



**anew**

**Carbon Offset and Renewable Fuel Solutions for Gas Utilities**

# **Understanding Supply Options and Tools for Decarbonization**

Renewable Energy Markets 2023

# Disclaimer

These materials have been provided to you by Anew Climate, LLC on behalf of itself and/or its affiliates (collectively, "Anew" or "the Company") at your request and in connection with an actual or potential transaction and may not be used or relied upon for any purpose, including, without limitation, to form the definitive basis for any decision, contract, commitment or action whatsoever, with respect to any proposed transaction or otherwise. These materials do not constitute an obligation of any party to enter into a transaction or investment, and it is not a commitment to lend, syndicate a financing, underwrite or purchase securities, or commit capital, nor does it obligate Element to enter into such a commitment. Anew is not acting as a fiduciary to you.

These materials are solely for informational purposes and shall not constitute an offer to purchase or sell, or the solicitation of an offer to purchase or sell, any securities. These materials are confidential, may not be disclosed, summarized or otherwise referred to, in whole or in part, except as agreed to in writing by Anew.

The information provided herein is not all-inclusive, nor does it contain all information that may be desirable or required in order to properly evaluate the transaction discussed herein.

The information presented in these materials has been developed internally and/or obtained from sources believed to be reliable; however, Anew does not guarantee nor makes any representation or warranty, express or implied, as to the accuracy, adequacy, timeliness or completeness of such information or any

Oral information provided in connection herewith, or any data such information generates, accepts no responsibility, obligation or liability (whether direct or indirect, in contract, tort or a) in relation to any of such information and assumes no responsibility for independent verification of such information. Anew and its officers, employees and agents expressly disclaim any and all liability which may be based on this document and any errors therein or omissions therefrom. Without limiting the generality of the foregoing, no audit or review has been undertaken by an independent third party of the financial assumptions, data, results, calculations and forecasts contained, presented or referred to in this document. Neither Anew nor any of its officers, employees or agents, make any representation or warranty, express or implied, that any transaction has been or may be affected on the terms or in the manner stated in this document.

By accepting these materials, you hereby acknowledge that you are aware, and that you will advise your representatives that, the federal and state securities laws prohibit any person who has material, nonpublic information about a company from purchasing or selling securities of such a company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

To the extent such materials include estimates or forecasts of future financial performance (including estimates of potential cost savings and synergies) prepared by or reviewed or discussed with your

Representatives and/or other potential transaction participants, or obtained from public sources, we have assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such representatives (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). These materials may include forward-looking statements that represent Anew's opinions, expectations, beliefs, intentions, estimates or strategies regarding the future, which may not be realized. Any forward-looking statements speak only as of the date they are made, and Anew assumes no duty to and does not undertake to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Actual results may differ materially from those projected in these materials due to factors including, without limitation, economic and market conditions, political events and investor sentiments, liquidity of secondary markets, level and volatility of interest rates, currency exchange rates, and competitive conditions.

These materials were designed for use by specific persons familiar with your business and affairs and Anew assumes no obligation to update or otherwise revise these materials. Anew does not provide tax, accounting, financial, investment, regulatory, legal or other advice, and you are advised to consult with your own tax, accounting, financial, investment, regulatory or legal advisers. If you are not the intended recipient of this document, please delete and destroy all copies immediately.

# Who We Are

**Anew brings together climate-committed businesses and environmental projects to create measurable impact. Together, we are helping build the low-carbon economy of the future.**

- **Largest marketer and developer** of high-quality carbon offsets and environmental credits in North America
- **Most experienced** participant in environmental credit markets in North America
- Led by a team of **proven experts** with decades of success in the environmental commodities space
- Innovator and first mover on **new protocols and pathways** in LCFS, RINs, Carbon
- **Expansive geographic reach** with offices across the U.S., Canada & Europe
- The **most decorated firm** in the industry, receiving major awards and first place market rankings

