

Alternative Cases Set G – 100-Years Recovery of Functional Loss (3.00% TLIP)

Time Loss Interest
Penalty 3.00% - Case 1

Time Loss Interest
Penalty 3.00% - Case 2

Time Loss Interest
Penalty 3.00% - Case 3

Time Loss Interest
Penalty 3.00% - Case 4

Time Loss Interest
Penalty 3.00% - Case 5

Time Loss Interest
Penalty 3.00% - Case 6

Restoration Wetland Debit / Credit		Enhance Prior Converted Debit / Credit		Enhance Wetland Debit / Credit		Create Wetland Debit / Credit		Buffer Debit / Credit		Other Debit / Credit	
Development Acres:	1.00	Development Acres:	1.00	Development Acres:	1.00	Development Acres:	3.00	Development Acres:	9.00	Development Acres:	1.00
Mitigation Acres:	1.00	Mitigation Acres:	3.00	Mitigation Acres:	9.00	Mitigation Acres:	1.00	Mitigation Acres:	1.00	Mitigation Acres:	2.25
Development Multiplier:	3	Development Multiplier:	3	Development Multiplier:	3	Development Multiplier:	1.00	Development Multiplier:	0.3333333333333333	Development Multiplier:	1.5
Mitigation Divider:	0.3333333333333333	Mitigation Divider:	1	Mitigation Divider:	3	Mitigation Divider:	0.3333333333333333	Mitigation Divider:	0.3333333333333333	Mitigation Divider:	1.5
Price Per Credit:	100000.00	Price Per Credit:	100000.00	Price Per Credit:	100000.00	Price Per Credit:	100000.00	Price Per Credit:	100000.00	Price Per Credit:	100000.00
Number of Credits Required:	3	Number of Credits Required:	3	Number of Credits Required:	3	Number of Credits Required:	3	Number of Credits Required:	3	Number of Credits Required:	1.5
Total Credit Cost:	300000	Total Credit Cost:	300000	Total Credit Cost:	300000	Total Credit Cost:	300000	Total Credit Cost:	300000	Total Credit Cost:	150000
Remaining Credits Available:	0	Remaining Credits Available:	0	Remaining Credits Available:	0	Remaining Credits Available:	0	Remaining Credits Available:	0	Remaining Credits Available:	0
Remaining Credit Value:	0	Remaining Credit Value:	0	Remaining Credit Value:	0	Remaining Credit Value:	0	Remaining Credit Value:	0	Remaining Credit Value:	0
Calculate Restore Wetland Credits		Calculate Enhance PC Wetland Credits		Calculate Enhance Wetland Credits		Calculate Create Wetland Credits		Calculate Wetland Buffer Credits		Calculate Other Credits	

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In Case 1 there is an effective 1:1 ratio, for every 1-acre of mitigation 1-acre of impact is compensated. The impact incurs full TLIP while mitigation receives reverse TLIP as a bonus for anticipated perpetuity future gain in function. In Case 2 there is an effective 3:1 ratio, for every 3-acres of mitigation 1-acre of impact is compensated. The impact incurs full TLIP while mitigation remains TLIP neutral, no penalty but receives credit for full recovery in advance. In Case 3 there is an effective 9:1 ratio, for every 9-acres of mitigation 1-acre of impact is compensated. The impact incurs full TLIP while mitigation also incurs full TLIP for on-going time loss and risk for recovery still on-going. In Case 4 there is an effective 1:3 ratio, for every 1-acre of mitigation 3-acres of impact is compensated. The impact remains TLIP neutral while mitigation receives reverse TLIP as a bonus for anticipated perpetuity future gain in function. In Case 5 there is an effective 1:9 ratio, for every 1-acre of mitigation 9- acres of impact is compensated. The impact and the mitigation receive reverse TLIPs as a bonus for anticipated perpetuity future gain in function. In Case 6 there is an effective 2.25:1 ratio, for every 2.25-acres of mitigation 1- acre of impact is compensated. The impact and the mitigation share TLIP equally with moderate bonus for anticipated perpetuity future gain in function.

For meeting functional resource conservation recovery goals only Cases 1, 2, 3, and 6 would be acceptable, but Cases 2 and 3 would be the most desirable. While Case 3 is the best recovery alternative, it is probably not practical from the perspectives of bank sponsors and regulators. After that Case 2 would be the next best recovery alternative but mitigation bank sponsors would likely argue Case 1 is more cost effective for them to implement while still maintaining an effective 1:1 mitigation ratio. Case 6 might be viewed as a reasonable compromise between Cases 1 and 2.

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