

## Request for Qualifications: Addendum #1

### Developing an Ecosystem Service Crediting Platform

Pinchot Institute for Conservation and Willamette Partnership in cooperation with  
Mid-Willamette Valley Council of Governments

These questions were received on July 9, 2009.

1. “Scalable” (pg 1) – To help us understand the load on the platform, can you hazard to quantify “a growing number of participants?” Even more helpful would be your estimate for the # of logins you expect on a daily basis in year 1, year 2, and year 5. We know this might be a wild guess, but even if you’re off by an order of magnitude, we can better recommend an architecture and estimate server/hosting costs.

Response: An educated guess on the number of enrolled projects over the next five years might look like this: year 1 = 25, year 2 = 100 and year 5 = 1000. As for the number of daily “logins,” well, every project will have multiple parties logging in multiple times although I can’t imagine over 500 people accessing the platform on any given day in the first 5 years.

2. “Compatible” (pg 2) – “...applications should make financial transactions associated with credit’s sale and transfer efficient” - Can you clarify which system is responsible for the credit sale transaction? We thought the Registry and/or Exchange would be responsible for this, not this platform. We do realize that the platform will be responsible for other financial transactions, namely assessing usage fees.

Response: No system, that we are currently developing, will really be responsible for the sale. These transactions will be negotiated between the individual buyer and seller. However, as noted, the registry will track the custody of credits as they change hands after a sale. I think what we were trying to capture here is that users of the platform will need be able to sync up with the registry as custody changes, reconciling account information in the platform with account information in the registry. It will also, as stated in the RFQ, need to be able to assess and collect user fees.

3. 1.1, bullet 2 – Can you provide an estimate of the number of reports, or perhaps an example or two of a report you anticipate needing?

Response: We will need reports on the performance of the platform (it would be nice to know where the hold-ups are in the process) and on the restoration actions that the platform tracks. We will want to know the “who, what, and where” of those using the platform. We will also want to be able to sort and analyze the projects and associated credit amounts emerging from the platform. Follow this link, look at bottom left of page, to see the kind of reports we would most likely need:

<https://thereserve1.apx.com/mymodule/mypage.asp>. I have also attached a few draft versions of the Willamette Partnership's reports (Exhibits A, B and C) for your review.

4. 1.1, bullet 6 – What is meant by ‘archiving data’? Is this used in the sense of backing data up, or archiving for data management purposes? For example, do you anticipate large volumes of data such that archiving will be necessary to maintain a performance level of the platform, or perhaps the intent is to archive inactivated user accounts and project information on closed projects?

Response: the amount of information associated with any credited restoration project has the potential to be huge. GIS data, legal descriptions, survey data, easement documents, permit documents, verification reports and other documents will all need to be both readily accessible and securely stored. It could be that this really isn't a lot of data and it can be integrated into accounts without burdening the platform. We will need expert guidance to make this determination.

5. 1.3, bullet 2 – What form do you see the “official notice of validation” taking? For example, it could be an automated email (using a template), a more immutable format such as a PDF report, or a document created by the user by copying/pasting or exporting information from the platform? Does the platform need to automate the information flow between it and the Agency, or will that communication/certification be done outside the bounds of the platform?

Response: It seems appropriate for the validation information to be housed in the land manager's account (within the platform) using a format that they cannot change. An email notification that their restoration action has been validated, with a link back to their account, may be all that is required. On a related note, Regulators would need to have the authorization to edit validation information for specific accounts and, when they provide validation, the email mentioned above could be sent.

6. 1.4, bullet 2 – Can you clarify what “early entry” means – early relative to what?

Response: We are thinking that land managers should be able to complete rough estimates of baseline conditions remotely, before conducting an on-site evaluation. “Early” refers to the fact that nobody has been on-site yet. This being said, the Willamette Partnership does not yet have protocols approved for rapid remote assessments. The Bay Bank is currently developing protocols for early entry.

7. 1.4, bullet 3 – Can you define “mapped design concepts?”

Response: This refers to the geographically-anchored conceptual conservation action-design information that land managers estimate uplift with. Generally, this will be the construction design the project developer will use to implement the project. For instance, a land manager may plant 12 trees in location X and get Y amount of riparian credits and Z amount of public funding.

8. 1.4.1, bullet 4 – Can you expand on what you mean by “fixed zoom scale for accuracy?” Seems like you’d want the user to be able to zoom in as far as they can in order to draw their complete polygon, and then be able to zoom in further to adjust certain segments in order to maximize the accuracy of their polygon.

Response: Your description is correct. Perhaps the language is a bit ambiguous. Just like Google maps, we want the ability to zoom in and out of locations to facilitate the accurate placement of map units. The intent was to restrict the zooming when drawing polygons that matter for credit quantities, so that people had to be adequately zoomed in (i.e. not trying to draw your property while the map is zoomed out to the entire Willamette).

9. 1.4.1, bullet 6 – Can you define “restoration design concepts?” Are these actions (or what we call work elements) such as plant vegetation or remove invasive species?

Response: Yes. We would want to define the geographic boundaries of a restoration action as well as the type.

