

CCAR Forestry Protocols Meeting  
August 14, 2008

Workgroup Members Present: Ed Murphy (SPI), Gary Rynearson (Green Diamond Resources), Michelle Passero (TNC), Eric Holst (EDF), John Nickerson (CCAR), Connie Best (PFT), Gary Rynearson (Green Diamond Resources), Mark Nechodom (USFS), Robert Hrubes (SCS), Doug Wickizer (Cal Fire), Jeanne Panek (ARB), Tim Robards (Cal Fire), , Bob Rynearson (Beatty and Associates), Katie Goslee (Winrock)

Observers Present (physically and via telephone): Melissa Brandt, Stan van Velsor, Kurt Shuparo, Sean Carney, Tom Stewart, Christina, Ann Chan, Sterling Griffin

Greg Giusti (UC Cooperative Extension) facilitated the meeting.

### **Agenda modifications**

The meeting commenced at 9:33 due to traffic problems that slowed transportation for workgroup members.

### **Minutes**

The minutes were adopted.

### **Leakage Committee – Katie Goslee**

Katie stated that the subcommittee reviewed other protocols and compared how leakage is assessed. She noted that most protocols don't provide specific guidance for assessing leakage. VCS provides a more detail analysis of leakage and uses a lookup table. VCS assesses leakage as a risk of leakage. The subcommittee is drafting an approach that addresses all forms of leakage from a risk perspective. A flow chart of decision logic is being developed for each project type (reforestation, improved forest management, and avoided conversion) that will assist determination of the risk of leakage.

The group suggested that the flowcharts would be ready for review at the next meeting.

There were questions raised as to whether the group was considering how forest offsets could lead to a 'positive' leakage, which means the activity might substitute other materials that are more emission intensive. The subcommittee stated that it was not dealing with substitution issues and therefore the lowest leakage assessment from the subcommittee's effort would be zero (not positive).

There was some discussion on how often leakage would be assessed in any project. It was discussed that a leakage assessment on any project should happen on a periodic basis as conditions will change over the life of a project.

It was further discussed that lands that do not have a history of harvest, such as parklands, should be exempt from a leakage assessment. Responses were offered that guidance would be provided that indicated how the history of the land use patterns would be considered in the leakage assessment.

Others pointed out the difficulty of quantifying leakage.

### **Feedback from Stakeholder Meeting – Jeanne Panek**

Jeanne shared notes from a meeting that took place on July 18 that provided updates to the Forest Stakeholder Group – a group convened by ARB in November, 2007. The group oversees both the ARB scoping and CCAR protocols. The meeting was open to the public and webcast. There are approximately 1100 people on the list serve.

There were about 40 people in the audience. There was a large representation by small landowners. Doug kicked off the meeting with introductions and context. Richard Bode and Gary Gero discussed ARB and CCAR goals, respectively. John discussed the progress that has been made thus far. Jeanne discussed how the CCAR progress will evolve into ARB's process.

In summary, small landowners were the most outspoken group at the meeting and perhaps underrepresented in the workgroup. Bob Rynearson discussed his position on the workgroup and his efforts to make the protocols more applicable to small landowners. Jeanne described that the small landowners at the meeting expressed concerns that the protocols are complex and need to be simplified. Additionally, concerns were raised by meeting attendees related to:

- costs of participation in developing projects
- conservation easement requirements (won't work for a lot of people)
- baseline approach (won't work for a lot of people)
- minimum size (100 acres)
- how fuels management is addressed
- co-benefits (including managing fuels and smoke associated with wildfires)
- un-intended consequences of not having small landowners participate.

Follow up discussion:

Caryl suggested that an advisor be assigned at the Air Resources Board to assist landowners through an extension program.

The issue of the minimum size requirement was raised. It was discussed that the original motivation to define a minimum size was to address economy of scale issues – it was thought that projects less than 100 acres would be too costly. The idea surfaced that it made sense to let landowners decide if their projects were cost-effective or not instead of defining the minimum size threshold. Additionally, this would allow for creativity with regards to aggregating projects on small ownerships.

## **Quantification – Tim Robards**

Tim stated that the purpose of the quantification sub-committee was to ensure that the quantification methods used are accurate and cost-effective. Tim stated that he will be looking for efficiencies that may be available through existing processes such as existing certification efforts, long-term management plans on file with agencies, etc.

