WHEREAS, The National Association of Regulatory Utility Commissioners ("NARUC") has supported the concept of maximum flexibility for Green House Gas ("GHG") mitigation under any international agreement; and

WHEREAS, The Kyoto Protocol and the Buenos Aires Plan of Action contain flexibility mechanisms; and

WHEREAS, Two of the mechanisms, Land Use, Land Use Change and Forestry ("LULUCF") and the Clean Development Fund Mechanism ("CDM"), are the focus of near term negotiations which will serve to further define aspects of these activities; and

WHEREAS, The sequestration of Green House Gases through LULUCF and the CDM activities can provide direct and low cost mitigation options with considerable environmental and economic benefits; and

WHEREAS, It is in the best economic interest of the States represented by the NARUC membership that these mechanisms have the most expansive definition and the broadest interpretation possible consistent with the need for verifiability, recognizing the Special Report on LULUCF by the Intergovernmental Panel on Climate Change ("IPCC"); now, therefore be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners convened in its July 2000 Summer Meeting in Los Angeles, California, urges
the parties to the United Nations Framework Convention on Climate Change at the second, year 2000, sessional meeting to explicitly include Land Use, Land Use Change and Forestry in the Clean Development Mechanism.

Sponsored by the Committees on International Relations and Energy Resources and the Environment
Adopted by the NARUC Board of Directors, July 26, 2000.