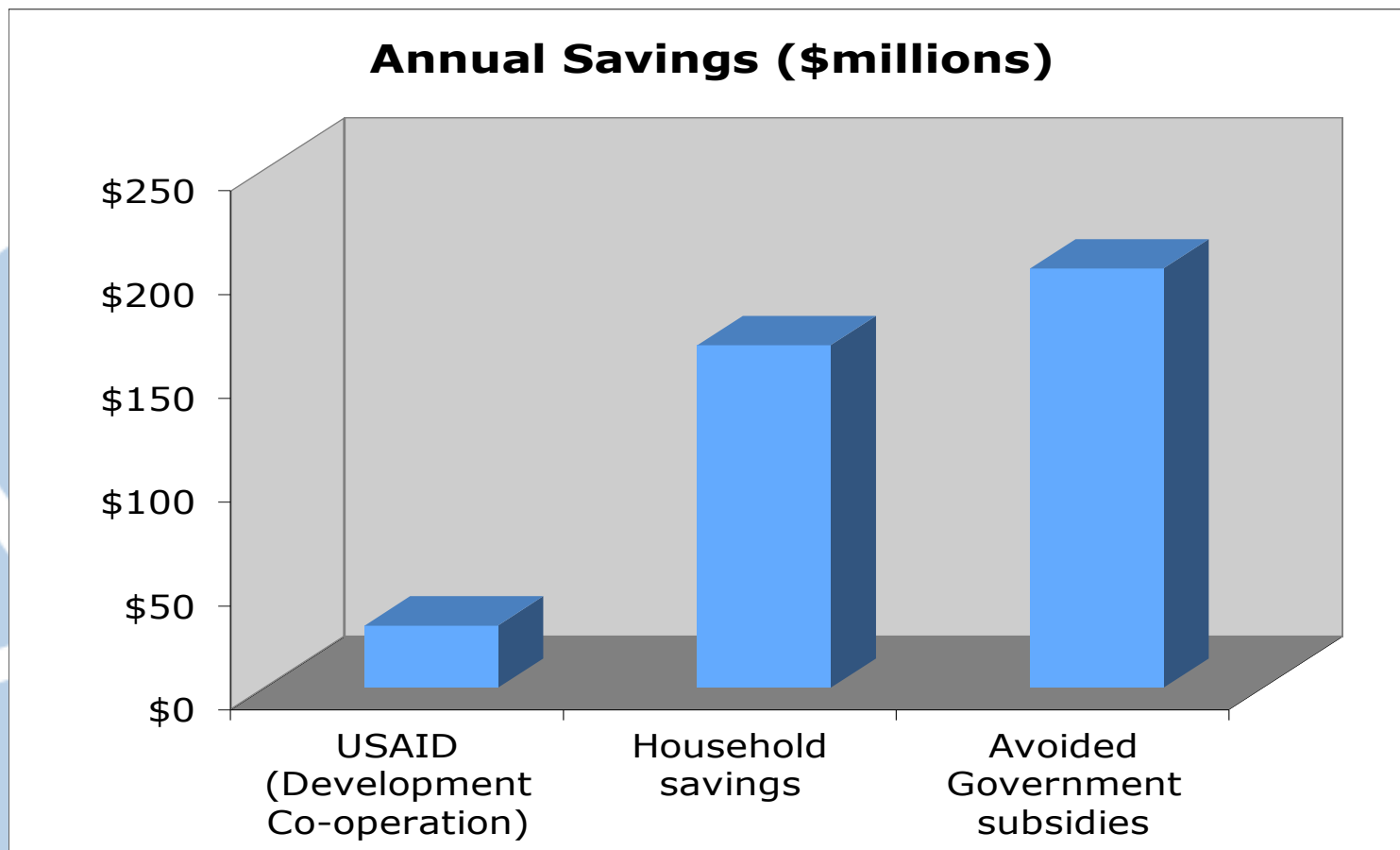


CDM DEE: Domestic Energy Efficiency

- **Energy efficiency** can account for **60%** of avoided emissions in 2030 *
 - **Climate Change** - Immediate and significant CO₂ reductions
 - **Poverty alleviation** - Savings to households & Governments
 - **Energy security** - Deferred infrastructure costs and capacity
- **Programmatic** CDM DEE can deliver this, starting with lowest cost abatement
- But only 5 registered domestic energy efficiency projects and only 1 Program of Activities registered

CDM DEE: Energy Efficiency & Anti-Poverty

By giving 30 million CFLs to low-income Mexican families:



“Luz Verde” Mexico: Program of Activities

30 million light bulbs in
30 projects

4 CFLs to
7.5 million households

**Un cambio, te cambia
y te ahorra dinero.**

Tú traes
4 focos + recibo de luz

Te regalamos
4 focos ahorradores

iGratis!
a partir de
noviembre

Hasta agotar existencias

APLICA EN TIENDAS PARTICIPANTES
Coppel Comex

AMPE Luz Verde

Emissions cut by 7.5mt CO₂ over ten years

Households save US\$165m p.a. (1 week of low income salary)

Mexican Government saves US\$200m p.a. in electricity subsidies

Infrastructure Investment cut by US\$570m

Luz Verde: A World First

- ✓ Project launched **November 2009**
- ✓ **Registered** with United Nations:
A world first
- ✓ Will be **Gold Standard** CERs
- ✓ **Funding in place**: a combination of equity and debt participation
- ✓ Strong support from the **Mexican Government**
- ✓ **CER purchase** agreement confirmed



Luz Verde: Partners for Implementation



Cool nrg: Projects and Consulting

- ✓ Driving mass action on climate change
- ✓ Design, develop & deliver domestic energy efficiency projects
- ✓ Working with Governments, national & global companies
- ✓ Global expertise & experience in:
 - ✓ CDM & Programmatic CDM
 - ✓ Large-scale project delivery
 - ✓ Domestic energy efficiency market regulation





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