

RUBY CANYON ENVIRONMENTAL

&



Offset Verification Report
CAFR5315-CAR1215 CF Ataya IFM

Reporting Period:
September 1, 2020 – August 31, 2021

Prepared for:
Finite Carbon & CF Ataya

July 29, 2022

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1.0 Introduction

Ruby Canyon Environmental, Inc. (RCE) was contracted by Finite Carbon Corporation (Finite) to perform the verification of the CAFR5315-CAR1215 CF Ataya IFM project (Project) for the reporting period from September 1, 2020 to August 31, 2021 to the California Air Resource Board's (ARB) Compliance Offset Protocol for U.S. Forest Projects (November 14, 2014) (Protocol). RCE is an accredited verification body (H2-19-008) and this verification was conducted under the California Cap-and-Trade Program, Final Regulation Order: Article 5: California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (Regulation). The Project is currently listed on the Climate Action Reserve (Reserve), an ARB-approved Offset Project Registry (OPR).

RCE utilized FRST Corporation (FRST) as subcontractors to assist in the completion of this verification.

1.1 Project Background & Site Description

The Project entails improved forest management (IFM) on 81,408 acres located on privately-owned commercial timberland in Campbell and Claiborne counties in Tennessee, and Bell, Knox, and Leslie counties in Kentucky. The Project involves greenhouse gas (GHG) emission reductions from forest management by committing to stand improvements and low-intensity harvests in the Project area.

1.2 Responsible Party

Offset Project Operator (OPO) and Forest Owner

CF Ataya LLC

4245 N. Fairfax Dr, Suite 100 c/o Corp Legal

Arlington, VA 22203

Technical Consultant

Finite Carbon Corporation

435 Devon Park Drive, 700 Building

Wayne, PA 19087

1.3 Verification Team

The RCE verification team consisted of the following individuals:

Lead Verifier: Zach Eyler, RCE (H2-19-116)

Biometrician: Andrea Eggleton, FRST (ARB ID: H2-20-194, CA RPF ID:3003, SAF CF ID: 169646)

Professional Forester and Project Specialist: Christian Eggleton, FRST (ARB ID: H2-18-220, CA RPF ID: 3073)

Team Member: Tim Facemire, FRST (ARB ID: H2-20-248)

Independent Reviewer: Phillip Cunningham, RCE (ARB ID: H2-20-186)

1.4 Objectives

The goal of the verification activities was to ensure that the OPO's total reported GHG reductions are free of offset material misstatement (as defined in the Regulation §95802(a)(244)) and that the submitted Offset Project Data Report (OPDR) conforms to the requirements of the Protocol and Regulation.

1.5 Scope

The scope of the verification consisted of the following independent and objective activities:

- Review the Project documentation against the Verification Criteria listed in Table 1 and develop a verification plan and sampling plan
- Review the submitted OPDR
- Review Project ownership documentation
- Review Project eligibility
- Review data management and monitoring systems
- Check calculation results and methods to assess the correctness of the emission reductions from site prep and sequestration activities
- Desktop Verification Activities:
 - Review data management and monitoring systems
 - Check calculation results and methods to assess the correctness of the baseline and emission reductions claimed
 - Review records and additional documentation (permits, legal documentation, harvest support data, etc.)
 - Assess Project for compliance to the Protocol and the Regulation
 - Review Offset Project Data Report for compliance to the Protocol and the Regulation
- Submit requests for corrective actions, non-material findings, additional documentation and clarifications, as necessary, and document all items in the Issues Log; and,
- Issue an Offset Verification Report (OVR), Issues Log, and Offset Verification Statement (OVS) to Finite and the Reserve.

1.6 Verification Criteria

Table 1 – Verification Criteria

Criteria	Details
Standard of Verification	• Compliance Offset Protocol for U.S. Forest Projects (November 14, 2014) • Final Regulation Order, Subchapter 10 Climate Change, Article 5, Title 17, California Code of Regulations, Sections 95800-96022 (April 1, 2019)
Guidance Documents	• ARB Technical Guidance for Offset Verifiers Verification of Offset Project Data Reports (October 2013) • Compliance Offset Program for U.S. Forest Offset Protocol Frequently Asked Questions (October 29, 2013)
Level of Assurance	Reasonable assurance
Inventory Minimum Quality Standard	Inventory must pass the sequential sampling requirements found in Section 10 of the Protocol. Additionally, a confidence deduction must be determined and updated each time the Project is subject to verification.
Offset Material Misstatement (ARB)	A discrepancy, omission, misreporting, or aggregation of the three, identified in the course of offset verification services that leads an offset verification team to believe that an OPDR contains errors resulting in an overstatement of the reported total GHG emission reductions or GHG removal enhancements greater than 5 percent. Forest Projects are not eligible to receive a qualified positive verification statement.

