



## US Forest Offset Working Group (Meeting #3)

Agenda for September 3<sup>rd</sup>, 2024 | 9:00 am – 11:00 a.m.

Location: Zoom, the public may view the meeting in a webinar format

Registration link: [https://waecy-wa.gov.zoom.us/webinar/register/WN\\_jE7TDTngT2ulw0L9zQ1k7Q](https://waecy-wa.gov.zoom.us/webinar/register/WN_jE7TDTngT2ulw0L9zQ1k7Q)

### Welcome and overview

- Welcome to the meeting
- Disclosure of financial interest related to topics to be discussed
  - Please come prepared to share any relevant financial interests or professional engagements **not previously shared** related to the changes discussed in this meeting such as:
    - Intention or consideration of development of a forest offset project in Washington's market
    - Ownership, involvement, or other interest in an offset project has had an intentional or unintentional reversal, or has used an alternative risk mitigation mechanism approved by a registry
    - Any other financial interests that may be perceived as pertinent to this this discussion
  - Please note that the existence and disclosure of a financial interest **does not** preclude you from full participation in this discussion and meeting

### Topic 1 – Alternative accounting for certain types of intentional reversals

- Ecology will share a considered revision, sourced from the CARB Offset Taskforce Report and CAR Forest Protocol Version 5.1 to define new types of reversals: computational reversal, technical reversal, and planned reversals.
- Relevant materials to review:
  - [CARB Offset Taskforce Report \(p.64 - p.67\)](#)
  - [CAR Forest Protocol 5.1 \(p. 85\)](#)
- Topic 1: Discussion questions:
  - What additional considerations or context related to this topic should Ecology be aware of?
  - How would these new types of reversal impact developer or landowner decision making?
  - Are the conditions that would result in a computational or technical reversal common?
  - Does this change positively or negative impact any of Ecology's programmatic goals for this rulemaking?
    - Improve project feasibility for smaller landowners
    - Increase viability of less used project types and less used land types
    - Remove unnecessary or unintended barriers or exclusions to project development
    - Improve applicability of the protocol to forests in Washington state
    - Increase methodological rigor

- Do you recommend that Ecology make this change to the protocol?

## Topic 2 – Remove requirements prohibiting a net decrease in carbon stocks as a project eligibility condition

- Ecology will share a considered revision, sourced from the CARB Offset Taskforce Report and CAR Forest Protocol 5.1 to remove the blanket eligibility restriction on projects that experience a 20% decrease in carbon stocks at any point in the project life or experience a decrease in carbon stocks over any 10 year consecutive year period. Ecology will share the alternative approach taken in CAR's 5.1 protocol that allows carbon stocks to decrease over a 10 year period under certain conditions.
- Relevant materials to review:
  - [CARB Offset Taskforce Report \(p.66 - p.67\)](#)
    - Please note that in the Taskforce Report this recommendation is a subpart of the broader recommendation cited above. The text related to this revision begins on the last bullet of p.66.
  - [CAR Forest Protocol 5.1 \(p. 29\)](#)
- Topic 2: Discussion questions:
  - What additional considerations or context related to this topic should Ecology be aware of?
  - How would this change impact landowner activities on a forest site? Does this change improve the ability for landowner mitigate fire or disease risk through management?
  - Does this change positively or negative impact any of Ecology's programmatic goals for this rulemaking?
    - Improve project feasibility for smaller landowners
    - Increase viability of less used project types and less used land types
    - Remove unnecessary or unintended barriers or exclusions to project development
    - Improve applicability of the protocol to forests in Washington state
    - Increase methodological rigor
  - Do you recommend that Ecology make this change to the protocol?

## Topic 3 – Buffer pools

- Ecology will share a **broad** scope of considered revisions and concepts related to the buffer pool risk mitigation mechanism and seek working group input related to opportunities to strengthen unintentional reversal risk mitigation in the protocol. We intend to revisit the topic of buffer pools in a future meeting with specific considered revisions informed by working group input from this meeting.
- Relevant materials to review:
  - [CARB Offset Taskforce Report \(p.79-80\)](#)
  - [Badgley, Grayson, et al. "California's forest carbon offsets buffer pool is severely undercapitalized." \*Frontiers in Forests and Global Change\* 5 \(2022\): 930426.](#)
    - This a longer form resource than I typically ask working group members to review, but I wanted to include this study as it is particularly pertinent to this topic. Key results are shown in figures 3 and 4 on p.8 and a summary can be found in the conclusion on p .12.

- Topic 3: Discussion questions:
  - What additional considerations or context related to this topic should Ecology be aware of?
  - Are buffer pool contributions in the existing protocol are insufficient to ensure project permanence over the life of the project?
  - Do buffer pool contributions in the existing protocol adequately incentivize forest resilience activities?
  - Is the existing buffer pool structure unnecessarily restrictive in the types of mechanisms that can use to attain compliance?
  - What alternative approaches should Ecology consider to set buffer pool contribution limits? Are there specific approaches in the voluntary market or other compliance markets that Ecology should consider?
  - Is the itemization of risks comprehensive and appropriate in the existing protocol? Are there itemized risks that may be under or overestimated? Are there alternative approaches that Ecology should consider?
  - Are there alternative approaches to quantifying reversals that Ecology should consider?
  - How can Ecology further incentivize forest resilience activities? What metrics, measures, or methods should Ecology consider to quantify forest resilience activities?
  - Should Ecology consider allowing the use of qualified insurance products in place of buffer pool contributions? How may this impact developer decision making?
  - Should Ecology consider allowing non-forest offsets to be used as contributions to the buffer pool? How would this support project development?

## Public comment opportunity

Public participants, Ecology's facilitator

- There will be a 15-minute public comment period. Public members are welcome to speak for up to two minutes. The comments should be focused on the content of the Forestry Offset Technical Working Group topics. Ecology will not respond to comments made by the public. Members of the public may provide written comments on the rulemaking process through the [digital comment platform](#).

## Next Steps and Action Items

Next meeting: ~~October 1<sup>st</sup>~~, **October 8<sup>th</sup>**, 2024, 9 am – 11 am (Pacific Time)

Topics:

- Alternative approaches to baseline calculations

## Resource and Assistance

- Contact Jordan Wildish at [CCAOffsets@ecy.wa.gov](mailto:CCAOffsets@ecy.wa.gov) or 360-280-6488
- [US Forest Offset Working Group Webpage](#)