

# ACR<sup>SM</sup>

AT WINROCK INTERNATIONAL

## Process for Registering GHG Projects Using ACR-Approved Methodologies

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February 2024



# ACR Background

- First U.S. voluntary carbon registry, founded in 1996
- Became an enterprise of Winrock International in 2007
- Approved by the California Air Resources Board as an Offset Project Registry (OPR) under the California Cap-and-Trade Program in 2012
- Approved by International Civil Aviation Organization (ICAO) for the Carbon Offsetting Reduction Scheme for International Aviation (CORSA) in 2020
- Approved by the Washington State Department of Ecology as an OPR under the Washington Cap-and-Invest Program in 2023

# Key Definitions

## ACR-Approved Methodology

A GHG quantification, monitoring, reporting, and verification methodology published by ACR after public consultation and scientific peer review.

## ACR Standard

A document that details ACR's requirements and specifications for the quantification, monitoring, and reporting of project based GHG emission reductions and removals, independent third-party verification by accredited entities, GHG Project registration, and issuance of serialized carbon credits on a transparent registry platform. The Standard establishes the quality level that every GHG Project must meet in order for ACR to register its GHG emission reductions and removals as tradable environmental assets.

# Key Definitions (cont.)

## Carbon Credit

A quantified reduction, removal, or avoidance of GHG emissions that is used to compensate for GHG emissions that occur elsewhere. In a compliance market, carbon credits are GHG emission reductions or removals from projects undertaken outside the coverage of a mandatory GHG emission reduction system for which the ownership of verifiable GHG emission reductions/removals can be transferred and used by a regulated entity to meet its GHG emission reduction obligations. The ACR registers both voluntary market and compliance-eligible credits. Also referred to as offsets, offset credits, carbon offsets, and carbon offset credits.

## Emission Reduction Ton (ERT)

The ACR unit of exchange for tradable, project-based carbon credits. ERTs represent both GHG emission reductions and removals (enhancements in sequestration). ACR issues one ERT for each metric ton of CO<sub>2</sub>e emission reductions or removals verified against an ACR Standard and methodology.

# Key Definitions (cont.)

## GHG Emission Reduction

The measured decrease of GHG emissions over a specified period relative to an approved baseline.

## GHG Removal

The mass of CO<sub>2</sub> removed from the atmosphere over a specified period relative to an approved baseline. Removals can be nature-based or technology-based.

## Listing

The process by which a Project Proponent submits a GHG Project Listing Form to ACR for review, the successful outcome of which results in the GHG Project being approved for listing on the ACR Registry. ACR's review and subsequent approval of a GHG Project listing is not a project registration, nor does it take the place of a successful validation and verification.

# Key Definitions (cont.)

- Project Proponent** An entity that undertakes, develops, and/or owns or controls the lands/facilities on which project activities are conducted. This may include the project investor and/or designer. The Project Proponent and landowner/facility owner may be different entities. For Aggregated and PDA Projects that include multiple landowners/facility owners, the Project Proponent is the ACR Project Developer Account Holder and shall enter into a legally binding Reversal Risk Mitigation Agreement with ACR, if applicable.
- Registration** GHG projects are considered registered and eligible for ERT issuance into a Project Proponent's account upon acceptance of the validation report and a positive verification opinion.
- Start Date** For non-AFOLU Projects, the date on which the Project began to reduce GHG emissions against its baseline. For AFOLU Projects, the date on which the Project Proponent began the activity on project lands, with more specific guidance in the relevant ACR sector-specific requirements.

# Key Definitions (cont.)

## Validation/ Verification Body (VVB)

A competent and independent person, persons, or firm responsible for performing the validation and/or verification process. A VVB must be ACR-approved to conduct validation and/or verification.

## Validation

The systematic, independent, and documented process for the evaluation of a GHG Project Plan against applicable requirements of the ACR Standard, sector standard, and approved methodology. Validation must be conducted by an ACR-approved independent third-party Validation and Verification Body (VVB).

