

Incentives and Mitigation

There seemed to be some confusion as to what were incentives and mitigation and when they might be applied at the Incentive Sub-Committee Meeting. There may be need for both, but without a clear direction and definition of these concepts and how they apply in sage-grouse core area, we may begin to confuse when and if each tool could be used appropriately, thus watering down the SGEO protections and/or creating different standards between agencies.

INCENTIVES

Incentives are needed to entice individuals/companies to do more than what is required in their contractual/lease or other agreements. Incentives have not been developed to date.

'Incentives' are needed for:

- Encouraging development in non-core rather than core area.
- Encouraging reclamation/restoration inside one's lease area, on lands not disturbed by a company's activities, for the betterment of sage grouse within the lessee's DDCT Core Area (preferred) regardless of disturbance percentage.
- Encouraging reclamation/restoration outside of one's lease area, on lands not disturbed by a company's activities, but to the betterment of sage grouse *especially* within affected core areas (less preferred).
- Encouraging reclamation/restoration, on lands not disturbed by a company's activities, in areas where improvements would provide benefits for sage-grouse (in general).

Examples of potential incentives:

- Waivers, exceptions or modification of lease stipulations (for sage grouse) outside of core areas.
- Shortening the companies permit process time.
- Reduction of royalty rates and/or taxes.

MITIGATION

The Sage Grouse Executive Order is considered mitigation for development outside of Sage Grouse Core Population Areas. The stipulations outlined in Attachment B of the SGEO are considered minimum mitigation activities. There are two situations where mitigating the Core Area mitigation *MIGHT* be considered.

The consideration of mitigation must be done in the context of first doing everything possible to remain below the SGEO thresholds and stipulations.

'Mitigation' policies should/could be identified for the following scenarios:

- When a proponent is within an area where there are already exceedances of density and/or disturbance thresholds and the proponent has a valid and existing right to develop. Reclamation/Restoration areas would need to meet suitable habitat standards before being considered undisturbed. Priorities (in preferred order) for choosing reclamation/restoration locations include:
 - Within the proponent's lease/project area
 - Within the DDCT assessment area
 - Within the same Core Area
 - Either adjacent to the Core Area or in another Core Area.

- When a proponent is below the threshold, but future actions of either the proponent or others may cause exceedances and the proponent wants to be proactive and mitigate their future development that will cause the exceedances. Consideration of these actions need to include the current ownership lease status of fluid and solid minerals. Priorities are still being discussed but could include:
 - Restoration (to suitable for rights issued prior to SGE0 required stips; to functional for rights issued with SGE0 required stips) of reclaimed/burned/sagebrush eliminated areas that are no longer considered suitable within the DDCT assessment area or within the affected core area.
 - Priority habitat areas within or outside of core (areas with conservation easements).
 - Conservation Banking (purchasing credits, if developed

Next Steps:

- Develop policies (by specific scenarios) regarding the application of incentives and mitigation within Core Areas when the proponent is unable to meet the SGE0 requirements.
 - What does it mean to have habitat vs functional habitat.
 - Be clear about what tools are available for which circumstances such as 'buying' disturbance acres inside a core area vs. minimizing disturbance.
 - Be clear about what we are buying- birds, acres, leks – including subsurface protection. The currency has previously been described as 'birds'. There is some change in language at the Sub-Committee to leks and suitable habitat (acres).

- Get the information to be able to appropriately apply both concepts.
 - ID the sage grouse core area(s) with the greatest threats.
 - ID current disturbance levels by core area.
 - ID development pressure levels - leases, reasonably foreseeable future development - by core area.