

APPLICATION FOR LISTING AN IMPROVED FOREST MANAGEMENT U.S. FOREST OFFSET PROJECT				
OPR Staff Use Only	Date Application Received:	OPR Tracking Number:	Date Application Reviewed:	OPR Staff Use Only
PART I. ENTITY APPLYING FOR LISTING				
Is this form being submitted by the Offset Project Operator (OPO) or by the Authorized Project Designee (APD)? Notes: 1. The person completing this form should be an OPO/APD employee. 2. If the APD is submitting this form, the OPO should submit the form <i>Designation of Authorized Project Designee</i> simultaneously.				☒ OPO ☐ APD
Name of Person Completing Form: Kaarsten Turner Dalby		Organization, if applicable: Heartwood Forestland Fund III, Limited Partnership		
Date Form Completed: 07/22/2014		Phone Number: 919-929-2497	Email Address: kaarsten@forestlandgroup.com	
PART II. OFFSET PROJECT INFORMATION				
Offset Project Name: Finite Carbon - The Forestland Group Champion Property IFM				
Offset Project Commencement Date: 4/22/2009	First Reporting Period Start Date: 01/01/2013	First Reporting Period End Date: 08/31/2014		
Provide an explanation and justification for the commencement date. Specify the action(s) that identify the offset project commencement date. The project start date is April 22, 2009. This project is a pre-existing project submitted by the April 30, 2010 deadline. The forest owner has submitted documentation denoting the start date action as engaging in consulting services for the purposes of implementing a carbon project (see Errata_and_Clarification_FPP_v3_1_06-08-10.pdf as published on the CAR website). Accordingly, the date reflects an initiation of a commitment to employ practices and technologies that will maintain or increase net carbon stocks for the duration of the FPP's commitment period.				
PART III. OPO/APD INFORMATION				
A. OPO				
OPO Name: Heartwood Forestland Fund III, Limited Partnership			OPO's CITSS ID#: CA 1520	
Mailing Address: P.O. Box 9162	City: Chapel Hill	State: NC	Zip: 27515	
Contact Person: Kaarsten Turner Dalby	Phone Number: 919-929-2497	Email Address: kaarsten@forestlandgroup.com		
B. APD (if applicable)			☒ No APD/Not Applicable	
APD Name:			APD's CITSS ID#: CA _____	
Mailing Address:	City:	State:	Zip:	
Contact Person:	Phone Number:	Email Address:		
PART IV. LAND OWNERSHIP				
A. Is the Offset Project Operator (OPO) the owner in fee for the Project Area? <i>Further documentation is required for all projects. Submit as attachment labeled "Attachment A." See Part X of this listing document for more information.</i>				☒ Yes ☐ No

If "no," explain how the entity identified as the OPO has the right to undertake and list the project.

- B. List all Forest Owners. This includes owners in fee as well as third parties with existing property interests within the Project Area that affect the trees and standing timber located in the Project Area (e.g. mineral rights, timber rights, easements, rights of way, leases, etc.).**

Heartwood Forestland Fund III, Limited Partnership is the fee forest owner.

The People of the State of New York hold recreation and access rights which were granted as part of the working forest conservation easement.

- C. Does the offset project occur on public or private lands?**

If the project occurs on public lands, proceed to questions C1 and C2. Otherwise, skip to question D. Further documentation is required if project occurs on public lands. Submit as attachment labeled "Attachment B." See Part X of this listing document for more information.

☒ Private
☐ Public

1. Describe the public process that has been used to approve forest management activities and baseline.

2. Describe the documentation being submitted with this listing document demonstrating approval of planned forest management activities and baseline.

- D. Will the project employ a Qualified Conservation Easement (QCE)?**

If employing a QCE, proceed to questions D1, D2, and D3. Otherwise, skip to question E. Supporting documentation for a QCE is required. Submit as attachment labeled "Attachment C." See Part X of this listing document for more information.

☐ QCE
☐ Public Ownership

1. Date that the QCE was or will be recorded.

2. Will the project take place in a state that requires third-party beneficiaries to sign the easement (i.e., to "accept and record that acceptance"), such as Arizona, Pennsylvania, or West Virginia?

