

July 31, 2012

John Nickerson  
Climate Action Reserve  
523 W. Sixth Street, Suite 428  
Los Angeles, CA 90014

**Re: Comments on draft version 3.3 of the Forest Protocols**

Dear Mr. Nickerson:

The Nature Conservancy appreciates the opportunity to provide comments on the draft 3.3 version of the Forest Protocols. Overall, we believe the suggested changes provide greater clarity and improvements to what are already rigorous protocols. We offer the following suggestions and comments as you finalize this next version.

***The edit to the avoided conversion project definition in 2.1.3, which adds modifying language to dedicate the land to forest cover at "existing or increased stocking levels," is too rigid and will be problematic for conservation easements.***

The effect of this new language could lead to the requirement that conservation easements specifically require the maintenance or increase of a specific number of carbon stocks. The primary purpose of the easement should be to remove the baseline condition threat of the conversion of forest to another use, not necessarily to also then require a specific amount of carbon stocks. Embedding specific numbers in a perpetual conservation easement will not provide for natural fluctuations in carbon that could lead to some decline in carbon stocks or allow for restorative activities that could result in the loss of some carbon stocks in the near term but lead to greater carbon stocks and healthier forests over the longer-term. We recommend removing this new language and consider alternative language that would promote maintenance or restoration of forest cover.

***Review all protocol language to ensure that adjustments to forest owner/operator definition does not create unintended consequences***

The adjustments to the forest owner definition to include the forest project operator do provide greater clarity regarding the ownership of carbon and associated liability. However, the adjustment does also raise questions regarding the correct party that should be responsible for demonstrating sustainability in Section 3.11. In certain cases it may not be the project operator that should demonstrate and meet the sustainability criteria. Rather, it may be the fee owner in some circumstances. We, therefore, recommend clarifying the circumstances where the fee owner may still need to demonstrate sustainability when the fee owner is not also the project operator. For example, a fee owner may need to demonstrate sustainability outside the project area if, at the time of initiating the project, fee owner had control of timber rights.

***In Section 3.11.1, include additional exception to be considered by the Reserve where perpetual conservation easements secure long-term sustainability and protection of forest cover***

We recommend that an additional exception be added to part 3 in Section 3.11.1. The Registry should allow for granting an exception for acreages over 5,000 acres in instances where the terms of perpetual conservation easements effectively secure the sustainable management provisions identified in this section.

***Inclusion of soil carbon accounting enhances integrity of accounting, but also consider stock change approach if feasible***

The inclusion of accounting for soil carbon where there is activity that typically causes soil carbon emissions enhances the integrity of the accounting that the greenhouse gas reduction calculations. As currently written, the required soil carbon accounting is a debit when activities causing such emissions occur. This is an improvement. However, if possible, it would be more consistent with the accounting approach to the other carbon pools if a stock change approach were used. Such an approach would also allow for a clearer picture of total forest carbon stocks and overall decreases and increases over time. If it's not feasible to develop such an approach at this time, we encourage the Registry to work toward such an approach in the future.

Thank you for your consideration and we are happy to discuss any of these suggestions in more detail. If you have any questions, please contact Michelle Passero at [MPassero@tnc.org](mailto:MPassero@tnc.org).