

Verification Statement

Client Name: Blue Source

Project: Blue Source – Hawk Mountain Improved Forest Management Project (Project ID: ACR375)

Verification Body: SCS Global Services

2000 Powell Street, Suite 600

Emeryville, CA 94608

Lead Verifier: Letty Brown

Submitted to: American Carbon Registry

Statement Date: 08 Nov 2018

The SCS Greenhouse Gas Verification Program has conducted a verification of the Blue Source – Hawk Mountain Improved Forest Management Project (ACR375) against the requirements of the American Carbon Registry (ACR) and the assessment criteria, as listed below, for the reporting period March 17, 2017 to March 16, 2018. SCS used documentation supplied by Blue Source as the basis for its evaluation. SCS performed the verification activities to a reasonable level of assurance and applied a materiality threshold of $\pm 5\%$. The objectives of this assessment were to:

- Assess conformance of the Project Plan and the Monitoring Report and supporting documentation to the requirements of the criteria;
- Evaluate the methodologies for determination of the baseline scenario and additionality, for monitoring and quantification of GHG reductions, and for quality assurance and control;
- Evaluate the quantification of the baseline and ex ante estimate of project GHG removal enhancements, leakage assessment, and procedures followed in determining the non-permanence risk assessment;
- Evaluate reported net GHG emission reductions and removals;
- Evaluate whether the measurement and monitoring systems in place are capable of delivering high quality carbon stock measurements; and
- Verify the reported emissions reductions and removals for the first reporting period.

The verification was performed against the following criteria:

- American Carbon Registry (ACR) Standard, Version 5.0 (February 2018)
- ACR Validation and Verification Guidelines
- ACR's IFM Methodology for Quantifying GHG Removals and Emission Reductions through Increased Forest Carbon Sequestration on Non-Federal U.S. Forestlands Version 1.3, April 1, 2018 (Methodology)
- ISO 14064-3: 2006, Greenhouse Gases – Part 3: Specification with guidance for the validation and verification of GHG assertion

SCS Global Services has performed the verification to determine whether the Project Plan conforms to the requirements of the verification criteria. This assessment included review of the Project Plan, Monitoring Plan and supporting documents, as well as a visit to the project site 16 May through 18 May 2018.

Based on the verification activities conducted, SCS Global Services has reached the conclusion, with a reasonable level of assurance, that the project has been designed and, for the reporting period from March 17, 2017 through March 16, 2018, implemented in accordance with the verification criteria. This statement attests that SCS can provide reasonable assurance that the above GHG assertion conforms to the requirements of the American Carbon Registry and the criteria listed above and is without material discrepancy. The audit team can confirm the following:

- The actual number of ERTs, 47,996 tCO₂e associated with the Monitoring Report has been verified. The amount excluding the 19% risk buffer deduction is 38,876 tCO₂e.

| Annual Emission Reduction in Metric Tons (tCO ₂ e) | |
|---|--|
| Reporting Period | Net GHG Emission Reductions (tCO ₂ e) |
| March 17, 2017 to March 16, 2018 | 47,996 |



Letty Brown, Lead Verifier

8 November 2018

Date



Zane Haxtema, Technical Reviewer

8 November 2018

Date

