



Enrollment and Landowner Information Package

For the

FORECON EcoMarket Solutions, LLC. Pooled Private Landowner Forest Carbon Project



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Dear Forest Owner or Manager,

Thank you for contacting FORECON EcoMarket Solutions (FORECON EMS) about carbon market opportunities for forestry projects. Forests provide a wide array of services and products to our society. Wood, recreation, wildlife and biodiversity, quality water, aesthetic landscapes, and clean air are all values we recognize from the forest. In the past, market based solutions to compensate forest landowners for some of these benefits were limited. Fortunately, forest land owners and managers have seen the development of new markets for ecosystem services such as water, biodiversity, and carbon sequestration. These markets have been experiencing a rapid increase in activity and growth over the past few years. Currently, the most mature of these new emerging markets is carbon.

FORECON EMS has worked extensively in the area of ecosystem services over the past years, building knowledge and influencing policy as these markets develop domestically. As a forest management company charged with overseeing management of hundreds of thousands of acres for landowners of all types, we are intimately familiar with the pressures being placed on timberlands today. Taxation, regulation, certification, and urban expansion are but a few of the challenges for forest owners today. In recognizing the increasing pressures on forest landowners, we feel it is imperative that all market based opportunities for managed forests be researched, and where appropriate, made available to those that could benefit.

The current US voluntary carbon markets are rapidly evolving. Rising values for carbon financial instruments, along with favorable policy and accounting rules for forestry projects are creating exciting new opportunities. FORECON EMS has identified these new emerging markets as potential return drivers for some forest landowners that are willing to make commitments to a positive net flow of carbon over time. For a broad overview of carbon markets, the importance of forests as offsets, and other related issues please reference the articles and papers available for download on our web site at www.foreconecomarketsolutionsllc.com.

FORECON EMS is excited to assist you as you consider the impacts of participation in domestic carbon markets. The following documentation includes an overview of: the services available at FORECON EMS, forest project requirements for privately owned lands, the project development process, and lastly, a project application.

We hope that this information helps broaden your understanding of carbon accounting and marketing for forestry projects. If, after reviewing this information, you would like to proceed with investigating how your forestry project can participate, please complete an application and send the information back to us. We can then address your property specifically and provide you with the appropriate advice for your project's success. Please feel free to contact us directly should you have any comments, questions, or concerns. Again, thank you for contacting FORECON EMS. We look forward to working with you!

The Forest Carbon Team!



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Pooled Private Landowner Forest Carbon Offset Project (CCX)

Introduction

Market-based mechanisms are emerging as a more efficient means for addressing climate change. With market-based mechanisms come opportunities for increasing return on investments available to managed forests and reforestation projects. Voluntary and mandatory forest carbon markets are evolving in the United States for evaluating, registering, verifying, and trading carbon credits for offsetting greenhouse gas emissions from manufacturers and utilities. As markets for ecosystem services like sequestered carbon develop globally, managed forests and reforestation projects will play an increasingly important role for addressing climate change.

The Chicago Climate Exchange (CCX) is the preeminent voluntary carbon credit market in North America and is currently trading emission offsets that can be gained through verified net increases in forest carbon stocks.

The FORECON EcoMarket Solutions LLC Private Landowner Forest Carbon Offset Project is an effort by Forecon EMS to facilitate carbon market access for qualifying participants. The program allows landowners to earn revenue through the sale of greenhouse gas emissions credits from carbon sequestered through growth on forested lands. The FORECON EMS private landowner program facilitates wide access and increased flexibility for pooled participants.

Who we are

FORECON EcoMarket Solutions, LLC., (FORECON EMS) a wholly-owned subsidiary of FORECON, Inc., provides a range of carbon asset management services and market-based approaches for addressing climate change and accessing ecosystem service markets.

FORECON EcoMarket Solutions, LLC. specializes in CCX forestry offset project consulting and aggregation services for private non industrial forest landowners, integrated forest products companies, industrial and non-industrial forest management organizations, tribal timberlands, institutional investors including Timber Investment Management Organizations, and governmental and non-governmental organizations.

Why Forecon EMS should be your CCX Aggregator

As a private landowner, you have the choice of several aggregators when deciding how to access the CCX market. With the rapid growth of the carbon offset business in the forest sector, more options are developing on a regular basis. So, why should you choose FORECON EMS?

