ACR Standard v8.0
Summary of Public Comments and Responses

An updated ACR Standard, Version 8.0 was approved by the American Carbon Registry (ACR) to go into effect July 1, 2023. Public comment versions of the revised ACR Standard and a summary of changes document were posted for public comment in two rounds, from November 2, 2021 through December 31, 2021 and from May 1, 2023 through June 2, 2023. ACR held a number of meetings with interested stakeholders to discuss proposed updates.

ACR would like to thank all the organizations that submitted comments to the draft ACR Standard version 8.0. The comments were extremely thoughtful and informative and have directly guided our thinking on the issues and concerns that were raised. Please find a summary of key comments and the ACR response below. All comments that were received are also posted in their entirety at the end of this document.

Section 1.E.1: Renewable energy and energy efficiency projects		
Commenter	**Comment**	**ACR Response**
Climate Ventures Pakistan	We need to clarify that the eligibility requirements for Renewable Energy and Energy Efficiency projects available in Version 7 was not available in Version 8 although it is referenced on page 78 of Appendix-A. Also the CDM methodologies shall be allowed with exclusions for certain project types, so that developing countries can take benefit of your esteemed program.	Guidance on the eligibility of renewable energy projects is streamlined in ACR Standard v8.0, replacing affirmative criteria with a scope exclusion for projects quantifying emission reductions from electricity generation connected to a national or regional power distribution grid while maintaining the exclusion for crediting indirect emission reductions from energy efficiency. ACR does not currently have any active methodologies with a primary purpose of crediting projects that generate renewable energy but will consider methodologies that meet the requirements of the ACR Standard according to the process outlined in Chapter 7, which could include renewable-powered mini grids or distributed renewable energy technology. ACR Standard v8.0 maintains the policy previously introduced in ACR Standard v7.0 of no longer accepting new projects under the CDM

		methodologies, which are now inactive in the ACR program.
Section 2.B.7: Participation in other asset programs		
The Climate Trust	Could ACR give an example of what type of project the following language would include? "Any project that seeks to register non-carbon environmental attributes alongside offsets must disclose to ACR the intent and details of the program prior to validation… The attributes quantified for the non-carbon benefits must represent a well-defined and distinct ecosystem service that can be "stacked" with offsets, such that they could be financially incentivized separately from the carbon benefit"	AFOLU GHG Projects that result in improved water quality is an example of a project type that generates non-carbon benefits that could conceivably be issued water quality credits under another program and potentially "stacked" with carbon credits.
Chapter 3 Table 2, Section 6.I, and Appendix A Table 4: Re-evaluating and remodeling baseline		
Anew	More details and guidance should be provided on what is involved in "re-evaluating and remodeling (as appropriate) the baseline scenario." What would be the circumstances where it is or isn't appropriate to remodel the baseline at the start of a new Crediting Period? Also, would the project be remodeling the baseline assuming that the new baseline starts at the end of the previous Crediting Period, or would the project be reassessing the entire baseline from the Start Date? For Improved Forest Management projects, would the remodeled baseline determine a new 20-year average where the baseline stocks would need to grow until it reached a new year T (when the baseline stocks hit the 20-year average)? What would be the ramifications if the new baseline caused a reversal at the start of the new Crediting Period due to the new baseline?	Renewal of a Crediting Period includes reassessment of the baseline scenario, including whether the conditions and barriers at the start of the mitigation activity still prevail, and an update of relevant parameters used to calculate emission reductions and removals, as applicable. The intent of this requirement is to re-evaluate the additionality of the project and its associated baseline at each Crediting Period renewal. This includes confirming additionality according to the ACR Standard and relevant methodology and examining and confirming new and previous constraints to baseline modeling (e.g., legal, silvicultural, operational, and other relevant constraints for IFM projects). Baseline remodeling is required in circumstances in which legal requirements have changed such that the previous level or rate of harvesting is no longer permissible or feasible for sustaining the long-term average. Baseline remodeling would not be required, but would be optional, if such circumstances have

