

ROBIN LANCASTER TALKS TO EOS CLIMATE ABOUT ITS PLANS TO GENERATE CARBON CREDITS FROM THE DESTRUCTION OF OZONE DEPLETING SUBSTANCES

PLUGGING A GAP

Arguably one of the most successful pieces of international environmental policy has been the Montreal protocol, which was agreed in 1987 and aims to phase out the production of gases that deplete the ozone layer around the earth's atmosphere. Production of so-called ozone depleting substances (ODS), such as chlorofluorocarbons used in refrigeration, will be phased out completely in industrialised countries by 2030 and in developing countries by 2040 – although there are proposals to accelerate this timetable.

However, the protocol did not prohibit the use of these gases in products and “assumed them emitted,” said Joe Madden, chief executive officer and co-founder of San Francisco-based EOS Climate. Given that these substances have global warming potentials up to 11,000 times greater than carbon dioxide (CO₂) there is potentially a huge environmental problem, he said.

According to the Montreal protocol's technology and economic assessment panel, ODS banks – the total amount of these substances contained in existing equipment, chemical stockpiles, foams and other products not yet released into the atmosphere – amount to about 20 billion tonnes of CO₂ equivalent. The six greenhouse gases (GHGs) covered by the 1997 Kyoto protocol does not include the ones covered by the Montreal protocol and so “an entire class of potent GHG has until now slipped between the cracks in the global efforts on climate change,” said Madden.

EOS Climate is aiming to fill those cracks. The company has developed a methodology to collect and destroy ozone depleting substances from their end-use products and, in turn, create carbon credits.

“The methodology leverages market-based solutions in a number of different scenarios,” he said. “So it covers

everything from residential refrigerators to commercial refrigeration and fire suppression components,” he added.

It has been written in accordance with the ISO 14064 GHG international standard and it has been pre-validated by Tom Baumann, who authored ISO 14064, said Madden. The methodology is also going through a stakeholder approval process for inclusion in the Climate Action Reserve – a US-

based offsets programme, which includes the California Climate Action Registry. The Voluntary Carbon Standard is also considering extending its scope to include ODS, but that doesn't mean that EOS Climate expect their methodology to be confined to the voluntary carbon market.

“We think the voluntary markets are an ideal platform to expand, recognise and deal with ODS from a GHG perspective. That said, any meaningful climate change legislation must incorporate ODS,” said Madden. “We strongly feel that effective regional, national or international legislation should include this.”

Having formed just over a year ago, while still at the Presidio School of

Management in San Francisco, the company has pending projects that it could execute. “We are offering a guaranteed supply of ODS destruction offsets at this point through some exclusive partnerships we have developed,” said Madden. And such projects would take 90–120 days to implement.

“If it (the methodology) is recognised under significant market applications, the potential volume (of emissions reductions) is in the 100s of millions of tonnes,” he said, adding that the company has had a great deal of interest in its potential supply of credits.

It is only a small team – as well as Madden, there is co founder and chief financial officer Todd English and vice president of business development Saskia Feast – but the company secured funding about six months ago and also has several partners, including: Jaco Environmental, a US-based refrigerator recycler; carbon management and investment advisors Climate Wedge; and technology company Verisae.

“We think this is an ideal application, because in the current economic situation, it actually creates jobs, and is a cost effective, near-term solution that allows for the delivery of offsets, while the larger infrastructure can transition,” said Madden. ●



Joe Madden: A class of GHG has slipped through the cracks

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