



Certification for a Sustainable World™

Forest Project Verification Report

Verification under the Climate Action Reserve (CAR)

Reporter/Member:

The Conservation Fund

Project:

Garcia River Forest Project

Emissions Year Verified:

2009

Scientific Certification Systems

Lead Verifier: Robert J. Hrubes

Technical Reviewer: Kyle Meister

Site Visit Date: February 1-3, 2010

Report Date: April 22, 2010

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1 Summary

This report presents the findings of the verification assessment of The Conservation Fund's Garcia River Forest Project greenhouse gas emissions reductions reported to the Climate Action Reserve (the Reserve) for Emission Year 2009 (January 1 through December 31 of 2009). The evaluation was conducted from February 1-3, 2010. The evaluation was undertaken to assess and review the reported data and confirm whether the compiled data conforms to the Climate Action Reserve's Forest Project Protocol, Version 2.1 (September 2007).

The evaluation was undertaken using the Climate Action Reserve's Forest Verification Protocol Version 2.0 (May 2007) as well as the verification methodology developed by SCS for forest carbon offset projects submitted to the Reserve. In the course of the verification assessment, the SCS verifiers developed findings which included New Information Requests (NIRs), Non-Conformity Reports (NCRs) and Opportunities for Improvement (OFIs). All New Information Requests and Non-Conformity Reports have been adequately responded to, resulting in their closure.

On the basis of the information provided and the analyses completed, SCS was able to reach a decision on the annual emission reductions reported by The Conservation Fund to the Climate Action Reserve, and SCS confirms the adequacy of the information to meet the requirements of the Climate Action Reserve standards. Further, SCS is able to reach a positive opinion on the claimed emission reductions presented in the forms, reports and supporting documents submitted by The Conservation Fund to the Reserve. For Emission Year 2009, SCS has verified 189,898 tonnes of CO₂e reductions and removals from the Garcia River Forest Project.

2 Introduction

The scope of this evaluation is the Garcia River Forest Project, a project first established in 2004 and first reported to the Climate Action Reserve in 2007.

This report covers the verification of the CO₂e reductions and removals generated by the Garcia River Forest Project for Emission Year 2009. This report presents the findings of the assessment as well as provides a description of the steps involved in the verification process. This is the third annual verification of emission reduction and removal reporting for the Garcia River Forest Project.

The initial verification of the forest project took place in calendar year 2007 and covered Emission Years (EY) 2004-2006. Each subsequent calendar year covered the preceding year's emissions reductions and removals (emission year). As with all prior verifications, initial or annual, the 2009 reporting year emissions reductions and removals have been reviewed and evaluated according to the CAR Forest Verification Protocol.

3 Project Description

The Garcia River Forest Project (GRF) is a conservation-based forest management project on land owned by The Conservation Fund in the state of California. The project area constitutes a portion of the TCF-owned forestlands in Northern California. TCF's Northern California timberlands not associated with the Garcia River Project are incorporated into the Big River and Salmon Creek CAR Forestry Project that is addressed in a separate verification report. The Garcia River Forest (GRF) project is a 24,000 acre forest located in Mendocino, CA and is dominated by redwood, Douglas-fir and tanoak and is generally considered to have Class III growing conditions. The property has been

extensively high-graded in the past and what remains is on average 45-60 year old stands of pole and sawtimber with unnaturally high concentrations of tanoak.

Under the project management, there are two harvest management regimes – one each for the reserve and non-reserve portions of the property. The reserve stands account for approximately 35% of the total forest acreage (8046 acres). The reserve area may be harvested but only for the explicit goal of speeding a given location's return to late seral (i.e., climax) conditions. In most cases, this will mean little or no harvest in reserve areas. If harvesting were to occur in the reserve areas, successive target residual basal area retentions will be 200, 240, and 280 ft² over time with no more than three entries with a minimum of at least 20 years between harvest entries.

