



Chairman Mary Nichols and ARB Staff
Air Resources Board, California Environmental Protection Agency
1001 I Street
Sacramento, CA 95812

December 15, 2014

RE: Proposed Revisions to Compliance Offset Protocol for U.S. Forest Projects

Dear Chairman Nichols:

The Trust for Public Land (TPL) appreciates the opportunity to provide comments on the California Air Resources Board's (ARB) proposed Regulatory Review Update ("the Update") to the Compliance Offset Protocol for U.S. Forest Projects ("the Protocol") and Regulation under AB32 that was proposed on October 28, 2014.

Our comments are intended to support more detailed and technical comments from Blue Source, LLC that were submitted to ARB within this comment period, dated December 11, 2014. We believe that three specific Blue Source comments and proposed solutions labeled "Key Issues of Concern Raised in the Proposed Changes to the Protocol in the Regulatory Review Update" effectively capture key technical issues that will impact the long-term effectiveness of the Protocol.

In particular, we are concerned that certain changes to the Protocol identified in the Blue Source comments have the potential to negatively impact the ability of diverse landowners to participate in offset project development. As an organization actively pursuing development of carbon offset projects under the Protocol, The Trust for Public Land has already seen substantial barriers to participation for large-scale working forest landowners. We believe that some of the changes proposed by ARB would narrow even further the range of viable projects on industrial forests, which we believe can provide important contributions to offset supply.

Specifically, we concur with the positions articulated in the Blue Source comments related to:

- 1) New basal area retention standards and associated buffer areas,
- 2) Modified method for establishing minimum baseline level (MBL) for IFM projects with initial carbon stocking above Common Practice, and
- 3) Common Practice values updates.

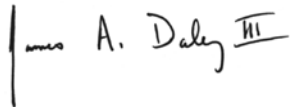
We believe that further elevating forest practice standards such as the new harvest unit requirements for minimum basal area and modified buffer rules will create an additional barrier

to landowners to participate in the offset market. We have seen some large-scale landowners discouraged by the considerable forest management measures already in the current Protocol based on the impact of these requirements on working forest management. The further elevated forest practices requirements cited above would potentially present insurmountable barriers for these landowners.

We have seen that identifying viable projects on large working forest blocks is difficult given that many of these forest properties are managed very close to common practice. Any changes to common practice values and rules relating to the determination of MBL for forest projects must be considered carefully. We concur with Blue Source's analysis that carbon stocks on working forest properties during the 2007-2012 assessment period being utilized for the proposed Common Practice update were artificially inflated due to the impacts of the economic recession on timber harvest. We know from direct dialogue that many landowners were "storing timber on the stump" during this period, and therefore stocking on their properties during this period did not reflect true common practice levels for that forest type and supersection. The proposed changes in the Update pertaining to common practice values and determination of MBL would tip many potentially viable projects out of the market that could otherwise offer real and additional climate benefits.

We encourage ARB to give careful consideration to Blue Source's more detailed technical comments and its proposed solutions on the three items listed above. Thank you very much for your consideration.

Sincerely,

A handwritten signature in black ink that reads "James A. Daley III". The signature is written in a cursive style with a horizontal line underlining the name.

James A. Daley III
Director, Climate Conservation Program
The Trust for Public Land
660 Pennsylvania Avenue, Suite 401
Washington, DC 20003