AMENDATORY SECTION (Amending WSR 25-15-117, filed 7/21/25, effective 8/21/25)

WAC 173-446-505 Requirements for compliance offset protocols. (1) In order for ecology to adopt an offset protocol as a compliance offset protocol the offset protocol must:

(a) Accurately determine the extent to which GHG emission reductions and GHG removal enhancements are achieved by the offset project type;

(b) Establish data collection and monitoring procedures relevant to the type of GHG emissions sources, GHG sinks, and GHG reservoirs for that offset project type;

(c) Establish a project baseline that reflects an estimate of business-as-usual performance or practices for comparison against the GHG emission reductions and/or GHG removal enhancements to be achieved by the offset project type;

(d) Account for activity-shifting leakage and market-shifting leakage for the offset project type, unless the offset protocol stipulates eligibility conditions limiting the use of the offset protocol that eliminate the risk of activity-shifting and/or market-shifting leakage;

(e) Account for any uncertainty in quantification factors for the offset project type;

(f) Ensure GHG emission reductions and GHG removal enhancements are permanent;

(g) Include a mechanism to ensure permanence of GHG removal enhancements for sequestration offset project types;

(h) Establish the length of the crediting period for the offset project type;

(i) Establish the eligibility and additionality of the offset project type and quantify GHG emission reductions and GHG removal enhancements using standardized baseline assumptions, emission factors, and monitoring methods; and

(j) Specify the geographic area(s) where the protocol is applicable.

(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 10 years and no greater than 30 years.

(3) An ecology offset credit must result from the use of one of the following compliance offset protocols:

(a) The California Air Resources Board, Compliance Offset Protocol Livestock Projects, October 20, 2011, and Compliance Offset Protocol Livestock Projects, November 14, 2014, are adopted. All new offset projects with a commencement date after September 30, 2022, must use the most recent version of the adopted protocol. Exceptions are listed in this subsection:

(i) Exceptions to adopting the Livestock Projects Compliance Offset Protocol, November 14, 2014, by reference:

(A) Every use of the word "regulation" in the Livestock Compliance Offset Protocol, November 14, 2014, is amended to refer to chapter 173-446 WAC.

(B) Every reference to subarticle 13 is amended to WAC 173-446-500 through 173-446-595.

(C) Every reference to ARB is amended to ecology except in Table 6.1.

(D) Every reference to section 95973 of the regulation is amended to WAC 173-446-510.

(E) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(F) Every reference to section 95976 of the regulation is amended to WAC 173-446-525.

(G) Every reference to section 95977 of the regulation is amended to WAC 173-446-530.

(H) Every reference to section 95986 of the regulation is amended to WAC 173-446-585.

(I) Every reference to section 95102 of the regulation is amended to WAC 173-446-020.

(J) Section 1.2(a)(8) is amended to: "Cap and trade regulation" or "regulation" means ecology's regulation establishing the Climate Commitment Act Program, chapter 173-446 WAC.

(K) Section 1.2(a)(24) is not adopted.

(L) Section 1.2(a)(29) is amended to: "Registry offset credit" means a credit issued by an offset project registry for a GHG reduction or GHG removal enhancement of one metric ton of CO_2e.

(M) Section 3.2(b) is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(N) Section 5(c) is amended to: GHG emissions reductions must be quantified over an entire reporting period. The initial reporting period may consist of six to 24 consecutive months, and all subsequent reporting periods consist of 12 consecutive months and must meet the reporting requirements referred to in WAC 173-446-525.

(O) Section 5(e) is amended to: Global warming potential values must be determined consistent with the definition of carbon dioxide equivalent in WAC 176-441-040 Table A-1.

(ii) Exceptions to adopting the Compliance Offset Protocol Livestock Projects, October 20, 2011, by reference:

(A) Every reference to ARB is amended to ecology except Table 6.1.

(B) Section 1, Paragraph 4 is not adopted.

(C) Section 3.1 is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(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. All new offset projects with a commencement date after ((~~September 30, 2022~~)) the adoption date of this rule, 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:

(i) Exceptions to adopting the U.S. Forest Projects Compliance Offset Protocol, June 25, 2015:

(A) Every use of the word "regulation" in the U.S. Forest Projects Compliance Offset Protocol, June 25, 2015, is amended to refer to chapter 173-446 WAC.

(B) Every reference to subarticle 13 is amended to WAC 173-446-500 through 173-446-595.

(C) Every reference to ARB is amended to ecology except in section 2.1.(c.)(4), section 2.2.(b.)(6), section 2.3.(c.)(7), Table 3.1, 3.1.(a.)(2), section 3.2(b.), section 5.2.1.(c.), section 7.1.1.(26.), Table A.1, Appendix A (f.), Appendix A (g.), Appendix A (h.), Equation C.3., Appendix B(g.), Appendix C (a.)(3.)(A.)(2.), Appendix C (a.)(4.)(A.)(2.), Equation C.12., Appendix C (b.)(3.)(A.)(2.), Appendix C (b.)(4.)(A.)(2.), Appendix E.(b.)(2.), Appendix E.(b.)(3.), Appendix F.(a.), Appendix F.(b.), Appendix F.(d.), Appendix F.(g.).

(D) Every reference to section 95973 of the regulation is amended to WAC 173-446-510.

(E) Every reference to section 95974 of the regulation is amended to WAC 173-446-515.

(F) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(G) Every reference to section 95976 of the regulation is amended to WAC 173-446-525.

(H) Every reference to section 95977 of the regulation is amended to WAC 173-446-530.

(I) Every reference to section 95983 of the regulation is amended to WAC 173-446-570.