2.0 Verification Activities Summary

As the first step in verification activities, RCE developed a verification plan (Appendix A) to be followed throughout the verification. The verification plan consisted of the following activities:

- RCE submitted the original COI and NOVS forms to the Reserve, ARB and the OPO on November 18, 2021. The Reserve approved the forms on November 30, 2021. RCE submitted revised forms during the verification process.
- RCE held a verification kickoff meeting on December 8, 2021. This meeting was the start of verification activities. During the kickoff meeting, RCE reviewed the verification objectives, verification process, and the verification schedule. This meeting was attended by:
 - Ruby Canyon Environmental:
 - Zach Eyler
 - FRST:
 - Christian Eggleton
 - Finite:
 - Stephen Purvis
 - The Nature Conservancy (OPO)
 - Greg Meade
- The Verification Team performed a strategic review and risk assessment of the received data and support documents to understand the scope and areas of potential risk in the GHG emissions reductions. Specifically, the Verification Team determined the following risks:

Table 2 – Risk Identification

#	Identified areas of risk:	Qualitative narrative for reason that risk exists	Level of Risk (high, med, low)
1	Data acquisition equipment	Risk is more related to human error/inconsistencies in using measuring equipment (clinometers/ dbh tape, etc.) than in the equipment itself.	Medium
2	Data sampling and frequency	Plot data must be updated on a 12-year basis.	Low
3	Data processing and tracking	Data tracking is complex and involves several steps. Info taken by hand in electronic devices or on paper, transferred into databases and excel, which is transformed into CO2 data through FVS and query calculations	Medium
4	Project baseline and annual GHG emissions, GHG reductions, and GHG removal enhancement calculations	Were calculations performed according to Protocol equations?	Medium
5	Data reporting	Has the project provided all the required documentation for verification to the OPR and ARB?	Low
6	Nat. forest mgmt. requirements	Must meet NFM requirements provided in protocol.	Low

7	Sustainable harvest requirements	Forestry only. Harvests are ongoing, must meet SFM.	Low
8	Management policies or practices in developing Offset Project Data Reports	Does the report contain any material misstatements? Does it contain all required sections?	Medium
9	Regulatory Compliance	Were there any violations during the reporting period?	Low

- Pursuant to §95977.1(b)(3)(G)(2) of the Regulation, the Verification Team developed a ranking of GHG emissions sources, GHG sinks, and GHG reservoirs (SSRs) within the offset Project boundary by percent contribution to total CO₂e emissions, GHG reductions, and GHG removal enhancements. The Verification Team also ranked GHG emissions sources, GHG sinks, and GHG reservoirs by calculation uncertainty. RCE used these rankings to target areas for document reviews and data checks. The methods of the reviews and checks were noted, and the information analyzed was summarized in the sampling plan. The full SSR table in the sampling plan can be found in Appendix B.
- Pursuant to §95977.1(b)(3)(G) of the Regulation, RCE developed a risk-based sampling plan based upon the strategic review and risk assessment. The verification plan and sampling plan were used throughout the verification and were revised as needed based upon additional risk assessments.
- The Verification Team reviewed a variety of documents and files provided by Finite throughout the verification process. These documents were provided at the start of verification activities or were provided to RCE in response to items noted in the Issues Log. All documents and files reviewed by the Verification Team as part of the verification can be found in Appendix C. RCE retains sampling plans for a minimum of 15 years, per §95977.1(b)(3)(K) of the regulation.
- Pursuant to §95977.1(b)(3)(D)(2)(f) of the Regulation, the Verification Team performed a comprehensive desk review of the submitted verification documents and relevant regulations and to confirm that the Project complied at all times with all local, state, or federal environmental regulatory requirements, including health and safety regulations.
- Pursuant to §95977.1(b)(3)(L), the Verification Team performed data checks (more detail on data checks performed is provided in following report sections). The minimum data checks pursuant to section 95977.1(b)(3)(L)(3) were completed.
- Pursuant to §95977.1(b)(3)(O) and §95977.1(b)(3)(M) of the Regulation, the Verification Team submitted corrective action requests (CARs), non-material findings (NMs), additional documentation requests (ADRs) and clarification requests (CRs) to Finite as necessary throughout the verification and all requests are documented in the Issues Log.
- Pursuant to §95977.1(b)(3)(R)(2) of the Regulation, RCE's Independent Reviewer conducted a review of all verification activities, verification sampling, data checks, verification Issues Log, OVR, and OVS. The Independent Reviewer maintained independence from the offset verification services prior to conducting the review.
- The Verification Team produced a final OVR and OVS.
- Pursuant to §95977.1(b)(3)(D)(4)(d) of the Regulation, RCE held a verification exit meeting with OPO/TC, via conference call.

3.0 Project Overview

3.1 Assessment of the GHG Reduction Project Operations

The Project is an IFM project on 81,408 acres on privately-owned commercial timberland in Campbell and Claiborne counties in Tennessee, and Bell, Knox, and Leslie counties in Kentucky. IFM Projects involve management activities that maintain or increase carbon stocks on forested land relative to baseline levels of carbon stocks. The Project area is a mix of hardwood and conifer species including eastern white pine, eastern hemlock, red maple, red/white oak, and other mixed conifers. The Project area comprises two supersections: Allegheny & North Cumberland Mountains – Assessment Areas: Cove Forest (2,432.54 ac.), Mixed Hardwoods (14,273.61 ac.), Northern Hardwoods (11,747.81 ac.), Oak-Hickory (16,951.13 ac.), & Mixed-Pine Hardwood (14,758.42 ac.), and supersection: Eastern Broadleaf Forest Cumberland Plateau & Valley – Assessment Areas: Cove Forest (3,037.16 ac.), Mixed Hardwoods (5,284.77ac.), Northern Hardwoods (7,999.61 ac.), Oak-Hickory (1,187.95 ac.), & Oak Pine (3,735.20 ac.)

3.2 GHG Project Boundary (sources, sinks and/or reservoirs)

GHG emission reductions for the Project are quantified by comparing actual onsite carbon stocks against modeled baseline onsite carbon stocks and baseline carbon in harvested wood products. The difference in these Project and baseline carbon stocks year over year is the basis for calculating the Project's primary goal of maintaining and enhancing forest GHG pools. Secondary effects made up of un-intentional GHG emissions from the Project (e.g. harvest leakage to non-Project lands) are also taken into account. Net GHG reductions and removals for each year are the sum of the Project's primary and secondary effects.

