NORTHERN WISCONSIN

Rusk County Forestry Project

Project Summary and Additionality

The Anew – Rusk County Forestry Project is located on 79,307 acres of northern hardwood, aspen, and oak forest in Rusk County, Wisconsin. The County has practiced intensive commercial harvesting across its ownership since first enrolling its land under Wisconsin's Forest Crop Law in 1931. Revenues from timbering represent the largest source of annual income for the county, outside of tax collection, and are essential for funding public services and county administration. In addition to serving as a timber resource, the county forest provides the public with recreational access.

In recent decades, the County has experienced budget challenges as a result of tax levies being capped, despite rising maintenance and administrative costs. Timbering is one of the primary means for filling the budget funding gap, and Rusk County has been increasing annual harvest volumes in this effort. In the absence of the forest carbon project, the County can readily realize further revenues from harvesting under its comprehensive 15-year Forest Management Plan (FMP), which allows for harvesting up to explicit acreage thresholds that exceed current harvest levels. Because the forests play an integral role in generating revenue for the County, implementing a carbon project is a viable revenue-generating alternative to commercial timber harvesting.

Jerrad Macholl, Rusk County's Head Forest Administrator is enthusiastic about the financial impact the forest carbon project will have on this county while relieving some of the pressure to harvest.

"Revenue generated from the carbon project will be utilized to support critical community needs, including health and human services, land and water conservation, law enforcement, highway and road maintenance, promotion of forest health, and public recreation initiatives. Increases in these budget items would have typically been paid for by timber revenues from increased harvesting." – (Jerrad Macholl, 2023)

79K

Acres protected

2.1M+

tCO2e emissions reductions over the project's first 20 years

4

Watersheds

Standard: American Carbon Registry

For more information, please contact **sales@anewclimate.com** or visit www.anewclimate.com

Baseline Description

(alternative land management scenario in the absence of the carbon project)

The baseline scenario models carbon stocking across the property under a management regime utilizing the harvest acreage thresholds allowed for under the current 15-year FMP, while maximizing timber revenues. Annual work plans developed by Rusk County indicate the areas from each stand type that are intended to be harvested to meet the goals of the current FMP. Notably, the baseline does not require any modification of harvest levels already approved by the Wisconsin DNR for the Rusk County Forest.

All baseline management activities, including road and skid trail construction and harvesting on steep slopes, follow State Best Management Practices (BMPs). In addition, harvesting is prohibited in proximity to streams and sensitive waterbodies as part of the State's BMPs to protect water quality during forest harvests. Because these harvesting constraints would have been in effect prior to the carbon project, the project will not get credited for the retention of these stocks and will only receive credits for carbon sequestration beyond what would have been achieved under the FMP, had the project not been established.

In the absence of the carbon project commitment, the baseline harvest levels, and the associated decline in carbon stocks, could readily be realized and would be highly attractive due to existing financial pressures on county government.

How does IFM generate both removals and conservation credits?