(J) Every reference to section 95985 of the regulation is amended to WAC 173-446-580.

(K) Every reference to section 95986 of the regulation is amended to WAC 173-446-585.

(L) Section 1.1.(b.) is not adopted.

(M) Section 1.2(a.)(14) is amended to: "Cap and trade regulation" or "regulation" means ecology's regulation establishing the Climate Commitment Act Program, chapter 173-446 WAC.

(N) Section 3.2(f.) is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(O) Section 3.5.3.(b)(2) is amended to: For an improved forest management project, a quantity of compliance instruments equal to the total number of ARB offset credits issued to the project over all preceding reporting periods, multiplied by the appropriate compensation rate indicated in Table 3.2, must be retired.

(P) Section 3.6.(a)(2)(C)(1) is not adopted.

(ii) Exceptions to adopting the U.S. Forest Projects Compliance Offset Protocol, November 14, 2014:

(A) Every use of the word "regulation" in the U.S. Forest Projects Compliance Offset Protocol, November 14, 2014, is amended to refer to chapter 173-446 WAC.

(B) Every reference to subarticle 13 is amended to WAC 173-446-500 through 173-446-595.

(C) Every reference to ARB is amended to ecology except in section 3.8.2 Paragraph 3, Table 3.2, Section 6.2.1 Paragraph 3, Appendix A A.3, Appendix C C.1, Appendix C C.2, Appendix F.

(D) Every reference to section 95974 of the regulation is amended to WAC 173-446-515.

(E) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(F) Every reference to section 95977 of the regulation is amended to WAC 173-446-530.

(G) Every reference to section 95983 of the regulation is amended to WAC 173-446-570.

(H) Section 1. Paragraph 3 is not adopted.

(I) Section 3.4. text stating "and where applicable, all Early Action Offset Credits issued pursuant to section 95990(i) of the Regulation" is not adopted.

(J) Section 3.5. Paragraph 3 text stating "The recordation of a conservation easement may be used to denote the commencement date of pre-existing projects between December 31, 2006, and December 31, 2010." is not adopted.

(K) Section 3.6. Paragraph 3 is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(iii) Exceptions to adopting the U.S. Forest Projects Compliance Offset Protocol, October 20, 2011:

(A) Every use of the word "regulation" in the U.S. Forest Projects Compliance Offset Protocol, October 20, 2011, is amended to refer to chapter 173-446 WAC.

(B) Every reference to subarticle 13 is amended to WAC 173-446-500 through 173-446-595.

(C) Every reference to ARB is amended to ecology except in section 3.8.2 Paragraph 3, Table 3.2, Section 6.2.1 Paragraph 3, Appendix A. A.3, Appendix C. C.2, Appendix C. C.3, Appendix E, Appendix F.

(D) Every reference to section 95973 of the regulation is amended to WAC 173-446-510.

(E) Every reference to section 95974 of the regulation is amended to WAC 173-446-515.

(F) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(G) Every reference to section 95976 of the regulation is amended to WAC 173-446-525.

(H) Every reference to section 95977 of the regulation is amended to WAC 173-446-530.

(I) Every reference to section 95983 of the regulation is amended to WAC 173-446-570.

(J) Every reference to section 95985 of the regulation is amended to WAC 173-446-580.

(K) Every reference to section 95986 of the regulation is amended to WAC 173-446-585.

(L) Section 1. Paragraph 3 is not adopted.

(M) Section 3.4. text stating "and where applicable, all Early Action Offset Credits issued pursuant to section 95990(i) of the Regulation" is not adopted.

(N) Section 3.5. Paragraph 3 text stating "The recordation of a conservation easement may be used to denote the commencement date of

pre-existing projects between December 31, 2006, and December 31, 2010." is not adopted.

(O) Section 3.6. Paragraph 3 is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(P) Section 11, "Forest Buffer Account" definition is amended to: Forest buffer account is defined in the regulation as a holding account for forest project compliance offset credits administered by ecology. It is used as a general insurance mechanism against unintentional reversals for all forest offset projects listed under a compliance offset protocol.

(Q) Section 11, "Listed" definition is amended to: A forest project is considered "listed" when the offset project operator or authorized project designee is registered with ecology or an approved offset project registry, submits all required documentation for project listing in the regulation and this protocol, and the project has been approved by ecology or an approved offset project registry for listing.

(c) The California Air Resources Board, Compliance Offset Protocol Ozone Depleting Substances Projects, October 20, 2011, Compliance Offset Protocol Ozone Depleting Substances, November 14, 2014, and the Ecology Compliance Offset Protocol Ozone Depleting Substances Projects, version 1.0 are adopted. All new offset projects with a commencement date after (rule adoption date), must use the Ecology Compliance Offsets Protocol Ozone Depleting Substances Projects, version 1.0, unless use of a prior protocol is approved by the department. Exceptions are listed in this subsection:

(i) Exceptions to adopting the Ozone Depleting Substances Compliance Offset Protocol, November 14, 2014, by reference:

(A) Every use of the word "regulation" in the Ozone Depleting Substances Compliance Offset Protocol, November 14, 2014, is amended to refer to chapter 173-446 WAC.

(B) Every reference to subarticle 13 is amended to refer to WAC 173-446-500 through 173-446-595.

(C) Every reference to ARB is amended to ecology.

(D) Every reference to section 95973 of the regulation is amended to WAC 173-446-510.

(E) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(F) Every reference to section 95976 of the regulation is amended to WAC 173-446-525.

(G) Every reference to section 95977 of the regulation is amended to WAC 173-446-530.