According to the Protocol, carbon dioxide (CO₂) is the only GHG considered within the boundary for the baseline and Project activities. Table 3 lists the sources of GHG emissions that RCE confirmed during the verification of the Project as required by the Protocol and §95977.1(b)(3)(D)(2)(a) of the Regulation.

Table 3 – Project GHG Sources, Sinks, and Reservoirs for IFM Projects

Activity	GHG Sources, Sinks & Reservoirs
Baseline	• IFM-1: Modeled standing live carbon (CO₂) in all portions of living trees. • IFM-3: Modeled standing dead carbon (CO₂) in all portions of dead, standing trees. • IFM-7: Modeled estimates of carbon (CO₂) in in-use forest products (100-yr average). • IFM-8: Modeled estimates of carbon (CO₂) from forest products stored in landfills (100-yr average). • IFM-17: Biological emissions from decomposition of forest products.
Project	• IFM-1: Measured standing live carbon (CO₂) in all portions of living trees. • IFM-3: Measured standing dead carbon (CO₂) in all portions of dead, standing trees. • IFM-7: Estimates of carbon (CO₂) in in-use forest products (100-yr average). • IFM-8: Estimates of carbon (CO₂) from forest products stored in landfills (100-yr average). • IFM-14: Biological emissions from changes in harvesting on forestland outside the Project area (default 20% leakage). • IFM-17: Biological emissions from decomposition of forest products.

3.3 Project Type – Improved Forest Management

The Project meets the definition and requirements of an IFM Project as specified in the Protocol, Section 2.1.2. It meets the requirements because:

1. The Project takes place on land that has greater than 10 percent canopy cover.
 - a. This was verified through on-site reconnaissance during the site visit for a previous reporting period, through remote sensing data, GIS analysis and inventory data.
2. The Project employs natural forest management practices, as defined in Section 3.8.2 of the Protocol.
 - a. See Sections 4.6 and 4.7 of this report for documented verification of this requirement.
3. The Project does not employ broadcast fertilization.
 - a. Finite has attested to this in the Listing Form. Further, the Verification Team witnessed no evidence of broadcast fertilization during the site visit for a previous reporting period.
4. The Project does not take place on land that was part of a previously listed and verified forestry offset project.
 - a. RCE/FRST confirmed this through discussions with Finite and the listing form.
5. The Project correctly transitioned from early action to ARB;
 - a. Not applicable, the Project was not an early action project.

4.0 Eligibility Rules and Other Requirements

The Protocol specifies eligibility rules and other requirements that a Forest Project must meet in order to register reductions with ARB: Additionality, Offset Project Commencement, Project Crediting Period, Project Life and minimum Time Commitment, Project Location, Regulatory Compliance, Sustainable Harvesting Practices, and Natural Forest Management. The Project meets all the rules specified in the Protocol. Below is a summary of the Project's compliance to each requirement.

4.1 Additionality

IFM projects are considered additional if they meet the legal requirement and the performance tests. The Legal Requirement Test requires that forest Projects achieve GHG reductions and removals beyond those that would result from state, federal or local laws, regulations and ordinances. There are no legal requirements for activities that maintain or enhance forest carbon stocks in Tennessee or Kentucky. By passing the Protocol's legal requirement test, the Project also meets the regulatory additionality requirements pursuant to §95973(a)(2)(A) of the Regulation.

The Performance Test requires all IFM Projects to achieve GHG reductions and removals beyond those resulting from "business as usual" activities defined in the Protocol. Under the Protocol, all IFM Projects that meet the requirements for baseline estimation pass the performance standard test. This Project meets the Protocol baseline estimation requirements (see Section 6.1 of this report), so the Project passes the performance test.

4.2 Offset Project Commencement, Crediting Period and Project Life

The Project commencement date is October 28, 2015, when Project listing information was submitted.

The Project crediting period is 25 years following the initial reporting period start date. Therefore, the crediting period is October 28, 2015 – October 27, 2040.

4.3 Project Location and Project Area

RCE/FRST verified that the Project is located on private lands owned by the OPO. RCE/FRST confirmed that the Project is not located on tribal or federal lands. RCE/FRST also reviewed maps submitted to the OPR as part of the Application for Listing documentation to confirm that the maps provided meet Protocol requirements.

4.4 Regulatory Compliance

Section 3.7 of the Protocol and §95977.1(b)(3)(D)(2)(f) of the Regulation require that all Projects follow applicable laws during all periods for which they attempt to claim credit. RCE confirmed that the Project received no violations during the reporting period through a review of EPA ECHO database (include the Clean Water Act). Additionally, RCE/FRST contacted the Kentucky and Tennessee state agencies to confirm the Project has no known issues of non-compliance and employs best management practices.

4.5 Forest Owner & OPO

The owner/OPO for this Project changed during the previous RP verification. RCE confirmed the new forest owner CF Ataya LLC has the authority to act as the OPO.

4.6 Sustainable Harvesting Practices

The Protocol requires that, at the time commercial harvesting is either planned or initiated within a Project area, that the Project meets certain sustainable harvest requirements. The verification team confirmed that all harvesting performed during the reporting period was conducted in accordance with third party certification under the Forest Stewardship Council (FSC), in accordance with the Protocol. The OPO's FSC certification for the Project area covers the time period July 5, 2019 – March 9, 2023.

