



August 28, 2015

Mary D. Nichols, Chair
California Air Resources Board
PO Box 2815
Sacramento, CA 95812

RE: Cap-and-Trade Auction Proceeds Second Investment Plan

Dear Chairperson Nichols and Board Members:

Endangered Habitats League (EHL) appreciates the opportunity to comment on the Natural Resources section of the Second Investment Plan concept paper. For your reference, EHL is Southern California's only regional conservation group.

I Eligible lands

We concur with direction of investment to natural resources. However, the resources eligible for sequestration investment will be artificially constrained unless the term "rangelands" is clarified. Absent such clarification, Southern California's natural lands would be shortchanged if not effectively excluded.

Specifically, natural lands in Southern California largely consist of the upland communities of chaparral, coastal sage scrub, oak savannah, grasslands, and desert scrub. While these are technically "rangelands" according to vegetation type, they are – in contrast to Northern and Central California – largely *ungrazed* and not "working lands." If the term "rangelands" is interpreted as being actively used for grazing, the great majority of natural lands that store carbon in Southern California would be rendered ineligible for Cap and Trade investment. Thus, the investment plan should explicitly clarify that *rangeland habitat types* (grasslands, scrub communities, oak woodlands) – rather than working ranches per se – comprise the investment goal. Such inclusion is scientifically justified as studies show that grasslands, oak woodlands, chaparral, and deserts are carbon sinks. Also, the role of soil carbon is increasingly recognized.

A related problem with the concept paper is that it repeatedly stresses only the "management" of rangelands and working lands for increased carbon storage. The document is ambiguous as to investment in the *protection* of rangelands, so as to prevent conversion to carbon-intensive development. Such ambiguity is absent from the consideration of *farmland*, which is specifically called out for protection to prevent conversion. Rangelands in Southern California are under intense threat of conversion, and the investment plan should be internally consistent in targeting the protection of rangelands as well as farmlands. Indeed, the argument for preserving rangelands from conversion is stronger than that for preventing farmland conversion, as rangeland soils are not plowed up regularly with mechanized equipment.

REQUEST:

Clarify that “rangelands” refers to rangeland habitat types rather than to lands simply in grazing use. Also, clarify that protection of rangelands is an eligible investment in order to prevent conversion.

II Mechanisms for land protection

While the draft correctly identifies the protection of at-risk natural resources as an investment target, the “took kit” of protection measures is limited to purchase of *easements*. This severely constraints the suite of properties that could be protected, as easements are generally applicable to working lands, such as farms and ranches, rather than to pristine habitat lands where sequestration must also be achieved. If habitat lands – which are under development threat around the State – are to be protected, land *acquisition* must be added as a mechanism for protection.

REQUEST:

Add acquisition as a tool for natural lands protection.

III Landscape conservation

The draft correctly identifies the imperative of “landscape”-level conservation of natural resources to achieve climate goals, particularly the goal of species adaptation. Yet the draft investment plan neglects to identify California’s *premier* landscape protection program for at-risk lands, which is Natural Community Conservation Planning (NCCP). NCCPs (and associated federal Habitat Conservation Plans, or HCPs), are adopted or in progress up and down the State, and if successful will assemble millions of acres of land into interconnected reserve systems whose elevational and other physical gradients are essential for species adaption to warming conditions.

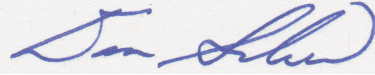
Besides the co-benefit of climate adaption, NCCPs/HCPs also bring co-benefits of fire hazard reduction (by limiting expansion of the urban-wildland interface), and recreation. NCCPs/HCPs provide trails and outdoor education as compatible uses, and their peri-urban locations are optimal for serving large populations. By using the existing NCCP program as a vehicle for Cap and Trade’s landscape conservation investments, multiple co-benefits can be efficiently achieved.

REQUEST:

Specifically identify large scale NCCPs/HCPs as a vehicle to achieve landscape conservation.

Thank you for considering our comments.

Yours truly,

A handwritten signature in blue ink, appearing to read "Dan Silver", is centered on a light gray rectangular background.

Dan Silver
Executive Director