- **Longevity, experience, and qualifications....**FORECON, Inc. has been providing forest management and a wide scope of environmental services to public and private landowners since 1954. FORECON has been working in the area of forest carbon quantification, modeling, and marketing since 2004 and has been on the forefront of carbon policy development and project development since that time. Our staff are members of the CCX Forestry and Verification committees, the National Society of American Foresters Climate Change Task Force, National 25 by 25 Carbon Working Group, and other organizations. We are also members of the Association of Consulting Foresters (ACF) and SAF Certified Foresters.
- **Perspective....**FORECON EMS knows forests and knows the concerns, limitations, and hurdles for private forest landowners in the carbon space. As such, we bring a common sense, pragmatic perspective to our clients as they consider market participation.
- **Capabilities, accomplishments and expertise...** FORECON EMS has developed cutting edge methods of forest carbon quantification, innovative uses of technology, and creative solutions for project development. The unique approach to carbon accounting, reporting, and marketing developed by FORECON EMS provides optimal solutions for our clientele. Our approach also provides participants with value added services not provided by other aggregators.

FORECON EMS carbon experts have analyzed, modeled, and quantified forest carbon stocks over millions of acres in all domestic and some foreign forest types. It is through this experience that FORECON EMS developed its proven processes and procedures for accurate, transparent, and precise forest carbon accounting. ***In 2008 FORECON EMS also became the first aggregator to successfully develop and market a managed forest carbon project that capitalizes on both biologic sequestration and carbon stored in harvested wood products.***

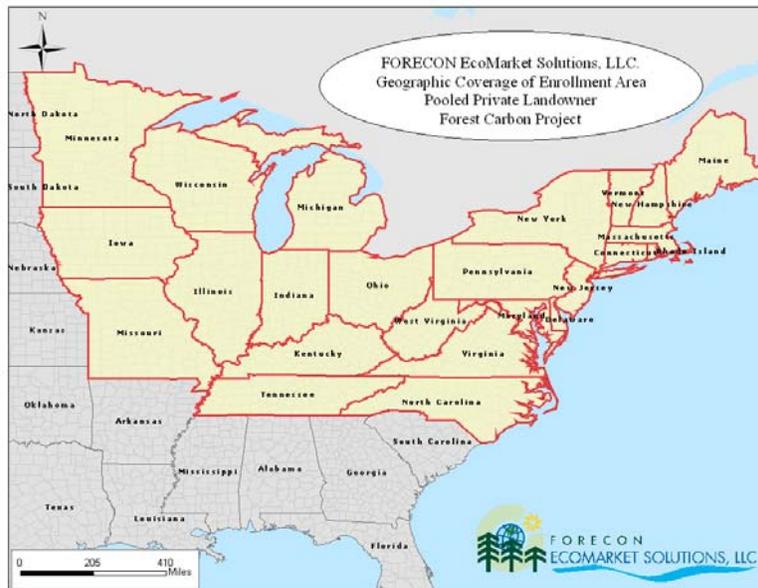
- **Quality, precision, and service....** As leaders in the area of forest carbon, FORECON EMS is known for its high quality offset projects, precise accounting, and for its high level of customer service. FORECON EMS program participants receive property level accounting,

and equitable distribution of dividends from the sale of credits. In other words, your property maintains its own identity and performance within the carbon pool, and funds are distributed to you in proportion to your properties sequestration performance. This precise approach to managing the pool's carbon assets is just one aspect of our commitment to high quality service. Following through and following up are the cornerstones of how we manage our client relationships. Our goal is to provide high quality forest offsets to the marketplace in an efficient, timely, and cost effective manner.

FORECON EMS is confident that we can provide the credible, effective, and efficient carbon solution for your forest!

Who is eligible to apply?

FORECON EMS is currently taking applications from qualified private landowners owning currently forested and or afforested lands totaling approximately 250 acres or more in the states shown on the map below. Property owners with larger holdings (5,000 acres or more) may consider enrollment as a stand alone project rather than a pooled project participant. Enrollment as a stand alone project is a service available to these larger landowners that facilitates more intensive and project specific management of the carbon assets for the participant. Advanced market timing, strike pricing, and banking are but a few of the value added benefits of this service for large landowners. FORECON EMS can assist these landowners in considering the benefits and costs of each option.



What are the basic forest offset project requirements under the CCX program?

In order to qualify as an offset project, all projects must meet basic market requirements before trading carbon financial instruments on the CCX market. Outlined below are the basic forest project requirements for your consideration. Keep in mind that not all of these requirements must be met to submit a project proposal for review and approval by the market. Some requirements can and must be fulfilled after project approval but before credit registration and trading. Following this listing of project requirements we have presented a phased approach to how FORECON EMS can facilitate conformance with all of these items.

