February 2, 2009

Submitted electronically to policy@climateregistry.org, and john@climateregistry.org,

California Climate Action Registry 523 W. Sixth Street, Suite 428 Los Angeles, CA 90014

Re: California Climate Action Registry, Draft Revised Forest Project Protocol Version 3.0

These comments are submitted on behalf of the Center for Biological Diversity in response to the California Climate Action Registry's December 2008, Draft Forest Project Protocol Version 3.0. The Center for Biological Diversity is a non-profit, public-interest environmental organization dedicated to the protection of native species and their habitats through science, policy, and environmental law. The Center for Biological Diversity is greatly interested in efforts to reduce greenhouse gas emissions and increase carbon sequestration in California's forests while improving forest ecosystem health and resilience to withstands the impacts of climate change. Although the Center for Biological Diversity is not a member of the CCAR Forest Project Protocol work group, we have followed the development of the draft protocol revisions, attended work group meetings, and are familiar with much of the scientific literature referenced in the protocols and associated documents.

The Center for Biological Diversity acknowledges the great amount of thought and effort that went into developing the draft forest project protocol revision, and we acknowledge that the draft revision includes potential improvements over the current forest project protocol. However, we have concerns about components of the draft forest project protocol revisions, and offer the following comments.

The draft revisions are relatively opaque and inscrutable.

It is difficult to determine the nature of the changes proposed in the draft revisions. It would greatly improve the clarity and accessibility of this draft to include—either within the draft or as a separate document—identification of the changes and the justifications and rationales for those changes.

It is also difficult to determine which proposed changes failed to achieve consensus. The website states that "the attached minority reports identify areas where the group did not achieve complete consensus," but it is unclear exactly which sections are implicated, and whether the minority reports are comprehensive. Furthermore, considering that the CCAR forest project protocol work group is comprised of neither elected representatives nor proportional representation of stakeholder and public interests, the value and justification of a straight

majority vote on policy decisions is unclear. It would greatly improve the clarity of the draft and the process to identify those changes that did not achieve complete consensus, and to provide justification for including them without consensus.

The protocol must account for emissions from machinery and vehicles used in maintenance activities and transportation of wood products.

Table 5.1 on page 10 states that the greenhouse emissions associated with machinery and vehicles used in maintenance activities and the transportation of wood products are not included in the greenhouse gas assessment boundary. Timber harvesting is listed as a source only with respect to "harvesting of off-site forests." Presumably, the exclusion of these emissions is based on deference to regulation of fuel emissions in the transportation sector. However, these activities can produce substantial amounts of greenhouse gas emissions from the combustion of fossil fuels, and excluding them from the forest project protocol understates the carbon impacts of forest management activities. This is especially true because the emissions from maintenance activities and transportation of wood products may be concentrated at the front end of a project, long before the benefits of the greenhouse gas removals of the project will be realized. The exclusion of these combustion emissions also fails to encourage less fuel-intensive forest management, regardless of whether the emission is equal to 5% of the greenhouse gas emissions/removals over the lifetime of the project. This is particularly true given the relative ease with which fuel combustion can be accounted for, and the availability of the methodology in the general reporting protocol.

Forestland registered as part of a forestry project must be dedicated permanently to forest use through the use of a perpetual conservation easement.

In contrast to earlier versions of the forest project protocol and the previous adherence to SB 812, the draft revision fails to require that forestland registered as part of a forestry project must be dedicated permanently to forest use through the use of a perpetual conservation easement. Instead, the draft revision requires a project implementation agreement to be filed with CCAR, setting forth: "the landowner's obligation (and the obligation of its successors and assigns) to comply with the forest project protocol established by the Reserve for a term of 100 years." Obviously, a term of 100 years falls far short of permanence. Perhaps more important, 100 years is within range of harvest rotation age for many forest types. The draft revision offers no justification for eliminating the requirement for a perpetual conservation easement.

The draft revision attempts to address this deficiency by assigning ratings to various risks to the conservation of the forestland, as discussed in Appendix C. However, it is clear that many legal devices are not comparable to conservation easement with regard to permanence and enforceability. The draft revision raises more concerns with the lack of permanent conservation easements, in the discussion in Section C.2.3 of the risk that "favorable timber values…may motivate some project managers to realize timber values at the expense of managing obligated [emissions] reductions." Rather than estimating the risk of defaulting on the project

implementation agreement, the protocols should continue to require perpetual conservation easements.

