ARB Workshop Guidance for the Newly Adopted U.S. Forest Projects Compliance Offset Protocol*

California Air Resources Board
July 27, 2015

* Pending submission and approval by the Office of Administrative Law

Workshop Materials and Comment Submittal

- Presentation and protocol are posted at: http://www.arb.ca.gov/cc/capandtrade/meetings/meetings.htm

- Written comments may be submitted at: http://www.arb.ca.gov/cc/capandtrade/meetings/meetings.htm by 5:00 p.m. PST on Tuesday August 11, 2015

- During the workshop, E-mail questions to: sierrarm@calepa.ca.gov

Stakeholder Comments

- Protocol amendments:
  - Intended to clarify existing requirements
  - Provide additional detail for implementation
  - Update data sources

- Stakeholder comments focused on three main areas:
  - Minimum Baseline/Logical Management Unit
  - Even-Aged Management Limits and Verification
  - Common Practice Values

Workshop Objectives

- On June 25, 2015 the Air Resources Board approved an updated version of the U.S. Forest Protocol

- Solicit stakeholder input for developing implementation guidance on:
  - How Common Practice values are used in setting the baseline
  - Logical Management Unit (LMU) definition
  - Even-aged management
  - Additional areas that may benefit from guidance

Guidance

- Describes and clarifies the regulatory requirements in a reader-friendly format

- Is not intended to and cannot establish new mandatory requirements beyond those that are already in the Cap-and-Trade Regulation (Regulation)

- Cannot supplant, replace or amend any of the legal requirements of the regulation

- Does not have the force of law

Regulatory Amendments

- Require a full regulatory development process

- Require Board approval

- Require review by the Office of Administrative Law

- Quantification Methodologies identified in the protocol require a public review and Board adoption to make changes because of CEQA requirements

Common Practice

- Used to help determine the baseline for Improved Forest Management Projects

- Values are based on the latest data from the Forest Inventory and Analysis (FIA) National Program
  - Discussed in detail in webinar October 14, 2014
  - Data available at: http://www.fia.fs.fed.us/tools-data/

- Values and high/low site class groupings have been adopted by the Board and cannot be changed through guidance

Common Practice Discussion

- Frequency of updates to Common Practice values
  - 5,7,10 year inventory cycles
  - FIA interaction

- Standards for adding new assessment areas
  - Minimum number of inventoried plots to determine common practice
  - Minimum number of years of data

- Are there implementation issues that require guidance?

Logical Management Unit

- The LMU defines the areas to consider for setting the baseline when initial carbon stocks are above Common Practice

- Defines the extent of forest owner's holdings that must be considered when developing the project baseline

- Protocol amendments:
  - Limits landholdings to project area's assessment area(s)
  - Identifies new criteria that may further limit the LMU
    - Area that has experienced natural disturbance
    - High Conservation Value Forest (HCVF)

Logical Management Unit Discussion

Proposed Guidance:

- Clarification of the definition of LMU

- Setting the LMU

- Assessing stocking levels within the LMU

- Verifying the LMU

- Other implementation issues for guidance

Even-Aged Management

- Defines limits on even-aged management activities and how to verify

- Values limiting the cut and buffer size have been adopted by the Board and are not subject to guidance:
  - 40 acre limit
  - Buffer size: 20 acre max/300 foot
  - 150 point count stocking level

- Consistent with the California Forest Practice Rules
  - ARB is not changing the California Forest Practice Rules

Even-Aged Management Discussion

Proposed Guidance:

- Guidance will be based on the California Forest Practice Rules, which was the basis for these amendments

- Clarify the definition of healthy trees for counting

- Verifying stocking and buffer requirements

- Other implementation issues for guidance

Additional Areas

- Are there any additional areas that could benefit from guidance that should be discussed?

Next Steps

- Informal written comments will be accepted during a comment period ending at 5:00 p.m. PST on Tuesday August 11, 2015

- ARB staff will develop and share draft guidance document

- ARB webinar to walk through draft guidance with another informal comment period

- Release second draft of guidance with informal comment period

- Finalize guidance, discuss at public workshop, and post on ARB website

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