- Project owners must understand and be willing to assume the risks associated with entering the carbon market.
- Project owner must have sufficient ownership control to have influence over carbon stocks and sequestration levels for the future.
- Project owners must be willing to make their property open for field site inspection during annual CCX verifications (with advance notice).
- Project must be capable of sequestering levels of carbon capable of generating gross revenues in excess of market start up and participation costs.
- Project owner must be willing to commit to maintaining carbon stocks for the commitment period associated with the CCX market (to end of current pilot period, 2010) and to maintain its forest under sustainable management for a 15 year period.
- Managed forest projects must be certified as sustainable by an independent third party program such as the Forest Stewardship Council, or a PEFC endorsed program such as Sustainable Forestry Initiative or American Tree Farm System.
- Project owner must be able to track and report on carbon stocks annually in conformance with market rules. This includes the use of a CCX approved growth models or CCX afforestation yield tables.
- Project owner must disclose any direct significant emissions sources under their influence, ownership, or control.
- Project owners must report any land use change, harvesting, or catastrophic events taken place within 30 days.
- Carbon stocks and net sequestration must be disclosed on all interests associated with the project owner. For instance, all lands owned must be accounted for and disclosed to the market.
- Managed forest project baselines must be developed using a current site specific forest inventory with minimum statistical standards of +/- 10% at 90% confidence for total tree volume. Gaps in the accounting for total tree volume of all stems 1inch dbh and greater may be addressed using other means, with prior approval.

How can I learn more about the CCX?

To learn more about carbon markets and specifically the CCX market you can contact the carbon experts at FORECON EMS or refer to the following web sites:

www.foreconinc.com
www.foreconecomarketsolutionsllc.com
www.chicagoclimatex.com

How does the private landowner program work?

As an approved CCX Aggregation company, FORECON EMS will assist forest owners in the access and participation in the carbon market through the Chicago Climate Exchange. After ensuring that the land owner and the project meet all requirements for participation, a carbon baseline is established for the carbon stocks on the enrolled forest. Using this baseline inventory, the TWIGS growth and yield models are then used to calculate annual carbon sequestration for each forest enrolled. These annual credits are then aggregated and sold on the CCX trading platform by FORECON EMS on behalf of the forest land owner.

This process includes several steps:

1. Interested landowners will apply for acceptance by FORECON EMS into the private landowner carbon pool program. After reviewing all requirements, each interested landowner will complete an enrollment application and submit it to FORECON EMS. FORECON EMS staff will review the application and will determine if the landowner's proposed carbon offset project is suitable for enrollment.
2. Using forest inventory and or afforestation information supplied by the applicant, FORECON EMS will then establish the baseline carbon stocks for each project. This baseline calculation allows FORECON EMS to use the TWIGS growth models to calculate the specific sequestration potential for each applicant's managed forest, while yield tables will be applied to afforestation projects. In most cases, baselines will be set for the beginning of the year in which participants enter the program. For landowners that can provide adequate records for vintage credits, baselines may be established as far back at January 1, 2003.
3. For managed forest projects, following the initial calculations, each participant will need to supply FORECON EMS with timber harvest data, tree planting records, or other removal information within 30 days of activity. This information will be used to maintain the carbon stock data for each property in a current form and will facilitate the calculation of accurate sequestration levels annually. If the landowner desires to maintain credits for harvested wood products, evidence of ownership (contracts) of the carbon in harvested wood from the property, and scale

or mill slips, harvest tallies, or equivalent data will be required (see Appendix B).

4. Annually, FORECON EMS will facilitate the required verifications for the pool of enrolled landowners. This will require an independent party both on selected landowner properties and at the FORECON EMS office to review the project's performance against the CCX requirements.
5. After successful verification, credits can be registered and traded at the pool or FUND level (see below). All trades and transactions are conducted by FORECON EMS. Once the credits are verified, they are eligible for sale to CCX members. Carbon credits are sold annually beginning one year after the carbon baseline is established. Each year, 20% of the annual reported carbon stocks are held by the CCX in a reserve pool to cover the project in the event of catastrophic losses. The balance of the reported credits are marketable on the exchange.
6. Funds from the sale of carbon credits will be distributed to forest landowners annually and in accordance with the specific sequestration performance of their property. After the credits are sold, funds are distributed to forest landowners, minus fees. The fees include registration fees and a trading fees (currently \$0.20 per ton) charged by CCX, and a 10% aggregation and verification fee applied to the gross carbon revenue charged by FORECON EMS.

What are the Risks?

Non compliance: Failure to meet either FORECON EMS or CCX requirements will result in non compliance. Non compliance with the contract would require the project owner to return a quantity of the carbon credits accrued and sold from the project, or pay an amount equal to the cost of the credits. Additionally, the project owner may not be allowed to further participate in the CCX.

