Multi-Credit Restoration Banking

RestorCap LLC

INVESTING IN NATURE. RESTORING HABITAT. CREATING VALUE.
TYPES OF CREDITING

• Carbon Credits
• Wetland Mitigation Credits
• Riparian Mitigation Credits
• Endangered Species Act (ESA) Credits
• Natural Resource Damages (NRD) Credits
• Specialized Credits
NRD CREDITS

• Can be assessed either under Oil Pollution Act (OPA) or CERCLA
• BP Oil Spill - OPA
• Governed by Trustee Councils
• Settlement options for RP
• Common currency for liability assessment and restoration crediting – Discounted Service Acre Years (DSAYs)
• DSAYs calculated using Habitat Equivalency Analysis (HEA)
LINNTON RESTORATION SITE

• Located in Portland Harbor Superfund Site
• Approximately 25 acre site
• 500+ NRD Credits anticipated
• Of those, approximately 320 anticipated to be approved as Section 404 Aquatic Mitigation Credits
EXISTING SITE
PROPOSED PROJECT

PROPOSED PLAN
CHALLENGES OF MULTI-CREDIT BANKS

• Setting Common Crediting Currency
• Credit Tracking/Ledgers
• Reconciling Performance Standards
• Financial Assurances
• Timing of Project Approval Processes
SETTING COMMON CREDITING CURRENCY

• NRD liabilities/crediting based on DSAYs
• Traditional mitigation crediting based on acreage
• Some NRD credits may not qualify as mitigation credits
• Challenge in translating mitigation liabilities into DSAYs
CREDIT TRACKING/LEDGERS

- Need to ensure no “double counting” of different types of credits
- Challenges in coordinating differing credit release schedules
- RIBITs typically doesn’t track DSAYs
- Portland Harbor Trustee Council currently working to integrate NRD ledgers into RIBITs system
RECONCILING PERFORMANCE STANDARDS

• Trustee Council and Interagency Review Team (IRT) may have differing performance standards/expectations of a project
• Requires close cooperation between TC and IRT
FINANCIAL ASSURANCES

• Trustee Council and IRT will have differing financial assurance requirements
• Bonds, adaptive management funds, conservation easements, long-term stewardship
• Main issue enforcement accessibility
• May result in duplicative financial assurance instruments
TIMING OF PROJECT APPROVAL PROCESSES

- Trustee Council and IRTs will have different processes and timelines for approval
- Inevitably one entity will approve project prior to the other
- Requires early engagement of both entities as well as frequent communication and cooperation between all parties
Thank you for listening

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