

Carbon Sequestration Advisory Group Meeting 4 Summary

MEETING INFORMATION

Date: September 18, 2020
Time: 9:00am – 1:45pm
Location: Zoom virtual meeting

9:00 AM: Welcome and Opening Remarks

- Welcome from Lenny Young
- CSAG Members in attendance:

David Diaz, University of Washington	Joseph Donnegan, US Forest Service
Ara Erickson, Weyerhaeuser	Kathleen Farley Wolf, King County
Indroneil Ganguly, University of Washington	John Henrikson, Wild Thyme Tree Farm
Theo Holt, The Nature Conservancy	Cherie Kearney, Columbia Land Trust
Mark McPherson, City Forest Credits	Gary Morishima, Quinault Indian Nation
John-O Niles, Salesforce (alternate for Max Scher)	Steve Rigdon, Yakama Tribe
Julius Pasay, The Climate Trust	Jason Spadero, SDS Lumber
Edie Sonne Hall, Three Trees Consulting	Bill Turner, Sierra Pacific Industries
Skip Swenson, Forterra	Max Webster, Washington Environmental Council (alternate for Lisa Remlinger)
Mike Warjone, Port Blakely	Lenny Young, DNR (CSAG Chair)
Mark Wishnie, BTG Pactual	

- CSAG Staff:

Dan Stonington, DNR	Shelby Thomas, Ross Strategic
Rob Willis, Ross Strategic	

- Other Attendees:

Glenn Christensen, USFS-FIA	Pascale Chamberland, UW
Brian Cochran, SCC	Doug Cooper, Hampton Lumber
Chris Elder, Whatcom County	Sarah Zaniewski, Squaxin Tribe
Seth Zuckerman, Northwest Natural Resource Group	

9:20 AM: Draft Incentives Recommendations and Discussion

CSAG members reviewed collective edits and comments they made to potential incentives recommendations prior to Meeting 4. Observations on specific recommendations included:

Possible Incentives Recommendation 1

- The avoided conversion recommendation is an example of how the incentive recommendations need to be better tied into the inventory recommendations.
- In addition to avoided conversion, reforestation and afforestation are key components to mitigating conversion and maintaining forestland; these other components should be referenced or included.
- CSAG should consider whether other topics (e.g., wildfires, forest management, afforestation) should have a similar set of recommendations.

Possible Incentives Recommendations 2 and 4

- A gap analysis would be helpful to determine whether programs are adequately sequestering carbon, although, without carbon sequestration goals or targets, this may be difficult to determine.
- Small forest landowners need a program that specifically pays landowners for carbon sequestration and funds it at adequate amounts.
- Recommendation 2 as currently written needs to link to inventory information. This would help inform needs for program funding.
- Merging Recommendation 2 with Recommendation 4 could make them more substantial. The first component is how to boost existing programs. Then there is an opportunity to identify gaps and, perhaps, any new programs that may be needed.
- An analysis could estimate how much funding would be necessary to hit a particular carbon sequestration target.

Possible Incentives Recommendation 3

- Price point transparency for different options in the voluntary carbon market could be helpful.
- Carbon offsets are designed to compensate for continuation of emissions elsewhere and therefore do not necessarily reduce global atmospheric GHG concentrations. Offsets are also a small part of the overall picture of incentive programs.
- Ideas for advancing offsets include advocating for changes to the CA offset system, creating a separate crediting system in WA, developing cap and trade in WA, or linking WA to a regional offset market.
- Work on offsets should be mindful of potential impacts on wood supply and use of products.

10:30 AM: 15-minute Break

10:45 AM: Draft Inventories Recommendations and Discussion

CSAG members reviewed collective edits and comments they made to potential incentives recommendations prior to Meeting 4. Observations on specific recommendations included:

Possible Inventories Recommendation 1

- Further thoughtfulness is needed about communicating to legislators and how information is packaged. This information will be used by many groups for communication purposes, not just DNR or UW.

Possible Inventories Recommendation 2

- Flux information is important because it highlights where carbon sequestration work needs to happen.
- This recommendation should apply to harvested wood products and all land types, not just forestland.

Possible Inventories Recommendation 3

- Sensitivity analysis is an important next step; assumptions in the models need to be transparent to avoid misinterpretation.
- The idea behind sensitivity analysis is to make the research and inventory results actionable.

Possible Inventories Recommendation 4

- Inventories are currently limited in terms of small area estimation (finer scales). Linking inventories together would create a more holistic picture of forest conditions and be more scalable.
- There are many remote sensing opportunities that could be pursued and it would be most beneficial if data were open and shared among parties.

Additional Possible Inventories Recommendations

- Inventory results are a snapshot in time. It may be beneficial to increase frequency of FIA data collection (currently every 10 years). More frequent information would be helpful as markets continue to evolve.
- There is a need to focus on the net impact of using wood materials versus other materials (substitution).
- Lack of funding is a key concern for incentive-based programs. The CSAG report should add a statement that encourages the Legislature to consider DNR requests to fund various carbon sequestration programs and implement recommendations.