The remaining portion of the GRF will be managed using an uneven-age selection silviculture regime. For the "project activity" as distinct from the "baseline activity," slightly larger riparian buffers are used to better reflect The Conservation Fund's management objectives. These objectives include restoring and conserving biodiversity and increasing the carbon storage in the forest. In some non-reserve areas of GRF, harvest prescriptions will include a hardwood competition reduction treatment that is designed to reduce the prevalence of tanoak trees. This treatment will be applied to stands that, at the time of the first scheduled harvest, have more than 50 ft² basal area of tanoak per acre. This harvest treatment will occur only in stands with more than 10 mbf per acre in 2006 and will thin based on spacing to a target basal area of 170 ft². Re-entry into these stands will occur every 20 years. With each entry the target basal area retention will increase until the ultimate goal of 270 ft² per acre is achieved. All of these harvest treatments are incorporated into the GRF carbon calculations.

Pursuant to the CAR Forest Project Protocol, the Project Proponent has characterized the project baseline as the woody biomass carbon levels that would result from a timber harvesting regime that could be undertaken on the project area while maintaining full conformity with California Forest Practice Regulations, specifically:

- the Maximum Sustained Production "Option C" rules
- the Coast District rules.

At the time of baseline initiation, there were no mandatory land use statutes or regulation that would require the conservation-based forest management to be implemented as the project activity. The Garcia River project is a voluntary/discretionary commitment on the part of The Conservation Fund.

3.1 Annual Monitoring

Since the EY08 verification, there have been no changes in the nature of the project. Two Timber Harvest Plans (THPs)—Lower North Fork #2 and Olson Gulch – remain active in the area; however, no harvesting took place in the project area in EY09. Additionally, there were no carbon removals from natural disturbances in the project area.

The Conservation Fund continues to update the forest inventory by installing plots in the project. Eight cluster sample plots were installed and cruised in two stands, which represent 60 acres. These stands had previously been un-sampled. The remaining 260 stands in the GRF were grown forward to obtain carbon stock estimates.

4 Verification

Scientific Certification Systems (SCS) is a global leader in third-party certification, auditing, testing services, and standards. Established as an independent third-party certification firm in 1984, our goal is to recognize the highest levels of performance in environmental protection and social responsibility in the private and public sectors, and to stimulate continuous improvement in sustainable development.

SCS launched our forest management certification program in 1991. In 1995, SCS's Forest Conservation Program was accredited as one of the first Forest Stewardship Council (FSC) endorsed certification bodies. The SCS Greenhouse Gas Verification Program was established in 2006 and in 2007 conducted the first verifications of Forest Carbon Projects under the California Climate Action Registry (CCAR) Forest Sector Protocols. SCS is currently accredited to ISO 14065 for GHG Validation and Verification by the American National Standards Institute (ANSI) and offers verification under the Voluntary Carbon Standard (VCS), the Climate Action Reserve (CAR), the Chicago Climate Exchange (CCX) and the Climate, Community and Biodiversity (CCB) standards.

4.1 Verification Objectives

The purposes of this verification assessment were to:

- Evaluate conformance with the verification criteria as defined in the Climate Action Reserve protocols.
- Assess the likelihood that GHG project has resulted in the GHG emissions removals as stated in the project documents.
- Evaluate the project planning information and documentation, including the project line, baseline, quality assurance and control, risk management, monitoring and reporting procedures, and criteria.
- Evaluate reported project and baseline emissions, removals, emission reductions and removal enhancements.

4.2 Level of Assurance

SCS performed the core verification activities described by CAR in the Forest Verification Protocol to determine whether it had the reasonable level of assurance that the project's GHG removals or reductions are materially correct. SCS used CAR's criteria to determine if there exists reasonable assurance that the project documentation addressed each requirement in the Forest Project Protocol. Only projects in compliance with the CAR Forest Project Protocol are verified.

4.3 Treatment of Materiality

For the forest inventory, a material misstatement must be declared if the reported forest inventory does not appropriately describe the forest area and differs significantly from the verifier's assessment of the inventory, changes in stocks, and emission reduction estimates, as described in more detail in the CAR Forest Verification Protocol.

To meet the CCAR minimum quality standard, the forest entity's calculations on a randomly chosen subset of plots must be within 15% of the verifier's calculation. In addition, actual C measurements must be within 10% of projected estimates, and the overall inventory and management systems

must meet the Registry's criteria as well as the verifier's professional judgment to be verifiable. Errors beyond these thresholds will be considered material misstatements.