(H) Section 1.1.(b.) is not adopted.

(I) Section 1.2 (a)(2) is amended to: "Cap and trade regulation" or "regulation" means ecology's regulation establishing the Climate Commitment Act Program, chapter 173-446 WAC.

(J) Section 1.2(a)(19) is amended to: "Registry offset credit" means a credit issued by an offset project registry for a GHG reduction or GHG removal enhancement of one metric ton of CO_2e.

(K) Section 3.2(d.) is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator

must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(L) The requirements of WAC 173-446-520 (3)(d) and (e) do not apply to ODS projects registered through this protocol.

(M) Section 3.5.(c.) is not adopted.

(ii) Exceptions to adopting the Ozone Depleting Substances Compliance Offset Protocol, October 20, 2011, by reference:

(A) Every use of the word "Regulation" in the Ozone Depleting Substances Compliance Offset Protocol, October 20, 2011, is amended to refer to chapter 173-446 WAC.

(B) Every reference to ARB is amended to ecology.

(C) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(D) Every reference to section 95976 of the regulation is amended to WAC 173-446-525.

(E) Section 1. Paragraph 4 is not adopted.

(F) Section 3.1 is not adopted.

(G) The requirements of WAC 173-446-520 (3)(d) and (e) do not apply to ODS projects registered through this protocol.

(d) The California Air Resources Board, Compliance Offset Protocol Urban Forest Projects October 20, 2011, is adopted. All new offset projects with a commencement date after September 30, 2022, must use the most recent version of the adopted protocol. Exceptions are listed in this subsection:

Exceptions to adopting the California Air Resources Board, Compliance Offset Protocol Urban Forest Projects, October 20, 2011:

(A) Every use of the word "regulation" in the Urban Forest Projects Compliance Offset Protocol, October 20, 2011, is amended to refer to chapter 173-446 WAC.

(B) Every reference to ARB is amended to ecology.

(C) Every reference to section 95975 of the regulation is amended to WAC 173-446-520.

(D) Section 1. Paragraph 5 is not adopted.

(E) Section 3.1 is not adopted and is replaced with: "If any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation pursuant to WAC 173-446-520 (3)(d) or has entered into an agreement with ecology pursuant to WAC 173-446-520 (3)(e)."

(4) A project proponent may request a variance from the department of ecology when strict compliance with ecology's adopted offset protocol is impractical or infeasible. The variance request must propose a comparable alternative that will provide equal or greater greenhouse gas emissions or avoidance outcomes. Proponents must request a variance in writing and receive approval before submitting a request for issuance of ecology offset credits.

AMENDATORY SECTION (Amending WSR 22-20-056, filed 9/29/22, effective 10/30/22)

WAC 173-446-520 Listing of offset projects using ecology compliance offset protocols. (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 per subsection (3)(f) of this section. To register as a general market participant, the registered offset project operator or its authorized project designee must:

(a) Submit the information required by WAC 173-446-055 (3)(a); and

(b) Not be subject to any holding account restrictions.

(2) If an offset project is not listed by ecology, it must be listed by an approved offset project registry before the offset project operator for that offset project may receive offset credits under this chapter.

(3) General requirements for offset project listing. For offset projects being listed by ecology or an offset project registry in an initial or renewed crediting period, the offset project operator and its authorized project designee(s) must:

(a) Disclose all GHG emission reductions and GHG removal enhancements that are attributable to the offset project being listed and for which offset credits have been issued by any voluntary or mandatory program(s) or which have been used to satisfy any other GHG mitigation requirement; and

(b) Attest, in writing, to ecology as follows:

(i) "I certify under penalty of perjury under the laws of the state of Washington the GHG emission reductions and/or GHG removal enhancements for (project) from (date) to (date) will be measured in accordance with the (applicable Compliance Offset Protocol) and all information required to be submitted to ecology is true, accurate, and complete."; and

(ii) "I understand that the offset project activity(ies) and implementation of the offset project must be in accordance with all applicable local, regional, state, and national environmental and health and safety laws and regulations that apply in the jurisdiction in which the offset project is located. I understand that offset projects that are not in compliance with the requirements of this chapter are not eligible to receive Ecology offset credits or registry offset credits for GHG emission reductions and GHG removal enhancements."; and

(iii) Except as provided in (b)(iv) of this subsection: "I understand I am voluntarily participating in this program and by doing so, I am now subject to all regulatory requirements and enforcement mechanisms of this program and subject myself to the jurisdiction of Washington as the exclusive venue to resolve any and all disputes arising from the enforcement of provisions in this chapter."; and

(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. ((~~The tribal government on whose behalf I am authorized to make this submission has entered~~)) 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 must enter 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 require-

ments applicable to the tribe in its role as an offset project operator."

(c) Provide all documentation required to ecology or an offset project registry.

(d) Except as provided in (e) of this subsection, if any portion of the offset project is located on land over which the state of Washington does not have jurisdiction, the offset project operator must demonstrate that the landowner(s) consent(s) to regulation by ecology and the jurisdiction of the courts and administrative tribunals of the state of Washington with respect to any judicial or administrative enforcement action commenced by ecology to ensure compliance with the requirements of chapter 70A.65 RCW and this chapter.

(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.

(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."

(4) The attestations required by subsection (3)(b) of this section must be provided to an offset project registry with the listing information, if the offset project is being listed with an offset project registry, or to ecology if the offset project is being listed with ecology.

(5) Offset project listing information requirements. Before an offset project can be publicly listed for an initial or renewed crediting period, the offset project operator or authorized project designee must provide the listing information in the most recently adopted version of the applicable compliance offset protocol for that offset project type as set forth in WAC 173-446-505(3).