## Verification

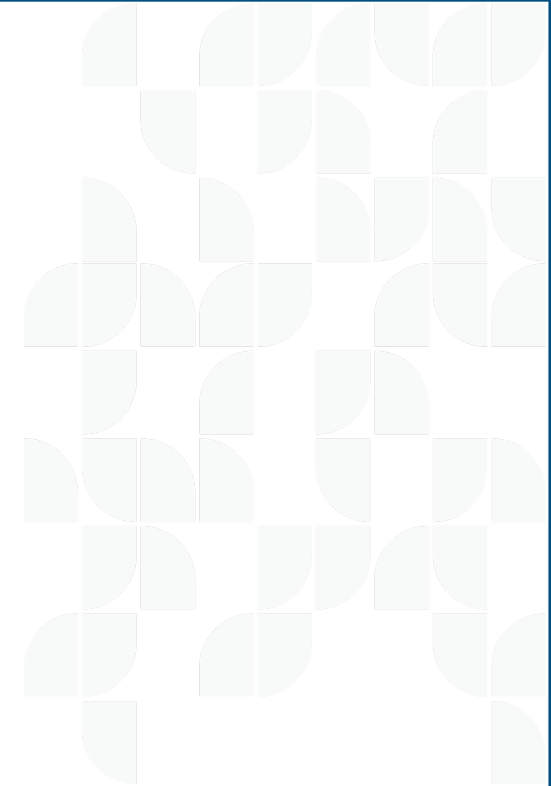
The systematic, independent, and documented assessment by a qualified and impartial third party of the GHG statement for a specific Reporting Period. The verification process is intended to assess the degree to which a GHG Project complies with ACR-approved methodologies, tools, eligibility criteria, requirements, and specifications, and has correctly quantified net GHG emission reductions or removals. Verification must be conducted by an ACR-approved independent third-party Validation and Verification Body (VVB).

# ACR's Fee Schedule

<b>ACCOUNT OPENING FEE*</b>	\$500
<b>ANNUAL ACCOUNT FEE*</b>	\$500
<b>PROJECT LISTING REVIEW FEE</b>	\$1,000 per project
<b>CREDIT ISSUANCE FEE</b>	Free
<b>CREDIT ACTIVATION FEE</b>	\$0.20 per offset
<b>CREDIT TRANSFER FEE*</b>	\$0.02 per offset
<b>CREDIT RETIREMENT FEE</b>	\$0.02 per offset

Methodology development follows a multi-step fee-based process (see ACR Fee Schedule)

\*For Transaction, Project Developer, and Corporate Accounts – see ACR Fee Schedule for Custodial Account fees





# Steps to List ACR GHG Projects

- Step 1** The Project Proponent opens an account on ACR following instructions found at <https://acrcarbon.org/registry> and establishes desired logins and sub-accounts following the steps in the Operating Procedures, found on the same website.
- Step 2** Every project submitted for listing must use an active, ACR-approved methodology found at <https://acrcarbon.org/acr-program>.
- Step 3** Project Proponent submits a new project on the Registry, including the upload of a GHG Project Listing Form using the template found at [https://acrcarbon.org/program\\_resources](https://acrcarbon.org/program_resources) and pays the invoice for the project listing review fee.
- Step 4** ACR reviews the GHG Project Listing Form for completeness and alignment with the ACR Standard.

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# Steps to List ACR GHG Projects

**Step 5** ACR review of the GHG Project Listing Form results in:

- a) Project Listing with approval to proceed to Validation/Verification Body (VVB) selection,
- b) Requests for clarifications or corrections, or
- c) Rejection because the project is ineligible or does not meet requirements of the ACR Standard.

A project is considered listed once the Offset Project Listing Form is approved.

**Step 6** Having received listing approval, the Project Proponent develops the GHG Project Plan. A template for the GHG Project Plan can be found at [https://acrcarbon.org/program\\_resources](https://acrcarbon.org/program_resources)

# Validation & Verification Basics

- Validation must occur within a specified amount of time after the Project Start Date. Unless otherwise specified in the applicable methodology:
  - ◆ Agriculture, Forestry, and Other Land Use (AFOLU) Projects must be validated within 3 years of the project Start Date.
  - ◆ Non-AFOLU Projects must be validated within 2 years of the project Start Date.Some exceptions may apply, see specific requirements in the ACR Standard, found at <https://acrcarbon.org/acr-program>.
- Validation of the GHG Project Plan and verification of the Project's GHG statements for the first reporting period as presented in the Monitoring Report may be conducted by the same entity and may occur simultaneously.
- A list of ACR-approved VVBs can be found at <https://acrcarbon.org/acr-program/validation-and-verification/>

# Steps to Validate ACR GHG Projects

- Step 1** The Project Proponent identifies an ACR-approved independent third-party VVB to validate the GHG Project Plan, negotiates the terms of engagement with the VVB, and selects the VVB within the Registry.
- Step 2** The Project Proponent uploads the GHG Project Plan (if not already uploaded).
- Step 3** After the Project Proponent selects a VVB, the VVB shall upload a Project-Specific Conflict of Interest Form for review by ACR. The form can be found at <https://acrcarbon.org/acr-program/validation-and-verification/>.
- Step 4** ACR must approve the VVB selection prior to the start of validation services based on proper accreditation, conflict of interest review, and VVB rotation requirements.
- Step 5** Upon receipt of a GHG Project Plan, ACR will publish newly listed GHG Projects on the ACR website for a 30-day public comment period for local and global stakeholders impacted by the project. ACR will make the Listing Form public on the ACR Registry at this time.

