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Dear Gentlemen:

As the four members of the CCAR Working Group representing all types and sizes of private forest landowners in California, we would like to express our sincere appreciation to the CCAR, with the support of the ARB, for convening the CCAR Working Group. This diverse group of individuals with an interest, expertise and dedication were tasked with the challenge of reviewing and revising the first iteration of the registry's forest carbon protocols. After nearly 15 months of meetings, conference calls, and correspondence the CCAR Working Group is close to completing the objective with which we were tasked – to review and revise the existing forest carbon protocols as necessary to optimize the opportunity and incentive for all private and public forest landowners to voluntarily sequester more forest carbon from the atmosphere, while maintaining an accurate, conservative and efficient system of tracking and accounting for that carbon as it is stored in various carbon sinks out of the atmosphere, over the long-term.

The CCAR working group has had many debates, and at times divergence of opinion, but we have been dedicated to the collaborative process and methodology for arriving at our final product, which was defined when we all agreed to participate. We believed in the process, have fully supported the process, and continue to support the final work product as a refined iteration that you have now put out for public comment, even though we are not in full agreement with every provision.

While we as forest landowner representatives had the opportunity to file a "minority report" to formalize our positions on individual issues that were not adopted by the broader group, we chose not to do so in the interest of supporting the collaborative efforts of the Working Group as a whole, and recognizing that this will continue to be an evolving process as we learn more with its implementation.

This does not mean that we don't believe there are significant issues that remain. One of our most important recommendations is that once the revisions have been endorsed by the CCAR & ARB, their implementation must be reviewed on a regular basis, and the protocols adjusted to ultimately be more efficient and effective. As we go forward, the level of landowner participation in the carbon off-set process will be one indicator of whether further changes are necessary.

In that regard, we have several items we would recommend be tracked during the first year of implementation, and appropriately revised:

- 1. While defining permanence as carbon stored for 100 years is a supportable objective, having forest landowners contractually obligated for 100 years may be problematic. We encourage the continuing development of a public reserve or insurance option that protects landowners from the liability of an unintentional loss, and developing options for contracts that are shorter than 100 years.
- 2. We are concerned that experience may demonstrate that expenses related to initial inventory, follow-up accounting and third party tracking will be cost prohibitive over time. Finding more efficient ways of tracking carbon should be a priority. Also some activities, such as reforestation following a wildfire should be expedited to encourage immediate action.
- 3. Ultimately, all carbon sequestration from the atmosphere takes place in the forest via photosynthesis, then is stored in three basic pools: the trees in the forest, the long-live wood products in our homes, and the wood that after use, reuse and recycling ends up stored in a landfill. Because of concerns about inter-sector transfer of carbon from the forest through to a landfill, the long-term carbon storage in a landfill has been proposed to be disproportionately discounted to a level of insignificance from a carbon credit perspective. We believe it is critical to fully account for all long-term carbon storage pools over time, which requires the development of procedures for the transfer of carbon from one industry sector to another. This is an issue that encompasses more than just forestry and wood products.

Ultimately, these are action items that should continue to be addressed as a part of an ongoing commitment to make California's forest protocols a standard that will attract regional as well as national attention as the most accurate, efficient and effective approach to achieving early action to address global climate change.

Sincerely,

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