12:00 PM: 45-minute Lunch Break

12:45 PM: Round Table Discussion

This discussion time was designed to capture any additional thoughts CSAG members had about recommendations. Some topics that were brought up include:

- Impacts of wildfires (loss of carbon stocks, carbon emissions, forest management, impacts of climate change that affect forest health) are top of mind for everyone right now and should be underscored in some way. We need to see this as a common problem so we can work together on solutions.
- We need to acknowledge that forests are changing and their character will continue to change.
- The CSAG focus was limited to forestry and should have been attuned to reducing GHG concentrations.
- As a diverse group, we recognize that there is no one solution. Instead, there are many different actions that will have an impact. This is an important finding from our journey of learning as a

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group – our recognition of all the different ways we can advance efforts to solve this massive challenge.

- The state energy strategy could be an opportunity to focus carbon sequestration work on specific targets.
- A big opportunity to sequester carbon lies in local-level action with landowners. The challenge is too complex for one size fits all solutions. Communities and landowners need to take ownership of what is in our backyard.

1:30 PM: Process to Finalize CSAG Report

- Draft of CSAG Report will be shared with CSAG members on Sept. 28
- CSAG members will have ~1 week to provide detailed feedback

1:40 PM: Next steps

- Meeting 5 on Monday, October 12, will focus on report revisions based on CSAG member edits and comments
- The final CSAG report will be distributed to the CSAG before DNR submits its report to the Legislature on December 01

1:45 PM: Adjourn

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Transcription of Substantive In-meeting Chat

09:45:44 From Gary Morishima : I think CSAG should consider a specific task to identify specific barriers to use of incentive programs and recommendation as to how those barriers could be overcome

09:48:38 From David Diaz : I agree, Gary. I feel like CSAG could be well-positioned to describe specific barriers to specific types of landowners for each of Afforestation/Reforestation, Improved Forest Management, and Avoided Conversion.

09:50:46 From David Diaz : Following Edie's mention of fire, I'd also think there's a restoration or wildfire angle that doesn't quite fit in these traditional buckets either.

09:55:45 From Edie Sonne Hall : That sounds like a good idea

09:55:56 From Edie Sonne Hall : re merging 2 and 4

09:56:11 From Mark Wishnie : Sounds good to me also

10:00:05 From Theodore Holt : Would it be possible to re-circulate the latest AF spreadsheet?

10:01:45 From John-O Niles : I second what David said.

10:01:50 From Kathleen Farley Wolf : I agree with David

10:01:55 From Max Webster : Right on

10:02:07 From Theodore Holt : Agree

10:05:37 From Theodore Holt : Sorry for not raising my hand, will do so

10:06:48 From Ara Erickson : Agree with Edie. Recommendation to DNR to do the assessment.

10:08:50 From Max Webster : Great connection to reference Theo

10:10:14 From Cherie Kearney : I'm concerned that we will over evaluate existing programs and lose the opportunity to advance bigger things.

10:12:34 From Theodore Holt : Possible recommendations -- (1) to create a sequestration target that is consistent with the state energy plan update, (2) in the interim (because that will take time), to immediately fund XX programs because based on our analysis they provide the best sequestration outcomes

10:14:19 From David Diaz : I really like Theo's recommendation to create a target.

10:14:36 From David Diaz : To ask the legislature and/or DNR to define a target, that is.

10:15:06 From Max Webster : I don't believe that the recommendations have to be huge, they just have to advance the ball. I think we all recognize that this work is going to take time. Its a four yard rush versus a hail mary. I think we need to see how the great information collected and organized by this group is going to move forward formally, through the agency and the legislature, first steps, not the whole thing, to get us to where we want to go. Setting some kind of a goal I think would be clarifying.

10:22:42 From Julius Pasay : RE: Gary's comment, he is referring to what carbon protocols call "leakage," and the literature is of widely varying opinions on how much impact there is

10:29:49 From Gary Morishima : The point is that offsets are essentially a way to distribute costs and benefits of c-seq. My point is that the net result in terms of reduction of CO2 accumulation is hidden. CO2 accumulation is a global issue, and the effectiveness of offsets if not at all transparent.

10:31:30 From Mike Warjone : Yes- There has to be a willing buyer at some impactful scale.

10:31:47 From Julius Pasay : I see, thank you for clarifying, Gary. I think I misunderstood your comment initially

10:35:05 From Bill Turner : Good summary Mark

10:37:18 From John Henrikson : Strong support for Mark M's proposal.

10:39:07 From Mark Wishnie : Important point Indro!

