State of Nevada
Conservation Credit System

2020 PERFORMANCE REPORT

December 2020

STATE OF NEVADA
CONSERVATION CREDIT SYSTEM

The *Performance Report* is an annual product of the Nevada Conservation Credit System (CCS). The Sagebrush Ecosystem Technical Team (SETT) produces the report for the Sagebrush Ecosystem Program (SEP), and the SETT and Sagebrush Ecosystem Council (SEC) use the report to inform future improvements to the Credit System.

NEVADA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

Bradley Crowell (Director)
Jim Lawrence (Deputy Director)
Charlie Donohue (Administrator, Nevada Division of State Lands)

SAGEBRUSH ECOSYSTEM TECHNICAL TEAM

Kelly McGowan (SEP Program Manager)
Katie Andrle (Nevada Department of Wildlife)
Dan Huser (Nevada Division of Forestry)
Ethan Mower (Nevada Department of Agriculture)
Kathleen Petter (Nevada Division of State Lands)

SAGEBRUSH ECOSYSTEM COUNCIL

J.J. Goicoechea, Chair (Local Government)
Chris MacKenzie, Vice Chair (Board of Wildlife)
Allen Biaggi (Mining)
Steve Boies (Ranching)
Gerry Emm (Tribal Nations)
Starla Lacy (Energy)
Bevan Lister (Agriculture)
William Molini (Conservation and Environmental)
Sherman Swanson (General Public)

Ex-Officio Members

Bradley Crowell (Nevada Department of Conservation and Natural Resources)
Ray Dotson (U.S.D.A. Natural Resources Conservation Service)
Bill Dunkelberger (U.S. Forest Service)
Marc Jackson (U.S. Fish & Wildlife Service)
Jennifer Ott (Nevada Department of Agriculture)
Jon Raby (Bureau of Land Management)
Tony Wasley (Nevada Department of Wildlife)

For information and questions about the Nevada Conservation Credit System, please contact:
Kelly McGowan
Program Manager
Nevada Sagebrush Ecosystem Program
kmcgowan@sagebrusheco.nv.gov
(775) 687-2001

TABLE OF CONTENTS

FROM THE SAGEBRUSH ECOSYSTEM TECHNICAL TEAM

In 2019, the Sagebrush Ecosystem Council (SEC) adopted a permanent mitigation regulation that was subsequently passed by the Legislative Commission. This regulation requires compensatory mitigation for greater sage-grouse using the Nevada Conservation Credit System (CCS). Mitigation is required for certain man-made disturbances on public lands as defined within the Nevada Greater Sage Grouse Conservation Plan. The CCS was intended to ensure consistent and durable mitigation in Nevada.

Due to the regulation, 2020 saw significant milestones take place in the CCS. In total, seven mitigation transactions were completed with credits purchased from five credit projects to offset disturbances. These credit projects committed to follow a CCS management plan, which defines long-term habitat management and improvement efforts.

The SEC approved four new State funding agreements with private landowners for credit development. These project sites account for 26,846 acres of sage-grouse habitat conservation. Each is developing management plans that outline conservation activities and habitat improvements. Fourteen credit projects accounting for ~75,000 acres of conservation finalized management plans in 2020, and now have credits available for sale or transfer. Except for those that began development in 2020, all credit project proponents have submitted their required annual monitoring reports.

Policy changes were implemented in 2020 that allow for debit project proponents to offset their impacts (generate credits) on public lands for their own use. Credits generated on private lands account for all CCS mitigation to-date.

Seventeen planned projects in 2020 and eleven in 2021 will require mitigation. In total since the program's establishment, 34 projects are known to be in some stage of planning to use the CCS or have already satisfied mitigation requirements. In addition to implementing the CCS, the Sagebrush Ecosystem Technical Team (SETT) serves as a cooperating agency on most of these planned projects.

This is the 4th annual CCS Performance Report, which aims to provide a summary of the program's mitigation achievements over the past year. In addition to informing the SEC and all stakeholders on the achievements of the CCS, the report sets out to continue the commitment of the Sagebrush Ecosystem Program (SEP) to transparency and continual improvement.

We continue to express our gratitude and appreciation for the many partners that work to support the implementation and success of the CCS, including landowners and Nevada businesses, and agency partners – Bureau of Land Management, Natural Resources Conservation Service, Nevada Department of Conservation and Natural Resources, Nevada Conservation Districts Program, Nevada Department of Wildlife, Nevada Department of Agriculture, Nevada Division of Forestry, U.S. Fish and Wildlife Service, and U.S. Forest Service.

In addition to the CCS, the SETT works on other endeavors as highlighted in the SEP Semi-Annual Reports.

Kelly McGowan

Program Manager

Sagebrush Ecosystem Program

2020 PERFORMANCE REPORT

The CCS's *2020 Performance Report* provides a summary of the program's achievements over the past year and includes key outcomes from credit and debit projects as well as the program in general.

CREDIT SYSTEM OVERVIEW & GOVERNANCE

The CCS is a market-based compensatory mitigation program that aligns the objectives of landowners, industry, and the State of Nevada. The CCS ensures that negative impacts to greater sage-grouse habitat from anthropogenic disturbances (*debits*) are fully offset by long-term habitat enhancement and protection (*credits*) that results in a net benefit for Greater Sage-grouse in the State of Nevada.

The CCS preserves the state's ecological, cultural and economic integrity by providing important contributions to the conservation of the sagebrush ecosystem. The CCS also provides regulatory certainty to industry and provides an opportunity for landowners to fund additional stewardship of their land and diversify their incomes. The program is designed to accommodate many regulatory mechanisms. The figure below illustrates the use of the CCS by key participants – resource managers, mitigation buyers and credit developers.

