



Contact

Meghan Connolly Haupt
+1.510.452.8020
mchaupt@scscertified.com

FOR IMMEDIATE RELEASE

SCS PREPARES FOR FURTHER GROWTH SPURRED BY CALIFORNIA CAP AND TRADE MANDATE

Carbon Offset Verification Heightens Demand

January 24, 2011 - Emeryville, CA – Scientific Certification Systems (SCS) is poised to continue its rapid growth as the State of California adopts America's first mandatory cap and trade system.

The California Air Resource Board approved the state's cap & trade system in mid December, which will require businesses to collectively meet an emissions cap starting in 2012. Launching the trading scheme will drive the demand for regulatory grade offsets, but accredited offset verifiers are few.



"Because SCS has already earned accreditation from the State as a verifier for its cap and trade system, we will be able to help provide [carbon offset verification](#) for key projects immediately," said Dr. Robert Hrubes, SCS' Senior Vice President. Hrubes participated in the creation of the Climate Action Registry's forestry protocol, which the state has adopted as its standard for forest carbon offsets.

The company already is one of the Bay Area's fastest-growing private companies, with 177 percent growth between 2007 and 2009 and 2009 revenue of \$14.5 million. SCS predicts that it will double its greenhouse gas emissions team to 10 people in the near future given the new legislation. The State's decision has given investors in carbon offset projects confidence that these projects will maintain a high market value, thus increasing demand.

The cap and trade system will pose limits on emissions from large industrial greenhouse gas emitters through a permit system that allows companies to trade the permits on a market. Businesses will have the option of purchasing credits generated by carbon offset projects if they cannot reduce their own emissions. These offset projects, which include reforestation and renewable energy, are required to be verified by an independent third party.

California's cap and trade system is likely to become a model for other states as they implement their own market-based mechanisms to combat global climate change, which would spur further growth in the carbon offset industry. The regulation will initially cover electric utilities and large industrial facilities and be expanded to include distributors of fuels and natural gas in 2015.

###

Scientific Certification Systems (SCS) has been providing global leadership in third-party sustainability and [environmental certification](#), auditing, testing and standards development for more than 25 years. SCS programs span a wide range of industries including green building, product manufacturing, food and agriculture, forestry, retailing and more.