

Climate Action Reserve Special Topics Series

Webinar will begin shortly

For audio, use your computer speakers, or dial (312) 878-0222

Access code: 359-897-152



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Use the question window to submit questions for the presenters

The slides will be posted online after the webinar



Reserve Webinars

- Overview of the Climate Action Reserve
 - 1st week of every other month
- Project Developer and Verifier Training
 - 2nd week of every other month
- Special Topics Series
 - 3rd week of each month
- Upcoming schedule goes to mailing list during the last week of each month
- **Event calendar:** <http://www.climateactionreserve.org/news-and-events/events/event-calendar/>



Special Topics Series

- Guest speakers and staff discussing new protocols or interesting topics regarding projects or protocols
- We assume that you have at least attended the overview webinar and have a general understanding of our program

TODAY:

- **Forest Project Protocol v3.2**
- John Nickerson, Director of Forestry
- Slides will be posted online after the presentation

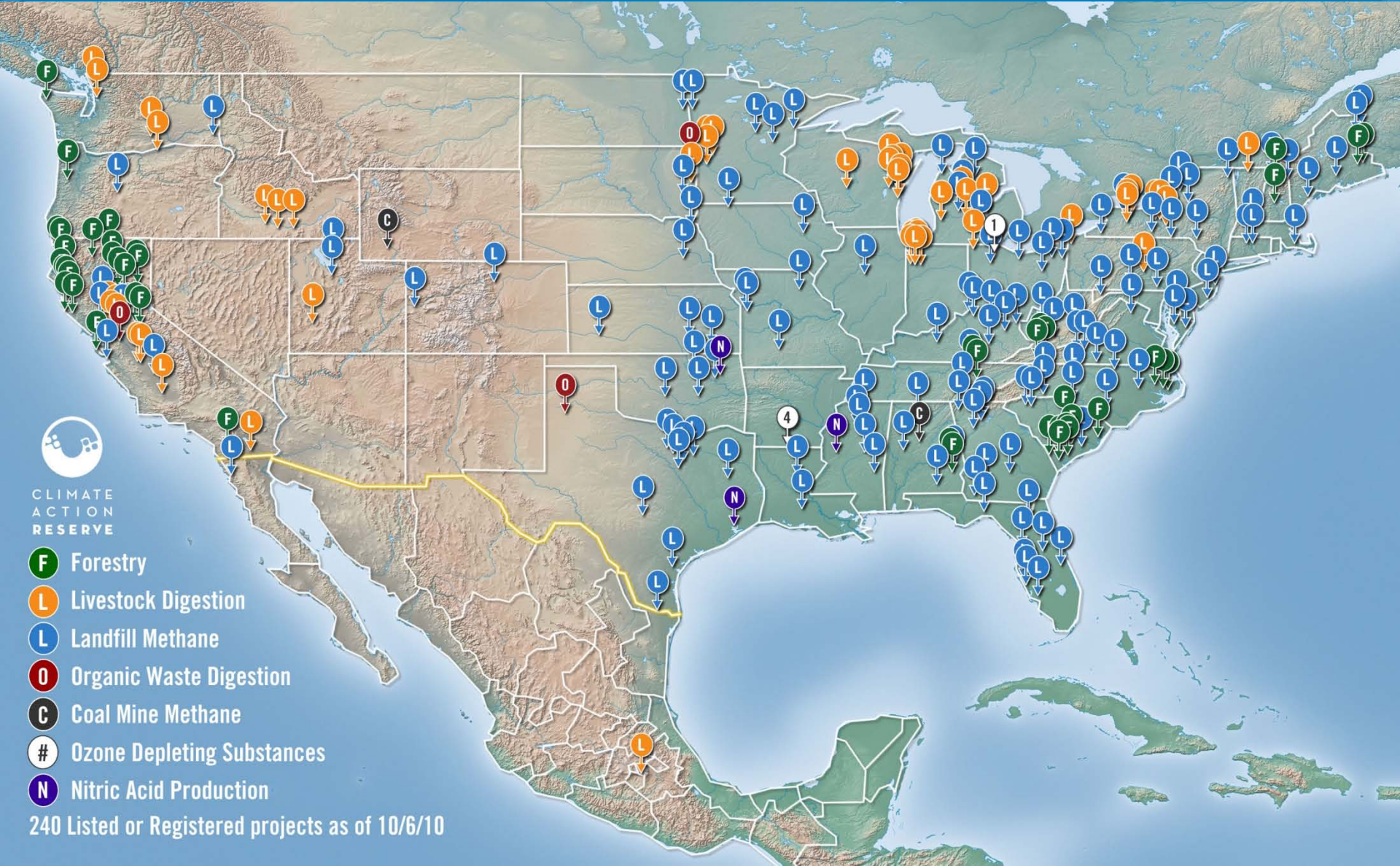


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Reserve Stats

Launch date	May 2008
CRTs registered (issued)	7.6 Million
Account holders	345
Projects submitted	365
<i>Forest Projects</i>	150