If the draft revision intends that the implementation agreement will extend 100 years past the date of the last reduction verified for the project area, then that should be more clearly stated, along with a detailed description of the conservation requirements of an implementation agreement.

The protocol should not include forest projects on Federal lands.

The draft revision proposes to expand the protocols to include forest projects on Federal lands. However, the draft fails to address the many serious legal and political issues that this would raise, as well as serious concerns regarding the permanence and enforceability of the emissions reductions. In addition, the inclusion of federal lands carries an implication of tradable carbon offsets, and project reduction could be greatly complicated undermined or complicated by changes in federal regulation and management.

The protocol should not encourage salvage logging and replanting in contradiction to ecological goals.

The discussion of natural disturbance risk on page 63 states that "if a natural occurrence occurs that stops or damages the current forest's ability to sequester carbon, reforestation is the fastest way to return a damaged site to net sequestration. Removal and off-site storage can lessen the total amount of obligated reductions reversed over time." This statement is unaccompanied by citation or scientific justification for these statements. In fact, salvage logging in many cases is not the best option with regard to forest health, biodiversity, or long-term carbon balance, and can greatly increase soil erosion and the associated loss of soil carbon. Also, natural regeneration may be preferable to reforestation after natural disturbance in many cases. The protocol should not implicitly or explicitly encourage these practices when they contradict ecological objectives. These statements need to be clarified and the protocols need to provide a detailed explanation of what process would be used to evaluate a "well designed and implemented disturbance recovery plan," and "appropriate recovery of trees killed following natural disturbance."

The protocol should include mandatory accounting for soil carbon stocks, and all on-site carbon stocks.

The draft revision identifies eight categories of carbon stocks at a project site, but then excludes seven of these carbon pools—below-ground living biomass, shrubs and herbaceous understory, standing dead biomass, lying dead wood, litter, soil, and wood products—from mandatory reporting. Appendix A at page 39 states that "pools may only be excluded if doing so will have no deleterious effect on total quantified GHG reductions. The cumulative net GHG emissions from all excluded pools over the project lifetime must be less than 5% of total quantified GHG reductions/removals for the project."

The carbon contained in soil organic matter changes in response to management activities, and substantial losses from soil carbon stocks may continue for decades after harvesting. By making the soil (and other) carbon pools voluntary, the draft revision underestimates the carbon emissions and lower sequestration rates associated with soils in intensely harvested forests, and obscures the potentially significant differences between forest management scenarios. This is especially important because the soil carbon impacts are likely to be concentrated at the front end of a project, long before the benefits of the greenhouse gas removals of the project may be realized, regardless of whether the emission is equal to 5% of the greenhouse gas emissions/removals over the lifetime of the project.

The draft revision must not credit wood products that ultimately end up in landfills.

Offering any amount of credit for wood products that are ultimately discarded in landfills contradicts the general purpose of the forest project protocol, and obstructs efforts to reduce the emissions associated with landfill waste. Crediting the sequestration of wood in landfills threatens the integrity of the entire forest project protocol by offering credit for what is in most cases the worst conceivable end-use for wood products. There is a high potential for perverse incentives associated with this credit, and it is completely inappropriate to provide credits for converting California's forests into landfill waste. Perhaps even more important, the landfill credit in the revised protocols threatens to complicate and obstruct the development of policies in the waste and recycling sectors to divert wood and biomass from being discarded in landfills.

Thank you very much for your consideration of these comments. Please contact me if you have any questions.

Sincerely,

Brian Nowicki

Buan Mowichi

Center for Biological Diversity

(916) 201-6938

bnowicki@biologicaldiversity.org

Jandl et al. 2007. How strongly can forest management influence soil carbon sequestration? *Geoderma* 137 (3-4):253-268; Birdsey and Heath. 1995. Carbon changes in U. S. forests. In *Productivity of America's Forests and Climate Change GTR-RM-271*, USDA Forest Service, Rocky Mountain Research Station.; Harmon et al. 1990. Effects on Carbon Storage of Conversion of Old-Growth Forests to Young Forests. *Science* 247:699-702.

² Olsson et al., 1996; Schulze et al., 2000, Climate change: Managing forests after Kyoto. *Science* 289:2058-2059; Yanai et al., 2003; Pennock and van Kessel, 1997.