

12/11/18 Sagebrush Ecosystem Council Meeting

**FINDINGS AND IMPROVEMENT
RECOMMENDATIONS**

2018/2019

SETT

Kelly McGowan, Program Manager

Katie Andrle, NDOW

Dan Huser, NDF

Kathleen Petter, NDSL

Ethan Mower, NDA

T. Gettelman

CCS Findings and Improvements 2018-2019

1. Addressing pipelines and landfills.
2. Addressing options for incentivizing uplift/enhancement actions.
3. Credit site verification.

1. Addressing pipelines and landfills within the CCS

Current Situation:

Pipelines and landfills are outlined in the State Plan and CCS Manual as anthropogenic disturbances, but are not assigned a weight and distance and therefore not calculated as a disturbance in the HQT

1. Addressing pipelines and landfills within the CCS

Specific Recommendation:

- Pipelines

TYPE	SUBTYPE	TYPE CODE ¹	SUBTYPE CODE ¹	WEIGHT (%)	DISTANCE (Meters)
Pipelines	Above Ground	Pipelines	Above_Ground	50%	1000 m
Pipelines	Below Ground	Pipelines	Below_Ground	25%	1000 m

1. Addressing pipelines and landfills within the CCS

Specific Recommendation:

- **Landfills**
 - Recommended that landfills and transfer stations be classified the same as Urban – Low anthropogenic disturbance category (75% weight, 3km)

2. Addressing options for incentivizing uplift actions within the CCS

Current Situation:

Enhancement credits constitute a “mini” credit project

- Separate contract, term, financial assurances, expiration date, management plan

West IL
Transfer occurred 2018
Expiration 2068



West IL

Transfer occurred 2018

Expiration 2068

Uplift Action 1

Sale occurred 2023 (50 yrs.)

Expiration 2073



West IL

Transfer occurred 2018

Expiration 2068

Uplift Action 1

Sale occurred 2024 (50 yrs.)

Expiration 2073

Uplift Action 2

Sale occurred 2033 (50 yrs.)

Expiration 2083



West IL

Transfer occurred 2018

Expiration 2068

Uplift Action 1

Sale occurred 2023 (50 yrs.)

Expiration 2073

Uplift Action 2

Sale occurred 2033 (50 yrs.)

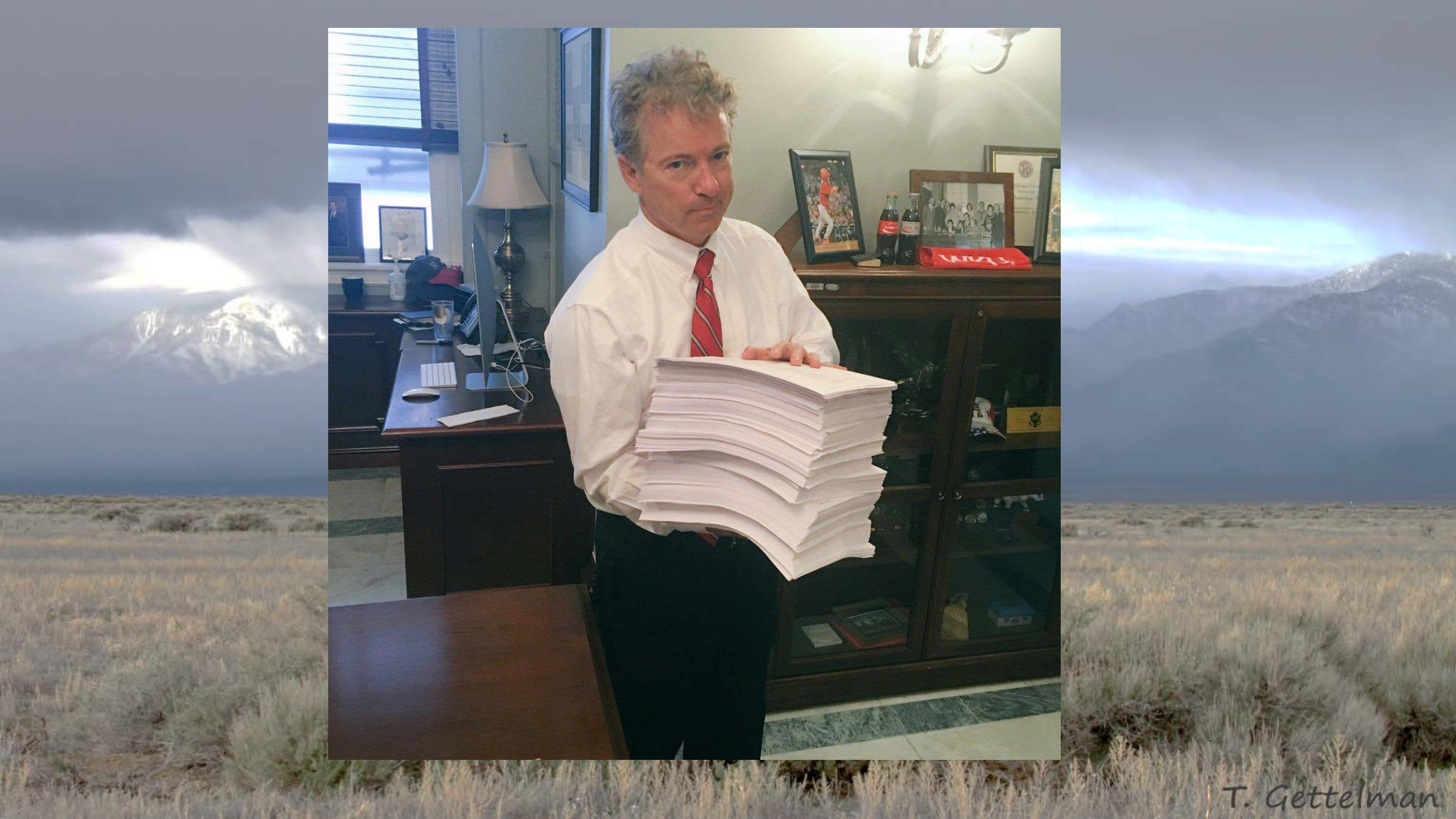
Expiration 2083

Uplift Action 3

Sale occurred 2048 (50 yrs.)