4.7 Natural Forest Management

The Protocol requires that all Projects promote and maintain a diversity of native species and utilize management practices that promote native, natural forests diverse in structure, species composition and age class.

RCE/FRST confirmed that the Project meets the native species requirement that forest projects must consist of at least 95% native species based on a review of the inventory tree list. Additionally, RCE/FRST confirmed the Project has met the requirement that no single species exceeds the "Species Diversity Index" value.

RCE/FRST confirmed that the Project meets the "Distribution of Age Classes/Sustainable Management" requirement in Table 3.2 of the Protocol through third party certification as discussed in section 4.6 of this report.

RCE/FRST confirmed that the Project meets the requirement for age distribution during the site visit for a previous reporting period and aerial imagery, as well as a review of the age class analysis provided by Finite.

Finally, RCE/FRST confirmed that the Project meets the requirements for diversity of natural structural elements across the forested landscape, manifested by maintaining sufficient levels of standing and lying dead wood. The standing dead-wood mass for the Project is 0.70 metric TC per acre, which is 1.9% of live carbon stocks and therefore does not meet the minimum standard. Management plans for the property include the goal of increasing standing dead wood over time, in compliance with the Protocol requirement to demonstrate progress toward an average of 1 ton of C, or 3.664 tons of CO₂e, per acre in standing dead

wood. The Project intends to accomplish the target by limiting the removal of snags during harvest and maintaining large downed woody debris. Large woody debris and standing dead wood were observed in harvested areas during the site visit for a previous reporting period. Additionally, it is stated in the OPDR form, “the project will ensure that structural elements are retained in sufficient quantities throughout the project life by continuing to implement project activities that do not include the active harvest or removal of standing or lying dead wood. Structural elements are incorporated into management planning.”

4.8 Balancing Age and Habitat Classes

RCE/FRST confirmed that the Project area meets the requirements of COP 3.8.4 including even-aged silvicultural practices on stands <40 acres except for those affected by disturbance.

5.0 Interviews

RCE and FRST held several interviews with Finite throughout the verification process. Discussions included an overview of their data management system, their inventory calculations, and modeling, pursuant to §95977.1(b)(3)(D)(2)(b) and §95977.1(b)(3)(D)(2)(c) of the Regulation. These overviews enabled the Verification Team to undertake an independent review of their modeling procedure, inventory process and calculations.

6.0 Quantitative Review of Emission Reductions/Removals Enhancements Assertion

Pursuant to §95977.1(b)(3)(L) of the Regulation, several elements of the Project were reviewed by RCE/FRST to ensure Project compliance with the Protocol’s guidance for determining emission reduction and removal enhancements. The primary components of this review are inventory updates, harvest volume and sustainable harvesting practices, inventory carbon calculation review, review of the risk of reversal rating, assessment of GHG emission reduction calculations, and the assertions made in the OPDR. Each of these elements is reviewed below.

6.1 Baseline Modeling

The baseline modeling was not reviewed in this verification.

6.2 Inventory & Modeling Updates

RCE/FRST reviewed the OPO/TC growth model to confirm the current reporting period carbon stocks. During discussions with the OPO/TC, RCE/FRST confirmed there was no new plot data in the inventory, and during sampling confirmed consistent plots and trees from a previous reporting period.

6.3 Actual Harvested Wood Product

The current reporting period harvesting was confirmed through a review of the load accounting spreadsheet provided by Finite and inspection of a sample of scale tickets.

6.4 On-site Inventory Verification Check

The current reporting period was a desk review only and did not include a site visit.

6.5 Inventory and Calculation Review

RCE and FRST conducted a risk-based review of the Project inventory and emission reduction calculations to ensure conformance with Protocol requirements and agreement with emission reductions/removals reported in the OPDR. Tree volumes are converted to biomass and carbon CO₂ equivalents based on the suite of equations provided by ARB or separately approved by ARB in cases where equation documentation/versioning varies. RCE/FRST confirmed that the baseline values, as verified in the initial verification, for all carbon stocks were used for this reporting period.

RCE and FRST confirmed proper calculation of inventory sampling error (4.62% at the 90% confidence interval), requiring no confidence deduction.

6.7 Project Reversal Risk Rating

RCE and FRST reviewed the eight individual types of risk identified in the Protocol; ensuring the correct default or assessment area-specific factors were applied and then recalculated the Project's reversal risk rating. RCE/FRST confirmed the Project's use of 19.24% reversal risk rating.

6.8 Assessment of GHG Emissions Reductions Calculation

Pursuant to §95977.1(b)(3)(L) of the Regulation, RCE/FRST used data checks to ensure that the appropriate methodologies and GHG emission factors were applied in calculating the Project baseline and annual GHG emissions, Project emissions, and GHG reductions. RCE/FRST's emission reduction calculations assessment included a check of the inputs into the OPDR. RCE and FRST confirmed that Finite appropriately filled out the worksheet based on its baseline and Project calculations for all required pools. RCE/FRST separately recalculated the total GHG emission reductions and compared the results to Finite's calculations. See Appendix D for recalculations. RCE and FRST found one discrepancy that was due to rounding and was not a correctable error. RCE and FRST conclude that the OPDR is free of any Offset Material Misstatement.

