Good features

- Feedstocks differentiated

- Accounting for C in growth and avoided reference emissions

- Attempt to account for regional changes – important issues still

Key issues

- Methodology non-intuitive – reverse and revise terminology

- Open issues unclear vs. actual proposals (e.g., 3 feedstock categories or more?)

- Additional case studies would be useful – landfills, switchgrass, other regions

- L equation mistake – $y = x(1-r)$ does not yield $x = y(1+r)$, also losses not additive

Key issues (2)

- Consistency – external and internal
- Baseline – reference point vs anticipated baseline
- Implementation details – seems unworkable
- Incentives for investors and land-owners distorted
- Working v non-working – useful distinction, reference year baseline issue
- Marginal v average – useful distinction

Key issues (3)

- Uncertainty – base conditions, projected baseline
- Feedstock groupings – implementation not clear
- Spatial aggregation – regions practical for capturing landscape level changes, but also increases bias associated with reference year baseline
- Waste – CH4 treated via CO2 – can change of form be ignored in avoided emissions?

Consistency

- Relative to stationary fossil fuel emissions – scope, other GHGs

- Land management and GHG fluxes

- Baseline (e.g., reference year but avoided emissions baseline)

- Treating forests as C debt and ag as C credit – managed forests could be a credit as well
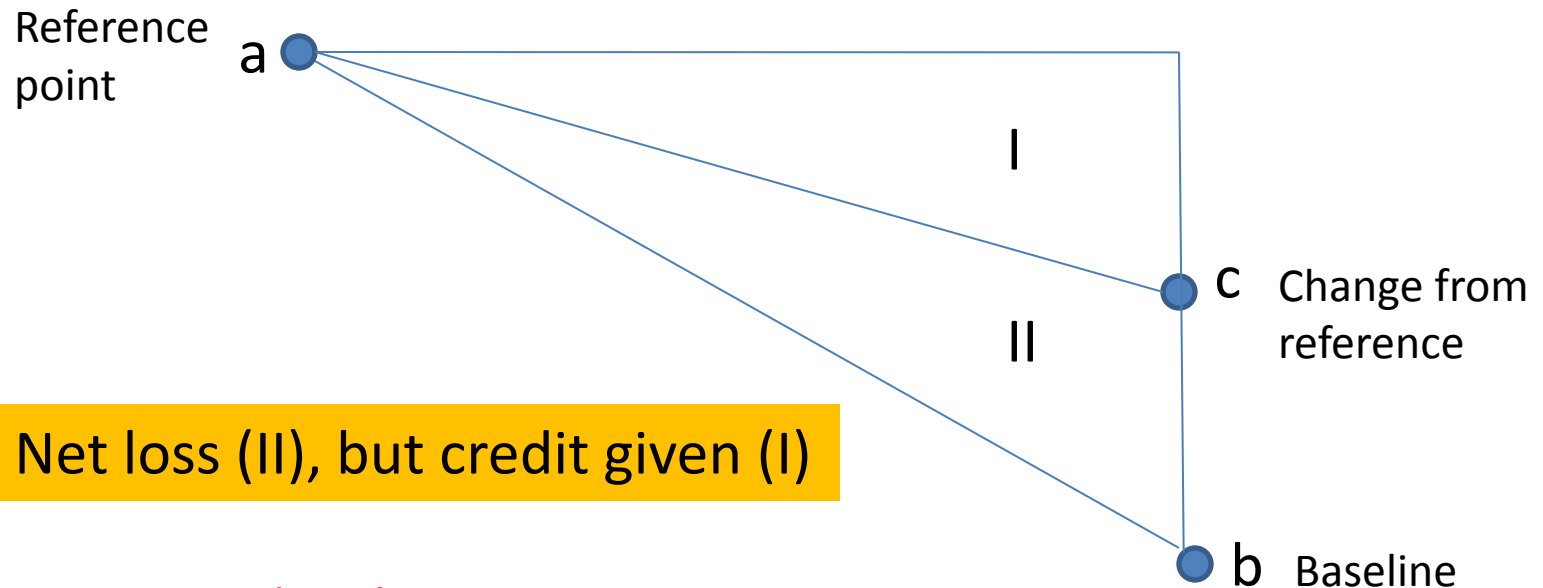
Baseline