10. 1.5, bullet 3 – What do you mean by “set?” Set of projects? Project designs? Map units?

Response: In this instance “set” refers to the proposed design of the entire restoration site.

11. 1.6 – This section suggests the need for an automated workflow: routing the project package around to verifiers and certifiers and back to project developer. Do you have any additional requirements for how you want this to work? For example, do you have specific requirements for notification methods (email, text, user must log in to view a notification log, etc.)?

Response: Again, I think it best to have participants prompted by an email to access the platform, log-in, and then change or add information according to differing levels of pre-defined privileges. I don’t think we should be sending document and information out.

12. 2.1 – What is the difference or relationship between an “Agency” and a “Certifier?” We’re under the impression that all Certifiers are Agencies, but perhaps not all Agencies are Certifiers – is that right? Later in the RFQ it seems like these two terms are used interchangeably.

Response: For now, all certifiers are agencies. In specific, an agency with authority for regulating a specific credit type is a certifier. A certifier makes sure everything is in order for credits to be sent to the registry, although the Market Administrators (Bay Bank and Willamette Partnership) will have the technical responsibility for this transfer of credit information from the platform to the registry.

For voluntary markets not governed by an Agency Authority or where that authority has been delegated, the Willamette Partnership and Bay Bank will act as the certifying entity.

13. 2.3 – Can you define/clarify what you mean by “multiple market participants?”

Response: We usually use this term to describe buyers, sellers, Agencies and other parties acting in the marketplace. In this I think we were addressing the large scale operation of the marketplace. We see three major market components: this platform, the registry and the credit calculators. As you may know, an opportunity exists for the Federal government to house and maintain all credit calculators. If this is the case, we need to establish a way to transfer information to and from the platform, registry and the credit calculator hubs. We will also, at some point, need to think about how other technologies can plug-in to the process. The Freshwater Trust’s Streambank program is a great example. This tool aids with funding and permitting among other things. What protocols do we need so that people using this tool can seamlessly import data into the platform after Streambank has aided with permitting?

14. 2.4, bullet 4 – Is the “Comment field” a one-time, one-way communication between Agencies/Verifiers and the Project Developer, or do you envision needing to support an ongoing discussion thread?

Response: We need to support a thread. I can see how it would be very useful to have agency, project developer, and market administrator communications stored on the platform. It might serve to avoid confusion and memorialize agreements without having to dig back into email accounts.

15. 2.5, bullet 8 – Can you provide any details on the types of data maintained/stored on the Bay Bank website today? Can you confirm this is a one-time import (that there is not a requirement to allow project/account information to be updated in both systems and then kept synchronized)?

Response: This is a one time import from the Bay Bank website. After leaving the website, a project developer will have a package of information that contains account information (e.g. name and address) and a suite of conservation actions (i.e., afforestation, long-term protection, etc.) that they wish to plan on their property through the platforms planning/mapping tool.

16. 2.6, bullet 1 – Are we to assume the third party will automate the existing Excel credit calculators, or is that work you’re expecting the creators of the platform to do as well?

Response: We’re expecting the creators of the platform to automate 4 excel spreadsheets for the Willamette Partnership’s existing credit calculators, and 10 spreadsheets from the Bay Bank’s protocols.

**Exhibit A**



*Willamette Ecosystem Marketplace*

*Validation Checklist: Credits*

Last updated June 26, 2009. For questions, contact: David Primozych at [Primozych@verizon.net](mailto:Primozych@verizon.net).

How to use this checklist

Validation is an initial screen of a project’s eligibility to participate in the marketplace, either by generating credits or purchasing credits to offset debits. This checklist is to be filled out by the project sponsor or an approved validator from the Willamette Partnership (Partnership) chosen by the sponsor. A validation accepted by the Partnership will be eligible to sell or buy credits. The exact nature and quantity of those credits will be estimated in later phases.

Checklist

**General Project Information**

Types of potential credits (check all that apply):

- Wetlands                       Upland prairie                       Other1: \_\_\_\_\_  
 Salmonids                       Water temperature                       Other2: \_\_\_\_\_

Types of conservation actions (check all that apply)

- Plant native vegetation                       Improve function of an existing wetland  
 Restore and create wetland hydrology                       In-stream: Large wood placement  
 Restore channel geomorphology  
 Culvert removal                       Add fencing along stream  
 Improve function of an existing prairie                       Restore prairie functions  
 Protect existing prairie

Project location: County: \_\_\_\_\_ 4<sup>th</sup> field Watershed:  
\_\_\_\_\_