(6) Review of offset project listing information. Ecology and/or the offset project registry, as applicable, will review the offset project listing information submitted pursuant to subsection (5) of this section for completeness.

(a) Notice of completeness for offset project listing information. Within 30 calendar days of receiving complete and accurate listing information as required by subsection (5) of this section, ecology or the offset project registry, as applicable, will notify the offset project operator or authorized project designee that the offset project may be listed.

(b) If ecology or the offset project registry, as applicable, determines that the information submitted is incomplete, inaccurate, or that rejection of the listing information is otherwise required, ecology or the offset project registry will notify the offset project operator or authorized project designee of this determination within 30 calendar days of receiving the listing information from the offset project operator or authorized project designee. The offset project operator or authorized project designee may resubmit offset project listing information.

(7) Timing for offset project listing in an initial crediting period. The offset project operator or authorized project designee must submit the information required by subsection (5) of this section to ecology or an offset project registry, as applicable, according to the following deadlines:

(a) No later than the date on which the offset project operator or authorized project designee submits its required offset project data report for its first reporting period under a compliance offset protocol to ecology or an offset project registry; and

(b) No later than one year after offset project commencement, or no later than one year after meeting all of the requirements of this section, whichever is later. If the offset project operator or authorized project designee does not submit the listing information for the offset project to ecology or an offset project registry within one year of offset project commencement, or within one year of meeting the requirements of this section, whichever is later, the offset project will be ineligible to be listed under a compliance offset protocol and will not be issued registry offset credits or ecology offset credits.

(8) Listing status of offset projects in an initial crediting period. After the offset project operator or authorized project designee submits the offset project for listing in an initial crediting period and all required documentation, and ecology or the offset project registry has reviewed the offset project listing information for completeness, the offset project listing status will be labeled "Proposed Project." If the offset project is not ultimately accepted for listing by an offset project registry, the offset project operator or authorized project designee may request that ecology make a final determination as to whether the offset project meets the requirements to be listed for an initial crediting period by the offset project registry. Ecology may consult with the offset project registry before making such a determination.

(9) Timing for offset project listing in a renewed crediting period. The offset project operator or authorized project designee must submit the information required by subsection (5) of this section for purposes of listing the offset project for a renewed crediting period to ecology or an offset project registry, as applicable, no earlier than 18 months and no later than nine months before conclusion of the initial crediting period or a previous renewed crediting period.

(10) Listing status of offset projects in a renewed crediting period. After the offset project operator or authorized project designee submits the offset project for listing in a renewed crediting period and all required documentation, and ecology or the offset project registry has reviewed the offset project listing information for completeness, the offset project listing status will be labeled "Proposed Renewal." The verification body must assess that the offset project meets the additionality requirements set forth in WAC 173-446-510 (1)(c) and in the applicable compliance offset protocol as of the date of the commencement of the renewed crediting period when conducting

offset verification services for the first reporting period of a renewed crediting period. If the offset project is not ultimately accepted for listing by an offset project registry, the offset project operator or authorized project designee may request that ecology make a final determination as to whether the project meets the requirements of this section to be listed for a renewed crediting period by the offset project registry. Ecology may consult with the offset project registry before making such a determination.

(11) Once ecology or an offset project registry approves an offset project for listing, the listing information is considered final, and may not be changed unless the offset project operator changes during the crediting period. If the offset project operator changes during the crediting period, the new offset project operator or its authorized project designee must submit updated listing information for the information that pertains to the offset project operator and authorized project designee, if applicable, to ecology within 30 calendar days of the change.

(12) Limitations for crediting period renewals. A crediting period may be renewed if the offset project meets the requirements for additionality set forth in WAC 173-446-510 (1)(c) and in the applicable compliance offset protocol.

(a) The crediting period for offset projects that do not involve sequestration may be renewed twice for the length of time identified by the applicable compliance offset protocol.

(b) Offset projects that involve sequestration are not subject to any renewal limits.

(13) Transferring an offset project. If the offset project operator or authorized project designee transfers an offset project listed with ecology to an offset project registry, or transfers a project listed with an offset project registry to ecology or another offset project registry:

(a) Ecology or the offset project registry that originally listed the offset project must change the offset project listing status on its registry system to "transferred project."

(i) If the only action taken by the offset project operator or the authorized project designee was to have the listing documentation for the offset project approved by ecology or the original offset project registry, ecology or the original offset project registry, as applicable, must retain the information related to the offset project on its website for the duration of one year before it can be removed from the registry system.

(ii) If the listing documentation was only submitted by the offset project operator or authorized project designee, but not approved by ecology or the original offset project registry, ecology or the original offset project registry, as applicable, does not need to retain the submitted listing documentation on its website.

(iii) If a verification body submitted an offset verification statement for the offset project being transferred, ecology or the original offset project registry, as applicable, must retain the information related to the offset project on its website for the duration of the offset project life.

(iv) Ecology or the new offset project registry, as applicable, must retain the listing date and all listing information as approved by ecology or the original offset project registry. If the offset project has not undergone initial verification, the offset project commencement date may change as a result of verification activities only.

(b) The offset project operator or authorized project designee must submit the original listing documentation reviewed and accepted by ecology or the original offset project registry, as applicable, pursuant to this section to ecology or the new offset project registry, as applicable. The offset project operator or authorized project designee may only make changes to the listing documentation if the offset project operator changes during the crediting period pursuant to subsection (11) of this section.