RCE/FRST Recalculations

Total emission reductions/removals confirmed: 105,889 tCO₂e

Buffer Pool Contribution: 20,373 tCO₂e

Net emission reductions: 85,516 tCO₂e

% Error = $([\sum \text{Discrepancies} + \sum \text{Omissions} + \sum \text{Misreporting}] \times 100\%) / \text{Total Reported Emission Reductions and Removal Enhancements}$

% Error = $[3 + 0 + 0] \times 100\% / 105,892 \text{ tCO}_2\text{e} = \mathbf{0.00\%}$

6.9 Offset Project Data Report

RCE confirmed that the OPDR was submitted by Finite within four months after the end of the reporting period. During the verification, Finite submitted multiple updates to the originally submitted OPDR. RCE reviewed the Listing Form and final version of the OPDR to confirm its accuracy.

7.0 Issues Log

During the verification process, RCE/FRST submitted corrective action requests (CARs), additional documentation requests (ADRs), and clarification requests (CRs) to Finite. Finite sufficiently addressed all items and the details of the requests are documented in the Issues Log shown in Append E.

8.0 Conclusion

RCE conducted a risk-based analysis of the CAFR5315-CAR1215 CF Ataya IFM project including a strategic review of the Project data and evidence. Based upon the processes and procedures and the evidence reviewed, RCE concludes with a reasonable level of assurance that the Project emission reductions resulting from the Project activities during the reporting period from September 1, 2020 through August 31, 2021, are:

- In conformance with the ARB's Compliance Offset Protocol for U.S. Forest Projects (November 14, 2014)
- In conformance with Final Regulation Order, Subchapter 10 Climate Change, Article 5, Title 17, California Code of Regulations, Sections 95800-96022,
- Without Offset Material Misstatement, and
- Verified to a reasonable level of assurance.

Table 4 – GHG Reductions & Removal Enhancements (tCO₂e)

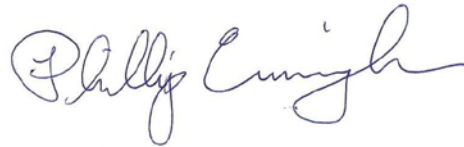
Reporting Period	Total GHGs
September 1, 2020 - August 31, 2021	105,892

Lead Verifier Signature



Zach Eyler

Independent Reviewer Signature



Phillip Cunningham

Appendix A – Verification Plan

CAFR5315-CAR1215 CF Ataya IFM

Verification Sampling Plan for Reporting Period 9/1/2020 – 8/31/2021

<u>Timing of Offset Verification Services</u>	<u>Proposed Date</u>
Contract award	11/3/2021
Submit COI and NOVS forms to OPR/ARB	11/18/2021
Planning meeting	12/8/2021
Site visit	N/A
Provide Issues Log to OPO/TC	Early February 2022
Complete Issues Log	Late July 2022
Provide draft deliverables to OPO/TC	Late July 2022
Final meeting and submittal of deliverables to OPR/ARB	Late July 2022

<u>Information Requirement</u>	<u>Information Provided by the OPO/APD/TC</u>
Information to allow the offset verification team to develop a general understanding of offset project boundaries, operations, project baseline emissions, and annual GHG reductions and GHG removal enhancements	OPDR and all supplemental documentation.
Information regarding the training or qualifications of personnel involved in developing the Offset Project Data Report	Discussed background of Finite staff during planning meeting.
The name and date of the Compliance Offset Protocol used to quantify and report project baselines, GHG reductions, GHG removal enhancements, and other required data as applicable in the Compliance Offset Protocol;	US Forest Projects, 2014
Information about any data management system, offset project monitoring system, and models used to track project baselines, GHG reductions, GHG removal enhancements, and other required data as applicable in the Compliance Offset Protocol.	OPDR and all supplemental documentation.

Pre-Engagement	
RCE Management has completed and signed the V&V team selection form	Complete

Complete the Evaluation of Conflict of Interest for Offset Projects form and submit to Offset Project Registry	Complete
Individual COIs for all team members (and subcontractors) are in the folder for this client	Complete
Save COI-Determination letter and or renewal email received from the OPR/ARB	Complete
Send the Notice of Offset Verification Services form to the OPR and ARB at least 30 days prior to beginning verification	Complete
Non-Disclosure Agreement (NDA) - execute agreement (Both parties agree to the NDA)	N/A
Create Verification Service Agreement (VRSA)	
The original proposal is included as an exhibit with the correct scope of work defined in the Assumptions table.	Complete
Both parties agree to and sign the VRSA	Complete
Planning meeting and required documents	
OPDR has been uploaded to the Registry website	Complete
Planning meeting agenda sent to client	Complete
Verification Process Overview (with terms and definitions table correctly completed)	Complete
Team Roster	Complete
Schedule provided to client	Complete
Request data and supporting documentation (if applicable)	Complete
Verification Plan and Sampling Plan	
Created sampling plan based on the project assumptions	Complete
Ranking of GHG emission sources, GHG sinks, and GHG reservoirs	Complete
Qualitative narrative of uncertainty risk assessment	Complete
Identification of sources, sinks, and reservoirs targeted for document reviews and explanation of why they were chosen	Complete
Summary of information analyzed in data checks and document reviews	Complete
Samples identified in the sampling plan	Complete
Data checks	Complete
Verification of GHG assertion with any discrepancies identified and percent error calculated	Complete
Approved and protected by the Lead Verifier	Complete
Issues Log	
All Corrective Actions are closed or the status is marked appropriately	Complete

All Clarifications are addressed	Complete
All document requests are received	Complete
Verification Documents	
Issue Verification Report and Statement	Complete
Emission totals match in Report and Statement	Complete
Report and Statement signed by both Lead Verifier and Internal Reviewer	Complete
Independent Review	
Mandatory items approved and all findings closed by the Senior Reviewer	Complete

