Recovery Credit System: Proof of Concept for GCWA

Brian Hays, Associate Director
Institute of Renewable Natural Resources
Texas A&M AgriLife Extension Service



What is a Recovery Credit System

A recovery credit system is a tool that allows a federal agency to develop and store conservation credits that can be used at a later time to offset negative impacts to listed species.

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS-R9-ES-2008-N00166; 92220-1112-0000-FY08-EA]

Endangered and Threatened Wildlife and Plants; Recovery Crediting Guidance

AGENCY: Fish and Wildlife Service,

Interior.

ACTION: Notice of availability.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), announce the availability of guidance to promote implementation of the Endangered Species Act. The guidance describes a crediting framework for Federal agencies in carrying out recovery measures for threatened and endangered species. The text of the guidance is included in this notice. Under the guidance, Federal agencies may show how adverse effects of agency activities to a listed species are offset by beneficial effects of actions taken elsewhere for that species. The combined effects of the adverse and beneficial actions must provide a net benefit to the recovery of the species.

Federal Register / Vol. 73, No. 148 / Thursday, July 31, 2008 / Notices

Recovery Credit System Proof of Concept for GCWA





Background: Recovery Credit System

 Developed for Fort Hood by Statewide Working Group organized by Texas Department of Agriculture.



Policy, Economic and Science Committees

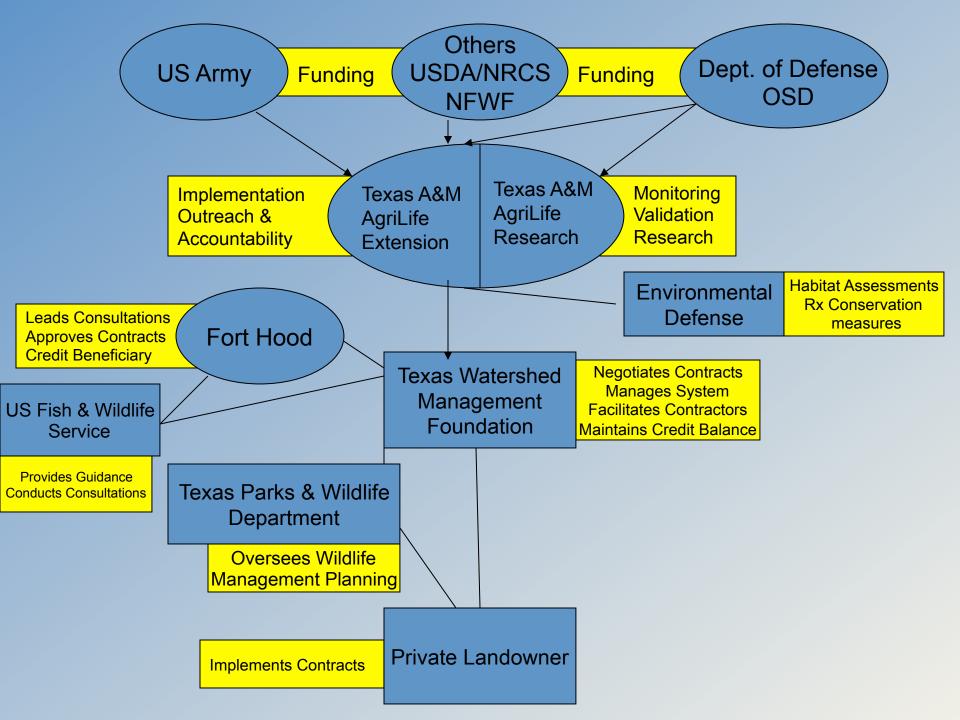


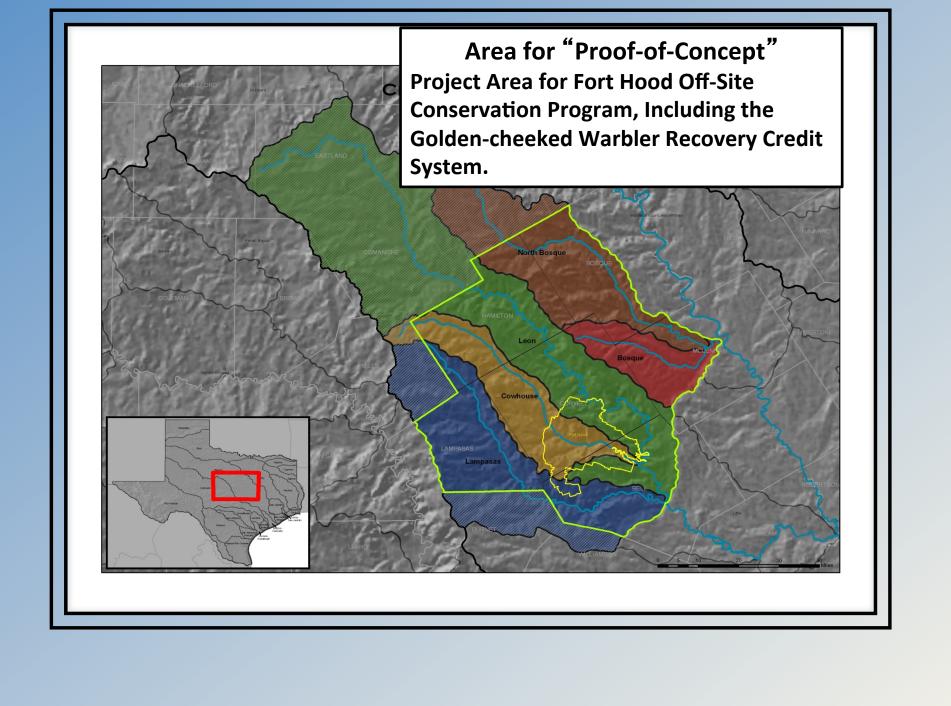
 Allows Fort Hood to secure training flexibility and reduce future training constraints



