

MEMORANDUM

To: Oregon Global Warming Commission Members

From: Catherine Macdonald, Chair, OGWC

CC: Maya Buchanan, Senior Climate Policy Analyst, Oregon Department of Energy

Subject: Natural and Working Lands Sequestration Goals and Recommendations

Date May 24, 2021

INTRODUCTION

In Executive Order 20-04, Governor Brown directed the Oregon Global Warming Commission to develop a proposed goal to increase carbon sequestration in Oregon's natural and working lands. Following our May 7, 2021 meeting, the Commission received a short time extension for completing this work to allow for further Commission discussion and additional feedback from our collaborating agencies. A follow-up Commission meeting date is being selected and scheduled in late July or early August for final discussion and approval of the proposal we will submit to Governor Brown. For context, a full outline of the proposal we are developing is included below in Appendix A. Please review the outline and come prepared to identify any additional information you think needs to be included.

In May, we discussed potential characteristics of a natural and working lands carbon sequestration goal, and input from stakeholders. Several OGWC members volunteered to review and help modify the goal recommendations accordingly. The following <u>revised goal recommendations</u> are proposed for consideration and discussion at the upcoming June 4, 2021 meeting. At the June meeting, we will hear additional invited testimony and discuss achievable levels of additional carbon sequestration. This discussion will inform the specific outcome goal, which is left blank below.

In addition, we have developed a first draft set of recommendations regarding investments, programs, and policies (collectively referred to as "strategies") that the state should advance to meet the outcome goal, based on input from stakeholders and preliminary consultation with our collaborating agencies. A high-level <u>summary</u> of the extensive stakeholder input received on these strategies was presented at the May 7, 2021 Commission meeting. Appendix B also provides links to public and stakeholder comments. In advance of the June meeting, please review the draft recommended strategies in the accompanying concept paper and consider:

- What strategies are missing?
- What strategies should be modified?

REVISED DRAFT GOAL RECOMMENDATIONS:

The Commission recommends the state set an ambitious goal for increasing carbon sequestration in Oregon's natural and working lands as part of a comprehensive strategy for addressing climate change. The characteristics of the proposed sequestration goals are described below, based on input from the Commission and stakeholders.

As reported in our 2020 Biennial Report to the Legislature, how we use and manage natural and working lands impacts how much carbon is captured and stored each year. The Intergovernmental Panel on Climate Change (IPCC) Global Warming of 1.5°C special report emphasized the urgency of climate action and the important role the land sector can and must play as part of a comprehensive climate mitigation strategy.

In the U.S. the land sector already reduces total U.S. emissions by 12 percent. Recently published research estimates that natural and working lands could reduce total U.S. emissions by an additional 18 percent through policies and programs (e.g., by avoiding conversion of natural and working lands to development; restoring native habitats; and modifying management practices). Research suggests that these efforts can significantly improve the amount of carbon sequestered in Oregon.

The OGWC recommends setting the following goals to guide Oregon's efforts to increase carbon sequestration, while continuing to grow Oregon's economy and enhance equity and quality of life for Oregonians.

<u>Outcome-based goal</u>: Sequester an additional X to Y million metric tons of carbon dioxide equivalent (MMCO2e) per year in Oregon's natural and working lands by 2030, relative to the 1990–1995 baseline. This goal is separate from, and in addition to, Oregon's sector-based emissions reduction goals set forth in EO 20-04. The outcome goal should be assessed and updated as needed, and at least every four years.

In July 2020, the OGWC voted and adopted principles for goal development, including a commitment to follow the best available science for setting and tracking progress toward our goal. In those principles, the Commission agreed to recommend the state follow IPCC guidance for land sector accounting, which is used by the Environmental Protection Agency for tracking the national inventory.

The outcome-based goal should be supported by:

<u>Activity and Funding Goals</u>: Investments in incentives and technical assistance to support adoption of climate smart management practices are essential for meeting the outcome goal. Activity goals and metrics (e.g., number of acres with adoption of soil health practices, acres of riparian reforestation, and acres of urban forest canopy expansion) will help communities, technical assistance providers, and landowners/managers support adoption of new practices.

