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April 7, 2017

Ms. Mary Nichols, Chair Members of the California Air Resources Board 1001 I Street Sacramento, CA 95814

# **RE:** Comments Regarding CARB 2017 Scoping Plan Update for Achievement of California's Greenhouse Gas Reduction Targets

Dear Chair Nichols and CARB Board Members:

The following comments are submitted on behalf of the Environmental Protection Information Center (EPIC). EPIC appreciates the opportunity to provide comments on this most important issue, and respectfully requests a formal written response to all comments contained herein.

## I. Introduction and General Comments

EPIC is a regional non-profit forest advocacy organization with a 40-year history of protecting and advocating for the wild and special places of Northwest California, a region predominantly renowned for its impressive forests and vast and unique wilderness areas. EPIC's mission is to employ an integrated science-based approach to advocacy aimed at protecting and restoring Northwest California's forests and wildlands, on both federal and non-federal forestlands. We need to look no further than our own bioregions, the North Coast redwoods, and the mountains of the Klamath-Siskiyou, to demonstrate how past mismanagement and wanton nearly wholesale destruction of our native, "old-growth" forests have lead to, and continue to be additive upon, the greatest crisis of our time, global and bioregional climate change.

Post-European settlement in our region was a free-for-all grab-bag period in our history, where the Gold Rush of the 1850's, and the Timber Rush that followed lead to the stripping of our natural and native landscapes for the benefit of extraction of wealth and capital. Today, only somewhere between three to five percent of our original native "old-growth" coastal redwood forests remain, with virtually all that does remain contained in small, disjointed, and scattered public lands ownerships, surrounded by seas of urbanization, conversion, clearcuts and development. One study (Slauson 2012), estimates that all the acres contained in our redwood parks and reserves today in Northwest California, that only approximately 40 percent of that land

Environmental Protection Information Center 145 G Street Suite A Arcata, CA 95521 (707) 822-7711 www.wildcalifornia.org itself is even in the native "old-growth" condition. According to estimates by Save-the-Redwoods League (2016), approximately 77 percent of the land base that used to be occupied by our native coast redwoods is still in private ownership.

Why does this matter? First, the near complete destruction of our native redwood forests resulted in untold amounts of forest biomass, trees and non-tree woody herbaceous matter, being stripped from our forests, never to be replaced again on the landscape. With this loss comes a commensurate massive-scale emission of carbon dioxide into our atmosphere and a tremendous depletion in the ability of our forests to sequester carbon dioxide now, and into the future. Retaining and protecting what remains is key. A recent study conducted by researchers at Humboldt State University (Van Pelt 2016), found that a single acre plot of native, "old-growth" coast redwood forest growing in Jedidiah Smith Redwoods State Park is sequestering more carbon dioxide per-acre than any other forest type on earth, including forests in the tropics.

Additionally, our Klamath-Siskiyou bioregion is one of the most unique and diverse on the planet. The Klamath-Siskiyou are famous for their stunning diversity, ruggedness, and importantly, it's vast high-country mountainous wilderness areas and the snow-pack that accumulates there are an essential source of water for our entire state, and serve as a barometer for gauging and metering the effects of global and bioregional climate change. The forests of the Klamath-Siskiyou bioregion are largely federally-owned, mostly administered by the U.S. Forest Service. The Klamath-Siskiyou is a hot-spot for biodiversity, with some accounts claiming over 30 different kinds of conifer trees growing throughout the vast region on different types of sites and elevations.

If California is to reduce GHG emissions and utilize our forests as the best, and really, only weapon we have to actively combat climate change by sequestering more carbon dioxide in living, green, woody herbaceous matter, such as the trees in our forests, much more definitive, decisive, and immediate action is necessary than currently contemplated by the CARB or the state more generally. As discussed in these comments, the 2017 Scoping Plan Update fails to account for, or to take advantage of the enormously important opportunities afforded by protection and better management of California's forests, particularly those in our coast redwood and Klamath-Siskiyou bioregions. As explained herein, it's simply not enough to reduce present and future GHG emissions without a commensurate plan that can also sequester carbon dioxide in the earth's atmosphere.

