

FOREST CARBON SUSTAINABLE FORESTRY CONFERENCE FLORENCE, WISCONSIN

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GREEN TIMBER FOREST CARBON EXPERIENCE

Carbon Since 2008: Compliance & Voluntary

- ~1,100,000 acres collectively
- Dozens of projects from Alaska-Maine
 - Different developers
 - Wide range of landowners
- Working on projects from start to finish including annual maintenance & reporting
- Great opportunity for some landowners
 - Carbon is not for everyone



WHAT IS A CARBON CREDIT?

1 tonne of
CO₂e = 1 metric ton
of CO₂e =

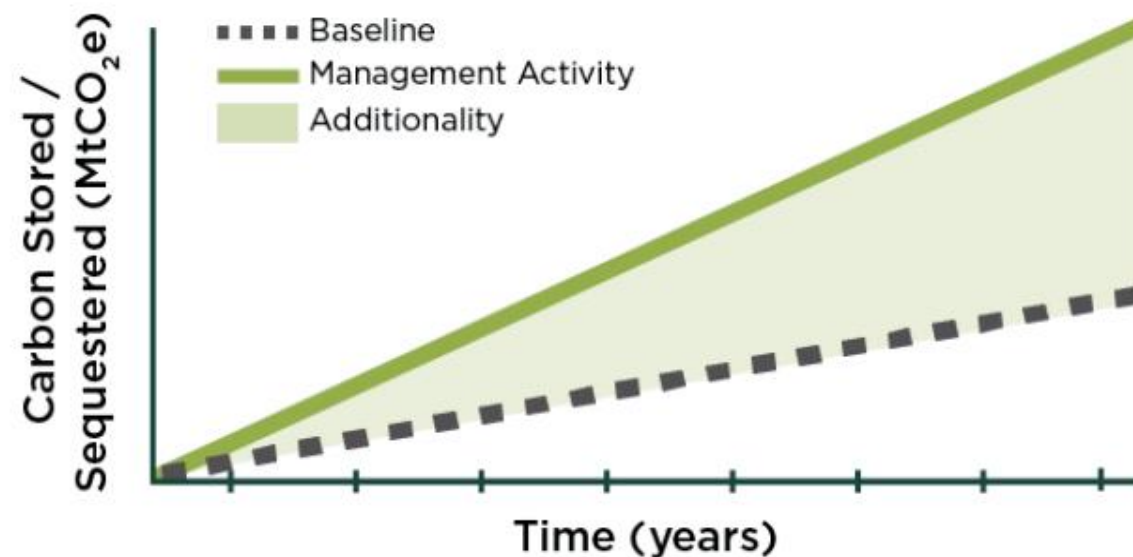


- Credits also referred to as:
 - Offsets
 - ERT's
 - ARBOC's
 - VER's

