



State of Nevada Conservation Credit System

2019 PERFORMANCE REPORT

December 2019

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 Andrlé (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

Justin Barrett (U.S. Fish & Wildlife Service)

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)

Jennifer Ott (Nevada Department of Agriculture)

Jon Raby (Bureau of Land Management)

Tony Wasley (Nevada Department of Wildlife)

Carolyn Swed (U.S. Fish & Wildlife Service)*

*Denotes former SEP members involved during 2019

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) 684-8600

TABLE OF CONTENTS



From the Sagebrush Ecosystem Technical Team	4
Introduction	
Performance Report & Credit System Overview	5
2019 Program Results	
Net Benefit Generated	7
Credit Development	8
Debits Mitigated	12
2019 Program Operations	
Reserve Account	15
Administration Overview	16
Continual Improvement	17
Implementing Partners	18

FROM THE SAGEBRUSH ECOSYSTEM TECHNICAL TEAM

Significant milestones in the implementation of the Nevada Conservation Credit System (CCS) were achieved in 2019. On October 30, 2019, the Legislative Commission passed the permanent regulation adopted by the Sagebrush Ecosystem Council. This regulation requires compensatory mitigation for any CCS defined anthropogenic disturbance located on public lands within greater sage-grouse habitat, with a few exceptions. This mitigation (credits), and the disturbance (debits) that it is offsetting, must be calculated using the Conservation Credit System, which standardizes mitigation across the state.

The Sagebrush Ecosystem Technical Team (SETT) has worked closely with our Federal partners to update and further develop the Sage-Grouse Resource Management Plan, Environmental Impact Statement (Bureau of Land Management) and Land Management Plan for Greater Sage-Grouse Conservation (U.S. Forest Service) to better align with the Nevada Greater Sage-Grouse Conservation Plan. Adopted last year, the Adaptive Management Plan, which analyzes both habitat impacts and population trends, was implemented for the first time 2019. The SETT coordinated several meetings of the Statewide Technical Team to establish high-level prioritization and five introductory meetings across the state with local conservation groups. The local groups will then begin to refine conservation priorities at a more local level and provide recommendations to the agencies.

The Sagebrush Ecosystem Program continues to gain participation from private landowners interested in generating credits on their land. The new regulation has increased use of the CCS by debit project proponents. During 2019, three new credit project proponents used the Habitat Quantification Tool (HQT) to generate credits within the CCS. Six new debit project proponents also ran the HQT to estimate debits generated from proposed disturbances. The Sagebrush Ecosystem Program also advertised a third round of competitive State funding to landowners interested in enrolling land into the CCS and conducting habitat improvements. There were five applicants who's project proposals will be presented to the Sagebrush Ecosystem Council for final awarding in early December 2019.

This is the third 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 Sagebrush Ecosystem Council and all stakeholders on the achievements of the CCS, the report sets out to continue the Sagebrush Ecosystem Program's commitment to transparency and continual improvement.

We express our gratitude and appreciation for the many partners that work to support the implementation and success of the CCS, including landowners and mitigation buyers, 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.

Kelly McGowan

Program Manager

Sagebrush Ecosystem Program

INTRODUCTION • PERFORMANCE REPORT & CREDIT SYSTEM OVERVIEW

2019 PERFORMANCE REPORT

The CCS's 2019 *Performance Report* provides a summary of the program's achievements over the past year including a synthesis of key outcomes from credit and debit projects as well as program operations. This annual report is essential in supporting the program's transparency and to focus on rigorous outcomes.

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 preservation of the sagebrush ecosystem while increasing business certainty to industry, and providing an opportunity for ranches 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