		changed to allow a more aggressive baseline harvest regime. Note these examples are not all encompassing and are only meant to provide high-level clarification on the requirement. Any baseline remodel would begin from the end of the previous crediting period. If baseline remodeling raised the baseline, stocks would need to grow until they exceeded the baseline to issue further credits (similar to a project with stocks below baseline in the initial Reporting Period). If the baseline was lowered by baseline remodeling, the baseline would follow the new baseline stock trajectory until it reaches the new 20-year average. Baseline remodeling should not inherently cause a reversal since reversals are triggered by project stocks dipping below their previously issued levels. Rather, it would deduct from future issuance until stocks reach the new long-term baseline average as mentioned above.
Section 4.A.1: Easement constraints in baseline scenarios		
The Climate Trust	"AFOLU projects with easements need to consider the legally binding requirements of the easement if the recordation date is prior to 1 year before the project Start Date. The constraints outlined in the easement would also need to be included in the baseline scenario within this time frame." However, the IFM methodology is not consistent. Please clarify if what IFM projects are required to do for easements recorded more than 3 years after the project start date. Easements recorded after the start date are voluntary actions and should not be incorporated in the baseline scenario.	The IFM methodology introduces additional requirements (above and beyond the ACR Standard) for IFM projects. The purpose of the 1 year before/3 years after requirement is to require that recordation of a conservation easement coincide with project Start Date in support of the additionality assessment. Easements enacted beyond 3 years from project Start Date that restrict the baseline harvest scenario would require baseline remodeling. However, for projects with easements that coincide with project Start Date (1 year before/3 years after), the stipulations of the easement are not required to be considered in the initial or subsequent crediting periods.

Chapter 3 Table 2, Chapter 5, Section 6.F.2.1, and Appendix A Table 4: PDA liability for intentional reversals		
Mercuria The Climate Trust	Multiple comments were received in response to section 6.A regarding the need for a single Project Proponent to sign the Risk Mitigation Agreement. • To truly bring small-scale landowner aggregation to scale, significant investment is required, and project proponents must be affiliated with firms that have access to significant capital. Implementing a PDA project requires the formation of an entity that takes on the project proponent role, and all associated liabilities and responsibilities. The project proponent is liable for intentional reversals... As more landowners join and benefit from carbon finance, the Project Proponent's contingent liability also grows to the extent that it becomes untenable for even the well-capitalized corporations. This liability alone will largely deter most financially-robust corporations from considering participation in this market. To mitigate this, we ask that ACR develop a mechanism that limits this liability. This could be accomplished in a number of ways, including, for example, the creation of a separate buffer account specific for small-scale PDA projects which would compensate for these liabilities after a specified threshold or deductible level. Without capping this liability, large financially solvent firms will be unable to take on the role of project proponent. • Section 6.F states that if the Aggregated Project or PDA includes multiple landowners/facility owners, the Project Proponent is also the ACR Project Developer Account Holder and shall enter into a legally binding Reversal Risk Mitigation Agreement with ACR, if applicable [6.F.1 & 6.F.2.1]. We	ACR's Buffer Pool is designed to mitigate the risk of Unintentional Reversals, and Intentional Reversals fall under a separate legal agreement with the Project Proponent. We understand that projects with a large number of landowners may carry a proportionally large risk of non-compliance or discontinuation of project activities, and we are open to considering options for treatment of Intentional Reversals in PDA projects. However, any changes to our current program rules would have to ensure that we are not introducing a perverse incentive or moral hazard and that we are not increasing the risk profile to ACR since this risk is entirely out of our control and scope of enforcement. We suggest that a singular Project Proponent of an Aggregated or PDA project can choose to limit their individual liability by establishing legally binding agreements among individual project participants. These issues might also be addressed by the lead Project Proponent withholding a portion of issued credits based on an internal risk assessment, which could be used in the event of an Intentional Reversal at a later date. Alternatively, could this be insured either through a new insurance product or under the terms of an existing policy? "if applicable" is intended to differentiate between Aggregated/PDA projects with and without a risk of reversal. The Risk Mitigation Agreement would not apply to Non-AFOLU Aggregated projects.

	don't understand the phrase "if applicable". We would also recommend allowing projects to continue to have project proponents enter the Risk Mitigation Agreement if they prefer in order to allow flexibility in such complex projects.	
Section 5.A: Analysis of reversal risk		
Finite Carbon	It is stated that all "AFOLU Project proponents shall conduct their risk assessment using the most recent version of the ACR Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination at time of verification." We agree that using the most recent Risk tool is important to ensure that projects are using up-to-date standards for risk calculation, however we believe that a more appropriate "cut-off" for implementation of a new buffer risk metric(s) would be at the time of reporting period end. Given the multiple phases of project verification, the absence of a more clearly-defined starting point for integration of an updated project metric can lead to a variety of interpretations. Incorporating a new buffer risk metric mid-way through a verification also presents a "moving target" for the developers, who would have already prepared their project documentation/calculations and communicated issuance projections to landowners based on the existing buffer risk metrics. Developers that are working to incorporate methodology changes in a timely manner for verification should be given at least the cut-off of the reporting period end date to incorporate published risk tool updates, rather than be subject to potential changes between RP end and verification.	ACR has clarified in the final version of ACR Standard v8.0 that, in the event of an update to ACR's Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination that is released during a verification, the Project Proponent shall use the version available at the end of the Reporting Period being verified.
Section 5.A: Analysis of reversal risk		
Anew	Please clarify whether the requirement to use the most recent version of the ACR Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination applies at every verification, regardless	The Reversal Risk Analysis must be re-evaluated at least every 5 years, or coincident with a full verification including a field visit to the Project Site(s). An exception is in the event of a Reversal, in which case

