WESTERN ASSOCIATION OF FISH AND WILDLIFE AGENCIES (WAFWA) AND WESTERN CONSERVATION FOUNDATION PLAN AND CERTIFICATE OF PARTICIPATION FOR OFFSET UNIT GENERATION

Site ID:		Service Area:
Participant:		County & State:
Legal Desc	ription:	·
Total Acrea	age:	Expiration Date:
Duration of Agreement :		☐ 5 years beginning the Effective Date and ending September 30.
		□ 10 Years (required if restoration is needed) beginning the Effective Date and ending September 30.
Type of Conservation Plan:		☐ Rangeland Management Plan
		☐ Planted Grass Management Plan
		ing the numbered management nage. The map will show the existing

CERTIFICATE OF PARTICIPATION AMONG THE WESTERN ASSOCIATION OF FISH AND WILDLIFE AGENCIES, WESTERN CONSERVATION FOUNDATION AND PARTICIPANT

This Certificate of Participation ("Contract") is entered into between the Western Association of Fish and Wildlife Agencies ("WAFWA"), a Wyoming non-profit corporation whose address is 522 Notre Dame Court Cheyenne, Wyoming 82009,the Western Conservation Foundation, a Wyoming non-profit corporation whose address is 522 Notre Dame Court, Cheyenne, Wyoming 82009, and _______("Participant") whose address is

I. DEFINITIONS

- A. **Conservation Plan:**Describes the location and timing of the Conservation Practices that will be implemented and is attached to this Contract as Exhibit A.
- B. **Conservation Practices:** The various types of management activities that can be prescribed in the Conservation Plan aimed at conserving and enhancing the survival of the lesser prairie chicken and its habitat.
- C. **Eligible Lands:** Acreages that fall within a ten mile buffer of the estimated occupied range of the lesser prairie chicken (WAFWA Service Area), were not purchased in full or in part with federal funds, and are not contained within an existing federally funded contract for implementation of similar conservation practices. Additionally, acreage will only be eligible if it is part of a contiguous parcel greater than or equal to 160 acres in size that is all being managed under an approved conservation plan for the duration of this Contract.
- D. **Fiscal Year:** The Fiscal Year for purposes of this Contract runs from January 1 through December 31.
- E. **Habitat Evaluation Guide (HEG):** A rapid assessment method to assess site conditions or lesser prairie chicken habitat quality (0-1) based on vegetation cover, vegetative composition, presence of tall woody plants, and the availability of potential habitat.
- F. **Participant:** Any person or entity with fee simple, leasehold, or other property interest sufficient to carry out the conservation measures described in the

- Conservation Plan attached to this Contract as Exhibit A, and who becomes a signatory to this Contract.
- G. **Parties:** The Parties to this Contract are WAFWA, the Western Conservation Foundation, and the Participant.
- H. **Program:**A system administered by WAFWA that utilized mitigation fees to offset impacts to lesser prairie chicken habitat by making payments to landowners for implementing specific Conservation Practices.

II. PROGRAM ELIGIBLITIY

- A. Acreage will not be eligible if federal funds were used in full or in part to acquire the property.
- B. Acreage will not be eligible during any Fiscal Year in which a federal source of funds is being used to pay for implementation of the same practice(s) prescribed in this Contract.
- C. By signing this Contract, the Participant certifies that the Participant has the authority to implement the Conservation Practices described herein on the land subject to this Contract for the term of this contract and shall, upon request, provide evidence to WAFWA demonstrating that such Participant maintains such authority.
- D. The Participant is responsible for obtaining the authorities, permits, easements, or other approvals necessary for the implementation, operation, and maintenance of the Conservation Practices in accordance with applicable laws and regulations. A Participant must comply with all local, state, and federal laws and is responsible for all effects or actions resulting from the Participant's performance under this Contract.
- E. The property Participant seeks to enroll in the Program meets the definition of Eligible Lands as defined in Section I.C.