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# Steps to Validate ACR GHG Projects

- Step 6** The Project is now ready for validation. The VVB will begin validation services in accordance with the ACR Standard and the ACR Validation and Verification Standard, both found at <https://acrcarbon.org/acr-program>.
- Step 7** After completing the validation, the VVB will upload a Validation Report and Validation Opinion. A template for the validation opinion can be found at <https://acrcarbon.org/acr-program/validation-and-verification/>.
- Step 8** The Project Proponent will review the VVB's uploaded documents and submit them to ACR for final approval within the Registry.
- Step 9** ACR reviews the project and validation documents as well as comments received from stakeholders. This results in (a) acceptance, (b) acceptance contingent on requested corrections or clarifications, or (c) rejection.
- Step 10** Upon acceptance of the submitted documents, ACR makes the final validated GHG Project Plan, validation report, and validation opinion public on the Registry.

# Steps to Verify ACR GHG Projects

- Step 1** The Project Proponent identifies an ACR-approved independent third-party VVB to verify the Project's GHG statement, negotiates the terms of engagement with the VVB, and selects the VVB within the Registry.
- Step 2** After the Project Proponent selects a VVB, the VVB shall upload a Project-Specific Conflict of Interest Form for review by ACR. The form can be found at <https://acrcarbon.org/acr-program/validation-and-verification/>.
- Step 3** ACR must approve the VVB selection prior to the start of verification services based on proper accreditation, conflict of interest review, and VVB rotation requirements.
- Step 4** Once the VVB is approved by ACR, the Project Proponent enters the Project Emission Reductions/Removals data in the Registry and uploads the Monitoring Report and any other required supplemental documents (e.g., a Reversal Risk Mitigation Agreement is required for certain terrestrial project types). A template for the Monitoring Report can be found at [https://acrcarbon.org/program\\_resources](https://acrcarbon.org/program_resources).

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# Steps to Verify ACR GHG Projects

- Step 5** The Project is now ready for verification. The VVB will begin verification services in accordance with the ACR Standard and the ACR Validation and Verification Standard, both found at <https://acrcarbon.org/acr-program>.
- Step 6** After completing the verification, the VVB will upload a Verification Report and Verification Opinion. A template for the verification opinion can be found at [https://acrcarbon.org/program\\_resources](https://acrcarbon.org/program_resources).
- Step 7** The Project Proponent will review the VVB's uploaded documents and submit them to ACR for final approval within the Registry.
- Step 8** This results in (a) acceptance, (b) acceptance contingent on requested corrections or clarifications, or (c) rejection.

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# Steps to Verify ACR GHG Projects

**Step 9** Upon acceptance of the submitted documents, ACR registers the GHG Project and makes the final Monitoring Report, Verification Report, Verification Opinion, and Supplemental Project Description (optional) public on the Registry.

These documents contain the content necessary to enable third parties to assess the social and environmental impacts, replicate the GHG emission reductions and removal calculations (including baseline quantification), and assess additionality and are made publicly available except for content deemed by ACR to be Commercially Sensitive Information (i.e., subject to confidentiality, proprietary, privacy and data protection restrictions).



# Steps for Carbon Credit Issuance

- Step 1** Upon acceptance of the submitted reporting and verification documents, ACR serializes and issues to the Project Developer Account Holder's account Emission Reduction Tons (ERTs) for the relevant Reporting Period, in the amount listed in the Verification Opinion.
- In the case of a terrestrial or geologic sequestration project, the appropriate number of ERTs are deposited into the ACR Buffer Pool or Reserve Account, if this is the approved risk management option the Project Proponent has chosen.
- Step 2** ERTs are issued as inactive and the Project Developer Account Holder, at their discretion, can activate the credits. Initiating activation generates an invoice and activation occurs upon receipt of payment.
- Step 3** Active ERTs can be transacted or retired in accordance with the ACR Terms of Use, Operating Procedures, and Fee Schedule, all found at <https://acrcarbon.org/registry>.

# Additional ACR Resources

## Visit the [ACR Registry](#) to:

- View public reports
- Open an ACR account
- Login to an ACR account
- Enter Project data and upload documents
- View invoices
- Activate, transact, and/or retire credits

## Visit [ACR Website Registry Page](#) for:

- Instructions for Opening a New ACR Account
- New Account Application Form
- Account Manager Authorization Templates
- Account Change Request Form
- Terms of Use
- Operating Procedures
- Fee Schedule
- Announcement of ACR Linkages

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# Additional ACR Resources

## Visit [ACR Program Page](#) for:

- ACR Standard
- ACR Validation and Verification Standard
- Approved Methodologies

## Visit [ACR Validation and Verification Page](#) for:

- List of ACR-Approved VVBs
- Project Specific Conflict of Interest Form

## Visit [ACR Program Resources Page](#) for:

- GHG Project Listing Form
- Template for GHG Project Plan
- Template for Environmental and Social Impact Assessment
- SDG Contributions Tool & Report Template
- Template for Monitoring Report
- Template for Validation and Verification Opinions
- Template for Project Deviation Request
- ACR Buffer Pool Terms and Conditions

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