☐ Yes
☐ No

3. Provide the terms within the easement that affect forest management.

- E. Does the offset project occur on any of the following categories of land? (check all that apply)**

- ☐ Land that is owned by, or subject to, an ownership of possessory interest of a Tribe
☐ Land that is "Indian lands" of a Tribe as defined by 25 U.S.C. §81(a)(1)
☐ Land that is owned by any person, entity, or Tribe, within the external borders of such Indian lands
☒ None of the above

If "none of the above," skip to Part V. Otherwise, proceed to questions E1 and E2.

Further documentation is required for projects occurring on land listed in the first three categories. Submit supporting documents as attachments labeled "Attachment D." See Part X of this listing document for more information.

1. Does a limited waiver of sovereign immunity between ARB and the governing body of the Tribe exist?

☐ Yes
☐ No

2. Describe how the land within the Project Area is owned.

PART V. OFFSET PROJECT AREA

Maps depicting specific elements of the Project Area are required for all projects. Submit supporting documentation as attachments labeled "Attachment E." See Part X of this listing document for more information.

Latitude of Offset Project Location:
44.3000

Longitude of Offset Project Location:
-75.0000

Project Area Total Acreage:
102,899.94

- A. Identify the assessment area (or assessment areas, if project crosses more than one) that contain Project Area lands and list the acreage of project lands within each assessment area.**

B.

Supersection	Assessment Area	Site Class	Acres
Adirondacks & Green Mountains	Northeast Conifers	High	8,627.26
Adirondacks & Green Mountains	Northeast Conifers	Low	8,224.05
Adirondacks & Green Mountains	Northern Hardwoods	High	52,791.44
Adirondacks & Green Mountains	Northern Hardwoods	Low	32,700.98
St. Lawrence & Mohawk Valley	Northeast Conifers	High	18.67

St. Lawrence & Mohawk Valley	Northeast Conifers	Low	65.46
St. Lawrence & Mohawk Valley	Northern Hardwoods	High	269.19
St. Lawrence & Mohawk Valley	Northern Hardwoods	Low	202.89

C. Identify the governing jurisdiction(s) applicable to the Project Area.
Franklin, Lewis and St. Lawrence Counties, New York, USA

D. Describe how the Project Area was determined.
The project area was defined by all forested area within the conservation easement boundaries and excluded non-forest areas such as water and roads.

E. Describe the existing land cover, and land use of the Project Area.
The subject property is predominantly forested and has been historically managed for timber production and recreation/hunting.

F. Describe the forest vegetation types within the Project Area boundary.
From a regional perspective, the project area is located in the Northern Forest Region of the Eastern United States. Accordingly, forest types that exist in the project area include Spruce-fir; Pine and hemlock; Northern hardwoods; and Other northern types. The most common forest type in the Project Area is Northern hardwoods. Species composition associated with this forest type include sugar maple, American beech, yellow birch, basswood, red maple, eastern hemlock, butternut, northern white-cedar, white ash, black cherry, sweet birch, northern red oak, white pine, yellow-poplar, balsam fir, American elm, rock elm, red spruce, white spruce and eastern hophornbeam. Some of the young stands and other patches in early succession may exhibit paper birch, pin cherry, and quaking and bigtooth aspen.

G. Describe the site classes within the Project Area boundary.
Geographic soil survey data for the project area indicates the project area is variable with respect to low and high site classes as defined by the FOP. Based on the soil survey data analysis, the total project area considered to be classified as low site classes is 41,193.37 acres. The remaining balance is considered to be high site classes.

H. Describe the land pressures and climate zone/classification applicable to the Project Area.
The primary land use for the region is forestry with very limited residential and traditional agricultural development. Review of air photos and satellite images reveal a forest dominated landscape with minor agricultural uses in some areas. The forest project lies entirely in the 3b and 4a climate zone as shown on USDA FS mapping for the region.

I. Describe the historical land uses, current zoning, and projected land use within the Project Area and surrounding areas.
Historically, the project area and the surrounding lands have been used for commercial forestry and hunting/recreation. The project area is currently zoned as timberland. Future use of the property will consist of commercial forestry practices as well as recreation and hunting.