To the extent the 2017 Scoping Plan Update is predicated upon a continuation of the capand-trade regulation, a regulation predicated upon the premise of using forestlands as offsets for fossil fuel polluting sectors like oil and gas, this provides more of an urgent impetus than ever to have a solid, concrete, feasible, enforceable plan for the protection, conservation, restoration, and management of California's forestlands. To date, this critical element is entirely missing from the Plan and any of its proposed alternatives, rendering the prognosis for effectiveness and success of attaining claimed GHG reduction targets highly unlikely. To the extent CARB and past scoping plans have relied on the cap-and-trade regulations and forest offsets in the past, EPIC fundamentally questions the validity of any reductions or offsets of GHG emissions claimed, as virtually none of any of the purported reductions are at-source, and CARB appears to have no way to verify the legitimacy of reductions or offsets claimed predicated upon forestry projects. Simply put, it appears at best to be a shell-game of moving and out-sourcing GHG emissions predicated upon reductions or sequestration from forests that cannot be assured or verified by CARB or "truthed" by public interest groups such as EPIC. GHG reductions, carbon sequestration, and real measures with real changes to combat and adapt to the growing realities of climate change cannot simply be left to industry and voodoo accounts to execute and ensure. Further, relying upon other state agencies, such as the Department of Forestry and Board of Forestry, to take seriously the threat of climate change and the mandates imparted by the Governor, Legislature, and any CARB plan, is simply a false hope destined for failure. As such, EPIC strongly encourages CARB to substantially revise and overhaul the 2017 Scoping Plan Update to ensure that reductions claimed are legitimate, and that our forests are protected, conserved, and restored for the greater good of all the people of the State of California.

# II. Specific Comments Regarding 2017 Scoping Plan Update

#### A. Failed Nexus between 2017 Scoping Plan Update and Forest Carbon Plan

The 2017 Scoping Plan Update appears to contain no reference at all the California Forest Carbon Plan, released in Draft form by the Forest Climate Action Team (FCAT), on January 17, 2017. The public comment period on the Draft Forest Carbon Plan was closed as of March 17, 2017. A copy of EPIC's comments on the Draft Forest Carbon Plan are attached and incorporated by reference herein. (Attachment A.)

The 2014 CARB Scoping Plan Update called for the creation of a "Forest Carbon Plan," that contained "[q]uantitative planning targets must be set to increase net forest carbon in California in the near term, mid-term, and by 2050, while ensuring forest resilience, health, and continued ecosystem services. Forest carbon inventory and assessments should be continually maintained and refined to support this effort, and appropriate measures, funding, and incentives must also be established." (*See:* 2014 Scoping Plan Update, at pp. 72-73.) The "[s]pecific actions to meet these planning targets for increasing carbon storage in California forests will be laid out in a 'Forest Carbon Plan' (Plan)." (*Ibid.*) However, the Draft Forest Carbon Plan is not referenced or mentioned at all in the 2017 Draft Scoping Plan Update.

While the lack of reference to, or acknowledgment of the Forest Carbon Plan in the 2017 Scoping Plan Update is quizzical, the failure of the January 17, 2017 Draft Forest Carbon Plan to meet any of its mandates or objectives as stated for the Plan in the 2014 Scoping Plan Update is even more so. Here, as with the cap-and-trade regulation, discussed elsewhere herein, it appears that one hand simply has no idea what the other is doing. Indeed, the January 17, 2017 Draft Forest Carbon Plan itself claims to be the, "detailed implementation plan for the forest carbon goals embodied in the 2030 Target Scoping Plan Update." (Draft Forest Carbon Plan, at p. 1.) Yet, we find no mention of the Draft Forest Carbon Plan and its mandates and objectives can be found in the 2017 Scoping Plan Update to attain the 2030 GHG reduction targets.

As our comments on the Draft Forest Carbon Plan reveal, it does not meet any of the objectives articulated in the 2014 Scoping Plan Update, and does not contain many of the elements required. Further, there is no nexus to governance, administration, regulation, or implementation of the Draft Forest Carbon Plan to be found. While it seems clear that the CARB 2017 Draft Scoping Plan Update and its associated Environmental Assessment are not construed or developed to rely upon the Draft Forest Carbon Plan, EPIC maintains this constitutes a major failing of the 2017 Draft Scoping Plan Update and raises substantial questions as to the prognosis

for success of attaining GHG emissions reduction and carbon dioxide sequestration targets now and into the future.

