

## Updates to the U.S. Forest Projects Compliance Offset Protocol

October 15, 2015



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**Robert Z. Lee**  
Program Manager

### Timeline



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- **June 25, 2015:** California Air Resources Board approves updated U.S. Forest Protocol
- **July 27, 2015:** Workshop on Guidance for Forest Protocol
- **November 1, 2015:** Anticipated Effective Date for June 25, 2015 version



## Agenda



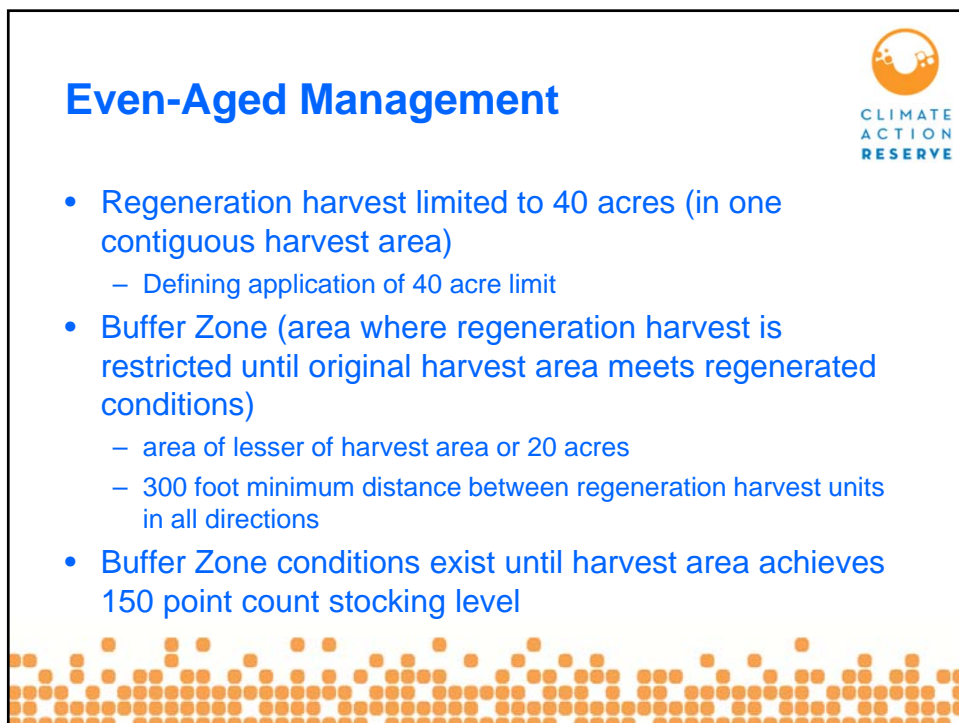
- Major Updates to the Compliance Offset Protocol for U.S. Forest Projects
- Minor Updates to the Compliance Offset Protocol for U.S. Forest Projects
- Climate Action Reserve Compliance Offset Protocol Worksheets

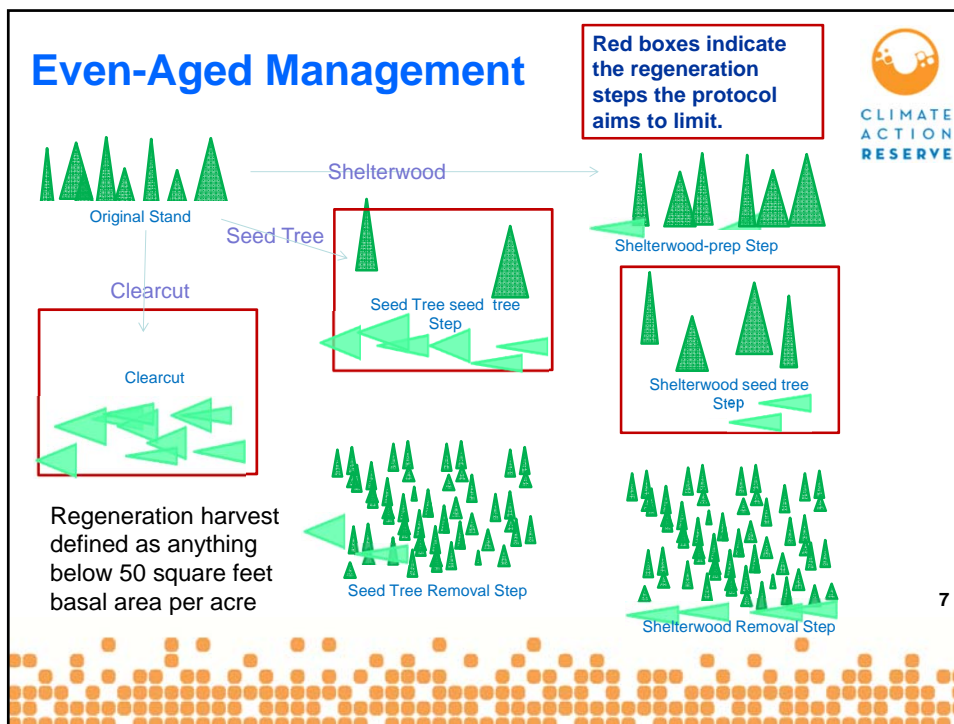
## Notice



Much of this presentation is based on the Climate Action Reserve's understanding of the California Cap and Trade Regulation. As the implementation of the Regulation is the responsibility of the California Air Resources Board, you should be aware that anything presented here may be interpreted or applied differently by the Board.

