

NOTICE OF PROPOSED CHANGES ON CARBON OFFSET PROJECTS ON STATE  
LAND IN THE REGULATIONS OF THE DEPARTMENT OF NATURAL RESOURCES

BRIEF DESCRIPTION

The Department of Natural Resources proposes to change regulations on carbon offset projects on state lands.

The Department of Natural Resources proposes to adopt regulation changes in Title 11 Natural Resources of the Alaska Administrative Code, dealing with carbon offset projects on state land, including the following:

- (1) Adding a new Chapter 78: Carbon Offset Projects on State Land, including the following new sections:
  - (a) 11 AAC 78.010, relating to applicability of the new chapter;
  - (b) 11 AAC 78.020, relating to identifying potential carbon offset projects; allowing the department to solicit recommendations for potential carbon offset projects from listed persons; allowing a person to recommend a potential carbon offset project to the department in writing; not obligating the department to provide compensation for a potential carbon offset project recommendation unless compensation is part of a contract; and allowing the department to elect to informally evaluate potential carbon offset projects that have been identified;
  - (c) 11 AAC 78.030, relating to informal evaluation of a potential carbon offset project; providing guidelines for what the department will review in an informal evaluation; allowing the department to solicit other state departments and third parties for information used in an evaluation; allowing for an informal evaluation to not be in writing; providing the criteria the department shall consider in an informal evaluation; and requiring the department undertake an informal evaluation before it completes a best interest finding for a potential project;
  - (d) 11 AAC 78.040, relating to land use planning and classification; describing the department's process for reclassifying state land and amending land management plans to allow for a potential carbon offset project, if necessary; and requiring the department finalize land reclassifications and management plan amendments before completing a best interest finding for a potential carbon offset project;
  - (e) 11 AAC 78.050, requiring a best interest finding for a carbon offset project to comply with state law and include information considered during the informal evaluation of a carbon offset project;
  - (f) 11 AAC 78.060, relating to the application, registration, and management of carbon offset projects; allowing the department to submit an application for a potential carbon offset project to a registry after a best interest finding has been completed; allowing the department to submit an application for a carbon offset project to other

registries if a registry rejects the project; and requiring the department to manage projects consistent with registry standards and protocols;

- (g) 11 AAC 78.070, allowing the department to contract for listed services consistent with AS 38.95.440; relating to contracts with registries; relating to exception from and application of the state procurement code under AS 36.30; and
- (h) 11 AAC 78.990, providing definitions of “department,” “potential carbon offset project,” and “register.”

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Trevor Fulton at the Office of Project Management & Permitting, 550 W. 7th Avenue, Suite 1430, Anchorage, Alaska, 99501. Additionally, the Department of Natural Resources will accept comments online at <https://alaskadnr.commentinput.com?id=erU6HMTSZ>, or by electronic mail to [dnr.carbonoffsets@alaska.gov](mailto:dnr.carbonoffsets@alaska.gov). Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 5:00 p.m. Alaska Daylight Time on Monday, April 29, 2024.

You may submit written questions relevant to the proposed action by email to [dnr.carbonoffsets@alaska.gov](mailto:dnr.carbonoffsets@alaska.gov) or to Trevor Fulton, Office of Project Management & Permitting, 550 W. 7th Avenue, Suite 1430, Anchorage, Alaska, 99501. The questions must be received at least 10 days before the end of the public comment period. The Department of Natural Resources will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and the Carbon Offset Program website at [dnr.alaska.gov/carbon](http://dnr.alaska.gov/carbon).

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Trevor Fulton at (907) 269-8755 or by email at [dnr.carbonoffsets@alaska.gov](mailto:dnr.carbonoffsets@alaska.gov) not later than Friday, April 19, 2024, to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting Trevor Fulton at (907) 269-8755 or by email at [dnr.carbonoffsets@alaska.gov](mailto:dnr.carbonoffsets@alaska.gov).

After the public comment period ends, the Department of Natural Resources will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected.

**Statutory authority:** AS 38.95.400; AS 38.95.410.

**Statutes being implemented, interpreted, or made specific:** AS 36.30.850; AS 38.95.400; AS 38.95.410; AS 38.95.420; AS 38.95.430; AS 38.95.440; AS 38.95.499.

**Fiscal information:** The proposed regulation changes are not expected to require an increased appropriation.

The Department of Natural Resources, Office of Project Management & Permitting keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of proposed regulation changes. To be added to or removed from the list, send a request to the Office of Project Management & Permitting by email to [dnr.carbonoffsets@alaska.gov](mailto:dnr.carbonoffsets@alaska.gov) or by mail to 550 W. 7th Avenue, Suite 1430, Anchorage, Alaska, 99501, and provide your name and either the email address or mailing address, as you prefer for receiving notices.

Individuals can also sign up to receive automated notifications of all State of Alaska notices, including public notice for regulation changes, by subscribing to the Alaska Online Public Notices System at <http://aws.state.ak.us/onlinepublicnotices/default.aspx>.

Date:                     3/26/24                    



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Trevor Fulton  
Carbon Offset Program Manager  
DNR Office of Project Management & Permitting

ADDITIONAL REGULATION NOTICE INFORMATION

(AS 44.62.190(d))

1. Adopting agency: Department of Natural Resources
2. General subject of regulation: Carbon offset projects on state lands
3. Citation of regulation (may be grouped): 11 AAC 78.010 - 11 AAC 78.990
4. Department of Law file number, if any: 2024200007
5. Reason for the proposed action:

( ) Compliance with federal law or action (identify): \_\_\_\_\_

(x) Compliance with new or changed state statute

( ) Compliance with federal or state court decision (identify): \_\_\_\_\_

( ) Development of program standards

( ) Other (identify): \_\_\_\_\_

6. Appropriation/Allocation: Administration & Support Services/Office of Project Management & Permitting - 2733

7. Estimated annual cost to comply with the proposed action to:

A private person: No anticipated annual costs

Another state agency: No anticipated annual costs

A municipality: No anticipated annual costs

8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year	Subsequent
	FY 25	Years
Operating Cost	\$0	\$0
Capital Cost	\$0	\$0
1002 Federal receipts	\$0	\$0
1003 General fund match	\$0	\$0
1004 General fund	\$0	\$0
1005 General fund/ Program	\$0	\$0
Other (identify)	\$0	\$0

9. The name of the contact person for the regulation:

Name: Trevor Fulton  
Title: Carbon Offset Program Manager  
Address: 550 W. 7<sup>th</sup> Ave, Suite 1430, Anchorage, AK, 99501  
Telephone: (907) 269-8755  
E-mail address: trevor.fulton@alaska.gov

10. The origin of the proposed action:

Staff of state agency  
 Federal government  
 General public  
 Petition for regulation change<sup>7</sup>  
 Other (identify): Enactment of Senate Bill 48 (Chapter 2, SLA 2023)

11. Date: 3/26/24 Prepared by: 

Name (printed): Trevor Fulton  
Title (printed): Carbon Offset Program Manager  
Telephone: (907) 269-8755