

# Proposed Revisions to Chapter 173-446 WAC

**Draft for Public Comment**

**July 15, 2025**

## WAC 173-446-020

“Computational Reversal” means any reversal that is due to required protocol calculations (including the confidence deduction and secondary effects).

“Forest Owner” means the owner of any interest in the real property on which a forest offset project is located, excluding government agency or other third-party beneficiaries of conservation easements. Generally, a forest owner is the owner in fee of the real property on which a forest offset project is located. In some cases, one party may be the owner in fee while another party may have an interest in the trees or the timber on the property, in which case all parties with interest in the real property are collectively considered the forest owners; however, a single forest owner must be identified as the offset project operator. A corporation or other legally constituted entity, city, county, state agency, individual(s), or a combination thereof that has legal control of any amount of forest carbon within the Project Area. Control of forest carbon means the Forest Owner has the legal authority to effect changes to forest carbon quantities, e.g., through timber rights or other forest management or land-use rights. Control of forest carbon occurs, for purposes of satisfying this protocol, through fee ownership and/or deeded encumbrances, such as conservation easements.

**WAC 173-446-505**

**(2)** Crediting period. The crediting period for an offset project that does not involve sequestration must be no less than seven years and no greater than 10 years, unless specified otherwise in a compliance offset protocol that has been adopted by ecology under subsection (3) of this section. The crediting period for an offset project that involves sequestration must be no less than 710 years and no greater than 30 years.

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**(3)(b)** The California Air Resources Board, Compliance Offset Protocol U.S. Forest Projects, October 20, 2011, Compliance Offset Protocol U.S. Forest Projects, November 14, 2014, and Compliance Offset Protocol U.S. Forest Projects, June 25, 2015 and the Ecology Compliance U.S. Forest Projects, version 1.0 are adopted, are adopted. All new offset projects with a commencement date after [rule adoption date] September 30, 2022, must use the most recent version of the adopted protocol, unless use of a prior protocol is approved by the Department. Exceptions are listed in this subsection:

## WAC 173-446-520

**(1)** Registration requirements for offset project operators or authorized project designees who are submitting an offset project for listing. Before an offset project can be listed by ecology or an offset project registry, the party with legal authority to implement the offset project must be registered with ecology as an offset project operator under WAC 173-446-055 [or attest in writing to subsection \(3\)\(f\)](#). To register as a general market participant, the registered offset project operator or its authorized project designee must:

[...]

**(3)(b)(iv)** For federally recognized tribes who elect to participate as offset project operators pursuant to RCW 70A.65.090(5), the following attestation may be submitted in lieu of the attestation required by (b)(iii) of this subsection:

I understand I am voluntarily participating in this program. [I understand that before this offset project applies to Ecology for issuance of offset credits, the tribal government on whose behalf I am authorized to make this submission will](#) establish a dispute resolution process and/or other compliance mechanisms in order to ensure the enforceability of all program requirements applicable to the tribe in its role as an offset project operator. I understand that if the party(ies) with legal authority to implement the offset project apply for issuance of offset credits before establishment of a dispute resolution process and/or other compliance mechanism, Ecology will decline to make a determination under WAC 173-446-555(3) that the information submitted is complete or that the greenhouse gas reductions meet the requirements of Chapter 173-446 WAC, and therefore Ecology will not issue offset credits for the Project.

**(3)(e)** For offset projects located on tribal land, land that is owned by a tribe, or land that is subject to an ownership or possessory interest of a tribe, [prior to submitting a request for issuance of Ecology offset credits per WAC 173-446-555](#) the offset project operator must demonstrate that the tribe has entered into a written agreement, negotiated on an individual basis between ecology and the tribal government, that establishes a dispute resolution process and/or other compliance mechanisms in order to ensure the enforceability of all program requirements applicable to the tribe in its role as the owner of land on which an offset project is located.