(c) The offset project operator or authorized project designee may not transfer an offset project to ecology or another offset project registry once a notice of offset verification services has been submitted for a reporting period(s) or during the course of offset verification services for a reporting period(s). Once a notice of offset verification services has been submitted, the offset verification services must be completed for the applicable reporting period(s) before the offset project operator or authorized project designee may transfer the offset project to ecology or another offset project registry. Once the offset verification services are completed for the applicable reporting period(s), the offset project operator or authorized project designee may transfer the offset project to ecology or another offset project registry.

(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 ((~~listed~~)) registered 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.

(15) Modification or waiver of requirements for purposes of aggregation. Ecology may elect to waive or modify listing requirements in this section for offset projects that are grouped together for the purposes of aggregation. Any proposed modifications or changes to the procedures noted in this section must be approved in advance by ecology and be documented in writing in a manner and format specified by ecology.

AMENDATORY SECTION (Amending WSR 22-20-056, filed 9/29/22, effective 10/30/22)

WAC 173-446-530 Verification of GHG emission reductions and GHG removal enhancements from offset projects. (1) General requirements. An offset project operator or authorized project designee must obtain the services of an ecology-accredited verification body for the purposes of verifying its offset project data reports.

(2) Schedule for verification of nonsequestration offset projects.

(a) The verification of GHG emission reductions for nonsequestration offset projects that achieve greater than or equal to 25,000 metric tons of GHG emission reductions must be performed on a reporting period basis and cover the reporting period for which the most recent offset project data report was submitted unless otherwise specified in the applicable compliance offset protocol.

(b) For reporting periods in which an offset project data report for a nonsequestration offset project shows that the offset project

achieved fewer than 25,000 metric tons of GHG emission reductions in a reporting period, the offset project operator or authorized project designee may choose to perform verification that covers two consecutive reporting periods, even if the offset project produced greater than or equal to 25,000 metric tons of GHG emission reductions for the subsequent reporting period.

(c) If an offset project data report shows the offset project achieved zero GHG emission reductions, the offset project operator or authorized project designee may defer verification until the offset project produces an offset project data report that no longer shows the offset project achieved zero GHG emission reductions.

(3) Schedule for verification of sequestration offset projects.

(a) An initial verification of GHG emission reductions and GHG removal enhancements for all sequestration offset projects must be performed following the first reporting period and cover one reporting period.

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

(c) After an initial verification with a positive offset verification statement, reforestation offset projects and urban forest offset projects that meet the requirements of the applicable compliance offset protocol may defer the second verification for 12 years, but verification of offset project data reports must be performed at least once every six years thereafter.

(d) For offset projects that do not renew their crediting period, verification must still be conducted at ((~~least once every six years~~)) the interval described in the protocol for the remainder of the project life. However, after a successful full offset verification of an offset project data report indicating that actual on-site carbon stocks (in MT CO_2e) 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.

(e) An offset project that has deferred verification for 12 years must resume conducting a full verification at least once every six years if it receives an adverse offset verification statement.

(4) Timing for submittal of offset verification statements to ecology or an offset project registry.

(a) The verification body must issue one offset verification statement for each offset project data report that it verifies for the offset project operator or authorized project designee.

(b) Any offset verification statement must be received by ecology or an offset project registry, as applicable, within 11 months after the conclusion of the reporting period for which offset verification services were performed, except for reporting periods for which verification is deferred in accordance with subsection (3) of this section. If the offset verification statement is not submitted to ecology or an offset project registry by this verification deadline, the GHG emission reductions and GHG removal enhancements quantified and reported in the offset project data report are not eligible to be issued ecology offset credits or registry offset credits.

AMENDATORY SECTION (Amending WSR 22-20-056, filed 9/29/22, effective 10/30/22)

WAC 173-446-550 Issuance of registry offset credits. (1) One registry offset credit, which represents one metric ton of CO_2e for a direct GHG emission reduction or direct GHG removal enhancement, will be issued pursuant to this section only if:

(a) An offset project registry has listed the offset project;

(b) The GHG emission reductions or GHG removal enhancements were issued a positive offset or qualified positive offset verification statement; and

(c) An offset project registry has received a positive offset or qualified positive offset verification statement issued and attested to by an ecology-accredited verification body for the offset project data report for which registry offset credits would be issued.

(2) Within 45 calendar days of receiving a positive offset or qualified positive offset verification statement, the offset project registry will determine whether the information submitted is complete, whether the GHG emission reductions and GHG removal enhancements meet the requirements of this chapter and the applicable compliance offset protocol, and whether the positive offset or qualified positive offset verification statement meets the requirements WAC 173-446-535. The 45 day review period may be extended if corrections or clarifications to project materials are requested by the offset project registry. Extensions must be approved by ecology.

(3) Determination for timing and duration of initial crediting periods for offset projects submitted through an offset project registry.

(a) The initial crediting period will begin with the date that the first verified GHG emission reductions and GHG removal enhancements occur, according to the first positive offset or qualified positive offset verification statement that is received by an offset project registry, unless otherwise specified in the applicable compliance offset protocol.

(b) An early action offset project that transitioned pursuant to the program for recognition of early action offset credits is considered to have begun its initial crediting period on the date that the first verified GHG emission reductions and GHG removal enhancements under the applicable compliance offset protocol took place according to the first positive offset or qualified positive offset verification statement that was received by the offset project registry.

(4) Determination for timing and duration of renewed crediting for offset projects submitted through an offset project registry. A renewed crediting period will begin the day after the conclusion of the prior crediting period.