Moreover, this presentation does not constitute legal advice. Information presented here should be regarded as guidance and does not have a legally binding effect.





### Even-Aged Management

- ARB Implementation Guidance Forthcoming
  - Consistency with California Forest Practice Rules
  - Clarity on definition of “healthy tree” for purpose of point count
  - How stocking and buffer requirements will be verified

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## Assessment Area Data File Updates




- Common Practice Statistics updated to reflect current FIA data
  - Updated Common Practice statistics are generally higher than previous version.
  - New classification of high and low site class
    - Effect of new site class designation is that the majority of managed forest lands are now in high site class.
- The net effect is that credit yield will be reduced for most new projects

## Minimum Baseline Level




- Revised Formula When Initial Carbon Stocks Above Common Practice
  - $MBL = \text{MAX}(CP, \text{MIN}(ICS, CP + ICS - WCS))$
  - WCS = Weighted Average Carbon Stocks in Logical Management Unit (LMU)
- The modification attempts to address concerns for potential selection bias that could lead to over-crediting.



## Logical Management Unit

- All lands within project assessment area(s) owned by forest owner(s) and its affiliate(s).....*further defined by:*
  - Unique biological, geographical, and/or geological attributes, delimited by watershed boundaries and/or elevational zones, and/or unique road networks, and/or an area that has experienced natural disturbance such as wildfire or windstorm, and/or designated as High Conservation Value Forest....
- Implementation Guidance to come
  - Clarification on definition
  - How to establish, assess stocking levels, and verify the LMU



## MINOR UPDATES



## Offset Project Commencement

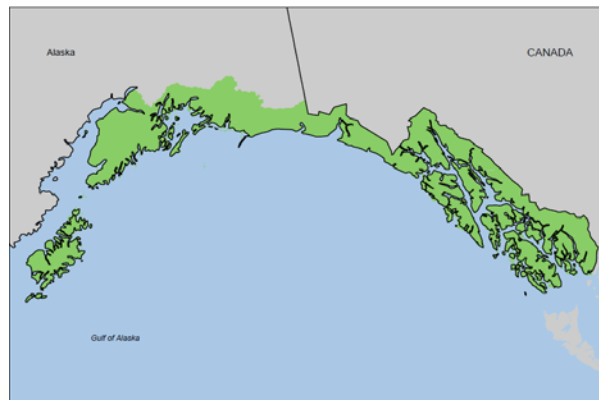


- Improved Forest Management Project Commencement
  - Previous ambiguity allowed for “boots on the ground” commencement of inventory work to denote a Commencement Date
  - “Boots on the ground” no longer eligible as a commencement date
- Explicitly limited to 3 options:
  - Submission of Project
  - Transfer of Ownership
  - Recordation of Conservation Easement

## Geographical Expansion Into Alaska



- Inclusion of 2 new Assessment Areas within Alaska



## Harvested Wood Products



- Reordered/Clarified Steps for Calculation
  - New option for directly calculating HWP carbon using green weight rather than wood volume (Equations C.2 and C.11)
  - Clarified inclusion of landfill carbon (Equation C.8 and C.17)
- Functionally Equivalent to Calculations in Previous Version of Appendix C



## LISTING PROCESS





## Listing Process



- Create an account with the Offset Project Registry
- Create an account on ARB CITSS system
- Once registry account has been approved, create new project
- If COMPLETE Listing Documentation received by November 1, 2015, listed under current protocol. After November 1, 2015, project will report under updated protocol
- Reserve reviews and lists project

## COP Tools

to organize project data and facilitate data calculations



- Compliance Monitoring Calculation Worksheet
  - The Monitoring Calculation Worksheet is an application for inputting project data and calculating project-related data.
- Compliance Harvested Wood Products Worksheet
  - The Harvested Wood Products Calculation Worksheet is an application for inputting project harvest data and facilitating the calculation of the contribution of harvested wood products.
- Both are available at:  
<http://www.climateactionreserve.org/how/california-compliance-projects/resources/>



## Contact Information

**Robert Z. Lee**  
Program Manager  
rzlee@climateactionreserve.org  
(213) 785-1230

**John Nickerson**  
Director of Forestry  
john@climateactionreserve.org  
(707) 468-8529f

[www.climateactionreserve.org](http://www.climateactionreserve.org)  
(213) 891-1444



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