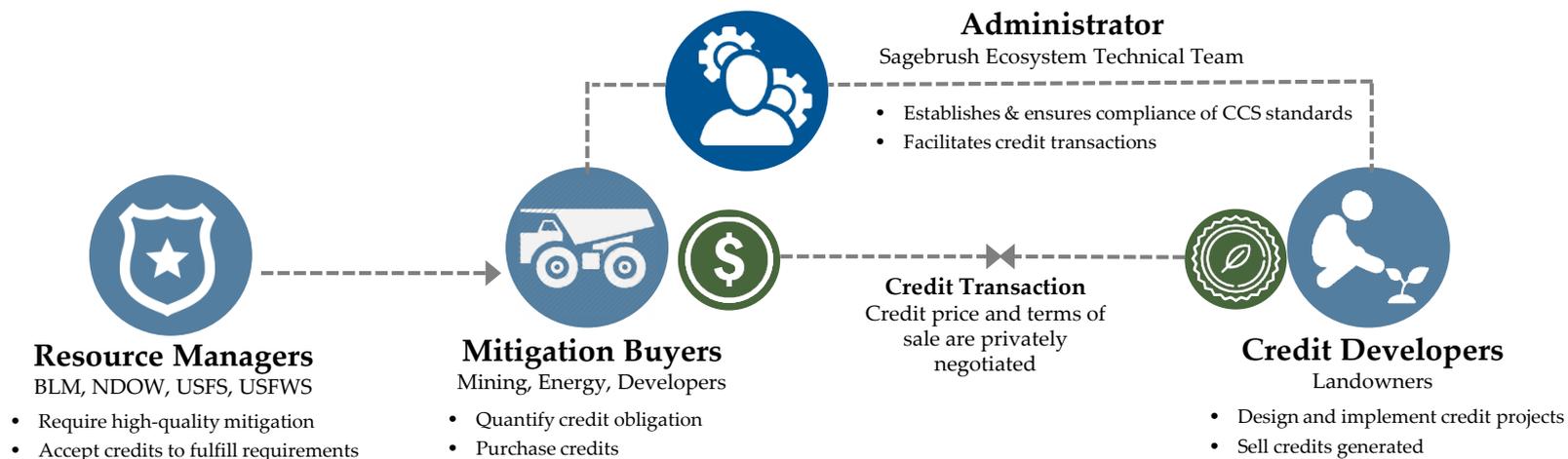


FIGURE 1: Credit System Operations

INTRODUCTION • CREDIT SYSTEM OVERVIEW CONT.

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 metrics for assessing habitat loss and gain, as well as clearly defined provisions to ensure durability such as financial assurances. All credits awarded fulfill these standards. 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

2019 PROGRAM RESULTS • NET BENEFIT GENERATED

The goal of the CCS is for impacts from anthropogenic disturbances to be offset by habitat enhancement and protection resulting in a net benefit for Greater Sage-grouse habitat in the State of Nevada.

The CCS ensures net benefit to Greater Sage-grouse habitat by using a scientifically rigorous habitat quantification tool to assess both debit and credit projects, mitigation ratios to ensure more functional-acres are gained than lost, and several standards to ensure credits are additional and durable. Functional acres for both credit and debit projects are multiplied by a mitigation ratio, which incorporates the Management Importance and Meadow Factor. The Management Importance Factor (Priority, General and Other Habitat Management Area) are 5% higher for debit projects than for credit projects, incorporating automatically a 5% gain in the the functional acre calculation.

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 ranges from 0% to 15% increase in credit obligation (primarily in place to encourage conservation nearer to the disturbance). 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 of credits that are not used to offset debits is maintained to ensure that credits are available to offset credit projects that fail so the CCS would still achieve net benefit
✓	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

2019 PROGRAM RESULTS • CREDIT DEVELOPMENT

BACKGROUND

Credit development encompasses enhancement and/or restoration of habitat, quantification of credits that will be generated by the project, development of a management plan, securement of financial assurances and signing a participant contract. After determination of available credits, the sale price of credits is based on market value and determined in private negotiations between landowners with credits available and debit project proponents needing credits to offset a disturbance. When credits are sold, they are transferred to fulfill a mitigation obligation, and landowners commit to achieving performance standards for the projects for at least a 30-year period. 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 2019 by credit development phase.

CREDIT PHASES

TRANSFERRED CREDITS

Credits are awarded when all requirements are fulfilled, including a participant contract signed by the Credit Developer and the SETT. They may have been transferred to fulfill mitigation obligations for a debit project or banked to fulfill future mitigation obligations. In addition, a portion of all credits generated are transferred to the reserve account.

