

Carbon, Cap and Trade, and Urban Forestry in Washington

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Cap and Trade in California

- Covers 350 businesses (600 facilities) representing 85% of California's greenhouse gas emissions. Mostly large industrial facilities, power plants, more coming
- Established in 2011, but compliance began in 2013
- Declines 2% annually then 3% in 2015 to 2020
- The 2020 cap is about 15% below 2012 levels

How Does Cap and Trade Work?

- California gives each source “allowances” for up to 90% of their emissions
- State sells the other 10% plus a strategic reserve
- Allowances trade on a public market (and may be banked)
- Sources must reduce their emissions, buy allowances, or buy **offset credits**
- State has raised over \$700M in revenue from allowance auctions

Offset Projects

- Sources may buy offset credits for up to 8% of their emissions
- Four offset projects approved:
 - Forestry
 - Urban forestry
 - Dairy digester (remove methane from manure)
 - Destroying ozone-depleting substances
- Projects may be anywhere in U.S.

Urban Forest Carbon Offset Projects

- First Protocol in place but no applicants
- Climate Action Reserve received grant to develop second protocol
 - Finished June 2014, but no applicants
 - Tree Planting and Canopy protocols, but long, complicated, burdensome
 - Disappointment in UF circles, but revenue assuages the pain
 - State of CA nervous because no one is using their offset projects

Carbon Policy in Washington

- Task Force
- Governor and staff
- Commissioner of Public Lands
- Election results

Opportunities for Urban Forestry in WA

- UF Carbon Offset Projects in a Cap and Trade Law
 - Costs
 - \$95 to plant; \$4-6/year to maintain, plus mortality, removal, etc
 - Carbon Credits
 - An early mature high-sequestering hardwood will sequester 100 kg per year, or 10 metric tons over 100 years. At a carbon price of \$20 per metric ton, the tree will generate about \$2/tree/year.
- Cap and Trade or Carbon Revenues
 - California's first revenues were over \$500M
 - CA allocated over \$17M to its state UF agency (CALFire's UF program)
 - All \$17M has to go to disadvantaged communities
- A Washington UF Protocol here, recognized in CA
- A share of any carbon revenues in WA for UF

Challenges for UF and Carbon Policy in WA

- Bill has offsets, but no UF offset projects
- Bill has UF projects, but copies California's
- Revenues from a carbon policy or law omit UF

What Have I Done?

- CAR UF Protocol
 - What's right with it, what's wrong with it
 - Science and policy good
 - Permanence, additionality, ownership of trees and carbon, complicated
- Task Force and Governor's staff
 - Get UF at and on the table; do not copy CA or CAR
 - Organize and inform UF stakeholders here in WA

Election Results

- Republican Control of State Senate: cap and trade would not pass
- Cap and Trade Bill introduced anyway: probably
- Give UF stakeholders time to get organized and mobilized

Learning from California for UF in Washington

- UF protocol must be simple, clear, not burdensome
 - Example: schools that integrate a carbon project into curriculum
- California ReLeaf: a UF protocol in the cap and trade bill and \$17M

What I Propose To Do

- State-wide non-profit in WA for UF:
 - Advocate and Lobby:
 - for UF Carbon Projects and
 - for allocations from any carbon policy revenues
 - fund Green Communities etc
 - Fund Raise
 - Promote on state level UF benefits and projects
 - Data on ecosystem benefits of trees
 - Kathy Wolf and other data on health benefits
 - Property value benefits
 - Inventory data on WA UF: population living in cities, number of trees, trees per person, trees per street mile, decline in canopy etc
 - UF Carbon Protocol development
 - Offer help with UF carbon projects (schools, utilities, cities, neighborhoods)

Your Ideas, Criticisms, Help

- Please give me your feedback, be it good or bad. All ideas are welcome and will make whatever we do better.
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Mark's Short Bio

Mark McPherson is a lawyer and business person in Seattle who has been active in trees and urban forestry for many years. He drafted one of the first conservation easements for the City of Seattle Heritage Tree Program over 25 years ago. He was given a Founder's Award by PlantAmnesty for his legal work in many cases involving trees in urban areas. For the last ten years, he has managed a business and started a content web site that receives over 100,000 visitors a month.

In 2013 and 2014, Mark served on the Work Group at the Climate Action Reserve that developed version 2 of the Urban Forest Carbon Offset Protocol. Mark has a Ph.D. and a law degree from Harvard.