

Forest Carbon Project Case Study – Coos Bay, Oregon

from Ecotrust

A landowner interested in conserving second-growth forest near Coos Bay, Oregon has the opportunity to purchase an additional 2,500 acres of timberland in a relatively productive site. The predominant species is Douglas fir and the current average age is 50 years. The future long-term management plan will rely on minimal harvests (<250 MBF/year) to improve ecological benefits. Funding for the purchase will include carbon credits, conservation easements, and other ecosystem service payments. All credits calculated for sale are provided in metric tons of carbon dioxide equivalent (tCO₂e) (see glossary of terms at below).

The landowner has contracted with a buyer who is willing to pay up front for the first five years of carbon credits at \$10 per ton.

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| Total Acres | 2,500 acres |
| Current standing carbon | 225 tCO ₂ e/acre |
| Baseline Average | 155 tCO ₂ e/acre |
| Total tCO ₂ e (Year 1) | 175,000 |
| Carbon Credits after deducting risk buffers (Year 1) | 122,000 |
| Carbon Credits after deducting risk buffers (Year 2-5) | 6,000/year |
| Price per tCO ₂ e | \$10 |
| Revenue from carbon credit sales (year 1) | \$1,220,000 |
| Revenue from carbon credit sales (years 2-5) | \$240,000 |
| SUBTOTAL CARBON REVENUE | \$1,460,000 |
| Cost of project development and maintenance (Years 1-5) | \$250,000 |
| TOTAL AVAILABLE FOR PURCHASE | \$1,210,000 |