4.4 Verification Scope

The scope of this report encompasses desk and site verification activities for the project against the following requirements of the Climate Action Reserve:

- Forest Project Protocol Version 2.1 (September 6, 2007)
- Forest Sector Protocol Version 2.1 (September 6, 2007)
- Forest Verification Protocol Version 2.0 (May 2007)

This report does not cover the verification of non-biological emissions. The verification was performed using the client-supplied project design documents and other supporting documentation.

The verification process involved:

- Assessment of completeness of the inventory;
- Verification of emissions reductions and removals reported online to the Reserve;
- Assessment of baseline methodology and determination;
- Verification that a measurement and monitoring system is in place that is capable of delivering high quality carbon stock data;
- Assessment of data accuracy and any assumptions made in the manipulation of that data;
- Verification that the organization is operating according to the methodology approved by CAR;
- Verification that the reported carbon stocks reported are real; and
- Conclusions developed on the declared tonnage for registration on the Climate Action Reserve.

4.5 Verification Team

Lead Verifier: Dr. Robert J. Hrubes, SCS Senior Vice President

Dr. Hrubes, as California Registered Professional Forester, holds a Ph.D. in Wildland Resource Science from UC-Berkeley, an M.A. in Economics from University of California, Berkeley, a M.S. in Resource Systems Management from the University of Michigan, Ann Arbor, and a B.S. in Forest Management and Outdoor Recreation Management from Iowa State University, Ames. Dr. Hrubes was employed for 14 years by the USDA Forest Service in a variety of field management, research and land management planning positions. Subsequently, Dr. Hrubes spent 12 years in private consulting, focusing primarily on forest management certification and natural resource economics, and has over 30 years of professional experience in both public and private forest management issues. Dr. Hrubes was lead architect of the programmatic protocols that guide all SCS Forest Conservation Program evaluations. He also provides executive oversight and has direct involvement in the SCS Forest Carbon Program. Dr. Hrubes served as lead auditor on the first three forest carbon projects that have been registered under the California Climate Action Registry (CCAR), and also sits on the CCAR Forest Protocol Working Group tasked with developing revised forest protocols for CCAR, now CAR. He has been the Senior Vice President at SCS since 2000.

Verifier: Christie Pollet-Young, SCS Verification Forester

Ms. Pollet-Young is a Verification Forester for SCS's Greenhouse Gas Verification Program. Ms. Pollet-Young has over a dozen years of experience in forestry, ranging from forest ecology research to conservation planning to carbon offset verification in both tropical and temperate climates. She has previously worked for the Smithsonian Tropical Research Institute's Center for Tropical Forest Science and the Peru Program of The Nature Conservancy. Ms. Pollet-Young completed a Master of Forest Science from the Yale School of Forestry and Environmental Studies, and graduated with high honors from the University of California, Berkeley with a Bachelor of Science in natural resources and forestry. Ms. Pollet-Young is a lead auditor with SCS who has validated and verified forest projects under the California Climate Action Registry, the Chicago Climate Exchange and the Climate, Community and Biodiversity Standards.

Verifier: Kyle Holland, SCS Verification Forester

Mr. Holland is a SAF Certified Forester (#3770) and biometrician specializing in forest inventory, modelling and remote sensing. Prior to joining SCS, Kyle worked with the Potlatch Corporation as a Resource Supervisor. Kyle has also worked with the Chesapeake Bay Program, the State of Maryland and the State of Wisconsin as a specialist in riparian forestry and forest management auditing. Mr. Holland is currently completing his Ph.D. in biometrics and statistics at the University of California, Berkeley. Kyle holds a M.S. in biometrics and remote sensing from Berkeley, and degrees from the University of Minnesota and the University of Idaho in forestry and forest engineering, respectively. He also holds professional memberships with the Society of American Foresters, the American Society for Photogrammetry and Remote Sensing, the Institute of Mathematical Statistics and the International Environmetrics Society. Mr. Holland has conducted numerous verification and validation activities under FSC, CCX, CAR, CCB and VCS. Mr. Holland is also an approved AFOLU expert for IFM and REDD projects under VCS.

