

DATE: May 25, 2010

FROM: Mundus Aer, LLC
John W. Baker, CEO

TO: Climate Action Reserve

RE: Organic Waste Composting "OWC" Protocol "Public Draft" Comments

We are pleased to make the following comments regarding the public draft of the OWC.

1. Section 3.4 –
 - a. We believe including Industrial Food Waste is important to insuring the efficacy of the Protocol.
 - b. The eligibility requirement to document grocery store waste has been land filled for the prior three years works well except where a new or competing composting facility might take over the waste stream that has been being composted in another facility. The current version of the public draft disadvantages a new/competing composting facility because that waste stream would not be eligible for crediting if the new facility has to demonstrate it has been land filled for the prior three years. This situation could be resolved by adding language that allow waste streams that have meet eligible requirements under the OWC rules to remain eligible if move to another facility. This ties the eligibility of the waste stream to the source and once it qualifies under the OWC it would not have to re-qualify if moved to another facility.
 - c. We also believe that having a two year requirement is better and less burdensome for project participates and verifiers. Also, as a practical matter, this is an adequate amount of time to ensure the waste (assuming it was currently being composted) would not be land filled so it could qualify for future credits etc...
2. We support the current approach of using source specific verification. This is important to the environmental integrity of the CRT's and a more accurate approach to qualifying the waste stream.
3. The WTEs discounts (Table A.4) are inconsistent with source specific verification therefore irrelevant. These may be trivial currently; however, if a state increases these in the future they could potentially undermine a projects economic viability.
4. Table 5.2; suggest adding language here that acknowledges that there are other hybrid systems and/or technologies not included in the table that may be included under the OWC if they can provide more precise scientific date regarding emissions factors etc...

If you have any questions or we can elaborate further on these comments, please advise.