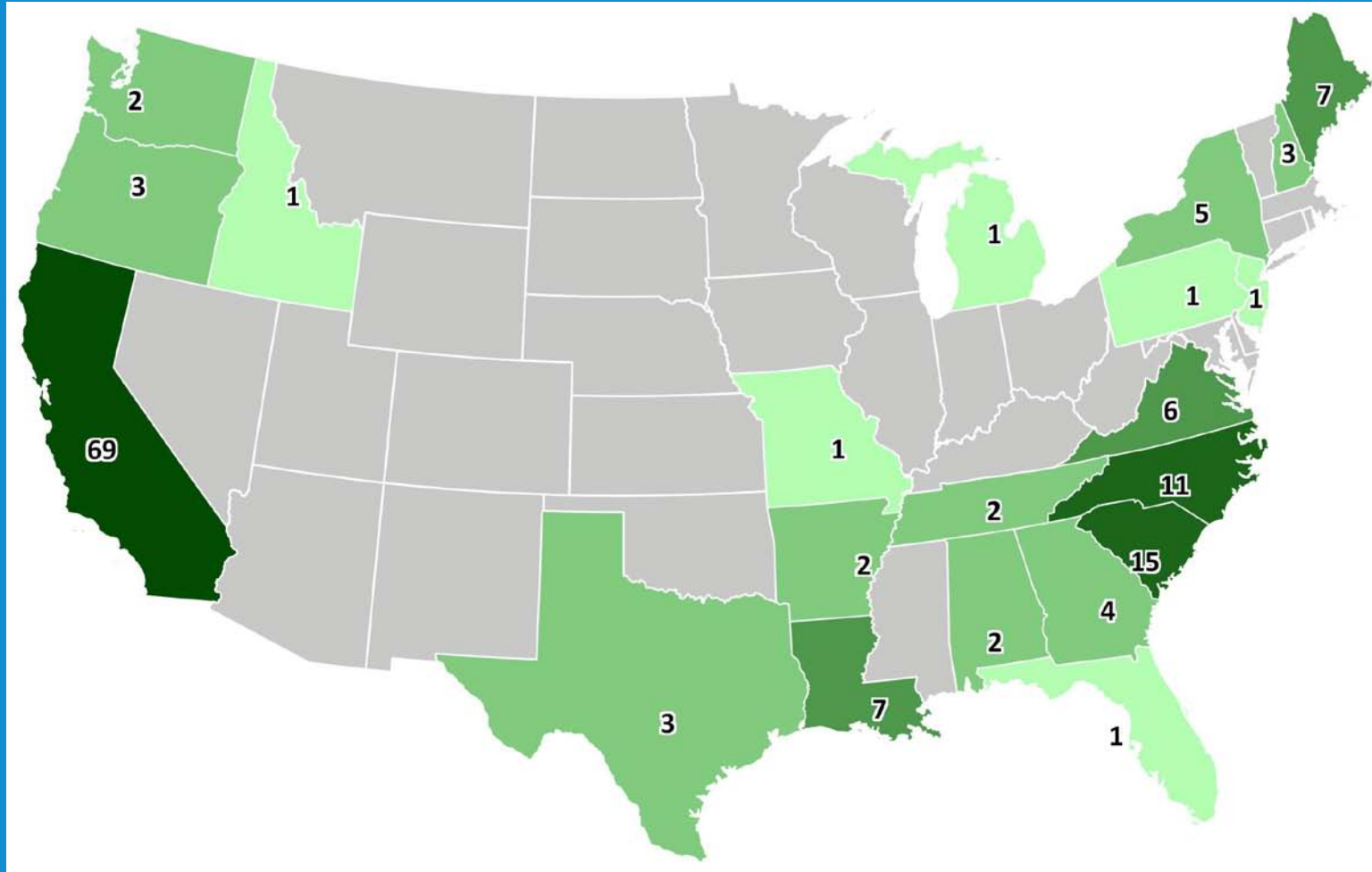
Listed & Registered Projects



Forest projects submitted



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John Nickerson

FOREST PROJECT PROTOCOL v3.2

Special Topics Series:

Forest Project Protocol v3.2



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Summary of Changes

- Clarifications have been added related to the submission of attestation forms and regulatory compliance (*Section 3*)
- The protocol now allows projects to span multiple Assessment Areas (*Section 4*) and further guidance has been added on how to determine a Common Practice (*Appendix F*)
- Changes and clarifications to the requirements for establishing a baseline for Improved Forest Management (IFM) projects (*Section 6*)
 - These changes address Project Area selection, legal agreements, and secondary effects

Summary of Changes

(Continued)



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- The definition of reversals has been modified to include the full suite of accounting for all carbon stocks, confidence, and secondary effects *(Section 7)*
- Requirements and guidance have been clarified related to the reporting duration and cycle for projects *(Section 9)*
- The forest verification protocol, which was formerly a standalone document, has been edited and incorporated as part of the Forest Project Protocol itself *(Section 10)*
- Guidelines for Aggregating Forest Projects are now available on the Current Forest Project Protocol webpage



Attestation Forms

- Attestation of Voluntary Implementation
 - Part of the Legal Requirement Test (*Section 3.1.1*)
 - GHG reductions or removals achieved above and beyond any resulting from compliance with federal, state, or local law, statute, rule, regulation or ordinance AND above and beyond any court order or other legally binding mandates
 - Forest Owner must sign the Attestation of Voluntary Implementation only once at the initial verification
- Attestation of Regulatory Compliance
 - New Section 3.9 added
 - At all times the project is claiming credit, the Forest Owner must be in material compliance with all pertinent regulations and permitting conditions
 - Must be signed each time the project is verified

Determining Common Practice Across Multiple Assessment Areas



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- Projects can now extend across multiple Assessment Areas within the same Ecosection or Supersection or adjacent Ecosections or Supersections
- Guidance has been added to Appendix F to determine the Common Practice level of the above-ground standing live carbon stocks:
 1. Determine the Geographic Ecosection(s) or Supersection(s) Within Which the Project Area is Located
 2. Determine the Acreage of the Project Area That Falls Within Each Assessment Area Contained in the Ecosection(s) or Supersection(s)
 3. Where Necessary, Stratify Project Area Acres According to Whether They Are High or Low Site Class
 4. Identify the Common Practice Statistic Associated with Each Assessment Area and Site Class Stratum
 5. Determine a Value for Common Practice for the Entire Project Area

Example - How to Determine CP Incorporating Multiple Assessment Areas



Ecosection(s) /Supersection(s)	Assessment Area	Site Class	Acres	Common Practice (Metric Tonnes CO ₂ -e)
<i>Name the Ecosection(s)/Supersection(s) the project is found within.</i>	<i>Identify the Assessment Areas the project is in. If the project is in more than one site class for an Assessment Area, enter the Assessment Area twice</i>	<i>Enter the Site Class Value</i>	<i>Acres for each Assessment Area- Site Class Combination</i>	<i>Enter the Value from the most current Assessment Area Data File</i>
Atlantic Coastal Plains and Flatwoods	Atlantic Coastal Plain Riverine Hardwood	High	2,000	88
Atlantic Coastal Plains and Flatwoods	Atlantic Coastal Plain Riverine Hardwood	Low	1,200	81
Atlantic Coastal Plains and Flatwoods	Atlantic Coastal Plain Upland Hardwoods	High	1,000	57
Gulf Coastal Plain	Gulf Coastal Plain Riverine Hardwoods	High	800	63
Total Acres / Weighted Average Common Practice			5,000	76

Ensuring the Baseline Reflects Management Practices for IFM Projects *(Section 6)*



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- To ensure that Project Areas are reflective of general management practices, so that comparisons to Common Practice are relevant, changes were made for establishing a baseline for IFM projects on private lands
- The averaged modeled results for Above-Ground Standing Live Carbon Stocks are now compared to a *minimum baseline level (MBL)*
- The minimum baseline level is determined by:

