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Reserve Offset Program Manual Overview

November 21, 2019



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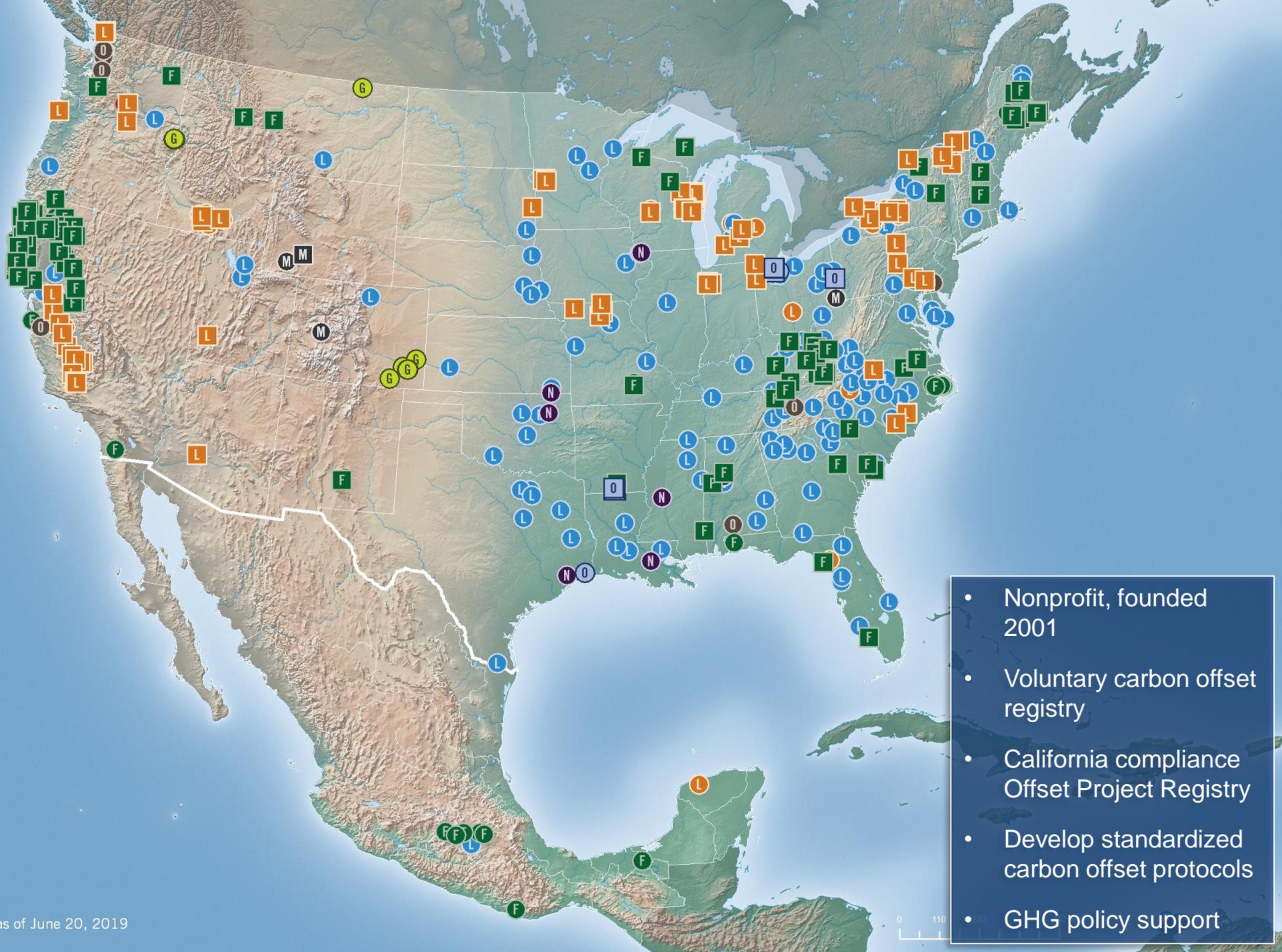
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- F Forest (ARB)
- L Livestock (ARB)
- M Mine Methane (ARB)
- O Ozone Depleting Substances (ARB)
- O Composting
- F Forest
- G Grassland
- L Landfill
- L Livestock
- M Mine Methane
- N Nitric Acid Plants
- N Nitrogen Management
- O Organic Waste Digestion
- O Ozone Depleting Substances

Listed, Registered, Transitioned, & Completed Projects as of June 20, 2019



- Nonprofit, founded 2001
- Voluntary carbon offset registry
- California compliance Offset Project Registry
- Develop standardized carbon offset protocols
- GHG policy support

- The Reserve Offset Program Manual details the program rules and procedures, eligibility criteria, and quantification and verification protocols for our offset program
 - These policies are designed to ensure all offset credits issued are real, additional, permanent, verified, and owned unambiguously
- Provides overarching policies, and details about program implementation, whereas protocols provide specific policies pertaining to projects, and the Verification Program Manual details processes for verification bodies

Reserve Offset Program Manual Update Process

- Draft version of the Reserve Offset Program Manual released on September 3, 2019
 - Public comment period ended on October 4, 2019
 - No public comments were received
 - Comments and questions can always be sent to reserve@climateactionreserve.org, even outside a public comment period
- This version will replace the current Program Manual version released September 1, 2015
 - Also incorporates some policy memos, which will be identified throughout the webinar

Major Changes by Section

- Nomenclature throughout the document
 - We are now referring to the Program Manual as the “Reserve Offset Program Manual”
 - This is to distinguish it from our other program, Climate Forward, which also implements a Program Manual
 - Moving forward, this document should be cited as the Reserve Offset Program Manual