# B. Failed Nexus with Mandates of Assembly Bill 1504 (2010)

The 2017 Draft Scoping Plan Update makes reference to 2010 Assembly Bill 1504, pertaining to forestry and carbon dioxide sequestration, stating:

"AB 1504 requires the Board of Forestry and Fire Protection to adopt district forest practice rules and regulations in accordance with specified policies to, among other things, assure the continuous growing and harvesting of commercial forest tree species. The bill also requires the Board of Forestry and Fire Protection to ensure that its rules and regulations that govern the harvesting of commercial forest tree species consider the capacity of forest resources to sequester carbon dioxide emissions sufficient to meet or exceed the sequestration target of 5 million metric tons of carbon dioxide equivalent (MMTCO2e)/year net annually, as established in the first AB 32 Climate Change Scoping Plan. (2017 Draft Scoping Plan Update, at pp. 4-5.)

It is now seven years, and two scoping plan updates later, and the Board of Forestry has completely abdicated its statutory duties to undertake the directives identified in AB 1504 by the legislature. The Board of Forestry has taken no actions whatsoever to ensure that its rules and regulations governing timber harvesting on private forestlands in California are consistent with the objectives of AB 32, the 2008 Scoping Plan, or any subsequent Scoping Plan Update.

AB 1504 established the 500 metric tons of carbon sequestration per-year target as an interim target based on the presumption that prevailed at the time that California's forests are a net sequestration source of carbon, not a carbon sink. Research conducted since, including research conducted on behalf of CARB (Battles et al. 2015), and others (e.g., Gonzales 2015), strongly suggests that California's forests are in fact not a net sequestration source of carbon dioxide, but rather a net sink and, essentially that California's forests are emitting more carbon dioxide than is being stored.

It is entirely unclear from reading the CARB 2017 Draft Scoping Plan Update if the 2010 sequestration target established for the private forestry sector by the Legislature in AB 1504 is being considered as part of the overall strategy and carbon dioxide budget accounting to demonstrate attainment with the 40 percent below 1990 emissions levels 2030 target established by SB 32 in 2016. To the extent that the 2017 Draft Scoping Plan Update relies in any way upon the premise of carbon sequestration from California's forests, this fact must be more plainly stated, and the rationale more plainly presented and analyzed in the Environmental Assessment contained at Appendix F, which has not been included at-present.

## C. Lack of Progress on Natural and Working Lands Sector

The lack of a solid plan with discrete actions, GHG emissions limits, and carbon sequestration targets predicated upon present-day best available science and information is a substantial flaw in the 2017 Draft Scoping Plan Update. Appendix G to the Draft Plan provides little more than base-line level information, with lots of charts and graphs that do not actually amount to any real assessment, evaluation, decision-making, enforcement, or objectives to attain. There seems to be a "kick-the-can" approach to addressing the significant issues surrounding our natural and working lands industry sectors, and this amounts to more than even the proverbial

elephant in-the-room. EPIC fundamentally questions how the CARB and the 2017 Draft Scoping Plan Update can continue to allow polluting sectors, such as oil and gas refineries, to continue polluting above and beyond the declining sector caps on the premise of working forestlands being used as carbon credit offsets in the absence of an analysis of the current or projected future conditions of our forests, the dynamics of a carbon loss and gain budget on our natural and working lands, and more specifically, how the forestry sector serves to facilitate a carbon offset program. We address separately the Cap-and-Trade regulations below.

Lacking a solid plan to ensure California's natural and working lands are functioning as a base for increased carbon dioxide sequestration, rather than a net source of ongoing emissions, the 2017 Draft Scoping Plan Update and the basic underpinnings of the entire program to attain the GHG reduction target mandates of SB 32, are in question, and at risk of failure.

#### D. Failed Nexus Between Forestry Offsets and the Cap-and-Trade Regulations

With the 2017 Draft Scoping Plan Update having no nexus to either the Forest Carbon Plan or a way to ensure forestry practices focus on increased sequestration of carbon dioxide from the atmosphere, it seems foolhardy at best to continue the status quo and allow the Capand-Trade regulations to facilitate carbon credit offsets from private lands forestry projects. Although registered forestry projects must meet certain criteria and compliance must be verified by a third-party certification entity, this does not ensure improved forestry practices and increased carbon sequestration on a landscape or state-wide level. The Cap-and-Trade regulations generally, and the 2017 Draft Scoping Plan Update specifically, appear to have no awareness of pre-existent and prevailing laws and regulations governing the conduct of timber harvesting activities on private forestlands in California. There seems to be a fundamental disconnect between California's landmark efforts to combat climate change and the prevailing realities of the forest products industry in the state.

