Forester's Co-Op
Professional Forestry &
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Approved Climate Action Reserve (CAR) Forest Project Protocol 3.0
List of Frequently Asked Questions "FAQ"
October 2009

In an effort to assist our clientele grasp and comprehend the dynamic and beneficial forest management opportunities associated with forest carbon sequestration, Forester's Co-Op has assembled the following list of FAQ's regarding this topic. By no means are the question and answers contained in this document exhaustive or the final word on the subject matter. Both national and international climate change policy and their statutory requirements are in a constant state of flux and subject to change, hence this list of FAQ's will change according. We have compiled this list to present our professional perspective of the applicability of the current September 1, 2009 - CAR 3.0 Forest Project protocol to the real world of domestic forest management. Definitive CAR protocol content, interpretation, management and program compliance administration remain the purview of the Climate Action Reserve.

The Climate Action Reserve website (http://www.climateactionreserve.org/) provides the following introduction to the Current 3.0 version Forest Project Protocol;

"The Forest Project and Verification Protocols provide guidance to calculate, report, and verify GHG emission reductions associated with reforestation, improved forest management, and avoided conversion projects. The Forest Project Protocol Version 3.0 is available for public use and is applicable across the United States. The protocol was adopted by the Reserve Board in September 2009."

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Forester's Co-Op FAQ List

Q **Is there a minimum size (acreage) parcel needed to be registered with CAR?**

A No, forest project area can be contiguous or separated in tracts. Projects do need to share a common CAR assessment area. See http://www.forco-op.com/projects/FCO_FIA_GHG_Baseline_Map.pdf

Q **What is the standard CAR carbon credit unit of measure?**

A A CRT (Climate Reserve Tonnes) is equal to one metric tonnes (2,204 pounds) of carbon dioxide equivalent (CO2e). While the Reserve does not track the price of CRTs, a May 2009 report from New Carbon Finance put the average price of CRTs at $6.30, at the "premium end of the market".

Q **What is the minimum amount CRT's needed to register?**

A There is not a minimum amount of CRTs required per project. The cost effectiveness of Forest projects vary by project type with the low end being around a few thousand CRTs per year (300 – 500 acres of Sierra Mixed Conifer).

Q **How long is a project good for?**

A The Reserve requires that credited GHG reductions and removals be effectively "permanent." For Forest Projects, this requirement is met by ensuring that the carbon associated with credited GHG reductions and removals remains stored for at least 100 years.

Q **What is a forest GHG project?**

A A forest project is a planned set of activities to remove, reduce or prevent CO2 emissions in the atmosphere by conserving and/or increasing forest carbon stocks. The Reserve will register only the following three project activities:

1. *Reforestation*: The planting and/or natural regeneration of native tree cover on lands that were previously forested but have had less than 10% tree canopy cover for a minimum time of ten years, or have been subject to a significant disturbance within the last ten years (e.g. fire).
2. *Improved Forest Management*: The management of land for harvest and regeneration of native trees when employing uneven-aged forest management practices.
3. *Avoided Conversion*: A project consisting of specific conservation actions to prevent the removal and conversion of native forests to a non-forest use, such as agriculture or development.

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Q **What types of Forest ownerships can participate in the program?**

A All Forest Projects located in the United States of America are eligible to register with the Reserve, provided they meet all other eligibility requirements described in this protocol. Reforestation Projects and Improved Forest Management Projects may be located on private land, or on state or municipal public land. Avoided Conversion Projects must be implemented on private land, unless the land is transferred to public ownership as part of the project. A forest entity must own the trees within the project area in order for the project to be eligible for registration with the Reserve.

Q **What forest carbon pools are required to be inventoried?**

A The required measurements are determined based on the forest project activity. The following table illustrates the required/optional pools to be inventoried.

Category	*Carbon Pool*	*Forest Management*	*Reforestation*	*Avoided Conversion*
Living Biomass	Standing Live	Required	Required	Required
	Shrubs and Herbaceous Understory	Optional	Required	Optional
Onsite Dead Biomass	Standing Dead	Required	Required	Required
	Lying Dead Wood	Optional	Optional	Optional
	Litter	Optional	Optional	Optional
Soil	Soil	Optional*	Optional*	Optional*

*See CAR 3.0 Protocol Discussion - http://www.climateactionreserve.org/wp-content/uploads/2009/03/Forest-Project-Protocol-Version-3.0.pdf

Q **Can a forest landowner receive carbon credits for harvesting and storing carbon through production of Wood Products?**

A Yes, wood products may constitute a reservoir for storing carbon over the long term. Projects that increase wood product production can receive credit for the resulting incremental carbon storage. Wood product carbon is estimated by calculating the average amount of carbon that is likely to remain stored in wood products over a 100-year period.