III. AGREEMENT

The Participant agrees to:

- A. Place Eligible Land into the Program for the period of time as specified in this Contract starting with the Effective Date;
- B. Not start any financially assisted Conservation Practice before this Contract's Effective Date unless WAFWA approves a waiver. The Participant may submit a written request to WAFWA to waive this requirement for financially assisted Conservation Practices;

- C. Establish, to WAFWA standards and specifications, Conservation Practices described in this Contract as scheduled, to operate and maintain these Conservation Practices for the intended purpose and life span identified in this Contract, and to comply with the terms and conditions of this Contract and all applicable Federal, State, Tribal, and local laws;
- D. Notify WAFWA within 60 days of Participant transferring, selling, or assigning their interest in land covered by this Contract and secure written consent from WAFWA to transfer or assign the rights and obligations of this Contract as required by Section XVI.J.;
- E. Share responsibility with WAFWA for ensuring that the Conservation Plan attached to this Contract as Exhibit A is accurate and complete. WAFWA will not compensate Participants for Conservation Practices that are not described in this Contract; and
- F. Discontinue work in the general area of the Conservation Practice and notify WAFWA immediately if during the construction or any Conservation Practice a previously unidentified endangered species, archeological, or historical site is encountered. WAFWA and the Participant will then work together to determine the most appropriate course of action.

The Western Conservation Foundation agrees to make payments to Participants when directed by WAFWA and as provided for in this Contract. The Western Conservation Foundation serves as the fiscal agent for WAFWA for this agreement.

IV. TERM OF CONTRACT

The term of this Contract is from the Effective Date through September 30, 20__. All obligations shall be completed during this term, and the Western Conservation Foundation shall only make payments to Participant under this Contract for a maximum of __ growing seasons, subject to the terms and conditions of this Contract.

V. VEGETATION AND COMPLIANCE MONITORING

Participant agrees to allow access to WAFWA employees, agents, or WAFWA-approved technical service providers to monitor compliance, verify completion of Conservation Practice, and monitor vegetationcomposition and structure. Regular vegetation monitoring is necessary to track changes in habitat quality which influences the number of offset units being generated and the resulting payments due to the Participant. WAFWA will attempt to notify the Participant of its intent to access the Property for monitoring prior to entering. WAFWA's vegetation monitoring protocol generally follows the procedures used by NRCS at the time of this agreement to evaluate the effectiveness of their Lesser Prairie-Chicken Initiative, but is subject to periodic change as WAFWA deems necessary. The required vegetation monitoring schedule is as follows:

- A. Annual monitoring during the lesser prairie chicken ("LPC") breeding season (March 1 July 15) until the maximum expected vegetation quality has been achieved or the end of the Contract period, whichever comes first.
- B. Once the maximum vegetation quality has been reached, monitoring will continue every third year during the LPC breeding season (March 1 July 15).
- C. Annual monitoring of grazing exclusion cages if such exclusion cages are required by grazing plans articulated in the attached Conservation Plan shall occur between October 1 and December 31, and will continue every year until the end of the Contract period.

With 2 weeks advance notice, the Participant also agrees to allow access to one U.S. Fish & Wildlife Service ("FWS") employee so long as that person is accompanied by a representative of WAFWA or the fish and wildlife agency of the state in which the property is located.

VI. SELF REPORTING

Participants must immediately report to WAFWA any substantial changes to the habitat quality on any of the acreage contained within this Contract. Those changes include, but are not limited to, breaking of sod for agricultural activities, natural or man-made disturbances outside of the activities contained within this Contract, and new or remediated developments (e.g. well pads, transmission lines, distribution lines, roads, compressor stations, etc.).

