Anew Climate (Josh Strauss)

Thank you for the opportunity to provide comment. Please see uploaded file.

anew climate

State of Washington
Department of Ecology
August 18, 2025

Re: Chapter 173-446 WAC: Cap-and-Invest US Forest Offsets Protocol Informal Comment Period #1

Dear Department of Ecology staff,

Anew Climate is one of the largest climate solutions companies in North America and was formed through the February 2022 merger of long-time industry leaders Element Markets and Bluesource, which had been in operation since 2005. Anew has a successful track record within the markets for compliance and voluntary carbon credits, across a broad range of project types, including improved forest management, nature-based and technology-based carbon removals, and more. We have been active participants in Washington's Cap-and-Invest Program, California's Cap-and-Trade Program, Alberta's Cap-and-Trade Program, amongst others, as well as voluntary carbon markets since their inception.

Anew supports the changes proposed by ECY to update its high-quality forest protocol for the state of Washington. We find these changes to be consistent with best practice with regards to forest carbon accounting and believe these will ensure the protocol maintains the high level of integrity and conservativeness required of a compliance grade offset protocol. We would encourage a thorough review of the entire protocol to address any ambiguous language or requirements, but we would recommend additional clarity to two sections in particular, as detailed further immediately below. We also weigh in on a third proposed revision.

1. Computational Reversals

In the proposed Draft Protocol, a "computation reversal" is defined in section 1 as "any reversal that is due to required protocol calculations (including the confidence deduction and secondary effects)." In the Draft Rule Language for Chapter 173-446 WAC, Section 4, it is elaborated that "these types of reversals – which are not directly related to on-the-ground activities, but which nonetheless result in a situation in which the project has been over credited – must be compensated."

Anew believes additional clarification on what constitutes a computational reversal is needed. While the above statements provide some direction that the computational reversal would result from protocol calculations, Anew believes that there is a gray area where the difference between an unintentional, or intentional, reversal and a computational reversal could be open to significant interpretation by the project proponent, verifier, or registry. Given that the consequences of these varying types of reversals are materially different, the lack of clarity surrounding computational reversals makes the planning for such a situation uncertain. Additional clarification on the situations which create each type of reversal would be helpful in allowing for project planning.

2. Baseline Quantification Approach Revision

In the 'Proposed revisions to U.S. Forest Protocol' document, Revision 2 states that through a revised approach to the baseline quantification approach, "'common practice' values will be derived by Ecology from the US Forest Service EVALIDator Tool." In addition, the common practice values are planned to be updated to consist "of onsite live and dead trees and (will) include both above-ground and below-ground carbon pools…, whereas the current protocol initiates the approach with only above-ground live carbon pools and proceeds to include the other pools through various steps."

The potential impact of this change on project crediting could be significant. Given the potential outsized impact of this change, Anew believes additional clarification should be provided on the exact steps which will be used to recalculate these common practice values. Without a more detailed description of the methods behind this change, Anew does not feel that we can accurately provide comments regarding the impact of this significant change. Specifically, the quantification of dead trees could have challenging statistical implications for certain assessment areas or supersections, depending on the method of quantification or updating used. However, all pools are anticipated to have measurable impacts on project viability and should be elaborated on further.

3. Crediting Avoided Harvest Over a 10-year period

We note that the Department of Ecology is proposing to now provide Improved Forest Management (IFM) projects with credits for avoided harvest over a 10-year period rather than as a lump sum in the first issuance of the project. While this proposal could potentially be challenging for some projects, particularly small projects, Anew is supportive of this change, as we believe this will improve the protocol's defensibility. The current protocol method of providing a lump sum at the first issuance has been the subject of criticism by some stakeholders for overissuing credits for emissions reductions that did not occur in a temporally appropriate reporting period and therefore should be avoided.

Anew could be supportive of issuing the credits upfront to very small landowners (maybe <3,000 acres) that could prove that the majority of their property contains mature timber and is under imminent threat of widescale harvesting.

Sincerely,

Josh Strauss
President, Environmental Products
Anew Climate