

To: Oregon Global Warming Commission, Oregon Department of Energy

Re: NWL Components of [OGWC/OCAC DRAFT Work Plan Through 2024](#)

September 15th, 2023

Dear Chair Macdonald and members of the Oregon Global Warming Commission,

We thank the Commission for recognizing the importance and urgency of this work by issuing a draft work plan to expedite the implementation of the NCS components of HB 3409. This letter shares our priorities for each component of the proposed work plan.

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Priorities for NWL Fund allocation and reporting

- **Leverage federal funding resources (IIJA, IRA, Farm Bill)**
- **Maximize carbon sequestration outcomes**
- **Center environmental justice considerations**
- **Ensure accessibility of grants for landowners and land managers**
- **Utilize existing programs and leverage existing capacity wherever possible**
- **Prioritize outcomes over research**

The passage of HB 3409 added further direction and clarity to the work initiated by the Commission in the NWL Proposal, and included an initial \$10 million dollar investment to ensure this work moves forward.

Natural climate solutions are defined as activities that **enhance or protect net biological carbon sequestration on natural and working lands**, while maintaining or increasing ecosystem resilience and human well-being. Biological carbon sequestration is defined as the removal of carbon from the atmosphere by plants and microorganisms and storage of carbon dioxide in vegetation, such as grasslands, marshes or forests, or in soils and oceans.

In Section 4, the Commission is further directed to apply an environmental justice lens to Fund allocation. Priority should be given to *”technical assistance for environmental justice communities or Indian tribes; and incentives for programs or activities supported by an*

environmental justice community or supported by a resolution of an Indian tribe, with priority given to those projects or activities administered or proposed by an environmental justice community or an Indian tribe.” These criteria should be guiding principles for the Commission as it works to prioritize allocation of the Fund to state agencies, recognizing that it is important to balance the importance of progress towards carbon sequestration goals with equitable distribution of funds. These priorities may at times be in tension, for example if there is higher cost per ton of sequestration to fully engage smaller landowners, the Commission will need to consider both priorities as the work progresses. The Commission should work closely with state agencies to identify opportunities in the near term for investment, with special consideration given to deadlines for leveraging additional federal funding.¹

The recent passage of the Infrastructure Investment and Jobs Act (IIJA) in 2021 and the Inflation Reduction Act (IRA) in 2022 has significantly boosted the amount of federal funding available for natural climate solutions investments. We already know at least \$150 million will be available to Oregon through 2026 from just three Natural Resources Conservation Service (NRCS) programs. Another example is the Urban and Community Forestry Program, which is typically funded at \$32 million annually; however, the Inflation Reduction Act provided an additional \$1.5 billion for the program. These examples underscore the need to identify and access this additional funding across natural and working lands programs.

In order to ensure equitable distribution of benefits from the Fund, we encourage the Commission to invest in opportunities and projects that are not already receiving significant investments from other sources. For example, USDA has limited capacity to distribute federal funds, so the agency tends to prioritize funding fewer projects on larger farms. Therefore, it would be beneficial for the Fund to be used to invest in projects on smaller family-owned farms, who may not have access to federal funds and/or to provide the matching funds needed to help smaller scale and marginalized farmers and foresters access federal funding. In addition, forest lands in Oregon are already receiving significant wildfire mitigation funds from numerous federal and state resources. We encourage the Commission to identify new and innovative ways the state can invest in natural climate solutions.

We recognize that funding for agency capacity is limited and hope that agencies will utilize existing programs and staff capacity wherever possible. To this end, we recommend conducting a crosswalk between existing state agency program practices and the practices that the NWL Project has drafted to understand how many existing state programs already meet NCS objectives as well as whether new programs might need to be established. This exercise would also provide guidance on what kind of capacity state agencies will need to implement NCS Fund directives and to expand the use of NCS in the state. While in the long-term agencies may seek additional capacity from the legislature, we are optimistic that with thoughtful and creative approaches, agencies can effectively distribute these funds. This will require increased cross-

¹ Complete list of federal funding opportunities, including subscription announcements:

<https://www.grants.gov/web/grants/home.html>

Open IIJA funding opportunities: <https://www.whitehouse.gov/build/resources/nofos-to-know/>

Open IRA funding opportunities: <https://www.whitehouse.gov/cleanenergy/open-funding-opportunities/>

Full list of IIJA programs: <https://www.whitehouse.gov/build/guidebook/>

Full list of IRA programs: <https://www.whitehouse.gov/cleanenergy/inflation-reduction-act-guidebook/>

National Wildlife Federation Nature Based Solutions database: <https://fundingnaturebasedsolutions.nwf.org/>

agency coordination and leadership and support from the two new positions created to support this work at ODOE. The undersigned organizations would be glad to share knowledge and support the development of the crosswalk between agency programs and NCS practices, as well as relevant federal funding opportunities.

The Fund will only be effective if it is accessible to landowners and land managers. Input from landowners and land managers, and organizations supporting them, will be critical as any grant programs or other incentive programs are developed, to ensure they are structured in a way that is accessible. Landowners and land managers, and organizations supporting them, should be given the opportunity to provide input on the structure of any grant programs or other incentive programs with a process for considering and incorporating that feedback.

As the NCS Fund is developed and distributed, our hope is that Oregon will become a national leader in this work and an example other states and federal agencies look to.

Rulemaking: While HB 3409 also gives the Commission authority to determine the Fund allocation prioritization by rulemaking, we do not feel that there is any need for this additional step. The legislation clearly establishes a direction for allocating funds. Undertaking a rulemaking process before funds can be allocated would place an unnecessary administrative burden on the Commission and state agencies, and would delay implementation. Such a delay could lead to Oregon missing out on time sensitive federal funding opportunities.

Priorities for NWL Baseline, Metrics, and Sequestration Goals

- **Use the sequestration goals established in the NWL Proposal**
- **Ensure environmental justice considerations are central to community impacts metrics development (impacts to jobs, livability, access, clean water, clean air)**
- **Ensure activity-based metrics have clear measurable carbon sequestration benefits**
- **Apply consistent analytical frameworks with clear criteria across sectors**
- **Ensure communication between the technical/scientific community and the NWL Advisory Committee**
- **Ensure robust public participation**

Before finalizing the net biological carbon sequestration and storage baseline, activity-based metrics and community impact metrics, HB 3409 also requires the State Department of Energy and the commission to make **draft versions publicly available and receive comments from the public.**

We would like to note that the Commission has already issued non-binding sequestration goals (5 million metric tons of CO₂ equivalent by 2030 and up to 9.5 million metric tons by 2050), therefore we encourage you to focus on establishing a baseline and metrics moving forward, rather than spending time on a process to propose new goals. There is no need to duplicate past efforts. We would also encourage the Commission to provide a clear timeline for public comment on the goals in the work plan.

Nearly a year of work has already taken place by the Natural and Working Lands Advisory Committee formed in October 2022 to recommend activity-based and community impact

metrics. The work of this committee, along with the Institute for Natural Resource (INR) and a Technical Advisory Committee (TAC) convened to support the project, provides a good starting point for implementation of HB 3409. The OCAC should take full advantage of that work and not recreate it. Having said that, it should be noted that the work done by the Advisory Committee in different sector areas is not at the same point of development, and much work remains to reconcile input provided by the technical and stakeholder groups—a synthesis the current effort will not provide. Our understanding is that a consultant will draft baselines, activity-based metrics, and community impact metrics between March-May 2024. This large body of work will only be feasible in a three-month period if the OCAC uses the next six months to review and deliberate on INR's report in order to provide the consultant clear guidance on how to build on and move forward from the INR report findings. Public comment opportunities on the many pieces of the INR report will be an essential piece of this process.