Appendix B – SSR Ranking and Review

SSR #	SSR Description	Ranking and Reason	Ranking for Uncertainty	Selected for Document Review	Selected for Data Checks/Calc Review	Method	Summary of Review	Quantity of Data Reviewed	Documents Reviewed	Discrepancies Identified	Discrepancy Description & Reason
IFM Reservoir											
IFM - 1	Standing live carbon in all portions of living trees	#1 This SSR generates the majority of project emission reductions (~97.6%) and presents permanence risks.	1	Yes	Yes	Recalculate carbon from raw tree lists and FVS growth projections. Use Appendix C calculations for onsite stock updating since plots were not updated.	All tree calculations concurrent between verifier and OPO.	All live trees	Calculation workbooks	Yes	Small difference due to rounding.
IFM - 3	Standing dead carbon in all portions of dead, standing trees	#2 This SSR can be significant based on forest type (~2%)	2	Yes	Yes	Recalculate carbon from raw tree lists and FVS mortality/fall down projections. Use Appendix C calculations to conservatively reduce IFM-3 even though there is supposedly no dead tree harvest (this is a conservative approach was reviewed in IL ADR 3 for RP3).	Concurrence between OPO and verifier for all calcs.	All snags recalculated	Calculation workbooks	Yes	Small difference due to rounding.
IFM - 8	Forest product carbon in landfill	#4 This SSR is related/proportional to harvest levels (<1%)	4	Yes	Yes	Included only in years when actual harvest level > baseline harvest levels. Check application of equation C.2 in conjunction with storage factors in table C.3	Concurrence between OPO and verifier for all calcs.	All product calculations	Calculation workbooks	Yes	Small difference due to rounding.
IFM - 7	Carbon in in-use forest products	#4 This SSR is related/proportional to harvest levels (<1%)	4	Yes	Yes	Check application of equation C.1 in conjunction with storage factors from table C.2	Concurrence between OPO and verifier for all calcs.	All product calculations	Calculation workbooks	Yes	Small difference due to rounding.
Sources											

IFM - 14	Biological emissions/removals from changes in harvesting on forestland outside the Project Area.	#3 This SSR was not a significant source for this RP (<1%)	3	Yes	Yes	Estimated using a default 20% "leakage" factor applied to the difference in harvest volume relative to baseline.	Concurrence between OPO and verifier for all calcs.	All calculations in ARBOC sheet	Calculation workbooks	None	N/A
Sinks											
N/A											

Appendix C – Documents/Files Reviewed

#	Document	Reviewed By	Reviewed At
1	CAR1215 RP5 Annual OPDR - multiple versions	Verification team	Desk Review
2	CAR1215 RP5 Monitoring Calc Workbook - multiple versions	Verification team	Desk Review
3	CAR1215 RP5 OPDR Worksheet Calculations - multiple versions	Verification team	Desk Review
4	CAR1215_RP5_GIS_20220726.mdb	Verification team	Desk Review
5	CAR1215_RP5_Verified_Harvest_Report - multiple versions	Verification team	Desk Review
6	Carbon Ticket Request_Ataya_2-8-22.pdf	Verification team	Desk Review

Appendix D – Recalculations

Calculating GHG Reductions/Removals for Onsite Carbon Stocks - All Project Types	OPO/TC	RCE/FRST
Sampled Onsite Carbon Stocks (metric tons CO ₂ e)	11,285,165	11,285,160
Confidence Deduction	0.0%	0.0%
Adjusted Sampled Onsite Carbon Stocks (adjusted for confidence deduction) (metric tons CO ₂ e)	11,285,165	11,285,160
Soil Carbon Emissions	-	-
Increment in Actual Onsite Carbon Stocks (metric tons CO ₂ e)	159,745	159,740
Baseline Onsite Carbon Stocks (metric tons CO ₂ e)	7,253,993	7,253,993
Increment in Baseline Onsite Carbon Stocks (metric tons CO ₂ e)	-	-
Quantified GHG Reductions / Removals for Onsite Carbon Stocks (metric tons CO ₂ e)	159,745	159,740
Calculating Carbon Stored in Wood Products Including Market Effects and Leakage - All Project Types		
Actual Carbon in Trees Harvested for Wood Products (metric tons CO ₂ e)	151,011	151,013
Baseline Carbon in Trees Harvested for Wood Products (metric tons CO ₂ e)	310,874.67	310,875
Actual Carbon in Harvested Wood Delivered to Mills (metric tons CO ₂ e)	67,960	67,962
Baseline Carbon in Harvested Wood Delivered to Mills (metric tons CO ₂ e)	139,905.15	139,905
Actual Carbon Stored Long-term in Wood Products (tonnes CO ₂ e) - Excl Landfill	11,025	11,025
Actual Carbon Stored Long-term in Wood Products (tonnes CO ₂ e) - Incl Landfill	25,834	25,835
Baseline Carbon Stored Long-term in Wood Products (tonnes CO ₂ e) - Excl Landfill	22,697	22,697
Baseline Carbon Stored Long-term in Wood Products (tonnes CO ₂ e) - Incl Landfill	53,183	53,183
Diff Between Actual and Baseline Carbon in Harvested Wood (tonnes CO ₂ e) - Excl Landfill	(11,672)	(11,671)
Difference Between Actual and Baseline Carbon in Harvested Wood (tonnes CO ₂ e) - Incl Landfill	(27,349)	(27,348)
Difference in Actual and Baseline Carbon Stored in Wood Products (tonnes CO ₂ e) - Landfill Adj	(27,349)	(27,348)
GHG Reductions / Removals for Carbon Stored in Wood Products (tonnes CO ₂ e) w/ mkt response	(21,879)	(21,879)
Calculating Other Secondary Effects - Improved Forest Management Projects		
Difference Between Actual and Baseline Carbon in Trees Harvested for Wood Products (tonnes CO ₂ e)	(159,864)	(159,861)
Other Secondary Effects Emissions (shifting activities/materials) IFM Projects (tonnes CO ₂ e)	(31,973)	(31,972)
Quantified GHG Reductions and Removals		
Annual GHG Reductions/Removals Net of Discounts and Secondary Effects (tonnes CO ₂ e)	105,893	105,889
Cumulative GHG Reductions/Removals; <u>not</u> incl. neg. carryover or reversals (tonnes CO ₂ e)	3,692,295	3,692,291
Cumulative Negative Carryover from Prior Year (tonnes CO ₂ e)	0	0
ARBOCs Issued - <u>Net</u> of Negative Carryover, <u>bef.</u> Buffer or adjust for Reversals (tonnes CO ₂ e)	105,892	105,889
Calculation of Buffer Pool Contribution		
Project Specific Reversal Risk Rating	19.24%	19.24%
Buffer Pool Contribution	20,374	20,373
Accounting for Reversals		
Annual Reversals (metric tons CO ₂ e)	0	0
Total "Intentional Reversals" to be compensated by the OPO (metric tons CO ₂ e)	0	0
Compensating for Intentional Reversals		
"Intentional Reversals" compensated by retirement of Offset Credits in the OPO's CITSS Account (metric tons CO ₂ e)	0	0
Carryover "Intentional Reversals" which need to be compensated by OPO (metric tons CO ₂ e)	0	0
Offset Credits Issued to Offset Project Operator		
Annual Offset Credits Issued to Offset Project Operator (metric tons CO ₂ e)	85,518	85,516