VII. PAYMENTS

- A. Subject to availability of funds, the Western Conservation Foundation will make payments to the Participant in the amounts calculated by using the methods described in the Conservation Plan attached to this Contract as Exhibit A. The Participant understands that payments are based upon the WAFWA Habitat Evaluation Guide scores (HEG) and unimpacted acreages as defined by the LPC range-wide conservation plan, which is available for viewing upon request. These values can fluctuate with changing environmental factors, management activities, energy developments, etc. The Participant acknowledges that the WAFWA or Western Conservation Foundation employee, agent or WAFWA-approved technical service provider made a good faith attempt to estimate future payments under the Conservation Plan attached to this Contract as Exhibit A, and that those figures may not correspond with the actual payments the Participant receives.
- B. No payment shall be made for work performed before the date upon which the last required signature is affixed to this Contract.
- C. Payments for sign-up incentives will not deviate from those calculated in this Contract.

- D. The payments for brush management and range planting will not deviate from those calculated in this Contract if the work is completed during the first Fiscal Year. Payments for brush management and range planting could be different in subsequent years if the work is delayed. The Western Conservation Foundation will only make payment one time for brush management or range planting on a given acre.
- E. The Payment Rates identified in Exhibit B to this Contract (per unimpacted acre) for implementation of a Conservation Plan will not be lower for any level of habitat quality (HEG score) than at the time of sign-up. However, the payment rates for each HEG Score identified in Exhibit B could increase during the course of this contractfor implementation of a Conservation Plan. Further, the amount paid to the Participant under this Contract can change, either up or down, if the Participant's HEG score changes. Payments due to the Participant will be adjusted to correspond with any increased rates, or changes in Participant's HEG score.
- F. Payments will only be issued for Conservation Practices and Conservation Plans that are being implemented according to this Contract or surpass those standards articulated in this Contract.
- G. The Western Conservation Foundationwill utilize the following schedule to make payments to Participants:
 - (1) *Sign-up Incentives* A one-time payment will be authorized within 60 days of the Effective Date of this Contract.
 - (2) *Restoration Practices* A payment will be authorized within 60 days from the time a WAFWA employee, agent or a WAFWA-approved technical service provider verifies that the Conservation Practice has been completed as prescribed. This applies to range planting and brush management.
 - (3) *Maintenance Practices* A payment will be authorized annually within 60 days of the end of the federal fiscal year, which ends on September 30. This applies to rangeland management plans and planted grass management plans.
- H. WAFWA or the Western Conservation Foundation shall report all payments made to Participant as part of this Contract to the United States Internal Revenue Service (IRS). For information related to tax liabilities, the Participant should consult with a tax accountant and refer to IRS publication 225, Farmers Tax Guide.

VIII. OPERATION AND MAINTENANCE OF CONSERVATION PRACTICES (Operation and Maintenance Agreement)

The Participant agrees to the operation and maintenance ("O&M") of all Conservation Practices included within this Contract as described below.

These Conservation Practices shall be operated and maintained for the Conservation Practice lifespan as listed in the Conservation Plan attached to this Contract as Exhibit A. This requirement also extends to those Conservation Practices installed before Contract execution, but included in the Contract to obtain the environmental benefits agreed upon in the ranking process. The Western Conservation Foundation shall not provide any payment to Participant for Conservation Practices implemented prior to execution of this Contract.

- A. The term 0&M as used in the Contract shall collectively include:
 - (1) **Operation**: The administration, management, and performance of Conservation Practices necessary to keep a practice safe and functioning as planned;
 - (2) **Maintenance**: The recurring activities necessary to retain or restore a Conservation Practice in a safe and functioning condition, including, but not limited to, the management of vegetation, the repair or replacement of failed components or Conservation Practices, the prevention of treatment of deterioration, and the repair of damages caused by vandalism or negligence, but excluding damage caused by local, state or nationally recognized natural disaster;
 - (3) **Repair**: The actions to return a deteriorated, damaged, abandoned, or failed practice and/or component to an acceptable and functional condition; and
 - (4) **Replacement**: The removal of a Conservation Practice or and installation of a similar, functional Conservation Practice.
- B. The Participant is responsible for the O&M activities and acknowledges that these activities may require labor, funds, and management in order to ensure the appropriate Program purposes are met.
- C. The Participant is responsible for all installation, maintenance, and implementation of Conservation Practices. The Participant's O&M responsibilities described in this Contract begin when the Conservation Practice installation is complete, as determined by an authorized WAFWA employee or agent, and shall continue through the end of the Conservation Practice lifespan.
- D. The Participant acknowledges that the "practice lifespan" is the time period in which the Conservation Practices are to be used and maintained for their intended purposes as defined in the Conservation Plan attached to this Contract as Exhibit A.
- E. Specific O&M requirements for Conservation Practices covered within this Contract are defined in the Conservation Plan narrative.
- F. The Participant acknowledges that the Conservation Practices installed before the Contract execution, but included in the Contract to obtain the environmental