	of whether its an initial or desk verification. If projects are forced to apply new risk ratings throughout the Project Term, then this could cause significant differences to anticipated crediting, and could even cause a reversal in certain instances. As such, we recommend that, unless a reversal event has occurred, the risk rating remain consistent throughout the Project Term.	the Buffer Pool Contribution Percentage shall be re-evaluated and re-verified according to provisions laid out the most recently published ACR Buffer Pool Terms and Conditions. If no reversals occur, the Project's Buffer Pool Contribution Percentage may remain unchanged for up to 5 years. ACR has clarified in the final version of ACR Standard v8.0 that, in the event that an update to ACR's Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination is released during a verification, a Project Proponent shall use the version available at the end of the Reporting Period being verified.
Section 5.B: Project Proponent and Project Developer Account Holder requirements in the event of a reversal		
Anew	The definition of Project Developer and Project Account Holder is somewhat unclear and should be more clearly defined. Also, the definition of "facilitate" should define exactly what is required of the Project Proponent or Project Developer Account Holder to replace Verified Loss Offset Amount and deliver credits to compensate for the Verified Lost Offset Amount.	Account Holder is a defined term in the ACR Standard. The Project Developer is a type of ACR Registry Account Holder and the only type that can list projects on the Registry. More information on the different types of Registry Accounts is available in the ACR Registry Operating Procedures and Instructions for Opening an ACR Account available from https://americancarbonregistry.org/how-it-works/membership. When a Project Proponent does not have their own ACR Account and the project is instead registered under another entity's Project Developer ACR Registry account, the Project Proponent would have no functional way to themselves deliver credits to the ACR Administrator for the purpose of compensating for the Verified Lost Credit Amount after a reversal. While the requirements and liabilities associated with replacing the Verified Lost Credit Amount rest with the Project Proponent signatory to the Risk Mitigation Agreement, the Project Developer Account Holder shall work with the Project Proponent to potentially procure credits and ultimately transfer the appropriate quantity of credits to ACR on their behalf.

Section 6.A: Listing public upon approval and public comments on newly listed GHG Projects		
Anew Finite Carbon The Climate Trust Tradewater	Several comments were received in response to section 6.A regarding policies to post all newly listed GHG Projects on the ACR website as available for local and global public comments and forward them to Project Proponents and VVB. Stakeholders expressed concerns including that: • The second step for the Project Development process was updated to include "The project listing information and form will then be made public on the ACR Registry." We would like to clarify if the Project Proponent/Project Development Account Holder will still have the option to display the project listing only after credits have been issued? Project Proponents have often elected for this option for a variety of reasons. While not a significant change, we do believe that removing this option would reduce some flexibility for Project Proponents/ landowners within the very early stages of project development. • Certain elements of projects can change quite drastically throughout the course of a verification, and we do not want unverified information being publicly commented on for newly listed projects. Some landowners strongly prefer to maintain privacy and consider the intent to develop a carbon project as Commercially Sensitive Information. As such, we believe that entities should be allowed to maintain privacy and anonymity until the project information has been verified and emissions reductions are actually being claimed. This will prevent outside entities from falsely characterizing a project when the information will likely change during the verification. • The language should be clarified since in the absence of specific guidance as to how the	Thank you for the comments. ACR had intended to maintain the existing process of providing an option to Project Developers as to when project listing information is made public. The final version of ACR Standard v8.0 clarifies that, upon receipt of a GHG Project Plan, ACR will make public on the ACR Registry the Listing Form and ACR will publish on its website the Project name, ACR ID, project type, and location for a thirty (30) day public comment period for local and global stakeholders impacted by the project. Consistent with prior program requirements, Project Proponents shall describe their stakeholder engagement process and outcomes as part of the GHG Project Plan (now with the more detailed Environmental and Social Impact Assessment template). Also consistent with prior program requirements, Validators shall review the stakeholder consultation records against the GHG Project Plan to confirm that the impacts were evaluated and documented and that, if any potential negative impacts exist, that they were disclosed and accompanied by a mitigation plan. To facilitate adoption of a standardized approach to review and resolution, ACR will clarify requirements in associated templates and the Validation and Verification Standard. Project Proponents will continue to monitor and disclose at each verification any negative environmental and/or social impacts and the appropriate mitigation measure(s) applied as well as attest that comments received have been addressed, including implementation of response actions, when necessary. Comments will be forwarded to the Project Proponent and reviewed by ACR prior to registration. ACR does