The CCS uses a governance structure, which includes

- **Oversight Committee** – Sagebrush Ecosystem Council
- **Administrator** – Sagebrush Ecosystem Technical Team
- **Science Committee** – Scientists and experts with critical knowledge of the sagebrush ecosystem in the State of Nevada

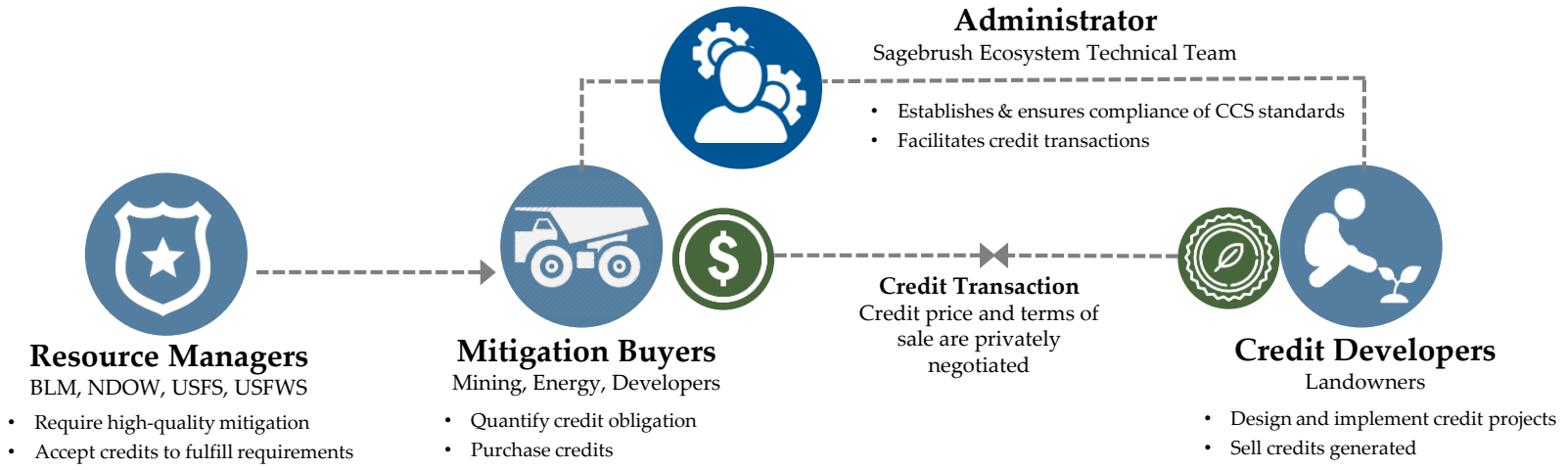


FIGURE 1: Credit System Operations

HABITAT ASSESSMENT & DURABILITY STANDARDS

The Credit System defines standards to ensure mitigation achieves net conservation gain, provides business certainty to industry and landowners, and streamlines administrative operations. The standards include consistent ways to measure habitat loss and gain, as well as clearly defined provisions to ensure durability of credits through time. Figure 2 depicts the primary elements of a credit.

For additional background and details on the CCS, please see the latest version of the CCS Manual and HQT Methods Document on the CCS website.

FIGURE 2: Composition of a CCS Credit

CONTINUAL IMPROVEMENT

Making continual improvements to the CCS is crucial to ensure the Credit System fulfills participant needs and achieves program objectives over time. The CCS uses a transparent, structured continual improvement approach to identify important opportunities for program improvement and implement approved improvements every year.

FIGURE 3: CCS Continual Improvement Process

2020 PROGRAM RESULTS • NET BENEFIT GENERATED

The goal of the CCS is to offset impacts from certain anthropogenic (man-made) disturbances with habitat enhancements and protections resulting in a net benefit for Greater Sage-grouse habitats in the State of Nevada.

The CCS ensures net benefit to Greater Sage-grouse habitat in multiple ways. The CCS uses a scientifically rigorous habitat quantification tool (HQT) to assess both debit (degradation of habitat) and credit (conservation of habitat) projects. Mitigation ratios applied to the three habitat management zones (Priority, General, and Other) and a five percent factor added to debit projects occurring within any management zone ensures more functional-acres are gained than lost, and standards are used to ensure habitat quality remains for the planned life of credit projects.

In addition the to the Mitigation Ratio, the Proximity Ratio is multiplied to the final debit score to account for how far the offsetting credit project is located from the disturbance. The Proximity Ratio can increase the credit obligation (debits) from 0% to 15%. The purpose of the Proximity Ratio is to encourage mitigation to occur near to where habitat is being displaced or impacted.

The combination of Mitigation and Proximity Ratios results in a net benefit for sage-grouse habitat in Nevada.

	Standards that Ensure Net Benefit
✓	**Consistent metrics** are used to measure both credits and debits
✓	**A mitigation ratio** ensures that functional-acres gained are greater than functional-acres lost
✓	**A reserve account** contribution of 5-14% of credits in excess of the amount needed to offset any disturbance is required at the time of sale/transfer within the CCS. Reserve account credits are maintained to ensure that credits lost (e.g. acts of nature) can be replaced as necessary, and provide durability as well as continued net benefits
✓	**Advanced mitigation** is required to replace habitat before impacts occur
✓	**Additionality provisions** that ensure credits are based on habitat enhancement and protection that were not funded by public sector investments

BACKGROUND

Credit development involves quantification of credits, enhancement or restoration of habitat, development of a management plan, securement of financial assurances and signing a participant contract. After available credits are determined, the sale price of credits is based on market value and determined through a private negotiation between landowners with credits available and debit project proponents needing credits to offset a disturbance. When credits are sold, the purchaser fulfills a mitigation obligation, and the credit seller commits to maintaining performance standards for the term of the contract. Landowners can continue agricultural and livestock operations compatible with Greater Sage-grouse habitat needs throughout the contract term.