Technical Reviewer: Kyle Meister, SCS Certification Forester

Mr. Meister is a Certification Forester with Scientific Certification Systems and is a qualified Forest & Urban Forest Project Lead Verifier under the Climate Action Reserve. He has participated in four CCAR annual monitoring assessments. He has conducted FSC Forest Management certification evaluations and surveillance assessments throughout North and South America. He holds a B.S. in Natural Resource Ecology and Management and a B.A. in Spanish from the University of Michigan, and a Masters of Forestry from the Yale School of Forestry and Environmental Studies. He has experience as an environmental educator and natural resource consultant in the U.S., Mexico, Ecuador, Costa Rica, Colombia, and Brazil.

5 Verification Process

The verification process for the Garcia River Forest Project can be divided into four stages:

5.1 Desk Audit

In the first step, SCS received and reviewed the project submittals to the Reserve, including the Annual Monitoring Report to assess conformance with the requirements of the CAR Forest Project Protocol. Key factors that impact the reported emissions reductions were identified and a Verification Plan was created to focus on the critical elements presenting potential risk for errors in reported data. These elements included new inventory data collection, management activities for EY 2009, and carbon reduction calculations.

Prior to the field visit, the verification team conducted a desk review of the documentation which included the Project Design Document, CAR submittals, and supporting reports. SCS found the documentation submitted by The Conservation Fund for the Garcia River Forest Project to be adequate to proceed with the site visit.

5.2 Site Visit

Following the desk review, the auditors conducted an on-site audit of the project area from February 1 to 3, 2010. The site visit was used to review project records with The Conservation Fund, discuss the calculation of carbon pools for EY 2009, visit random portions of the ownership for reconnaissance and ground-truthing, and to conduct a field review of The Conservation Fund sampling methodology. During the site visit, two inventory plots were re-measured by the audit team. The collected data was used to confirm if the installation of new inventory plots were in conformance with CCAR requirements and the approved TCF sampling protocol.

5.3 Quantitative Review

The third step of the verification process focused on the quantitative analyses undertaken by the Project Proponent to convert the raw inventory data into estimates of standing volume of woody biomass and then to translate volumetric measures into estimated tons of carbon, for both the baseline and the project activity. Discussed in detail in Section 7, this entailed the following activities:

- Generating per acre estimates of standing woody volume from the re-measured plots in order to assess the accuracy of the base year inventory and carbon stocks for the project area.
- Reviewing the confidence deduction of the forest project based on the estimation of standard error of the mean of the field inventory.

For Emission Year 2009, and upon discovery of an incorrect equation previously employed, The Conservation Fund updated the calculation of carbon estimates for dead material. Both the lying dead and standing dead carbon pools were affected by the revised equation in both the baseline and project activity scenarios. The former calculation had underestimated carbon stocks so overall carbon reductions increased for EY09 as well as EY07 and EY08.

Additionally, The Conservation Fund found an error in the calculation of trees per acre for dead wood, particularly the lying dead carbon pool. This revision also increased to the total carbon in both the baseline and project activity. SCS reviewed these equations and found them to be properly applied and calculated.

Thus, the carbon reductions and removals for EY 09 will include both the additional carbon for EY 09 (2009 Project Activity Carbon Estimate minus 2009 Baseline Carbon Estimate) as well as the carbon for EY 2007 and EY 2008 from the revised deadwood calculations.

5.4 Findings

During the closing meeting, SCS disclosed to The Conservation Fund findings based on the site visit. This step in the verification process entails iterative exchanges between the auditors and the Project Proponent to receive additional information for review and examination. This exchange may include the following types of Findings—New Information Requests (NIR), Non-Conformity Reports (NCR)

and Opportunities for Improvement (OFI)—from SCS to the Project Proponent. The Project Proponent must respond to NIRs and NCRs in order for SCS to render a verification opinion.

The Findings are compiled in a “List of Findings” and are available under separate cover. The List of Findings is only shared between Project Proponent and verifier and is not publicly available. In total, SCS issued The Conservation Fund three Non-Conformity Reports, sixteen New Information Requests, and two Opportunities for Improvement.

5.5 Documentation and Opinion

The last step in the verification process is the final review of the submitted data, completion of the verification activity log, and drafting of the verification opinion and supporting verification report.

