

ATTACHMENT J

Usal Redwood Forest IFM Project

This analysis is provided per section 6.2.1.2 (1) of Version 3.2 of the Forest Project Protocol, and is designed to demonstrate that the baseline growth and harvest regime is financially feasible. This analysis is overly conservative given that the test is simply financial feasibility. If herbicide treatments, tree planting and logging costs were significantly increased, the analysis would still demonstrate that the baseline growth and harvest is financially feasible. Delivered log values are below trended values based on Board of Equalization values, yet still demonstrate financial feasibility.

Model Inputs:

Discount Rate	8.0%
Inflation	0.0%
Real price appreciation for delivered log values	0.0%
Yield Tax	2.9% MBF

Production Costs:

Item	Cost per acre	Quantity ¹	Total Cost	Cost per MBF
THP Preparation	\$100	47,979	\$ 4,797,924	\$24.61
Logging Supervision				\$7.00
Property Management				\$9.00
Logging and Hauling				\$375.00
Total				\$415.61

Herbicide Treatment of Hardwoods:

Period	Cost per acre	% of Acres Treated	Total Cost	Cost per MBF
1	\$ 200.00	65%	\$6,237,301	\$31.99
2	\$ 200.00	33%	\$3,166,630	\$18.51
3	\$ 200.00	20%	\$1,919,170	\$8.83
4	\$ 200.00	20%	\$1,919,170	\$7.83
5	\$ 200.00	20%	\$1,919,170	\$8.32
6	\$ 200.00	20%	\$1,919,170	\$8.40
7	\$ 200.00	20%	\$1,919,170	\$8.62
8	\$ 200.00	20%	\$1,919,170	\$8.26
9	\$ 200.00	20%	\$1,919,170	\$8.05
10	\$ 200.00	20%	\$1,919,170	\$8.34

Tree Planting: (\$1 per tree cost)

Period	Cost per acre	% of Acres Treated	Total Cost	Cost per MBF
1	\$ 150.00	50%	\$3,598,443	\$18.46
2	\$ 150.00	25%	\$1,799,222	\$10.52
3	\$ 150.00	20%	\$1,439,377	\$6.62
4	\$ 150.00	20%	\$1,439,377	\$5.87
5	\$ 150.00	20%	\$1,439,377	\$6.24
6	\$ 150.00	20%	\$1,439,377	\$6.30
7	\$ 150.00	20%	\$1,439,377	\$6.46
8	\$ 150.00	20%	\$1,439,377	\$6.20
9	\$ 150.00	20%	\$1,439,377	\$6.04
10	\$ 150.00	20%	\$1,439,377	\$6.26

CALCULATION OF PRESENT NET VALUE USAL REDWOOD FOREST TIMBERLANDS

Assumptions: Harvest levels are based on Baseline Harvest Scenario

Logging sytem mix estimated as 30% tractor, 70% cable.

Production costs per MBF are estimates based upon logging system mix.

0% Real price appreciation applied to delivered log values.

All calculations in constant dollars without inflation.

Discount Rate 8.0% Real.

	Annual Harvest Volume				Delivered Log Values per MBF				Production	Herbicide Treatment	Tree Planting	Yield	Net	Total	Present
Year	RW MBF	DF MBF	OC MBF	Totals MBF	\$ / MBF	\$ / MBF	\$ / MBF	Camprun \$ / MBF	Costs \$ / MBF	\$ / MBF	\$ / MBF	\$ / MBF	\$ / MBF	Net Value	Net Value
2009	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	2,991,520
2010	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	2,769,926
2011	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	2,564,746
2012	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	2,374,765
2013	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	2,198,857
2014	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	2,035,978
2015	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	1,885,165
2016	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	1,745,523
2017	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	1,616,225
2018	12,470	6,963	65	19,498	750.00	475.00	400.00	650.62	415.61	31.99	18.46	18.87	165.70	3,230,842	1,496,505
2019	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	1,068,279
2020	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	989,147
2021	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	915,877
2022	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	848,035
2023	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	785,217
2024	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	727,053
2025	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	673,197
2026	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	623,331
2027	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	577,158
2028	8,279	8,777	52	17,108	750.00	475.00	400.00	607.86	415.61	18.51	10.52	17.63	145.60	2,490,842	534,406
2029	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	363,081
2030	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	336,186
2031	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	311,284
2032	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	288,226
2033	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	266,876
2034	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	247,107
2035	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	228,803
2036	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	211,855
2037	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	196,162
2038	4,403	17,285	56	21,744	750.00	475.00	400.00	530.49	415.61	8.83	6.62	15.38	84.06	1,827,691	181,631
2039	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	155,395
2040	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	143,884
2041	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	133,226
2042	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	123,357
2043	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	114,220
2044	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	105,759
2045	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	97,925
2046	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	90,671
2047	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	83,955
2048	3,425	20,976	113	24,514	750.00	475.00	400.00	513.08	415.61	7.83	5.87	14.88	68.89	1,688,779	77,736
2049	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	89,741
2050	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	83,093
2051	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	76,938
2052	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	71,239
2053	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	65,962
2054	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	61,076
2055	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	56,552
2056	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	52,363
2057	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	48,484
2058	5,237	17,702	122	23,061	750.00	475.00	400.00	537.05	415.61	8.32	6.24	15.57	91.30	2,105,541	44,893
2059-2108															847,492
														Total	34,676,080