

# Questions and Responses Regarding Proposed Regulations Relating to Carbon Offset Projects on State Land

Office of Project Management & Permitting  
Department of Natural Resources  
April 23, 2024

**Question 1:** Where do the draft regulations address DOT&PF's comments submitted in the public scoping phase?

**Response:** Thank you for submitting your comments during the scoping period and for the follow-up question. The Department reviewed your scoping comments and felt that the evaluation criteria under draft 11 AAC 78.030(d)(2) adequately considers potential conflicts with other state agency uses and activities, including the potential impacts to DOT&PF lands, facilities, and acquisitions highlighted in your comments:

**11 AAC 78.030. Informal evaluation of a potential carbon offset project; evaluation criteria.**

(d) When conducting an informal evaluation, the department will consider the criteria outlined in AS 38.95.410(a) and:

(2) whether the potential carbon offset project would conflict with existing use of the land by a state agency

This evaluation criteria will again be considered when the Department undertakes a best interest finding for each individual project before it is implemented under 11 AAC 78.050 and AS 38.95.410(d).

The Department also felt that existing law appropriately disallows DNR from developing carbon offset projects on lands over which the Department does not have jurisdiction and authority.

Regarding the leasing activities referred to in your scoping comments, those activities are under a separate section of SB 48, specifically AS 38.05.081, which authorizes "leases of state land for carbon management purposes." These current draft regulations provide the process for implementing AS 38.95.400 – AS 38.95.499, which authorize "the department to undertake carbon offset projects on state land." Draft regulations implementing AS 38.05.081 will be forthcoming from the Division of Mining, Land & Water.

**Question 2:** What's your key take-away here in relation to potential forest carbon activities?

**Response:** The intent of the draft regulations is to implement the specifics of the Carbon Offset Program under AS 38.95.400 – 38.95.499 to allow the Department to develop carbon offset projects on state land. AS 38.95.400 – 38.95.499 addresses carbon offset projects on state lands in general, regardless of project type. These statutes are not specific to forest-based projects or activities, and the draft regulations reflect that. If you have concerns with or ideas for the Department

implementing forest carbon projects or any other types of carbon offset projects in the context of these draft regulations, the Department encourages you to submit additional written comments.

**Question 3:** Comments are allowed to be submitted for twenty (20) days despite the fact that the public notice runs for 30? What is the statutory and regulatory authority for that?

**Response:** Written comments will be accepted for the entire 33 days of the public notice and comment period, from March 28 through April 29. Written questions, as per the notice, “must be received 10 days before the end of the public comment period.” As per AS 44.62.213(b), “the agency shall make a good faith effort to answer, before the end of the public comment period, a question that is relevant to the proposed action, if the question is received in writing or asked at a public meeting at least 10 days before the end of the public comment period.”