- benefits agreed upon with the application ranking process, must be operated and maintained as specified in the Contract and within this paragraph.
- G. Failure to carry-out the O&M terms and conditions identified in Section VIII of this Contract may result in WAFWA terminating this Contract. In the event that WAFWA terminates this Contract under this section, the termination provisions of Section XII.C.shall apply.

IX. AMENDMENTS

- A. The Participant, Western Conservation Foundation and WAFWA may amend this Contract by mutual agreement when:
 - (1) The Participant, Western Conservation Foundation and WAFWA agree to this modification; and
 - (2) The modification is consistent with the purposes of the Program.
- B. The Participant, Western Conservation Foundation and WAFWA may modify this Contract by mutual agreement to revise or add to those Conservation Practices already installed, provided that such revisions or additions are consistent with Section IX.A.
- C. Any changes, modifications, revisions or amendments to this Contract which are mutually agreed upon by the Parties to this Contract shall be incorporated by written instrument, executed and signed by all Parties to this Contract.

X. BINDING EFFECT

This Contract shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and permitted assigns.

XI. CORRECTIONS

WAFWA and the Western Conservation Foundationreserve the right to correct all errors in entering data or the results of computations in this Contract, such as errors in financial calculations or management prescriptions such as calculating the stocking rate. If the Participant does not agree to such corrections, WAFWA and the Western Conservation Foundationshall terminate the Contract. If WAFWA and the Western Conservation Foundationterminate the Contract under this section, the termination provisions of Section XII.C. shall apply.

XII. CONTRACT TERMINATION

A. This Contract may be terminated, without cause, by either party upon thirty (30) days written notice. This Contract may be terminated immediately for cause if the

Participant fails to perform in accordance with the terms and conditions of this Contract. Should the Participant fail to perform in a manner consistent with the terms and conditions set forth in this Contract, in lieu of termination, payments under this Contract may be withheld or adjusted as WAFWA and the Western Conservation Foundation, in their sole discretion deem appropriate, until such time as the Participant performs its duties and responsibilities under the Contract.

- B. Payments under the Contract shall be suspended upon the death of the Participant until the Participant's property and this Contract is assigned or transferred, at which time the payments will resume in accordance with the terms and conditions of this Contract. If the Contract is not assigned, or WAFWA does not approve the proposed assignment, the Contract shall terminate. Payment shall not be suspended upon the death of the Participant if the Participant identified an Executor of other Estate Representative to act on the Participant's behalf and such Executor or Estate Representative transfers the Contract to an eligible person or legal entity and such transfer is approved by WAFWA.
- C. In the event that this Contract is terminated for cause by WAFWA or the Western Conservation Foundation, or for any reason by the Participant, then the Participant will refund payments received under this Contract according to the following terms:
 - (1) In the case of early termination of five year and ten year Contracts where Conservation Practices have been implemented and paid by the Western Conservation Foundation, the Participant will repay all sign-up incentive payments that he/she received.
 - (2) In the case of early termination of a ten year Contract where Conservation Practices have been implemented and paid by the Western Conservation Foundation, the Participant will repay all sign-up incentive payments as well as the restoration payments corresponding to the proportion of the contract remaining at the time of termination.