We would like to emphasize three learnings from the prior NWL Advisory Committee process:

- It is essential to apply consistent analytical frameworks with clear criteria across sectors, for example when coming up with proposed NCS practices and appropriate activity-based metrics. This should be paired with dedicated capacity to convene and advance sector-specific conversations that account for the varied progress to date. For example, the agriculture subcommittee of the NWL Advisory Committee was able to achieve informed consent on a list of recommended NCS practices, whereas the forest subcommittee was not. The timeline needs to allow for everyone to weigh in and identify areas of consensus.
- Determining activity baselines and metrics should include open lines of communication between the scientific community and the NWL Advisory Committee to ensure that the metrics are both rooted in relevant science and practical to implement and track for land owners and land managers. Building on the technical work done by the Technical Advisory Committee convened to support the current INR project, the OGWC/OCAC should request a review by the scientific community of their final draft activity-based metrics before adoption to ensure the final activity-based metrics support measurable carbon sequestration benefits.
- The Institute for Natural Resources included in its recent report to the OGWC a long list of community impact metrics recommended by the Natural and Working Lands Advisory Committee. We recommend narrowing the list of community impact metrics and prioritizing environmental justice considerations (impacts to jobs, livability, access, clean water, clean air). A narrowed version of the list could be provided to agencies for the purpose of managing the fund and the full list from INR's report could be made available as a resource to agencies for use with other programs.

Priorities for the NWL Advisory Committee

- **Ensure this committee is not a substitute for public outreach and engagement**
- **Ensure tribal outreach and engagement is treated as a independent component of this work**
- **Ensure committee composition of balanced viewpoints/ experiences**
- **Establish a nomination process in addition to application process**

Section 62 of HB 3409 states: “(1) The Oregon Global Warming Commission may appoint a natural and working lands advisory committee to advise the commission in the performance of the commission’s duties under sections 53 to 63 of this 2023 Act. The commission shall seek recommendations for committee members from industry and advocacy associations where appropriate. (2) The advisory committee shall consist of at least 15 members appointed as follows:...” (listing specific areas of expertise and experience) and “(3) The commission may appoint additional members as needed to provide additional expertise or represent other interests.”

We recommend that the Commission use the process to seek recommendations for committee members required by Section 62(1) to solicit broad input on perspectives, *beyond* those required in statute, that should be represented on the NWL Advisory Committee. The NWL Advisory Committee should be composed of balanced viewpoints and experiences and be developed with an equity lens. A balanced composition would include those who are committed to strong climate mitigation and equity outcomes as well as those who are familiar with challenges and/or barriers that landowners and land managers may face as new financial incentives and programs are implemented. Recognizing that an Advisory Committee cannot represent all perspectives, and is not a substitute for public input, we appreciate that the work plan includes multiple opportunities for public comment.

If the NWL Advisory committee does not include multiple members of the scientific community, we recommend that members of the scientific community have the opportunity to review draft activity-based metrics and the draft inventory. It will be important to clarify the role of any scientific reviewers in relation to the NWL Advisory Committee and have open lines of communication between them. In general, it will be important to have open lines of communication between all of the following: technical experts, practitioners and other stakeholders.

Tribal consultation process needs to be added as a separate item under the NWL work plan

Further, we would encourage you to develop a separate work plan and timeline for this component “**Consultation with federally recognized Indian tribes in Oregon regarding NWL work**” that is independent from the work the Advisory Committee is undertaking. Section 11 of HB 3409 states “The Oregon Global Warming Commission shall establish a process for consultation with representatives of federally recognized Indian tribes in this state to advise the commission on the performance of its duties under sections 1 to 11 of this 2023 Act, including the identification of opportunities to support indigenous practices and knowledge from tribal nations to sequester and store carbon on natural and working lands.”

Tribes must be consulted as sovereign governments rather than as part of a typical stakeholder outreach process. This consultation should be a thread throughout your work on natural and working lands and natural climate solutions. Traditional ecological knowledge should be considered alongside other expert resources.

Priorities for the NWL Workforce Study

- **Center environmental justice outcomes**

Developing the workforce and training programs needed to support adoption of natural climate solutions is an important component of this work. We request that the Commission ensure this work is implemented in a manner that centers equity and prioritizes the needs of Oregon's frontline, environmental justice communities. The jobs created by this work must be able to support families and be accessible to communities across the state.