Catastrophic loss: In the event that forest carbon stocks are lost to a catastrophic natural event, the CCX will deduct credits from the Reserve Pool to compensate. You will be required to either purchase sufficient offsets to replenish the reserve pool, or replace the credits from carbon management on your property at a rate of 1.2 credits for every 1 credit cancelled in the pool.

Net emissions: In the event that annual harvests (or other removals) surpass annual growth on the project site, a net emission of forest carbon is realized. Project owners that experience carbon negative results will be required to compensate the market financially or with banked credits. The amount of credits required to be compensated to the market will be determined using the same

accounting and growth modeling process used to calculate annual net sequestration.

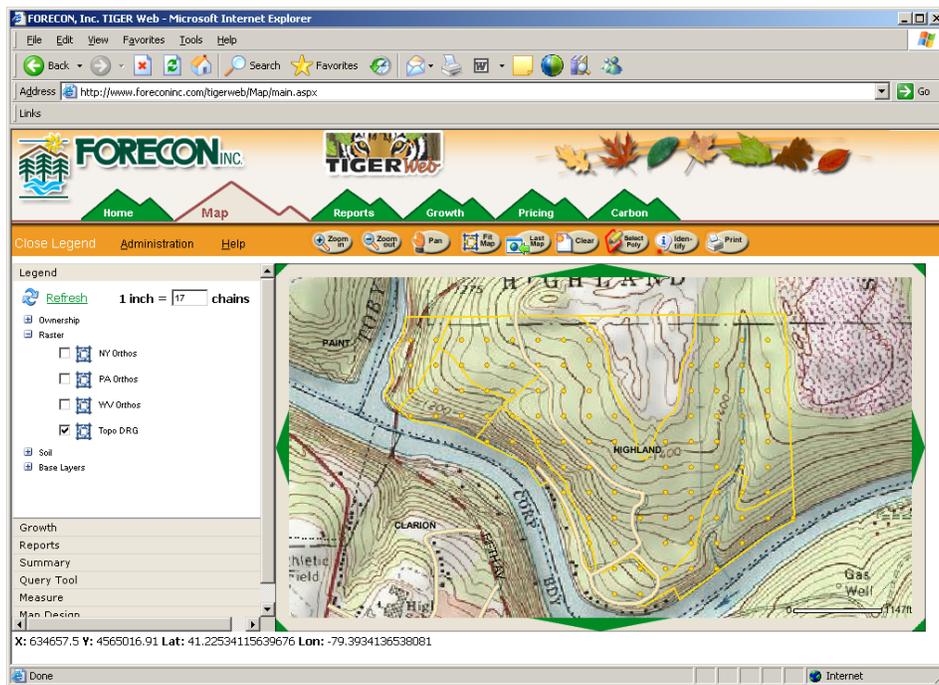
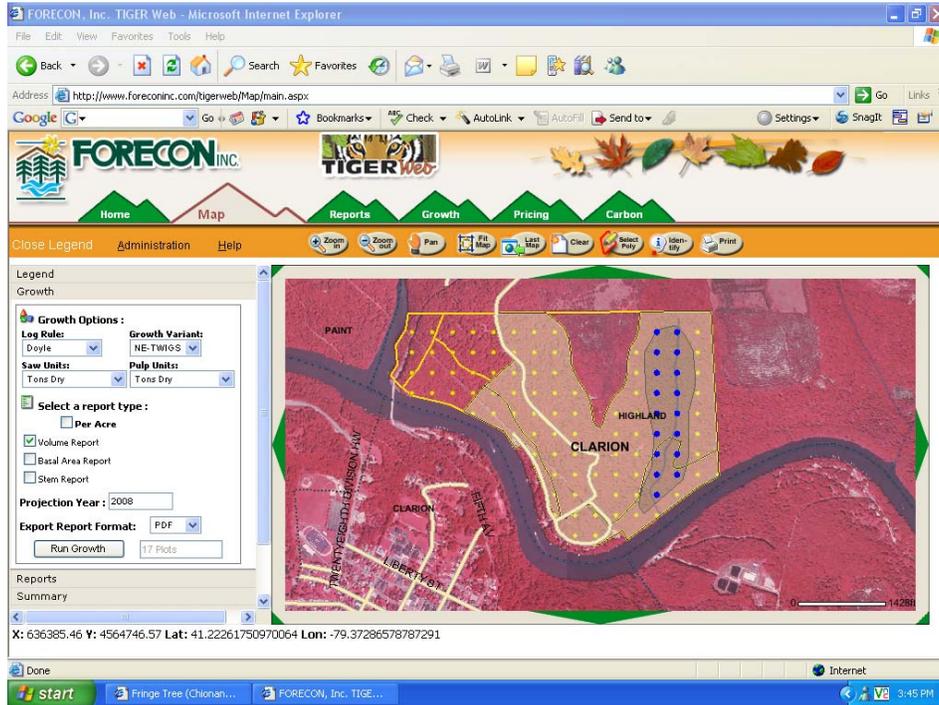
Getting Started