Figure 4 contains awarded credits and credits in development as of December 2020 by credit development phase.

CREDIT TYPES

TRANSFERRED CREDITS

Transferred credits refers to those credits that have been sold or transferred to a debit producer to satisfy their mitigation obligation.

AVAILABLE CREDITS

Available credits are based on verified habitat quantifications and have an approved management plan. These credits are "available" for transaction.

ANTICIPATED CREDITS

Anticipated credits are those credit projects in the initial stages of development that have not finalized a management plan. These credits are not "available" for transaction, yet.

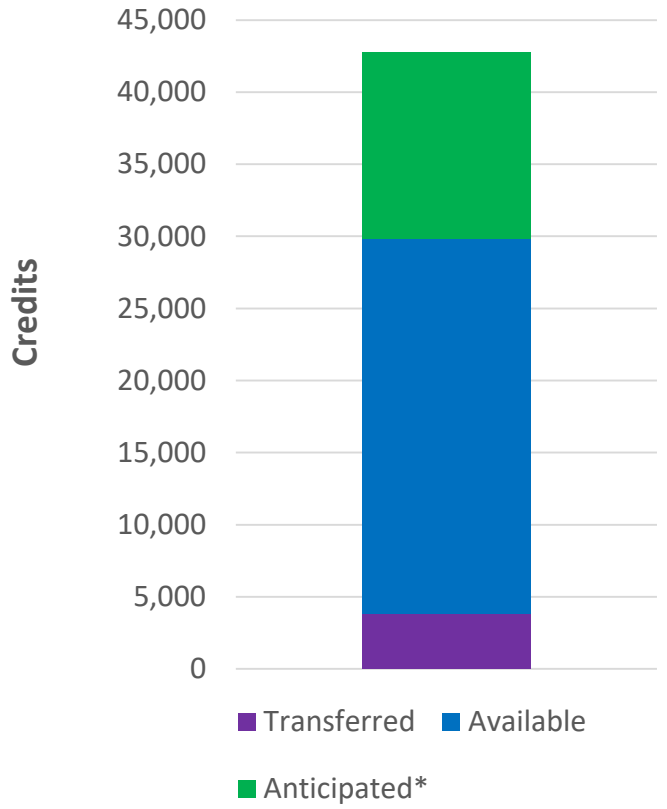


FIGURE 4: Credits by development phase

*Anticipated credits are estimated based on the average credits generated per acre from awarded and available credits verified to date.
**Credits reported include credits transferred and credits available for sale. Credits represent functional acres. Reserve account contributions required through the CCS are excluded.

2020 PROGRAM RESULTS • CREDIT DEVELOPMENT CONT.

STATE OF NEVADA SEED FUNDING OF CREDIT PROJECTS

The SEP has facilitated successful solicitations for credit project development in 2016, 2017, and 2019 that attracted nearly 40 applications and resulted in seed funding to thirteen credit project proponents totaling approximately $2M. The funding was or will be used to quantify habitat quality, develop management plans, and implement on-the-ground habitat improvements.

The SEP utilized a Pay for Performance procurement strategy to solicit and provide seed funding to credit projects in 2016, 2017, and 2019. The seed funding contracts defined payments associated with key milestones, rather than reimbursement of costs as typically seen in traditional grants. Reimbursement of state funds by landowners using the funds follows each sale of credits per their funding agreement. The procurement strategy illustrated below incentivized credit developers to maximize credit generation at the lowest cost, allowed the SEP to fund the projects expected to generate the greatest number of credits per dollar of state funds awarded, and minimized financial risk and uncertainty for the state. This procurement strategy also allows for a revolving fund which will continue to fund new projects.