XIII. RECOVERY OF COST

After the Participant notifies WAFWA and the Western Conservation Foundationin writing of their intent to terminate this Contract as provided in Section XII.A., WAFWA or the Western Conservation Foundationwill respond in writing with an invoice for the termination fees as described in Section XII.C. WAFWA or the Western Conservation Foundationwill charge interest on the money owed to WAFWA or the Western Conservation Foundation under this Contract. Unpaid bills begin accruing interest thirty (30) days after the billing date. WAFWA will determine the interest rate by using the current value of funds rate, published annually in the Federal Register by the United States Department of Treasury. Upon receipt of payment in full, WAFWA will provide the Participant with written documentation confirming Contract termination.

XIV. CONFIDENTIALITY

The WAFWA and the Western Conservation Foundationshall allow access to the information collected under this Contract only to the relevant State fish and wildlife agency, the USFWS, employees, agents of WAFWA or the Western Conservation Foundation, and the Participant that provided the information, unless other access is authorized in writing by the Participant. WAFWA shall only allow access to the information via a password protected database maintained by WAFWA, and those accessing the data will be instructed not to download, possess, or distribute such data. Access will only be provided for the purpose of allowing the relevant State fish and wildlife agency, the FWS, employees, agents of WAFWA or the Western Conservation Foundation, or the Participant to view the particular information for monitoring and reporting, as described herein. WAFWA and the Western Conservation Foundationwill encourage the FWS and State fish and wildlife agencies to take all necessary steps to maintain the confidentiality of such information under their relevant public record laws, but WAFWA and the Western Conservation Foundationshall not be responsible or liable to the extent any information is ultimately subject to disclosure under their relevant public record laws.

XV. INCIDENTAL TAKE COVERAGE

Since the FWS listed the lesser prairie-chicken as a Threatened species under the Endangered Species Act ("ESA"), the FWS finalized a rule under Section 4(d) of the ESA to allow "for take of LEPC [Lesser Prairie Chicken] incidental to activities conducted pursuant to a comprehensive conservation program that was developed by or in coordination with a State agency and that has been determined by the Service [FWS] to provide a net conservation benefit to the LEPC." (Fed. Reg. FWS-R2-ES-2012-0071, May 6, 2013, proposed revision 78 Fed. Reg. 75306 (Dec. 11, 2013)). The final 4(d) Rule went into effect May 12, 2014, 79 Fed. Reg. 20074 (April 10, 2014). The Conservation Practices implemented in this Conservation Plan have been determined by the FWS to provide a net conservation benefit to the LPC. Thus, the 4(d) rule exempts take incidental to implementing the attached Conservation Plan from the otherwise applicable take prohibitions of the ESA, subject to limitations described in the 4(d) rule. The 4(d) rule provides the regulatory relief otherwise obtainable only through permits. The 4(d) rule is subject to revision or revocation, and the fact that it provides protections against incidental take as of the Effective Date of this Contract does not guarantee that it will always provide such protections.

XVI. GENERAL PROVISIONS

- A. **Entirety of Agreement.** This Contract, consisting of ____(_) pages, Exhibit A, consisting of ____(_) pages, and Exhibit B, consisting of ____(_) pages represents the entire and integrated Contract between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.
- B. **Force Majeure.** Neither party shall be liable for failure to perform under this Contract if such failure to perform arises out of causes beyond the control and

without the fault or negligence of the nonperforming party. This provision shall become effective only if the party failing to perform immediately notified the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize delays.