The first step to enrolling eligible lands in the FORECON EMS Forest Carbon Offset Program is to fill out an Enrollment Application Questionnaire (See Appendix A) and send it to:

FORECON EcoMarket Solutions LLC.
Forest Landowner Pool Project
1890 East Main Street
Falconer, NY 14733
Ph (716) 664-5602
msmith@foreconinc.com

Pending approval to enroll in the pooled program, you will then be provided with an Aggregation contract, an agreement that you will manage your forest land sustainably for 15 years (managed forests) and other pertinent information. As the owner of a managed forest offset, you would then work closely with FORECON EMS to determine whether you have current and sufficient data to develop a CCX compliant baseline inventory, or whether a new or expanded property level inventory is required. The property level inventory will involve a cruise of your property in compliance with the FORECON EMS inventory specifications.

After the inventory criteria are satisfied and all required information has been received (see Appendix C), FORECON EMS will enter the information into their TIGER program, a proprietary database and growth and yield model to determine the carbon baseline and the next year's projected carbon sequestration rates for the property. This modeling effort will determine the gross number of credits available for sale annually from each property. After applying the necessary statistical discounts and reserve pool requirements, the number of marketable carbon credits is calculated. Each project participant will be able to access their property mapping and carbon reports via the web. This service will be provided by FORECON EMS through its TIGER web program. While participants will be able to securely access maps and carbon reports through the web, TIGER offers a myriad of other valuable asset management, forest management and related capabilities. Program participants interested in accessing other aspects of TIGER for their property will be able to do so, on a fee basis. For more information on these services please feel free to contact us. Sample screen shots of TIGER access for carbon program participants are provided on the following pages.



Project Owner : Demo Data	Project Location : Managed Forest	
Project ID : Demo	Pool Components :	
Report Date : 7/18/2008	Enrollment Date : 3/1/2005	
Project Report Profile :	Carbon Pools Recognized : Above Ground Living Tree, Below Ground Living Tree	
	Calculation Methods Used: AGB, Direct Measurement using TIGER equations BGB, IPCC equations	

Project Level Summary (All units in MtCO_{2e})

Carbon Pool	Baseline Carbon Stocks	Natural Events	Land Sale / Acquisition	Harvests	Growth	Other	Net Sequestration	Ending Period Carbon Stocks
Above Ground Living Tree	197.94	0.00	0.00	0.00	0.39	0.00		198.33
Below Ground Living Tree	95.67	0.00	0.00	0.00	0.17	0.00		96.14
Standing Dead Wood	-							-
Down Dead Wood	-							-
Leaf Litter	-							-
Understory	-							-
Soil	-							-
Harvested Wood Prod. in Use								
Totals	293.91			0.00	0.56			294.47

Project Level Event Summary For Period

Activity	Activity ID Number	Stand Number(s) Affected	Carbon Stock Change Due to Activity

After an annual independent verification of the accounting process and field activity, eligible credits will be reported to and registered on the CCX for the project pool. FORECON EMS will conduct all trades and registration of credits on behalf of program participants. As credits are sold, FORECON EMS will distribute the funds back to the landowners minus fees on an annual basis.

Project owners will be responsible for reporting to FORECON EMS within 30 days of any harvesting, land use change, catastrophic events, land sales or acquisitions, or any other action that could influence living tree carbon stocks on the property. This information will be used to maintain continual accurate forest carbon stock accounting for each property in the pool. In order to capitalize on harvested wood product carbon credits, landowners will need to demonstrate the retention of the carbon credits from wood products sold to other parties through sale contracts. As wood products are sold, records including mill slips, scale tickets, or harvest tallies will be required in order to calculate these credits.

Timing

FORECON EMS is opening the enrollment period for the first pooled project (FUND 1) until the end of March of 2009. Baselines for these participants will be established as of Jan 1, 2008. The first carbon reports will be developed in March, after which, verification will take place. The first credits will be registered



and traded in the second or third quarter of 2009, with the net proceeds distributed to the participants immediately thereafter.

FORECON EMS will apply a similar process into the future with defined enrollment periods per FUND and trading and payment after one year's sequestration for the FUND.

Closing

The emerging opportunities in the area of carbon sequestration represent both challenges and opportunities for forest landowners. The business of carbon accounting and marketing is a complex and time intensive endeavor. Capitalizing on the climate change benefits derived from forest management will require investments and commitments on the part of program participants. FORECON EMS recognizes that these requirements are not easily met for many landowners, and committing to participate is a difficult decision to make. FORECON EMS is committed to working with all eligible landowners in order to seek out a practical and effective path forward to capitalize on this new market for forest based ecosystem services. We appreciate your interest in this program and look forward to working with you.

