State of California AIR RESOURCES BOARD

Resolution 09-43

September 24, 2009

Agenda Item No.: 09-8-8

WHEREAS, the Legislature found in the California Global Warming Solutions Act of 2006 (Assembly Bill 32; Stats. 2006, ch. 488, Health & Safety Code sections 38500 et seq.) that climate change poses a serious threat to the economic well-being, public health, natural resources, and environment of California;

WHEREAS, Assembly Bill 32 (AB 32) creates a comprehensive multi-year program to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020, and designates the Air Resources Board (ARB or Board) as the State agency changed with monitoring and regulating sources of GHG emissions that cause climate change;

WHEREAS, AB 32 directs ARB to identify opportunities for emission reduction measures from verifiable and enforceable voluntary actions, including, but not limited to, carbon sequestration projects;

WHEREAS, California has nearly 40 million acres of forested land with the ability to sequester significant amounts of carbon, giving forests the potential to play a major role in reducing the State's GHG emissions;

WHEREAS, the Board adopted the Climate Action Reserve's (the Reserve) version 2.1 of the forest protocols in October of 2007 and directed staff to initiate a public process to develop additional approaches for forest carbon accounting to encourage broader forest sector involvement and reduce potential barriers to participation;

WHEREAS, ARB contracted with the Reserve to update the forest project protocol through an extensive multi-stakeholder workgroup, which included ARB, other government agencies, non-governmental organizations, private and commercial land owners, academia, public land representatives, and other interested parties;

WHEREAS, based on recommendations from the workgroup, the Reserve has developed an updated Forest Project Protocol, version 3.0;

WHEREAS, the updated forest project protocol provides a rigorous greenhouse gas quantification method and other mechanisms that are necessary to maintain system integrity through addressing risk associated with sequestration projects;

WHEREAS, the Reserve and ARB held three joint public workshops and solicited stakeholder input and comment over the course of the protocol update process;

WHEREAS, the updated forest project protocol was adopted by the Board of the Climate Action Reserve on September 1, 2009;

WHEREAS, ARB staff released a document entitled, "Staff Report: Proposed Adoption of the Updated Climate Action Reserve Forest Project Protocol" for public review on September 3, 2009;

WHEREAS, AB 32 directs ARB to adopt methodologies for the quantification of voluntary greenhouse gas emission reductions and specifies that the adoption of methodologies is exempt from the rulemaking provisions of the Administrative Procedure Act;

WHEREAS, the updated forest project protocol developed by the Reserve effectively reduces barriers to participation, while providing a methodology for complete, consistent, transparent, accurate, and conservative accounting of carbon emissions and reductions;

WHEREAS, the protocol is designed for use in California and throughout the United States but is not applicable for international forest projects;

WHEREAS, the protocol requires natural forest management that promotes and maintains native forests comprised of multiple ages and mixed native species, at multiple landscape scales consistent with the California Forest Practices Act;

WHEREAS, projects must comply with all applicable federal, state, and local environmental laws and regulations, and the protocol will not supersede any such requirements that are more stringent;

WHEREAS, to the extent that other states have less stringent requirements than California with respect to even-aged management, the protocol places limits on that practice; and

WHEREAS, after consideration of the staff report, written comments, and public testimony received, the Board finds that:

- 1. GHG reductions resulting from forestry projects can play an important role in meeting California's greenhouse gas reduction goal.
- 2. The updated forest project protocol (version 3.0) effectively reduces some barriers to participation, while providing a technically-sound method for forest carbon accounting.

- 3. The updated protocol expands applicability for additional landowner types, including public lands;
- 4. To clarify language regarding even-aged management, the Reserve should move this language out of the definition of "Natural Forest Management" (section 3.9.2), and incorporate it into another appropriate section of the protocol.
- Protocols are dynamic carbon accounting methodologies that can be updated to reflect new science and technology. ARB will continue to support and work with the Climate Action Reserve and stakeholders in further refining the protocols after adoption.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the Climate Action Reserve's forest project protocol version 3.0 as a methodology for the quantification of greenhouse gas emission reductions from voluntary forest projects.

I hereby certify that the above is a true and correct copy of Resolution 09-43, as adopted by the Air Resources Board.

Monica Vejar, Clerk of the Board