

		Oregon Forest Carbon Stakeholder Work Group Desired Outcomes/Functions for Project Baselines							
		Administratively Simple	Rewards Prior Positive Action	Avoids a Surge in Carbon Reduction	Baseline is Set as a Common Reference	Balance between Sequestration and Storage*	Measurable and Verifiable	Inclusive of all Carbon Pools/Emissions	Consistency with National & International Designs
Approaches to Additionality/Baseline Forest Management Category	BUSINESS AS USUAL INVENTORY PROJECTION - REGULATORY -- Requires inventory. The baseline is the long-term business-as-usual projection of allowable forest management (in terms of timber harvest intensity) that is allowed by all state, federal and local forest practices regulations. Additionality is the stock-change in carbon stocks resulting from the forest management project - management actions that exceed regulatory requirements.	Less so. Requires detailed inventory and growth and yield / harvest scheduling projection programs.	More so to the extent prior action exceeds regulatory requirements.	More so. Regulatory floor defines a common baseline for all participants.	Neutral. More so for entities subject to same regulatory standard. Less so between regions where there are differences in regulatory standards.	Neutral.	More so. Regulatory standards are well known and accessible.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	Less so. Difficult to adopt at a national level due to regional differences in regulatory requirements for forest practices.
	BUSINESS AS USUAL INVENTORY PROJECTION - NEAREST NEIGHBOR -- Requires inventory. The baseline is the long-term business-as-usual projection of conventional and accepted forest management as demonstrated by the majority of forest landowners in the region. Could apply when forest practices regulation is absent, but there are well accepted best management practices for forestry. Could also apply when conventional forest management routinely exceeds applicable forest practices regulation. Additionality is the stock-change in carbon stocks resulting from the forest management project - management actions that exceed conventional and accepted management.	Less so. Requires detailed inventory and growth and yield / harvest scheduling projection programs plus documentation and knowledge of accepted forest management standard for the region.	Neutral. Depends on your neighbors. Many providers may not like the idea of being driven or measured against the decisions/actions of the neighbor.	More so. Peer pressure baseline standard set by neighbors seems to prevent this.	Less so. Entities that are grouped as neighbors share a common baseline, but may face baseline differences when compared to other "neighborhoods".	Less so. Behaviors of neighbors defines whether sequestration or storage is favored.	Less so, especially if the "neighbors" are not participants and choose not to freely share information about their management.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	More so. Consistency with approaches being taken internationally.
	BUSINESS AS USUAL APPROACH -- PAST MANAGEMENT ACTIONS -- May or may not require inventory. When an inventory applies, this approach becomes essentially the same as the Base Period Inventory Approach. However, this approach most rigorously sets the entity's baseline based on the entities past actions. Additionality is set as reporting stock or flow changes based on the entity's changed management approach with respect to their past management approach.	Less so. Complexity regarding the accuracy in past records and inventories.	Less so. Prior positive action becomes part of the baseline.	Less so. Entity could reduce carbon stocks to establish a record of past management actions that defines a lower baseline.	Less so. Baseline is entity specific.	Less so. Past management action defines whether sequestration or storage is favored.	Less so since past management action record may be set more subjectively rather than quantitatively.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	More so. Consistency with approaches being taken internationally.
	NO INVESTMENT APPROACH -- Baseline is set as the minimum amount of management activity that would take place in the absence of discretionary management activities. Discretionary management includes restoration activities, pre-commercial thinning, planting of superior trees, fertilization, vegetation management, and harvest beyond a custodial level.	Neutral. Requires understanding and agreement on the minimum amount of management required by law.	More so to the extent prior positive action requires investment above the minimum.	More so. Minimum investment defines a common baseline for all participants.	More so. Baseline is common for all entities.	Neutral. Investment above the minimum would result in both sequestration and storage.	Neutral. Some subjectivity in establishing the no investment baseline. Different interests could come up with different answers to this task. Process might need to be referred.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	Unknown.
	BASE YEAR INVENTORY APPROACH -- Baseline is the entity's growing stock inventory in the year preceding the first year of the reporting period for the project. Additionality is reporting stock-change relative to the base year or base period inventory.	More so. Single year inventory and measurements/formulas for calculating stock change is all that is needed.	Less so with respect to existing and mature carbon stocks as this approach rewards growth, not yield.	Less so, especially if the base year is set ex post, could cause a surge in reducing mature carbon stocks if a future base year is announced in advance.	Less so. Baseline is entity specific.	Less so. Favors sequestration (i.e., growth in carbon stocks over time). Mature carbon stocks (with lower sequestration rates) have less carbon gain to report.	More so.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	More so. Consistency with emerging approaches in voluntary reporting or voluntary compliance markets.
	BASE PERIOD INVENTORY APPROACH -- Baseline is the entity's average growing stock inventory calculated over a period preceding the first year of the reporting period for the project. Additionality is reporting stock-change relative to the base year or base period inventory.	More so, but having to average the base inventory over a period adds complexity.	Same as base year approach.	Neutral. Requiring a base year approach ameliorates any gaming to reduce carbon stocks in any one particular year.	Same as base year approach.	Same as base year approach.	More so.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	More so. Consistency with emerging approaches in voluntary reporting or voluntary compliance markets.
	MEAN INVENTORY APPROACH -- Baseline is the set as the average regional growing stock inventory for the forest type/site class under consideration as calculated by a independent inventory such as the USDA Forest Service Forest Inventory and Analysis inventory. Additionality is based on reporting the stock or flow change of the entity's growing stock holdings with respect to the regional average inventory.	Neutral. Becomes straight forward after someone determines the regional average growing stock inventory by forest type for the region (e.g., Carbon-on-line-estimator (COLE) tool).	More so to the extent that prior positive action beats the average inventory for the forest type in that region.	More so. Regional average inventory defines a common baseline for all participants.	More so. Baseline is common for all entities.	Neutral to the extent a significant amount of low management intensity drives the mean inventory and a lack of management results in losses to fire and pests.	More so.	Not applicable. Nothing in this baseline approach precludes inclusion of any carbon pool.	Less so. New concept that is only being looked at in the Northeast region.
*Sequestration and storage could be each favored depending on how all the significant carbon pools are treated. If any significant carbon pool affected by the project is not include in both the baseline and "with project" projection of carbon pools; then either sequestration or storage could be favored depending on the omitted pool.									
Prepared by J. Cathcart, Oregon Department of Forestry, April 28, 2008. Updated 5/1/08. Final updates based on May 5th Workgroup Discussion, 6/26.									