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Palo Alto to Buy “Carbon Offsets” from Sister City Forestry Project

December 8, 2017 – Palo Alto, CA – This week, the City of Palo Alto entered into an agreement to purchase carbon offsets from a forestry project within its sister city, Oaxaca, Mexico, to offset carbon dioxide emissions associated with natural gas use in the Palo Alto community. The agreement is part of the City’s [Carbon Neutral Natural Gas Plan](#) with goals to reduce overall community greenhouse gas emissions (GHG) in an effort to combat climate change. The City has a [Sustainability and Climate Action Plan](#) goal of reducing total community GHG to 80 percent of 1990 levels by the year 2030. One of the key tenets of that approach includes addressing energy consumption.

"The agreement is but one form of sustainable development, and Neighbors Abroad working with the City of Palo Alto can help introduce lessons learned in our own shift to renewables, said Bob Wenzlau, president, Neighbors Abroad of Palo Alto. "This new agreement is a milestone in showing how sister cities can engage around sustainability. This agreement marks a sustainability agreement between a 'developed' region and a 'developing' region, balancing a trend where sustainability is only a theme of the developed world."

Since July 2017, the City has been purchasing high-quality, locally-certified carbon offsets from projects in the U.S. as a form of trade to fund projects that reduce GHG emissions. Now the City will purchase certified carbon offsets from a forestry project in sister city, Oaxaca, Mexico, providing multiple co-benefits for the Oaxacan community including fire protection, tree care, fresh water spring recharge, and transportation and equipment for local schools.

"We are excited to partner with our sister city on this carbon offsets project that provides mutual benefits for climate protection and economic vitality," said Ed Shikada, assistant city manager and general manager of utilities. "This is an excellent example of how environmental, social and economic issues can positively intersect when we collaborate with one another."

The high-quality carbon offsets are certified by the [Climate Action Reserve](#) and managed by the Integrative Organization of Oaxaca Indigenous and Agricultural Communities (ICICO). The carbon offsets are generated through monitored and verified increases to forest stock that result in carbon being sequestered in trees rather than released to the atmosphere.

"The community of San Juan Lachao is the first community in Mexico to develop a forest project under the Climate Action Reserve’s Forest Protocol and the sale of carbon offsets in the international voluntary market, contributing to the mitigation of climate change," said Carlos Perez, the general director of ICICO. "It should be noted that this was a joint effort between forest owners, civil society organizations and the City of Palo Alto. For

this we would like to recognize the important role that the City of Palo Alto has played for its purchase of the 17,000 tons of carbon dioxide equivalents generated by the community’s forest carbon project.”

The City will purchase 17,000 tons of carbon offsets from ICICO. Palo Alto’s \$136,000 investment is supporting conservation and restoration activities within 5,900 acres of native forest and will neutralize about 10 percent of the City’s annual emissions from natural gas use. The Mexican forestry project protocol is one of the largest offset registries in North America used by the [California Air Resources Board](#).

“We congratulate every group and individual involved with the San Juan Lachao forest project. It is a truly special example of how we can work together to address climate change and create real, lasting social, environmental and economic benefits for local communities,” said Craig Ebert, president of the Climate Action Reserve. “It also stands as a model that other communities and groups can follow.”

Palo Alto’s municipally-owned utility has been providing 100 percent [carbon neutral](#) electricity since 2013, which has been a major stride in reducing GHG from energy use. The other major sources of GHG come from natural gas use, vehicular transportation and buildings. In order to tackle the energy factor, the City adopted a [Carbon Neutral Natural Gas Plan](#) in 2016. Unlike electricity, which can be generated from carbon free resources, natural gas is a fossil fuel, and the City purchases offsets as a short-term strategy to neutralize greenhouse gas emissions from natural gas use. Palo Alto is also continuing to pursue a longer-term goal of reducing natural gas emissions through energy efficiency and electrification of natural gas appliances in buildings.

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About the City of Palo Alto Utilities (CPAU): The City of Palo Alto is the only municipality in California operating a full suite of utility services, including water, wastewater, electric and fiber optics, natural gas, refuse and storm drain services. Visit www.cityofpaloalto.org/utilities and www.cityofpaloalto.org/carbonneutral to learn more.



