



Climate Change and Emissions Management
(CCEMC) Corporation

2009/2010
Business Plan

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Accountability Statement

The Climate Change and Emissions Management (CCEMC) Corporation (“CCEMC”) budget and business plan for the period June 2009 through May 31, 2010 was prepared in accordance with the requirements of the *Climate Change and Emissions Management Fund Administration Regulation* which was enacted pursuant to the *Climate Change and Emissions Management Act*.

All of CCEMC’s policies and all of the CCEMC accountability obligations and relationships have been considered in preparing this budget and business plan. As well, the Government of Alberta’s business plan, public policy statements such as the Climate Change Strategy and Alberta Environment’s business plan and priorities were taken into account in the development of the CCEMC’s business plan.

The CCEMC is committed to achieving the planned results laid out in this budget and business plan.

Approved by the Board of Directors

Climate Change and Emissions Management (CCEMC) Corporation

Per: Eric Newell, Chair

Executive Summary – CCEMC Business Plan

Canadians are concerned about the environment, climate change and greenhouse gas (GHG) emissions. They are equally concerned about the health of the economy and its ability to transform and capitalize on emerging opportunities.

As a leading energy producer for Canada and the world, Alberta is responsible for producing about a third of Canada's total greenhouse gas emissions. Alberta's emissions are expected to increase over the next five to ten years as our economy grows. The province is already acting on its responsibility to take decisive action and emission reductions are being realized.

Strategies and tools are working at all jurisdictional levels; this broad "systems" level response ensures comprehensive actions are taken to address emissions sources and opportunities. No single action can achieve Alberta's desired targets.

The Climate Change Emissions Management Fund (the Fund) will provide significant capital to address these challenges. The Fund is a key element of Alberta's overall Climate Change Strategy and is intended to support investment in innovation and clean technologies that will lead to substantive reductions in Alberta's greenhouse gas emissions and improve Alberta's ability to adapt to climate change.

Money from the Fund is transferred to the CCEMC – through a Ministry of Environment grant – for the funding of projects that will address these important challenges.

The **mandate** of the CCEMC is to establish or participate in funding for initiatives that reduce emissions of GHGs or improve the ability to adapt to climate change.

Our **vision** is to be a leader in stimulating transformative change and to significantly contribute to achieving Alberta's GHG reduction targets. CCEMC-supported innovations may be available for application around the world, positioning Alberta as an innovator in GHG management.

The **mission** of the CCEMC is to achieve actual and sustainable reductions in greenhouse gas emissions and facilitate climate change adaptation by stimulating transformative change through investments in climate change knowledge, technology development and operational deployment. In doing so, the CCEMC will consider funding projects at all levels of the innovation chain, from bright ideas to commercialization.

CCEMC has identified 3 **goals** and supporting strategies that will be the basis for delivering on the mandate, vision and mission of the Corporation:

GOAL 1: To fund important projects that achieve actual and sustainable reductions in greenhouse gas emissions

GOAL 2: To support the research, development and deployment of transformational technology

GOAL 3: To demonstrate full accountability to all Albertans

The CCEMC is governed by a Board of Directors and its day to day operations will be delivered through contractual services. A "virtual" organizational model has been employed to provide optimal program performance while minimizing unnecessary overhead. An Operations Management Committee (OMC) provides the level of rigor required to address the operating needs of the CCEMC and to address any business management risks and needs.

Funds made available within the CCEMC will be managed by priority. In the first year of operations, the priority allocations identified by Alberta Environment are:

- Conserving and using energy efficiently – 20%
- Carbon capture and storage (geological and biological) – 30%
- Greening energy production – 50%

In addition, a portfolio perspective will also be considered in allocating funds and managing projects. Matters such as risk and innovation will be considerations in the portfolio mix.

A deliberate and structured project selection process will be used. An Expression of Interest will initially be sought, projects will be screened and short listed and then followed with a “Request for Full Project Proposals” administered by the CCEMC. Successful projects will enter into contractual agreements with the CCEMC for project delivery.

A structured performance management framework will be used by the CCEMC. This framework will measure both the performance of the Corporation and the success of its projects.

The Corporation is in its first year of operations and performance indicators in 09/10 will focus on establishing business practices, project solicitation processes, development of evaluation tools, communications and other necessary administrative and governance requirements. Longer term performance indicators are currently being developed with the intention of having them in place for the next business plan.

