

Forest Carbon Stakeholder Workgroup Mediator's Status Report November 12, 2008

This report has been prepared by Mike Schnee, mediator for the Forest Carbon Stakeholder Workgroup. The report represents the views of the mediator and is intended to accurately describe the work of the group. This report updates the status of the workgroup since that reported in the Mediator's Report, dated September 8, 2008.

Recent Developments

While awaiting the Western Climate Initiative (WCI) report on the "Design Recommendations for the WCI Regional Cap-and-Trade Program", the workgroup met twice in September to hear updates on ongoing developments in Washington, California and the WCI Offsets Subcommittee and to assess the next steps for the workgroup. The group invited representatives from the Oregon Governor's office, the Oregon Department of Forestry (ODF), and the Global Warming Commission to their second meeting in September to discuss how the group could continue to provide valuable input to state and regional policy makers on carbon issues.

At the September 8 meeting, the committee received reports and discussed their own understanding of what has been accomplished in Washington and California. In addition, the workgroup began development of a "Purpose Statement" that would guide future work of the group.

At the September 24th meeting, David Van't Hof and Cameron Smith from the Oregon Governor's staff and Jim Paul from the Oregon Department of Forestry provided their perspectives on future opportunities for the group to consider. All three were very supportive of the group's work and encouraged the group to continue to provide recommendations to the WCI and to the Oregon Governor's Office, the Legislature and to ODF. Later in the meeting, the workgroup reviewed and refined the draft "Purpose Statement" (Attached) that was initiated at the September 8 meeting.

The WCI report, "Design Recommendations for the WCI Regional Cap-and-Trade Program" was released on September 23rd. As part of the report it was announced that Agriculture, Forestry, and Waste Management projects are considered priority areas for the WCI to investigate as it continues to develop its offset system. The cover letter stated, "Over the next couple of months, we (WCI) will prepare a detailed work plan to guide the next phase of the Western Climate Initiative." The full report is available at <http://www.westernclimateinitiative.org/>

Next Steps

Since the September 24th meeting, there has been ongoing debate by workgroup members on whether the group should continue its work with its current members or if it is time to acknowledge its accomplishments and either disband or continue with altered membership.

At the time of this report, the drafting committee of the workgroup is working with ODF Staff and the mediator on the following:

1. To prepare documentation that memorializes the work of the group so that it is available for use as carbon issues continue to evolve. It will include formal agreements that the group has made and will identify points of agreement and points of disagreement on key issues where consensus was not achieved. It will also include presentations that were made to the group by invited technical experts.
2. Members from the drafting committee plan to meet with the Governor's staff and ODF leaders to assess the potential future work of the workgroup and develop a clear statement of purpose and set of objectives for the next phase of action for the workgroup. If a clear purpose and set of objectives cannot be developed or if adequate resources do not appear to be available to accomplish those objectives, the drafting committee will reassess the value of continuing to meet. These draft ideas will be presented to all workgroup members for their consideration.

The October 27th and November 17th workgroup meetings were cancelled, to allow time for (1) and (2) to be developed. The December 15 and January 12 dates will be retained as potential future meeting dates.

**Revised Draft Purpose Statement – Forest Carbon Stakeholder Workgroup
September 24, 2008**

The Forest Carbon Stakeholders will provide information and recommendations to the Oregon Legislative and Executive branches of government, the Oregon Global Warming Commission, state agencies, and other regulatory bodies on issues related to forestry offsets and cap-and-trade designs.

The Forest Carbon Stakeholders will continue its collaboration on recommendations for the design and details of the WCI Forestry offsets system of the Western Climate Initiative (WCI) Cap-and-Trade Program.

The Forest Carbon Stakeholders will focus its work over the next several months on recommendations for the “categories of forestry activities” that should be considered as offsets, specific forest projects that should be included in each category, and on protocol development for projects.