

July 12, 2019

Climate Action Reserve
818 W. 7th Street, Suite 710
Los Angeles, CA 90017

Re: CFCC public comments regarding CAR's Forest Project Protocol (v5.0, second public comment draft)

Dear Climate Action Reserve,

Thank you for your organization's commitment to continued improvement of forest carbon offset accounting. The California Forest Carbon Coalition (CFCC) is writing to express support for the changes made to the second public comment draft of CAR's Forest Project Protocol v5.0.

The CFCC is comprised of a diverse array of California forest stakeholders - including conservation groups, Native American Tribes and industrial timberland managers - representing a large portion of California's forestland that have come together with a unified voice to support California's offset program. We believe that registry improvements to voluntary protocols will make for a more robust carbon offset market that informs ongoing and future compliance programs.

1. The CFCC appreciates the recently published narratives, both in the protocol and as separate documents, that provide useful context to the design and evolution of the protocol. This helps new and old users alike appreciate the long history of innovation and improvement that make these protocols both scientifically robust and accessible to diverse types of project proponents.
2. The CFCC is supportive of the return to previously used leakage risk and market response rates. In the absence of literature or other evidence that address the specific question – how *voluntary, long-term, improved forest management* projects affect market response and carbon leakage risk – the CFCC agrees that keeping the original quantification is the best course of action. Recently cited literature has been misrepresented, as pointed out in the initial public comment period. The most appropriate available literature, Murray, McCarl, & Lee, 2007, suggests a potential leakage rate of less than 20%. The CFCC supports efforts towards more robust quantification on this topic in the future.
3. The CFCC supports the explicit addition of the ability to carry forward 'positive' leakage to future reporting periods. This common-sense provision will more fully capture the cumulative long-term net leakage.

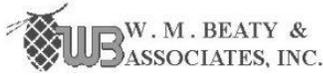
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4. On the subject of sequential sampling, the CFCC agrees with the reinstatement of variable minimum consecutive passing plots, dependent on project size. This will remove significant burden of verification time and costs, especially on smaller landowners.

The CFCC remains in full support of the Forest Project Protocol v5.0's new standardized baseline for private land IFM projects, and the option to aggregate projects. Both of these provisions will contribute to lowering project and verification costs and allowing entrance into the market for a broader range of landowners.

We look forward to continued collaboration with CAR to build support for forest offsets in California and beyond.

Sincerely,

Tony Brunello
Director
California Forest Carbon Coalition