The 09/10 business plan is focused on the first full year of operations for the CCEMC with an emphasis on start-up and operational delivery. Future business plans will be developed on a three year rolling cycle.

Introduction

As a leading energy producer for Canada and the world, Alberta is responsible for producing about a third of Canada's total greenhouse gas emissions. In turn, Canada accounts for approximately two percent of global greenhouse gas emissions. As Alberta's emissions are expected to increase over the next five to ten years, the Province has a responsibility and an opportunity to take decisive action to reduce greenhouse gas emissions.

Investments in clean technology and transformational change are required to green our economy, provide green jobs and address our climate change targets. The Climate Change Emissions Management Fund (the Fund) is a key element of Alberta's overall Climate Change Strategy; it will support investment in innovation and clean technologies that will reduce Alberta's greenhouse gas emissions and improve the Province's ability to adapt to climate change.

The Fund is the primary source of money for the Climate Change and Emissions Management Corporation (CCEMC). The CCEMC is an arms length, not-for-profit Corporation dedicated to reducing greenhouse gas emissions and assisting Alberta in adapting to climate change.

This business plan describes the CCEMC's business for the operating year 2009/10. The plan recognizes and is consistent with: the Climate Change Emissions Management Act, the Specified Gas Emitters Regulation, the Alberta Climate Change Strategy, Alberta Environment's Business Plan, the Alberta Minister's Mandate, the Memorandum of Understanding, the grant agreement and a variety of public policy statements such as Alberta's Energy Strategy.

This business plan is focused on the first full year of operations for the CCEMC. Emphasis is placed on start-up and establishing operational delivery capacity. The need to more completely develop performance metrics has been identified and will be introduced in next year's business plan. Future business plans will be developed on a three year rolling time frame.

Public Policy Context

Canadians are concerned about the environment, climate change, greenhouse gas emissions and the health of the economy. Based on Environment Canada's 2007 greenhouse gas inventory, total GHG emissions were 747 MT – an increase of 4% from 2006 levels and part of a general trend upwards. Historical increases have generally resulted from large increases in oil and gas production, coal fired electricity generation and a large increase in the number of motor vehicles. Long-term, GHG emissions are expected to continue to rise and must be addressed.

The Government of Alberta and the Government of Canada have been working to develop climate strategies that reduce GHG emissions in complementary ways. Significant dialogue leading up to and following the Copenhagen conference in December 2009 have focused on a broad range of tactics that address emissions from all sources, including consumers. A broad “systems” level response ensures actions are taken to comprehensively address emissions sources and opportunities.

The CCEMC's direction has been developed in consideration of the Government of Canada's evolving climate change strategy, recognizing that transformative change will enable Canada's green economy to emerge. Continued support for clean technology development is critical to meaningful progress, and will help address the emissions challenges at the source. It will also generate greater economic and environmental value from our energy resources.

The intent and direction of the Government of the United States is also a very important consideration. Current emphasis on a cap and trade model has important implications for Canadian jurisdictions. So too does US interest in clean technologies and transforming its economy to be less reliant on conventional energy resources. Harmonizing Canada's policy with the emerging US policy is critical to maintaining an integrated North American economy.

Alberta has both a responsibility and an opportunity to take decisive action to reduce greenhouse gas emissions. The CCEMC will support and build on the strategic direction established in Alberta's 2008 Climate Change Strategy. It will also recognize the direction set by Alberta's Carbon Capture and Storage Development Council and seek to complement decisions made on large CCS projects.

Alberta is in a unique position as a global energy supplier. As the economy grows, emissions are expected to rise over the short-term then fall as emission reduction strategies and clean technologies come on stream. Growth in green jobs and an economic transition to green energy production is a desired outcome.

Alberta's emissions are projected to grow to 400 million tonnes (MT) by 2050 under a “business as usual” scenario. However, Alberta's public policy target is to reduce emissions by 200 MT or 50% below business as usual. Priority areas for funding consideration arising from Alberta's Climate Change Strategy are:

Conserving and Using Energy Efficiently

This strategy is focused on reducing greenhouse gas emissions by transforming how we use energy, and encouraging ways to conserve and become more efficient. All Albertans and all sectors need to be engaged. Through these efforts, the Alberta Government hopes to reduce emissions in this area by 24 MT by 2050.