**(3)(f)** [If the party with legal authority to implement the offset project has been granted approval by Ecology to list the offset project before completing registration under WAC 173-446-055 the following attestation must be submitted:](#)

[I understand that before this offset project applies to Ecology for issuance of offset credits, the party\(ies\) with legal authority to implement the offset project must complete registration per WAC 173-446-520\(1\). I understand that if the party\(ies\) with legal authority to implement the offset project applies for issuance of offset credits before completion of registration per WAC 173-446-055, Ecology will decline to make a determination under WAC 173-446-555\(3\) that the information submitted is complete or that the greenhouse gas reductions meet the requirements of Chapter 173-446 WAC, and therefore Ecology will not issue offset credits for the Project.](#)

**(14)** Limitations for listing forest offset projects. Once a forest offset project has been issued registry offset credits or ecology offset credits, no other offset project may be ~~registered~~listed within the offset project boundary of the previous offset project unless the previous offset project was terminated due to an unintentional reversal or otherwise specified in the applicable compliance offset protocol.

**WAC 173-446-530**

**(3)(b)** After the first reporting period, verification must be conducted ~~at least once every six years at the interval described in the applicable offset protocol. Verification~~ and may cover up to six reporting periods for which offset project data reports were submitted.

**(3)(d)** For offset projects that do not renew their crediting period, verification must still be conducted ~~at least once every six years for the remainder of the project life~~ at the interval described in the applicable offset protocol. ~~However, a~~ After a successful full offset verification of an offset project data report indicating that actual on-site carbon stocks (in MT CO<sub>2</sub>e) are at least 10 percent greater than the actual on-site carbon stocks reported in the final offset project data report of the final crediting period that received a positive offset verification statement, the next full offset verification service may be deferred for 12 years.

## WAC 173-446-570

(2) Unintentional reversals. If there has been an unintentional reversal, the offset project operator or authorized project designee must provide written notification of the reversal to ecology ~~and/or~~ the offset project registry, ~~as applicable~~, and provide an explanation of the nature of the unintentional reversal within 6 months of its occurrence.

(2)(a) In the event of an unintentional reversal, the offset project operator or authorized project designee shall provide in writing to ecology or the offset project registry, as applicable, a completed verified estimate of current carbon stocks within the offset project boundary within 243 months of the discovery of the unintentional reversal. Exceptions to this timing may be made if Ecology agrees that an extension is warranted, for example, if mortality has not stabilized. Observations submitted by the Project Operator are subject to oversight by the Ecology.

To determine the verified estimate of current carbon stocks, a full offset verification must be conducted, including a site visit. The verified estimate may be submitted as a separate offset verification service, or incorporated into a chapter of the detailed verification report prepared under WAC 173-446-535 (4)(e)(iii) when offset verification services are conducted for an offset project data report.

(2)(b) After an unintentional reversal, the offset project operator or authorized project designee does not need to submit an offset project data report until the required verified estimate of current carbon stocks within the offset project boundary is completed.

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(3) Intentional reversals. Requirements for intentional reversals are as follows:

(3)(a) If an intentional reversal occurs, the offset project operator or authorized project designee shall, within 30 calendar days of the intentional reversal:

(3)(a)(i) Provide notice, in writing, to ecology ~~and/or~~ the offset project registry, ~~as applicable~~, of the intentional reversal; and

(3)(a)(ii) Provide a written description and explanation of the nature of the intentional reversal to ecology or the offset project registry, as applicable.

(3)(a)(iii) Alternatively, if Ecology or the project registry determines that an intentional reversal has occurred, Ecology or the project registry shall deliver written notice to the Project Operator. Within thirty days of receiving the avoidable reversal notice from the Reserve, the Project Operator must provide a written description and explanation of the reversal to Ecology

(3)(b) Within one year of the occurrence of an intentional reversal, the offset project operator or authorized project designee shall submit to ecology or the offset project registry, as applicable, a completed verified estimate of current carbon stocks within the offset project boundary. The verified estimate may be a desk review verification, unless:

(3)(b)(i) A regularly scheduled site visit verification coincides with the year of the reversal, or

**(3)(a)(ii)** The loss represents 35% or more of the previous year's onsite carbon stocks or peak carbon stocks in all previous years of the carbon project.

**(3)(a)(iii)** The verified estimate may be submitted as a separate offset verification services, or incorporated into a chapter of the detailed verification report prepared under WAC 173-446-535 (4)(e)(iii) when offset verification services are conducted for an offset project data report.