A. Describe generally the forest conditions within the Project Area, including species composition, age class distribution, and management history.
In general, the forest is in a healthy condition. No more than 40% of the forested acres are in ages less than 20 years old. The age class distribution consists of 4,651.47 acres (4.52% of project area) in age classes near or less than 20 years old, with the balance of the project area in age classes greater than 20 years old.

Red maple comprises the highest percent in species composition (21.07%) followed by sugar maple (15.84%) and American beech (15.63%). The balance is made up of other species including but not limited to balsam fir, black cherry, red spruce, Eastern hemlock, yellow birch, white ash, white pine.

The forests of the former Champion lands have been managed under an even-aged and industrial scheme for nearly 70 years. Historically, diameter limit harvests were the norm, with reduced stocking of crop trees often the outcome. The lack of consistent hardwood pulp markets limited silviculture in the majority of the past harvests. In addition, the need to supply softwood to the Deferriet pulp mill (associated with these lands since 1927) strongly impacted management schemes and objectives.

Current use of the property consists of commercial forestry practices as well as recreation and hunting opportunities.

PART VI. OFFSET PROJECT ELIGIBILITY

A. Does the project take place on land that has greater than 10 percent tree canopy cover? <i>Supporting documentation is required. Submit as attachment labeled "Attachment F." See Part X of this listing document for more information.</i>	☒ Yes ☐ No
B. Indicate how the offset project meets (or will meet) the definition of Natural Forest Management per Table 3.2 in the Compliance Offset Protocol US Forest Offset Projects, October 20, 2011:	
1. Native species: a) Will the project consist of at least 95% native species based on the estimated sum of carbon in the standing live carbon pool? <i>If "no," proceed to question 1b. Otherwise, skip to question B2.</i>	☒ Yes ☐ No
b) Describe how the project will meet this requirement. (Improved Forest Management Projects will be assessed using estimates of basal area per acre.)	
2. Composition of native species: a) Does the Project Area naturally consist of a mixed species distribution where no single species' prevalence, measured as the percent of basal area of all live trees in the Project Area, exceeds the percentage value of standing live carbon shown under the heading 'Species Diversity Index' in the Assessment Area Data File? <i>If "no," proceed to questions 2b and 2c. Otherwise skip to question B3.</i>	☒ Yes ☐ No
b) Explain how the project will demonstrate a trend toward achieving the Species Diversity Index of native species and meet this requirement within 25 years.	
c) If the Project Area does not naturally consist of a mixed species distribution: Will or have you provided a written statement from the government agency in charge of forestry regulation in the state where the project is located stipulating that the Project site is not capable of meeting the requirement of mixed species distribution.	☐ Yes ☐ No
3. Distribution of age classes/sustainable management: a) Indicate how the project will meet the requirement for sustainable management if commercial harvesting is either planned or ongoing within the Project Area demonstrating sustainable long term harvesting practices. This applies to all forest landholdings of the Forest Owner(s) (check one of the boxes). ☐ Not applicable; no commercial harvesting is occurring within the Project Area. ☒ Third party certification under the Forest Stewardship Council, Sustainable Forestry Initiative, or Tree Farm System, whose certification standards require adherence to and verification of harvest levels which can be permanently sustained over time. ☐ Adherence to a renewable long-term management plan that demonstrates harvest levels which can be permanently sustained over time and that is sanctioned and monitored by a state or federal agency. ☐ Employ uneven-aged silvicultural practices and maintain canopy retention averaging at least 40% across the forest, as measured on any 20 acres within the entire forestland owned by the Forest Owner, including land within and outside of the Project Area (areas impacted by Significant Disturbance may be excluded from this test).	
b) On a watershed scale up to 10,000 acres (or the Project Area, whichever is smaller), projects must maintain, or make progress toward maintaining, a maximum of 40% of the project's forest lands in ages that are less than 20 years old. (Areas impacted by Significant Disturbance are exempt from this test until 20 years after reforestation of such areas.) Does the acreage within this project does meet this requirement? <i>If "no," proceed to question 3c. Otherwise, skip to question B4.</i>	☒ Yes ☐ No