Implementing Carbon Capture and Storage (CCS)

This strategy focuses on storing quantities of CO₂ in Alberta's geological formations rather than releasing it into the atmosphere. Emissions can be captured where produced, transported and stored – offering a valuable tool in enhanced oil recovery. CCS provides the greatest potential to substantially reduce greenhouse gas emissions while continuing to produce energy. Through these efforts, the Alberta Government hopes to reduce emissions in this area by 139 MT by 2050.

Greening Energy Production

This strategy focuses on transforming the way we produce energy and to introduce cleaner more sustainable approaches to energy production. This focuses on better use of energy from traditional sources, reducing our waste and transitioning to alternative sources of energy. Through these efforts, the Alberta Government hopes to reduce emissions in this area by 37 MT by 2050.

The CCEMC is one important means of implementing Alberta's Climate Change Strategy. Successful implementation of other independent but related strategies will also be required to achieve the goals identified.

The Climate Change and Emissions Management (CCEMC) Corporation

The Climate Change and Emissions Management Act (the Act) authorizes the establishment of delegated authorities and permits the Minister of Environment to delegate the performance of some duties or functions to those delegated authorities.

The CCEMC is the organization that will receive this delegation and will be responsible for the management and allocation of Fund resources. The CCEMC is a not-for-profit, arms length organization led by a Board of Directors who come from a range of industry sectors, municipal government and the general public. The CCEMC is technically competent in determining the best projects to finance and for disbursing those funds to successful applicants. Expenditures by the CCEMC are bound by the purposes described in the Act, as well as the terms of the Memorandum of Understanding and by the Grant Agreement between the Minister and the CCEMC.

Mandate

The mandate of the CCEMC is to establish or participate in funding for initiatives that reduce GHG emissions or improve our ability to adapt to climate change through:

- Energy conservation and energy efficiency;
- New technologies that affect reductions in GHG emissions in the discovery, recovery, processing, transportation and use of energy resources;
- New technologies in the alternative energy and renewable energy fields;
- GHG capture, use and storage technology;
- Removing GHG from the atmosphere through sequestration by sinks;
- Measuring the natural removal and storage of carbon;
- Climate change adaptation programs and measures.

Vision

The CCEMC is a leader in stimulating clean technology development. Through transformative change, the CCEMC has enhanced the economic and environmental value of our energy resources, helped Alberta meet its GHG reduction targets and facilitated the growth of green jobs and the green economy. Consumers have a broader range of choices to meet their energy needs in a competitive environment of service provision. CCEMC innovations may be available for application around the world, positioning Alberta as a leading GHG management jurisdiction and a leader in the development of the green economy.

Mission

The mission of the CCEMC is to achieve actual and sustainable reductions in greenhouse gas emissions and facilitate climate change adaptation by stimulating transformative change through investments in climate change knowledge, clean technology development and operational deployment.

The CCEMC intends to manage its resources as a portfolio of projects with a wide spectrum of investments. In doing so, the CCEMC will consider funding projects at all levels of the innovation chain, from early stages to commercialization (see Figure 1). Attracting the entrepreneur (pull strategy) and advancing technology and deployment (push strategy) will be equally important.

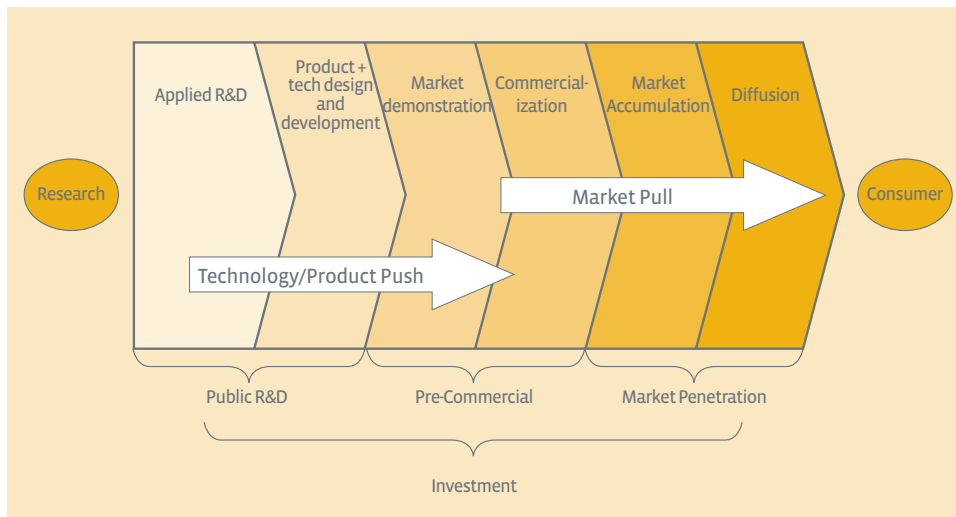


Figure 1: Main Steps in the Innovation Chain (based on Grubb, 2004)