Major Changes by Section

- Section 2.4.4 – Project Crediting Period
 - Clarified that a non-forest project may end its crediting period early
 - Clarified the timing for renewing a crediting period
 - Project submittal forms must be submitted *no sooner than 6 months before* the end of the project's current crediting period
 - Crediting periods may be renewed after the current crediting period has ended, consistent with the language in the Landfill Project Protocol v5.0

Major Changes by Section

- Section 2.6.6 – Immediate Crediting for Future Avoided Emissions
 - Clarified the difference between the Reserve’s ex-post offset crediting program, and its Climate Forward program, which recognizes and credits future streams of emission reductions

Major Changes by Section

- Section 2.8 - Ensuring Permanence of GHG Reductions
 - Updated to reflect the option of “Tonne-Year Accounting” being implemented in certain protocols

Major Changes by Section

- Section 3.3.2.1 – Types of Accounts
 - Addition of Project Owner (limited), which is designed to be used by aggregate or cooperative participants in cases where the Project Owner is not carrying out project development activities
 - This account type has limited ability to conduct transfer of CRTs, and does not have privileges for retiring CRTs

Major Changes by Section

- Sections 3.4.3 – Initial Verification and Registration, 3.4.4 – Subsequent Verification, and 3.4.5 – Zero-Credit Reporting Period (ZCRP)
 - Clarified that nitrogen management projects are like forest and urban forest projects, in that they are not eligible for a ZCRP
 - For cases where ZCRPs are allowed, added that ZCRPs may span multiple crediting periods (i.e., if a verification deadline has been missed, a ZCRP may cover time through the end of the first crediting period, and into the beginning of the renewed crediting period)
 - Clarifies that there is no limit to the amount of time a ZCRP may cover
 - Clarifies a project may have consecutive ZCRPs

Major Changes by Section

- Section 3.4.7 – Verification Deadline Extension Request (previously Section 3.4.4 – Registration Extension Request)
 - Extensions are no longer just applicable to the initial reporting period, so long as the site visit has taken place (or project has provided project documentation to the verifiers, if a site visit is not taking place) and the account has no outstanding invoices
 - Clarified length of extension by project type (incorporating new project types):
 - Forest, grassland, and urban forest projects are eligible to apply for a 12 month extension
 - Livestock, landfill, and nitrogen management are eligible to apply for a 6 month extension
 - All other project types are eligible for a 30 day extension

New Additions by Section

- Section 2.6.1 – Global Warming Potentials for Quantifying GHG Reductions
 - Replaces the “Global Warming Potential (GWP)” policy memo released May 1, 2018
 - States that the Reserve is currently using the IPCC Fourth Assessment Report (AR4) values, and may move to AR5 in the future

- Section 2.8.1 Maintenance and Disposition of the Buffer Pool
 - Describes how credits will be retired from the buffer pool in the case of an unavoidable reversal
 - Credits will be retired from the same project type (e.g. forest credits will be retired for reversals from forest projects)
 - A First In First Out approach will be used
 - Describes options for replenishing the buffer pool in the unlikely instance that we do not have sufficient supply in the buffer pool to cover a large reversal
 - Several options are detailed, and we will explore which is the most appropriate option if this situation arises

New Additions by Section

- Section 2.9 Avoiding Double Counting of Emission Reductions
 - Details the safeguards built into the Reserve’s program to avoid double counting:
 - Screening protocols for project types with low risk of double counting
 - Determining additionality and eligible SSRs during protocol development
 - Reserve staff reviewing other registries for evidence of a project being listed in multiple programs (at the submittal and registration stages)
 - Attestation of Title submitted each time a project is registered
 - Serialized CRTs
 - Additional details will be added to this section at a future date to address the risk of double-counting under the Paris Agreement and CORSIA, once more details are known regarding implementation of those programs

New Additions by Section

- Section 3.5 – Stakeholder Input for Individual Projects; Section 3.5.1 – Local Stakeholder Consultations; Section 3.5.2 – Feedback and Grievance Process
 - Clarifies the involvement of stakeholder interactions in our protocol development process
 - Provides contact information for stakeholders to provide general or specific project feedback, inquiries, or grievances (reserve@climateactionreserve.org, (213) 891-1444, or any of the protocol-specific contacts listed on our website)
 - Describes how the Reserve will handle grievances related to over-issuance, ownership disputes, or negative social or environmental impacts

New Additions by Section

- Section 3.6.6.2 – The California Compliance Offset Program
 - A sub-section of Section 3.6.6 – Transferring Credits from the Reserve
 - Clarifies the process through which Registry Offset Credits (ROCs) are issued by the Reserve through our role as an approved Offset Project Registry (OPR) under the CA Compliance Offset Program
 - Provides details for how these credits can be cancelled and re-issued as ARB Offset Credits (ARBOCs) in CITSS, and how this is noted publicly in our registry

New Additions by Section

- Section 3.10 – Relationships to Other GHG Programs
 - Includes a sub-section for our interactions with other voluntary carbon offset programs (for example, Verra’s VCS program)
 - Provides details for avoiding double counting for instances in which a project seeks to enroll simultaneously in multiple programs for different SSRs
 - Details our role as an OPR under California’s Compliance Offset Program
 - Details our interactions with the Low Carbon Fuel Standard (LCFS) program, and how we will work with the CA Air Resources Board when a Reserve offset project is seeking LCFS credits
 - Details our involvement in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) (e.g. that we have applied for our offset program to be approved for use)
 - Notes that the Reserve’s voluntary offset program has been endorsed by Green-e Climate (a program operated by the Center for Resource Solutions)

Questions?



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Any questions or comments?

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