

CONSERVATION INNOVATION GRANTS
Semi-annual Progress Reports
(Final)

Grantee Name: Oklahoma Association of Conservation Districts	
Project Title: Northwest Oklahoma Ecosystem Crediting Opportunities Program	
Agreement Number: 69-3A75-11-214	
Project Director: Larry Wright	
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Period Covered by Report: July 31, 2014-September 30,2014	
Project End Date: September 30, 2014	

Detailed breakdowns of each goal are outlined below:

IDENTIFY CURRENT STAKEHOLDERS AND ORGANIZE

COMMUNICATIONS: To begin the project, OACD staff organized meetings with each NRCS, FSA, USFWS, and the Oklahoma Department of Wildlife Conservation (ODWC) to discuss the current status of their programs and projects and develop a cohesive plan forward. In the past, there has been a lack of coordination between agencies and organizations that are working on efforts to improve the lesser prairie chicken (LPC) habitat. OACD identified this as a significant problem after these meetings and worked with the NRCS state office to develop a list of all the key groups that should be talking to each other on a regular basis. A joint meeting of stakeholders was held at the Oklahoma NRCS State Office in Stillwater to share updates and progress of Lesser Prairie Chicken habitat management improvement achieved during the past 12 months.

CREATE AND HOST DISTRICT TRAINING: OACD continued its work with Oklahoma NRCS and partner agencies to identify and prioritize best management practices for LPC habitat.

LANDOWNER OUTREACH MEETINGS: Meetings were held with each of the conservation district board of directors along with area meetings, and public meetings involving local landowners.

PARTICIPATION IN STATEWIDE LPC CONSERVATION PLAN

DEVELOPMENT: OACD has been very involved in the LPC Conservation Plan development. OACD provided extensive education on the Candidate Conservation Agreement with Assurances (CCAA) throughout northwest Oklahoma. Efforts were collaborated with the Oklahoma Department of Wildlife Conservation (ODWC) for encouraging landowners to apply for conservation plans. The sign-ups were successful and far exceeded expectations. ODWC was limited by the USFWS on the number of acres that would be allowed to receive the Certificate of Inclusion for CCAA of 400,000 acres.

RESEARCH OF CONTRACTS FOR IMPLEMENTATION: OACD staff dedicated a large amount of staff hours to researching other programs across the country that have used similar market-based incentives to encourage conservation. Few programs exist, but those that are similar were asked to contribute any advice or provide any direction they

felt would be helpful. Over the course of one of the conversations, OACD was brought into a national effort to encourage US Fish and Wildlife Service to adopt a program similar to the wildlife credit program that OACD is establishing. USFWS has gone on to creating a definition for wildlife credits.

B) Describe significant results, accomplishments, and lessons learned. Compare actual accomplishments to the project goals in your proposal:

Project Purpose:

To create Oklahoma's first marketable wildlife credit and the framework for application of future wildlife credits to other species and regions of the state.

Quarter One 2012: OACD began discussions and meeting with private development companies that have an interest in keeping the LPC off the Endangered Species List and discuss potential investment opportunities. The U.S. Fish and Wildlife Service is still drafting a Candidate Conservation Agreement with Assurances (CCAA). OACD began working with the Oklahoma Conservation Commission to develop administrative regulations and protocols, including guidelines on how to become a state-certified wildlife credit verifier. At its annual State Meeting, OACD initiated training of conservation district employees as state-certified wildlife credit verifiers.

Quarter Two 2012: OACD began a media campaign to publicize the program. Due to waiting on the USFWS to complete the CCAA the tour for media, lawmakers, and other interested parties to see model landowners display appropriate execution of credit-qualifying practices was postponed. The wildlife credit framework along with the price of the credit (or varying prices, depending on the degree of conservation practices implemented) has not been determined. Model contracts for use in contracting with either landowners or credit purchasers have been drafted and undergoing legal review. The Oklahoma Department of Environmental Quality was contacted to qualify the credit as a Supplemental Environmental Project, including it as an option for investment by bad actors required to invest as a means of mitigation for their actions.

Quarter Three 2012: OACD began the compilation of a Wildlife Credit Handbook and a District Staff Verification Manual.