Appendix A

Property Level Forest Inventory Guidance for Projects that will use TIGER for Growth Modeling/Carbon Sequestration

1. Introduction

In order to participate with the Chicago Climate Exchange (CCX) as a project offset provider, participants must first establish a baseline of forest carbon stocks for purposes of calculating successive annual net changes in those carbon stocks during the project period. This baseline serves as a reference for all purposes in the managed forest project pool and the issuance of CFIs (Carbon Financial Instruments) from the CCX, which are the tradable units on the CCX exchange, is based on the net change in carbon as measured against the baseline.. (*“Protocol for Sustainably Managed Forests”, CCX*)

The proper establishment of a working forest’s carbon baseline is essential in order to participate in the current managed forest carbon offset marketplace and must be done in a credible, scientific manner. An in-field inventory is the most desirable method to establish this baseline, and it is highly recommended that this process be completed by an experienced professional forester associated with the Association of Consulting Foresters of America, Inc. (ACF), or credentialed through the Society of American Foresters’ “Certified Forester” program.

The following document outlines the essentials for developing the inventory that will be used to calculate the carbon baseline, which will then be projected forward within a growth and yield model approved by the CCX for annual carbon stock net change estimates. Though it is recognized that unique regional inventory specifications exist, this document is meant to streamline the data development and delivery procedure as much as possible for efficient processing in our TIGER carbon accounting system.

2. Timber Inventory and Data Development

2.1 Timber Inventory Design-

Field work within each unique tract or unit will consist of one of the following methods:

1. Variable radius plots (“points”)-10 BAF, 20 BAF or other
2. Fixed radius plots-1/5 acre, 1/10 acre or other
3. 100% tally

Note- Each unique “tract” or “unit” must have an inventory method consistent across the entire tract or unit; there can be no mixing of cruise methods within a tract or unit.

2.2 Timber Inventory Samples-

- 2.2.1 Will be laid out on a random sample across each individual tract
- 2.2.2 Will have plots numbered uniquely and consecutively across the entire tract
- 2.2.3 Will correspond by number directly related to inventory data taken at that location
- 2.2.4 Will be deliverable in ArcView shape file format, or drawn on a clean Topographic or Orthophoto paper map with recognizable scale.
- 2.2.5 Will have cruise grid spacing identified on the title block or header of a paper map
- 2.2.6 Will be located in the field using GPS (**see below**)

2.3 Timber Stands Delineation-

- 2.3.1 All homogenous forest stands will be delineated and delivered in an Arcview shape file or on a clean Topographic or Orthophoto paper map with recognizable scale.
- 2.3.2 Stands will be attributed with a unique number in an ArcView shape file or on a clean paper map
- 2.3.3 Minimum polygon size will be 20 acres for all stands with merchantable or pre-merchantable volume unless;
 - 2.3.3.1 If a stand is less than the 20 acre minimum but represents at least 10% of the total tract area it should be delineated as a unique polygon; (for example a 5 acre red pine plantation on a 40 acre tract would represent 12% of the ownership and would be delineated as a unique polygon)
 - 2.3.3.2 Minimum polygon size for non-forest areas will be 2 acres

2.4 Suggested Number of Plots per Tract and Stand

The CCX will apply a discount to the calculated net change of forest stocks equal to two times the reported statistical error of the inventory at + or - 10% at a 90% confidence interval for the estimated of total wood volume. The inventory should be designed with good statistical metrics in mind to keep the CCX discount to a minimum.

The following is a guideline typically used in a northern hardwoods forest; obviously the particular characteristics of a forest's variability are key in determining the number of statistical samples that are needed to collect for the best statistical results:

1. Properties from 10 -100 acres – 1 plot per 2.5 acres. Take at least 2 plots/stand.
2. Properties from 101-1,000 acres-1 plot per 5 acres. Take at least 2 plots/stand.
3. Properties from 1, 001-5,000 acres-1 plot per 10 acres. Take at least 2 plots/stand.
4. Properties from 5,000+ acres-1 plot per 20 acres. Take at least 2 plots/stand.

3. Location of Sample Plots (or Points)

3.1 Plots will be located in the field with reference to cruise maps and GPS coordinates (“waypoints”) when/where possible. GPS, compass and pace, as well as general orientation to mapped topographic and orthophoto features will be used to locate field points as closely as possible to the mapped locations. When/if issues arise with GPS data collection quality issues from terrain, time of day, general location, weather, multipath error etc, common sense must be used to locate plots as closely to the mapped location as possible.