DRAFT

- 10:40:58 From Julius Pasay : I think an important thing to remember about offsets are that they are not restricted to extending rotations or 'improved' forest management but cover a host of other activities including reforestation. In fact Climate Action Reserve recently introduced a new voluntary protocol that awards credits up-front for reforestation activities and it has great potential to help cover re-forestation costs post-wildfire
- 10:45:50 From David Diaz : Some of Indro's concern about timber supply disruption is addressed as market-effects leakage (though these don't address indirect substitution effects). Is there a point in acknowledging that market-effects leakage and materials substitution impacts are not adequately captured by California's current compliance offset protocol? Or do we only make recommendations about increasing flexibility and accessibility to the California (or voluntary) offset markets?
- 10:57:50 From Max Webster : Great break down Rob thank you
- 11:07:21 From Indroneil Ganguly : Thanks, David,
- 11:07:43 From Indroneil Ganguly : i think there are good reasons to make that acknowledgement
- 11:09:45 From Indroneil Ganguly : I believe we do not have a very good comprehensive idea on the net GHG impacts associated carbon offsets. Just acknowledging that wood be a good thing.
- 11:12:21 From Gary Morishima : How would the labels provide information on magnitude - what recommendations deal with quantification of what the labels would apply to and integration for total carbon stocks?
- 11:17:35 From Gary Morishima : Does this recommendation only apply to forest-based inventory? What about other areas of CSAG's charge beyond forests?
- 11:24:35 From Gary Morishima : Understood
- 11:26:58 From Gary Morishima : How are uncertainties and risks revealed by the sensitivity analyses to be conveyed? Is the purpose of the sensitivity analyses to set priorities for future investigation?
- 11:34:44 From Gary Morishima : Did the group discuss issues relating to maintaining current information and desired accuracy/precision along with programs and budgets for periodic updates? inventory data can change rapidly. Again the recommendation is focused on forest inventory.
- 11:39:26 From Edie Sonne Hall : I would echo Bill's suggestion to have a recommendation for increasing FIA measuring to 5 years.
- 11:40:21 From Edie Sonne Hall : Perhaps Joe can inform us but I believe that other states are pitching in to the FIA program to facilitate this process (i.e. this would be a funding ask)
- 11:40:33 From Gary Morishima : The second bullet is extremely important - I think gains in reduction of CO2 will depend more on materials substitution and new technological developments, such as carbon nanofibers and chemicals from biorefinement than forest inventories.
- 11:42:27 From Gary Morishima : Not just carbon sequestration, but also energy use are prime considerations involved in substitution.
- 11:43:35 From Ara Erickson : All - I have to hop off to address something at home; will rejoin after the lunch break.
- 11:43:45 From Joseph Donnegan : CA has funded 5-year remeasurement. OR has funded spatial increases in plot density. The eastern U.S. has continually funded a shorter remeasurement cycle.
- 11:46:58 From Indroneil Ganguly : suggested verbiage for #4: Develop pathways for integrating the FIA database to the GIS and FVS modeling programs at various state institutions and universities.

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Moreover, there is also an increased need to refine the existing FVS modeling parameters, which can be done by using the temporal results (repeat sampling) of FIA data.

11:54:23 From Gary Morishima : Indro's comments about bad data leading to ill-advised conclusions and decisions relates to my earlier comments about uncertainties and risks and accuracy/precision..

11:55:57 From Gary Morishima : For \$ issues, CSAG would need to make the case for the importance of having good inventory information.

11:57:02 From David Diaz : This might be too far in the weeds, but worth mentioning that the policy recommendations about forests from Bev Law and others at OSU did not involve using the FVS model at all.

11:58:59 From Joseph Donnegan : I believe Indro's comments were in regard to the parameters in FVS being troublesome, not necessarily bad inventory data.

12:07:15 From David Diaz : For what it's worth, this coming year I am being supported at UW by Greg Ettl as one of my PhD chapters to calibrate/adjust FVS using repeatedly-measured plots including FIA data, tree ring records, and adding some weather/climate factors to modify FVS predictions, so hope to move the ball forward this year addressing some of the concerns Indro is raising.

12:49:46 From Gary Morishima to Shelby Thomas, Ross Strategic(Privately) : Thanks. For some reason, I can't locate the doc that is being edited during the meeting. Was it sent?

12:56:08 From Gary Morishima : Better. I also commented on the need to identify barriers and recommendations for increasing the utility of incentives in meeting objectives - is this what you mean by GAP analysis?.

12:56:41 From Robert Willis : Yes Gary, exactly

13:03:46 From David Diaz : I've been mulling Lenny's earlier question about funding requests... perhaps we could put a more explicit request related to funding participation in the Carbon Research Initiative USFS has launched. For example, here's a \$950K RFP that California Dept. of Conservation has out for Spatial Analysis and Priority Planning related to forest restoration and conservation.

13:09:38 From Edie Sonne Hall : Really well said Gary

13:42:14 From Edie Sonne Hall : Can you give the calendar date again on when the first draft will be out to us and when we are expected to provide comments?

13:45:44 From Robert Willis : You can expect to get a draft on Monday 9/28 and we are asking for a one week turnaround Monday 10/5 and our next CSAG meeting is Oct 12th

13:53:48 From Ara Erickson : Following up on my comments, this is what I am reading from in our initial charter:

- Summarizing the results of the inventories required under this section;
- Assessing actions that may improve the efficiency and effectiveness of carbon inventory activities on natural and working lands, including carbon sequestration in harvested forest products; and
- Describing any barriers, including costs, to the use of voluntary, incentive-based carbon reducing or sequestering programs.