A draft verification opinion and report were completed based on the findings of the verification assessment. The draft report was presented to an internal SCS Technical Reviewer who determined the opinion to be justified given the evidence presented. The Verification Report and Verification Opinion were then presented to the Project Proponent for review and comment. Once the Project Proponent approved these documents, SCS uploaded them to the Reserve for their review. In the event of a positive review by CAR staff, CAR will register the emissions reductions for the forest carbon project and issue CRTs (in tonnes of CO₂e) for Emission Year 2009.

6 CAR Forest Project Requirements

SCS verified the Garcia River Forest Project against the requirements of the Climate Action Reserve Forest Project Protocol Version 2.1. The following sections detail the most essential aspects of the verification of the Garcia River Forest Project.

6.1 Project Type

The Garcia River Forest Project continues to be in compliance with the CAR project eligibility requirements set forth in the CAR Forest Project Protocol. The Garcia River Forest Project has been defined as a conservation-based forest management project that is intended to create additional carbon stocks in the project area modifications of harvest and regeneration practices, relative to baseline practices, as defined in the CAR Forest Project Protocol.

6.2 Project Start Date and Crediting Period

The Garcia River Forest Project commenced in February 2004 and is currently submitting the GHG reductions and removals for January 1 – December 31, 2009.

6.3 Additionality

CAR forest projects must be additional to qualify for registration. SCS has found that the Garcia River Forest Project is additional because it meets both legal requirements and a performance test. In regard to legal requirements, the planned activities of the Garcia River Forest Project are not required by law. In regard to the performance test, the carbon emission reductions and removals from the Garcia River Forest Project are in excess of “business as usual” practices.

6.4 Permanence

The Climate Action Reserve requires forest owners to record a qualified conservation easement for the Garcia River Forest Project to ensure the permanence of forest carbon reductions and removals

through the forest owner's long-term commitment to comply with the Forest Project Protocol. SCS has reviewed the conservation easement for the Garcia River Forest Project and found the document to be in conformance with CAR requirements.

6.5 Included Carbon Pools

The Garcia River Forest Project includes above and below ground living biomass, standing dead biomass, and lying dead biomass carbon pools. There are no optional carbon pools being reported for this project.

6.6 Leakage Assessment

A leakage assessment for the Garcia River Forest Project was conducted and SCS verified that no activity-shifting leakage occurred during Emission Year 2009.

6.6 CAR Attestation Forms

The Conservation Fund signed the Climate Action Reserve's revised Attestation of Title form thereby affirming that the Fund has an exclusive ownership claim to the GHG reductions and removals achieved by the Garcia River Forest Project. SCS verified The Conservation Fund's ownership of the Garcia River Forest Project by reviewing maps associated with the project and extracting the project's Assessor's Parcel Numbers (APNs). The Conservation Fund's ownership of the various parcels which comprise the Garcia River Forest Project was confirmed by contacting the Assessor's Office of Mendocino County. The Conservation Fund Vice-President has provided oral assurance to SCS that his organization has not sold the carbon rights for the project area to another entity. And as SCS is aware of no evidence indicating such a transaction between the Fund and other parties in which the carbon rights have been severed from fee simple ownership of the project area, we conclude that there is no basis to question the Fund's attestation of ownership of the GHG reductions for Garcia River Forest Project.

The Conservation Fund also signed the Attestation of Regulatory Compliance, thereby affirming the project's compliance status throughout the project reporting period. During the site reconnaissance and desk review verification activities, SCS sought to confirm that the Garcia River Forest Project is in compliance with the California Forest Practice Rules as it relates to the scope of improved forest management projects under the CAR Forest Project Protocols. Additionally, SCS contacted Cal Fire, who confirmed that there were no forest practice violations in the project area during EY09. An inquiry into possible county and federal violations was also conducted and the Garcia River Forest Project was found to be in compliance. On the basis of this inquiry that found no county, state, and federal violations, SCS concludes that there is no basis to question The Conservation Fund's attestation of regulatory compliance for the Garcia River Forest Project area.