3.2 The cruisers will monument each plot center. Monumentation will consist of inserting a pin flag into the ground with plot number, cruisers initials, and date written in indelible ink and vinyl flagging with the plot number, cruisers initials, and date written on it in black marker and tied up at head height near plot center.

3.3 The plot shall be taken where compass and pacing and/or GPS prescribes. The only exceptions will be:

3.3.1 Sample points fall on or near a property line. Sample points will not include trees which fall outside the ownership as observed in the field. In this case the cruiser will adjust the plot back onto the ownership using a documented plot adjustment method as per local cruise specifications. Any plot locations adjusted in this manner must be documented and clearly marked on the final paper map and moved accordingly in the shape file (if provided).

3.3.2 Plots falling on mapped non-forest features (roads, well sites, power lines etc). In this case the cruiser will adjust the plot back onto

the ownership using a documented plot adjustment method as per local cruise specifications. Any plot locations adjusted in this manner must be documented and clearly marked on the final paper map and moved accordingly in the shape file (if provided).

3.3.3 Note-Plots falling on Unmapped non-forest will be taken as empty plots unless the unmapped area meets the 2 acre minimum mapping unit as described previously. If the area meets the 2 acre minimum size;

3.3.3.1 The plot will be moved according to the documented plot adjustment method as per local cruise specifications

3.3.3.2 The unmapped non-forest area will be documented and drawn on the paper map and an associated polygon will be created within the shape file (if provided)

4. Sample Plot (or Point) Observations

Plot data will be recorded and/or provided digitally by either;

4.1 . Utilizing digital data collection software from Foresters Inc. Pocket Dog. If using this software a predefined Two Dog method set will be provided, or

4.2 Record the plot/tree inventory data in a common database program such as Access or Excel. If using this method a template in either program will be provided ([see below](#))

4.3 Plot Card Header

Each plot card is to have the following header information completed.

- Cruiser's Initials;
- Date of fieldwork;
- Ownership and legal description or code;
- BAF used for this stand/ownership
- Point number
- Tree number
- Species
- Product
- DBH
- MHT
- Percent Defect

Plot information/data format-Example

Cruisers Initials	Date	Tract	Cruise Type	PointNumber	Tree Number	Species	Product	DBH	MHT	Defect
TK	6/26/2008	Jones	20BA	1	1	BLC	01	12	10	
TK	6/26/2008	Jones	20BA	1	2	HAM	01	14	15	
TK	6/26/2008	Jones	20BA	2	1	NRO	01	16	20	
TK	6/26/2008	Jones	20BA	2	2	REM	01	22	25	10
TK	6/26/2008	Jones	20BA	2	3	HAM	01	18	20	
TK	6/26/2008	Jones	20BA	3	1	WHO	02	8	10	
TK	6/26/2008	Jones	20BA	3	2	ASH	02	6	5	
MD	6/27/2008	Jones	20BA	3	3	HIC	02	8	5	
MD	6/27/2008	Jones	20BA	3	4	BLO	01	22	20	10
MD	6/27/2008	Jones	20BA	4	1	YEP	01	24	15	
MD	6/27/2008	Jones	20BA	4	2	NRO	01	16	15	
MD	6/27/2008	Jones	20BA	4	3	BLC	02	4	5	

4.4 Tree Measurements

4.4.1 Sample Tree Selection: Tally all trees **2” or larger** at dbh

4.4.2 Required Tree Measurements:

4.4.2.1 Species: Tree species code (codes will be provided)

4.4.2.2 DBH: Tree DBH to nearest 2-inch class

4.4.2.3 Product Code: (S = Sawlog, P = Pulp – includes cull)

4.4.2.4 Height: Saw log height recorded as 01 on tally card: Number of **16’ sawlogs** to a minimum 10” dib, rounded up or down to the nearest 0.5 log and recorded as follows;

.5logs-5
1 logs-10
1.5 logs-15
2 logs-20

Pulp height recorded as 02 on tally card: Number of **16’ sections** to a minimum 4” dib, rounded up or down to the nearest 0.5 log and recorded as follows;
.5logs-5

1 logs-10
1.5 logs-15
2 logs-20

4.4.2.5 Cull: Any tree which is determined to be cull will be recorded by species, diameter and as cull. A cull is defined as any tree which does not meet the minimum criteria for pulpwood (i.e. 6 inches dbh and 8 feet or merchantable wood).

