



May 8, 2024

California Air Resources Board – Cap and Trade Program – Amendments Workshop
Attn: ARB Staff
1001 I Street
Sacramento, CA 95814

Green Assets, Inc.
Mr. Bailey Evans
7655 Market St.
Wilmington, N.C. 28411

RE: California Air Resources Board Cap-and-Trade Pre-Rulemaking Submission of Comments

Dear CARB Staff,

Green Assets appreciates the opportunity to provide comments following the California's Air Resources Board's (CARB's) April 23, 2024 workshop regarding potential amendments to the California cap-and-trade program.

As a forest carbon offset project developer, we're proud to have conserved hundreds of thousands of acres of woodlands through implementation of CARB's offset program, while simultaneously offering a cost containment mechanism for the Cap-and-Trade Program. The demand for high quality carbon offsets produced by CARB's Forest Protocol incentivizes landowners to preserve and sustainably manage their forests, sequestering immense amounts of carbon dioxide. Over 200 million carbon offsets have been issued to forestry projects to date, as CARB has created a stable market platform for investment in nature-based climate solutions. Given our practical experience, our comments focus on the Forestry Offset Protocol.

In November of 2022, CARB invited Green Assets to speak at the Compliance Offset Protocol Workshop and reflect on potential solutions to current challenges faced by projects managed under the current Forest Offset Protocols, as well as opportunities for future improvements. The following comments contain similar principles as those made by Green Assets in 2022, and focus on encouraging both the continued success of existing projects and support for newly listed and registered ones:

- Regional Forest Management Requirements and Guidance

Requirements of the California Forest Practices Rules must be applied to all projects regardless of geographic location, presenting financial barriers and limiting landowner objectives and their ability to apply regionally appropriate silviculture. Additionally, guidance applicable to a project in one region is not necessarily applicable or silviculturally sound in other regions. A potential solution includes creating regionally specific natural forest management criteria that better reflect the

ecological abilities and silvicultural needs of different forest types in distinct regions. It would support the efficiency and consistency of verifications and help project landowners better manage their projects if CARB would develop regionally based guidance teams with an online venue for publication/public posting of Protocol related guidance.

- Alternative Actions Identifying a Commencement Date for AC Projects

The commencement date for Avoided Conversion projects is tied to the recordation of a conservation easement (when the project area is not being transferred to public ownership). Easement establishment is an intricate and lengthy process and the commencement date requirement (as tied to it) often limits a project developer's ability to materialize the listing of a project. This could be remedied by allowing valid alternative actions to identify a commencement date, such as when a project is Listed, a carbon inventory is conducted, or a landowner commits to pursuing a forest carbon project.

- Increased Reporting Period Length

Subsequent to a project's initial reporting period, reporting periods are required to be 12 months in length. This presents difficulties for project management in the event of a natural disturbance and often limits a landowner's ability to conduct appropriate silviculture (temporally). Revisions to allow reporting periods to last longer than 12 months (similar to other forest carbon project reporting programs where reporting period lengths can be up to five years) would support OPOs and APDs by allowing more flexibility in their temporal management of the project's forest resources.

- Continue Commencing Invalidation Period at the End of a Reporting Period

Currently, a carbon offset's invalidation period begins after the end of its reporting period. It is practical to base the invalidation period on the timeframe when the emissions reductions occur. The proposed provision to modify the invalidation period to begin at the date of issuance would not be consistent. The process of verification, Offset Project Registry, and CARB review prior to carbon offset issuance can vary based on numerous factors, making timetables uncertain and inconsistent from reporting period to reporting period. We suggest continued application of the invalidation period commencement as currently written, beginning at the end of a reporting period.

With very best regards,



Bailey Evans
President & CEO
Green Assets, Inc.