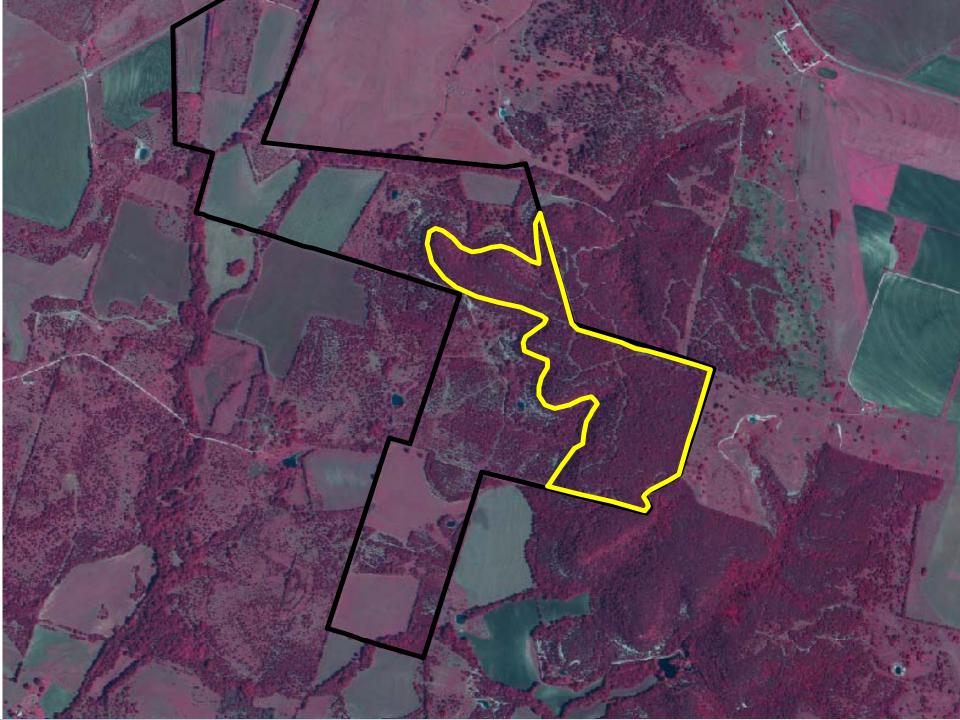


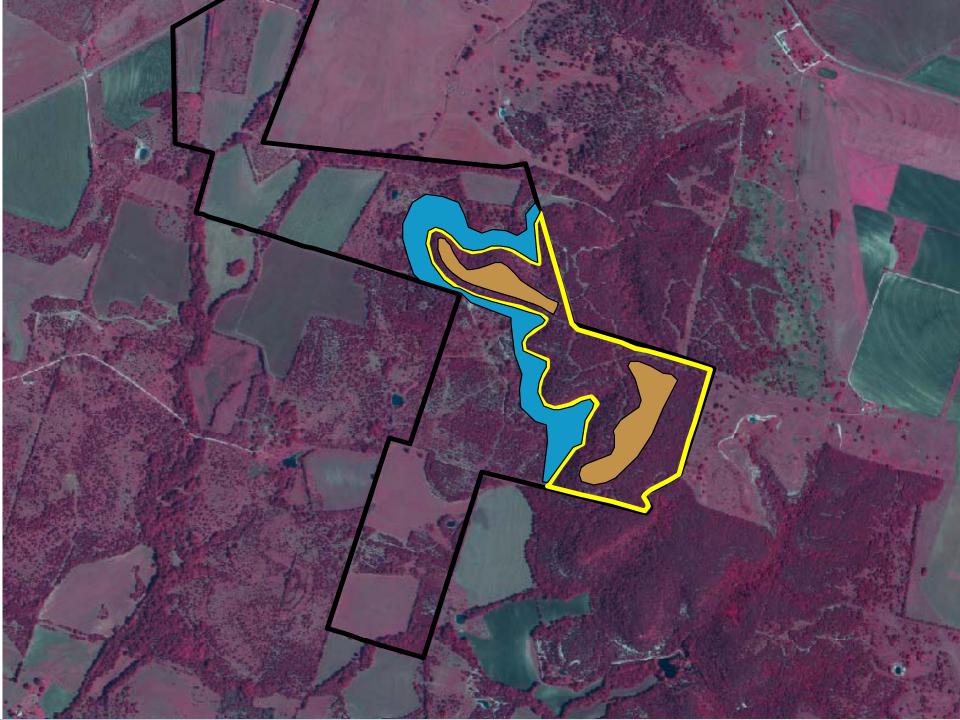
Structure

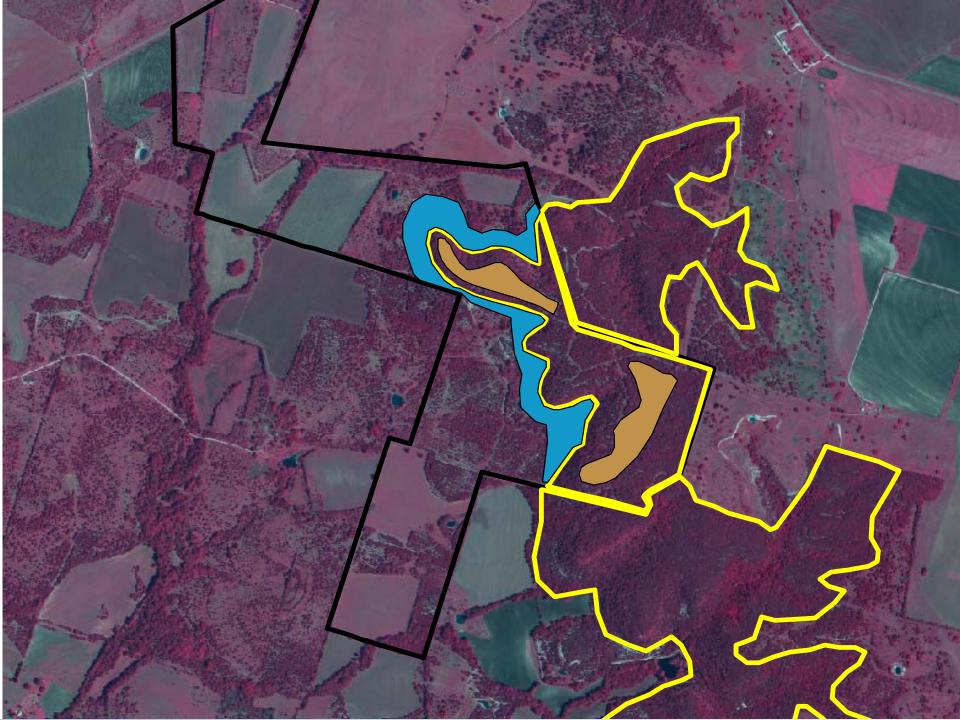












Implementation of Market Driven Bid Process

- Opportunity to allow for the cost of credits to reflect "true cost"
- Encouraged realistic management goals
- Allowed for flexibility in payment types