AMENDATORY SECTION (Amending WSR 22-20-056, filed 9/29/22, effective 10/30/22)

WAC 173-446-570 Forestry offset reversals. (1) For forest sequestration projects, a portion of ecology offset credits issued to

the offset project operator will be placed by ecology into the forest buffer account.

(a) The number of ecology offset credits that must be placed in the forest buffer account shall be determined as set forth in the applicable version of the compliance offset protocol.

(b) Ecology offset credits will be transferred to the forest buffer account by ecology at the time of ecology offset credit registration under WAC 173-446-565.

(c) If a forest offset project is originally listed by an offset project registry, an equal number of registry offset credits must be removed or canceled by the offset project registry, such that those registry offset credits are no longer available for use in transactions on the offset project registry system, and issued by ecology for placement in the forest buffer account.

(d) The ecology offset credits placed into the forest buffer account must correspond to the reporting period for which the ecology offset credits are issued.

(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 ((~~or~~)) and the offset project registry, ((~~as applicable,~~)) and provide an explanation of the nature of the unintentional reversal within ((~~30 calendar days of its~~)) six months of its occurrence. An offset project operator is not in violation of this requirement if ecology determines that the violation could not have been discovered earlier with reasonable diligence by the offset project operator and the offset project operator reported promptly upon discovery.

(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 ((~~23~~)) 24 months of ((~~the discovery of the unintentional reversal~~)) notification of the reversal to ecology and the offset project registry. Exceptions to this timing may be made if ecology agrees that an extension is warranted, for example, if carbon stocks have not stabilized.

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.

(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.

(c) If ecology determines that there has been an unintentional reversal, and ecology offset credits have been issued to the offset project, ecology will retire a number of those ecology offset credits from the forest buffer account. Ecology will retire the number of ecology offset credits equal to the number of metric tons CO_2e reversed for all reporting periods.

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

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

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

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

(iii) 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 30 days of receiving the intentional reversal notice from the project registry or ecology, the project operator must provide a written description and explanation of the reversal to ecology.

(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.

((~~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 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.~~))

(i) The verified estimate may be a desk review verification, unless:

(A) A regularly scheduled site visit verification coincides with the year of the reversal.

(B) The loss represents 35 percent or more of the previous year's on-site carbon stocks or peak carbon stocks in all previous years of the carbon project.

(ii) The verified estimate may be submitted as part of 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.

(c) If an intentional reversal occurs from a forest offset project, and ecology offset credits have been issued to the offset project, the current or most recent (in the case of an offset project after the final crediting period) forest owner(s) must submit to ecology for placement in the retirement account a number of valid ecology offset credits or other approved compliance instruments within six months of notification by ecology. The forest owner(s) must turn in the number of such valid compliance instruments equal to the number of metric tons CO_2e reversed for all reporting periods.

(d) Notification by ecology of the requirement to submit compliance instruments under (c) of this subsection will occur after the verified estimate of carbon stocks has been submitted to ecology, or after one year has elapsed since the occurrence of the reversal if the offset project operator or authorized project designee fails to submit the verified estimate of carbon stocks.

(e) If the forest owner(s) fails to submit the required number of valid ecology offset credits or other approved compliance instruments

to ecology within six months of notification by ecology under (d) of this subsection, ecology will retire a number of ecology offset credits equal to the difference between the number of metric tons of CO_2e determined pursuant to this section and the number of retired approved compliance instruments from the forest buffer account, and the forest owner(s) will be subject to enforcement action under WAC 173-446-610. Each ecology offset credit retired from the forest buffer account pursuant to this subsection will constitute a separate violation.

(f) Early project terminations. If a project termination, as defined in the applicable compliance offset protocol, occurs to a forest offset project, and ecology offset credits have been issued to the offset project, the current or most recent (in the case of an offset project after the final crediting period), forest owner(s) must submit to ecology for placement in the retirement account the number of valid ecology offset credits or other approved compliance instruments equal to the number of ecology offset credits issued to the offset project for each reporting period, except for improved forest management forest offset projects. If the project is an improved forest management forest offset project, the number of metric tons CO_2e reversed must be multiplied by the compensation rate in the applicable compliance offset protocol.

(i) Ecology will notify the forest owner(s) of how many ecology offset credits must be replaced with valid compliance instruments.

(ii) The forest owner(s) must submit to ecology for placement in the retirement account a valid ecology offset credit or another approved compliance instrument for each ecology offset credit required to be replaced within six months of ecology's retirement.

(iii) If the forest owner(s) fails to submit the required number of valid ecology offset credits or other approved compliance instruments to ecology within six months of ecology's notification, ecology will retire the number of ecology offset credits equal to the difference between the number of metric tons of CO_2e determined pursuant to this section and the number of retired approved compliance instruments from the forest buffer account, and the forest owner(s) will be subject to enforcement action under WAC 173-446-610. Each ecology offset credit retired from the forest buffer account pursuant to this subsection will constitute a separate violation.

(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, such as slower than anticipated forest growth. 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 by the forest owner(s). Requirements for computational reversals are as follows:

(a) If a computational reversal has been identified during annual monitoring, the offset project operator must give written notice to ecology and the project registry within 30 days of identifying the reversal.

(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.

(c) Within one year of the occurrence of a computational reversal, the offset project operator or authorized project designee shall submit to ecology and the offset project registry 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.

(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.

(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.

(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.

(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.

((~~(5)~~)) (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_2e determined pursuant to this section and the number of valid ecology offset credits or other approved compliance instruments submitted by the predecessor forest owner.

