

Climate Change Update

**Overview of Governor's Process and
Positive Outcomes from the Forestry
Technical Work Group
High Priority Policy Options**

December 12, 2007

Washington Forest Protection
Association



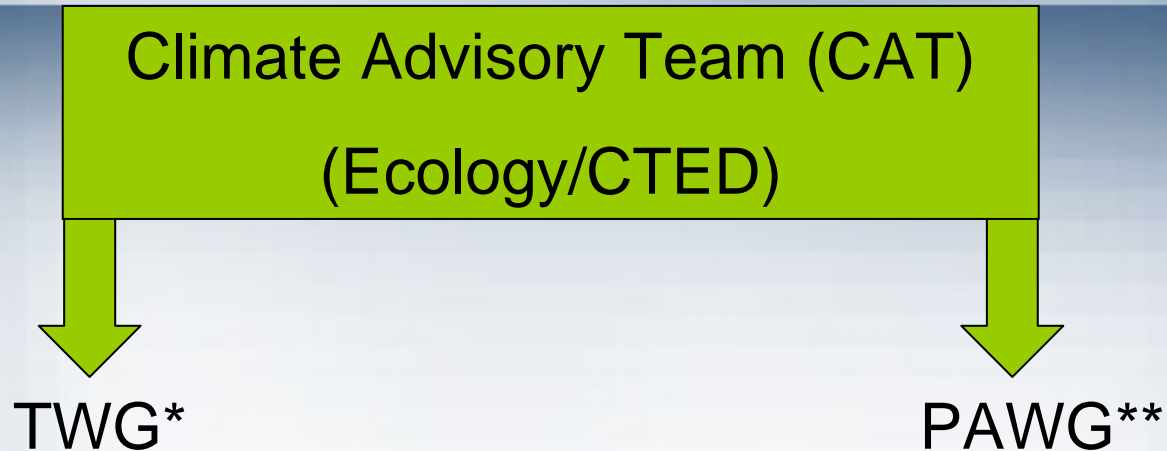
Governor's Executive Order (E.O.) 2/7/07

1. Reduce emissions through: government policies, market-based systems, allowance trading and incentives
2. Create jobs and reduce dependence on fuel imports
3. Determine steps to be prepared and adapt
4. Educate
5. Regional Coordination

Final recommendations due to the Governor 02/07/08

Senate Bill 6001 - put E.O. goals into law

Washington Stakeholder Process



Transportation
Residential & Comm. & Industrial
Energy Supplies
Agriculture
Forestry

Forest Resources
Water Resources & Quality
Agriculture
Coastal/Infrastructure
Human Health

* Technical Working Groups

** Preparation/Adaptation Working Groups

Regional & National Processes

Western Climate Initiative (WCI) (AZ, CA, NM, OR, WA, UT, BC, ON, MB):

- Regional reduction goal
- Develop Cap & Trade design by Aug. 2008

The Climate Registry (39 states, 3 tribes, 2 Canadian provinces, 1 Mexican state):

- Greenhouse gas registry
- General reporting protocols Jan 15-16, 2008

Washington State Timeline

Likely Early 2008 Actions

- Emissions Reporting Bill
- Clarify SEPA application to climate change
- Early action recommendations from the CAT

December 2008

- Climate Change Legislative package
- WCI Cap and Trade
- Implementation Plan

TWG High Priority Policy Options

Ranking

- 1. Reduce conversion to non-forest cover (F-2)
- 2. Improved forest health (F-1)
- 3. Enhanced carbon sequestration in forests (F-3)
- 4. Improved commercialization of advanced lignocellulosic processes (F-7)
- 5. Expand use of biomass feedstocks for electricity, heat and steam production (F-6)
- 6. Urban and Community forests (F-8)
- 7. Enhanced carbon sequestration in wood products (F-4)
- Not ranked Expand the use of wood products for building materials (F-5)

F-1 Forest Health

Rank #1

Goal:

Reducing catastrophic wildfire by promoting hazardous fuel reduction in forests

Implementation:

- Thinning
- Coordinate with Federal and Tribal forestland management

Take Away:

Active forest management is the solution

F-2 Conversion

Rank #2

Goal:

Reduce rate of forestland conversion through market-based incentives

Implementation:

- Study on conversion rates
- Study on inadvertent regulatory tax disincentives
- Develop a regional cap and trade system
- Develop conservation market
- Education citizens on importance of working lands

Take Away:

Build incentives into the market-based systems

F-3 Carbon Sequestration in Forests

Rank #3

Goal:

Increase levels of carbon stored in forests

Implementation:

- Develop accounting protocols via The Climate Registry
- Forest management to improve productivity
- Afforestation
- Incentives to grow trees longer

Take Away:

Need for economic development to meet goals

F-4 Carbon Sequestration in Wood Products

Rank #7

Goal:

Improve productivity of forests

Implementation:

- Full carbon accounting for wood products
- SFLO technical assistance
- Silvicultural treatments (genetically improved seedlings)
- Use of wood products in buildings

Take Away:

Incentivize the use of wood

F-5 Expand use of Wood for Building Material

Not Ranked.

Goal:

Expand use of wood products for building materials

Implementation:

- Support green building standards
- Increase salvage of building materials
- Policies require use of climate friendly materials

Take Away:

Include carbon footprint/embodied energy information in green building standards

F-6 Expand use of Biomass for Electricity

Rank #5

Goal:

Achieve 206 MW of additional CHP production at 50% of forest products facilities by 2020, 309 MW at 75% of facilities by 2035

Implementation:

- Provide long-term stable supply of woody biomass from state and national forests
- Tax benefits
- Recognize pulp mill recovery boiler power as renewable

Take Away:

Expand use of co-generation (CHP) to displace fossil energy

F-7 Improve Lignocellulosic Processes

Rank #4

Goal:

Increase utilization of waste biomass for biofuels by 3 million dry tons/year to produce 250 million gallons of biofuels by 2020

Implementation:

- Build first commercial bio-refinery by 2015
- Tax breaks
- Long-term biomass supply contracts

Take Away:

Improve implementation of bio-refinery technology to convert biomass to biofuels

F-8 Urban Forests

Rank #6

Goal:

Plant & maintain an additional 3 million trees by 2020

Implementation:

- Incentivize/require tree planting in urban settings
- Avert sprawl, create livable cities
- Develop inventory and baseline for urban forests

Take Away:

Recognize environmental and economic values of the ecosystem services that trees provide

Websites: www.wfpa.org

- Climate Advisory Team

http://www.ecy.wa.gov/climatechange/cat_overview.htm

- Forestry TWG Mitigation Options:

<http://www.ecy.wa.gov/climatechange/TWGdocs/for/120407FOROptions.pdf>

- The Western Climate Initiative

<http://www.westernclimateinitiative.org/>

- The Climate Registry

<http://www.theclimateregistry.org/index.html>