



THEODORE R. KULONGOSKI
Governor

November 14, 2008

Dear :

Ecosystem service markets can help protect the environment as Oregon continues to grow by steering new investments to restoration of wetlands, rivers, streams, and upland habitats that provide clean water and support fish and wildlife.

The Willamette Partnership is a non-profit organization dedicated to increasing the scope, scale, and effectiveness of ecological restoration. Operating under a grant from the USDA Natural Resources Conservation Service, the Partnership is building the tools and infrastructure necessary for ecosystem service markets to succeed. Along with more than 20 federal and state agencies and organizations, I supported this grant application and have a strong interest in its successful completion.

One of the most significant tasks under this grant will be gaining regulatory and public support for a fair and transparent accounting method that measures the specific environmental benefits associated with restoration activities. This accounting method is needed by those who make conservation investments in order to quantify specific benefits they can sell as credits to regulated entities who cannot avoid environmental impacts altogether. This part of the Willamette Partnership's overall effort is called *Counting on the Environment*.

The *Counting on the Environment* project is convening a working group from November 2008 through August 2009 to: 1) build an accounting system that works for both agencies and landowners, and 2) gain approvals for the specific applications of that system under current federal, state, local and other programs. This group includes representatives from federal, state, and local agencies, representatives from non-governmental organizations, and individual landowners.

The *Counting on the Environment* project supports actions under my Willamette Rivers Legacy Program, and builds on the previous work of the Willamette Partnership and current

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agency efforts. It also supports one of three major economic initiatives promoted by the state's business leaders at the 2007 Oregon State Leadership Summit.

I appreciate your willingness to actively participate in this project. Ecosystem service markets will be an important tool for protecting and restoring Oregon's environment. Thank you for your assistance with developing the tools to make markets work.

Sincerely,

A handwritten signature in black ink that reads "Theodore R. Kulongoski". The signature is written in a cursive style with a large, looping initial 'T'.

THEODORE R. KULONGOSKI
Governor

TRK:jb:ab