# Financial Mechanisms for Implementing Greenhouse Gas Reduction Projects


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CLIMATE LEADERS
U.S. Environmental Protection Agency

GHG goals as the cornerstone of an effective strategy

- Galvanizes reduction efforts at a company
- Encourages innovation
- Helps garner senior management attention
- Can lead to funding for energy efficiency and other greenhouse gas reduction projects

# Company Internal Process
## “Top down” and “bottom up”

- Complete company GHG inventory and management plan
- Benchmark facilities and identify most cost-effective greenhouse gas reduction opportunities
- Assess internal and external financing options and seek senior management buy-in
- Undertake projects and assess monetary and environmental benefits

# Project Financing Mechanisms

- Upfront payment
- Simple payback
- Shared savings
- Bundled projects (renewables & EE)
- Internal fund
- Innovative ownership/financing arrangements

Carbon increasingly figured into return calculations

# Key Issues Addressed

- How do innovative companies address financial barriers to greenhouse gas mitigation projects?
- How can energy managers convince senior management to support projects with lower ROI?
- What are some of the ways companies can use carbon finance to make energy efficiency and renewable energy projects happen?
- Are there investment and tax incentives that would help change the financial equation for climate projects within your company?
- Can a portfolio or bundled approach help energy managers finance reduction projects?