Contact person/title/information:  
\_\_\_\_\_

Project start date: \_\_\_\_\_ Project size (# of acres/hectares):  
\_\_\_\_\_

**Eligibility Questionnaire**

Ownership	Yes	No	Comments
Are ownership or tenure and use rights for the project lands			

	legally documented and undisputed?			
	Is ownership of the credits that will be generated from this project clearly documented?			
	Have project participants identified and confirmed compliance with all applicable federal, state, and local laws?			
<b>Additionality</b>				
	Will the project exceed regulatory requirements and other legal mandates?			
	Are the project actions commonly employed in the field or industry as part of "business as usual"?			
	Were public dollars dedicated for conservation used to fund any activity in the project area?			
	Have any credits been previously sold from the project area?			
<b>Stewardship</b>				
	Have you needed an environmental permit for a development action in the project area within the last 10 years?			
	Have you converted significant portions of any natural land cover in the last 10 years?			
	Has the land changed ownership in the last 10 years?			
<b>Land protection</b>				
	Is the land legally protected from a change in land use for the life of the credits?			
	What form does that protection take? (check all that apply)	<input type="checkbox"/> Permanent easement <input type="checkbox"/> Lease <input type="checkbox"/> Assurance from public agency <input type="checkbox"/> Other: _____		
<b>Restoration design</b>				
	Does your project manager have past experience in this type of restoration?			
	What sources were used to guide design? (check all that apply)	<input type="checkbox"/> Conditions at a reference site <input type="checkbox"/> Historic conditions		

		<input type="checkbox"/> Best professional judgement <input type="checkbox"/> Other: _____		
	If your design includes planting, will plants be locally-sourced native species?			
	Does any one plant species make up more than 50% of the design?			
	What is the rough percentage cover planned for trees, shrubs, and herbaceous plants?			
	What is the planned stem density of planting?			
<b>Agency Pre-Approvals</b>				
	Does your project require agency pre-approvals?			
	If yes, have you secured these?			

**Exhibit B**



*Willamette Ecosystem Marketplace*

*Validation Checklist: Debits*

Last updated June 26, 2009. For questions, contact: David Primozych at [Primozych@verizon.net](mailto:Primozych@verizon.net).

How to use this checklist

Validation is an initial screen of a project’s eligibility to participate in the marketplace, either by generating credits or purchasing credits to offset debits. This checklist is to be filled out by the project sponsor or an approved validator from the Willamette Partnership chosen by the sponsor. A validation accepted by the Willamette Partnership will be eligible to sell or buy credits. The exact nature and quantity of those credits will be estimated in later phases.

Checklist

**General Project Information**

Types of potential debits (check all that apply):

- Wetlands                       Upland prairie                       Other1: \_\_\_\_\_
- Salmonids                       Water temperature                       Other2: \_\_\_\_\_

Types of development actions (check all that apply)

- Altered vegetation                       Altered hydrology
- Contaminants                       Natural systems modifications
- Change in crop cover, fertilizer, or irrigation practices

Project location: County: \_\_\_\_\_ 4<sup>th</sup> field Watershed:  
\_\_\_\_\_

Contact person/title/information:  
\_\_\_\_\_

Standards & protocols used to create the project (list all): \_\_\_\_\_

Project start date: \_\_\_\_\_ Project size (# of acres/hectares):  
\_\_\_\_\_

Eligability Questionnaire

Permits		Yes	No	Comments
	Does the project have all necessary permits and approvals authorizing the buyer to use			

	credits as offsets?			
	Has the buyer taken all feasible and required steps to minimize the impact of the project?			
	Is the project currently in compliance with all applicable laws and rules?			

**Exhibit C**



*Willamette Ecosystem Marketplace*

**VERIFICATION REPORT**

Last updated June 26, 2009. For questions, contact: David Primozich at [Primozich@verizon.net](mailto:Primozich@verizon.net).

**Verification Opinion**

**Name of Verifier** \_\_\_\_\_

This is to verify that **Project Developer** has been reviewed for the **DATE** reporting year, and has been verified according to the Willamette Ecosystem Marketplace's Verification Protocol against the standards set forth in the General Crediting Protocol.

**Verification Opinion:**

<i>Accounting Unit</i>	<i>Project Type / Accounting Tool</i>	<i>Quantity and Unit Type</i>	<i>Action Type</i>	<i>Start Date</i>	<i>End Date</i>	<i>Approval Date</i>	<i>Other Information</i>

**Project Start Date/Base Year:**

**Attestation:**

\_\_\_\_\_

\_\_\_\_\_

Verifier

Date

**Authorization:**

I **Project Developer NAME** authorize the above named verifier to submit an electronic version of this Verification Report to the Markit Environmental Registry.

\_\_\_\_\_

Credit Owner

Date

**Verification Log**

<b>Preparing for Verification</b>	<b>Date Achieved</b>
Bid on a verification agreement	*
Negotiate agreement with Client	*
Submit Notice and Conflict of Interest Form to Partnership	
Conduct kick-off meeting with Client	*
Plan verification activities	*
<b>Determining Eligibility</b>	<b>Task Completed</b>
Project completed a validation checklist	
<b>Determining Credit Quantity</b>	<b>Task Completed</b>
Description of baseline conditions	
Description of activity and dates completed	
Credit calculation methodology	
<b>Determining Adequate Maintenance</b>	<b>Task Completed</b>
Contracts in place to protect activities for required times and geographies	
Monitoring plans in place	
Contracts in place for maintenance for required times and geographies	
<b>Completing Verification</b>	<b>Task Completed</b>
Prepare detailed Verification Report for Client	*
Conduct meeting with Client to discuss report	*
Submit Report to the Partnership	
Submit Report to Client for their records	

\*Optional fields