AVAILABLE CREDITS

Available credits are based on verified habitat quantification tool scores and have an approved management plan, but do not have financial assurances or a signed Participant Contract. Therefore, they can be quickly awarded and transferred to fulfill mitigation obligations, but are not yet durable mitigation.

ANTICIPATED CREDITS

Anticipated credits are based on rough credit estimates and a commitment to generate credits for sale. For example, credits expected from projects receiving seed funding from the State of Nevada are reported as anticipated credits.

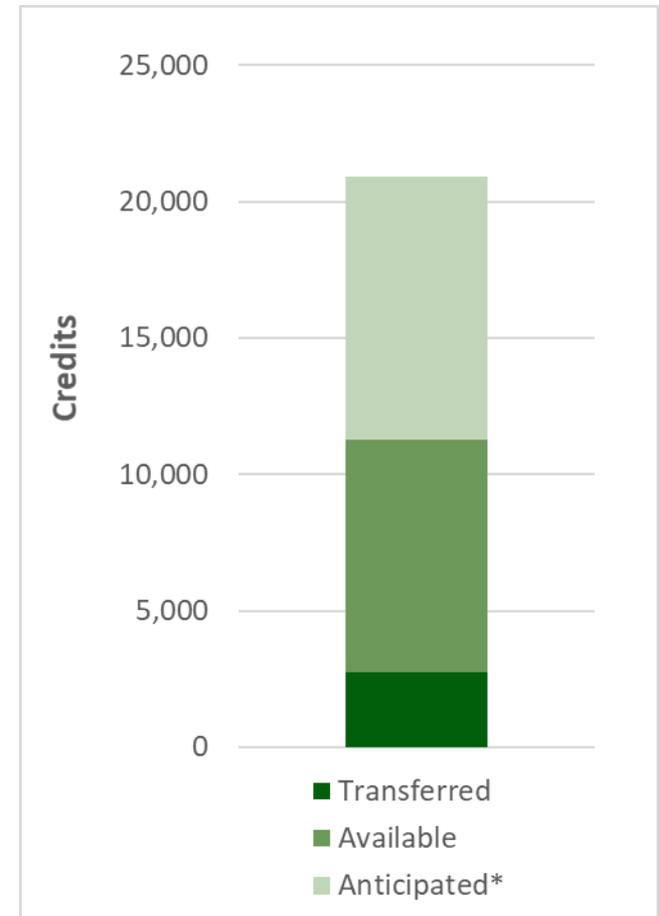


FIGURE 4: Credits by development phase

*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.

2019 PROGRAM RESULTS • CREDIT DEVELOPMENT CONT.

STATE OF NEVADA SEED FUNDING OF CREDIT PROJECTS

The SEP facilitated a successful solicitation of credit projects in 2016, 2017, and 2019 that attracted 21, 11, and 5 respective applications and resulted in seed funding for four projects in 2016 and five projects in 2017 with approximately \$2M. A third solicitation is currently underway for 2019 and it is anticipated that all 5 applicants will receive funding with a decision being made in in December 2019 or January 2020. The funding was or will be used to implement on-the-ground habitat improvements, develop management plans and quantify habitat quality.

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 and purchase of credits by Mitigation Buyers are based on credits generated under the seed funding contracts. 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 CCS credits per dollar of state funds, and minimized financial risk and outcome uncertainty for the state. This procurement strategy also allows a revolving fund which requires no additional appropriations requests for the state to fund new projects.