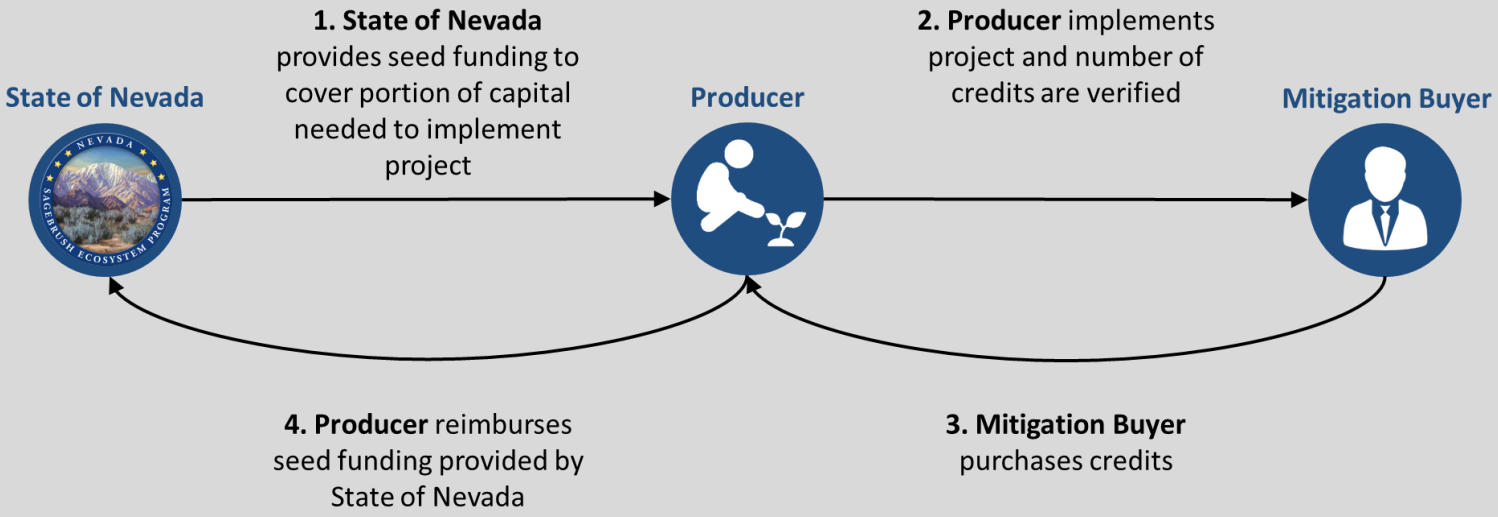


FIGURE 5: Illustration of the Pay for Performance procurement strategy utilized by the State of Nevada

2020 PROGRAM RESULTS • CREDIT DEVELOPMENT CONT.

CREDIT PROJECTS (AS OF DECEMBER 2020)

The map and table below depict all credit projects with awarded credits or currently committed to generate credits in the Credit System.

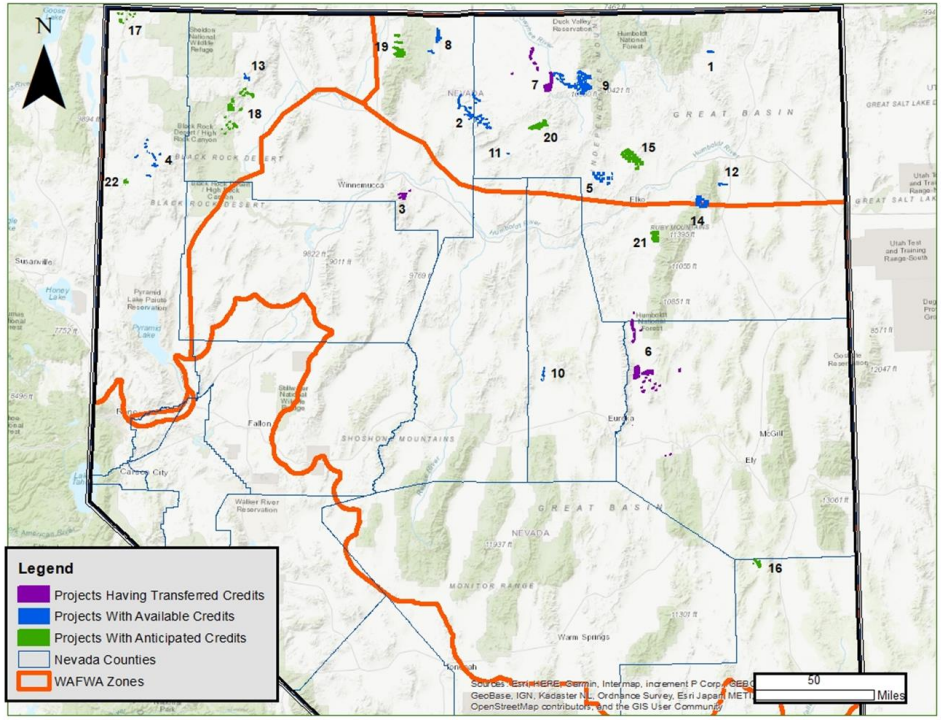


FIGURE 6: Map of all credit projects. The numbers in the map are identified within project names in the table on the right.

*Credits listed are credits transferred and used to offset debits for projects listed under Transferred Credits, and credits available for sale for projects listed under Available Credits. Reserve account contributions associated with transferred and required by credits not transferred are excluded from this table.

**Projects receiving state seed funding were dependent on varying amounts of match funding from the landowners. In some cases, landowners covered the majority of the total cost to generate credits.

PROJECT NAME (# ON MAP)	CREDITS*	COUNTY	ACRES CONSERVED	WAFWA MGMT. ZONE	STATE SEED FUNDED**
TRANSFERRED CREDITS					
Cottonwood Ranch (1)	3	Elko	6	IV	Yes
Crawford Cattle – Snowstorms (2)	527	Elko, Humboldt	2,601	IV	Yes
Crawford Cattle – Sonoma (3)	467	Humboldt	1,498	III	Yes
Estill Ranch (4)	22	Washoe	346	V	No
Heguy Ranch (5)	59	Elko	26	IV	Yes
Tumbling JR Ranch* (6)	2,514	Elko, White Pine	5,868	III	Yes
West IL Ranch* (7)	248	Elko	158	IV	No
AVAILABLE CREDITS					
Cottonwood Ranch (1)	708	Elko	1,002	IV	Yes
Crawford Cattle – Calico Mtn (8)	2,970	Humboldt	5,120	IV	Yes
Crawford Cattle – Snowstorms (2)	1,348	Elko, Humboldt	7,930	IV	Yes
East IL Ranch* (9)	8,873	Elko	23,721	IV	No
Estill Ranch (4)	618	Washoe	2,706	V	No
Eureka Livestock (10)	1,718	Eureka	1,623	III	Yes
Heguy Ranch (5)	707	Elko	6,464	IV	Yes
Humboldt Ranch - Hot Lake* (11)	694	Elko	198	IV	No
Johns Ranch (12)	164	Elko	1,073	IV	Yes
RDD (13)	740	Humboldt	1,094	V	Yes
Secret Pass Ranch (14)	3,642	Elko	10,269	III, IV	Yes
Tumbling JR Ranch* (6)	1,663	Elko, White Pine	3,882	III	No
West IL Ranch* (7)	2,180	Elko	1,539	IV	No
ANTICIPATED CREDITS					
Adobe Peak* (15)	TBD	Elko	10,901	IV	No
Cave Valley Ranch (16)	TBD	Lincoln	1,769	III	No
Coleman Valley Ranch (17)	TBD	Washoe	1,137	V	Yes
Foster Ranch (18)	TBD	Humboldt	6,094	V	Yes
Getch Lands (19)	TBD	Humboldt	6,229	IV	No
Humboldt Ranch – ToeJam* (20)	TBD	Elko	5,330	IV	No
Owl Creek Ranch (21)	TBD	Elko	5,363	III	Yes
Washoe Livestock (22)	TBD	Washoe	799	V	No

