

# THE BASIS OF SUSTAINABLE COMMUNITY SOLUTION

#### SUSTAINABLE COMMUNITY IN QUEBEC

Our Sustainable Community Solution has been specially designed to reduce GHG emissions originating from low emitters, all sectors taken into account (manufacturing, commercial and institutional) (emissions <25 KTM/year), that emit close to 70% of Quebec's GHG and for which reductions are unaffordable for most of them. Will Solutions offers to low emitters the possibility of trading off their efforts of reducing GHG emissions by stimulating and accounting for their common efforts and selling them on the carbon market.

By implementing its Sustainable Community Solution, Will Solutions targets to reduce GHG emissions for 3 MTM annually by 2020, representing about 26% of the 15 TMT targeted by the Quebec's PAAC. It is an innovative solution that meets the Quebec government's objectives. The Sustainable Community Solution is based on a new methodology that is recognized by international standards. Furthermore, it represents reductions far more important than other avenues currently being explored.

#### A congruent and complementary contribution

Our contribution is fully consistant with the strategic orientations proposed by the Ministère du Développement durable, de l'Environnement, de la Faune et des Parcs (MDDEFP). The Sustainable Community Solution not only targets to preserve economical prosperity, but also to develop a positive attitude towards climate changes issues, and to change the way we do business, while protecting the environment.

In short, the climate change issue becomes a springboard to sustainable development, based on an economy less dependent on fossil fuel, society's behavioural adaptation, the introduction of clean technologies and the cooperation with other low emitters facing similar challenges with limited economical resources. The Sustainable Community Solution fits "to support and provide a better framework to vulnerable economic stakeholders" and "to arouse innovation and to seize opportunities associated to climate changes".

#### THE BASIS OF THE SUSTAINABLE COMMUNITY SOLUTION

**GOAL**: To encourage low emitters to reduce their GHG emissions by selling them on the carbon market thus rewarding their voluntary, measured and certified efforts. For the 2010-2020 period, we are targeting to generate 22,8 MT of carbon credit titles, that will be available on the voluntary market and easily fungible with MDDEFP "Projet de règlement concernant le système de plafonnement et d'échange de droits d'émission (SPEDE)".

**VISION**: To stimulate individual and collective GHG reduction efforts and their aggregation and validation originating from the thousands of low emitters grouped in the Community. These efforts, that must be voluntary are measured and sold on the carbon market permitting the integration of carbon costs in the economy.

**INVESTMENT SOURCES**: Will Solutions, our technological, methodological and financial partners as well as support from the Quebec government (since 2010) via the Ministère des Ressources naturelles et de la Faune (MRNF), the MDDEFP, C3E and Emploi Québec and finally regional carbon markets at international levels.

**BUSINESS MODEL**: Setting up of a low emitter Community in Quebec; no fee for the members of the Community for all the duration of the project (2010-2020); full service and technical support for the members (registration, referencing audit; customized electronic account; training; identification of reduction opportunities between members; stimulation of measurement efforts); aggregation and third part validation; selling of the carbon titles at the best price possible; recurrent sharing of 50/50% of the net sale of the carbon credits associated to reductions registered in the member accounts. Finally, Will Solutions will return 10% of its net profit after taxes into sustainable projets carrid out by the community.

**INNOVATION**: Conception and approval of a new world-class methodology by the VCS international standard. The VM0018 methodology will be the cornerstone of all Sustainable Community Projects in the world and will favour, through its fungible aspect, the availability of certified GHG reduction titles. In this sense, Will Solutions responds to the requirements of several emerging carbon markets.

**PATENTS**: Will Solutions holds a positive patentable analysis for its Sustainable Community Solution. A demand for a first patent has been submitted in January 2012 for the American market at the <u>United States Patent and Trademark Office</u> (USPTO). Second patent has been submitted in January 2013 for the Canadian Market. Other requests for patents are under preparation.

**TRACKING PLATFORM**: Our tracking platform, linking Sustainable Community members, is already operational.

**ATTRACTIVE FORCE**: Several partners stimulate registration to our Sustainable Community Solution (industrial parks, association and municipalities). We already have thousands of members and have concluded several 10 year contracts. This is only the beginning.