Managing performance expectations is also an important consideration. There is a lag between the time technology is conceptualized, developed and deployed and the time that reductions in GHGs are realized (see Figure 2). This needs to be acknowledged. As technologies come to fruition and achieve broad acceptance it is expected that the rate of emission reductions will escalate. This highlights the compelling need to invest in these technologies today. With time, the CCEMC expects to have a wide variety of projects in play at various stages of development, each contributing to achieving targeted reductions while advancing our green economy.

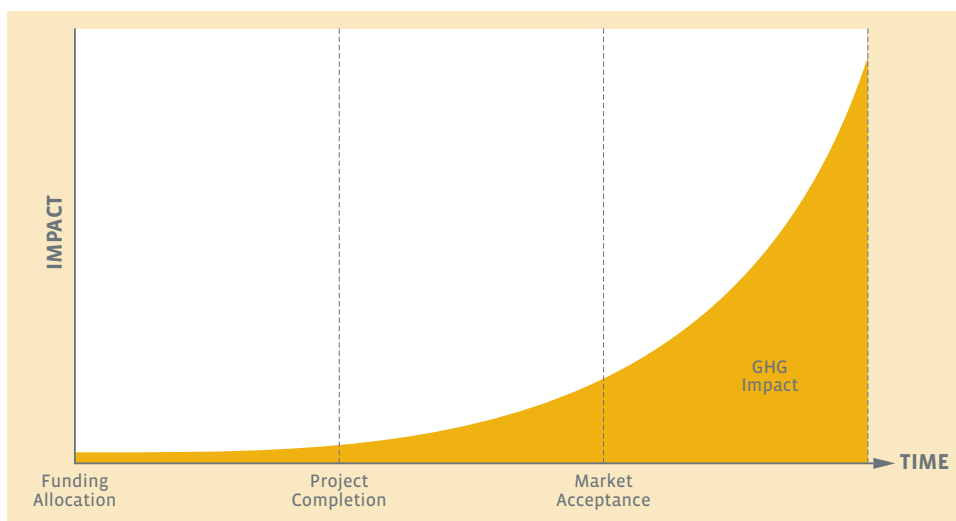


Figure 2: Investment/Benefit Relationship of Technology Applications

Management Philosophy and Values

The CCEMC believes that transformative change is necessary and the development and deployment of new clean technologies is the principal way to achieve it. Applying existing technologies is insufficient if we want to reach the ambitious targets established by the province; significant reductions in GHG emissions will only be achieved by enabling break through technologies. Initially CCEMC funding will be targeted to solutions which include energy efficiency and energy conservation, greening energy production and carbon capture and storage. These clean technologies are at the leading edge of the green economy and support and promote the transformative change necessary to reduce GHG emissions, enhance the economic and environmental value of energy resources, create green jobs and offer greater consumer choice.

In delivering its mission and respecting its management philosophy, the CCEMC will operate with eight key values:

Leadership

The CCEMC is a catalyst in the development and deployment of clean technology development.

Technological Innovation

The CCEMC believes the development of clean technologies will drive transformative change. The CCEMC will pursue leading edge opportunities and is prepared to invest in bold new ideas.

Leverage

The CCEMC intends to leverage finances, human resources and technology to deliver optimal value.

Results Driven

The CCEMC is focused on identifying, measuring and achieving actual and sustainable GHG reductions, generating greater environmental and economic value from energy resources and supporting growth of the green economy.

Integrity

The CCEMC will strive to be fair and professional in all its administrative and operational processes. It upholds the highest standards of governance and operational management excellence.

Transparency

The CCEMC will strive to be transparent in its operations wherever practical and will encourage knowledge transfer at the earliest stages possible.

Objectivity

The CCEMC is an arms length organization that objectively considers the merit of all ideas, proposals and technology.

Public Interest

The CCEMC is committed to delivering results that serve the public interest.