Finally, by signing the Attestation of Voluntary Implementation, The Conservation Fund has affirmed that the Garcia River Forest Project was established and implemented voluntarily and continues to operate as such. SCS reviewed the conservation easement signed by The Conservation Fund. SCS also discussed with TCF the circumstances associated with the execution of the easement and we found nothing that would call into question TCF's assertion that this agreement as well as the ongoing conservation-oriented project activities are purely voluntary in nature. Additional interviews with staff and a review of The Conservation Fund website support the voluntary impetus of the Garcia River Forest Project to engage in the improved forest management activities that characterize

the project. Their activities such as reduced timber harvesting and wider riparian buffers are not legally required or mandated.

The Conservation Fund has included this project as well as the Garcia River Forest Project under the umbrella of the North Coast Forest Conservation Initiative which aspires to operationally demonstrate sustainable forest management through exemplary environmental strategies and sound economics, utilizing “a light-touch harvest regimen, sales of carbon offsets and a supply of local jobs.”

7 Quantitative Review of Carbon Reductions and Removals

SCS devoted a portion of the verification assessment to the a review of the manner and propriety by which The Conservation Fund collected raw inventory data for the carbon pools of the Garcia River Forest Project as well as how these data were converted into carbon reduction and removal estimates.

7.1 Verification Cruise

On February 3, 2010, SCS visited the Garcia River Forest Project to conduct a cruise of a selected number of plots for verification. These plots were selected by using the sampling design employed by The Conservation Fund and cruised using the inventory methodology provided by The Conservation Fund. SCS verified the inventory estimates of onsite carbon stocks by cruising plots that were installed in Emission Year 2009. The tools used by the SCS auditors to complete the re-measurements were:

- Compasses, adjusted for the declination of the project area
- GPS (Garmin Map 76CSx)
- 40 BAF prisms (for the variable radius live tree plots)
- TruPulse 200 Laser Rangefinder/Hypsometer for measuring distances and tree heights
- Logger tape for measuring diameter at breast height (DBH)and measuring distances

SCS selected two plots to re-measure, however, since no systematic sampling errors were found while sampling, only two plots were re-measured during the annual verification audit. With the data from the verification cruise, SCS compared its data to those collected by The Conservation Fund for these same plots in the Garcia River Forest Project. Per the verification protocol, SCS compared the Project Proponent’s calculations from these plots to their own. The Conservation Fund’s calculations must be within 15% of the SCS’s calculation. SCS compared the biomass estimates for the two sample plots with those of the Garcia River Forest Project and the estimate was within 2%. Thus, The Conservation Fund’s estimate is in conformance with the requirement of the CCAR Forest Verification Protocol.

7.2 Computations

The inventory estimate, growth estimates and sampling error were computed using a combination of Visual Basic modules, SQL queries and Excel spreadsheets. SCS thoroughly reviewed all lines of computer code and SQL statements used to compute these estimates. SCS also verified the actual computations for the estimate of sampling error. No material misstatements were discovered during this review.

7.3 Confidence Deduction

The CAR Forest Project Protocols require all forest projects to account for the statistical uncertainty of its forest carbon inventory estimates. The Conservation Fund calculated the sampling error for the forest project which is defined as a percentage of the mean inventory estimate from field sampling at a 90% confidence interval. Estimates of sampling error were based on a two-stage sample where stands were selected in the first stage with probability proportional to size and plots were selected in the second stage with equal probability. The sampling error was verified to be 4.81% which yielded a confidence deduction of 0%.

8 Verification Opinion

The Conservation Fund has supplied all the evidence requested in order to enable SCS to arrive at an opinion on the accuracy of the calculated and claimed emission reductions and removals. SCS confirms the data regarding project eligibility, inventory procedures, baseline and project characterization, and methods of calculating carbon stock change and emission reductions and removals for the Garcia River Forest Project are in conformance with the CCAR Forest Project Protocols. Furthermore, all issues identified during the verification were resolved in conformance with CCAR standards. The data are considered accurate, complete, transparent, and free of material misstatements.

The Lead Verifier recommends that SCS issue a verification opinion for 189,898 tonnes CO₂e emission reductions and removals for Emission Year 2009. The stated tonnes of CO₂e emission reductions and removals are consistent with The Conservation Fund's reporting on the Reserve website.