Tim presented a list that was the result of a brain-storming process back in January, 2008 as a starting point for the quantification group to begin discussions. Eric stated that he supported the idea of making things more simple and cost-effective, but to also consider how to make the effort work outside the borders of California.

The quantification portion of the sub-committee was distributed to all sub-committee members to begin the review.

A question surfaced as to if and how wood products would be incorporated in the protocol updates. John asked the quantification sub-committee to bring a recommendation to the workgroup as to how wood products should be incorporated in the protocols. The request also included addressing the affects of not including wood products in the calculations for additionality. A question was raised if this meant that the wood products would be included in both baseline and project activity and a response was offered that the quantification sub-committee will bring back that recommendation.

## **Permanence Subcommittee– Ed Murphy**

Ed discussed the active work going on within the subcommittee. This included the development of a risk and mitigation assessment and the legal review occurring on several fronts to address the issue of legal instruments that assist permanence. He stated that PFT is preparing a background paper on legal instruments that ‘run with the land’. The risk assessment addresses issues that normally are not problematic in the United States, including issues of land tenure and illegal logging.

Caryl raised concerns the amount of time being spent on analysis and working to get to the point as quickly as possible. Ann mentioned that thoroughness is critical in getting it right. A suggestion was raised to try and do both. Doug mentioned that we have a timeline and will accomplish our goals within the timelines. Gary suggested that some items may need to be flagged as requiring follow-up work after the updates are accomplished. Ed stated that the critical need is to get the group to agree on the content of the legal instrument instead of defining it by name. It was recommended that the subcommittee bring back recommendations of various legal instruments that could be used.

Project life was discussed in context of permanency. John reminded the group of the CCAR straw position that the project life basis is 100 years. Any project that is less than 100 years has a greater risk of reversal.

## **Private Lands Baseline Subcommittee – Eric Holst**

Eric introduced the subcommittee (Connie, Gary, Tim, Michelle, Bob, John, and himself). Eric mentioned that the group has considered as many as five different approaches and has minimized the field to three approaches. Each has been evaluated thoroughly. The desire is to bring one or two proposals to the workgroup on the 14<sup>th</sup> of August. The three proposals that persist include:

- Mean Inventory Starting Stocks Hybrid Approach
- Practices-based Approach
- Option C baseline

Questions were raised regarding which approaches would be brought back to the workgroup. Eric stated that it was his goal to bring as few back as possible- that the best outcome would be to come to resolution within the workgroup.

John described the results of the FIA analysis. He was complementary of the help and attention he is getting from the USFS PNW station. John described how forest communities are derived from the FIA data, using the Forest Type field in association with the Eco Province field. John described the history of the approach in terms of testing the various assessment areas that have been suggested (county, site class, private, public) and ultimately coming to a solution that is based on private lands at the forest community level. The basis of the solution was identifying an assessment area that is resolute enough to define the activities that are unique to the area and also ensuring that there are enough plots to arrive at a reasonable sampling error. The logic was discussed as to how communities were developed from the data which resulted in significant discussion. The outcome of the discussion included redefining the assessment areas and some of the 'Forest Type' allocations and requesting additional assistance from the USFS PNW station.

Several key issues raised in the discussion included how an landowner appeal process might be included in the protocols to address disputes over community assignments and how the process would work outside of California. It was agreed that using the USGS forest community map addresses the bulk of the needed definition across 90% of the United States (particularly since California is an anomaly in terms of the diversity of communities). Fine tuning can be conducted on a state by state basis.

John presented the most recent version of the 'Practices-based Baseline Approach'. The key components of the approach were presented as follows:

- Utilizes project-specific inventories as a starting point.
- Requires modeling of project inventories.
- Incorporates a mean inventory statistic, based on standing live stocks, to establish which projects can include standing stocks.
- Easily integrates forest products.

- Requires that the baseline approach meet all legal requirements and is economically feasible.
- Is built on the current approach in the protocols with modifications to improve determination of 'business as usual'.

The baseline approach was discussed extensively. The next step with the approach was determining to be one of improving the presentation so that the concepts could be better communicated and understood.

Eric closed the meeting with a statement that there is intent to bring an evaluation of each proposed baseline to the August 14 meeting. The goal would be to have a vote at the meeting on the 14<sup>th</sup>. Eric asked the group if there was agreement that the next step would be to bring the various baseline proposals forward to the next meeting and discuss them with the whole workgroup and end the discussion with a vote leading to one identified baseline approach. Furthermore, Eric stated that the subcommittee would strive to bring one baseline forward.