- C. **Indemnification.** The Participant shall indemnify, defend, and hold harmless WAFWA and the Western Conservation Foundation, and their officers, agents, employees, successors and assignees from any and all claims, lawsuits, losses and liability arising out of Participant's failure to perform any of Participant's duties and obligations hereunder or in connection with the negligent performance of Participant's duties or obligations, including but not limited to any claims, lawsuits, losses or liability arising out of Participant's malpractice.
- D. **Notices.** All notices or reports arising out of, or from, the provisions of this Contract shall be in writing and given to the Parties at the address provided under this Contract, either by regular mail, facsimile, e-mail or delivery in person.
- E. **Severability.** Should any portion of this Contract be judicially determined to be illegal or unenforceable, the remainder of the Contract shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.
- F. Third Party Beneficiary Rights. The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Contract shall not be construed so as to create such status. The rights, duties and obligations contained in this Contract shall operate only between the Parties to this Contract, and shall inure solely to the benefit of the Parties of this Contract. The provisions of this Contract are intended only to assist the Parties in determining and performing their obligations under this Contract. The parties to this Contract intend and expressly agree that only parties signatory to this Contract shall have any legal or equitable right to seek to enforce this Contract, to seek any remedy arising out of a party's performance or failure to perform any term or conditions of this Contract, or to bring an action for the breach of this Contract.
- G. **Waiver**. The waiver of any breach of any term or condition in this Contract shall not be deemed a waiver of any prior or subsequent breach.
- H. **Titles Not Controlling.** Titles of paragraphs are for reference only, and shall not be used to construe the language in this Contract.
- I. **Audit/Access to Records.** WAFWA, the Western Conservation Foundationand any of their representatives shall have access to any books, documents, papers, and records of the Participant which are pertinent to this Contract.

- J. **Assignment/Contract Not Used as Collateral.** Neither party shall assign or otherwise transfer any of the rights or delegate any of the duties set forth in this Contract without the prior written consent of the other party. The Participant shall not use this Contract, or any portion thereof, for collateral for any financial obligation, without the prior written permission of WAFWA and the Western Conservation Foundation.
- K. Availability of Funds. Each payment obligation of the Western Conservation Foundation is conditioned upon the availability of funds. If funds are not available for the continuance of the Conservation Practices, the Contract may be terminated by either party at the end of the period for which the funds are available. WAFWA shall notify the Participant at the earliest possible time of Conservation Practices that will or may be affected by a shortage of funds. No penalty shall accrue to WAFWA, the Western Conservation Foundationor the Participant in the event this provision is exercised, and neither WAFWA, the Western Conservation Foundation, nor the Participant shall be obligated or liable for any future payments due or for any damages as a result of termination under this section.

Applicable Law/Venue. The construction, interpretation and enforcement of this Contract shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Contract and the parties, and the venue shall be the First Judicial District, Laramie County, Wyoming.

XVII. EFFECTIVE DATE

In witness thereof, the Parties to this Contract, either personally or through their duly authorized representatives, have executed this Contract on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Contract. The Effective Date of this Contract is the date of the signature last affixed to this Contract.

Participant	Date
Address	
Telephone	
Email	
WAFWA/Western Conservation FoundationPresident or Designee	Date
WAFWA/Western Conservation FoundationChief Financial Officer or Designee	Date

EXHIBIT A

CONSERVATION PLAN

The conservation plan(s) must describe the appropriate Conservation Practice(s) that will occur on each evaluation unit contained within this contract. The Conservation Practices must be applied according to their specifications (http://efotg.sc.egov.usda.gov/). There are 3 exceptions to those specifications that must also be adopted by Participants who are generating offset units which include 1.) Total utilization of forage averaging $\leq 33\%$ /year for prescribed grazing plans (528), 2.) No chemical treatment of sand sagebrush (314), and 3.) Mechanical removal must be used for eradication of tall woody plants to minimize regrowth and/or remove the vertical structures (314).

Rangeland Management Plan (requires completion of a WAFWA prescribed grazing plan)

Restoration Practice

(Brush Management)

When necessary, a map must be inserted here with a delineation of the area where brush management will be applied. The delineated area will be used to calculated the total affected acreage for the below table. The unimpacted acreage within that same area will also be tabulated to calculate the payments in the "Calculation of Payments" section. One acre will be the minimum unit for which payments will be calculated. If the actual unimpacted treatment area is <1 acre it will be rounded up
to 1 acre for payment estimation.

