

October 25th, 2021

Oregon Department of Environmental Quality 700 NE Multnomah Street, Suite 600 Portland, OR 97232-4100

RE: Comments on Climate Protection Program Draft Rules

Dear Director Whitman and staff,

Thank you for the opportunity to provide comments on the proposed rulemaking for DEQ's Climate Protection Program. Oregon has experienced record heat and drought this year, highlighting the imperative to quickly implement a response that both reins in further warming and facilitates adaptation to a changing environment. While we are glad to see that the draft rules have been strengthened in several ways since their initial release, it is clear that science requires a more comprehensive approach to tackling Oregon's emissions.

Specifically, we are disappointed that DEQ has missed a significant opportunity to reduce atmospheric carbon by excluding natural and working lands from the program. In Oregon, forests are the most important tool in our mitigation toolbox. They hold globally significant carbon stores that, despite centuries of harvest and degradation, still rival tropical rainforests in terms of both quantity and density of carbon. But currently, forests are the state's largest emissions source, with the sector emitting approximately 38 MMT CO2e per year.¹

Despite owning 26% of Oregon's forestlands, large private industrial forest owners are responsible for 73% of emissions from harvest, due to intensive management practices.² As a result, carbon density is lowest on private ownerships. This presents a major opportunity for additional sequestration, particularly in the high productivity eco-regions of western Oregon where private industrial ownership is disproportionately high.

Making forest carbon projects – and sequestration projects more broadly – eligible for Community Climate Investments (CCIs) would be a critical step in addressing this situation. Adequate, sustained state-level funding for voluntary measures that sequester carbon on private lands is a crucial missing link in Oregon's climate strategy. Just lengthening harvest cycles to 80 years could sequester an additional 6 MMT CO2e per year by 2050.³ Overall,

¹ Law, B. E., T. W. Hudiburg, L. T. Berner, J. Kent, P. C. Buotte, and M. E. Harmon. (2018). Land use strategies to mitigate climate change in carbon dense temperate forests. Proceedings of the National Academy of Sciences 115:3663–3668.

² Mater, C.M. (2018). "The Forest Carbon Picture in Oregon: A Key Role in the State's Carbon Footprint and Performance." [PowerPoint Slides] Oregon Global Warming Commission Forest Advisory Task Force.

 $[\]frac{\text{https://www.oregon.gov/ODF/ForestBenefits/Documents/Forest\%20Carbon\%20Study/May-2018-Oregon-Forest-Carbon-Picture-Mater.pdf}{}$

³ Law et al. 2018

natural climate solutions can provide up to 27% and 19% of the needed reductions to meet Oregon's 2035 and 2050 climate targets, respectively.⁴

In light of this, we recommend DEQ take the following steps to fulfill its role in bringing natural and working lands into Oregon's climate strategy. DEQ has stated during public meetings that sequestration projects were excluded because investments that replace fossil fuel dependent infrastructure are currently a higher priority for the Department. However, there has not been made available a formal, written reasoning for DEQ's decision. As a first step, DEQ should provide the public with a clear written explanation as to why sequestration was excluded – including any perceived legal barriers.

Second, the Department of Forestry's Climate Change and Carbon Plan draft emphasizes coordination with DEQ over the next 18 months to integrate forest carbon projects within the Climate Protection Program. DEQ should dedicate resources and staff to work with ODF to develop this initiative.

In the meantime, it is essential that DEQ ensure the CCI program safeguards equitable outcomes and the integrity of the cap. We are glad to see that CCIs have been improved in several ways since the initial release of the draft rules, including the move towards a 1:1 emissions reduction ratio and equal dispersal of funds across CCI entities. However, the program is still not likely to achieve additional, permanent, measurable, verifiable and enforceable reductions in GHG emissions. We urge DEQ to develop a rigorous system of verification, including a protocol to monitor for reversals and invalidate associated credits.

Thank you once again for your consideration, and we look forward to continuing collaborative efforts to develop a comprehensive and equitable strategy to tackle the climate crisis in Oregon.

Sincerely,

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⁴ Graves RA, Haugo RD, Holz A, Nielsen-Pincus M, Jones A, et al. (2020) Potential greenhouse gas reductions from Natural Climate Solutions in Oregon, USA. PLOS ONE 15(4): e0230424. https://doi.org/10.1371/journal.pone.0230424