c) Explain how the project intends to show continuous progress toward meeting this requirement within the next 25 years.	
4. Structural elements (standing and lying dead wood): How will the project ensure that structural elements are retained in sufficient quantities throughout the project life? Active removal of standing or lying dead wood will not occur over the project term. As a result, standing dead trees will be retained and eventually contribute to lying dead carbon pools.	
C. Describe the management activities that will lead to increased carbon stocks in the Project Area, compared to the baseline. The project uses carbon market incentives to implement forest management options that support longer rotations and increased carbon stocks.	
D. Is this project being implemented and conducted as the result of any law, statute, regulation, court order, or other legally binding mandate? If "yes," explain:	☐ Yes ☒ No
E. Will the offset project employ broadcast fertilization?	☐ Yes ☒ No
F. Does the offset project take place on land that was part of a previously listed and verified Forest Offset Project? If "yes," proceed to questions E1 and E2. Otherwise, skip to Part VII.	☒ Yes ☐ No
1. Was the previous Forest Offset Project terminated due to an Unintentional Reversal?	☐ Yes ☒ No
2. Is the project transitioning to the Compliance Offset Protocol U.S. Forest Projects, October 20, 2011, after previously being listed as an early action offset project?	☒ Yes ☐ No

PART VII. CARBON STOCK INVENTORY

- A. Provide a general description of the inventory methodology to be used to quantify carbon stocks for each required carbon pool in the forest project's offset boundary. The inventory methodology must describe the information required in Appendix A.3 of the Compliance Offset Protocol U.S. Forest Projects, October 20, 2011.**

IFM-1 Standing Live: A new forest inventory was implemented including the establishment of new sample plots to provide inventory estimates in terms of cubic foot volume. These measurements included tree species >1" DBH, trunk or bole diameter, and height of the tree.

IFM-3 Standing Dead: A new forest inventory was implemented including the establishment of new sample plots to provide inventory estimates in terms of cubic foot volume. These measurements included tree species, trunk or bole diameter, decay class, form, and height of the dead tree > 15' height.

IFM-6 Soil (if applicable): Excluded because the conditions in the FOP Table 5.2 that would require inclusion of this pool (deep ripping, furrowing, or plowing where soil disturbance exceeds 25% of the Project Area, or mechanical site preparation that is not conducted on contours) are not planned.

IFM-7 Carbon in in-use forest products: Mill receipts for harvested wood products are kept and reported by the offset project operator. Carbon is calculated using conversion factors supplied in reporting forms from the California Air Resources Board.

IFM-8 Forest product carbon in landfills (if applicable): Mill receipts for harvested wood products are kept and reported by the offset project operator. Carbon is calculated using conversion factors supplied in reporting forms from the California Air Resources Board.

IFM-9 Biological emissions from site preparation: Site preparation is not expected to occur on more than 25% of the project area over the project life, nor is mechanical site preparation expected to be conducted on contours.

IFM-14 Biological emissions/removals from change in harvesting on forestland outside project area: Estimated in the project using protocol default (i.e. 20%).

IFM-17 Biological emissions from decomposition of forest products: Quantified as a component of calculating carbon stored for 100 years in wood products (SSR #IFM-7) and landfills (SSR #IFM-8).

B. Describe the calculation methodologies to be used to determine metric tons per acre for each of the carbon pools included in the Offset Project Data Report.

IFM-1 Standing Live: Standardized FIA cubic foot volume and biomass equations (component ratio method).

IFM-3 Standing Dead: Standardized FIA cubic foot volume and biomass equations (component ratio method).

IFM-6 Soil (if applicable): n/a

IFM-7 Carbon in in-use forest products: Regional mill efficiencies and 100-year default storage factors

IFM-8 Forest product carbon in landfills (if applicable): Regional mill efficiencies and 100-year default storage factors

IFM- 9 Biological emissions from site preparation: n/a

IFM-14 Biological emissions/removals from change in harvesting on forestland outside project area: Estimated in the project using protocol default (i.e. 20%)

IFM-17 Biological emissions from decomposition of forest products: Quantified as a component of calculating carbon stored for 100 years in wood products (SSR #IFM-7) and landfills (SSR #IFM-8).