Expiration 2098





T. Gettelman

West IL

Transfer occurred 2018

Expiration 2068

Uplift Action 1

Sale occurred 2028 (50 yrs.)

Expiration 2078

Uplift Action 2

Sale occurred 2033 (50 yrs.)

Expiration 2083

Uplift Action 3

Sale occurred 2048 (50 yrs.)

Expiration 2098

11 Credits

5 Credits

695 Credits

3. Credit Site Verification in the CCS

Current Situation:

Credit verification with reduced effort every 5 years by a 3rd party has the following issues:

- It is unlikely to deliver adequate data w/o excessive costs.
- It lacks verification at the same effort of initial HQT quantification over the project term.
- Focus is on minimal HQT transects at short-term intervals.
- The SETT's contact with credit producers & onsite understanding of projects would be limited.
- A process is needed whereby adequate data are collected, costs to the project proponent are reduced, & relationships are further enabled.

3. Credit Site Verification in the CCS

Recommendation Summary:

Change verification of credit projects to include the following:

- Increased sampling on 3rd party verification efforts with a reduced number of assessments.
- Increased use of GIS and remote sensing applications to assess project compliance/performance.
- Increased SETT engagement in periodic onsite qualitative assessments with the credit producer.

3. Credit Site Verification in the CCS

Specific Recommendation:

- Verification by a 3rd party is required to be completed in year 15 at 100% of the initial HQT quantification effort. Flexibility will be allowed as conditions dictate.
- At 5 year intervals (outside year 15), SETT staff will conduct a Five Year Quality Assurance (QA) Assessment of the project area featuring:
 - Use of GIS & other remote sensing tools.
 - A site visit to conduct annual monitoring with the credit producer, assess whether the project area is being managed as committed to, & evaluate the habitat and critical areas in the project area.

3. Credit Site Verification in the CCS

Specific Recommendation:

- Indications of a trend in habitat decline or deviation from management commitments from annual management & monitoring reports, 5 year QAs, or verification could lead to further evaluation.
- Concerns could result in spot checks and audits by the SETT, which can already be conducted randomly as described within the CCS Manual.
- After indication of significant onsite degradation or mismanagement through any of the above vectors & at the discretion of the council, full verification may be required by a 3rd party verifier any time outside of the 15 year window w/ costs to be covered by the credit producer.

3. Credit Site Verification in the CCS

The following definitions are recommended as well:

- Initial HQT Quantification – the 1st HQT effort that establishes the credits available for preservation or debits calculated through determination of pre-project condition, which would also be used to later quantify uplift.
- Five Year Quality Assurance (QA) Assessments - the SETT's GIS & onsite efforts to assess credit project conditions at 5 year intervals except in verification windows.
- Verification - HQT efforts conducted by 3rd parties after initial HQT quantification to assess whether habitat conditions have been maintained or improved. Verification would be conducted in year 15 of a 30 year term of commitment and so on approximately every 15 years at a similar or greater sampling effort as the initial HQT quantification. Uplift verification efforts for map units which enhancement or restoration efforts were implemented would quantify the credits available from successful achievement.

The CCS Manual, Habitat Quantification Tool, and User's Guide documents would be updated to reflect all aspects of the recommendation if approved.

Improvement 3 Rationale

	Current Verification Process	Recommended Verification Process
Pros	<ul style="list-style-type: none"> • Verifiers maintain considerable project understanding & are able to maintain relationships with credit producers • SETT travel reduced with a potential for reduced workload 	<ul style="list-style-type: none"> • Verification more robust due to assessment of whole project at one time to better detect changes over time • Verification of the entire project occurs sooner • Reduced costs for credit producers for 3rd party verification with reduced financial assurances required • Workloads diversified b/w SETT & 3rd parties • A qualitative component is added that assesses the entire project & particularly sensitive areas • Rapidly changing technology allows full verification to be conducted with best methods available at one time & takes into account better tools will continue to be developed to assess change remotely • Better annual monitoring will occur over time with increased SETT guidance & involvement • Better project understanding by the SETT & relationships with credit producers may create more proactive management & reduce need for spot checks, audits, & other reactive actions • Greater flexibility for verification which may help avoid sampling in severe drought years
Cons	<ul style="list-style-type: none"> • Full verification at 20 years when combined efforts at five year intervals are considered • Too reliant on 3rd party verifiers for SETT to maintain relationships & adequate project knowledge • Higher costs for credit producers 3rd party verifiers to mobilize every five years • Higher costs for credit producers for 3rd party verifiers through piecemealed efforts that over 30 years account for 150% of original HQT quantification effort • All areas either sampled with low effort or certain areas left without verification for long periods • Puts too much focus on a few transects & not enough on holistic project condition & management • Too little information received for decision-making unless effort increased significantly • Data from five year verification may be constantly changing due to improved methodologies & technological advances complicating temporal comparisons & piecemealed assessment of entire project • A rigid schedule could lead to difficult implementation 	<ul style="list-style-type: none"> • Greater number of site visits for SETT & potentially greater SETT workload expenditures • Reduces attention on transects & assessment of habitat attributes as measured in the HQT