Quarter Four 2012: OACD held three education and outreach meetings with landowners and conservation district directors in the project area to garner interest in program participation and conducted informal interviews to gather an estimated price point for wildlife credits. Along with the Oklahoma Conservation Commission, OACD conducted a district employee verification training meeting with the goal of preparing employees for state-certification as wildlife credit verifiers. The three contract signing meetings in the project area, contracting to purchase Oklahoma's first wildlife credits from responsible land stewards, was not completed due to waiting on approval of CCAA. In discussions with partners it was agreed that the wildlife credits be tied to landowners who have received Certificates of Inclusion for the CCAA.

Quarter One 2013: In conjunction with the OACD State Meeting, district employee training was provided with the goal of finalizing the certification of district employees in five conservation districts within the project area. Wildlife credit verification was not conducted as we are still waiting on approval of CCAA from the USFWS. Revision of the draft agreement forms and a tracking spreadsheet were created. OACD participated in a LPC Coordination teleconference with Western Association of Fish and Wildlife Agencies (WAFWA). This included representatives from all five states in the LPC region. Voluntary offset costs were the main topic. OACD also attended the LPC five State Partnerships meeting at the ODWC Arcadia Education Center. Discussion began on the mitigation framework for the range wide conservation plan for LPC. This meeting was well attended with all 5 state wildlife agencies, other conservation groups, and energy groups (oil, gas, and wind).

OACD also participated in a meeting led by ODWC at their Arcadia Education Center to discuss LPC CCAA for agricultural lands. USFWS and USDA Natural Resource Conservation Service (NRCS) also made presentations during this meeting.

OACD participated in a meeting at the ODWC Woodward Office to discuss the Crucial Habitat Assessment Tool (CHAT) which will be used as a ranking tool and provide model crucial habitat for the LPC throughout its historical range. CHAT will be an online tool usable by conservation managers, industry, and the public that identifies priority habitat, including connecting corridors that can be used in the early stages of development or conservation planning. Reviewed the time frame for the Endangered Species Act and the potential listing of LPC.

OACD met with Sustainable OKC organization to provide current information about LPC.

OACD attended the National Association of Conservation Districts annual meeting in San Antonio, Texas and conducted several conversations with conservation representatives from the other four states in the LPC region.

Provided LPC and CCAA information, landowner concerns, and ongoing activities by all state partners to staff members for Senator Inhofe and Senator Coburn.

Meetings were held with all 16 conservation districts in the 14 counties of northwest Oklahoma providing information and education about LPC and CCAA. Public meetings were begun for landowners.

Quarter Two 2013: OACD organized the Conservation Day at the Capitol in Oklahoma City. Prescribed fire and LPC habitat management were formal topics. Tour for out of state parties not conducted due to no activity on CCAA or wildlife credits. Draft copy of the Wildlife Credit Handbook and the District Staff Verification Manual is not complete. OACD conducted an interagency meeting with NRCS and Conservation District Staff from the 14 county area. Other partners that participated in the education on LPC and CCAA were ODWC, NRCS, USFWS, and Oklahoma Wildlife and Prairie Heritage Alliance. A total of 15 landowner meetings were held throughout northwest Oklahoma. These meetings have resulted in a large influx of landowners making request to receive the Certificate of Inclusion for the CCAA. ODWC has assigned one employee to write the conservation plans that are required.

Congressman Lucas' field representative was provide an update on LPC and CCAA.

OACD met with Western Farmers Electric Cooperative (power generation and transmission) about LPC and CCAA and the wildlife credit program and potential for investing.

Quarter Three 2013: OACD held several meetings with private and public entities that are interested in investing in the program. OACD attended a Stakeholder Conservation Strategy meeting at the Oklahoma State Farm Bureau Office led by Natural Resources Solutions. The meeting focused on the energy sector exploring an agriculture partnership. This plan was outside of the 5 State Range Wide Plan and potentially offering a wildlife credit program of their own. They expressed an interest in using Oklahoma conservation districts and our trained staff to serve as verifiers.