2020 PROGRAM RESULTS • CREDIT DEVELOPMENT CONT.

FEATURED PROJECT – JOHNS RANCH

Johns Ranch is a working livestock ranch in Elko County east of the East Humboldt Mountains. Operated by Heston and Ashley Johns with their children consistently lending-a-hand, the property is the epitome of a family-run and owned ranch. While the views are unreal, the ranch is also valuable to greater sage-grouse, particularly as late-brood rearing habitat. The Johns saw an opportunity to enroll in the credit system in 2016 through the initial round of State sponsored funding. When it came to running the Habitat Quantification Tool (HQT), the Johns opted to work with folks they had known and trusted for some time, Gerald Miller of the Conservation Districts Program and Gary Reese of Nevada Division of Forestry, who are certified as CCS Verifiers. This decision meant that a sale of credits would mean additional conservation within the Jiggs Conservation District. Gerald and Gary also assisted in the development of the CCS Management Plan for the project and have been working with the Johns on completing the annual monitoring, alongside members of the Johns family. The Johns have 164 credits available for sale.

Also noteworthy are the efforts the Johns make toward educating the community on sage-grouse conservation. This includes 4-H leadership and the Sage Grouse Experience. A one-of-a-kind event, The Sage Grouse Experience is an effort by many partners in the Elko area to showcase the sage-grouse mating ritual called lekking in the Spring of each year. Gerald Miller and Gary Reese also contribute to this significant endeavor to educate the community on sage-grouse as an important piece of the natural heritage of the area and the West.

SITE DESCRIPTION

- Working livestock ranch
- High-quality meadow and late brood-rearing habitat accounting for half of project area
- Adjacent to active leks and public lands along eastern edge of the East Humboldt Mountains
- Project area of 1,073 acres within Priority Habitat Management Area (PHMA)

MANAGEMENT ACTIONS

- Seeding and aerating meadows
- Conducting rangeland seeding
- Utilizing electric fencing to ensure success of treatments
- Implementation of weed treatments including biotic controls
- Maintenance of fencing and irrigation infrastructure

2020 PROGRAM RESULTS • DEBITS MITIGATED

The CCS is a mitigation tool used to offset impacts to Greater Sage-grouse from certain anthropogenic (man-made) disturbances, such as mines, geothermal facilities, energy development, transmission lines, and other temporary or permanent infrastructures which directly or indirectly impact Greater Sage-grouse habitat. Ranching and farming activities are not considered impacts and can contribute to conservation objectives.

MITIGATION HIERARCHY

The CCS uses a mitigation hierarchy (Avoid, Minimize, Mitigate) within or near sage-grouse habitat management areas. Impacts from proposed anthropogenic disturbances are analyzed for potential avoidance first, if avoidance is not possible, then opportunities are examined to aid in minimizing impacts, and finally any residual unavoidable impacts (*debits*) are mitigated using the CCS. The CCS also applies financial incentives that support avoidance and minimization.

FEDERAL AGENCY COLLABORATION

The State of Nevada, BLM, and USFS have signed a memorandum of understanding detailing the collaborative implementation of the CCS. Project proponents seek authority to conduct business on federal lands, and once approved they use the CCS to fulfill their mitigation obligation, if applicable. Project proponents can use the CCS to verify mitigation (*credits*) that they generate themselves or they can acquire credits from other credit developers in Nevada.

Figure 8 includes the debits offset using credits through the CCS as of December 2020, as well as debits expected to be offset using the CCS.

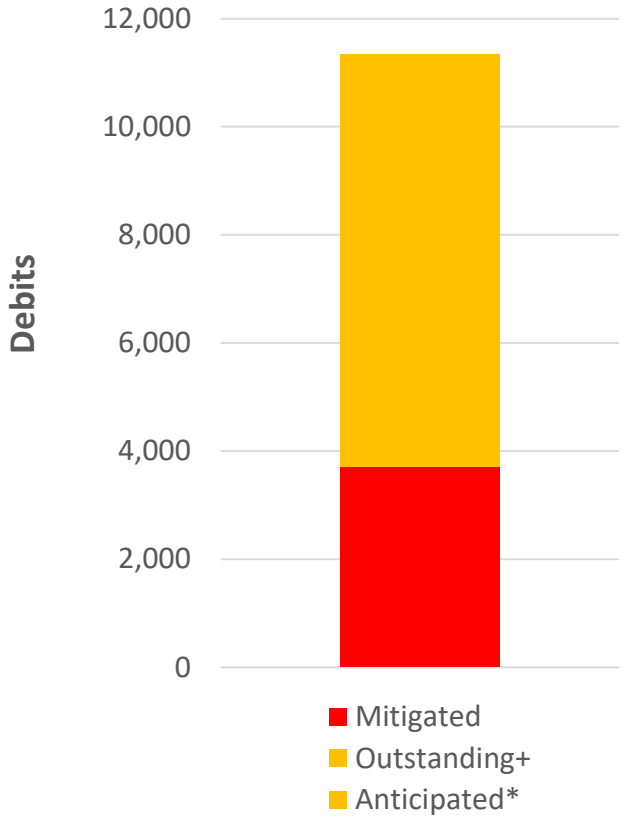


FIGURE 7: Debits mitigated or anticipated through the CCS. Debits represent functional acres lost.