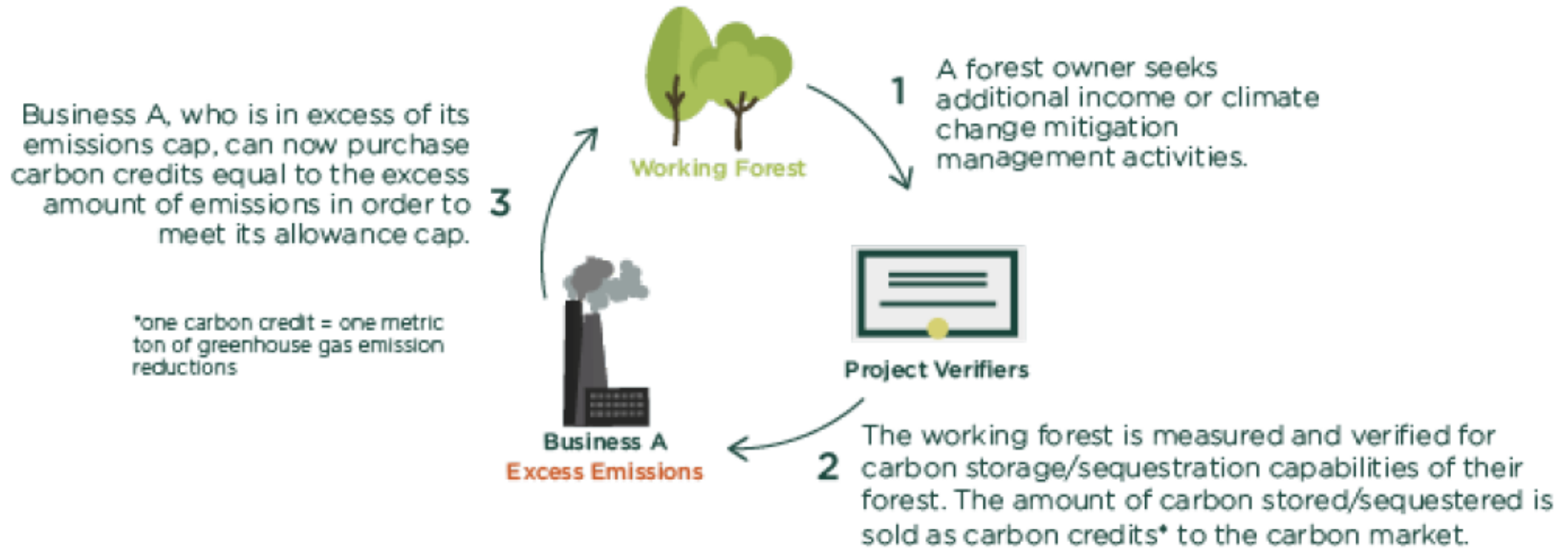


HOW ARE CREDITS CALCULATED?

- Determine total volume of carbon stored in forest
- Model carbon sequestration over time
- Additionality: Difference between two scenarios:
 - Forest stocking **with project**
 - Business-as-usual (intense management) baseline **without project**
- Deductions applied
 - Ensure additionality & permanence



HOW DO CARBON CREDITS WORK?



WHAT IS THE CARBON MARKET?

Voluntary

- Entity volunteers to purchase credits to offset emissions
- Purpose to show environmental responsibility to society
- Additionality quantified above & beyond a baseline scenario
- Lower credit \$\$ & shorter contract