Appendix E – Issues Log

Corrective Action Request, Non-Material Finding, Additional Documentation Request, or Clarification Request ID#	Finding	Section of Regulation or COP	Offset Material Misstatement (OMM) or Conformance (C)	OPO/APD response	RCE response	Additional OPO/APD response	Additional RCE Response	Open or Closed
CAR 1	Please update the Hignite Hollow salvage area (red hatch) to account for mining expansion. Please see the screenshot to the right with imagery from 8/22/21.	COP 2.1.2(1)	C	The Area around the hignite hollow area to the north where mining has expanded to has been updated within the project area gis. A new worksheet calculations has been uploaded for your review with the relevant changes	Confirmed. Thank you for the update.			Closed
Note: Non-material findings in aggregate are <3% error.								
NM 1								
ADR 1	Please see the selection of trip tickets requested for verification by filtering column U on the second tab below.	COP 10.2.2(1.)(g.)	C	The trip tickets have been provided for your review.	The sample of scale tickets has been verified with the harvest report. This item may be closed.			Closed
ADR 2	The Leach Mountain 2 is not identified in GIS data from a previous RP; please provide spatial delineation of this harvest in order to check the requirements of COP 3.8.4.	COP 3.8.4	C	The GIS has been updated to include the Leach mountain 2 Harvest unit. Updated worksheet calculations has been provided that reflect the area within the worksheet.	It does not appear this harvest has been added to the GIS.	GIS has been corrected. Harvest units were review for RP5 and any duplicate polygons were removed.	Confirmed. This item may be closed.	Closed
CR 1	During the RP4 verification it was discussed in CR 1 that salvage volume would not contribute to the depletion of carbon stocks, since these acres are stratified as a non-forest stratum. Please update/clarify the inclusion of the volume reported for the Hignite Hollow 2 salvage and confirm that this is the same area delineated in the RP4 GIS as Hignite Hollow Salvage Addendum.	COP 10.2.2(1.)(g.)	C	The Salvage volume has been omitted from the depletion of carbon stock acres for the Hignite Hollow 2 salvage unit. Updated documents have been provided. Hignite Hollow 2 salvage area the same as Hignite Hollow salvage and Hignite Hollow salvage addendum as reported within RP4.	This can be verified once the GIS items are sorted out.	The updated GIS has been provided to aide in closing this issue.	Confirmed. This item may be closed.	Closed
CR 2	To account for a reduction in onsite stocks due to harvesting, whole-tree carbon from HWP's in the respective RP is essentially subtracted from onsite stocks. Please clarify how this accounts for the removal/cutting of submerchantable material that is not quantified in the HWP's.	App. C	C	Sub merchantable trees are not actively removed during harvest as it cannot be sold by the OPO. Therefore this volume remains on site and is not quantified as part of the removals during harvest	Thank you for the explanation. This item may be closed.			Closed
CR 3	It was clarified in the RP4 Issues Log that harvests that appear in the current harvest report but not identified in the current GIS are from harvests that are represented by areas delineated during previous RPs. This has been confirmed this reporting period as well for Clay Gap, Hignite Hollow 2 Salvage, Leach Mountain, and Mingo Mountain. These harvest areas were confirmed to meet the requirements of COP 3.8.4 (except the salvage, see CR 1) during the RP4 verification. However, Trace Ridge is found in the GIS, but not in the harvest report. Is this sale missing from the harvest report?	COP 10.2.2(1.)(g.)	C	The trace ridge harvest is a lump sum sale thus no scale tickets are associated with the harvest. The sale volume has been added to the verified harvest report and associated documents updated to reflect the additional harvest volume.	Thank you for the information including the cruise report. This item may be closed.			Closed
CR 4	Please confirm no harvested wood was used for the creation of biomass energy or otherwise immediately emitted.	Appendix C	C	No wood was harvested and used for the creation of biomass energy.	Thank you for the confirmation. This item may be closed.			Closed
CR 5	Please clarify the actions taken to implement the project's monitoring plan for this reporting period.	COP 8.1	C	This property is being commercially managed on a day to day basis by a large scale industrial timber company that employs a team of foresters and professionals to track and employs management on the property that could impact carbon stocks. This includes events such as harvesting and other disturbances. All information is stored at the OPO level. Once the reporting period ends an annual update is provided to the OPO by the APD requesting the relevant data sets and inquiring all necessary gis datasets and information.	Thank you for the explanation. Please add clarity to "large scale industrial timber company," since the project is owned by TNC.	TNC is a large conservation group whose mission is to solve climate change and biodiversity loss that impacts conservation in more than 70 countries and territories. As part of that mission they manage numerous carbon projects. These are large scale projects encompass more than 81,000 acres of forested timberland. These projects employ harvesting selling timber to 3rd party mills and require a team of individuals to oversee the operations. This makes them a large scale timber company but their main focus is conservation and solving climate change and biodiversity loss.	Thank you for the explanation. This item may be closed.	Closed
CR 6	Please identify the Professional Forester that has overseen all reports that reference carbon stocks.	COP 9.1	C	Timothy Mcabee (CF #3789) is the professional forester that has overseen all reports that reference carbon Stocks.	Tim confirmed in the SAF database 7/25/22. This item may be closed.			Closed
CR 7	Please see the questions related to some harvest data entries on the next tab by filtering Column T.	COP 10.2.2(1.)(g.)	C	The Molpus Ataya RP5 project reporting period is 09/01/2020-08/31/2021. Trip ticket 50126571 on line 4297 of the RP5_Harvest Volume Raw data tab associated within this spreadsheet has a load date of 8/30/2021 and therefore falls within the reporting period. Scale ticket 50126646 falls on 09/01/2021 and therefore does not fall within the reporting period. The 34.33 tons of HWPW tons has been removed from the verified harvest report and associated documents have been uploaded for your review.	It has been confirmed that the load dates after 8/31/21 are removed. For clarity, this is actually 8 loads totaling 269.82 tons and confirmed in CAR1215_RP5_Verified_Harvest_Report_v1.1.xlsx. Please address the rows on the next tab where the question is "Why is attribute "HPW TONS" but HWP "Sawtimber"?"	The rows labeled "Why is attribute "HPW Tons" but HWP "Sawtimber"?" was a function of the QA/QC procedure when formulating into ARB product categories. If you note on the Product column I you will see the variables PAL or BPM PAL. These denote Pallet Logs as they are cut to dimensional lumber used for pallets and thus are sawtimber products. The HPW was originally assigned as the unit of measure for these products are tons but further review showed the product is actually Sawtimber upon further inspection. The volume within the verified harvest report denotes they are indeed sawtimber. I have updated the report to avoid confusion and uploaded the new version to the Vaultrooms.	Thank you for the explanation. This item may be closed.	Closed

