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June 4, 2015

Ms. Mary Nichols Board Chairman California Air Resources Board 1001 "I" Street Sacramento, CA 95814

Submitted via web

Re: Modified Text and Availability of Additional Documents to Consider Amendments for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

Dear Ms. Nichols and Members of the Board,

The Nature Conservancy strongly supports the amendment to the Compliance Offset Protocol U.S. Forest Projects to remove the Alaska exclusion so that Alaskan landowners and other eligible entities may participate in the State's cap and trade program by developing forest offset projects that reduce greenhouse gas (GHG) emissions through conservation actions.

Alaska's coastal forests support among the highest standing carbon biomass of any terrestrial ecosystem. Including Alaska will give landowners an alternative to timber harvest, reward sustainable forest management and protect important old growth forests while leveraging GHG emission reductions outside of California. In addition to generating significant GHG reductions, Alaska forest carbon offset projects would also achieve social, environmental, and economic benefits to Alaska Native and resident populations.

When the ARB originally adopted the forest protocol, forest projects in Alaska were made ineligible "due to lack of region-specific data". Subsequently, region-specific data for the South-central and Southeast portions of Alaska was formally transmitted to the ARB in 2012; however, the exclusion of forest projects in Alaska has not yet been corrected. Therefore, The Nature

Conservancy strongly supports removal of the Alaska exemption, to expand the breadth of GHG reduction opportunities while protecting some of the world's finest forest ecosystems.

Additionally, we urge the Board to adopt the recommended technical adjustments to the Forest Protocols submitted in a separate letter by the Climate Action Reserve, The Nature Conservancy, and others. These changes would provide much needed clarification to the interpretation of protocol provisions. If the changes cannot be adopted at this time, we recommend a technical workgroup process to help resolve these items.

Thank you for the opportunity to provide these comments and our support. Please feel free to contact us with any questions or comments.

Sincerely,

Michelle Passero Senior Climate Policy Advisor The Nature Conservancy