	Project Developer and Validation and Verification Body are to treat public comments could hinder a uniform and standardized approach to review and resolution across different projects, project developers, and validation and verification bodies. • This may lead to a larger workload if project developers are required to respond to the comments. • We would ask that comments are not published on the website, now or in the future due to concerns that some comments may be unfounded or inappropriate and could undermine the registry and have negative impacts on all parties.	not intend to publicly post comments received nor dictate a formal response to comments process.
Section 6.B: Attestation in GHG Project Plan		
Anew	Please provide more information, details, and specific requirements regarding the GHG attestation, and clarify whether the attestation is separate from the Project Monitoring Report attestations.	ACR intends for the Project Proponent and Project Developer Account Holder attestations in the GHG Project Plan to be similar to those currently in the Monitoring Report and consistent with representations in the ACR Terms of Use.
Section 6.F.2.1: General PDA requirements		
Finite Carbon	In this section setting the general requirements for PDA projects, it states that "..Sites within a Cohort must share the same Implementation Date and validation and verification schedule." This statement is confusing and in conflict with the previous statement that "All Sites participating in the PDA project must have a Site-specific Implementation Date that is the same or after the established project Start Date." Under our understanding of the PDA approach, it seems that the first statement is intending to define that all sites in a cohort must share a reporting period start date that is the basis for the cohort's validation and verification schedule. Clarification of implementation date as it is referred to for a cohort	Thank you for this observation. We have revised this statement to "Sites within a Cohort must share the same validation and verification schedule".

	versus a site-specific date would clear up confusion here.	
Sections 8.A: Environmental and Social Impact Assessment		
The Climate Trust	We think the new Environmental and Social Impact Assessment template listed in 8.A should be reviewed and open for public comment	The Environmental and Social Impact Assessment template will simply put the content already described in the ACR Standard public comment draft (section 8.A) into a standardized format for reporting. Having not received public comments on the substance of Section 8.A, ACR will proceed with the rollout of the form for immediate use.
Sections 8.B: SDG Contributions Report		
The Climate Trust	Could ACR explain the standardized qualitative assessment referred to in 8.B?	ACR has developed a tool to help Project Proponents identify and evaluate a project's contributions toward the SDG targets based on the project type and a template to facilitate standardized reporting as part of a GHG Project Plan. The tool identifies expected direct and indirect benefits as well as conditional benefits, dependent upon specific project design.
Sections 9.C: 5-year full verification interval		
Anew	We believe that this requirement should be simplified so that a site visit is required every 5 years after the end of the initial reporting period. Since initial reporting periods can vary quite drastically, this section could provide a couple of examples of when the subsequent full verifications would be required after different initial reporting period lengths.	This section has been revised to state "The initial Reporting Period full verification interval begins on the project Start Date and is a maximum of 5 years in duration. The maximum interval between subsequent full verifications is 5 years, calculated from the start date of the last Reporting Period receiving full verification to the end date of any subsequent Reporting Period receiving desk-based verification." An example has also been added as a footnote in this section.
Sections 9.C: 2-year verification deadline		
Anew	Please clarify if the 2-year deadline is for full verification reporting periods or all reporting periods. If this applies to all reporting periods, this impacts a Project Developer's/ Landowner's ability to defer verifying reporting periods and impacts flexibility that Project Developers/Landowners have with grouping	The Verification Opinion submittal deadline is applicable to all Reporting Periods – both full and desk-based verifications. Project Proponents can still designate Reporting Period dates out to a maximum of 5 years between full verifications, so this does not influence flexibility. Rather, it sets a maximum