#### How does it work?

- Become a member of the Sustainable Community Solution without any registration fees;
- Realisation of a referencing audit to establish the basis scenario for each business unit/installation for all admissible GHG reductions;
- Training for all members to the Community: electronic account for each business site/building;
- Customer service for the gathering of ground data and identification of GHG reduction opportunities (i.e. waste exchange between members). These services are recurrent for all the duration of the project (2010 -2020);
- Yearly measures of admissible GHG reductions through ground data collected at the referencing audit;
- Grouping of the reductions and third part audit, recognized by VCS;
- Marketing the reductions that have been converted into carbon titles;
- Delivery of a check to each business unit/building according to their efforts (measured and audited) on an annual basis.





### **OUR WORLD-CLASS RECOGNITION**

Throughout the years, Will Solutions has won the respect of many local and international organizations associated to the Carbon Community. Will Solutions can also count on the support of numerous organizations, at national and international levels:

- 1. Quebec government's support:
  - a. A recognition letter dated June 2012 from the MDDEP deputy minister in charge of the climate changes issues;
  - b. A Press release from the MRNF dated March 14th 2012;
  - c. A Press release with mentions from C3E (Clean Tech funding), ICF International and Mr. Clément Gignac, Minister of the MRNF.
- 2. Our involvement in economic and professional associations related to carbon and climate changes:
  - a. Active member of the Climate Changes Committee of the CPEQ;
  - b. Active member of the Green Economy Committee of the <u>Fédération des chambres de</u> commerce du Québec;
  - c. Member of <u>Écotech Québec</u>.



## **OUR WORLD-CLASS RECOGNITION (CONTINUED)**

- 3. Associations implicated with Will Solutions in its Quebec Sustainable Community Solutions project:
  - a. FEPAC;
  - b. DESL;
  - c. Second Cycle;
  - d. Recyc-Québec;
  - e. DEL.
- 4. At the international level, Will Solutions works with several organizations actively involved in the carbon sector:
  - a. <u>VCS</u>, since February2012, Will Solutions is a major stakeholder in a world-class organization associated to the voluntary carbon market;
  - b. <u>ICF international</u>, nominated in April 2012 in London as the best worldwide carbon consultant;
  - c. <u>IETA</u>, association grouping large worldwide firms involved in the carbon market (150);
  - d. <u>DNV</u>, one of the largest worldwide VVB;
  - e. SGS; another large worldwide VVB.

#### **OUR HISTORY IN 19 STEPS**

The project's major steps carried out so far:

- 1. **May 2007**: Interest from Mr. DeSousa, mayor of the Saint-Laurent borough;
- 2. **Autumn 2008**: Presentation of the project at the Agence de l'efficacité énergétique du Québec (AEEQ), within the scope of the "Technoclimat" Program;
- 3. **April 2010**: Selection of VCS standard, development of the technology supporting our project, online-release on VCS's web site (Dec 2010) and double validation process (Sept. 2011);
- 4. **June 2010**: Signature and implementation of a contribution from AEEQ (Technoclimat Prorgram);
- 5. **October 2010**: Signature of the 1st industrial park (DEL) with a financial contribution from Recyc-Québec;
- 6. **March 2011**: First private financing from C3E;
- 7. **April 2011**: First pre-sale of carbon credits:
- 8. **June 2011**: Contribution from Emploi-Québec in the scope of "Projets d'envergure économique";
- 9. **January 2012**: Deposit of the 1st technological patent for the American market at USPTO;
- 10. Winter 2012: Deployment of commercial and operational activities in the Quebec territory;
- 11. **Winter 2012**: Completion of the first audits ex-antes;
- 12. **February 2012**: VCS final acceptance in February 2012 (VM0018);
- 13. March 2012: Press release and Webinar from VCS;



## **OUR HISTORY IN 19 STEPS (CONTINUED)**

- 14. **June 2012**: Support from MDDEP for our project;
- 15. **September 2012**: Deposit of the Project Description (PD) for validation;
- 16. **November 2013**: Opening of an account at the APX Registry;
- 17. **July 2013**: Confirmation or the PD final approval by a third party;
- 18. **October 2013**: Granting of the first independent verification;
- 19. **February 2014**: First vintage Sustainable Community : 75 675 verified carbon credits.

In 2014, we anticipate an increase in the domino effect and the first carbon credit sales is in our agenda.

... it appears important for us to focus on SFE's and generate sustainable behavioural changes within our worldwide community grouping millions of small businesses and other organizations. This "Community-based approach" can stimulate both personal and entrepreneurial behavioural changes. Certainly, some projects grouping several thousands of business entities or individuals might have already been presented to the Clean Development Mechanism (CDM), but to our knowledge, not necessarily to the OECD countries ... from our Manifesto – Together towards a low carbon economy, Will Solutions, Autumn 2011.

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