9 CRT Amendment *(Amended 15 January, 2014)*

This amendment documents the retroactive application of adjustments to CRTs issued under the Climate Action Reserve, as requested by the California Air Resources Board (ARB). The effect of these adjustments does not affect the cumulative CRTs listed on the Reserve website, but rather results in a reallocation of CRTs across emission years 2005-2009. The information below is a breakdown of how emission reductions (tCO₂e) should be allocated to vintages based on changes to the project documents and not a re-verification of such¹. Verification of the following items occurred in the emission years in which the changes were implemented.

The adjustment to the CRTs is a function of a change in the calculation of deadwood across the project area. Prior to 2009, GRF used a non-stratified sampling design to estimate deadwood pools across the project area. In response to requests by the audit team, TCF began using a stratified design to estimate the deadwood pools for the project area in 2009. SCS was able to confirm that the use of a stratified sampling design is an appropriate method for estimating the carbon stocks stored in deadwood in the project area and that the resulting changes to the annual CRTs have been adequately justified. The result of the corrected project level deadwood calculations requires a negative adjustment to emission years 2005, 2006, and 2009 and a positive adjustment to emission year 2007 and 2008 in the same amount. The sum of all of the adjustments equals 0.

SCS was provided with and reviewed the amended project documents (i.e., monitoring reports, annual stock reports, and annual entity reports). Based on this evidence provided by TCF and the guidance received from the ARB, SCS was able to confirm that the CRT adjustments for both the deadwood pools for GRF have been properly allocated in the project documentation and that the resulting values are consistent with the values presented during verification. The final GRF CRTs for emission year 2009 should be reported as 164,018 tCO₂e.

¹ The amendment to this verification report was performed on 15 January, 2014 and follows the guidance from the ARB as described in an email from The Conservation Fund dated 8 January, 2014. Given the time elapsed since the original verification; the original verification team is no longer available and thus the amendment was added by Francis Eaton (Lead Auditor) and reviewed by Larry Wilson (Technical Reviewer).

APPENDIX I:

FIELD AUDIT ITINERARY

Scientific Certification Systems (SCS)

The Conservation Fund: Verification Audit Agenda

Time	Process, Department or Function
Monday February 1, 2010	
	Opening Meeting To be held at the office of The Conservation Fund in Caspar, CA.
2:30 pm	Introductions Review and finalize the audit itinerary Brief Project Presentation To be given by The Conservation Fund on the annual monitoring report of the entity
	Review and Confirm that there are no changes to Entity and Project Eligibility (Elements 2.1, 2.5 of Protocol) • TCF representative to present documentation Review General Certification Elements (Element 2.2) • TCF representative to provide CARROT information

Time	Process, Department or Function
	Review any Changes (from the prior year) in the Forest Carbon Inventory Documentation (Element 2.4) i. Summary and review of ownership maps ii. Description of general forest conditions iii. Review inventory planning documents iv. Vegetation typing methodology v. Sampling methodology (include any changes in number of plots or methodology) • Description of existing stand conditions
	Review any Changes (from the prior year) in Inventory Projections of Entity Baseline (Element 2.3) A. Evaluate Entity Baseline Characterization and assumptions that underlie the characterization a. Review silvicultural prescriptions used for baseline projection b. Review constraints on the application of silvicultural methods such as sensitive areas, riparian zones, sensitive wildlife habitat, etc. • Compliance with Forest Practice Act and Regulations
	Review any Changes (from the prior year) in Inventory Projection of Project Activity (Element 2.6) I. Evaluate project activity Characterization and assumptions that underlie the characterization A. Review description of management activities that result in additional carbon stocks above the baseline conditions B. Review silvicultural prescriptions used for project projection C. Review constraints of the application of silvicultural methods such as sensitive areas, riparian zones, sensitive wildlife habitat, etc. D. Compliance with Forest Practice Act and Regulations
	Brief discussion on the methodology used to calculate carbon pools and growth models used for the project and baseline projections (Detailed review of carbon pool calculations and model projections will occur after field evaluation) (Element 2.7)
5:30 pm	Adjourn
Tuesday February 2, 2010	
8:00 am	Field Audit to the Big River/Salmon Creek Forest Carbon Project • Visit random portions of the property to compare mapped areas with actual field conditions. • If applicable, conduct field review of sampling methodology including inventory plot establishment, measurement, and recording methods. Visit areas that have undergone vegetative disturbance since the 2009 audit (e.g., harvest areas, fire areas, if any)
10:00am – 5:00 pm	SCS field sampling of a subset of plots to verify onsite carbon estimates in the Big River/Salmon Creek Forest Carbon Project
Wednesday February 3, 2010	
8:00 am	Field Audit to the Garcia River Forest Carbon Project • Visit random portions of the property to compare mapped areas with actual field conditions. • If applicable, conduct field review of sampling methodology including inventory plot establishment, measurement, and recording methods. Visit areas that have undergone vegetative disturbance since the 2009 audit (e.g., harvest areas, fire areas, if any)

