



PACIFIC FOREST TRUST

December 15, 2014

Rajinder Sahota, Chief  
Climate Change Program Evaluation Branch  
Industrial Strategies Division  
California Air Resources Board  
1001 I st  
Sacramento, CA 95814

**RE: Comments on the Proposed Update to the Compliance Offset Protocol for US Forests**

Dear Ms. Sahota,

Pacific Forest Trust appreciates the opportunity to provide comments on the proposed update to the Compliance Offset Protocol for US Forests.

We appreciate the clarification provided last week that the Board will not be adopting changes to the protocol at the December meeting. Like many stakeholders we have been confused by aspects of the update process, and offer the following suggestions going forward with this update. These suggestions are also generally applicable to future Protocol updates.

- 1) ARB should provide a summary of the proposed changes, both a narrative summary of all substantive changes as well as a redline version that clearly shows all of the proposed amendments compared to the current Protocol;
- 2) ARB should provide a document that explains the problem being addressed by the proposed changes. When reviewing changes in the current draft we have struggled to understand what problem some of the amendments are trying to address;
- 3) Developing offset projects requires significant capital outlay and relatively long lead time. Lack of clarity about pending changes to the offset Protocol generates uncertainty and exacerbates the challenges facing this nascent industry. ARB could reduce this effect by bringing greater clarity and transparency to the process being used to update offset Protocols. Being clearer about the timeline, the issues being considered and the reasons for seeking changes, and holding public workshops with interested stakeholders and experts would improve the process and be consistent with how ARB conducts outreach for other important decisions.

- 4) Because constantly shifting provisions in the protocol make it more difficult to use, we would suggest that in annual updates ARB focus on items that are necessary to maintain the accuracy of the quantification, or clarifications that address known problems with implementation. Broader revisions to the Protocol should be aggregated in more comprehensive reviews less frequently, perhaps every five years. That would help reduce the perception that the methodology is constantly shifting and changing, and would better distinguish between minor clarifications and more major changes to the provisions.
- 5) We note that the proposal to expand the geographic scope of the Protocol to Alaska has been thoroughly considered, and is well addressed in the Initial Statement of Reasons. It appears that ARB could take action on that discrete item separately, and sooner than the rest of the Protocol changes. We would encourage that action, to provide pending offset projects in Alaska with the certainty to move forward.

With regard to the current proposed changes to the Forest Protocol, we share many of the concerns that have been expressed by the Climate Action Reserve (CAR) and Blue Source. We suggest ARB use the issues raised in those comments as the core list of issues that merit further discussion and outreach through public workshops in early 2015.

Thank you for the opportunity to provide comments, and we look forward to working closely with ARB staff on further refinements.

Yours,

A handwritten signature in black ink, appearing to read "Paul Mason". The signature is fluid and cursive, with a long horizontal stroke at the end.

Paul Mason  
V.P., Policy & Incentives