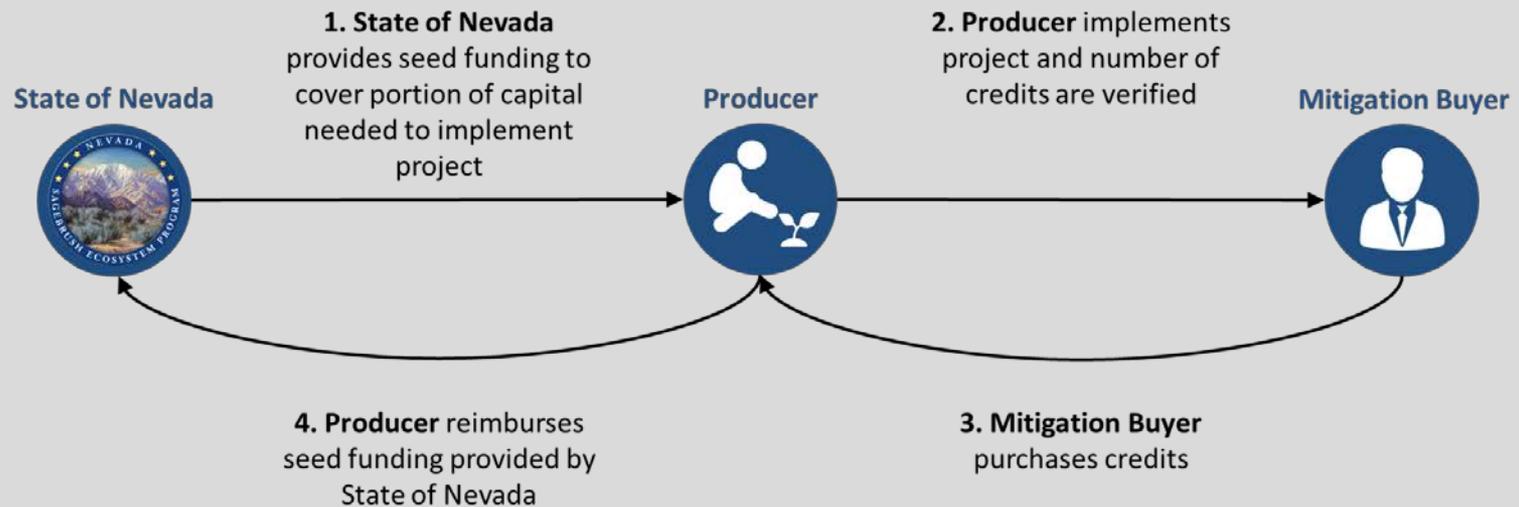


FIGURE 5: Illustration of the Pay for Performance procurement strategy utilized by the State of Nevada

2019 PROGRAM RESULTS • CREDIT DEVELOPMENT CONT.

CREDIT PROJECTS (AS OF NOVEMBER 2019)

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

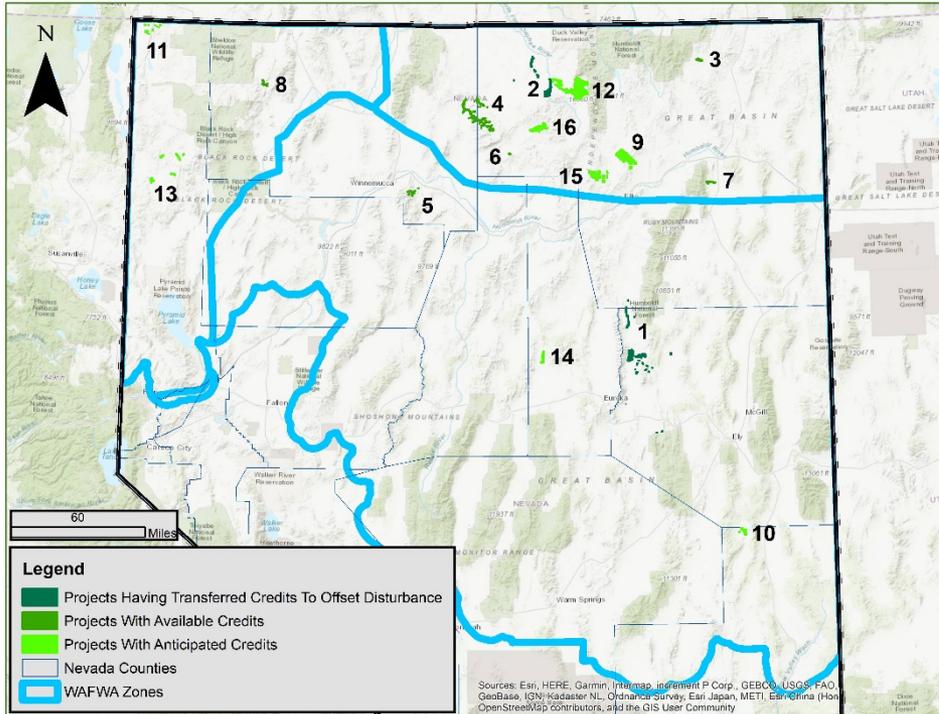


FIGURE 6: Map of all credit projects. The numbers in the map are identified within project names in the table on the right.

