



# WASHINGTON CONSERVATION ACTION

August 18, 2025

Kayla Stevenson  
Jordan Wildish  
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Climate Pollution Reduction Program  
PO BOX 47600  
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*Re: Informal Comment for Chapter 173-446 WAC — Cap and Invest Offsets – US Forest Protocol*

Dear Ms. Stevenson and Mr. Wildish:

Thank you for the opportunity to provide comments on Ecology's proposed rule language for Chapter 173-446 WAC. We appreciate Ecology's deliberative approach to the development of this protocol revision, particularly in seeking the input of technical experts and people with lived experience of environmental injustice. We also commend the agency's receptiveness to novel approaches as well as integration of suggested and adopted revisions developed in other voluntary and compliance markets outside of Washington.

Our overarching sentiment about these changes is that they positively address many of the challenges in the existing protocol in ways that foster increased integrity, transparency, and accessibility for underrepresented market participants. Many of our comments support the specific revisions integrated into the adopted rule and are organized to correspond directly to the titles provided in Ecology's [Proposed Revisions](#) summary. In some cases, we have suggested additional areas for clarification, improvement, and/or further analysis.

We would like to acknowledge the contributions of John Nickerson of Dogwood Springs Forestry, who has provided technical expertise and feedback in the drafting of this letter as well as serving on the Ecology US Forest offsets technical working group and contributing to the IFM baseline revisions.



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## **Revision 2: Revise IFM – private lands projects baseline quantification and crediting approach**

WCA supports this revision and contributed as a subcontractor to its development. We feel that this revision supports increased program integrity and transparency while also reducing barriers for small forest landowners by reducing the need for complex and expensive modelling processes. In particular, we are supportive of reducing the crediting period to 10 years to more accurately reflect both typical harvest activities as well as changes conditions that impact baseline.

We are also supportive of the proposed change to utilize the EVALIDator tool for the baseline to ensure more timely updates to common practice values and integrating legal and financial constraints into baseline calculations in order to improve responsiveness to the dynamic nature of forest management. This is a more adaptive approach than the existing protocol. We also support that this methodology limits crediting for avoided emissions by specifying that projects are within reasonable bounds of the population data from which the common practice statistic is derived in order to receive credits.

By pursuing this novel approach, Ecology is leading a conversation that can advance dynamic management approaches to improved forest management (IFM) projects in the future. We look forward to Ecology adopting additional ambitious revisions in the future that continue to refine baseline calculations in response to continually evolving, best-available tools and science. We suggest that Ecology conduct future analysis of the viability of non-FIA data sources for the baseline in light of uncertainty at the federal level.

## **Revision 3: Revise leakage rate assumption for improved forest management (IFM) projects**

We appreciate the increase in the leakage rate in terms of its impact on program integrity but recognize potential pricing impacts may dissuade the development of IFM projects. Pairing this more conservative leakage rate with the addition of the CAR 5.1 leakage carryover helps to balance this approach. The CAR 5.1 updates are logical to include insofar as increased forest carbon tends to correspond with longer harvest rotations that result in a greater volume of – and potentially higher-value – wood products, thus potentially reducing the threat of leakage over time. Adjusting the leakage rate to reflect these circumstances is appropriate.





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We recommend that Ecology pursue future analysis into more region-specific leakage calculations. The [meta-analysis](#) cited as the rationale for the leakage rate revision is likely the best available source at this point in time. However, the 46 studies included in that analysis span the globe. We encourage Ecology to conduct analysis that reflects the specific economic constraints of the markets for Washington forests, especially as federal policies shift pricing and demand for Washington's harvested wood products. Specific economic factors to investigate that affect and/or are affected by leakage rates include elasticity of demand and the market share of individual project owners.

## **Revision 5: Revise property appraisal requirements for avoided conversion projects, including third party verification of appraisal**

WCA does not have a position on this revision, but we would like to see a clarification: the revision seems to say that projects are only eligible if they have an appraised value more than 80% greater than current forested use, but the inclusion of the criteria for projects where appraised value is not more than 40% greater leads to confusion about project eligibility if the appraised value is greater than 40% but less than 80%. We do not see an 80% threshold noted in the draft protocol language, only in the summary of proposed revisions.