C. Provide a summary of the inventory of carbon stocks for each carbon pool (or approach used, if inventory is not applicable).

IFM-1 Standing Live: 78.45 tCO₂e per acre (as of 12/31/2012)

IFM-3 Standing Dead: 5.47 tCO₂e per acre (as of 12/31/2012)

IFM-6 Soil (if applicable): n/a

IFM-7 Carbon in in-use forest products: 0.05 tCO₂e per acre (1/1/2012 - 12/31/2012)

IFM-8 Forest product carbon in landfills (if applicable): 0.15 tCO₂e per acre (1/1/2012 - 12/31/2012)

IFM- 9 Biological emissions from site preparation: n/a

IFM-14 Biological emissions/removals from change in harvesting on forestland outside project area: 0.00 tCO₂e per acre (1/1/2012 - 12/31/2012)

IFM-17 Biological emissions from decomposition of forest products: 0.01 tCO₂e per acre (1/1/2012 - 12/31/2012)

D. Provide a summary of the estimated inventory confidence statistics.

E. The estimate of the total onsite carbon stocks final sampling error is 1.80% based on a 90% confidence interval. Per Appendix A, section A.4, the appropriate "confidence deduction" is 0.0%.

F. Provide the calculation of the offset project's reversal risk rating and expected contribution to the Forest Buffer Account.

Risk Category	Without QCE		With QCE or Public Lands	
	QCE		Score	(1-Score)
Financial	5.0%		5.0%	95.0%
Management				
Illegal Logging	0.0%	0.0%	0.0%	100.0%
Risk of conversion	2.0%	0.0%	2.0%	98.0%
Risk of over harvesting	2.0%	0.0%	2.0%	98.0%
Social	2.0%	2.0%	2.0%	98.0%
Natural Disturbance				

Wildfire (Y%= 100%)	4.00%	4.00%	4.00%	96.00%
Disease Insect	3.0%	3.0%	3.0%	97.0%
Other catastrophic	3.0%	3.0%	3.0%	97.0%
Risk Rating Analysis				19.2%
Total Risk Score				19.2%

PART VIII. OFFSET PROJECT BASELINE

A. Required for ALL Improved Forest Management Projects

1. Describe the project's modeling plan, following the requirements and methods in Appendix B, Section B.3 of the Compliance Offset Protocol U.S. Forest Projects, October 20, 2011.

The baseline scenario models timber harvesting over 100 years, as a function of what it is legally allowable, financially feasible and physically possible, while at the same time adhering to the minimum baseline level (MBL). In the baseline model, forest stand development was projected using even-aged silviculture but oftentimes creating two-aged or multi-aged conditions depending on the arrangement of treatment types over space and time. In no case did any treatment remove all trees in the same stand in the same entry, that is, pure clearcut treatments were not prescribed.

Constraints that affect land-use specific to forest management activities have been incorporated into the carbon modeling. For this project, legal constraints have the greatest effect on timber harvesting levels, as opposed to what is financially feasible or physically possible. These legal constraints dictate what types of silvicultural activities (treatment types) are allowed, and where (spatial) and when (temporal) they are allowed, that is, there are different legal constraints for different locations of the project area. For this reason, each forest stand in the project area has been assigned attributes to indicate to the model what constraints apply in the baseline model. There are three constraint classes: 1) Conservation Easement and Adirondack Park Agency; 2) Adirondack Park Agency only; and 3) General constraints. Each constraint, and how it is applied in the modeling, is described in detail in the OPDR by constraint class.

2. Describe and estimate the project's baseline onsite carbon stocks. Explain any annual changes in baseline carbon stocks over time.

The average baseline total onsite carbon stocks is 82.20 tCO₂e per acre. The baseline scenario models timber harvesting over 100 years, as a function of what it is legally allowable, financially feasible and physically possible, while at the same time adhering to the minimum baseline level (MBL). The annual changes in the baseline carbon stocks over time are caused by timber harvesting and growth retention.