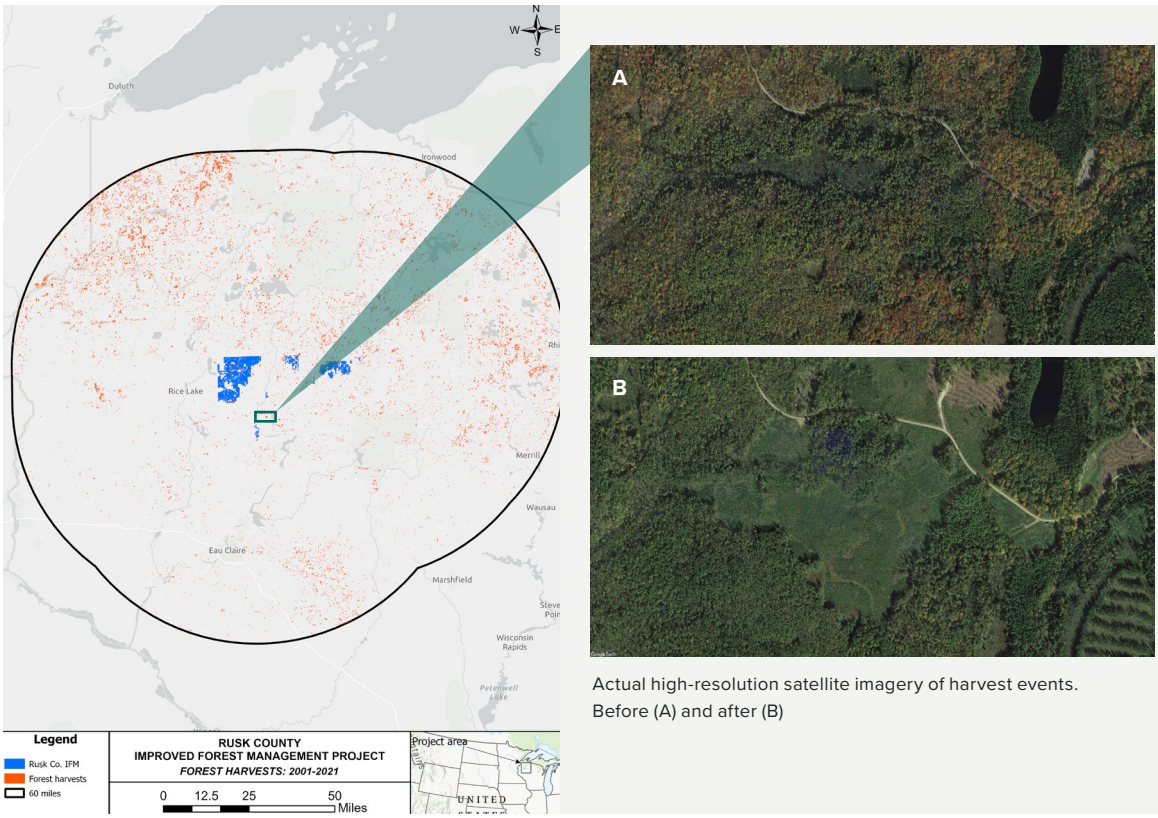
Conservation Credits

Conservation credits account for climate benefit coming from the protection of the project area. Emissions that would have been released if the land was instead harvested in the absence of the project are quantified. Many of the co-benefits associated with forestry projects are inherently linked to the preservation of existing forest stands.

Removal Credits

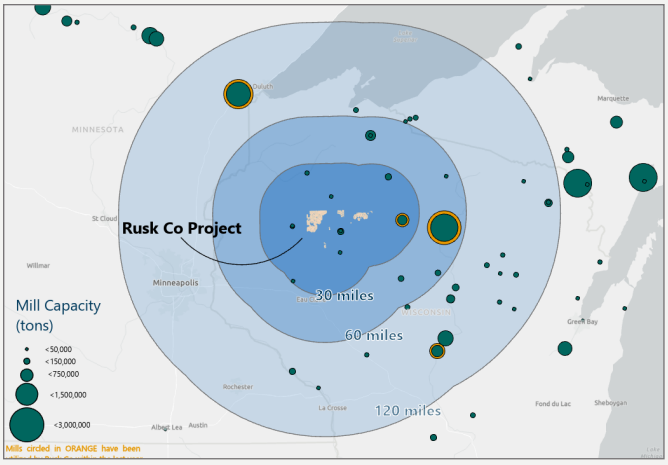
As the newly protected trees grow, carbon is pulled from the atmosphere and sequestered in the trees' wood material through the most proven direct air capture technology on the planet, photosynthesis.

Regional Harvest Activities



Actual high-resolution satellite imagery of harvest events. Before (A) and after (B)

All harvests/forest losses larger than 5 acres that happened between 2001 and 2021 within a 60 mile radius from the project area are depicted in orange[1], showing the very real pressures on forests in the area. The carbon project ensures sustainable management on the project area for 40 years, twice as long as the period depicted above.



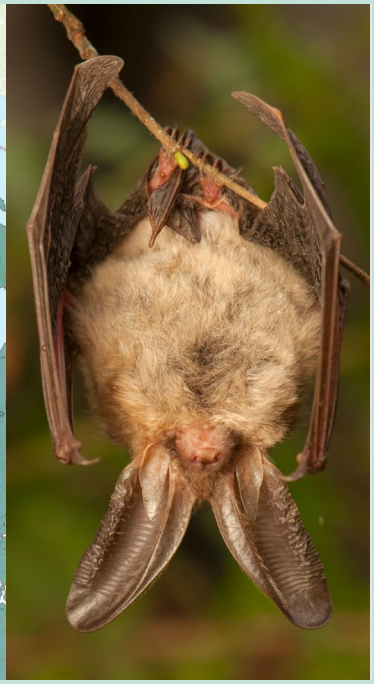
Regional Mill Capacity

This map represents forest product mills within the vicinity of the Rusk County project area. Circle size is relative to total capacity, and mills circled in orange have been utilized by Rusk County in the distribution of harvested material during the past year.

1. Hansen, M. C., P. V. Potapov, R. Moore, M. Hancher, S. A. Turubanova, A. Tyukavina, D. Thau, S. V. Stehman, S. J. Goetz, T. R. Loveland, A. Kommareddy, A. Egorov, L. Chini, C. O. Justice, and J. R. G. Townshend. "High-Resolution Global Maps of 21st-Century Forest Cover Change." Science 342 (15 November 2013 & updates): 850–53. Data available on-line from: https://glad.earthengine.app/view/global-forest-change.

Ecological Feature: Northern Long-Eared Bat

The Rusk County project contains several large swaths of forested area which provide habitat for the Northern Long-Eared Bat, a federally threatened species. The Northern Long-Eared Bat uses large, dense forests for both roosting and foraging during spring, summer and fall. They also nest within bark and cavities of long-lived trees. Rusk County's forest carbon project serves to protect these suitable bat habitats by promoting dense, forested stands with long-lived, wildlife-friendly trees.



Sustainable Development Impacts

All project lands are open to the public and supports tourism through opportunities for camping, fishing, cross-country skiing, hiking, horseback riding, paddling sports, and trails for snowmobiles and ATVs.

The project compliments other work in the area through the State of Wisconsin's proposed Healthy Watersheds & High-Quality Waters program.

The project is set to provide more diversified and stable revenue for the county through both the carbon project and the limited timber harvests.

This project will help trees grow into maturity and sequester a greater amount of atmospheric carbon dioxide through their natural life cycles. Over its first 20 years, the project is anticipated to create over 2.1 million tCO2e of emissions reductions.

Most of the streams in the northwest portion of the county are designated as state trout streams.

The project lands host a diversity of wildlife. In addition to the typical Wisconsin mammals including whitetail deer, turkey, and black bear—timber wolf and elk also inhabit the forests.