*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	CREDITS*	COUNTY	ACRES CONSERVED	WAFWA MGMT. ZONE	STATE SEED FUNDED**
TRANSFERRED CREDITS					
Tumbling JR Ranch (1)	2,514	Elko, White Pine	5,868	III	Yes
West IL Ranch (2)	248	Elko	158	IV	No
AVAILABLE CREDITS					
Cottonwood Ranch (3)	711	Elko	1,009	IV	Yes
Crawford Cattle (4 & 5)	2,365	Humboldt, Elko	11,134	III, IV	Yes
Humboldt Ranch - Hot Lake (6)	694	Elko	198	IV	No
Johns Ranch (7)	164	Elko	1,073	IV	Yes
RDD (8)	740	Humboldt	1,155	V	Yes
Tumbling JR Ranch (1)	1,663	Elko, White Pine	3,882	III	No
West IL Ranch (2)	2,180	Elko	1,539	IV	No
ANTICIPATED CREDITS					
Adobe (9)	TBD	Elko	10,901	IV	No
Cave Valley Ranch (10)	TBD	Lincoln	1,769	III	No
Coleman Valley Ranch (11)	TBD	Washoe	1,045	V	Yes
East IL Ranch (12)	TBD	Elko	24,546	IV	No
Estill Ranches (13)	TBD	Washoe	3,052	V	No
Eureka Livestock (14)	TBD	Eureka	1,641	III	Yes
Heguy Ranch (15)	TBD	Elko	6,450	IV	Yes
Humboldt Ranch - ToeJam (16)	TBD	Elko	5,967	IV	No

TABLE 1: Description of all credit projects

2019 PROGRAM RESULTS • CREDIT DEVELOPMENT CONT.

FEATURED PROJECT – EUREKA LIVESTOCK

The Eureka Livestock Credit Project on Three Bars Ranch in Eureka County has some of the best late brood-rearing habitat in Central Nevada and is owned by Jim Etcheverry. Jim manages the land for production of organic beef, while recognizing its importance to greater sage-grouse and other wildlife. The ranch, which was owned by Jim's father, continues to be off the grid with only a small solar array, and thus lacks large-scale anthropogenic disturbance within its immediate vicinity. With that said, disturbances likely to impact sage-grouse have been significant in that part of the state, which makes preservation and enhancement of the ranch particularly valuable to sage-grouse. A seed grant award from the program in 2017 likely allowed landowner participation with reduced financial risk. Upon agreement of the final details of management actions, the management plan will be finalized and 1,718 credits will be available for sale. The completion of pinyon-juniper removal will add 24 sellable credits. The SEP expresses its gratitude to the Three Bars Ranch for participating and enrolling in the CCS to generate credits to potentially offset impacts to sage-grouse habitat.



SITE DESCRIPTION

- Working livestock ranch
- High-quality meadow and late brood-rearing habitat
- Adjacent to many active leks
- Off the grid with minimal anthropogenic disturbances in close proximity
- Project area of 1,624 acres is primarily within Priority and General Habitat Management Areas (PHMA & GHMA)



MANAGEMENT ACTIONS

- Installation of beaver dam analogs to improve meadow and stream function
- Willow establishment to improve meadow and stream function
- Fencing to exclude livestock from an area to support meadow and stream improvements
- Removal of pinyon-juniper on private lands adjacent to meadow
- Maintenance of pinyon-juniper work for duration of the project
- Maintenance of fencing and irrigation infrastructure
- Implementation of weed treatments that are compliant with organic certification for hoary cress and scotch thistle



2019 PROGRAM RESULTS • DEBITS MITIGATED

The CCS is used to offset the impact to Greater Sage-grouse from anthropogenic 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 works within a mitigation hierarchy in which anthropogenic disturbance impacts are avoided first, then minimized, and finally any residual unavoidable impacts (*debts*) are mitigated using the CCS. The CCS also applies financial incentives that supports 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 permit anthropogenic disturbances on federal lands through federal land management agencies and then use the CCS to fulfill their mitigation obligation. Project proponents can use the CCS to verify mitigation (*credits*) that they generate themselves or acquire credits from other Credit Developers.