	verifications together to make the verifications more feasible. Also, please clarify whether there will be opportunities to request an extension if the verification is delayed for a particular reason. What will the ramifications be if a project misses the 2-year deadline?	timeframe from Reporting Period end date in which verification activities must be completed. Because ACR Reporting Period duration is flexible (within the bounds specified above) and there is no annual verification requirement, the instance of verifying multiple reporting periods in a single verification isn't relevant. Rather, verification should always cover a single reporting period (which can vary in duration). Given VVB availability, site visit logistics, and to allow ample time for projects to submit completed Verification Opinions, ACR have extended the 2-year deadline for AFOLU projects to 3 years. Projects unable to meet the 3-year deadline due to extenuating circumstances may request a deviation for ACR's consideration on a case-by-case basis but, if not granted, the project would not be in conformance with the ACR Standard as required.
Sections 9.E: Validation and verification report and statement requirements		
First Environment	First Environment recommends that any requirements pertaining to the validation/verification report or statement should be removed from the ACR Standard and instead incorporated in the ACR Validation and Verification Standard. Given that numerous projects in the ACR registry were validated under prior versions of the ACR Standard and conceivably could continue to verify against those versions in the future, this could result in differing requirements for verification reports depending on the version of the ACR standard employed. Consistency across projects and reports could be better achieved through a single set of requirements for all validation/verification reports in the separate V&V requirements document.	ACR has moved the content from the ACR Standard to the ACR Validation and Verification Standard as suggested.

Definition: Account Holder		
Anew	We suggest that the Account Holder definition more clearly define the differences between Project Developer, Transaction, Corporate, and Custodial accounts.	Account Holder is a defined term in the ACR Standard. The Project Developer is a type of ACR Registry Account Holder and the only type that can list projects on the Registry. More information on the different types of Registry Accounts is available in the ACR Registry Operating Procedures and Instructions for Opening an ACR Account available from https://americancarbonregistry.org/how-it-works/membership.
Section A.4.7: Approved leakage mitigation techniques		
Anew	Please clarify what is meant by approved leakage mitigation techniques. For IFM projects, what would the process look like to get a leakage mitigation technique approved by ACR?	A leakage deduction is one example of a widely used mitigation technique in carbon accounting and is employed within applicable methodologies. ACR does not approve project-specific leakage mitigation techniques, but certain ACR methodologies allow and provide guidance on how project-specific leakage can be assessed and accounted for in lieu of applying the default leakage deduction.

Anew Comments regarding the Changes from ACR Standard v7.0 to 8.0

Anew appreciates the opportunity to comment on the proposed v8.0 updates to the ACR Standard, and we support most of the changes that provide clarifications to previously ambiguous sections of the Standard. Please see the comments below on a few items that we recommend ACR review to either provide more clarity on the proposed changes or reconsider the change.

Anew Public Comments

Topic	Revision	Comment
Eligibility: Crediting Period	Consistent with methodologies, confirmed that the baseline scenario shall be re-evaluated and remodeled (as appropriate) in order to renew a Crediting Period.	More details and guidance should be provided on what is involved in "re-evaluating and remodeling (as appropriate) the baseline scenario." What would be the circumstances where it is or isn't appropriate to remodel the baseline at the start of a new Crediting Period? Also, would the project be remodeling the baseline assuming that the new baseline starts at the end of the previous Crediting Period, or would the project be reassessing the entire baseline from the Start Date? For Improved Forest Management projects, would the remodeled baseline determine a new 20-year average where the baseline stocks would need to grow until it reached a new year T (when the baseline stocks hit the 20-year average)? What would be the ramifications if the new baseline caused a reversal at the start of the new Crediting Period due to the new baseline?
Assessment of Risk	Clarified that Project Proponents shall conduct their risk assessment using the most recent version of the ACR Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination at time of verification. Clarified that in the event of a reversal the risk category and Minimum Buffer Pool Contribution shall be reassessed and reverified according to provisions laid out	Please clarify whether the requirement to use the most recent version of the ACR Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination applies at every verification, regardless of whether its an initial or desk verification. If projects are forced to apply new risk ratings throughout the Project Term, then this could cause significant differences to anticipated crediting, and could even cause a reversal in certain instances. As such, we recommend that, unless a reversal event has occurred, the risk rating remain consistent throughout the Project Term.