2020 PROGRAM RESULTS • DEBITS MITIGATED CONT.

DEBIT PROJECTS (AS OF DECEMBER 2020)

The map and table below depicts all debit projects that have used or are expected to use CCS credits to offset impacts to Greater Sage-grouse habitat from anthropogenic disturbance.

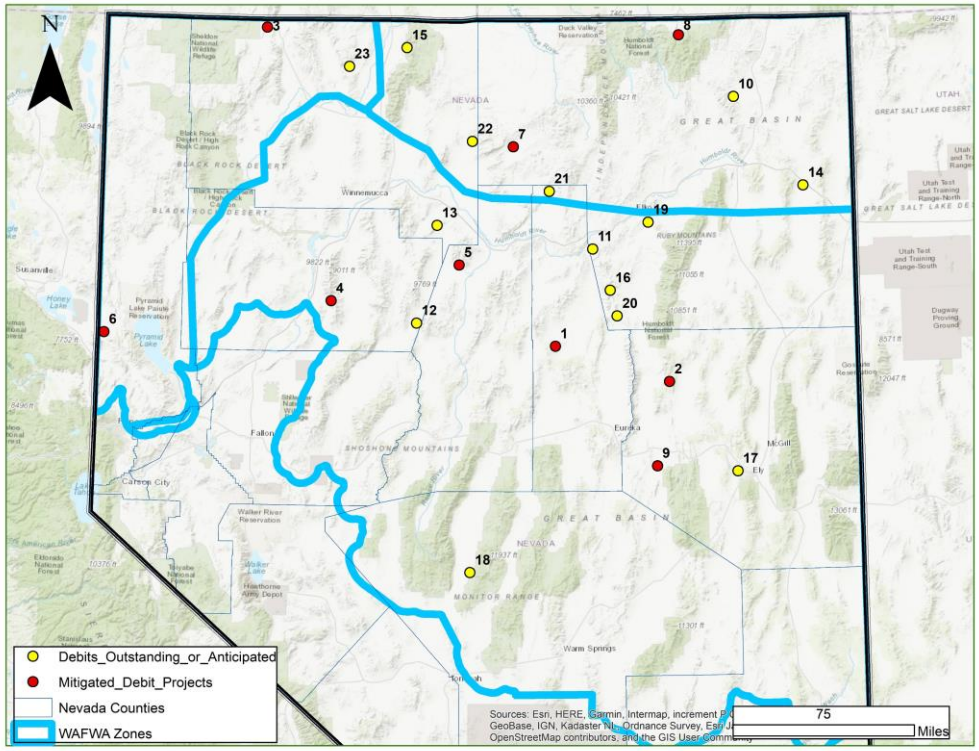


FIGURE 8: Map of debit projects having offset disturbance through the CCS or anticipated to in the future.

PROJECT NAME (# ON MAP)	TOTAL DEBITS*	COUNTY	ACRES OF DIRECT IMPACT*	WAFWA MGMT. ZONE
DEBITS MITIGATED				
Avocado Exploration (1)	38	Eureka	68	III
Bald Mountain Mine – Phase 1 (2)	2,514	White Pine	2,521	III
Baltazor (3)	254	Humboldt	0	V
Couer Rochester (4)	607	Pershing	2,567	III
Greater Phoenix (5)	211	Lander	513	III
Greater Phoenix – Philadelphia Expansion (5)	4	Lander	203	III
Fish Springs Solar (6)	51	Washoe	10	V
Midas Exploration (7)	19	Elko	50	IV
Newcrest Exploration – Phase 1 (8)	3	Elko	10	IV
Western Oil (9)	14	White Pine	24	III
DEBITS OUTSTANDING/ANTICIPATED				
Bald Mountain Mine – Later Phase (2)	2,737	White Pine	2,745	III
Big Ledge – Dry Creek (10)	310	Elko	59	IV
Big Ledge – Tabor Creek (10)	383	Elko	263	IV
Carlin Vanadium Exploration (11)	62	Elko	0	III
Dixie Meadows (12)	284	Pershing	10	III
Lone Tree Mine – Buffalo Mtn (13)	TBD	Humboldt	0	III
Long Canyon Mine – Phase 2 (14)	1,956	Elko	815	III, IV
National Exploration (15)	28	Humboldt	40	IV
Pony Creek Exploration (16)	131	Elko	150	III
Robinson (17)	183	White Pine	51	III
Round Mtn (18)	41	Nye	264	III
Ruby Vista (19)	1	Elko	2	III
South Railroad Exploration (20)	98	Elko	122	III
TSPP (21)	4	Elko, Eureka	1	IV
Twin Creeks Mine – Sage Tailings (22)	33	Humboldt	0	IV
Western Lithium (23)	1,375	Humboldt	5,169	V

TABLE 2: Description of debit projects participating in the CCS

* Direct impact is the surface area of Greater Sage-grouse habitat disturbed by the debit project. The number of debits generated is dependent on the quality and quantity of habitat directly and indirectly effected by the disturbance and reflects term and permanent debits. There is not a consistent direct ratio applied to each debit project based on acres alone.