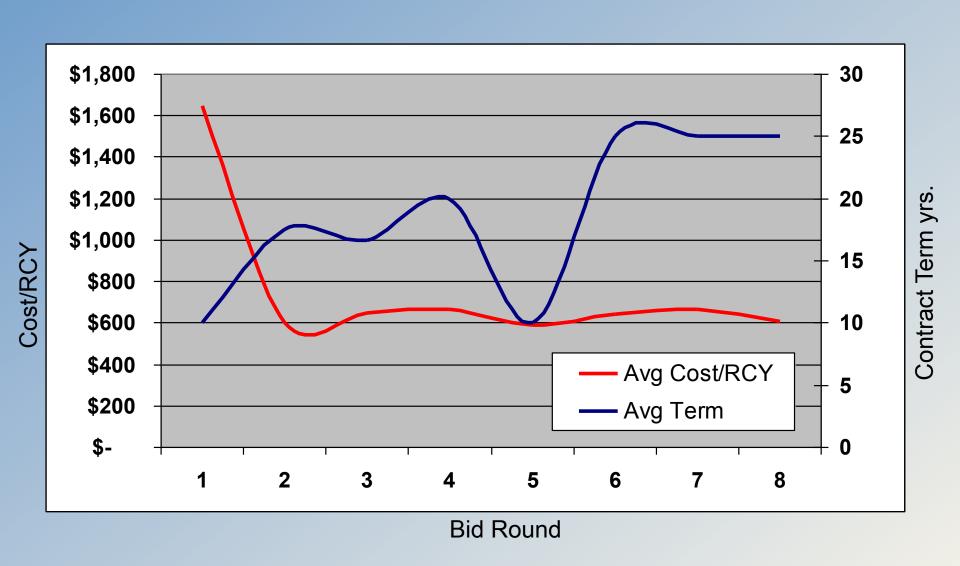
Bringing the Market to Bear..



- Initial contract investment reflected "current" conservation costs
 - mimicked traditional conservation approach
- Bid Round 2 introduced competitive bidding
 - Intent of pilot was to investigate which way the trend would go once market competition was brought to bear on contract process
- End result was that market competition resulted in fair valuation and ability to build credit generation

*Not all money for contracts came from DOD (the action agency)

Impacts of Competitive Bi



Summary of Recovery Credit System

Total Investment to Date: \$1,954,666

Landowner Cost Share: \$451,295

Area Under Contract (\$141/acre):
13,782 acres

Existing Occupied GCW Habitat Under Contract (\$888/acre):

938 Acres of supporting GCWA Habitat
373 Acres of BCVI Habitat

Contract Length (50% under 25 year contract)

10-25 years

2201 acres

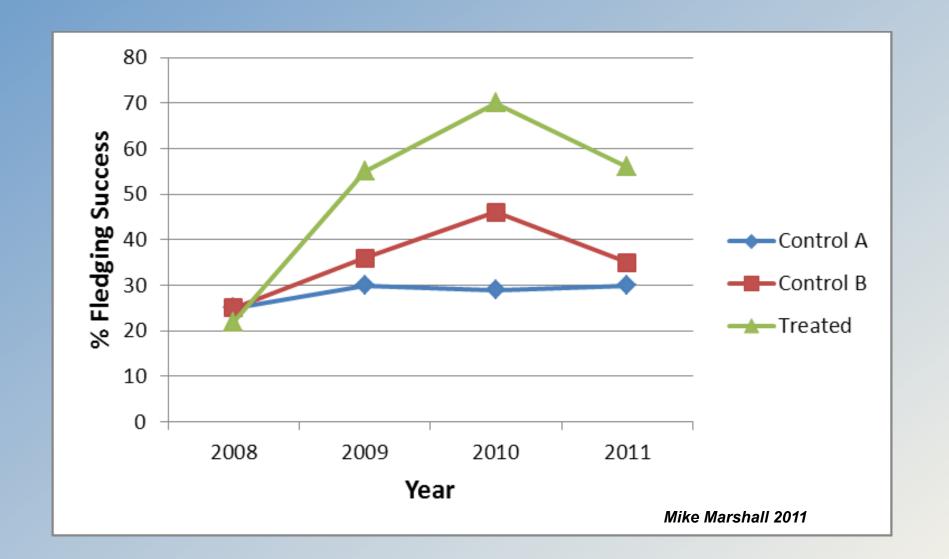








Results: fledging success



Final Outcome

- Third Party Review
- Completed February 2010
- First Debit 2009* using 25 year credits
 - 287 Acres

Takeaways

- Well informed science committees
- Partners
- Market driven system provides flexibility
 - More conservation on the ground
- Research component
- Adaptive management

Questions?

Brian Hays bhays@tamu.edu