



December 20, 2019

VIA ELECTRONIC MAIL

Climate Action Reserve
818 W. 7th Street, Suite 710
Los Angeles, CA 90017
info@climateforward.org

Re: Comment on Climate Forward's Reforestation Project Forecast Methodology v. 1.0

Dear Climate Action Reserve,

Thank you for providing Restore the Earth Foundation, Inc. ("REF") the opportunity to comment on Climate Forward's Reforestation Project Forecast Methodology v. 1.0 (the "Methodology").

REF is a 501(c)(3) not-for-profit corporation with a mission to restore the earth's essential forest and wetland ecosystems. With a focus on the Mississippi River Basin, REF has already worked with corporations, governmental entities and other non-profits to restore over 50,000 acres of degraded forest, wetland and critical wildlife habitat. We believe that restoring these degraded lands creates synergistic benefits that enhance climate resiliency, reduce greenhouse gas concentrations, strengthen wildlife habitats and make for a healthier environment on the whole. Our goal is to restore 1,000,000 acres over the coming years.

We fully support and commend the Climate Action Reserve (the "Reserve") for developing the Methodology. We view the Methodology as an essential and proactive step to address climate change. Indeed, the Methodology, in our view, will drive much greater investment in reforestation projects by creating improved project economics. Reforestation projects are a critical piece of the solution to combatting climate change. For Restore the Earth, in particular, the Methodology will directly result in opportunities to reforest tens of thousands of acres in the Mississippi River Basin.

The Methodology is an environmental rigorous framework for the implementation of reforestation projects. Based on our review of the Methodology and the information presented at the public webinar held on December 4, 2019, we have three recommendations for improvements that, if addressed, could provide for even greater utilization of the Methodology.

1. Permanence v. Public (State and Federal) Ownership

In the draft Methodology, the crediting period represents the period for which the Reserve has a reasonable assurance that the re-established forest will not be subject to a regeneration harvest (clear-cut). State and federal lands held in perpetuity can provide the same assurance of permanence as a conservation easement on private lands. Acknowledgment of the safeguards provided via public ownership would be consistent with the Reserve's Forest Project Protocol v 5.0, where "With Qualified Conservation Easement or Qualified Deed Restriction that explicitly encumbers timber harvesting associated with project stocks **or on public or tribal lands**" corresponds to a 0% contribution to project reversal risk rating due risk of over-harvesting.

Admittedly, since state and federal lands are unlikely to be subject to specific quantitative thresholds on stocking as those envisioned for the conservation easements for Climate Forward, it would be reasonable to assume a *slightly* lower stocking level attained and conserved over the 100-year period (*e.g.*, at culmination of mean annual increment) that reflects the outcomes of the potential array of management decisions on those lands.

We would also propose that the stocking level attained and conserved over the 100-year period on public lands reflect the designated primary management objective of those lands, specifically distinguishing between those lands designated for wildlife management and conservation (*e.g.*, US Fish and Wildlife Service National Wildlife Refuges, state Wildlife Management Areas) and those where timber production is the primary management objective (*e.g.*, national and state forests).

2. Ownership of FMUs

In the draft Methodology, the ownership of Forward Mitigation Units ("FMUs") is assigned to "the entity that has legal ownership of the trees," however, such a hardline rule will create unnecessary barriers to project implementation. Instead, the Methodology should allow for a flexible approach in which FMU ownership is assigned to the project proponent that can demonstrate to the Reserve unequivocal right to FMU title. We suggest that the language of Section 3.6 be revised as follows (strikethrough representing proposed deletions; underline representing proposed additions):