2020 PROGRAM RESULTS • DEBITS MITIGATED CONT.

FEATURED PROJECTS – EXPLORATION

In 2020, several exploration projects analyzed and mitigated for their proposed disturbance using the CCS. Midas Klondex Operations was the first exploration company to purchase credits following the first private transaction between Coeur Mining and Crawford Cattle. Following Midas, three additional exploration companies purchased credits from private landowners to satisfy their mitigation obligation. To date, exploration projects account for the largest number of private transactions in the CCS, and the SEP would like to highlight and applaud these exploration companies for their participation in the CCS:

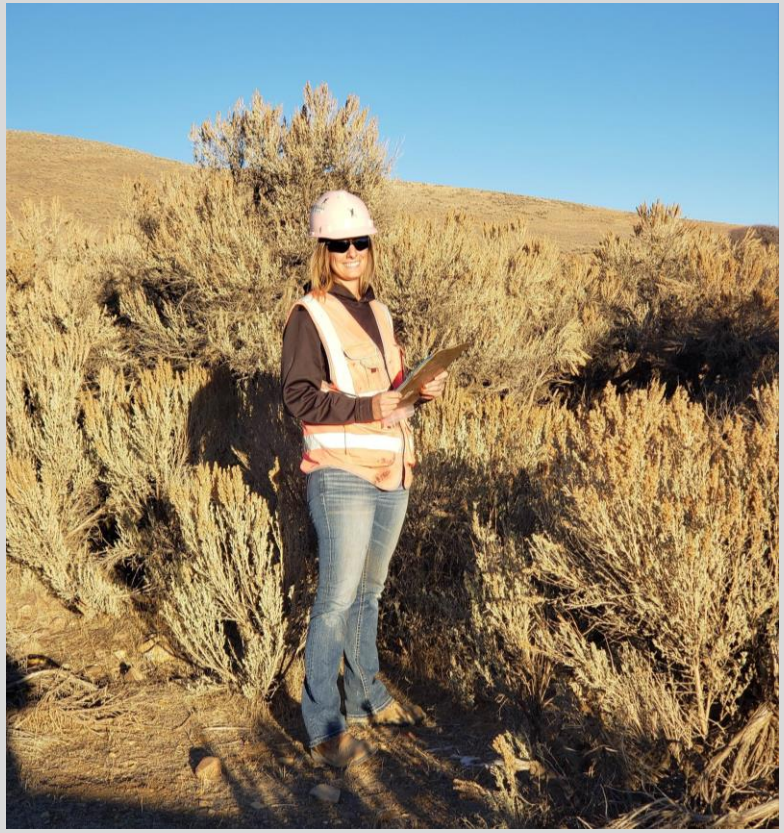
- Midas Klondex Operations
- Nulegacy Gold Corporation
- Newcrest Resources Inc.
- Western Oil Exploration

EXPLORATION SITE DESCRIPTION

- Proposed direct disturbance consisting of drilling sites, roads and other staging areas occurring within Habitat Management Areas (PHMA, GHMA and OHMA).

PROJECT DESCRIPTION

- New proposed exploration and expansion of existing exploration projects consisting of 152 acres of disturbance that generated 74 term debits.
- Project terms ranged from 12 years to 30 years.
- Indirect disturbance is not analyzed for exploration projects.



Ms. Kandylaria Havens, the senior Environmental Coordinator for Klondex Nevada operations, is conducting field reconnaissance in support of the Midas exploration project.

2020 PROGRAM OPERATIONS • RESERVE ACCOUNT

A primary responsibility of the SETT is to manage the reserve account. The reserve account serves as an insurance mechanism for CCS transactions and ensures there are always more credits than debits in the CCS in the event of credit project failure due to intentional or unintentional reversals.

A percentage of credits generated by each credit project are transferred into the reserve account at the time that credits are transferred to a Credit Buyer's account. Credits in the reserve account may be used by the SETT to temporarily offset invalidated credits until they can be replaced through corrective actions or using credit developer financial assurance funds to purchase replacement credits for the remaining term. Credits can be invalidated either intentionally or unintentionally, such as a willful destruction or acts of nature. The process of generating and using reserve credits is described in Figure 9.

Table 3 represents the deposits, withdrawals and balance of the reserve account as of December 2020. A positive balance (column 4) confirms there are more credits than debits in the CCS. As of December 2020, no credits have been withdrawn from the reserve account.

