



February 14, 2019

The Oregon Joint Committee on Carbon Reduction

CC: Co-Chair Senator Michael Dembrow
Co-Chair Representative Karin Power
Representative Ken Helm

Subject: Comments on House Bill 2020

New Forests appreciates the opportunity to provide comments on the proposed Clean Energy Jobs Bill, as set forth in House Bill 2020. New Forests is a timberland investment firm that manages over \$3.5 billion in capital and forestry assets globally, including almost 200,000 acres of timberlands in the U.S. and over 500,000 acres of forest carbon offset projects. New Forests was among the earliest investors in California's compliance offset program, developing the 8,000-acre Yurok CKGG IFM project with the Yurok Tribe in northern California, which was the first project to be issued offset credits under the California Air Resources Board's compliance offset protocol. Since then, New Forests has generated over 6.5 million metric tons of greenhouse gas (GHG) reductions from forest projects located throughout the country.

New Forests strongly supports Oregon's efforts to move forward with a robust carbon market, and one that includes valuable cost-containment measures such as offsets. The benefits of offsets include containing costs and supporting the development of new innovative projects and technologies on a scale not achievable through command and control regulations alone. We believe an effective component to help accomplish the Programs' lofty goals is to maximize the ability of entities to use offsets.

We have seen and support the comments provided by The Climate Trust. The issues they raise are important design elements, and include:

- 1. The maintenance of the 8% offset usage limit in Section 19.2(a).**
- 2. The modification of Section 19.3(e) to establish clearer invalidation provisions.**

We are committed to a robust offsets market and producing real, permanent, quantifiable, enforceable and additional GHG reductions for the people of Oregon and beyond.

Thank you for the opportunity to share our perspectives on House Bill 2020.

Sincerely,

Emily Warms
Manager, Investments & Operations
New Forests, Inc.