A graph portraying the baseline onsite carbon stocks, labeled "Attachment G," and a diagram of the baseline incorporating all required carbon stocks, labeled "Attachment H," are required. See Part X of this listing document for more information.

3. Identify the approved growth model that will be used for the project.

The FVS – Northeastern (NE) Variant growth and yield model was used for the project.

4. Harvest Planning

- a. Is harvesting planned in the Project Area?

If "yes," proceed to question 4b. Otherwise, skip to question A5.

☒ Yes
☐ No

- b. Will the project use a harvest schedule model?

If "yes," proceed to question 4c. Otherwise, skip to question A5.

☒ Yes
☐ No

- c. How do you plan to address age class and stratification as part of your harvest scheduling?

Harvest scheduling will be scheduled such that no more than 40% of the project area is in age classes less than 20 years old. Harvest unit age class and stratum will be updated post-

harvest based on silvicultural prescriptions at the end of each reporting period.	
5. Provide an estimate of carbon that will be stored long-term in harvested wood products in the baseline. 16,496 tCO ₂ e (Average including landfill)	
B. Required for Improved Forest Management Projects on <u>Private Lands ONLY</u>	
1. Provide the estimated initial above ground standing live carbon stock per acre for the project, if known. 63.11 tCO ₂ e per acre	
2. Provide the estimated adjusted above ground standing live carb stock per acre, if known. 66.09 tCO ₂ e per acre	
3. Provide the Common Practice statistic associated with the Project Area. 91.69 tCO ₂ e per acre	
4. Are the Project Area's initial above-ground standing live carbon stocks per acre above or below Common Practice? If below Common Practice, what is the High Stocking Reference for the Project Area? The High Stocking Reference (HSR) for the project area are the stocks at the project commencement date, 63.11 tCO ₂ e per acre. <i>Further documentation is required if project below Common Practice. Submit supporting documents as attachments labeled "Attachment I." See Part X of this listing document for more information.</i>	☐ Above ☒ Below
5. Does the Forest Owner(s) and its affiliate(s) own land in fee or hold timber rights on land outside the Project Area? <i>If "no," skip to question B.6.</i>	☒ Yes ☐ No
If "yes," does the Protocol require the use of a weighted average carbon stock on lands in the same Logical Management Unit (LMU, as defined in Section 6.2.1.1)? <i>If "no," skip to question B.6.</i>	☒ Yes ☐ No
If "yes," is inventory data available for the LMU or will the OPO use a stratified vegetation analysis?	☒ Data available for LMU ☐ Stratified Vegetation Analysis
6. Provide a general description of the legal constraints affecting forest management activities in the Project Area; include a description of each constraint (referring to Section 6.2.1.2 in the Protocol) as well as a narrative those constraints have on forest management. Conservation Easement The People of the State of New York, acting by and through the Department of Environmental Conservation (DEC) hold a conservation easement on the majority of the project area (95.8 percent). All lands subject to the easement are situated inside the Adirondack Park. The easement is considered a "working forest conservation easement" with the primary goal of perpetuating the property as a sustainable working forest. The easement impacts the trees and standing timber by implying the following minimum regeneration standards and harvest restrictions: ☐ Regeneration standards— stand density shall not be reduced below the C-line of the appropriate silvicultural guides for the forest type being treated unless one of the following conditions is met: (i) sufficient regeneration is present or (ii) insufficient regeneration and site conditions warrant a regeneration harvest. ☐ Harvesting restrictions— the following restrictions are designed to create a sustained yield of forest products and prevent liquidation harvest practices: (i) no clear cut will exceed 25 acres in area (size); (ii) any clear cut must be in compliance with Adirondack Park Agency laws and any other applicable laws; (iii) for the first 20 years of the Conservation Easement, harvest levels are restricted to a volume that does not exceed 70 percent of the periodic annual growth; and (iv) after the initial 20-year period, harvest levels shall only be restricted to periodic annual growth on growing stock trees. Adirondack Park Agency Rules & Regulations Almost the entire property ownership is within the Adirondack Park boundary (95 percent). The Adirondack Park Agency (APA) administers the Adirondack Park Agency Act (Executive Law, article 27), the Freshwater Wetlands Act (Environmental Conservation Law, article 24) within the Adirondack Park and, for private lands within the Adirondack Park, the state's Wild, Scenic and Recreational Rivers System Act (Environmental Conservation Law, article 15, title 27). Generally, there are no requirements for the harvesting of trees on non-shoreline parcels unless the landowner plans to clear-cut more than 25 upland acres or 3 wetland acres, or the property is located in a Designated River Area, in which cases a permit must be obtained. Along shorelines, cutting is limited to the following: (i) within six feet of the mean high water mark, not more than 30 percent of the shoreline may be cleared of	