Quarter Four 2013: In conjunction with the annual northwest and southwest Area Meetings, OACD conducted additional conservation district employee trainings to certify credit-verifiers. OACD met with the leadership of the Oklahoma Wildlife Commission to discuss the recently USFWS approved 5 State Region Wide Plan for LPC. ODWC is suggesting that OACD consider purchasing wildlife credits outside of critical habitat areas, thinking that credits in critical areas would be available for purchase later at a level higher than OACD is currently able to offer through this pilot project. ODWC is pursuing the opportunity to purchase OACD contracts when future development in the region requires mitigation.

Four meetings were held with oil and gas related energy companies that would be affected by the listing of LPC.

Quarter One 2014: In conjunction with the OACD State Meeting, district employee training will be held with the goal of finalizing certification for employees of additional districts within the project area and initial districts outside of the project area. A presentation of the wildlife credit program was made at the annual meeting of the Oklahoma Wildlife and Prairie Heritage Alliance (OWPHA).

The LEPC as listed as Threatened Species on the Endangered Species Act by the USFWS. The USFWS have not approved the CCAA Conservation Plans. Waiting on the approved plans to begin conducting a sign up for the wildlife credit program.

OACD conducted Conservation Day at the Capitol in Oklahoma City. Legislatures and general public in attendance received information on LPC, CCAA, and the wildlife credit program.

Quarter Two 2014: OACD met with ODWC LPC team to share partnership updates. ODWC completed 400,000 acres of conservation plans with Certificate of Inclusion CCAA that was just recently approved by the USFWS. The USFWS has also determined the definition of a wildlife credit. WAFWA has also gained the lead in administering wildlife credits according to the 5 State Range Wide Plan. It is beginning to look like OACD might not be able to offer wildlife credits in compliance with the definition provided by USFWS. The Wildlife Credit Handbook and the District Staff Verification Manual has been put on hold.

An independent oil and gas company contributed money toward the wildlife credit program.

Project Leader Sarah Pope and OACD Executive Director Clay Pope resigned effective July 1. In the process of collecting files from the Popes it came to OACD's attention that reports for this project had not been filed. Larry Wright, who had provided much of the assistance along with Jordan Shearer began to review personal notes to compile this report.

Quarter Three 2014: ODWC latest surveys show that the LPC population is below baseline but has improved over the previous year's count in these drought plagued areas. OACD met with ODWC to discuss the future direction of the partnership. ODWC is recommending that their offer of matching moneys not be spent on wildlife credits and that OACD come up with a proposal to incentivize LPC habitat management now that LPC has been listed as a threatened species. USFWS has also released a statement that landowners who conduct normal agriculture practices will not be subjected to increased management practices or potential lawsuits.

Quarter Four 2014: OACD worked diligently to offer an alternative scope of work that would achieve collaborative efforts to maintain and increase the habitat of the Lesser Prairie Chicken. ODWC began to pursue a separate course of action and withdrew their offer of matching funds. OACD was not able to complete Oklahoma's first marketable wildlife credit program. OACD efforts were utilized by the Western Association of Fish and Wildlife Agencies (WAFWA). Wildlife credits will be marketed by WAFWA for the five state region. The marketing of wildlife credits have proven to be a receptive practice. Over 48 million dollars are committed region wide for mitigation and wildlife credits. The efforts of OACD were commendable in Oklahoma's ability to enroll 400,000 acres under CCAA. However, with excellent efforts of landowners willing to voluntarily cooperate with improving and maintaining LPC habitats; the LPC was listed as threatened by the Endangered Species Act. OACD will continue working with legislatures that are proposing changes and transparency to the Endangered Species Act.

C) Describe the work that you anticipate completing in the next six-month period:
The project expired September 30, 2014.

D) Provide the following in accordance with the Environmental Quality Incentives Program (EQIP) and CIG grant agreement provisions:

1. A listing of EQIP-eligible producers involved in the project, identified by name and social security number or taxpayer identification number; none to date
2. The dollar amount of any direct or indirect payment made to each individual producer or entity for any structural, vegetative, or management practices. Both biannual and cumulative payment amounts must be submitted. None to date.
3. A self-certification statement indicating that each individual or entity receiving a direct or indirect payment for any structural, vegetative, or management practice through this grant is in compliance with the adjusted gross income (AGI) and highly-erodible lands and wetlands conservation (HEL/WC) compliance provisions of the Farm Bill. Not applicable.