Products and Services

In the context of its mission and operating philosophy the CCEMC will be delivering four core products and services:

Climate Strategy

The CCEMC will work with climate change policy makers, practitioners, regulators, industry and other interested parties. In its advisory role, the CCEMC has a responsibility to assess policy, research and technical opportunities that could advance clean technologies and address climate change challenges. It will be critical that timely information on policy, practices, clean technologies and other matters be made available to the CCEMC. On an annual basis the CCEMC will conduct planning sessions to shape its strategic direction; new opportunities identified will be shared with the Minister of Environment, the Department and other relevant organizations. Sharing the knowledge built within the CCEMC will help to inform broader policy decisions and industry best practices.

Clean Technology Project Investment

The CCEMC will receive, manage and allocate monies provided from the Fund to credible projects that meet the standards set for approval. Rigorous, objective and credible reviews (scientific, engineering, business etc.) will determine what clean technology projects should be financed to best deliver on Alberta's climate change goals. Resources will be allocated based on schedules and milestones – recipients will be held accountable for all expenditures and for results achieved.

Performance Tracking and Accountability

The CCEMC will develop performance metrics that are credible, transparent and useful in tracking the performance of the projects. Timely and accurate reporting will be critical to inform Albertans about the quality of investments made and the results achieved. Communications will be equally important in managing expectations and sharing results. Project reports will be made as well as annual program reporting. All of these reports will be publicly accessible.

Advising the Minister of Environment

The CCEMC will periodically advise the Minister of Environment on emerging funding priorities and the areas in which funds will have the greatest impact.

Goals and Strategies

The following goals and strategies provide important direction for the CCEMC over the life of the business plan. The goals and strategies are enabling in nature and are expected to evolve as the organization matures and the intersection of opportunity and technology is better understood. Sustainable reduction in GHG will take time to occur, but the following goals will ensure progress is made. Many of the CCEMC's short-term goals focus on ensuring the CCEMC is operating efficiently, is transparent and has the necessary accountability processes in place.

GOAL 1: To fund clean technology projects that achieve actual and sustainable reductions in greenhouse gas emissions.

The CCEMC is committed to funding exceptional clean technology projects and initiatives to stimulate transformative change, support the green economy, reduce GHG emissions and offer greater consumer choice. CCEMC contributes to this goal by investing in projects that deliver actual and sustainable reductions of greenhouse gases and by measuring and tracking those reductions. It is important to note that significant reductions in GHG emissions are not expected to be achieved for some time.

STRATEGIES:

- Make strategic investments in projects that stimulate the development, application and commercialization of clean technology, processes or systems.
- Advance knowledge and understanding of technology, processes and systems by targeting all GHG sources.
- Invest in the following areas:
 - Conserving and Using Energy Efficiently – This includes process improvements, avoidance of energy consumption and demand side energy management.
 - Implementing Carbon Capture and Storage – This includes projects that reduce greenhouse gas emissions by capturing, treating, transporting and storing CO₂, through natural processes of sequestering carbon and by capturing emissions generated from biodegradable materials.
 - Greening Energy Production – This includes fuel switching, renewable energy production, alternative energy development, cleaner energy production and addressing electricity grid challenges.
- Broaden the range of green energy sources and enhance consumer choice.
- Manage project investments from a portfolio perspective.
- Leverage financial resources and support technologies that offer the broadest possible potential.
- Consider risk including whether necessary regulatory and approval frameworks exist to enable implementation.

GOAL 2: To facilitate innovative solutions and the development and deployment of transformational technology.

CCEMC understands that enabling breakthrough technologies requires investing in innovation. Capital is required to stimulate the investigation of new clean technologies and it is understood that not all of these investments will prove to be successful. Due diligence and a structured risk assessment will be applied to determine which projects warrant investment.

STRATEGIES:

- Make investments at strategic stages of the innovation chain.
- Leverage CCEMC investments with other private and public funding sources.
- Support the establishment of “intellectual networks” to advise on clean technology needs and direction.
- Share investment risk with qualified project proponents.
- Encourage the broad deployment of transformational technologies through licensing and other mechanisms.

GOAL 3: To demonstrate full accountability to all Albertans

The CCEMC is accountable to its stakeholders, the Minister of Environment and through the ministry, all Albertans. The CCEMC strives to support Ministry initiatives and meet or exceed reporting requirements to ensure integration of goals and policies that support climate change management.

