



## EASI Product Offering

### Two Reports: Mitigation Credit Price & Availability

~ California ~



*Those who purchase compensatory mitigation credits* to meet environmental compliance requirements know that a great deal of money can be spent acquiring credits without ever knowing the funds have been wisely spent.

Now there is a way to increase business certainty and decrease project risk by applying EASI's companion Mitigation Credit Price & Availability Reports.

These two reports give buyers a better understanding of mitigation credit volume and price points, improving a buyer's ability to secure timely, cost-effective regulatory compliance.

#### **Cost Inefficiencies Abound**

The mitigation credit marketplace has from the beginning suffered from poor market transparency as well as high price volatility. This means buyers have had trouble accurately forecasting a portion of project costs that can total hundreds of thousands if not millions of dollars – a significant sum impacting any project budget.

In Southern California, for example, the Mitigation Credit Price Report might have prevented a buyer in 2014 from paying \$900,000 per acre for wetland credits in San Diego County – when the statewide average is about 1/10<sup>th</sup> of that amount. That same year in Northern California a buyer spent \$564,000 each for vernal pool credits in the San Francisco Bay Area – when the average cost for similar credits is less than half what was paid.

Imagine that *more than \$1 million* could have been saved in just two transactions if project managers had known in advance the comparable value and availability of mitigation credits sold in their area.

EASI's mitigation credit market reports can help prevent uninformed decision-making such as this.



## The EASI Reports – Versatile, Powerful Solutions

The Mitigation Credit Price Report (MCPR) offers ~ 200 price records for California wetland, stream, species and habitat credits sold between 2001 and 2016, with more than half of those records occurring between 2010 and the present.

MCPR data can be sliced and diced in a great many ways offering tactical insights into market trends and current market conditions.

Figure 1, for example, illustrates a declining price curve for California tiger salamander credits. Figure 2, however, suggests that California wetland and stream mitigation credit value has remained roughly consistent even though market volume has increased substantially since 2001.

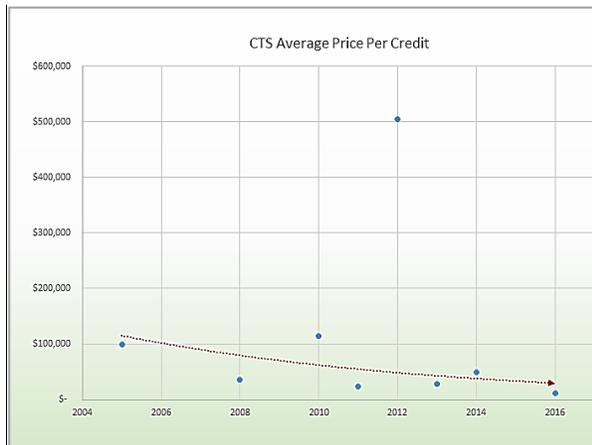


Figure 1. Prices for California tiger salamander credits have generally declined for the past several years

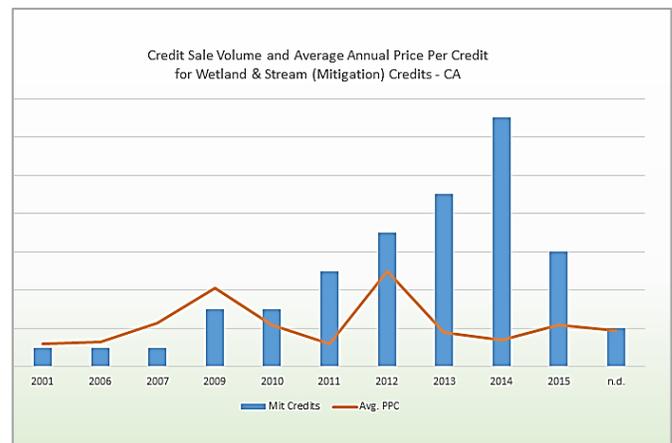


Figure 2. Average price for mitigation credits in California seems stable despite increasing credit volume

(Note: pricing details otherwise available in the MCPR have been screened here.)

