

Program Notice on Excluding Dead Saplings from U.S. Forest Project Carbon Stocks

Issued June 9, 2023

The California Air Resources Board (CARB or Board) has become aware that a small subset of U.S. Forest offset projects that participate in the Cap-and-Trade Program have been including standing dead saplings (for simplicity, saplings are trees 1-5 inches in diameter at breast height (DBH)) in their project inventory and calculated carbon stocks contrary to the inventory development process enumerated in the Compliance Offset Protocol U.S. Forest Projects (Forest COP). CARB has previously notified Offset Project Registries about this issue, including about how these projects should proceed going forward. CARB herein provides notice directly to offset project operators and verifiers.

Since the compliance offset program's inception, the Forest COP has prescribed the method for calculating a project's carbon stocks. For the standing dead carbon pool, projects have been required to estimate sound volume and biomass, to apply structural loss adjustments and/or density reduction factors, and to convert to carbon.¹ The Forest COP has relied on literature with specific equations, defined terms, and decay factors for these purposes, and CARB has maintained copies of these on its website.² These equations, their defined terms, and the decay factors are based on the U.S. Forest Inventory and Analysis (FIA) program, which never included saplings in the definition of standing dead trees prior to October 2015. As such, under all versions of the Forest COP, it is (and always has been) inappropriate to include saplings within the standing dead carbon pool.

Accordingly, CARB is requiring all projects that included dead saplings in their reported carbon stocks to remove those saplings and update the current/recent Offset Project Data Report (OPDR). Many offset project operators have already addressed the issue in their most recent OPDR. This notice applies to reporting periods for which ARB offset credits have not yet been issued, including OPDRs currently under review by a registry or CARB. OPDRs currently under review will need to be revised accordingly and reviewed by the verification

¹ See Appendix A of the first Forest COP, adopted by the Board on October 20, 2011. This requirement was refined in the second Forest COP, adopted by the Board on November 14, 2014, requiring decay factors and structural loss adjustments for projects in California, Oregon, and Washington that are different from those used for projects in all other states in the contiguous U.S. The third Forest COP, adopted by the Board on June 25, 2015, contains virtually identical requirements as the 2014 Forest COP, with an addition that biomass equations for projects in Alaska estimate standing dead biomass and carbon directly and do not require computation of tree volume to biomass and carbon.

² See, e.g., [U.S. Forest Projects - June 25, 2015 | California Air Resources Board](#); [U.S. Forest Projects - November 14, 2014 | California Air Resources Board](#); [U.S. Forest Projects - October 20, 2011 | California Air Resources Board](#).

body. For reporting periods for which offset verification services have concluded, the project must update the current reporting period documentation with appropriate procedures where applicable, including the carbon inventory methodology, quality assurance/quality control (QA/QC) plan, modeling plan, and other calculation methodologies. For projects that must revise the inventory methodology, the revision should be considered a CARB request to correct a non-conformance and not as an inventory methodology modification.

For 2015 Forest COP projects only, please note that pursuant to subchapters 5.1.1(d)(1), 5.2.1(h)(1), and 5.3.1(d)(1), a revised baseline may be required going forward (beginning with OPDRs for which offset verification services have not yet concluded) if cumulative discrepancies to the baseline of greater than 5.00 percent are found.

Making these corrections in a current OPDR will true up the carbon stocks and address dead sapling inclusion in previous reporting periods. The reduced or negative offset credit issuance based on the updated OPDR will correct all previous crediting due to inclusions of dead saplings. No additional correction process is needed. All subsequent OPDRs must continue to calculate carbon stocks pursuant to the Forest COP.

Please reach out to Shelby Livingston at (279) 208-7122 or Shelby.Livingston@arb.ca.gov if you have any questions.