Section 3.6. Ownership and Double Counting. The ownership of the FMUs shall be assigned to the project proponent entity that has legal ownership of the trees. This is usually the fee owner of the property unless an easement or lease has been recorded that cedes timber ownership, or any part thereof, to a third party, in which case the specific legal agreement must be reviewed to determine proportional ownership. The project proponent must submit an affidavit within the PIR outlining the names and contact information of the legal owner(s) of timber rights within the Project Area ("Timber Rights Affidavit"). ~~Each of the identified owners must provide a signature to the affidavit.~~ The project proponent must also submit a signed attestation of title form ("Attestation of Title") form indicating that they have the project proponent has exclusive ownership rights to the emissions reductions and removals resulting from the mitigation project and that the project is not being submitted for emissions reductions credit under any other carbon crediting program, world-wide. By signing the Attestation of Title, the project proponent attests that the FMUs have not and will not be registered with, reported in, held, transferred or retired via any emissions registry or inventory other than the Climate Forward registry, or registered with Climate Forward under a different project title or location. Evidence of the transfer of rights of all emission reductions to the project proponent is required and must be confirmed by the confirmation body. The project proponent must provide a signed Attestation of Title document for each project, attesting to their ownership of all emissions reductions. This signed attestation, and any necessary supporting evidence, must be provided to the confirmation body. In addition to the Attestation of Title, confirmation bodies may wish to review relevant contracts, agreements, and/or supporting documentation between project proponents, end users, utilities, and other parties that may have a claim to the mitigation credits generated by the project. In such a case, agreements (outside the privity of the Reserve and this methodology) between the concerned parties may exist that outline a benefit sharing. The Reserve will issue FMUs to the account of the project proponent unless otherwise directed by the project proponent.

A map must be provided prior to the site visit verification as a KML file that identifies the area in which the reforestation project has been undertaken. The map may be used to display the project site as part of public sharing and ensuring that project boundaries do not overlap.

The above proposed changes will make the Methodology internally consistent. Under Section 2.2, "[i]n all cases, the project proponent must attest to the Reserve that they have exclusive claim to the GHG removals resulting from the project." Additionally, these changes will make the Methodology consistent with the other Climate Forward methodologies that assign



ownership of FMUs to the project proponent and not the entity actually owning the project site and/or equipment (*See e.g.*, Climate Forward Dairy Digester Project Forecast Methodology v.1.0, Section 3.6 Ownership and Double Counting).

Streamlining Section 3.6 in the above manner will also remove unnecessary barriers to implementation. For example, the requirement that all legal owners of timber rights sign the timber rights affidavit can be a burdensome task for project proponents, especially in a situation (such as ours) where the project proponent is working with governmental agencies to implement the projects. Securing a governmental agency's signature, even on a relatively straightforward affidavit, can take months to work its way through the bureaucratic approval process. In addition, it would be cumbersome to require a governmental agency, as legal owner of timber rights, to open and maintain registry accounts. By requiring affidavits of timber rights and title from the project proponent, however, along with the implementation of other project resilience measures, the project implementation and confirmation will be streamlined, more reforestation projects will be developed and the environmental integrity of the FMUs will remain intact.

3. Confirmation Period

At Section 7.3, the draft Methodology requires that "[c]onfirmation activities cannot commence until the project is submitted by the project proponent and approved by the Reserve, and at least one year following the completion of the activity that led to seedling establishment (tree planting or site preparation to enable natural establishment of tree seedlings)." This requirement is unnecessarily stringent. The Reserve should consider building in more flexibility to allow for confirmation to occur closer temporally to the completion of project implementation. While we recognize the need for the Reserve to confirm that seedlings and saplings are viable and surviving as part of ensuring project resiliency, the mandatory one-year delay between project implementation and project confirmation is a disincentive to investment and counteracts the improved project economics that the Methodology provides. A more flexible approach that accounts for regional-specific growing periods should be incorporated into the Methodology. For example, in Louisiana, the planting season is October-November, thus a confirmation body can determine the survival rate of established seedlings with a high degree of certainty, at the latest, by April of the following year. This would shorten the delay between project implementation and project confirmation by six months without sacrificing environmental integrity, thus making investments in reforestation projects more desirable.

Thank you again for this opportunity to comment on the draft Methodology. If you would like to discuss our comments further, please feel free to reach out at 607.342.6655 or mgm@restoretheearth.org.



Restore the Earth
FOUNDATION

Respectfully submitted,

Marvin Marshall
CEO
RESTORE THE EARTH FOUNDATION, INC.