

WHAT IS CONSERVATION BANKING?

The Endangered Species Act (ESA) prohibits take (meaning, killing, harming, hunting, etc.) of listed species. However, there are provisions for authorizing take of listed species, either through consultation with a federal agency or Habitat Conservation Plans on private property. Avoidance and minimization of impacts to listed species are required. Project proponents may address any remaining take through compensatory mitigation. Conservation banking, one form of compensatory mitigation, provides mitigation in advance of project impacts, and is often created by private sector actors. Conservation banking may be used under both Section 7 and Section 10 of the ESA.

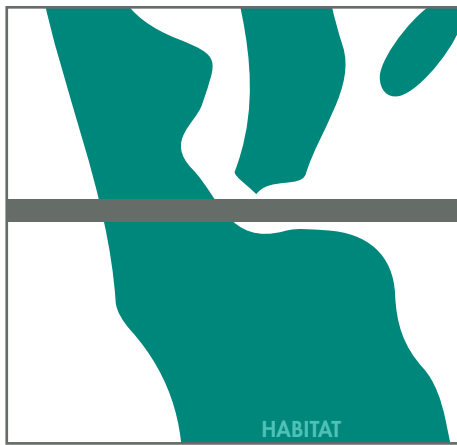
Other forms of compensatory mitigation: Permittee-responsible mitigation is completed on a project-by-project basis by the project proponent, in-lieu fee mitigation is accomplished by a government agency or non-profit organization using funds collected by permittees, and newly developed habitat exchanges operate as a clearinghouse between buyers and sellers.

HOW IT WORKS



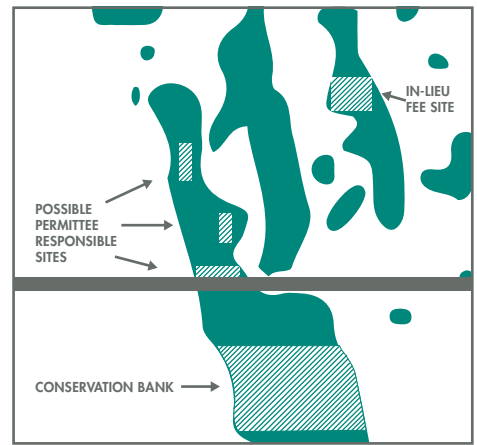
PROPOSED PROJECT

Let's say a linear project (road, pipeline, etc.) is planned to go through the habitat of a protected species.



ADJUSTED PROJECT

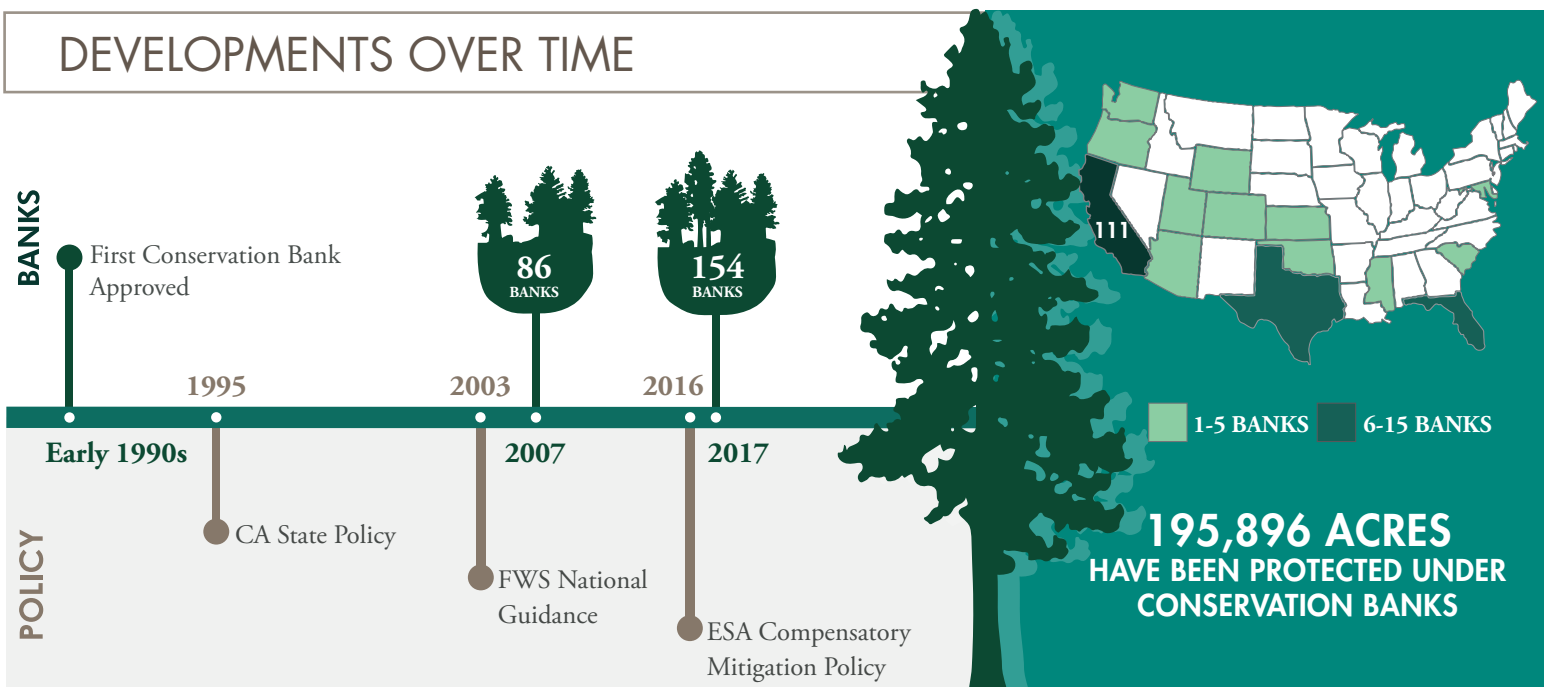
To avoid and minimize impact on the habitat, the road siting is adjusted and the footprint minimized. The remaining impact must be compensated within the habitat (known as "service area").



COMPENSATORY MITIGATION OPTIONS

The project developer could purchase credits from a conservation bank, fund an in-lieu fee program, or conduct their own permittee responsible mitigation.

DEVELOPMENTS OVER TIME



CONSERVATION BANK CREDITS

Conservation bank credits are units representing conservation and management for a listed species on bank lands. Seventy percent of credits are based on acres of habitat for a particular species, but credits can also be based on “the amount of habitat required to support a breeding pair; a wetland unit along with its supporting uplands; or some other measure of habitat or its value to the listed species.” There are over 77 species credit types—each with its own credit calculation methodology. Determining how to calculate credits can be challenging as there is no specific guidance on credit calculation.

THE RANGE OF CREDIT PRICES IN THE U.S.

\$2,500 – \$300,000

AVERAGE PRICE

\$31,683
PER CREDIT

MEDIAN PRICE

\$15,000
PER CREDIT



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