	the most recently published version of the ACR Buffer Pool Terms and Conditions.	
Reversal compensation	Added statement that if the Project Proponent is not the same entity as the Project Developer Account Holder, the Project Developer Account Holder shall facilitate the replacement of the Verified Lost Offset Amount and deliver credits to compensate for the Verified Lost Offset Amount.	The definition of Project Developer and Project Account Holder is somewhat unclear and should be more clearly defined. Also, the definition of "facilitate" should define exactly what is required of the Project Proponent or Project Developer Account Holder to replace Verified Loss Offset Amount and deliver credits to compensate for the Verified Lost Offset Amount.
Project Development Process	Added that ACR will post all newly listed projects on the ACR website as available for local and global public comments.	Certain elements of projects can change quite drastically throughout the course of a verification, and we do not want unverified information being publicly commented on for newly listed projects. Some landowners strongly prefer to maintain privacy and consider the intent to develop a carbon project as Commercially Sensitive Information. As such, we believe that entities should be allowed to maintain privacy and anonymity until the project information has been verified and emissions reductions are actually being claimed. This will prevent outside entities from falsely characterizing a project when the information will likely change during the verification.
GHG Project Plan	Attestation by the Project Proponent and Project Developer Account Holder, if not the same entity, regarding the content contained within the GHG Project Plan.	Please provide more information, details, and specific requirements regarding the GHG attestation, and clarify whether the attestation is separate from the Project Monitoring Report attestations.
5-Year full Verification Interval	Clarified that the 5-year full verification requirement interval begins on the project Start Date and is calculated as the interval between the start date of a reporting period receiving a full verification and either its reporting period end date, or the reporting period end date of any subsequent desk-based verification(s), covering a maximum duration of 5 years of reporting.	We believe that this requirement should be simplified so that a site visit is required every 5 years <u>after the end of the initial reporting period.</u> Since initial reporting periods can vary quite drastically, this section could provide a couple of examples of when the subsequent full verifications would be required after different initial reporting period lengths.

Submittal of verification reports	Added deadline for submittal of verification reports: no later than 2 years from the end of the reporting period being verified.	Please clarify if the 2-year deadline is for full verification reporting periods or all reporting periods. If this applies to all reporting periods, this impacts a Project Developer's/Landowner's ability to defer verifying reporting periods and impacts flexibility that Project Developers/Landowners have with grouping verifications together to make the verifications more feasible. Also, please clarify whether there will be opportunities to request for an extension if the verification is delayed for a particular reason. What will the ramifications be if a project misses the 2-year deadline?
Definitions	Account Holder	We suggest that the Account Holder definition more clearly define the differences between Project Developer, Transaction, Corporate, and Custodial accounts.
Leakage	Clarified that market effects leakage must be accounted or mitigated and how the methodology must address it.	Please clarify what is meant by approved leakage mitigation techniques. For IFM projects, what would the process look like to get a leakage mitigation technique approved by ACR?

THE CLIMATE TRUST

June 1, 2023

American Carbon Registry
c/o Winrock International
204 E. 4th Street
North Little Rock, Arkansas 72114

Dear American Carbon Registry,

Thank you for allowing The Climate Trust (TCT) to provide comments to the American Carbon Registry (ACR) on the ACR Standard v8.0. TCT has been in existence since 1997 and have decades of experience in the carbon markets across the United States. Our team appreciates the ability to work with and provide comments to ACR on current and new drafts of the standard. Please find our comments below.

2.B.7: Could ACR give an example of what type of project the following language would include?

- Any project that seeks to register non-carbon environmental attributes alongside offsets must disclose to ACR the intent and details of the program prior to validation… The attributes quantified for the non-carbon benefits must represent a well-defined and distinct ecosystem service that can be "stacked" with offsets, such that they could be financially incentivized separately from the carbon benefit [2.B.7]
-

4.A.1: AFOLU projects with easements need to consider the legally binding requirements of the easement if the recordation date is prior to 1 year before the project Start Date. The constraints outlined in the easement would also need to be included in the baseline scenario within this time frame [4.A.1]. However, the IFM methodology is not consistent:

- Please clarify if what IFM projects are required to do for easements recorded more than 3 years after the project start date. Easements recorded after the start date are voluntary actions and should not be incorporated in the baseline scenario.

6.A.2: ACR will now post all newly listed projects on the website for local and global public comments. TCT appreciates the additional transparency of the projects to the general public, however we are concerned that this may lead to a larger workload if we are required to respond to the comments at any point in the future. While it's acknowledged that comments are only sent to the Project Developer in v8.0, TCT would also ask that the comments are not published on the website, now or in the future. We have concerns that some comments may be unfounded or inappropriate and could undermine the registry and have negative impacts on all parties.

6.F: Section states that if the Aggregated Project or PDA includes multiple landowners/facility owners, the Project Proponent is also the ACR Project Developer Account Holder and shall enter into a legally binding Reversal Risk Mitigation Agreement with ACR, if applicable [6.F.1 & 6.F.2.1]. We don't understand the phrase "if applicable". We would also recommend allowing projects to continue to have project proponents enter the Risk Mitigation Agreement if they prefer in order to allow flexibility in such complex projects.

8.A: We think the new Environmental and Social Impact Assessment template listed in 8.A should be reviewed and open for public comment.

8.B: Could ACR explain the standardized qualitative assessment referred to in 8.B?