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**(4)** Computational reversals. Computational reversals include reversals that occur as a result of required protocol calculations. Confidence deductions and accounting for Secondary Effects may cause a computational reversal under certain circumstances. 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 overcredited – must be compensated. Requirements for computational reversals are as follows:

**(4)(a)** If a computational reversal has been identified during annual monitoring, the Project Operator must give written notice to Ecology and the project registry within thirty days of identifying the reversal.

**(4)(b)** Alternatively, if the Ecology or the project registry determines that a computational reversal has occurred, it shall deliver written notice to the Project Operator.

**(4)(c)** Within one year of the occurrence of a computational reversal, the offset project operator or authorized project designee shall submit to ecology or the offset project registry, as applicable, a completed verified estimate of current carbon stocks within the offset project boundary. The verified estimate may be a desk review verification, unless a regularly scheduled site visit verification coincides with the year of the computational reversal.

**(5)** Disposition of forest sequestration projects after a reversal. If an unintentional, computational, or intentional reversal lowers the forest offset project's actual standing live carbon stocks below its project baseline standing live carbon stocks, the forest offset project will be terminated by ecology or the offset project registry, as applicable.

**(5)(a)** If the forest offset project is terminated due to an unintentional reversal, ecology will retire from the forest buffer account the number of ecology offset credits equal to the total number of ecology offset credits issued pursuant to WAC 173-446-555.

**(5)(b)** If the forest offset project is terminated due to an unintentional reversal, another offset project may be subsequently initiated and submitted to ecology or an offset project registry for listing within the same offset project boundary.

**(5)(c)** If the forest offset project has experienced an unintentional reversal and its actual standing live carbon stocks are still above the approved baseline levels, it may continue without termination as long as the unintentional reversal has been compensated by the forest buffer account pursuant to subsection (2)(b) of this section. The offset project operator or authorized project designee must continue contributing to the forest buffer account in future years.



**(5)(d)** If the forest offset project is terminated due to any reason except an unintentional reversal, new offset projects may not be initiated within the same offset project boundary, unless otherwise specified in the applicable compliance offset protocol.

**(6)** Change of forest owner or offset project operator. When a forest owner or offset project operator changes, whether by merger, acquisition, or any other means, the successor forest owner or offset project operator, after the change in ownership, as applicable, is expressly liable for all obligations of the predecessor forest owner or offset project operator to submit compliance instruments under this chapter. For the avoidance of doubt, this obligation of the successor forest owner or offset project operator, as applicable, consists of the difference between the number of metric tons of CO<sub>2</sub>e determined pursuant to this section and the number of valid ecology offset credits or other approved compliance instruments submitted by the predecessor forest owner.

**WAC 173-446-590**

**(2)** The offset project registry must make the following information publicly available [and provide notice to Ecology](#) for each offset project developed under a compliance offset protocol:

**(2)(a)** Within 10 business days of the offset project listing requirements being deemed complete:

**(2)(a)(i)** Offset project name;

**(2)(a)(ii)** Offset project location;

**(2)(a)(iii)** Offset project operator and, if applicable, the authorized project designee;

**(2)(a)(iv)** Type of offset project;

**(2)(a)(v)** Name and date of the compliance offset protocol used by the offset project;

**(2)(a)(vi)** Date of offset project listing submittal and offset project;

**(2)(a)(vii)** Commencement date; and

**(2)(a)(viii)** Identification of whether the offset project is in an initial or renewed crediting period;

**WAC 173-446-595**

(1) Except as specified in subsection (4), offset projects that are located within the state of Washington, or that reduce or avoid GHG emissions that would otherwise occur within the state of Washington, are presumed to provide direct environmental benefits in the state.”

(2)(c) Ecology may require additional information from the offset project operator or authorized project designee at any time throughout the project to verify the specific actions, practices, or conditions on which this determination has been made remain in effect throughout the duration of the project.

[...]

(4) Offset projects listed after January 1, 2027 must be consistent with offset protocols adopted by the department in order to receive a designation of providing direct environmental benefits to the state.