No better example of this disconnect can be found than by looking to registered carbon projects. Sierra Pacific Industries, the largest forestland landowner in the State of California, has registered a number of carbon projects under the titles of "Wildfire Reforestation Projects." (*Ref:* CAFR5163, CAFR5164, CAFR5165, CAFR5166, CAFR5167, CAFR5168; CARB I.D. Numbers.). While the exact nature, extent, or locations of these registered carbon projects is not known, registering these "wildfire reforestation," projects as presently sequestering carbon is an obvious misnomer. SPI's management practices create the harmful conditions which can cause fires, a dangerous source of carbon emissions. These kind of conditions are documented. Rather than require a forest accounting in which these emissions are allocated, SPI secures an offset credit for its "reforestation." But, existing law requires a company like SPI to replant and invest in reforestation, including post-fire replanting. Post-fire recovery does not mean SPI is increasing sequestration of carbon in its forests; it may well mean only that it is trying to account for the emissions it has caused.

<u>First</u>, SPI timber harvesting practices, are heavily predicated upon the use of evenaged silviculture and plantation model forestry, resulting in forest conditions that are far more fireprone, and prone to high-intensity fire than other silvicultural methods or as was found in reference stand conditions. This outcome is recognized. The Draft Forest Carbon Plan, discloses that many of California's forests remain unhealthy and overcrowded. (Draft Forest Carbon Plan, at p. 16.) The Draft Forest Carbon Plan refers to the "current unhealthy state of forests." (*Id.*, at p. 18.) Scientists are concluding that California forests as they currently are will not be successful in absorbing those changes (from climate change impacts drought and temperature) as they once did. (*Id.*, at p. 53.) On private corporate timberlands, there is "slightly" more growth than removal, with "less carbon stored per acre in live tree inventories, as they don't get as old and large as trees on public landscapes, but mortality is much lower." (*Id.*, at p. 74.).

The stand conditions described in the Draft Forest Carbon Plan are exactly the stand conditions found in SPI evenaged regenerating low-elevation pine plantations in the South Sierra Nevada. The Draft Forest Carbon Plan recognizes these conditions as undesirable. Yet Cap-and-Trade permits, without an accounting of emissions and sequestration, registration of carbon sequestration "offset" projects on lands that either were subjected to fire as a consequences of management like SPI's or for projects that will replicate these same exact conditions again.

<u>Second</u>, existing law requires a company like SPI to ensure that replanting and investment in reforestation is ongoing. In this way, it should be seen as some kind of benefit to be sold as an "offset," because, in the best of all management, reforestation is intended to account for the emissions which have occurred as result of logging management. The 1982 California Timberland Productivity Act, Government Code § 51100 *et seq.* (TPA), created the Timber Production Zone (TPZ) designation for private timberland owners. The TPA also created a taxation structure for private timberland owners whereby annual volume by board-feet per-year were taxed based on reporting to the California Board of Equalization. In enacting the TPA, the Legislature stated that California's policy is to:

"do all of the following:

(1) Maintain the optimum amount of the limited supply of timberland to ensure its current and continued availability for the growing and harvesting of timber and compatible uses.

(2) Discourage premature or unnecessary conversion of timberland to urban and other uses.

(3) Discourage expansion of urban services into timberland.

(4) Encourage investment in timberlands based on reasonable expectation of harvest." (Government Code § 51102(a)).

California's Forest Practice Act and Rules govern timber harvest and regeneration on private forestlands, and clearly require that the logged area be adequately "stocked" after logging, either with trees left on site or to be adequately replanted within 3-5 years following timber operations. (*See:* Public Resource Code § 4561; 14 Cal. Code Regs., § 912.7 [932.7, 952.7].)

These laws requires SPI to replant and invest in reforestation of its timberlands. While a legal requirement, it is also in SPI's best financial interest to provide this reforestation, including post-fire artificial regeneration on its lands. Unfortunately, these laws do not require a carbon accounting, which would document the level of emissions generated from logging practices and fires which may occur as a result of those practices. As a consequence, the "wildfire reforestation" projects SPI registers as "offsets" proceed without an understanding of SPI's emissions generated from its practices and fire. SPI "offsets" are predicated upon the need to conduct post-fire artificial regeneration, which, again, is an existing SPI obligation under state

law. Whether or not it provides an "offset" for SPI's management which generated emissions, cannot be established in the absence of an accounting.