AMENDATORY SECTION (Amending WSR 22-20-056, filed 9/29/22, effective 10/30/22)

WAC 173-446-590 Offset project registry requirements. (1) The offset project registry shall use compliance offset protocols approved pursuant to the requirements of this section to determine whether an offset project may be listed with the offset project registry for issuance of registry offset credits. The offset project registry may list projects under noncompliance offset protocols, but must make it clear that any GHG emission reductions and GHG removal enhancements

achieved under those protocols are not eligible to be issued registry offset credits or ecology offset credits.

(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:

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

(i) Offset project name;

(ii) Offset project location;

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

(iv) Type of offset project;

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

(vi) Date of offset project listing submittal and offset project;

(vii) Commencement date; and

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

(b) Within 10 business days of the offset project registry making a determination of registry offset credit issuance:

(i) reporting period verified project baseline emissions;

(ii) reporting period verified GHG emission reductions and GHG removal enhancements achieved by the offset project;

(iii) The unique serial numbers of registry offset credits issued to the offset project for the applicable offset project data report;

(iv) Total verified GHG emission reductions and GHG removal enhancements for the offset project by reporting period for when an offset project data report was submitted;

(v) The final offset project data report for each reporting period; and

(vi) Offset verification statement for each year the offset project data report was verified; and

(c) Clear identification of which offset projects are listed and submitting offset project data reports using compliance offset protocols. Once an offset project registry has approved a project listing, the offset project registry must continue to list the offset project but may update the project listing status to "inactive" if the project has not been issued any registry offset credits or ecology offset credits or may update the listing status to "terminated" if the project has been issued any registry offset credits or ecology offset credits. The offset project registry may update the listing status to "inactive" or "terminated" if any of the following circumstances exist:

(i) The offset project has missed the 28-month reporting deadline;

(ii) The offset project has missed the deadline for continuous reporting;

(iii) The offset project terminates; or

(iv) The offset project operator submits a letter to the offset project registry stating that it no longer intends to pursue registry offset credit issuance for this project. The letter must be signed by the offset project operator's primary or alternate account representative and must include the following:

(A) Offset project operator name;

(B) Offset project name and both ecology and offset project registry identification numbers;

(C) Name and date of the compliance offset protocol used by the offset project;

(D) Date on which the offset project registry approved the listing;

(E) Indication that the offset project operator will no longer pursue any registry offset credits for the project;

(F) Request to change the project status to "inactive" or "terminated"; and

(G) Signature, printed name, title, and date signed.

(d) When an offset project registry updates the listing status to "inactive" or "terminated," the offset project registry must make publicly available a copy of the letter or must make publicly available a memo authored by the offset project registry explaining the change of status. The memo must include the following:

(i) Offset project operator name and (offset credit registry) identification number;

(ii) Offset project name and both ecology and offset project registry identification numbers;

(iii) Name and date of the compliance offset protocol used by the offset project;

(iv) Date on which the offset project registry approved the listing;

(v) Indication of the deadline(s) missed; and

(vi) Date on which the offset project registry has updated the status to "inactive" or "terminated."

(e) An offset project registry may update an offset project's listing status to "completed" if:

(i) Ecology offset credits have been issued for the offset project;

(ii) No further ecology offset credits will be issued to the project;

(iii) The project may no longer undergo offset verification services that could reduce the invalidation period for any ecology offset credits from eight years to three years;

(iv) The project is no longer required to monitor, report, and verify the permanence of its GHG emission reductions or GHG removal enhancements; and

(v) The end of the project life has been reached as defined in the compliance offset protocols, if applicable.

(f) An offset project registry may update an offset project's listing status to "monitored" if:

(i) Ecology offset credits have been issued for the offset project;

(ii) No further ecology offset credits will be issued to the project; and

(iii) The project is still required to monitor, report, and verify the permanence of its GHG emission reductions or GHG removal enhancements.

(3) Conflict of interest review by offset project registries. The offset project registry must apply the conflict of interest requirements in WAC 173-466-545 when making a conflict of interest determination for a verification body proposing to conduct offset verification services. The offset project registry must review and make sure the conflict of interest submittal is complete. When an offset project operator or authorized project designee submits its information to ecology, the offset project registry must provide ecology with the information and attestation within 15 calendar days.

(4) The offset project registry may provide guidance to offset project operators, authorized project designees, or offset verifiers for offset projects using a compliance offset protocol, if there is no clear requirement for the topic in the applicable compliance offset protocol, this chapter, or an ecology guidance document, after consulting and coordinating with ecology.

(a) An offset project registry must maintain all correspondence and records of communication with an offset project operator, authorized project designee, or offset verifier when providing clarifications or guidance for an offset project using a compliance offset protocol.

(b) Before providing such guidance, the offset project registry may request ecology to provide clarification on the topic.

(c) Any offset project operator or authorized project designee requests for clarifications or guidance must be documented and the offset project registry response must be submitted on an ongoing monthly basis to ecology beginning with the date of approval as an offset project registry.

(5) The offset project registry must audit at least 10 percent of the annual full offset verifications developed for offset projects using a compliance offset protocol.