Compliance

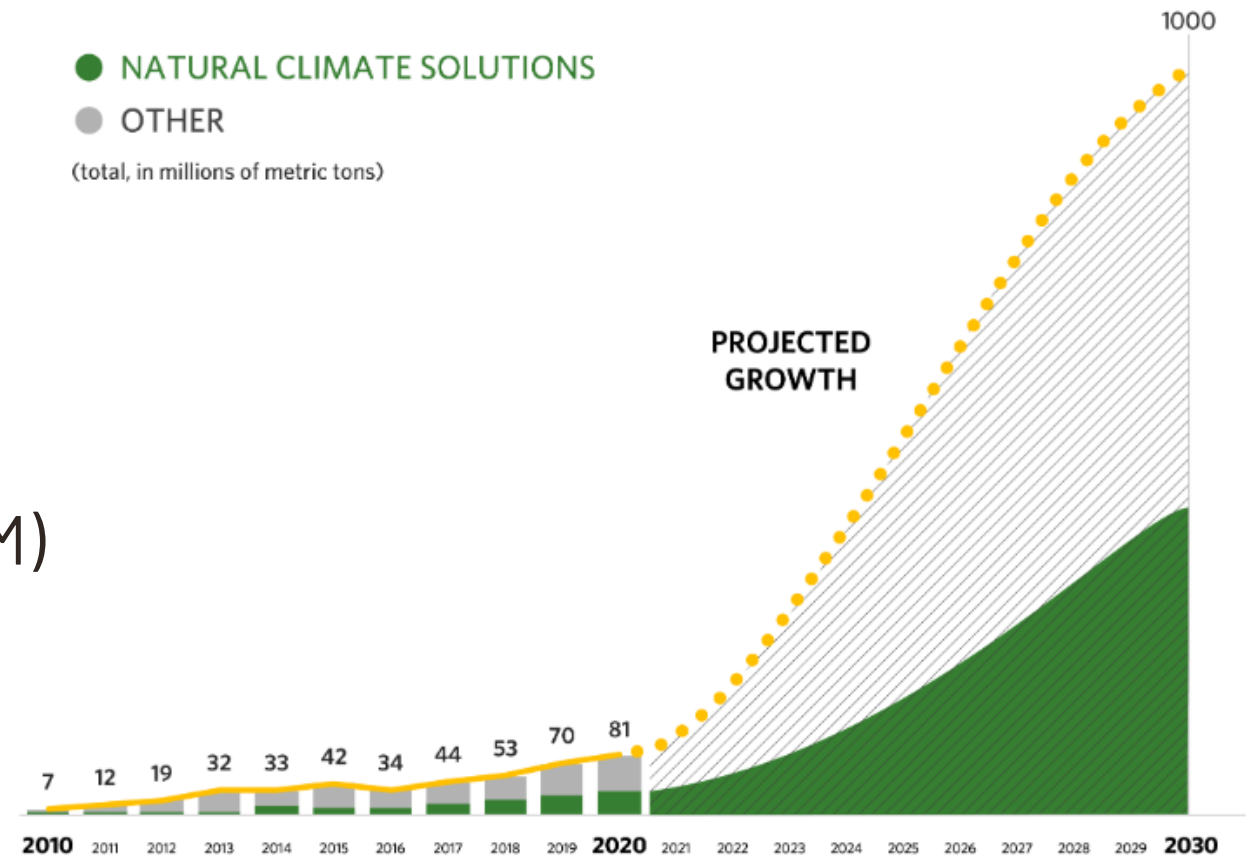
- Entity required by law to meet emissions standards
- Governmentally regulated to reduce overall carbon emissions
- Compare carbon values to forest type common practice (average)
- Higher credit \$\$ & longer contract



VOLUNTARY CARBON MARKET

- Entity volunteers to purchase credits to offset emissions
- Purpose to show environmental responsibility to society
- Additionality quantified above & beyond a baseline scenario
- Credit value: \$9-16/credit (ACR-IFM)

GROWTH FORECAST OF VOLUNTARY CARBON MARKETS TO 2030



VOLUNTARY CARBON PROGRAMS

Options are evolving rapidly and vary greatly

- Use an advisor to understand the best fit for you!



AMERICAN CARBON REGISTRY (ACR) – VOLUNTARY

Contract Timeframe (40 years total)

- 20 year crediting period, including:
 - Initial credit registry
 - Subsequent annual reporting
 - Re-verification every 5 years
 - Re-inventory every 5-10 years
- 20 year monitoring period following crediting period:
 - Re-verification every 5 years
 - Re-inventory every 5-10 years



PROJECT EXPANSION OPTIONS

- Can add acres to project annually in first five years
 - As land is acquired, acres can be added as Cohorts in years 1-5
- Can aggregate landowners into a single project
 - Aggregation helps to reduce project development and maintenance fees per acre
- A second crediting period can be added in year 20
 - This adds 20 years to possible credit sales



HARVESTING RESTRICTIONS

- Maintain onsite stocks above baseline
- Maintain a current forest management plan
- Can harvest growth
- Projects must follow federal / state / local harvesting regulations
- Forest certification program:
 - SFI, FSC, ATFS



CARBON PROJECT DEVELOPMENT PROCESS

1. Identify project area and assess feasibility
2. Contract with project development team
3. Conduct on-the-ground inventory
4. Calculate current carbon stocks, model future growth, determine baseline & assess risk
5. 3rd party project verification and program review
6. Carbon credits issued

Most cases (2) through (6) a 12 – 24 month process



COMMON QUESTIONS

1. Can existing cruise be used in the carbon project?
2. Can a carbon inventory be used to collect/analyze additional forest attributes?
3. How will a carbon project impact harvest plans?
4. What does the maintenance of a carbon project look like over time?
5. What happens in the event of a fire, windstorm or other natural disaster?





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QUESTIONS?

We welcome your questions and feedback!

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