TCT appreciates ACR's continued efforts to improve the Standard and accompanying methodologies to ensure they reflect the most up to do carbon science. ACR's science-based updates and public comment process is key to a transparent and credible market. If TCT can be of any assistance or if any questions arise from our comments above, please feel free to reach out.

Thank you,

Jeremy Koslowski

Director of Forest Carbon Partnerships

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June, 2023

Ms. Mary Grady
Executive Director
American Carbon Registry
2451 Crystal Drive, Suite 700
Arlington, VA 22202

Submitted via email
ACR@winrock.org

RE: Comments to ACR Standard Update

Dear Ms. Grady:

Finite Carbon is an active participant in the American Carbon Registry's (ACR) voluntary offset program, with projects anticipating 5 million offsets under development. We deeply value the services provided by ACR and commend all the great work done by the registry over the years. We appreciate the opportunity to provide comments on the proposed changes to the ACR Standard, and have enclosed comments that we believe would further bolster the integrity of ACR's robust voluntary carbon offset program. We thank you for your consideration and would be happy to answer any questions you may have.

Sincerely,

Emily Witt

Associate Director, Project Development

Nate Hanzelka

Director, Project Development

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Chapter 5.A – Assessment of Risk

It is stated that all “AFOLU Project proponents shall conduct their risk assessment using the most recent version of the ACR Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination at time of verification.” We agree that using the most recent Risk tool is important to ensure that projects are using up-to-date standards for risk calculation, however we believe that a more appropriate “cut-off" for implementation of a new buffer risk metric(s) would be at the time of reporting period end. Given the multiple phases of project verification, the absence of a more clearly-defined starting point for integration of an updated project metric can lead to a variety of interpretations. Incorporating a new buffer risk metric mid-way through a verification also presents a “moving target” for the developers, who would have already prepared their project documentation/calculations and communicated issuance projections to landowners based on the existing buffer risk metrics. Developers that are working to incorporate methodology changes in a timely manner for verification should be given at least the cut-off of the reporting period end date to incorporate published risk tool updates, rather than be subject to potential changes between RP end and verification.

Chapter 6.A - Project Development Process

The second step for the Project Development process was updated to include “The project listing information and form will then be made public on the ACR Registry.” We would like to clarify if the Project Proponent/Project Development Account Holder will still have the option to display the project listing only after credits have been issued? Project Proponents have often elected for this option for a variety of reasons. While not a significant change, we do believe that removing this option would reduce some flexibility for Project Proponents/landowners within the very early stages of project development.

Chapter 6.F.2.1 - General PDA Requirements

In this section setting the general requirements for PDA projects, it states that “..Sites within a Cohort must share the same Implementation Date and validation and verification schedule.” This statement is confusing and in conflict with the previous statement that “All Sites participating in the PDA project must have a Site-specific Implementation Date that is the same or after the established project Start Date.” Under our understanding of the PDA approach, it seems that the first statement is intending to define that all sites in a cohort must share a reporting period start date that is the basis for the cohort’s validation and verification schedule. Clarification of implementation date as it is referred to for a cohort versus a site-specific date would clear up confusion here.

First Environment Comments on Draft ACR Standard v8.0

Comment #1

Sections 9.E & 9.F, Page 56

The draft ACR Standard v8.0 states:
“The validation report shall contain the following pertinent information:
• Provide a list of verified documents including the GHG project plan and supporting quantification documentation”
and
“The verification report shall:
• Provide a list of verified documents including the monitoring report and supporting quantification documentation”

Comment: First Environment recommends that ACR consider removing the requirements above from the ACR Standard for several reasons:

- The requirement is vague and does not make clear what constitutes a “verified document.” Additionally, some projects involve hundreds of individual files and records. It is not practical to reproduce a full list of records reviewed in the validation/verification report.
- Records reviewed during the validation/verification processes can represent business confidential information. Project developers may object to inclusion of certain information in a publicly available report.
- The inclusion of this information does not add value for readers of the report if they do not have access to the data and documents reviewed.
- Other sections of the validation/verification report describe the relevant evidence reviewed to establish conformity with the validation/verification criteria. A separate list within the report is redundant.
- ACR may request any validation/verification records for review during the project approval and registration process. ACR could also request the sampling plan from the validation/verification body to further inform the understanding of data and documents reviewed during the validation/verification process as opposed to requiring this information in the validation/verification report.