Where Initial Carbon Stocks are Above Common Practice (Equation 6.5)	Where Initial Carbon Stocks are Below Common Practice (Equation 6.6)
$MBL = \text{MAX} (CP, \text{MIN} (ICS, CP + ICS - WCS))$	$MBL = \text{MAX} (\text{MAX} (HSR, ICS), \text{MIN} (CP, WCS))$
Where,	
MBL = Minimum baseline level (above-ground standing live carbon stocks)	
CP = Common Practice (as determined in Step 1 on page)	
ISC = Initial above-ground standing live carbon stocks per acre within the Project Area (as determined in Step 2)	
WCS = The weighted average above-ground standing live carbon stocks per acre for all Forest Owner (and affiliate) landholdings within the same logical management unit as the Project Area.	
HSR = The “High Stocking Reference” for the Project Area	

Steps Involved in Determining the Minimum Baseline Level



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1. The project carbon stocking levels needs to be compared to the carbon stocking levels within the logical management unit (LMU) the project is found in
 - LMU is all land that the Forest Owner and its affiliates either own in fee or hold timber rights on, and which it or they manage as an explicitly defined planning subunit
 - An Affiliate is any person or entity that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the Forest Owner
 - If an LMU cannot be identified, the Forest Owner must define the LMU by identifying all lands where the Forest Owner and its affiliates either own in fee or hold timber rights on within the same Assessment Area(s) covered by the Project Area
2. Calculate the weighted carbon stocks (WCS) estimate of the above-ground standing live carbon stocks per acre for the entire LMU by using existing inventory data or a stratified vegetation-type analysis

Two Approaches for Comparing Carbon Stocks Between the Project Area and LMU



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- If sufficient inventory data exists for LMU lands exists for both the Project Area and LMU lands, Equation 6.7 on page 51 may be used to determine the WCS
- If sufficient inventory data for LMU lands is not available, a stratified vegetation-type analysis must be conducted
- If project stocks differ by more than 20% from a Forest Owner's stocks within the LMU, an adjustment (where conservative) is applied to the baseline

Updates for How Legal Agreements are Interpreted for IFM Baselines



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- Revisions to the interpretation of legal requirements that affect baseline modeling for IFM projects have been made:
 - Treatment of MSP Plans (Applicable to projects within California only)
 - Baseline must be modeled to reflect all silvicultural treatments associated with timber harvest plans (THPs) active within the Project Area at the time of the project's initiation
 - For portions of the Project Area not subject to THPs, baseline carbon stocks must be modeled by taking into account any applicable requirements of the California Forest Practice Rules and all other legal requirements
 - Treatment Habitat Conservation Plans (HCPs)
 - Pre-existing HCPs must now be modeled as legal constraints when determining IFM project baselines
 - HCPs approved up to one year before a project's start date are not considered legal constraints



Revision to Calculation for Quantifying Secondary Effects for IFM (*Section 6.2.6*)

- Secondary effects associated with harvested wood products over calculated over the life of the project rather than on a year by year basis
- Since estimates of secondary effects are made on a year by year basis, project crediting that has been reduced for estimated secondary effects can recoup the secondary effect estimates if the project increases harvesting levels to or exceeds baseline harvesting levels
- Equation 6.10 addresses secondary effects

Clarification of Reporting Duration and Cycle *(Section 9)*



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- To allow for Forest Owner flexibility in determining a project's reporting period clarifications have been made to Section 9
 - **Reporting Period Duration and Cycle (Section 9.3.1)**
 - A project's first reporting period can be any length of time, from the start date to the initial verification
 - A project's 2nd reporting period can be less than 12 months, but no greater than 12 months
 - After the second reporting period, every subsequent reporting period must be a 12 months in duration
 - **Issuance and Vintage of CRTs (Section 9.3.3)**
 - CRTs vintages assigned by reporting period, according to the proportion of each reporting period falling within that calendar year

Guidelines for Aggregating Forest Projects Version 1.0



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- Guidelines allowing smaller forest projects to be aggregated reducing transaction costs for individual landowners
- Only projects of less than 5,000 acres may enroll in an aggregate
- No Forest Owner may enroll more than 5,000 acres in aggregates
- Enrolling in an aggregate a project will:
 - Require fewer sample plots to generate a forest carbon inventory of sufficient statistical certainty to avoid confidence deduction
 - Have a less frequent verification schedule than required for standalone projects
- Forest Owner is responsible for same reporting requirements