<u>Community Impact Goals</u>: Community impact goals and metrics should be developed to inform and evaluate the co-benefits and impacts of strategies. This can include, but is not limited to, the effect on jobs, local economies, health, and access to programs. The community impact goals and metrics should be designed to shed light on the benefits and burdens associated with different approaches. The metrics should include environmental justice considerations.

Progress on activity and community impact goals should be evaluated and reported biennially as part of the OGWC's Biennial Report to the Legislature with recommendations to address barriers and identify opportunities to improve strategies for increasing carbon sequestration in Oregon's natural and working lands.

Appendix A: Natural and Working Lands Proposed Sequestration Goals Report to Governor Brown

Introduction:

- Importance of the land sector in mitigating Climate Change (IPCC Lands and 1.5°C Report)
- Direction in Governor Brown's EO-04
- Elements of the Report

OGWC Process

- OGWC Process and Principles Used to Develop a Recommendation
- Public Engagement Process

Summary of IPCC and EPA Guidance for GHG Inventory & Accounting Procedures

- Procedures Oregon Currently Uses for Other Sectors
- IPCC and EPA Guidance Regarding Land Sector GHG Accounting
- Overview of How Other States Address their Inventory and Accounting Procedures
- Stakeholder Input on Inventory and Accounting Improvements
- Recommendations for Inventory and Accounting Improvements by System type

Goal:

- U.S. Nationally Determined Contribution
- Natural and Working Land Goals in Other States
- Oregon's Historical Natural and Working Lands Baseline
- Potential from Oregon's Natural and Working Lands
- Sideboards and Considerations
- Co-benefits of investments in Natural and Working Lands
 - Health
 - Climate Adaptation
 - Economic
 - Water and Air Quality
- Stakeholder input
- Goal Recommendations

Strategies (Investments, Program and Policies)

- Overview of strategies for Increasing Sequestration in Natural and Working Lands
- Federal Programs and Practices
- Programs and Practices being Advanced in Other States
- Potential Funding Sources
- Oregon's Existing Policies and Programs
- Stakeholder input
- Recommendations

Appendices

- Survey methods
- Focus groups discussions
- Technical Support

Appendix B: Stakeholder Engagement To-Date:

With significant support from the Oregon Water Enhancement Board (OWEB), we hosted a suite of engagement opportunities to gather stakeholder and tribal perspectives:

- In the fall, I provided an overview of the process and timeline the Commission would be following at a Government to Government Natural Resource Work Group meeting as well as the Board of Agriculture, Forestry, and OWEB meetings. Additional presentations were made to the Government to Government Natural Resources Work Group and the Board of Forestry earlier in 2021.
- A targeted survey was curated to gather information on management practices and the incentives, opportunities, and barriers for adoption of practices in December 2020 and early January 2021. We received a total of 737 responses from: Tribes, Oregon's forest and agriculture landowners/managers, landowner/manager trade associations, conservation and environmental groups, and technical assistance providers. A summary of all results is available here.
- A second outreach survey was posted on the Oregon Global Warming Commission website for comments from January 25 May 3, 2021. We received 122 responses to this survey. Results are available here.
- A series of eight focused discussions were held in April 2021 convening conservation organizations, landowner interest/trade associations, forest landowners, environmental justice leaders, and four regional sessions including landowners, technical assistance providers, land trusts, and other regional organizations.
- Public comments on the natural and working lands goals, investments, programs, and policies were
 received and are posted in materials for Commission <u>meetings</u> in June, July, October, and November
 in 2020 and in January, March, April, and May 2021 (as for June and July, 2021 forthcoming).
- Draft products from outreach and technical assistance efforts were presented at Global Warming Commission meetings in January, March, April, and May 2021.
- Presentations on opportunities for sequestration in natural and working lands were hosted at meetings in December 2019, January 2021, April 2021, and May 2021.