STRATEGIES:

- Work collaboratively with Alberta Environment to develop clear expectations and standards for program reporting.
- Establish program/project management/monitoring and accountability systems.
- Report annually on CCEMC expenditures and results achieved.
- Ensure transparency of CCEMC operations and decisions.

Performance Management System

A structured performance measurement and reporting framework is being developed by the CCEMC. While several strategic planning processes exist, the outcomes-based approach employed by the CCEMC provides a number of benefits including:

- Recognition that the CCEMC will be influenced by the needs of various stakeholders including government, industry and others;
- Consensus and understanding across key stakeholder groups on the common drivers, purpose, vision, mission, goals and strategies for the CCEMC; and
- Clear linkages of accountability and responsibility for measurement and reporting between the CCEMC and those being funded.

Figure 3 illustrates the performance management framework to be employed by the CCEMC. This framework will be adjusted based on business plan direction.

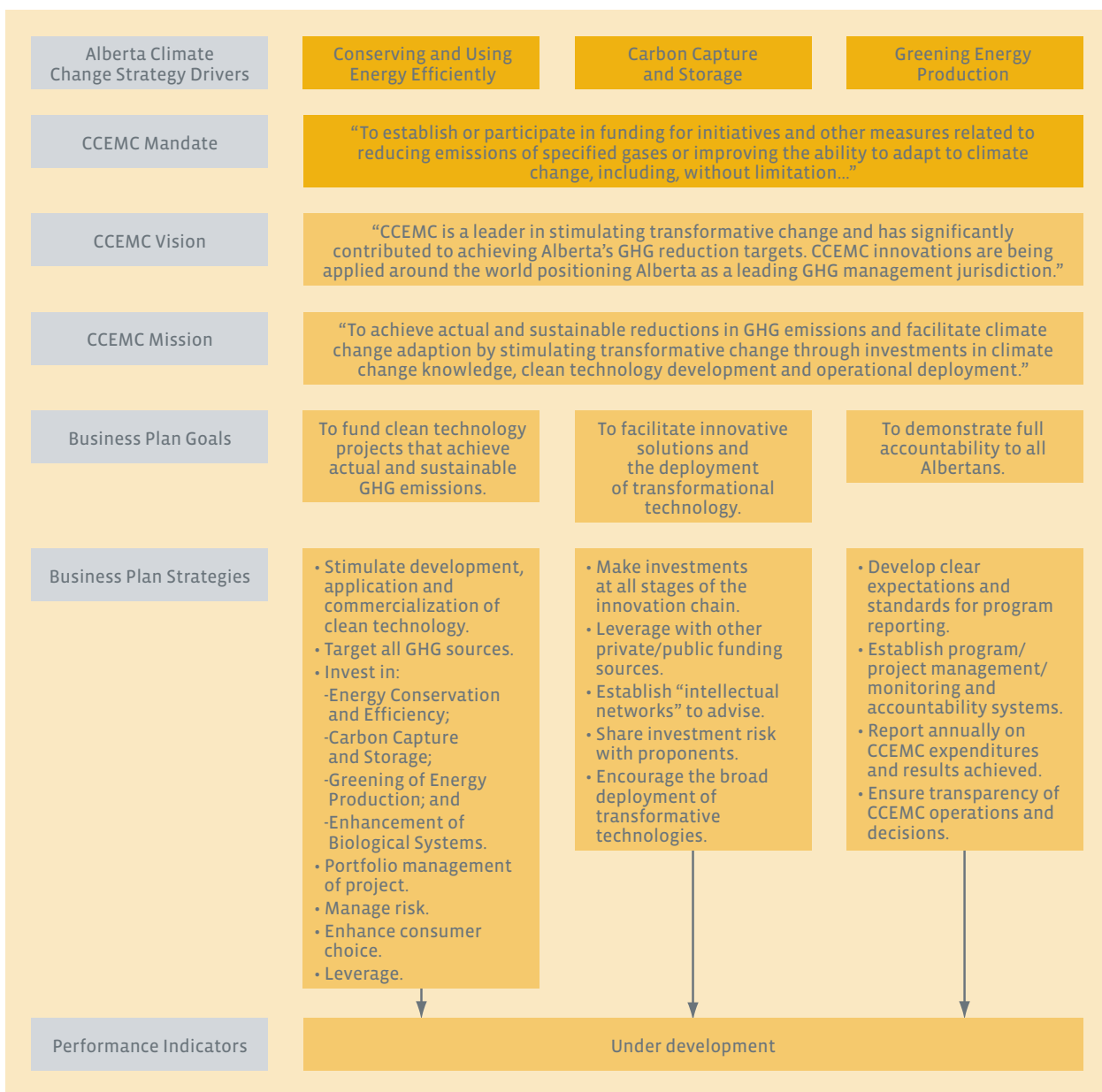


Figure 3: Outcomes Based Performance Management Framework

Performance Measurement

The CCEMC will ultimately measure both the performance of the Corporation and the success of its projects. However, funding to support approved projects will not be released until the summer of 2010. Consequently, there will be no measurement of outcome-based performance results respecting GHG reductions or other metrics during the first operating year.

Immediate – Focus on Efficiency

The Corporation is in its first year of operations and performance this year will focus on organizing and building an efficient organization. Its start-up focus in 2009/10 will be on establishing business practices, project solicitation processes, creating evaluation tools, communications and other administrative and governance requirements. Some examples of measures include:

1. Administration – CCEMC performance can be gauged by the number of expressions of interest received, the number of full project proposal requests, the administrative cost as a percent of operating budget and other efficiency measures;
2. Communications – Over time, the Corporation should see more people become aware of the CCEMC, and increased articles in print media, on line registration, website hits and other relevant factors; and
3. Service – Through client satisfaction survey results, process improvements and other factors the CCEMC can measure its quality of service.

Longer term – Focus on Outcomes

Longer term, outcomes-based performance measures are currently being developed with the intention of having them in place for the next business plan period. Corporate metrics will focus on measuring outcomes, outputs and internal administrative matters. These will also provide the requisite metrics for measuring individual projects.