- Reference point not estimating actual gains/losses—more susceptible to errors relative to anticipated baseline (or even extrapolated trends for immediate term)

- Creates strange investment incentives
  - If in a region with C decline, disincentive for new plants
  - Creates stakes for region definitions

- Carbon sequestration incentive programs will affect BAF

- Comparative baseline – must know counterfactual fuel

Implementation of proposed BAF (just the calculation)

- Facility specific calculations? Cumbersome? Source by source marginal accounting seems unworkable – marginal accounting isn't itself a problem.
  - What about look-up tables?
- Frequency and timing of calculations and crediting – one time, annual, other? Retroactive, in advance? Could create uncertainty for investments.
- Feasibility to implement and update
  - Data availability in general, in particular to support reference year approach
- Dealing with uncertainties—inventories, stocks, current activity/management (e.g., reduced tillage)
- Actual feedstock use will be market driven – is there flexibility to accommodate this, or will facilities be limited to "approved" feedstock(s) and their BAF(s)?
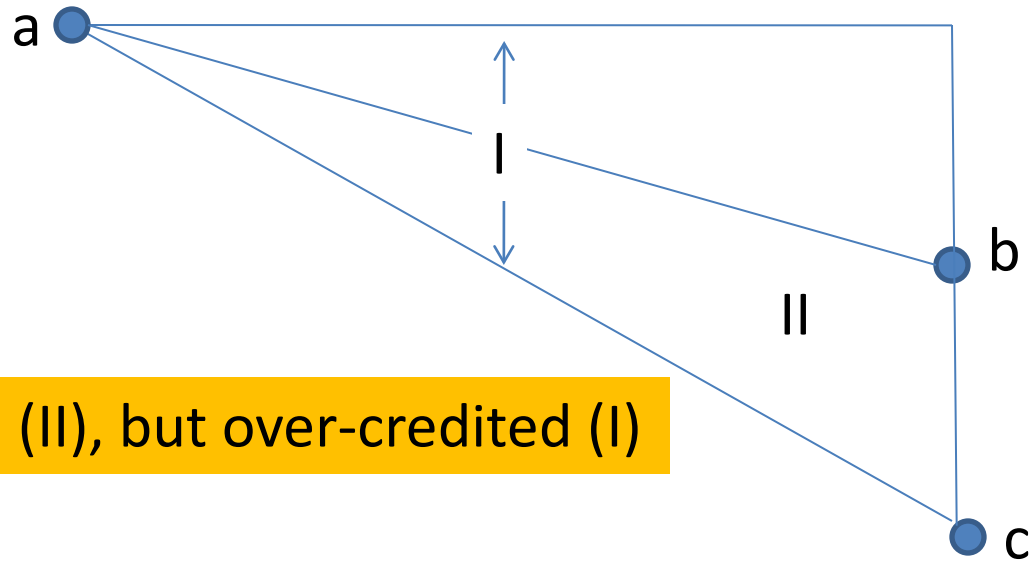
Reference year vs. "anticipated" baseline

Reference point

a

I

II

c Change from reference

Net loss (II), but credit given (I)

b Baseline

Feedstock is not "replaced by on-going growth"
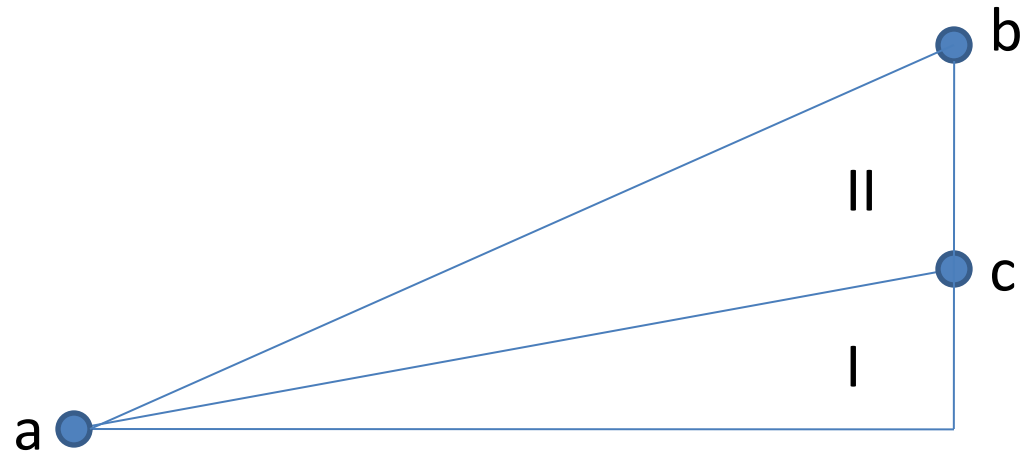
Reference year vs. "anticipated" baseline