## **Revision 6: Set buffer pool contributions in consideration of regional risks**

Revising the buffer pool contribution to reflect localized risks at the HUC-10 level significantly improves program integrity. We are especially supportive of Ecology's intent to facilitate continual updates to buffer pool contributions by consistently updating SIG GIS datasets as contracted.

In addition to substantial regional variation in risk, climate change and changing management approaches on adjacent lands may make forests more vulnerable to disturbance over the course of a project's 100-year permanence. Ensuring that buffer pools contributions reflect up-to-date risk is critical to ensuring that the integrity of the program as a whole.

We recommend two areas of further analysis for buffer pool contributions. First, consider buffer pool contributions holistically rather than itemized by risk and update the protocol to make it clear that the buffer pool, while itemized for specific risk contributions, is intended to be used for any type of reversal rather than limited to a one-to-one replacement specific to the





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item implicated in the reversal. This also serves to better address the interrelated nature of risk sources for unintentional reversals (such as the connections between drought, disease, and fire) and recognizes that fire is not the only source of risk. Additionally, ecological management approaches can help to reduce some sources of risk, and encouraging these practices through reductions in buffer pool contributions could incentivize more land managers to implement them.

Second, consider adjusting the compensation rate of reversals to the net balance of the mitigation value remaining over the permanence period. Adjusting the compensation rate provides recognition of the time value of carbon out of the atmosphere and reduction of liability to the program over time (balanced with ongoing analysis of changes in risk as outlined in the current proposed revision).

## **Revision 7: Adopt aspects of project aggregation guidance from CAR 5.1 Protocol**

We appreciate this revision, which improves access to the market for smaller landholders, particularly Tribes with smaller landholdings. In principle, aggregation can enable greater participation of smaller landholders in carbon markets by reducing costs. While the existing protocol allows aggregation, it does little to facilitate the development of aggregated projects. This revision is a substantive change to enable project aggregation.

We encourage Ecology to also analyze the viability of increasing the 5,000-acre limit for enrollment by non-private entities (Tribal governments, land trusts, community forests, city/county governments, etc.). We believe that non-private entities can play a crucial role in market development by providing critical support for developing and underwriting aggregation projects.

Determining a higher maximum threshold for these entities could be assessed by analyzing the size of their current and planned landholdings and setting the threshold as a percentage of a HUC 10 watershed area. The objective should be to identify the size of landholding below which a carbon offset project is frequently not viable without aggregation, making it financially viable or interested landowners to pursue carbon projects. Since the statutory definition ([RCW 76.09.450](#)) of small forest landowners is based on harvest volume, additional consideration may be warranted regarding what size threshold is appropriate.





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## **Revision 8: Reduced verification frequency intensity for smaller projects**

WCA is supportive of this revision, particularly insofar as it reduces cost barriers for Tribes with smaller landholdings to participate in the market, provided that desktop verification utilizes high-resolution remote sensing data.

## **Revision 11: Revise natural forest management criteria**

We are supportive of this revision to a more nuanced maximum harvest based on scaled levels of retention. We encourage Ecology to continue engaging in dialog with Tribes to ensure that this aspect of the protocol is responsive to their concerns.

## **Revision 14: Revise Definition of Forest Owner**

We have heard some concerns raised that easements are a barrier to developing carbon projects because of confusion related to third-party liability and agreements. Revising the definition of forest owner to align with the changes to CAR 5.1 helps to ameliorate that perceived or real barrier.

In addition, we recommend that Ecology further revise the definition of Forest Owner to include Tribal governments specifically (i.e., “A corporation or other legally constituted entity, city, county, state agency, **Tribal government**, individual(s), or a combination thereof and ensure that trust lands are integrated into this section of the protocol.”). We also encourage Ecology to work with Tribes to ensure clarity in how projects involving Tribal trust lands are addressed by the protocol, particularly in relation to the definition of forest owner.