Operations Management

Operations management addresses organization and human capital as well as operating strategy, business operations and project review and management. The CCEMC is governed by a Board of Directors and its day to day operations will be delivered through contractual services. A “virtual organization” model will be employed to deliver optimal program performance while minimizing unnecessary overhead.

The Board is responsible for strategic leadership, policy development and the allocation of corporate resources to achieve strategic results. The Board will be dedicated to serving the purpose of the CCEMC, will act in a strategic leadership capacity and will ensure that the CCEMC is respectful of the strategic direction of Government.

An Operations Management Committee (OMC) will provide the support required to address the operating needs of the CCEMC and to address any business management risks and needs. The OMC will be lead by the OMC Chair.

Operating Strategy

The Fund may only be used for the purposes outlined in the Act and the Grant Agreement; projects that are within the CCEMC's scope will be eligible for consideration. Eligibility criteria as well as other guidance to inform direction of the CCEMC and types of funding will be provided and updated from time to time to reflect changes in public policy, Fund management direction and CCEMC operating policy.

Funds will generally be managed by priority, using pre-determined allocations that will be adjusted on a three to five year cycle. Reassessing these priorities in a timely manner ensures a broad range of initiatives are being funded and there is enough flexibility to respond to interest, opportunities and market conditions. In the first year of operations, priority areas identified by Alberta Environment are:

- Conserving and using energy efficiently – 20%
- Implementing carbon capture and storage (geological and biological) – 30%
- Greening energy production – 50%

Selection criteria will be established and communicated to the proponents (see EOI/FPP guidelines) in advance. A defined project selection process will use the following tools before making recommendations to the Board:

- Proponent self-evaluation
- Evaluation Committee assessment – project reviews, interviews
- Independent expert reviews – technical and financial assessment and risk analysis
- Consensus of support – reached by the Evaluation Committee

The project development process is described in Figure 4. An Expression of Interest (EOI) will initially be sought, projects screened and short listed and then followed by requests for “Full Project Proposals” (FPPs) administered by the CCEMC. The EOI/FPP process will be issued at least annually and supported by clear documentation that outlines the purpose, available funds, eligibility criteria, selection criteria and other relevant matters. Successful projects will enter into contractual agreements with the CCEMC for project delivery.