Reference year vs. "anticipated" baseline
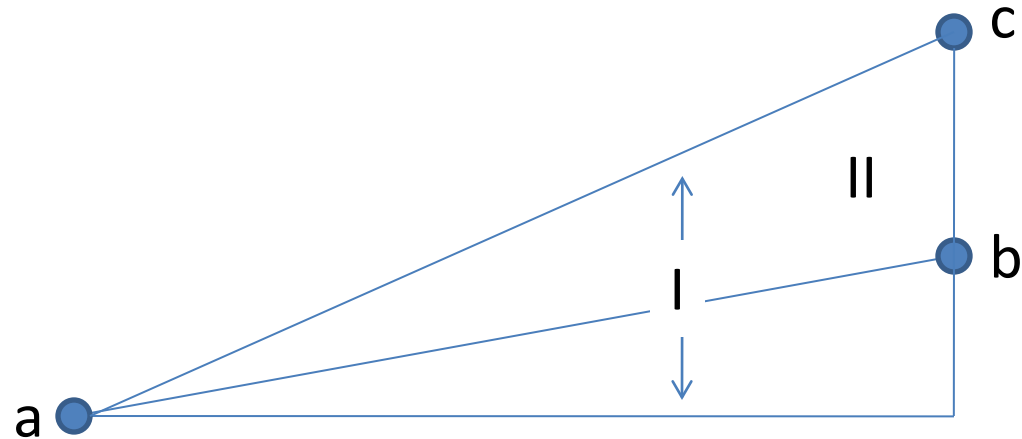

Big loss (I+II), but smaller loss attributed (I)

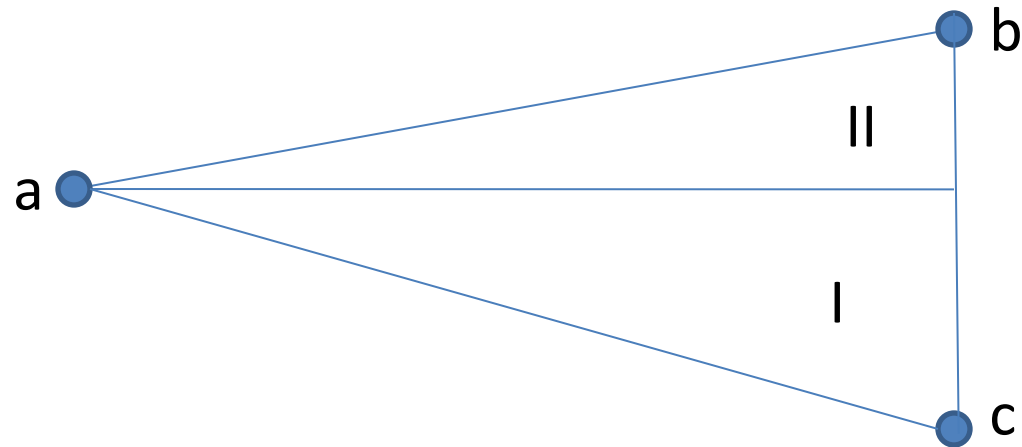# Reference year vs. "anticipated" baseline

Gain (II), but loss attributed (I)

Reference year vs. "anticipated" baseline

Loss (II), but bigger loss attributed (I)

Reference year vs. "anticipated" baseline

Gain (I+II), but smaller gain attributed (I)