Comments of The Trust for Public Land Climate Action Reserve White Paper: Forest Offsets on Federal Lands Submitted by Jad Daley, Climate Conservation Program Director July 18, 2012

The Trust for Public Land would like to offer comment on the Climate Action Reserve White Paper entitled "Forest Offsets on Federal Lands" dated March 8, 2012. We appreciate the opportunity to comment on this policy matter drawing from our organization's direct experience working with a federal land management agency—the U.S. Fish and Wildlife Service—on offset projects in the Lower Mississippi Alluvial Valley.

Background

In 2004, The Trust for Public Land initiated a bottomland forest afforestoration project on the former Chicago Mill property in the Tensas River basin of Louisiana. This basin was once primarily bottomland hardwood forest, but was cleared for agriculture in the middle of the last century. The loss of bottomland hardwood forests has had many ecological impacts, including loss of important habitat and reduced floodwater retention. As a result of flooding, much of the land in the basin has been of low economic value for agriculture. This is emblematic of the conditions throughout the Lower Mississippi Alluvial Valley, which has less than one-quarter of its original 22 million acres of bottomland hardwood forest.

In addition to the ecological services mentioned above, the bottomland hardwood forests in the region are also extremely efficient at storing carbon—approximately 328 metric tons per acre of carbon dioxide equivalent at maturity. As a result of this potential for carbon storage, The Trust for Public Land decided to pursue a unique project structure with the U.S. Fish and Wildlife Service that would allow our organization to retain and sell the rights to carbon credits generated by the afforestation of the Chicago Mill project lands.

The proposed project structure, which has been accepted by the U.S. Fish and Wildlife Service as a model and enshrined in a Memorandum of Agreement, has worked as follows:

- → The Trust for Public Land acquires private agricultural land within the authorized acquisition boundary of the Tensas River National Wildlife Refuge.
- → The Trust for Public Land initiates replanting of the agricultural land with native bottomland hardwood forest under the supervision of U.S. Fish and Wildlife foresters.
- → The Trust for Public Land conveys the newly replanted land to the U.S. Fish and Wildlife Service subject to reserved carbon rights and other restrictions, including the right of access for The Trust for Public Land and/or any co-developer of the project for measurement, monitoring, and verification of carbon credits and replanting of seedlings on any areas that are deemed failed plantings.
- → The U.S. Fish and Wildlife Service agrees to manage the newly planted lands in a manner that is mutually consistent with its legal mission and statutory requirements and consistent with the design of the carbon project. The agency receives a per-acre payment from The Trust for Public Land to cover management costs on the project lands over the life of the project (specified as 99 years in our current Memorandum).

We are now pursuing further utilization of this project model on other private lands within the Lower Mississippi Alluvial Valley that fall with the acquisition boundary of a national wildlife refuge. This includes 5,000 acres of private land within the authorized acquisition boundary of the Bayou Teche National Wildlife Refuge in Louisiana.

Specific Recommendation and Comments Regarding White Paper

It is our understanding that this project model would not be allowed under current Climate Action Reserve (CAR) rules. We believe that this is a missed opportunity that was not given adequate treatment in your white paper. Specifically:

- 1. Section 2.5.1 of the White Paper assesses the potential to generate carbon from "converting non-forested areas to forest" on federal land without examining the potential for afforestation of private lands within federal acquisition boundaries in geographies such as the Lower Mississippi Alluvial Valley. We believe that this is the most significant opportunity for afforestation with a federal role, substantially larger than the potential scenarios that were examined in the White Paper such as afforestation of existing federal rangeland. Further, our model of afforestation on suitable private land in the Lower Mississippi Alluvial Valley and then conveyance to a federal agency does not raise the conflicts with agency mission (e.g. agency grasslands objectives potentially conflicting with afforestation objectives) that were raised in the White Paper.
- 2. The White Paper asserts that the main barrier to projects on federal lands would be the inability or unwillingness of a federal agency to accept the necessary restrictions required by the CAR protocol. While we have found this to be true with some of the federal land management agencies, it is our experience through our agreement with the U.S. Fish and Wildlife Service that the agency is eager and willing to make accommodations to be able to access carbon credit funding as conservation leverage. We believe that, given the opportunity, the agency and CAR could develop mutually agreeable documentation and agreements. We would recommend that CAR pursue dialogue with each federal land management agency individually before categorically excluding federal land projects based on this assumption.
- 3. The White Paper reasonably queries whether the CAR standards for permanence, additionality, verification, and other elements of environmental integrity could be met by projects that involve federal lands. While we would see difficulties with some project types, such as improved forest management on existing federal lands, we do not believe that these issues are of concern with the afforestation project model that we have described here.

Our afforestation project model meets all CAR requirements: a) the afforestation activities in question have a simple bright line test as real and additional carbon gains above business as usual; 2) the carbon-generating activity (afforestation) is initiated while the land is still in private hands and not subject to any financial or legal requirements that would compromise additionality; 3) federal ownership, subject to certain management requirements, is used after the project has been initiated on private lands to assure permanence; 4) the federal agency is bound by our Memorandum of Agreement to allow

verification and to fully acknowledge unrestricted ownership of carbon credits by The Trust for Public Land. This satisfies the CAR five-part test (real, additional, permanent, verified, and owned unambiguously).

We contend that this project model also raises fewer concerns of reversal given the U.S. Fish and Wildlife Service's expertise in appropriate management of newly forested land and the consistency of its conservation mission with the carbon generating activities (afforestation) in question. As stated above, the agency has already consented to allow all and any needed access to the property to conduct needed measurement, monitoring, and verification activities, and to allow for remedy of reversals due to failed planting. In sum, we see no risk to the CAR protocol's environmental integrity provisions by having a federal land management agency as the eventual owner of the project lands, as per our model, as long as the approved project type: 1) meets all environmental integrity provisions in the CAR protocol, including additionality, and; 2) the federal agency in question is willing to make all necessary agreements to allow the project to fully conform with all CAR requirements. To the contrary, we think having a federal agency involved within the parameters that we have described potentially adds even greater certainty to achieving permanent carbon gains from the project.

We greatly appreciate your consideration of these comments. We would welcome the opportunity to provide more details on our project model or to answer any questions at your convenience.

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