

THE  
CONSERVATION FUND



NewForests



November 6, 2020

Gavin McCabe  
Chair  
Compliance Offset Task Force  
California Air Resources Board (CARB)  
OffsetTaskForce@arb.ca.gov

**Re: Comments regarding Compliance Offset Task Force Interim Report**

Dear Chair McCabe and Compliance Offset Task Force Members,

The California Forest Carbon Coalition (CFCC) appreciates the opportunity to submit comments regarding the Compliance Offset Task Force's interim draft recommendations, which suggest improvements to CARB's Offset Program and the U.S. Forest Projects Protocol (Forest Protocol). We applaud the work of the Task Force towards improving the existing Forest Protocol as well as your consideration of Programmatic modifications that would expand and strengthen California's offset program.

The CFCC represents a diverse array of California forest landowners, including Native American tribes, conservation groups and industrial timberland managers working to educate policy-makers on California forest's unique space in climate policy and to advocate for progressive forest carbon issues. Together, the coalition's organizations have committed thousands of working hours developing and managing projects representing nearly 20 MMT of sequestered CO<sub>2</sub>e over more than 1 million acres of California and California-adjacent land. In May 2020, the CFCC submitted a letter of suggested improvements to the Forest Protocol, many of which were supported in the Interim Report. Here we provide comments regarding the Interim Report, for both Forest Protocol-specific and Programmatic recommendations.

**Forest Protocol recommendations**

CFCC supports the Task Force's recommendation for reasonable and transparent invalidation guidance, given the very low rate of invalidation to date (0.06%). The Coalition supports limiting invalidation to infractions that occur onsite and have a direct environmental impact, and, when appropriate, applying a remedy proportional to the direct effect of the violation on carbon stocks. CFCC also supports the Task Force's recommendation to revisit the requirements around sequential sampling and project area changes.

Reducing offset verification costs is critical to allowing broader participation in the program. Measures that the Task Force endorsed, such as exploring the potential for aggregation of small, non-industrial forestlands, and reduced verification frequency and intensity for projects with small

or no new offset issuances have the potential to greatly reduce costs and bring more lands, and landowners, into the low-carbon economy.

CFCC also supports the recommendation by the Task Force to “Provide an alternative, more predictable baseline for reforestation projects using FIA data”. Our members have found that despite great need across the state for reforestation after wildfire and other disturbances, the lack of certainty around a reforestation project baseline – which currently gets deferred up to a decade or more after the start date until trees are large enough to inventory – inhibits investment. Creating an alternative method to establish a baseline upfront, based on publicly available science, could help these projects get underway.

### Programmatic recommendations

It is clear that forests and the land sector will play an integral role in climate mitigation that keeps global climate change to 1.5 or 2°C. The CFCC applauds California’s ambitious goals towards carbon neutrality. We endorse the recommendation of the Task Force to transfer the “high standards CARB has pioneered through the compliance offset program... to a number of other programs and policy initiatives.”

The CFCC also strongly supports the efforts recommended by the Task Force to increase accessibility and inclusion of Native American Tribes as well as Disadvantaged Communities. Targeted support, such as grants, no-interest loans, and reduced listing fees are a good start. In addition, measures that reduce the cost of project implementation, including aggregation, will help increase accessibility.

Finally, the CFCC believes the task force should recommend CARB update their forest protocol in 2021. It has not been updated since 2015 and many of the Task Force’s recommendations will need CARB’s process in order for them to be implemented in practice.

California’s offset program is the only one of its kind that is encouraging investment in rural and working landscapes at scale. It has the potential to deliver even greater environmental benefits through expansion and improvement going forward. We look forward to working with the Task Force and CARB to build on this groundbreaking program that is a model for the rest of the country and the world.

Again, thank you again for the opportunity to provide you with our recommendations on this vitally important issue.

Sincereley,

Joe James  
Chairman  
Yurok Tribe

Gary C. Rynearson  
RPF 2117  
Manager, Forest Policy and Communications  
Green Diamond Resource Company

Brian Shillinglaw  
Director, US Investments & Operations  
New Forests Inc.

Mark Welter  
President & CEO  
Redwood Forest Foundation, Inc.  
Usal Redwood Forest Company, LLC

Chris Kelly  
California Program Director  
The Conservation Fund

Richard Gordon  
President/CEO  
California Forestry Association

John Anderson  
Director of Forest Policy  
Mendocino Redwood Co/Humboldt Redwood Co

Rich Padula  
President  
Coastal Forestlands, Ltd.

Bob Rynearson  
Manager, Land Department  
W.M. Beaty and Associates

Cedric Twight  
California Regulatory Affairs Manager  
Sierra Pacific Industries

James Russ  
President  
Round Valley Indian Tribes

CC:

Paul Cheng, Compliance Offset Task Force Lead (Paul.Cheng@arb.ca.gov)

Jason Gray, Chief, Cap-and-Trade Program (Jason.Gray@arb.ca.gov)