Time	Process, Department or Function
10:00 am	Closing Meeting
10:30am – 5:00 pm	SCS field sampling of a subset of plots to verify onsite carbon estimates in the Garcia River Forest Carbon Project

Scientific Certification Systems (SCS)

Verification Audit Plan

Auditor/ Audit Team:

Roles of Audit Team (and accompanying persons):

Lead Auditor:	Robert J. Hrubes, Ph.D. Senior Vice President, SCS Qualified CAR Forest and Urban Forest Project Lead Verifier Responsibilities include conduct verification activities, issue findings, write verification report and issue verification opinion.
Auditor:	Christie Pollet-Young GHG Verification Forester, SCS Qualified CAR Forest and Urban Forest Project Lead Verifier Responsibilities include conduct verification activities, issue findings, and write verification report and issue verification opinion.
Auditor:	Kyle Holland Verification Forester, SCS Qualified CAR Forest and Urban Forest Project Lead Verifier Responsibilities include conduct verification activities and issue findings.
Technical Reviewer:	Kyle Meister Certification Forester, SCS Responsibilities include review of verification activities, findings, report and opinion.

Verification Details:

Verification scope

The scope of this audit encompasses desk and site verification activities for the proposed project against the following requirements of the Climate Action Reserve:

- General Verification Protocol Version 3.0, August 2008
- General Reporting Protocol Version 3.0, April 2008
- Forest Sector Protocol Version 2.1, September 2007
- Forest Project Protocol Version 2.1, September 2007
- Forest Verification Protocol: Entities & Projects Version 2.0, May 2007

The verification will be performed using the client-supplied project design documents and other supporting documentation.

Verification objectives

- Evaluate conformance with the forest project criteria as defined in the Climate Action Reserve Forest Project Protocol
- Determine with a reasonable level of assurance whether the GHG project has resulted in the GHG emissions reductions and/or removals as stated in the project documents
- Evaluate the project planning information and documentation, including the baseline and inventory carbon estimates, buffer pool contributions, monitoring, and natural forest management requirements

Verification criteria

SCS shall assess the completeness of the project document to ensure that all requirements of the CAR protocols have been addressed. SCS shall assess whether or not the project document respects the principles of the CAR protocols.

Level of assurance

SCS will perform the core verification activities described by CAR in the Forest Project Verification Protocol to determine whether it has the reasonable level of assurance that the proposed project's GHG removals or reductions are materially correct. SCS will use CAR's criteria to determine if there exists reasonable assurance that the project documentation addresses each requirement in the Forest Project Protocol. Only projects in compliance with the CAR Forest Project Protocol 2.1 will be verified.

Materiality

For non-biological emissions, SCS shall judge any discrepancy as a material misstatement if the collective magnitude of compliance and calculation errors in the client's emissions report alters the direct or indirect emissions by **plus or minus 5%**. Note that error percentage is calculated on a net basis (e.g. +2% and -4% would be considered a 6% material error).

For the forest inventory, a material misstatement must be declared if the reported forest inventory does not appropriately describe the forest area and differs greatly from the verifier's assessment of the inventory, changes in stocks, and emissions reductions estimates as described in more detail in the CAR Forest Verification Protocol.

The forest entity's calculations on a randomly chosen subset of plots must be **within 15%** of the verifier's calculation. In addition, actual C measurements must be **within 10%** of projected estimates, and the overall inventory and management systems must meet the Registry's criteria as well as the verifier's professional judgment to be verifiable. Errors beyond these thresholds will be considered material misstatements.