### **Afternoon Meeting**

Discussion was continued on the idea of removing the requirement for a 100-acre minimum. The discussion followed that the protocols should include explicit language for aggregation of projects so that small landowners could work together to develop cost-effective projects. Also raised was a request to review the protocols to see the effects will be had by removing the 100-acre requirement.

It was suggested that an ad hoc committee be created to review the motion. Further discussion identified that there are likely many places in the protocols where modifications on similar issues need to be addressed. A motion was put on the table and seconded that a recommendation be sent to the drafting committee to remove the 100-acre limitation and draft text that identified further guidance for aggregation of projects would be provided in subsequent protocol updates. The vote was approved.

### **Avoided Conversion Subcommittee Update - Michelle**

The subcommittee did not have a report.

### **Co-Benefits Subcommittee – Robert Hrubes**

Robert pointed out that the projects should provide co-benefits and that co-benefits are addressed with the natural forest management definition and the requirement for native species. Robert identified that the working definition (adopted by the workgroup) of natural forest management (and the biodiversity requirements) was put together with the idea that the California Forest Practice Rules serve as a safety net. Robert indicated that further guidance was needed for the definition to work beyond the borders of California.

Robert added the following additional suggestions for guidelines/indicators in the form of a checklist that could be used to help ensure landowners were meeting the biodiversity requirement outside of California:

- Are only native species being used?
- Are the forest types listed in a guide to wildlife habitats?
- Is the composition of tree species consistent with forest types native to the project area?
- Is functional habitat for endemic wildlife and plant species being maintained within the project area (snags, old trees, mast-producing trees)?
- At what scale does the project maintain a mixture of age classes (stand, project, landscape)? There is an expectation that the diverse age classes be distributed across multiple scales.
- Do the forest practice regulations provide protections for watercourses and soil?
- Is the project area certified under a certification scheme (FSC, SFI)? The thought is that if you're in a state with no regulations certification systems will help to ensure adequate protection exists.

There was discussion about what constitutes endemic today (loblolly pine, Douglas-fir in Europe, etc). Additional discussion items included the co-benefits associated with sustained management of timber. Some concerns were raised as to how the landowner would demonstrate compliance with the diversity expectations.

#### **Leakage Subcommittee – Katie**

Katie reminded the group of where the thinking was left off with discussions of revisions to the entity reporting requirement that addresses activity-shifting leakage. She reminded the group of a decision tree that was developed (in January, 2007) to define an assessment area based on the risk level associated with the project.

She presented a plan of action for the subcommittee that included a conference call and a comparison of how other protocols handle leakage. A further point was raised that leakage is a much bigger issue than leakage that occurs within one's own entity and that the thinking should be broadened.

#### **Private Lands (Other Forests) Baseline – Doug**

Doug suggested that other forests (mixed hardwoods) could pursue the same course of action as the baseline described earlier for forests managed for timber management or it could use the same approach that has been identified for public lands. The verdict awaits the outcome of the baseline approach for private commercial forests.

Doug also discussed progress (in concert with Michelle) with developing the qualitative assessment language for reforestation projects. Michelle stated that she was looking into how guidance would be provided that addresses the '20% loss of carbon stocks clause' in the reforestation definition in terms of which pools are assessed.

### **Drafting Subcommittee - Michelle**

Michelle spoke about the deadlines for drafting. The final draft is slated for October 10. The workgroup would have 2 weeks to identify issues. Webex (an online tool) is being used as a forum for drafting. Michelle stated that a public comment period would be initiated in November. The protocols would be brought to CCAR's Board in February, 2009 and subsequently to ARB in March, 2009.

It was suggested that public workshops be held in Eureka, Sacramento, Redding, Santa Cruz, Ukiah, and somewhere in southern California.

### **General Discussion of Progress and Timelines**

It was broadly recognized that there is an urgency to come to terms within the subcommittees. The group discussed the importance of bringing recommendations to the next meeting. The importance of distributing material to the workgroup prior to the meeting was raised. It was suggested that there would be a final recommendation for both permanence and baseline on August 14<sup>th</sup>. Eric suggested that the baseline subcommittee may need to use the workgroup to help in identifying the final recommendation.

Next meetings are scheduled for September 5<sup>th</sup>, September 26<sup>th</sup>, and October 10<sup>th</sup>.

The meeting adjourned at 3:30.