Figure 8 includes the debits offset using credits through the CCS as of December 2019, as well as debits expected to be offset using the CCS.

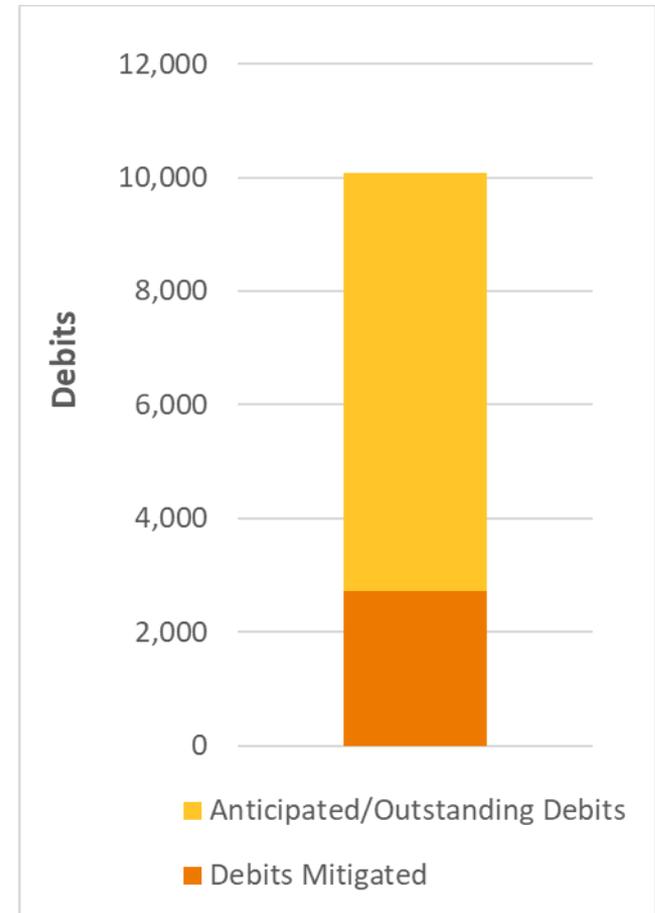


FIGURE 7: Debts mitigated or anticipated through the CCS. Debts represent functional acres lost.

2019 PROGRAM RESULTS • DEBITS MITIGATED CONT.

DEBIT PROJECTS (AS OF DECEMBER 2019)

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.

