

### **ABOUT CLIMATE FORWARD**

Climate Forward is a program of the Climate Action Reserve which issues greenhouse gas emission reduction credits on an ex ante basis in order to facilitate early investment in a wide array of innovative, creative emission reduction projects. Climate Forward accelerates action on climate change by encouraging companies to make proactive investments now to mitigate their future emissions.

#### How it works

Climate Forward approves standardized and conservative quantification methodologies for assessing the forecasted (ex-ante) emissions reductions of GHG reduction projects and issues credits, called Forecasted Mitigation Units (FMUs) for the mitigation measures upon project confirmation. These forward-looking credits can then be used to mitigate the GHG emissions impact of future projects that a company or organization might undertake.

### What are the benefits of Climate Forward?

- Encourages early investment in greenhouse gas reduction projects that would otherwise not have been developed without the early funding
- Offers flexibility and creativity to invest in the emissions reduction project types, scales, and locations that meet a company's emissions reduction goals
- Expands opportunities for local projects

### Who should use Climate Forward?

Companies, organizations and other entities that need to mitigate emissions from future projects, whether due to compliance with regulations such as the California Environmental Quality Act (CEQA) or due to voluntary commitments such as net zero building development. The company should confirm with relevant agencies, if necessary, that its GHG mitigation obligations may be met through participation in Climate Forward.



# **CURRENT METHODOLOGIES**

Dairy Digester Forecast Methodology



This methodology addresses GHG reductions from the installation, or expansion, and operation of a biogas control system that captures and destroys methane from anaerobic manure facilities at dairy operations.

Mature Forest Management Forecast Methodology



This methodology addresses carbon enhancements (sequestration) associated with management of older forests.

Reforestation Forecast Methodology



This methodology addresses carbon enhancements (sequestration) associated with reforestation activities that encourage restoration of forest cover.

Improved Cook Stove Forecast Methodology



This methodology addresses emission reductions from replacing less-efficient, traditional baseline biomass-fired cook stoves with eligible efficient cook stoves utilizing non-renewable woody biomass.

Pool Cover Forecast Methodology



This methodology addresses emission reductions associated with energy efficiency improvements from the installation of eligible pool covers on eligible pools in eligible project areas.

Solar Photovoltaic Forecast Methodology



This methodology addresses emissions reductions associated with renewable power generation realized by installing grid-connected solar photovoltaic (PV) systems.



## **HOW TO PARTICIPATE**

A company has various entry points to participation

Develop a forecast methodology for a GHG mitigation project

Company works with methodology/ project developer to develop an opportunity to invest in the project activity at the scale and location that aligns with their sustainability goals. Methodology developer develops forecast methodology containing the eligibility rules, quantification methods, documentation requirements, and confirmation requirements that ensure the consistency and rigor of GHG reduction accounting for a specific mitigation project.

Climate Forward reviews proposed methodology for adherence to program principles, consults with third party technical experts (if necessary), conducts a public comment review process, supports methodology revision to respond to public comments, and approves (or rejects) proposed methodology. Approved methodologies reflect rigorous, conservative ex-ante quantification for GHG reduction projects.

Develop a GHG mitigation project under an approved forecast methodology

Project proponent implements and finances new projects under forecast methodologies that have been approved by Climate Forward. An accredited, independent third-party confirms that the mitigation project has been implemented, is operating as intended, the forecasted emissions reductions have been estimated appropriately, and that the project has met all requirements of the applicable forecast methodology.

Upon successful project confirmation, Climate Forward approves the project for registration and issues an appropriate quantity of FMUs. An FMU is equivalent to one metric ton of anticipated carbon dioxide equivalent (CO<sub>2</sub>e) reduction, to counter anticipated GHG emissions.

Purchase FMUs to mitigate

Company purchases and retires FMUs in order to mitigate future emissions. Company reports back to regulating agencies, its Board, and stakeholders of the successful GHG mitigation.