(a) The audit must include the following checks:

(i) Attendance with the offset verification team on the offset project site visit;

(ii) In-person or conference call attendance for the first offset verification team and offset project operator or authorized project designee meeting;

(iii) In-person or conference call attendance to the last meeting or discussion between the offset verification team and offset project operator or authorized project designee;

(iv) Documentation of any findings during the audit that cause the offset project registry to provide guidance to, or require corrective action with, the offset verification team, including a list of issues noted during the audit and how those were resolved;

(v) A review of the detailed verification report and sampling plan to ensure that it meets the minimum requirements and documentation of any discrepancies found during the review; and

(vi) An investigative review of the conflict of interest assessment provided by the verification body, which includes the following:

(A) Discussions with the lead verifier, the verification body officer or staff person most knowledgeable about the conflict of interest self-evaluation, and the offset project operator or authorized project designee to confirm the information on the conflict of interest self-assessment form is true, accurate, and complete;

(B) An internet-based search to ascertain the existence of any previous relationship between the verification body and the offset project operator or authorized project designee, and if so the nature and extent; and

(C) Any other follow up by the offset project registry to have reasonable assurance that the information provided on the conflict of interest assessment form is true, accurate, and complete.

(b) All information related to audits of offset projects developed using a compliance offset protocol must be provided to ecology within 10 calendar days of an ecology request.

(c) The audits must be selected to provide a representative sampling of geographic locations of all offset projects, representative sampling of verification bodies, representative sampling of lead veri-

fiers, representative sampling of offset project types, and representative sampling of offset projects by size.

(d) The offset project registry must provide an annual report to ecology by January 31st for its previous year's audit program of offset projects developed using compliance offset protocols that includes:

(i) A list of all offset projects audited;

(ii) Locations of all offset projects audited;

(iii) Verification bodies associated with each offset project and names of offset verification team members;

(iv) Dates of site visits;

(v) Offset project registry staff that conducted the audit; and

(vi) Audit findings as required in this section.

(6) The offset project registry must review each detailed verification report for completeness and accuracy and to ensure it meets the requirements before accepting the associated offset verification statement for the offset project data report and issuing registry offset credits. The offset project registry must maintain a log of all issues raised during its review of a detailed verification report and the corresponding offset project data report and offset verification statement and how the issues were resolved. Within three business days of issuing registry offset credits, the offset project registry must provide the following to ecology:

(a) The attestations required in this section and any in the applicable compliance offset protocol;

(b) The final offset project data reports submitted to an offset project registry;

(c) The final offset verification statements; and

(d) The offset project registry's log of all issues raised during its review.

(7) The offset project registry must provide all information in its possession, custody, or control related to a listed offset project under a compliance offset protocol within 10 calendar days of request by ecology.

(8) The offset project registry must make its staff and all information related to listed offset projects under compliance offset protocols by the offset project registry available to ecology during any audits or oversight activities initiated by ecology to ensure the requirements of this section are being carried out as required by this chapter.

(9) The offset project registry must remove or cancel any registry offset credits issued for an offset project using a compliance offset protocol, such that the registry offset credits are no longer available for transaction on the offset project registry system, once notified by ecology that the offset project is eligible to be issued ecology offset credits.

(10) The offset project registry must provide an annual report by January 31st of the previous year's offset projects that are listed using a compliance offset protocol. The report must contain the name of the offset project, type of offset project and applicable compliance offset protocol, name of offset project operator or authorized project designee, location of offset project, status of offset project, associated verification body, crediting period, amount of any registry offset credits issued to date, amount of any registry offset credits retired or canceled for the offset project by the offset project registry to date.

(11) The offset project registry may choose to offer insurance or other products to cover the risk of invalidation of ecology offset credits, but purchase or use of the insurance or other invalidation risk mechanisms will be optional for all parties involved with registry offset credits and ecology offset credit transactions.

(12) Within 10 business days of first receiving an offset project data report to meet the reporting deadline pursuant to WAC 173-446-525 (5)(b), an offset project registry must provide ecology a copy of the offset project data report and confirm the date on which the offset project data report was submitted to the offset project registry.

(13) All information submitted, and correspondence related to, listed offset projects under compliance offset protocols by the offset project registry must be maintained by the offset project registry for a minimum of 15 years.

AMENDATORY SECTION (Amending WSR 22-20-056, filed 9/29/22, effective 10/30/22)

WAC 173-446-595 Direct environmental benefits in the state. (1) Except as specified in subsection (4) of this section, 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) For any offset project located outside the state of Washington, the offset project operator or authorized project designee may request a determination by ecology of whether the offset project provides direct environmental benefits in the state.

(a) Such a determination must be based on a showing that the offset project or offset project type provides for either:

(i) The reduction or avoidance of emissions of any air pollutant that is not credited pursuant to the applicable compliance offset protocol in the state of Washington; or

(ii) A reduction or avoidance of any pollutant that is not credited pursuant to the applicable compliance offset protocol that could have an adverse impact on waters of the state of Washington.

(b) To support a request for such a determination, the offset project operator or authorized project designee may submit the following information to ecology:

(i) Scientific, peer-reviewed information or reports demonstrating that the offset project or offset project type results in this type of reduction or avoidance of any pollutant in the state of Washington;

(ii) Governmental reports from local, regional, state, or national environmental, health, or energy agencies, or multinational bodies (such as the intergovernmental panel on climate change) demonstrating that the offset project or offset project type results in this type of reduction or avoidance of any pollutant in the state of Washington; or

(iii) Monitoring or other analytical data demonstrating that the offset project or offset project type results in this type of reduction or avoidance of any pollutant in the state of Washington.

(c) Ecology may require additional information from the offset project operator or authorized project designee at any time throughout the life of the project to verify that the specific actions, practi-

ces, or conditions on which this determination has been made remain in effect throughout the duration of the project.

(3) New offset projects. In order to be eligible to demonstrate that a new offset project located outside the state of Washington provides direct environmental benefits in the state, the offset project operator or authorized project designee shall submit all relevant materials listed in subsection (2)(b) of this section along with or prior to the first reporting period offset project data report.

(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.