CR 8	Please clarify the following regarding the updated spatial information: 1) Why was the data for "Harvest_Report_Period" removed where Treatment = "Retention?" Please add this back in in order to verify the consistency of harvest depletion from past RPs to this RP. 2) Why was the Treatment removed from all RP5 harvests? Please add this back in. 3) Please add Harvest_Report_Period for the RP5 conversion 4) Please clarify why the acres changed for the Poor Valley, Tacket Creek, and Trace Ridge harvests. 5) Please add a Harvest RP and Treatment for the ObjectID 139 record. 6) Please identify Treatment for all RP5 harvests as was previously included in CAR1251 RP5 GIS v1.mdb.	COP 10.2.2{1.}(g.)	C	1.) the Harvest report data was removed where the treatment = retention as these area were not harvested. This was removed for clarity purposes as to not have them mistaken for harvested areas. The removal of this information does not change any acreage of previously reporting period. 2.) Treatment has been added back in for RP5 harvest units. This was a function of reworking GIS to include missing harvest units. 3.) Attribute "Harvest_Report_Period" has been updated for the RP5 Mine conversion areas to show 4.) Within the GIS layer of the harvests polygons were duplicated. An intersect was run on the shapefile and duplicates were removed resulting in acreage changes. The new GIS within CAR1215_RP5_GIS_20220726 reflects the correct project area and harvest data. 5.)Harvest RPs have been added to all appropriate records. 6.)The harvest treatments have been updated to include the Harvest treatments for the RP.	1) Thank you for the clarification; this portion of the item may be closed. 2) A number of records still do not have treatment, such as RP5 Harris Branch and King Mountain. 3) Confirmed; this portion of the item may be closed. 4) Poor Valley still appears to label the retention area as "CC"; Tacket Creek appears fixed but the new file now includes an additional 3.9 ac called "TACKETT CREEK"; please clarify 5) Please update the Powell Mountain record, now OID 465 6) Duplicate question, my apologies.	Via email from S Purvis 7/27/22: 2) All RP5 harvest prescriptions are Clearcuts. All RP5 harvest units should now have a treatment listed within the GIS attribute table. 4) The Poor valley retention area has now been corrected to reflect that it is in fact a "retention" area and not a clearcut. The "Tackett Creek" area was updated when working through the GIS updates with a revised boundary provided by the OPO to reflect the 3.9 acres that was originally not included when they populated the file. 5) The Powell Mountain Rd record should now be updated.	All updates have been confirmed; this item may be closed.	Closed
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