

Submitting Compliance Offset Projects Under California's Cap and Trade Program



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Purpose of Today's Webinar

- Provide an overview of the process for submitting projects for listing under ARB Compliance Offset Protocols

Disclaimer: It should be noted that the Reserve has applied to the ARB but is not an approved offset project registry. Information and guidance provided in this presentation is not considered official.



Compliance Offset Protocols

- The Reserve will accept projects from the four approved ARB Compliance Offset Protocols
- Significant changes between ARB and Reserve protocols:
 - Ozone Depleting Substances
 - Additional gases are eligible to be reported; no significant quantification or other technical changes
 - Livestock
 - No significant eligibility or quantification changes; some technical changes
 - Urban Forest
 - No significant eligibility or quantification changes
 - U.S. Forest
 - No significant eligibility changes; some quantification and other technical changes
- The Reserve will soon make available summary documents that provide details on the key technical differences between the protocols and will conduct a separate webinar on this topic



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Why Should I Submit a Compliance Project Now?

- The ARB is encouraging projects to be implemented now in order to ensure adequate offset supply in the early going
 - There can be a long lead time to credit issuance; best to start early
 - It isn't necessary to wait for registry approval or verifier accreditation
- Implementing a compliance project requires only one verification step thereby reducing project costs
- Obtaining an initial eligibility review provides assurance that your project is eligible before implementing the project
- The Project submittal Fee will be invoiced at the current Reserve Fee Schedule



Who Can Submit a Compliance Offset Project?

- An Offset Project Operator (OPO) or Authorized Project Designee (APD) can submit a project
- The OPO is the entity that has the legal authority to submit a project
- The OPO may designate an APD:
 - must identify to the registry the rights and responsibilities they are assigning or delegating to an APD
 - Modifications to Authorized Project Designee and Activities can occur within each calendar year after the offset project has been listed
- Required to register with ARB pursuant to Section 95830



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Process for Listing Compliance Offset Projects Per §95975 of the Regulation

- Register with ARB
- Attest in writing to the following:
 - The project will be measured according to the ARB Compliance Protocol
 - The OPO/APD understands that they are subject to regulatory requirements and enforcement mechanisms of the ARB program and jurisdiction of California
 - The offset project is implemented in accordance with all applicable local, regional, and national environmental laws that apply to the project location
- Provide the offset project listing information



Steps for Submitting a New Compliance Offset Project to the Reserve

- New Projects (not currently listed or registered):
 1. The OPO or APD must open an account on the Reserve software
 - The Reserve requires documentation to authenticate accounts
 2. Complete the Compliance Offset Project Listing Information Form and submit document through Reserve software
 - Form includes required attestations per Section 95975(c)
- The Reserve will review form and provide a response within 10 business days
- Once the form is complete, the project will be listed in the Reserve registry as a 'Pre-ARB Offset Project Submission'

Steps for Transitioning an Existing Reserve-Listed Project to a Compliance Protocol Project on the Reserve



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- Existing Listed Projects on the Reserve:
 1. Complete the Compliance Offset Project Listing Information Form
 2. Email form to reserve@climateactionreserve.org
- The Reserve will not charge new project submittal fees for existing listed projects seeking to re-list under an ARB Compliance Protocol
- Once the form is complete, the project will be publicly listed as a 'Pre-ARB Offset Project Submission'



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Offset Project Listing Information Form

- The Reserve has created forms to ease the reporting of the offset project listing information required for listing
- The form is similar to the Reserve's project submittal form and provides preliminary information about a project:
 - Exception: Forest Offset Project Listing Form is similar to FPPv3.2 Project Design Document
- The ARB required attestations are part of the form and must be signed
- The form will be made public when the project is listed
- Forms available here:
<http://www.climateactionreserve.org/how/projects/register/project-submittal-forms/>
- ARB may require additional information in the future or may require re-submission on an ARB-approved form



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Next Steps After Registry Approval and Verifier Accreditation

- Once the Reserve is an approved Offset Project Registry the Reserve will facilitate process to officially list the project
- Reserve will request that the OPO and APD demonstrate that they are registered with ARB pursuant to Section 95830
- Once any outstanding requirements as determined by ARB are met, the project will officially be listed as an ARB 'Proposed Project' pursuant to Section 95975(h)
- The project can submit an Offset Project Data Report and then initiate the process for obtaining services of an accredited verifier



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Other Important Considerations

- Reserve projects that have been issued CRTs (are 'registered') are considered Early Action Offset Projects and so should wait for ARB guidance on transitioning such projects to the compliance program.
- Projects with start dates prior to January 1, 2007 may only transition to a compliance protocol as an Early Action Offset Project



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Questions

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