Comment #2

Sections 9.E, Page 56

The draft ACR Standard v8.0 states: “When the validation of a Project is conducted separately from the verification of the first reporting period, the validator is to provide an opinion on the projected ex ante emission reduction/removals as quantified by the Project Proponent. More detail on the contents of the validation report and opinion are provided in the ACR Validation and Verification Standard and relevant methodology.”
Comment: Chapter 7 of the ACR Validation and Verification Standard does not contain any description of or details regarding a validation opinion.

Comment #3

Sections 9.E & 9.F (All)

Comment: First Environment recommends that any requirements pertaining to the validation/verification report or statement should be removed from the ACR Standard and instead incorporated in the ACR Validation and Verification Standard. Given that numerous projects in the ACR registry were validated under prior versions of the ACR Standard and conceivably could continue to verify against those versions in the future, this could result in differing requirements for verification reports depending on the version of the ACR standard employed. Consistency across projects and reports could be better achieved through a single set of requirements for all validation/verification reports in the separate V&V requirements document.

MERCURIA
ENERGY AMERICA, LLC.

June 5, 2023

ACR c/o Winrock International
204 E. 4th Street
North Little Rock, Arkansas 72114

Submitted via email to ACR@winrock.org

RE: Public consultation of ACR Standard version 8.0

Dear ACR Team;

Thank you for the opportunity to submit comment on the proposed ACR Standard version 8.0. We applaud ACR for its ongoing dedication to carbon offset quality, and its transparent and robust program requirements and processes.

Our comments focus on the need for mechanisms to ensure that the small scale IFM methodology and associated ACR program rules provide companies developing smallholder PDA IFM projects at scale the conditions that ensure financial and legal viability. As ACR knows, only 1% of small scale forest owners in the US have been able to enter the carbon market due to financial and institutional barriers. To address this, ACR has developed an innovative IFM methodology that is tailored to small scale forest owners and addresses these barriers with robust streamlined approaches.

To truly bring small-scale landowner aggregation to scale, significant investment is required, and project proponents must be affiliated with firms that have access to significant capital. Implementing a PDA project requires the formation of an entity that takes on the project proponent role, and all associated liabilities and responsibilities. The project proponent is liable for intentional reversals associated with landowner terminations, departures and landowner non-compliance for a period of 40 years. These reversals could occur due to a wide variety of external variables related to timber, land, and carbon markets, among others. As more landowners join and benefit from carbon finance, the Project Proponent's contingent liability also grows to the extent that it becomes untenable for even the well-capitalized corporations. This liability alone will largely deter most financially-robust corporations from considering participation in this market. To mitigate this, we ask that ACR develop a mechanism that limits this liability. This could be accomplished in a number of ways, including, for example, the creation of a separate buffer account specific for small-scale PDA projects which would compensate for these liabilities after a specified threshold or deductible level. Without capping this liability, large financially solvent firms will be unable to take on the role of project proponent. We welcome the opportunity to discuss options with ACR.

Thank you for your consideration.

Kind Regards,

Jessica Orrego

Jessica Orrego
Director, Natural Climate Solutions

June 2, 2023

American Carbon Registry
c/o Winrock International
204 E. 4th Street
North Little Rock, Arkansas 72114

RE: ACR 8.0 Public Comments

Tradewater, LLC (Tradewater) appreciates the opportunity to provide comments on the publicly released draft of the American Carbon Registry Standard, version 8.0 (May 2023) (the 'Standard'). Tradewater thanks ACR for the opening to participate in registry development and advancement.

Tradewater strongly supports the steps and changes the American Carbon Registry has taken over its history to incentivize climate-conscious behavior, advance social and environmental stewardship, and enhance the integrity of the carbon marketplace. As such, Tradewater wishes to address one item in the public draft Standard that we believe creates ambiguity and could otherwise seed doubt in the robustness of validation and verification activities.

I. Section 6.A: Project Development Process

Tradewater believes that added language in the Project Development Process section of the Standard should be clarified, particularly around the procedure and use of public comments after they are submitted to the Registry. Tradewater appreciates and welcomes the opportunity to receive public comments on our listed projects and address these comments for the increased transparency and rigor in our process and our offset credits. However, the absence of specific guidance as to how the Project Developer and Validation and Verification Body are to treat public comments could hinder a uniform and standardized approach to review and resolution across different projects, project developers, and validation and verification bodies. Clarity in this section would improve understanding and confidence in the process underlying the intent of this inclusion.

Tradewater stands ready to work with the American Carbon Registry, offset market participants, and other stakeholders involved with projects and crediting under the Standard and appreciates the opportunity to provide our input. We look forward to continuing our support with the advancement of successful, transparent, and rigorous carbon offset reporting that contributes to sustainable climate stewardship.

Sincerely,

Tip Stama
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