The Mitigation Price Availability Report (MCAR) offers a comprehensive presentation of the number, type and distribution of compensatory mitigation credits for the nation's 1200+ operating, commercial mitigation banks. California is home to 91 such banks. The state's commercial mitigation banks are authorized to sell over 91,000 credits for a wide range of habitat types (including wetlands) and rare species. About 43,000 (47%) of the authorized credits remain to be sold.

Figure 3 (below) illustrates a dramatic trend for San Joaquin kit fox, showing that credits for this species have been in big demand over the past decade. Eleven banks have been authorized to sell kit fox credits since 2002 but only five banks have credits remaining for sale.

The location of banks with credits for sale has been no easy undertaking till the MCAR was completed. Buyers can now compare approved, released, sold and available credits for a full accounting of fungible credits moving through the environmental marketplace.

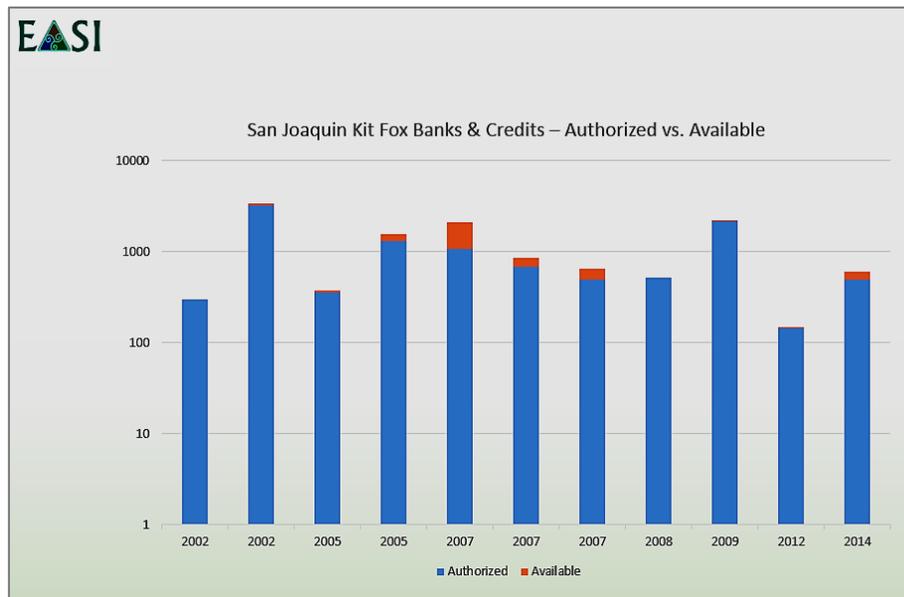


Figure 3. Almost 11,000 San Joaquin kit fox credits have been authorized for sale in California by 11 commercial mitigation banks approved since 2002. Only about 2000 kit fox credits (18%) remain for sale.

### Bottom Line: Knowledgeable Buyers Improve Project Success

If you are shopping for mitigation credits not only do you want to know what prices to expect, you want to know how many credits are out there, where they are located, and who offers them for sale. Such knowledge will improve your ability to negotiate reasonable purchase prices satisfying both project compliance and budget goals. Whether you represent business and industry, city and county governments, the investment community, a regulatory agency or an NGO, these companion tools are indispensable.

The California MCPR can be purchased for \$3500. The Report includes 188 mitigation and conservation credit price records from 2001-2016 (including a few records with a 'no date' designation). The report is delivered in an Excel file. Each record has been given a permanent identification number supported by an original URL and equivalent hardcopy source citation. Buyers qualify for all 2016 content updates. The MCPR comes with a license agreement indicating that the file is for individual use only; for multiple users contact EASI for Site License information.

The MCAR can be purchased for \$1500. This Report is an up-to-date inventory of all U.S. compensatory mitigation credits, including those offered by California's 91 operating, commercial mitigation banks. This Report draws on the U.S. Army Corps of Engineers' RIBITS database. RIBITS data has been organized and packaged in business-friendly ways. The Report is delivered in an Excel format giving approval details, credit types, demand summaries, currently available credit totals, as well as useable latitude-longitude location information for 1238 operating, commercial mitigation and conservation banks in the U.S.

To order these reports go to: [EASI's Mitigation Credit Price Report](#), or [EASI's Mitigation Credit Availability Report](#).

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