Last year at the UN's Biodiversity Conference, COP15, a new report, *Decent Work in Nature-based Solutions*, underscored the need for a "Just Transition," meaning the "creation of new jobs that support the economy in a way that is fair and inclusive, creating meaningful work opportunities and leaving no one behind." We encourage the Commission to use this lens when conducting the workforce study. Further, we request that the Commission explicitly create natural and working lands opportunities for rural Oregonians in the workforce study. While rural communities are included in Oregon's definition of "environmental justice community," the Commission should be intentional with prioritizing rural worker opportunities in this study.

Priorities for a NWL Inventory

- **Account for standing carbon stocks and annual GHG fluxes across Oregon's natural and working lands**
- **Include use of remote sensing data where feasible**

HB 3409 requires the Commission to develop a natural and working lands net biological carbon sequestration and storage inventory, allowing for a public comment process. The inventory must 1) Be based on the best available field-based and remote sensing data on biological carbon sequestration; 2) Be developed using methods consistent with methods used to assess greenhouse gas fluxes related to land use, land change and forestry for the United States Environmental Protection Agency's Inventory of U.S. Greenhouse Gas Emissions and Sinks.

Greenhouse gas (GHG) emission inventories are critical to the State's ability to measure progress toward emission reduction goals. While Oregon currently tracks GHG emissions in other sectors, to meet the greenhouse gas emissions (GHG) reduction and sequestration goals of the state, Oregon must consider GHG emissions and sinks from natural and working lands. Without establishing this inventory and baseline, we will not be able to measure meaningful progress towards meeting our sequestration and climate goals, therefore we request the commission prioritize this work moving forward.

The Commission should follow best practice guidelines² to account for carbon storage and annual GHG fluxes in natural and working lands. Following these guidelines, the inventory methods should allow for reporting within each land category (i.e., forest and woodlands, rangelands, cultivated croplands, coastal wetlands, freshwater wetlands, urban and suburban areas) as well as account for change in carbon stocks and GHG fluxes due to conversion from one land category to another. Consistent with the international guidelines, we recommend

² See the 2006 IPCC Guidelines which can be adapted to include the best available information (regional and local data where available, default values where necessary) and the World Resources Institute's updated NWL Inventory guidance. It would be good to encourage the Commission and any consultants working on the NWL GHG inventory to build from these excellent resources.

accounting across the pools defined by the 2006 International Panel on Climate Change guidelines for landscape GHG accounting. These include:

- Above-ground live and below-ground live vegetation pools;
- Dead organic matter (standing or downed dead wood, litter);
- Soil organic matter.

We recommend that the NWL Inventory make use of the best available data for each land category and direct investments to help improve the inventory over time. We encourage the Commission to include data derived from remote sensing to augment empirical field data for most land categories.

In California's Natural and Working Lands Inventory,³ the state was not able to assess some known carbon pools due to lack of data or method. It is likely the Commission will encounter similar data barriers, and we recommend leaving guidelines and criteria in place so that new data can be incorporated into the inventory as it becomes available.

It is also important to note that ideally, the NWL GHG inventory carbon stocks and GHG fluxes should be:

- Annual,
- Spatially-explicit whenever possible, and
- Should have high enough spatial resolution to allow different landowner types to be distinguished from each other.

The Commission should also be aware that landowners and organizations representing them have concerns about the public availability of data related to practices, crops and soils. INR's Jimmy Kagan issued a memo to the Natural and Working Lands Advisory Committee titled: [Oregon Carbon Stock Inventory – Assuring Data from Private Lands Is Not Shared](#), outlining sources of inventory data and the ways the privacy of these data are protected. Any additional sources of inventory data need to ensure landowner/land manager privacy is protected.

Thank you for your consideration of these recommendations, please reach out with any follow up questions.

Sincerely,

³ An Inventory of Ecosystem Carbon in California's Natural & Working Lands 2018 Edition. California Air Resources Board. https://ww3.arb.ca.gov/cc/inventory/pubs/nwl_inventory.pdf

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