



**Comments on Climate Action Reserve
Forest Project Protocol – Proposed Guidelines for Aggregation
May 21, 2010**

We appreciate the opportunity to comment on the Climate Action Reserve's Proposed Guidelines for Aggregation under the Forest Project Protocol 3.1. This effort is extremely important given the wide-reaching influence of the Reserve in policy development, and the need for extensive terrestrial sequestration projects from smaller landowners to "bridge the gap" while long-term low-carbon energy and industrial solutions are developed.

We look forward to ongoing engagement with, and support of, the Reserve on forestry and other project types.

Aggregation of Multiple Project Types and Regions

Given the economic challenges faced by smaller projects and landowners in meeting the Reserve's monitoring and verification requirements, we encourage CAR to provide as much flexibility as possible. Since individual aggregators and project proponents will have a limited ability to determine project types and regions, being able to aggregate various combinations will enable a broader array of potential projects that might not otherwise be feasible.

Therefore, multiple project types should be allowed under a single aggregate, which would not have any impact on CRT integrity or permanence. Likewise, multiple eco-regions and assessment areas should be eligible for inclusion in an aggregate.

Application of Aggregation Methodology to Single-Owner Projects

On a separate note, individual project owners with multiple projects and project types should be able to achieve the inventory and verification cost benefits offered under this methodology.

Acreage Limitations

Because individual landowners may have different project opportunities arising at different times and under different circumstances, absolute acreage limits should be based on a per-project, rather than per-landowner basis.

In addition, the 50% acreage limitation would preclude any two-project aggregation (as one project is likely to be larger than the other) and should be addressed/modified.

Transfers and Sales of CRTs

To improve flexibility and landowner comfort with joining an aggregate, individual projects should maintain the ability to transact CRTs out of their own account.

Leaving an Aggregate

To improve landowner comfort with joining an aggregate, they should be afforded the ability to leave an aggregate at will, subject to their individual project, and the remaining aggregate, being subject to modified inventory and monitoring requirements going forwards. If the aggregator or other aggregate members wish to impose additional requirements on joining or leaving an aggregate, they can do so via contractual mechanisms subject to individual negotiation rather than CAR dictate. This will maximize flexibility and participation rates for all parties, without compromising CRT integrity in any way.