vegetation (brushes and trees) on any one lot and (ii) within 35 feet of the mean high water mark, not more than 30 percent of trees in excess of six inches in diameter at 4.5 feet above the ground may be cut over a 10-year period. These limitations do not prevent the removal of diseased vegetation, or of rotten or damaged trees or of other vegetation presenting safety or health hazards. Variances from the mandatory shoreline restrictions may be allowed by request under certain circumstances. These legal constraints are reflected in the project's modeled baseline carbon stocks, as required in section 6.2 of the FOP.

Clean Water Act

Through a variety of programs (including, as appropriate, non-regulatory or regulatory programs), states assist and encourage producers to use best management practices to reduce or prevent instances of nonpoint source pollutants migrating into waters. Accordingly, the State of New York developed a set of voluntary Forestry Best Management Practices as part of a cooperative non-point source pollution prevention project. New York State Department of Environmental Conservation (NYSDEC) Timber Harvesting Guidelines are approved guidelines for conducting forest management activities in the best way to reduce impact to water quality. BMPs are not regulated by government in New York, so it's up to forest landowners to adopt and implement BMPs to aid in the protection of water quality during forest management practices. However, they are required for this property as part of the conservation easement.

7. Provide a description of the modeling techniques used to simulate the effects of the constraint.

Techniques to simulate the effects of the constraint include spatial designation of special management areas and applications of silvicultural treatments designed appropriately for each area as a function of each area's constraints.

8. How will the OPO demonstrate financial feasibility of the growth and harvesting regime assumed for the baseline? (check one of the boxes)

- ☐ Conducting a financial analysis of the anticipated growth and harvesting regime that captures all relevant costs and returns, taking into consideration all legal, physical, and biological constraints, using regional norms or documented costs and returns for the project area or other properties in the Forest Project's Assessment Area
- ☒ Providing evidence that activities similar to the proposed baseline growth and harvesting regime have taken place on other properties within the Forest Project's Assessment Area within the past 15 years

C. Required for Improved Forest Management Projects on Public Lands ONLY

1. Has an initial forest carbon inventory been conducted for the Project Area?

- ☐ Yes
☐ No

2. Provide a projection of future changes to Project Area forest carbon stocks extrapolating from historical trends.

3. Explain how current public policy will affect onsite carbon stocks and how the baseline modeling incorporates constraints imposed by all applicable statutes, regulations, policies, plans, and activity-based funding.

4. Have carbon stocks in the Project Area been increasing or declining over the preceding ten-year period?

- ☐ Increasing
☐ Declining

PART IX. ADDITIONAL QUESTIONS

A. Have any lands within the Project Area ever been listed or registered with an offset project registry or program in the past?

If "yes," identify the registry or program and provide details on the issued credits below.

- ☒ Yes
☐ No

B. Have greenhouse gas emission reductions or removal enhancements associated with lands within the Project Area been credited or claimed for the purpose of greenhouse gas mitigation or reduction goals, whether in a voluntary or regulatory context?

If "yes," identify the registry or program and provide details on the issued credits below.