## **Revision 15: Require that projects be developed in line with a Protocol adopted by Ecology in order to receive a DEBs designation**

WCA raised concerns about the potential for venue shopping as protocols addressing the same project type (i.e., the California US Forests protocol and the Washington US Forests protocol) diverge over time topic in previous conversations with Ecology. We are glad to see it addressed in the draft revisions. We appreciate both that this revision would function to avoid venue shopping, and also that “early adopters” in Washington who previously entered into the California market are exempted from this requirement. This revision also sets a precedent for





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greater flexibility and oversight in developing Washington-specific protocols in the future and especially as linkage moves forward.

## **Revision 16: Revise DEBs requirements for Tribal offset usage**

WCA is supportive of this revision to ensure that the market for projects led by Tribes in Washington is not negatively impacted by changes in demand under a linked market.

## **Revision 18: Revise Tribal dispute resolution requirement for project listing**

WCA is supportive of Tribal perspectives on this revision, particularly that no waiver of sovereign immunity be required for the dispute resolution process.

## **Revision 19: Revise Status and Treatment of Harvested Wood Products**

Commenting on this revision is somewhat challenging due to the Climate Action Reserve [limiting access to the worksheets](#) for calculating carbon in harvested wood products to account holders with Reserve project IDs. We would encourage Ecology to make this information accessible to the public as the revision is considered.

We recommend that Ecology investigate whether recent studies focused on harvested wood products accounting would alter the approach to how wood products are accounted for in the protocol. If Ecology considers additional change to the treatment of harvested wood products to focus on a more programmatic and regional approach, we suggest that reviewing the article "[Meeting GHG reduction targets requires accounting for all forest sector emissions](#)" by Tara Hudiburg et al. In Environmental Research Letters (2019) may be helpful. While more directly applicable to emissions inventory accounting than offsets, this publication provides analysis of the duration of carbon in harvested wood specific to the West Coast and may be informative to updates in a more localized accounting methodology for harvested wood products.

## **Additional topics for continued research:**

We appreciate having the opportunity to learn about the areas where Ecology is continuing to gather information for future revisions. We look forward to seeing the results of this investigation, and we are particularly interested in outcomes for the baseline approach for public lands (Topic 2), as well as a protocol geared to small forest landowners (Topic 3).

Related to Topic 2, DNR-manages 10% of Washington's forests as state trust lands, and there have been active conversations about carbon projects on these lands in the past several years.







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Current limitations in determining baselines for public lands create barriers to leveraging these two million acres to achieve the state's climate goals.

For Topic 3, we would encourage Ecology to look into alternative assessment approaches that include recognition of improved practices, programmatic monitoring, and aggregation. In addition to the Verra VM0045 protocol noted, Ecology may find TNC's [Family Forest Carbon Project](#) methodology informative to this analysis.

We encourage caution in approaching revisions to the standard of negligence (Topic 6) and revising the 100-year standard (Topic 8). In investigating planting outside of current distribution (Topic 7), we would encourage consideration to be especially inclusive of Tribal perspectives.

In addition to these topics as well as the additional research noted in some of the comments above on current revisions, we recommend that Ecology consider additional continued research on the IFM private lands baseline toward an approach that better captures the impacts of management activities.

While these items may fall outside of the scope of the current rulemaking, we are supportive of recommendations from Tribal partners that Ecology conduct analysis of the management plan timeframe (section 3.6.1) to reflect Bureau of Indian Affairs (BIA) requirements as well as the impacts of climate change that may necessitate changes in management practices over decadal time scales. We also recommend that Ecology incorporate input from Tribes to develop a clearer definition of intentional reversal.

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We would like to reiterate our appreciation for the efforts of the Department of Ecology as well as the members of the US Forests Offsets Technical Working Group and Environmental Justice Working Group in guiding and developing these revisions. As a whole, these changes represent important steps in tailoring the existing US Forests offsets protocol to better reflect Washington's distinct values and conditions, conversations across a broad cross-section of interested parties, and advances in science and technology.

We look forward to seeing the outcomes of Ecology's ongoing analysis and hope to see uptake of the areas of analysis we have recommended, especially those related to improving the





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viability of carbon projects on state lands. We would be happy to discuss and clarify our comments with Ecology as needed or desired.

Sincerely,

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