4.4.2.6 Defect recorded in increments of 10 from 10-90% on the tally card.

Appendix B

Property Level Harvested Wood Products, Timber Sale/Volume Removal, Editing and Guidance for Projects that will use TIGER for Growth Modeling/Carbon Sequestration

1. Introduction

To participate with the Chicago Climate Exchange (CCX) as a project offset provider, participants must accurately maintain timber inventories providing periodic updates for growth, harvest removals, natural disturbance, and re-inventory. In addition to timber inventory maintenance participants must also gather and maintain records associated with individual timber removals in order to capitalize on carbon sequestered in long lived wood products.

The following document outlines the essentials for maintaining the timber inventory that will be utilized to project and quantify carbon sequestration forward within a growth and yield model approved by the CCX for annual carbon stock net change estimates. Though it is recognized that unique regional inventory and harvest data reporting and maintenance specifications exist, this document is meant to streamline the data maintenance and reporting procedures as much as possible for efficient processing in our TIGER carbon accounting system.

2. Timber Sale Edits-Data and Document Requirements

2.1 Timber sale edit form- This document will be provided to the property owner and or their consulting forester and will require the following documentation and or information.

- 2.1.1. Project name
- 2.1.2. Management Unit (If applicable)
- 2.1.3. Tract name
- 2.1.4. Timber sale name or number
- 2.1.5. Date of sale
- 2.1.6. Type of cut (Partial or regeneration)
- 2.1.7. Number of residual inventory points if a partial cut
- Note the residual inventory method must match the original inventory method**
- 2.1.8. Residual inventory type

- 2.1.9. Contact info for the individual/organization responsible for data collection
- 2.1.10. Shape file of the sale area (with projection file) **or** clean topographic map with the timber sale area drawn clearly
- 2.1.11. Shape file of the residual inventory point locations (with projection file) **or** clean topographic map with the inventory point locations drawn clearly and with distinct numbers matching the residual inventory data. Data should be collected at the same or greater intensity as the baseline inventory.
- 2.1.12. Digital version of the residual cruise in Two Dog or excel format (see Property Level Forest Inventory Guidance sections 4.0-4.4.2.5)

3. Harvested Wood Products- Data and Document Requirements

The following documentation and or data will be required for the data maintenance and reporting for long lived wood products.

- 3.1.1 Copy of the timber sale contract
- 3.1.2 Release of carbon credits by timber purchaser (or retention of credits by seller)-This document can be incorporated into the timber sale contract but must be present in order to verify ownership of the carbon credits associated with timber removals.
- 3.1.3 Copy of timber inventory field cards for trees designated for harvest or a report of the cruised timber to be removed if individual trees are not marked and tallied
- 3.1.4 Report of wood volume removed by species and unit of measure for sawtimber.
- 3.1.5 Report of number of cords or tons removed by hardwood or softwood category
- 3.1.6 Identification of region- Northeast, North Central, Pacific Northwest (East), Pacific Northwest (West), Pacific Southwest, Rocky Mountain, Southeast, South Central.

Appendix C

Information Checklist for the FORECON EMS Pooled Private Landowner Carbon Project

Landowner Information

- Landowner's Name
- State of Residence
- Mailing Address
- Company Affiliation
- Phone Number
- Email Address
- Total Number of Hectares Owned

Stand Information (In addition to base inventory data (plot level))

- Shapefiles or
- Topo Maps/Orthophotos (with a recognizable scale) with stand lines
- Shapefiles or coordinates of plot locations

Tract Information

- Tract Name
- Date of Acquisition
- Inventory Date
- State of Location
- Deed/Liber
- Page # in Deed Book
- Tax Panel ID #
- County of Location
- Township of Location

Harvest Information (for each tract, must include all harvests that have occurred since the baseline inventory) -

- 100 % Tally or Timber Sale Summary/Prospectus that includes sale volume by species and product
- Carbon Rights Retention Affirmation for each sale
- Residual Cruise data (plot level) - required for edits in TIGER DBMS
- Shapefiles or clean cartographic map of harvest area

Catastrophic Loss Information (for each tract, must include all losses that have occurred since the baseline inventory)

- If salvageable wood is sold:
 - 100 % Tally or Timber Sale Summary/Prospectus that includes sale volume by species and product
 - Carbon Rights Retention Affirmation for each sale
- Residual Cruise data (plot level) - required for edits in TIGER DBMS
- Shapefiles or clean cartographic map of affected area

Contractual Information (for each landowner)

- Proof of Sustainability Certification (Certificate)
- Aggregation Agreement
- CCX Forestry Offset Project Letter of Intent

FORECON EMS Must be also notified of any Parcels Acquired or Sold during the project period (2003 to 2010).



FORECON EcoMarket Solutions LLC.
Private Landowner Carbon Pool Enrollment Package Version 1.0

Appendix D

Forest Offset Project Eligibility Questionnaire

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