- ☒ Yes
☐ No

Registry/Program:	Reporting Period(s):	Vintage(s):	Number of Credits Issued:
Climate Action Reserve	4/22/2009 – 12/31/2009	2009	27,073
OPR Project ID:CAR645	1/1/2010 – 12/31/2010	2010	43,826
	1/1/2011 – 12/31/2011	2011	47,632
	1/1/2012 – 12/31/2012	2012	48,387

PART X. ATTACHMENTS

- A. If the answer to Part IV.A is "yes," provide documentation (e.g., deed of trust, title report, etc.) showing the OPO's ownership interest in the property and its interest in the trees and standing timber on the property. If the answer to Part IV.A is "no," provide documentation supporting the explanation of the OPO's right to undertake and list the project.
- B. If the answer to Part IV.C is "public," provide documentation demonstrating explicit approval of the offset project's management activities and baseline including any public vetting processes necessary to evaluate management and policy decisions concerning the offset project. ☒ N/A
- C. If a Qualified Conservation Easement (QCE) has been recorded, provide a copy. The listing information contained in this form and the documents attached to it will eventually be submitted to ARB so submitting a copy of the QCE as an attachment to this listing document fulfills the requirement in 9.1.1.1(18)(a) of the Compliance Offset Protocol U.S. Forest Projects, October 20, 2011 to provide ARB with a copy. ☒ N/A
- D. If the project is located on one of the categories of Tribal land listed in Part IV.E, provide documentation demonstrating that the land within the Project Area is owned by a tribe or private entity. Also provide documentation that demonstrates the existence of a limited waiver of sovereign immunity between ARB and the governing body of the Tribe entered into pursuant to section 95975(1) of the Cap-and-Trade Regulation. ☒ N/A
- E. Attach map(s) of the Project Area including:
1. Public and private roads
 2. Towns
 3. Major watercourses (4th order or greater), water bodies, and watersheds
 4. Topography
 5. Townships, ranges, and sections or latitude and longitude
 6. Existing land cover and land use (optional)
 7. Forest vegetation types (optional)
 8. Site classes (optional)
 9. Land pressures and climate zone/classification (optional)
 10. Historical land uses, current zoning, and projected land use within the Project Area (optional)
 11. A georeferenced shape file (or other electronic file that can be read in a geographic information system) that clearly identifies the Project Area and boundaries. *Note that the georeferenced shape file may constitute the required map if it includes the required map information listed above.*
- F. Provide supporting documentation demonstrating that the offset project takes places on land that has greater than 10 percent tree canopy cover.
- G. Attach a graph portraying the baseline onsite carbon stocks with time depicted on the x-axis and metric tons CO₂e depicted on the y-axis.
- H. Attach a diagram of the baseline incorporating all required carbon stocks.
- I. For projects on private lands ONLY: If the Project Area's initial above-ground standing live carbon stocks are below Common Practice, submit an affidavit testifying that the inventory depicted over the past 10 years (used to determine the High Stocking Reference for the Project Area) is reasonably accurate and a summary of volume harvested over the past 10 years. ☐ N/A

PART XI. ATTESTATIONS AND OPO/APD SIGNATURE

 Initial	I certify under penalty of perjury under the laws of the State of California the GHG reductions and/or GHG removal enhancements for			
	Project Name: Finite Carbon – The Forestland Group Champion Property IFM	from	Crediting Period Start Date: 01/01/2013	Crediting Period End Date: 12/31/2037
	to will be measured in accordance with the Compliance Offset Protocol U.S. Forest Projects, October 20, 2011, and all information required to be submitted to ARB is true, accurate, and complete.			
 Initial	I understand I am voluntarily participating in the California Greenhouse Gas Cap-and-Trade Program under title 17, article 5, and by doing so, I am now subject to all regulatory requirements and enforcement mechanisms of this program and subject myself to the jurisdiction of California as the exclusive venue to resolve any and all disputes arising from the enforcement of provisions in this article.			
 Initial	I understand that the offset project activity and implementation of the offset project must be in accordance with all applicable local, regional, and national environmental and health and safety laws that apply to the offset project location. I understand that offset projects are not eligible to receive ARB or registry offset credits for GHG reductions and GHG removal enhancements that are			

not in compliance with the requirements of the cap-and-trade program.	
In signing this form, I certify under penalty of perjury of the laws of California that the information contained in this form is true, accurate, and complete. I further certify that I am an Account Representative of the Offset Project Operator (OPO).	
SIGNATURE: <i>Kaarsten Turner Dalby</i>	PRINTED NAME: Kaarsten Turner Dalby
TITLE: Vice President, Ecological Services	DATE: 07/24/2014