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# Offsets: Calif. group releases national forestry standards

By Debra Kahn

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A California nonprofit has published national guidelines for verifying carbon offsets from forests, providing a potentially huge incentive for national and international landowners to keep their trees intact.

Forest groups have praised and criticized the protocol since it was released last week by the Climate Action Reserve (CAR), a group authorized by the California Legislature to oversee the offset sector within the state's own climate change programs.

While the forest offset market is primarily in California, it is growing fast and is expected to play a large role in the early years of any federal cap-and-trade program. This year, CAR hit its millionth ton of avoided CO<sub>2</sub>, and the sector is poised to benefit from climate legislation that passed the U.S. House in June and which in its current form would allow capped sectors to buy 2 billion tons of offsets annually (ClimateWire, May 27).

Pacific Forest Trust, another nonprofit that works with timber companies in the Pacific Northwest, said the rules are too permissive and would actually encourage landowners to fell more trees.

Earlier versions of the forestry guidelines used a legal definition of acceptable logging levels to establish the amount of carbon offsets a landowner could receive. In the latest version, the baseline is calculated according to U.S. Forest Service data, which results in a higher threshold for "business

as usual." The change limits the amount of credits that owners of more mature, carbon-rich forests can receive.

In comments filed with the reserve, PFT said the guidelines would hurt elderly owners of mature forests.

"When a forest-owning family needs to pay for mom's nursing home or dad's bypass surgery, or when mom and dad have passed away and the family is scraping up the money to pay estate taxes, they have typically though sometimes reluctantly turned to logging and development," wrote PFT Managing Director Connie Best.

"History tells us that absent a strong financial alternative that allows them to keep these trees and their massive carbon stores standing, the outcome is more forest depletion and a bigger hole in all of our carbon accounts," she wrote.

Another conservation group, American Forests, released a statement praising the protocol and announcing a reforestation project it hopes to undertake using the guidelines. With ConocoPhillips and California's Department of Parks and Recreation, the group plans to replant 2,500 acres of the Cuyamaca Rancho State Park, which was devastated by the 2003 Cedar Fire. Under CAR's protocol, the project will generate 500,000 metric tons of offsets.

Forests' "dynamic nature makes it a challenging process to accurately determine the amount carbon benefits from forest-sector activities, and the potential impacts of climate change on forests raises questions about the sustainability, or permanence, of those benefits," American Forests wrote. "The revised protocol addresses these concerns through a rigorous set of guidelines and standards, including requirements for buffers or additional carbon benefits to help address risks from the impacts of wildfires or insects."

Best said in an interview that offset rules needed to reflect real forest conditions in order to be cost-competitive with logging. "At \$9 to \$10 a ton, [offsets] begin to compete. They'd compete a lot more at \$15 a ton, and hands-down at \$20 a ton," she said. "You want to at least give people that choice, and help them find a way to conserve these stocks."