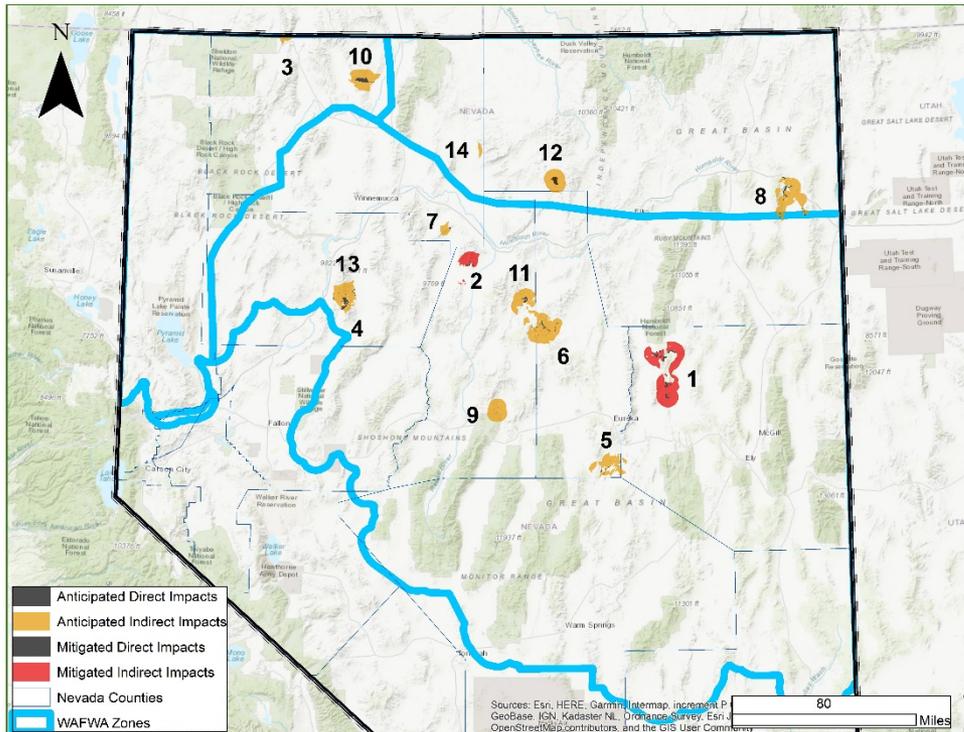


FIGURE 8: Map of debit projects having offset disturbance through the CCS or anticipated to in the future. Project area includes sage-grouse habitat directly and indirectly effected by projects.

PROJECT NAME	TOTAL DEBITS	COUNTY	ACRES OF DIRECT IMPACT*	WAFWA MGMT. ZONE
DEBITS MITIGATED				
Bald Mountain - Phase 1 (1)	2,514	White Pine	2,521	III
Greater Phoenix (2)	211	Lander	513	III
Greater Phoenix - Philadelphia Expansion (2)	4	Lander	390	III
ANTICIPATED DEBITS				
Bald Mountain - Later Phase (1)	2,737	White Pine	2,745	III
Baltazor (3)	254	Humboldt	TBD	V
Coeur Rochester (4)	594	Pershing	2,567	III
Gibellini (5)	TBD	Eureka, Nye, White Pine	TBD	III
Goldrush (6)	TBD	Eureka, Lander	TBD	III
Buffalo Mountain (7)	TBD	Humboldt	TBD	III
Long Canyon - Phase 2 (8)	TBD	Elko	1,570	III, IV
McGuinness Hills - Phase IV (9)	TBD	Lander	TBD	III
Nevada Lithium (10)	1,375	Humboldt	3,070	V
Robertson (11)	TBD	Lander	TBD	III
Rossi (12)	TBD	Elko	TBD	IV
Spring Valley (13)	TBD	Pershing	TBD	III
Sage Tails (14)	33	Humboldt	0	IV

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.

2019 PROGRAM RESULTS • DEBITS MITIGATED CONT.

FEATURED PROJECT – COEUR ROCHESTER MINE

The Coeur Rochester Mine is an operating gold and silver producing mine that entered the CCS and ran the HQT during 2019. The Coeur Rochester Mine generated 588 term debits and 6 permanent debits for a total of 594 debits. The proponent has also decided to remove a section of powerline and low use road, which generated 7 credits that can be removed from Coeur Rochester's total term credit obligation.

Coeur Rochester is currently developing an Environmental Impact Statement (EIS) through the NEPA process to authorize and permit the mine's expansion. To offset the impacts to sage-grouse habitat calculated by the HQT, Coeur Rochester is currently seeking opportunities to purchase credits that have been vetted and approved by the SETT and available for sale. The Sagebrush Ecosystem Program commends Coeur Rochester in their involvement with the SEP to develop a positive collaboration and working relationship. The SEP also expresses appreciation to Coeur Rochester in their initiation to negotiate the purchase of credits in accordance with the CCS. The SEP is excited to potentially announce the first transaction within the CCS between Coeur Rochester and a private land owner/credit developer to achieve a net conservation gain for sage-grouse in Nevada.

MINE SITE DESCRIPTION



- Existing disturbance (roads, power lines and mining operation) related to existing mining operations fall within the project and analysis area
- Direct and indirect proposed disturbance occurred within Habitat Management Categories (GHMA and OHMA)
- Lower existing habitat quality due to existing disturbance (from currently operating mine) and greater proximity from PHMA and other critical sage-grouse habitat

PROJECT DESCRIPTION



- Plan to expand mining operation by 2,567 acres of direct surface disturbance and 39,905 acres of indirect disturbance, which totaled 54 and 540 debits, respectively.
- 186 of the 2,567 acres of the direct disturbance accounted for the 6 permanent debits (areas not intended to be reclaimed).

