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November 18, 2010

The Honorable Mary Nichols, Chair
California Air Resources Board

RE: The Forest Carbon Offset Program Should Not Encourage Forest Clearcutting

Dear Ms. Nichols and members of the California Air Resources Board:

On behalf of the undersigned XX conservation organizations, we are writing to urge the California Air Resources Board (ARB) to amend the proposed cap-and-trade rule to exclude forest clearcutting from the carbon offset program, in order to protect forests and the wildlife that rely on them. We implore you not to make forest clearcutting the face of AB 32. We cannot and should not try to clearcut our way out of climate change.

ARB's proposed cap-and-trade rule currently not only explicitly invites forest clearcutting as a carbon offset project, but also incentivizes the conversion of natural forests into tree farms. This is no solution to climate change, and further threatens forest ecosystems and wildlife already at risk from global warming.

The inclusion of forest clearcutting as a carbon offset project undermines the integrity of the program as whole, especially when so many critical flaws remain in the forest offset protocol. ARB's own review of the forest protocol identified fundamental flaws that threaten to undermine the value, additionality, and verifiability of forest offset credits. The Climate Action Reserve, which developed the forest protocol, similarly acknowledged concerns regarding the environmental impacts, but has repeatedly and indefinitely postponed any action to address those concerns. When ARB board members raised questions about the inclusion of forest clearcutting when the protocol was first considered in September of 2009, they were assured that these flaws would be addressed and the forest protocol would become the "gold standard" for forest carbon offsets. Unfortunately, the proposed rule fails to address the systemic problems, and – more importantly -- still includes forest clearcutting.

Forest clearcutting and the conversion of native forests to tree plantations pose great risk to the climate, while simultaneously degrading forest ecosystems, water quality, and wildlife habitat, and impairing the forest's resilience to the impacts of climate change. In its current form, the forest protocol lacks credibility because it would subsidize the most intensive and environmentally risky timber operations in order to provide carbon offsets that would allow power plants, oil refineries, and industrial polluters to avoid upgrading their facilities to adopt less polluting technologies. At the same time, the forest protocol fails to account for greenhouse gas emissions associated with logging slash and debris, dead trees, roots and soil, all of which are much greater for forest clearcutting than for native forest management. This is no gold standard.

Not all offsets are created equal. ARB should consider only programs that can reliably assure carbon sequestration and avoid those that introduce additional environmental risks. We can not clearcut our way out of climate change. Rather than promoting the conversion of native forests to a patchwork of 40 acre clearcuts, California should use this opportunity to incentivize the best kinds and “green” forms of forest management, which can benefit both the climate and the forest. The forest protocol offers many other options that meet these criteria: reforestation projects; preventing the conversion of forests to development; and the conservation of forest resources.

For all these reasons, we strongly urge the Air Resources Board to uphold the vision and initial intentions of the forest carbon program and AB 32, by amending the forest protocol to protect forest ecosystems and resources.

1) First and foremost, do not include forest clearcutting as part of the California’s cap-and-trade offset program.

2) In addition, the forest protocol should not be part of the proposed cap-and-trade rule unless, at the minimum, the following critical amendments are adopted:

a. Forest carbon offset projects may not include conversion of native forests to tree plantations.

A Forest Project may not include conversion of native forest stands comprised of multiple ages or mixed native species to even-age or monoculture management, and may not include even-age management of any stand that had been converted to even-age or monoculture management in the harvest cycle preceding the registration of the Forest Project.

b. Forest carbon offset projects must account for changes in down and dead wood and soil carbon pools.

Forest Projects that include timber harvesting are required to account for changes in the following forest carbon pools: lying dead wood, and soil carbon.

Healthy forests are a critical component of California’s environment, economy, and quality of life, providing jobs and recreational opportunities, wildlife habitat, clean air and clean water. Healthy and resilient forests are also an important component of California’s effort to reduce statewide greenhouse gas emissions, and ARB should consider only programs that can both reliably assure the value of carbon offset projects and protect forest from additional environmental risks. The failure to fully account for the carbon consequences of harvest practices poses risks to the integrity of the entire program and increases the potential for unintended impacts to our forests. We urge you to make these crucial amendments in order to ensure that California’s cap-and-trade rule does not subsidize environmentally damaging forest management activities or the conversion of natural forests into tree farms. We also hope we can continue to work with you to address the other flaws in the forest protocol that threaten the conservation of native forests and the wildlife that depend on them.

Sincerely,