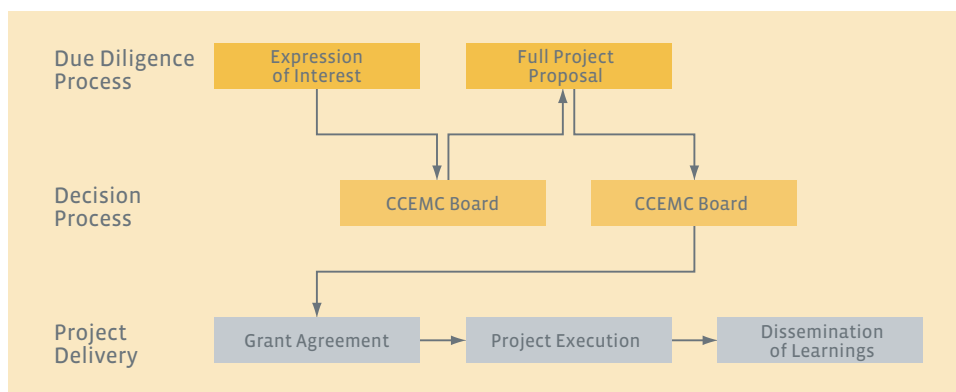


Figure 4: Project Development Process

Examples of selection criteria that will drive the decision making process include but are not limited to: anticipated reductions in GHG emissions, the strength of the partnership, the amount that CCEMC-contributed funds will be leveraged, potential technology deployment, the strength of the management team and other matters deemed important.

The CCEMC reserves the right to use other processes to allocate resources.

Portfolio Management

A broad portfolio of projects is vital to the CCEMC. An attempt will be made to fund projects that:

- Are representative of funding priorities – greening energy production, carbon capture and storage, and conserving and using energy efficiently;
- Represent each stage of the innovation chain;
- Will have the greatest impact on reducing GHG;
- Are of varying size and scope;
- Span the range of risks from low to high; and
- Other – any other matters that the Board may determine to be meaningful.

In order to maintain a balanced portfolio the Board may allocate resources through a suite of funding initiatives including EOI/FPP, direct allocation investments and solicited initiatives.

Intellectual Property

An asset and intellectual property (IP) policy will be applied at the contractual agreement stage of the CCEMC project development process. The CCEMC will determine whether or not to acquire IP ownership of a specific project based on:

- Whether the project is a research project or a pilot project of a near-proven technology;
- Contributions made by funding project proponents and other funding partners; and
- Prior ownership of base or background IP.

If appropriate, IP arrangements will be negotiated at the time of contractual engagement. The Grant Agreement between the CCEMC and the Government of Alberta also provides that any IP that is property of the CCEMC will be transferred to the Government of Alberta on dissolution of the Corporation.

Operating Budget for 2009/2010

The operating budget is built on a projection of actual revenues into the fund and the expenses associated with funding projects and operating the CCEMC. The CCEMC Board of Directors will determine the costs of administration on an annual basis with due regard to maximizing available funds for projects. A general description of the annual operating budget follows, built on an assumed first year operating grant of \$120 Million.

The budget for operations is \$4.265M in the first year. This accounts for operational establishment and major systems development.

The CCEMC does not expect to allocate funds to projects in the first year as the selection of successful projects and the execution of contractual agreements is not likely to be finalized until the next CCEMC fiscal year. Consequently, these funds will be dedicated but not allocated to specific projects. These funds are identified in the budget and will be carried forward.

The following outlines the statement of projected operations for the fiscal year 2009/2010.

Statement of Projected Operations – 2009/2010

REVENUE	
Fund contributions	\$ 120,000,000
Investment income (no revenue assumed)	–
Total Revenue	\$ 120,000,000
OPERATING EXPENSES	
Board meetings	
Board meeting general expenses	\$ 5,000
Directors' honoraria and expenses	\$ 150,000
Contractors - Management support	
Administration, due diligence, project monitoring and internal project audits	\$ 1,200,000
Project adjudication	\$ 480,000
Communications	\$ 250,000
Legal	\$ 650,000
Operations	\$ 250,000
Consulting contracted services	\$ 900,000
Corporate expenses	\$ 50,000
Insurance	\$ 20,000
Outreach	\$ 100,000
Third party financial advisors	
Due diligence	\$ 75,000
Corporate audit	\$ 35,000
Contingency	\$ 100,000
Total Operating Expenses	\$ 4,265,000
Funds Committed for Future Projects	\$ 115,735,000
Total Expenditures and Commitments	\$ 120,000,000
Projected Surplus / Deficiency	–

Operating Reserve

An operating reserve will be established for the CCEMC. In the first year of operations \$1M will be set aside to ensure continuity of operations from one year to the next. In the longer term, additional resources will need to be maintained as an internal reserve to cover the costs of current commitments/obligations not yet funded (i.e. multi year projects).