REASONS FOR PARTICIPATING



- Ensure net benefit related to impacts to Greater Sage-grouse
- Streamline mitigation approval process



2019 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 the overall CCS 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 cover invalidated credits until invalidated credits are replaced through corrective actions and/or using financial assurance funds. Credits can be invalidated through a variety of ways, both intentional and unintentional, such as a new road or fire. The process of generating and using reserve credits is described in Figure 9.

Table 3 contains deposits, withdrawals and balance of the reserve account as of December 2019. A positive balance (column 4) confirms there are more credits than debits in the CCS. As of December 2019, no credits have been withdrawn from the reserve account.

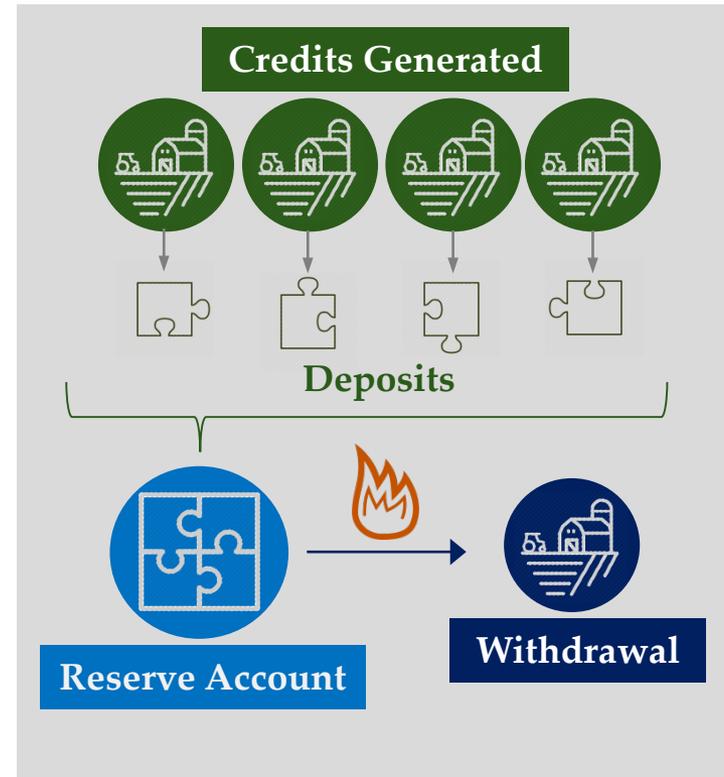


FIGURE 9: Reserve Account generation and use

CREDIT PROJECT NAME	RESERVE ACCOUNT DEPOSIT	RESERVE ACCOUNT WITHDRAWAL	RESERVE ACCOUNT BALANCE	REASON FOR INVALIDATED CREDITS (WITHDRAWALS ONLY)	INVALIDATED CREDITS REMEDIAL ACTION PLAN (WITHDRAWALS ONLY)
Tumbling JR Ranch	343	N/A	343	N/A	N/A
West IL Ranch	31	N/A	31	N/A	N/A

TABLE 3: Reserve Account Ledger

2019 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

- 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, implement corrective actions in response to intentional and unintentional reversals, 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



2019 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 were adopted or yet to be adopted 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 outlined a process to account to analyze direct impacts from exploration taking into considering its shorter duration and uncertainty in spatial 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 need to be updated to account for differences due to federal land management. These differences need to be addressed in the CCS manual to allow development of credits on public land. The improvement outlined a process for this allowance and pertained only to debit project proponents who chose proponent driven mitigation on public lands. The case for 3rd party credit development on public lands for open sale is not available at this time.



CREDIT PHASING FOR DEBIT PROJECTS

The CCS Manual currently says 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, Regulation LCB File No. R024-19 allows for the development of a mitigation plan which may include phasing credits over time under certain conditions. The SETT recommended credit phasing with specific guidelines pertaining to phasing timelines and amounts.

2019 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.

