

**Environment Canada's Carbon Neutral Conferencing Activities  
Health and Environment Ministers of Americas  
Meeting (HEMA) in Ottawa, Canada  
March 2002**

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**Buyer:** Environment Canada

**Supplier:** EcoInvest Assessoria Ltd.

**Broker:** CO2e.com LLC, a Division of Cantor Fitzgerald International

**Amount Purchased:** 1400 CO<sub>2</sub>eq (\$5.50 CAD per tonne)

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Environment Canada has committed to hosting or participating in carbon neutral conferences as a concrete way to offset emissions from international meetings. Through the Federal House in Order (FHIO) initiative, the Government of Canada is working to reduce GHG emissions from its operations and government business travel. The purchase of carbon credits to offset emissions from conferences has been identified as an effective way to achieve this goal. However, it should be noted that the Government of Canada will not use these carbon credits as a means of achieving its target. That said, any department that hosts or participates in carbon neutral conferencing activities is displaying leadership and an overall reduction of GHG emissions from federal emissions. In order to demonstrate leadership, set an example for other federal entities, raise employee awareness and begin reducing work-related emissions, Environment Canada has participated in the following project.

Environment Canada purchased 1,400 tonnes of CO<sub>2</sub>e from a biomass power generation project in Brazil in order to offset the emissions associated with the Health and Environment Ministers of Americas Meeting (HEMA) held in Ottawa in March 2002. This was done in order to offset the emissions released as a result of the participants travel and accommodation.

The project, which is the first of its kind in Brazil, generates electricity using wood residues from wood processing companies. In addition to making local wood processing companies self-sufficient in energy use, surplus electricity from the project is being sold to the electricity grid. The renewable energy output from this project is enough to supply electricity to over 30,000 households.

## **Brazil Emission Reduction Project Description: Biomass Power Generation Project in Brazil**

As wood complexes become more integrated, there is a need for better management of the wood residues. Traditionally dumped or incinerated, they are now increasingly used as fuel, which enable wood industries to be self-sufficient in energy. Large quantities of the residues can be used in a cogeneration plant as a fuel for boiler furnace to raise steam, which is then expanded through a turbine to drive a generator and create electricity.

Piratini, CGDE, Koblitz Energia S.A is a 10MW independent power producer that generates electricity utilizing residues from wood processing companies situated around the city of Piratini, in the State of Rio Grande do Sul, Brazil. The cogeneration plant has been reconfigured to optimize power export. After the retrofit, the surplus to be sold to the electricity grid is around 81,000 MWh. The Piratini project is the first of its kind in the country to sell electricity to the interconnected grid. The project has been operational since the end of 2001 and the expected energy output is enough to supply electricity to over 30,000 households. The Piratini project is a joint initiative led by Companhia Geral de Distribuição Elétrica and Koblitz Ltda.

Given that the current hydroelectric power generation capacity within the state of Rio Grande do Sul is limited, the alternative is electricity generated by thermoelectric power plants (coal and natural gas). Thus natural gas is used as the baseline for carbon emissions.

The Brazilian government has plans to promote sustainable development by encouraging investments in cleaner and more efficient technologies through the Clean Development Mechanism (CDM). This investment satisfies the criteria of promoting renewable energy generation and is consistent with the national development plans and priorities of the Government of Brazil and the State of Rio Grande do Sul.

Ricardo Esparta from Ecoinvest stated, "We are delighted to be advising the Piratini project in all technical and financial aspects related to this trade. The Piratini project success is due to a combination of factors including the entrepreneurship and vision of project sponsors namely Companhia Geral de Distribuição Elétrica and Koblitz."



*Biomass Power Generation Plant*