**180+**  
Employees

**>20%**  
RNG in U.S.  
Transportation  
Markets

**6M+**  
Acres under  
management

# Targeting Net-Zero

Scope	Example Sources	Mitigation Measures	Reporting/Registry Options
<b>Scope 1</b> Direct emissions from owned & controlled sources	<ul style="list-style-type: none"> <li>Gas boilers</li> <li>Natural gas use at the facility</li> </ul>	<b>Carbon offsets</b> (local/global)	<ul style="list-style-type: none"> <li>Climate Action Reserve (CAR)</li> <li>American Carbon Registry (ACR)</li> <li>Verra</li> <li>Gold Standard</li> </ul>
		<b>Renewable natural gas</b>	<ul style="list-style-type: none"> <li>M-RETS</li> </ul>
<b>Scope 2</b> Indirect emissions from owned and controlled sources	<ul style="list-style-type: none"> <li>Purchased electricity</li> <li>Purchased heating/cooling</li> </ul>	<b>Renewable Electricity Certificates (RECs)</b> applied electricity purchases (available in North America / Europe)	<ul style="list-style-type: none"> <li>Green-e Energy Program</li> </ul>
<b>Scope 3</b> Indirect emissions from other sources	<ul style="list-style-type: none"> <li>Business travel</li> <li>Employee commute</li> <li>Third party manufacturing</li> </ul>	<b>Carbon offsets</b> (local/global)	<ul style="list-style-type: none"> <li>CAR, ACR, Gold Standard, or Verra</li> </ul>

# What is RNG?

## Renewable Natural Gas (RNG):

- Is **upgraded methane** captured from the natural decomposition of **organic waste** (e.g., from landfills, waste-water treatment plants, and livestock farms)
- Can be injected into common carrier natural gas pipelines and used as a **substitute fuel** for geologic natural gas
- Has multiple **end uses**, including in thermal applications, to generate electricity, for vehicle fuel, or as a bio-product feedstock
- May be delivered as a **bundled product** (with physical gas molecules) or as an **Environmental Attribute** (a separated green attribute decoupled from physical molecules)



# What is an RTC?

## Renewable Thermal Certificates (RTCs):

Represent the equivalent of the separated, or unbundled, Environmental Attributes associated with one dekatherm of RNG. RTCs are listed and retired on the Midwest Renewable Energy Transaction System (M-RETS).

### RTC Information

**Dekatherm (Dth) Renewable Thermal =  
1 Renewable Thermal Certificate**

Certificate Details include:

- Serial Number (See Example)
- Account
- Project
- Thermal Resource
- Feedstock
- Vintage
- Location
- Quantity

Carbon Pathways (If Applicable)  
IRE Verification (If Applicable)



# Carbon Offsets Explained

**Carbon offsets** represent the reduction of one metric ton of carbon dioxide equivalent and has received certification by one of the specified host registries to meet **five criteria**:

1

## Real

Reductions can be accurately measured in accordance with scientifically based protocols

2

## Additional

Reductions are not required by regulation or any other legal requirements; project activity is not business-as-usual as defined by the applicable registry and protocol

3

## Verifiable

Reductions are independently verified by an accredited third party and subject to extensive data collection and review prior to credit generation

4

## Enforceable

There is undisputed ownership of the reductions and no double counting of offsets

5

## Permanent

Any net reversal in reductions is accounted for and compensated by the applicable registry through buffer credits; buyers do not assume risk

# Registries and Verification

**Third-party registries play a key role in tracking, certifying, and delivering environmental attributes:**



M-RETS® is a non-profit organization that utilizes a web-based system to validate and track the Renewable Thermal Certificates (RTCs) of renewable thermal energy. The platform enables parties to transfer and retire RTCs on behalf of customers, ensuring no double counting and providing transparency to partners and regulators.



Verified carbon offsets are registered on recognized carbon offset registries such as: Verra; Climate Action Reserve; American Carbon Registry; UN CDP; or The Gold Standard . Reductions from offsets have been verified by a third party and are real, additional, verifiable, enforceable, and permanent.







# Thank You