Further, the current "stocking" standards for evenaged management such as SPI's mandate either retention of 50 square feet basal area per-acre, or artificial regeneration to a 300 point-count. (14 Cal. Code Regs,, § 912.7 [932.7, 952.7].) This kind of artificial regeneration following evenaged logging is one of the factors leading to over-dense, drought, beetle, and fire-prone forest stand conditions. The Board of Forestry understands this, but has yet to change these standards to effectively address these consequences.

The Cap-and-Trade regulations present very real and egregious social, environmental, and economic injustices that accrue as a consequence of its program. While the additional 20 percent reduction in the refinery sector proposed in the Preferred Action in the 2017 Draft Scoping Plan Update is laudable, it is simply not enough. While an additional 20 percent reduction may accrue some progress, it simply fails to meet muster when the dire state of the climate and many of the disadvantaged people and communities of our state are taken into account. It is simply unacceptable to allow the rich oil and gas conglomerates to continue harming our environment, our climate, our people, our economies, and our communities for the sake of ever-continuing greenhouse gas emission, and of course, out-sourced corporate profits. The CARB is asking the people of this state, and the most disadvantaged among them, to disproportionately shoulder the burden of the fossil fuel industry, a multi-trillion dollar global industry, and the one most primarily responsible for greenhouse gas concentrations in out atmosphere and the climate change crisis we all now face. By allowing the forestry offsets to companies like SPI, CARB facilitates this corporate advantage beyond the fossil fuel industry. It is simply unacceptable to enable the continued corroding of our climate, our environment, and our communities out of deference to the rich, and only so they may get richer still, while asking the poor, and in truth, the majority of Californians, to continue paying the price.

#### III. Conclusion

The 2017 Draft Scoping Plan Update is a vital component to the overall success of California's ambitious, albeit necessary strategy to combat and adapt to the realities of global climate change. That said, its compartmentalized approach fails to achieve the comprehensive holistic strategy desired. Without real, enforceable, and measurable standards for the natural and working lands sector, particularly as pertains to private land forestry practices, the Draft Plan is incomplete and doomed to failure. EPIC strongly urges the CARB to resist the temptation to kick the can down the road on modeling and regulation for the natural and working lands sector, and to by no means, defer to an inept and incapable California Department of Forestry to enable further timber industry "business as-usual" antics.

EPIC requests that CARB defer decision on the 2017 Scoping Plan Update, and suspend all Cap and Trade provisions including forestry offsets, until, at a minimum, it can be informed by:

(1) a valid Forest Carbon Plan;

(2) credible evidence from the Board of Forestry that the forest practice regulations meet the requirements of AB 1504;

(3) completion of the Natural and Working Lands sector modeling and assessment process is complete; and

(4) a reliable accounting mechanism for all forestry projects to document emissions generated and carbon sequestered.

The challenge of global climate change is the greatest of our time, and perhaps the greatest in human history. To meet this challenge with half-measures, and more of the same and "business as usual" economic, legal, and regulatory structures can only lead us to the same results that have lead to the causes of our catastrophic climate crisis in the first place. California's forests are our last, best weapon available to remove carbon dioxide already emitted from our atmosphere. To leave the future of our forests in the hands of the same old usual suspects is to ensure the failure of California's landmark climate change strategy, and may thereby lead to the failure of our great state, society, and way of life. CARB and the State of California can and must be bolder, and must work to ensure that the imperative of the dollar and economics once again trumps the values of our greater society and the needs and rights of the majority of the people on our state.

Respectfully Submitted,

Rob D, Par

Rob DiPerna California Forest and Wildlife Advocate Environmental Protection Information Center (EPIC)

## **Attachments**

Attachment A: EPIC Comments on Draft California Forest Carbon Plan. March 17, 2017.

## Works Cited

Slauson, Keith M. 2012. Mesocarnivores as focal species for the restoration of post-logging aecond growth in the northern redwoods. In: Standiford, Richard B.; Weller, Theodore J.; Piirto, Douglas D.; Stuart, John D., tech. coords. Proceedings of coast redwood forests in a changing California: A symposium for scientists and managers. Gen. Tech. Rep. PSW-GTR-238. Albany, CA: Pacific Southwest Research Station, Forest Service, U.S. Department of Agriculture. pp. 437-447.

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