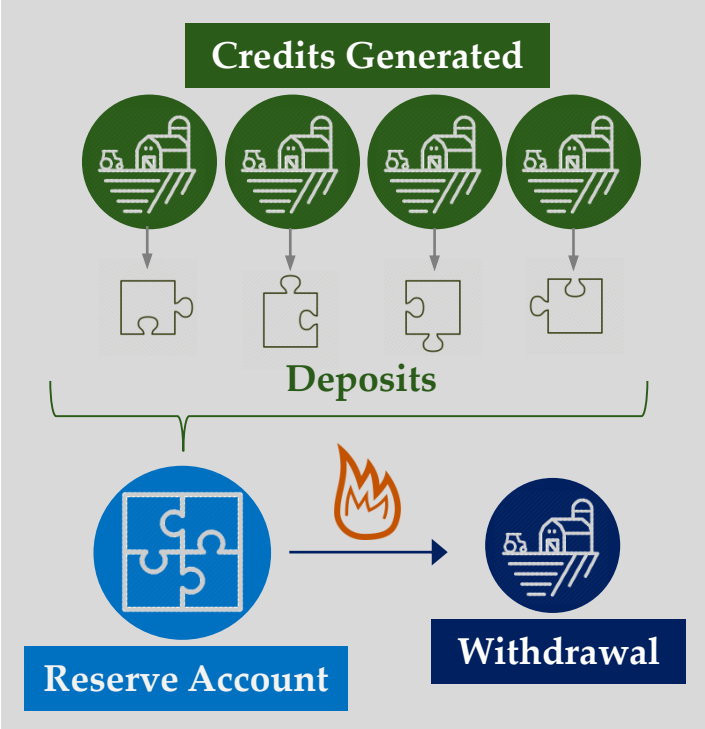


FIGURE 9: Reserve Account generation and use

CREDIT PROJECT NAME	RESERVE ACCOUNT DEPOSIT	RESERVE ACCOUNT WITHDRAWAL	RESERVE ACCOUNT BALANCE	REASON FOR INVALIDATED CREDITS (WITHDRAWALS ONLY)	INVALIDATED CREDITS REMEDIAL ACTION PLAN (WITHRAWALS ONLY)
Tumbling JR Ranch	343	N/A	343	N/A	N/A
West IL Ranch	31	N/A	31	N/A	N/A
Crawford Cattle – Sonomas	58	N/A	58	N/A	N/A
Crawford Cattle - Snowstorms	65	N/A	65	N/A	N/A
Estill Ranch	3	N/A	3	N/A	N/A
Heguy Ranch	7	N/A	7	N/A	N/A
TOTAL	507	N/A	507	N/A	N/A

TABLE 3: Reserve Account Ledger

2020 PROGRAM OPERATIONS • ADMINISTRATION OVERVIEW

As the administrator of the CCS, the SETT is responsible for day-to-day operations of the CCS, as well as the many other responsibilities and initiatives of the Sagebrush Ecosystem Program. Key SETT responsibilities related to the CCS include the following.

PROGRAM ADMINISTRATION & COMPLIANCE

- Continue to provide information to the SEC as requested, and to serve as staff to assist them in fulfilling the statutory and regulatory obligations
- Ensure consistent and accurate application of CCS policies and tools
- Award credits, verify debits, and track credit transfers between credit and debit accounts
- Ensure long-term stewardship and periodic verification of credit projects
- Enforce contract compliance, work with credit developers to implement corrective actions as necessary, and manage reserve account
- Maintain agreements and coordinate with implementing partners

CONTINUAL IMPROVEMENT & REPORTING

- Identify opportunities to improve the CCS based on new science findings, operational experience and changing policy context
- Develop improvement recommendations through analyzing alternatives and engaging science community
- Publish improvement recommendations with supporting rationale, and facilitate review and approval by the Sagebrush Ecosystem Council
- Publish program results in the Annual Performance Report

PARTICIPANT SUPPORT & OUTREACH

- Support Credit Buyers and Credit Developers through credit generation and debit verification
- Educate stakeholders, and encourage Credit Buyer and Credit Developer participation
- Train Verifiers
- Continued participation in collaborative, multi-jurisdictional meetings statewide

2020 PROGRAM OPERATIONS • CONTINUAL IMPROVEMENT

Implementing annual improvements to the CCS is a primary responsibility of the SETT and necessary to ensure that the program achieves its goals. The SETT actively engages program participants and verifiers throughout the year to understand how the program is working and where it could be improved. Once a year the SETT synthesizes findings related to CCS operations, achievements, challenges, and new, relevant science. The SETT develops improvement recommendations based on the findings, vets them with the science community and then they are considered for adoption by the Sagebrush Ecosystem Council (SEC). Improvements initiated by the SETT in 2019 and adopted in 2020 are summarized below.

ANTHROPOGENIC DISTURBANCE CATEGORIES

Exploration is identified within the CCS and State Plan as an anthropogenic disturbance, however there was no defined methodology to calculate impacts from exploration primarily due to the temporary nature of the disturbance. The SETT, partner agencies, and industry developed a process to analyze direct impacts from exploration taking into consideration the shorter duration and uncertainty in the actual location of the proposed drill sites and roads.

CREDITS ON PUBLIC LANDS

Current guidance and frameworks regarding credit development are largely focused on private lands. While many project requirements and provisions remain the same for credits that may be developed on public lands, several elements needed to be updated to account for differences due to federal land management policy. These differences needed to be addressed in the CCS manual to allow the development of credits on public land. The SETT coordinated meetings with federal and state agencies and collectively developed an improvement outlining a process for this allowance. It was determined that credit generation on public lands is currently only permissible for debit project proponents that are required to provide compensatory mitigation and choose to conduct proponent driven mitigation on public lands.

CREDIT PHASING FOR DEBIT PROJECTS

The CCS Manual stated in Section 2.5.3 “Pursuant to Nevada Administrative Code, debit projects permitted through federal and state agencies will use the CCS to purchase credits that fulfill their compensatory mitigation obligations prior to development of the debit project.” However, NAC 232.470 allows for the development of a mitigation plan which may include phasing credit purchases over time under certain conditions. The SETT recommended credit phasing with specific guidelines pertaining to phasing timelines and amounts.

2020 PROGRAM OPERATIONS • IMPLEMENTING PARTNERS

The Sagebrush Ecosystem Program is grateful for the agency partnerships and support that is critical for program implementation and long-term success of the CCS.

NDA
Nevada Department of Agriculture

Nevada Conservation Districts Program

NEVADA DIVISION OF FORESTRY
RANGE FOREST WATERSHED PROTECTION

NEVADA DIVISION OF STATE LANDS

NEVADA DEPARTMENT OF WILDLIFE

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

U.S. FISH & WILDLIFE SERVICE
DEPARTMENT OF THE INTERIOR

FOREST SERVICE
US
DEPARTMENT OF AGRICULTURE

United States Department of Agriculture
NRCS
Natural Resources Conservation Service

USGS
science for a changing world

Nevada Department of
CONSERVATION & NATURAL RESOURCES