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Q **What is required for a forest carbon inventory?**

A A complete carbon pool inventory (i.e. timber cruise) must be executed prior to the project submission to CAR. For more detailed information refer to Forester's Co-Op Standard by the time you report your annual carbon stock estimate to the Reserve. This complete inventory must be maintained throughout the time the project is reported to the Reserve. The inventory must report on all required carbon pools submitted under one of the three forest activities (e.g. Forest Management, Reforestation, Avoided Conversion)

Q **What is involved in forest carbon inventory?**

A A complete inventory must include a sampling methodology, a set of inventory plots, and analytical methods to translate field measurements into volume and/or biomass estimates. The plot data used for deriving the estimates must have been sampled after January 1, 2001. The scheduling of plot sampling may occur in one time period or distributed over several time periods. Measurements are based on the species, trunk or bole diameter, form and height of the tree. See FCO sample inventory plan on our website at: http://www.forco-op.com/projects/FCO_Sample_GHG_Cruise_Design.pdf

Q **How long is the initial Forest Carbon Inventory good for?**

A As long the project achieves verification at the required intervals the initial project inventory may suffice for the life of the project. Updates to the original inventory will most likely be required to achieve the obligatory verification at five year project intervals (i.e. significant change in forest carbon stocks may occur due to harvest or fire).

Q **What is forest project Baseline?**

A The project baseline is an estimate of what would have occurred under a "Common Practice" scenario in the absence of a Forest Project.

Q **How does the CAR define "Common Practice"?**

A Common Practices is used as a reference point for baseline estimation. The Reserve has calculated Common Practice carbon stock from USDA Forest Service Forest Inventory and Analysis Program (FIA) that was established in the 1940's, on all private lands within the defined Assessment Area.

Q **What is FIA?**

A A USDA Forest Service program that compiles forest survey, forest inventory, and analysis information on public and private lands. A map depicting California FIA polygons can be viewed on our website: http://www.forco-op.com/projects/FCO_FIA_GHG_Baseline_Map.pdf

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Q **Do recently harvested forest land qualify for a carbon project?**
A Yes, as long as the existing forest carbon stocks remain above the "business as usual" FIA mean baseline.

Q **What is Additionality?**
A Additionality is a required criteria for all carbon offset projects. Put simply, if a GHG reduction is to function as a carbon credit, it cannot be a reduction that would have occurred in the absence of a forest project. It is critical that the forest project show evidence that with project implementation additional GHG reduction will occur, and without project implementation additional GHG reduction would not occur.

Q **Who is the Project developer?**
A A project developer may be the applicant (e.g. Forest Owner) with the resources to submit a Forest GHG offset project, or an independent third party (e.g. Consulting Foresters) who carries out the design and/or implementation of a forest project on behalf of Forest Owners. For California the Project Developer must have a Registered Professional Forester (in other states a Professional Forester) involved in the forest inventory and modeling portions of the project.

Q **Who is the Project verifier?**
A CAR approved third party verification body hired by the project developer to confirm and audit the validity of the Forest GHG offset project. Verification firms must be approved by the Registry before they are eligible to conduct any verification activities for project developers. Only Registry approved forest verifiers are eligible to verify forest GHG inventory projects.

Q **What are the monitoring requirements of the forest carbon project?**
A Verification by a CAR approved third party forest verifier is required in years 1 and 6 of a 6-year forest verification cycle. To meet the Registry's conflict of interest policies, using this methodology one verifier would be able to conduct two complete verifications in years 1 and 6. Starting with Year 7 a new verifier must be chosen to begin the process for the next 6-year cycle

Q **What criteria will be evaluated by the third party forest verifier?**
A Verification criteria include but not limited to Project Definition, Legal Requirement Test, Start Date, Project Implementation Agreement, Attestation of Title, Project Location, Sustainable Harvesting Practices, and Natural Forest Management Practices.

Q **How are CRT's bought and sold in the carbon markets?**
A Buyers and sellers negotiate a price outside of CAR. The Reserve is used to store, transfer, and/or retire CRTs from one account holder to another.

Q **Is there a national commodity exchange where carbon credits are publicly traded?**
A Yes, the Chicago Climate Exchange (CCX), but at this time CAR does not allow CRT's to be traded under CCX.

Reference: CAR Forest Project Protocol 3.0 link @
http://www.climateactionreserve.org/wp-content/uploads/2009/03/Forest-Project-Protocol-Version-3.0.pdf

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