Date: January 6, 2008
Subject: ETAAC December 21, 2007 Draft Discussion Report
To: Steve Church

Re: California Forestry Association Comments on 12/21/2007 draft ETAAC Report

Following are comments from the California Forestry Association to the December 21, 2007 ETAAC discussion draft report:

Page No.	**Remarks**
Transportation Sector 3-11 to 3-20 Shifting Demand for Mobility and Goods Movement	In my comments of November 25, 2007, I pointed out that congestion and its associated costs could largely be overcome by a major shift in the way Californians accomplish work. There's 7 days in a week. Most of our economy is built around a Monday-Friday 8am-5pm work schedule causing huge congestion on all major freeways and surface streets in a relatively few hours of the week. Shifting work schedules to include weekends, providing workers weekdays off instead, alone would create an enormous reduction in traffic congestion. Further, shifting work hours to earlier in the morning and later in the evening would further greatly reduce traffic congestion. Retail marketing has learned that they have had to provide convenience to the public through longer hours and 7-day/week services. All other sectors of the economy (particularly Government) need to wake up to the same reality.
Electricity and Natural Gas Sector 5-11 Biomass and Waste	If California State Government would install price supports for wood waste for power generation similar to what they have done for solar, there would be an enormous turnaround in the biomass industry (which currently continues in decline). There is currently at least 5 million bone dry tons of unutilized wood waste statewide, enough to create 600 megawatts of power. A 2-penny/kW price increase would make most of this material available to the biomass powerplant industry. The Western Governors Association (January 2006 Biomass Taskforce Report) and Dr. Gregg Morris (Green Power Institute) have demonstrated that there is 11 cents/kW of "uncompensated" social and environmental benefit to electricity generated from

	wood waste. Further, there is enormous potential for additional wood waste through fuels reduction of overly dense vegetation on the 9.8 million acres of productive forestland "not reserved" on the National Forests of California. The Forest Service themselves say they will have to have a reentry cycle every 20 years to meet forest health objectives and provide forests that are resistant to insects, disease and wildfire. To meet this goal, the Forest Service needs a fivefold increase in annual fuels reduction treatment accomplishment. A fivefold increase would generate about 6.5 million bone dry tons of wood waste annually; enough to generate an additional 800 megawatts of electricity. Another benefit would be net sequestration and reduction in wildfire, which both would contribute to AB 32 emission reductions.
<u>Forestry Sector</u> 7-3 Ways to Avoid Loss	Healthy Forests on public lands should be added to the list. Having healthy public forestlands that are resistant to insects, disease, and wildfire will increase net sequestration (contribute to AB 32 emissions reductions) and, according to Forest Service researchers, reduce wildfire by at least 50-60% (further reducing emissions that are measurable for AB 32 emissions reductions). There are 15 million acres in California at risk to catastrophic wildfire primarily due to overly dense vegetation. The National Forests of the Sierra Nevada mountains alone have 7.5 million acres at risk to catastrophic wildfire. Fuels reduction accomplishments should be increased fivefold to eliminate the backlog of acres at risk and to establish a 20-year reentry cycle on productive forestlands "not reserved" on the national forests.
7-10 CCAR	Remove the reference to CCAR by striking the first sentence. A forest carbon market already exists, namely, the Chicago Climate Exchange (CCX). CCX has just released their managed forests protocol and already have long-live wood products, afforestation and reforestation protocols. The New York Stock Exchange has announced it will begin trading carbon in 2008 using the Voluntary Carbon Standard protocols. CCAR is a barrier to "incentiviz[ing]" landowners as long as a permanent easement is required along with other arduous registration requirements. CCAR is in process of considering revising the existing forestry protocols and considering alternative protocols to enhance participation. The existing CCAR forestry protocols have only attracted 2 registrants (that have not completed the arduous registration requirements yet) who represent less than 1/10 of 1% of California's forestlands.

7-12 CCAR	Again, strike the reference to CCAR in the title and in the "Possible Solution" at the bottom of the page. CCAR forestry protocols in their current form are a barrier to encouraging forest carbon offset participation representing less than 1/10 of 1% of California's forestlands. Otherwise, the concept of California Green Label is excellent and has been promoted over the past several years but has not been supported by the California State Legislature. Perhaps a different name such as "California Climate Label" can be successful.
Appendix V	Appendix V offers many useful vehicle and fuel technologies that would lead to significant social and environmental (and perhaps economic) benefit. Unfortunately there is no attempt to integrate some of the concepts and, further, several of the proposals are regressive taxes and the like, which are counterproductive. A combination of Smart Growth with transportation planning needs in-depth analysis. California has the unfortunate result of urban sprawl with transportation systems that did not respond. An example is many of the large urban cities in the central valley. Instead of installing Smart Growth to increase density and create clusters and then provide a "wheel and spoke" transportation system, we've simply sprawled and created transportation gridlock with non-responsive transportation systems. The other unfortunate result to lack of density is creation of situations that can only lead to uneconomic alternative forms of transportation (rail in particular).

The California Forestry Association appreciates the continuing opportunity to provide comment to the ETAAC draft Report.

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