<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Phone number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PFE</td>
<td>915 561 0700 x14</td>
</tr>
</tbody>
</table>

Date: 5/13
Meeting: Meet with Laurie Wegman
Gina McCarthy  
Administrator  
Environmental Protection Agency  
1200 Pennsylvania Avenue, N.W.  
Washington, DC 20460

May 13th 2014

Dear Administrator McCarthy:

As forest landowners, scientists, businesses and NGOs, we write to express our support for the inclusion of compliance-grade forest emissions reductions projects equal to those used by the California Air Resources Board (CARB) in the EPA’s upcoming rulemaking regarding greenhouse gas (GHG) emissions from power plants. Such forest emissions reductions will provide both flexibility and clear, enduring atmospheric benefits.

Further, such offsets would help reduce a major source of CO₂ pollution nationally by incentivizing the avoided conversion of private forests. The US has lost over 1 million acres of forestland annually to conversion over the last 20 years. This is equivalent to the emission of over 2.6 billion tons of CO₂e, not counting the foregone sequestration benefits those forests would have provided had they not been lost.

While there are a variety of voluntary forest carbon offset credits available, given the regulatory nature of the deliberation before you we urge you to utilize forest carbon offset standards that are at least as strong as California’s. CARB’s forest emissions reduction protocols were developed for a working forest setting where ongoing harvest occurs, providing for the growing demand for sustainable wood products. Forest landowners from the large (such as the Forestland Group) to the small (such as individual landowners like Keith Argow) and in between (such as the Yurok Tribe in northern California) are using these protocols, demonstrating their practicality in a variety of settings.

Further, working with the CARB standard means that EPA will not need to “reinvent the wheel” and answer difficult questions that surround offset projects that have been resolved to a regulatory compliance standard. Doing so also ensures the continued success of the regulatory carbon market, keeping things clear for both buyers and sellers of emissions reductions.

Background on California’s offset program

California’s Global Warming Solutions Act (AB32) sets the parameters for using forest carbon offsets in California’s compliance market. The implementation of AB32 and the cap and trade mechanism have been remarkably successful over the last two years. Since the beginning of GHG allowance auctions in late 2012, over $1.6 billion in allowance credits have traded hands. Forest carbon offsets have played a key role in this marketplace, with over three million tons of CO₂e
credited to forest carbon offset projects now being used to help the state meet its GHG emission targets.

The climate, policymakers, businesses and residents can all be assured that when a forest offset credit is sold in California’s compliance market it is as effective as eliminating a ton of GHGs at the smokestack. This guarantee can only be made in the context of rigorous legal standards for offset projects.

The future of forest offsets in California’s compliance market

EPA’s rulemaking will doubtless have effects on California’s pioneering efforts. Importantly, if the EPA were to allow states to use offsets that were of a weaker standard than California’s, it would cause considerable confusion in the marketplace as well as place pressure on California to ratchet down its existing offset standards.

Indeed, a weaker offset standard could threaten the utility of offsets in compliance markets in general. Significant criticism of offsets would likely flow if only a few individual projects were found to be ineffective in providing actual emission reductions. This is a risk that California’s strong offset standards help to avoid.

Conclusion

Forest carbon offset projects have enormous potential to capture and store GHG emissions from existing power plants in a cost-effective manner with significant environmental co-benefits. Realizing the potential of forest offsets requires the implementation of rigorous standards already developed for the most successful compliance carbon market. We recommend that EPA include forest carbon offsets as a tool for states to use when crafting their implementation plans, and that EPA ensure that any forest offsets used by states comply with standards as strong or stronger than those used by California. Dr. Jerry Franklin, noted member of the American Academy of Arts and Sciences has trenchantly noted that doing less would in fact be a net harm to the atmosphere.

Thank you for your attention to this letter.

Sincerely yours,