

March 21, 2008

Tim Lesiuk  
Chair, Western Climate Initiatives Offsets Subcommittee  
PO BOX 9486  
Victoria, BC V8W9W6  
Canada

Dear Mr. Lesiuk,

Land owners, forest managers, wood products manufacturers, conservation groups and technical experts from Oregon and Washington are meeting regularly with the support of the Oregon Governor's staff and state agency personnel from Oregon and Washington to forge recommendations for the inclusion of the role of forest carbon in the Western Climate Initiative (WCI) cap-and-trade program. We are a diverse stakeholder group representing a wide spectrum of interests.

Forests are an important icon of the west, and are intrinsic to our economies and cultures. They also play a vital role in the earth's carbon cycle and will be affected by global climate change. For these reasons, we strongly recommend that forests be incorporated into the WCI process.

One of the primary purposes of an offsets or credits program is to enable sectors not subject to the cap to contribute to lower-cost carbon reductions than would be the case without offsets or credits while also stimulating innovation in methods of carbon reduction outside the capped sectors. Forest carbon offsets or credits can meet these purposes while providing economic incentives to avoid conversion of forest land, promoting practices that achieve higher levels of carbon sequestration and storage, in addition to enhancing water quality, fish and wildlife habitat, recreation, and other benefits. We believe this program can be developed in an efficient and cost-effective manner, learning the lessons from other efforts in the United States and around the world.

We appreciate the obstacles you face when considering forests as part of the WCI process, and acknowledge the comments regarding forestry and land-use change outlined in the March 3<sup>rd</sup> Draft Scoping Recommendations paper. But we must note that of all the sectors discussed in the draft paper, only forestry represents a potential carbon sink. After reviewing the WCI program design principles, we are convinced that forest carbon offset or credit projects can deliver real, additional, permanent and verifiable emission reductions, with reliable, cost effective measuring and monitoring with the appropriate accounting for leakage. We pledge to work with you to apply these principles to forestry and make the WCI program a model for other regions and nations.

To assist your efforts, we strongly urge you to formalize a discussion of forests into a working group. Our organizations would be ready to provide the technical resources and political support necessary to make this effort successful.

Thank you, for considering our comments. We look forward to providing you with more detailed comments in May. We are excited about the potential that a forest offsets system can have in addressing this important global issue, while providing financial benefits to buyers and sellers who are committed to carbon management.

Sincerely,

American Forest Resource Council – Associated Oregon Loggers - Boise Cascade -  
California Forestry Association - Defenders of Wildlife - Ecotrust - Forest Capital  
Partners - Lone Rock Timber Company - Oregon Forest Industries Council - Oregon  
Small Woodlands Association - Oregon Woodland Cooperative - Roseburg Forest  
Products - Mark Copeland - The Collins Company - The Conservation Fund - The Nature  
Conservancy in Oregon - The Pacific Forest Trust - Washington Forest Protection  
Association - Weyerhaeuser Company

cc: Honorable Gordon Campbell, Premier, British Columbia  
Honorable Christine Gregoire, Governor, Washington  
Honorable Ted Kulongoski, Governor, Oregon  
Honorable Arnold Schwarzenegger, Governor, California