



December 15, 2014

Honorable Mary Nichols, Chairman and
Members of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Chairman Nichols and Members of the Board:

Re: *December 18, 2014, ARB Agenda Item 14-10-4: Comments on U.S. Forest Compliance Offset Protocol*

On behalf of the Chugach Alaska Corporation, this is to express our strong support for updates to the *U.S. Forest Compliance Offset Protocol* to include project eligibility in parts of Alaska. This important action will allow Alaska Native Corporations, their shareholders and other eligible landowners to participate in the carbon market by developing compliance forest offset projects.

Including project eligibility in Alaska will give Chugach and other landowners an alternative to timber harvest and will reward sustainable forest management and protect important old growth forests. Allowing Alaska forest projects into California's carbon market will contribute to the success of the offset program. Alaska forest carbon offset projects could generate millions of compliance offsets, while achieving social, environmental, and economic benefit to Alaska native and resident populations.

The two largest forests in the National Forest system are located in Alaska. The Tongass National Forest in Southeast Alaska encompasses nearly 17 million acres and the Chugach National Forest in Southcentral Alaska more than 5 million acres. Adjacent to, or within the boundaries of these two large national forests, there exists nearly 1.5 million acres of private lands. According to the USDA's Forestry Sciences Lab, the baseline inventory for these southern Alaska forests average between 22 to 30 tons of carbon captured per acre.

When the ARB originally adopted the forest protocol, forest projects in Alaska were made ineligible "due to lack of region-specific data". Region-specific data for the Southcentral and Southeast portions of Alaska is now available, and the proposed update will allow project eligibility in those regions of Alaska.

Thank you for taking action to include project eligibility in parts of Alaska and allow Alaska landowners to participate in California's carbon market.

Sincerely,

Sheri D. Buretta
Chairman of the Board