Bob Abt – spoken comments for Charter SAB meeting Sept. 26

I am Bob Abt, resource economist in the College of Natural Resources at NC State University. My research focuses on projecting forest conditions in the U.S. South. I was a member of both SAB panels.

I'll focus my brief comments on problems with the reference point baseline as a guide for biogenic carbon policy.

Specifically, page 2 of the SAB report suggests a periodically adjusted reference point approach would address SABs earlier concerns. This is not true.

A reference point baseline is most commonly found in carbon offset projects, for example reducing timber harvest on a tract of land, where the objective is to determine carbon credits by tracking carbon stocks over time from the project starting point. The offset framework attempts to attribute carbon stock gains to a specific project in a specific place from a specific starting point.

A key concern in these projects is leakage, which is the likelihood that reducing harvest in one area leads to increased harvest in other areas. Protocols usually contain some mechanisms to make conservative estimates to account for uncertainties from sampling, unforeseen events, and leakage. The leakage adjustment is usually derived from the economics literature.

Unlike protocols for small projects, the SAB was charged to develop a scientific accounting framework to measure the net carbon emission impact from broader scale use of agricultural or forest based feedstocks. Boundaries of carbon offset projects are well defined. Boundaries of biogenic carbon policy impacts are not. Increasing demand for alternative wood energy sources affects the dynamics in the forest, agriculture and energy sectors at national or global scales. But it is unlikely to be the primary driver in any of those systems.

Judging one policy's atmospheric impact based on the latest estimate of forest carbon change is not defendable. It is like estimating the impact of tariffs by just looking at the latest GDP estimate. There may be a connection, but it does not allow attribution of the specific impact of tariffs. Our charge was to develop a framework that would determine whether biogenic carbon emissions should be treated differently than other emissions. Tracking forest carbon does not help answer this question.

Even small carbon offset projects recognize that a simple baseline approach has to be modified to address market effects. An anticipated baseline approach using an integrated GHG modeling framework is required to address the impact of different feedstocks, combustion technologies, and how they interact in the economy and landscape. A modeling approach is more complex; but gaining simplicity by avoiding attribution and ignoring well-understood drivers in the economic and ecological system is not an improvement.