Practice Name: Brush Management	Practice Code (if applicable): 314		
Lifespan:	Planned Fiscal Year(s):		
Management Unit(s):			
Evaluation Unit(s):			
Planned Amount (Total Acres):			
Canopy Cover within Treatment Area (for mechanical removal):			
Practice Description:			

Management Practices (Prescribed Grazing Required)

Practice Name: Prescribed Grazing	Practice Code: 528
Lifespan:	Planned Fiscal Year(s):
Management Units(s):	
Evaluation Unit(s):	
Planned Amount (Total Acres):	

Practice Description:	
Practice Name:	Practice Code (if applicable):
Lifespan:	Planned Fiscal Year(s):
Management Units(s):	
Evaluation Unit(s):	
Planned Amount (Total Acres):	
Practice Description:	
Practice Name:	Practice Code (if applicable):
Lifespan:	Planned Fiscal Year(s):
Management Unit(s):	
Evaluation Unit(s):	

Planned Amount (Total Acres):
Practice Description:

Planted Grass Management Plan

Restoration Practice

(Range Planting or Restoration & Management of Rare & Declining Habitats)

Practice Name:	Practice Code (if applicable):	
Lifespan:	Planned Fiscal Year(s):	
Management Units(s):		
Evaluation Unit(s):		
Planned Amount (Total Acres):		
Practice Description:		

Management Practices (Required at the appropriate frequency)

Practice Name:	Practice Code:	
Lifespan:	Planned Fiscal Year(s):	
Management Units(s):		
Evaluation Unit(s):		
Planned Amount (Total Acres):		
Practice Description:		

CALCULATION OF PAYMENTS

Method

Payments will be calculated for only acreage that is not impacted by developments as defined by the buffers listed in the LPC range-wide conservation plan (Table 1). The sign-up incentive payments and the restoration payments will be based on the unimpacted acres enrolled or treated, respectively. Those per acre payments will also be scaled according to their proximity to the different priority areas delineated within the LPC Crucial Habitat Assessment Tool (CHAT) (Figure 1, Table 2). Habitat quality is not used to weight the payment rates for sign-up incentive or restoration practices.

Table 1. Buffer distances applied to developments to define impacted acreage, FY15.

Type of Impact	Buffer distance feet (meters)		
Oil and gas pads and small compressor stations*	656 (200)		
Wind turbines	2188 (667)		
Transmission lines ≥69 kV	1312 (400)		
Distribution lines <69 kV	33 (10)		
Tall vertical structures (>150 ft.)	2188 (667)		
Secondary roads	220 (67)		
Primary roads	1640 (500)		
Industrial buildings and other compressor stations**	2188 (667)		
Residential buildings (houses)	436 (133)		
Private roads (ranch roads, etc.)	33 (10)		
Tank batteries	436 (133)		
Railroad tracks	220 (67)		

^{*}Includes compressors with foot prints of <5 acres that are muffled to <75dB at 30 feet

^{**}Includes all other compressor stations and electrical substations

Table 2. Payment rates per unimpacted acre for sign-up incentives and restoration practices, FY 15.

Service Area - Practice	CHAT 1	CHAT 2	СНАТ 3	CHAT 4
Shortgrass				
Sign-up incentive (5 year contract)	\$2.50	\$2.00	\$1.50	\$1.00
Sign-up incentive (10 year contract)	\$5.00	\$4.00	\$3.00	\$2.00
Range Planting	\$184.16	\$175.79	\$142.31	\$125.57
Mechanical Brush Management (light)	\$111.80	\$106.72	\$86.39	\$76.23
Mechanical Brush Management (Moderate)	\$184.38	\$176.00	\$142.48	\$125.72
Mechanical Brush Management (Heavy)	\$460.61	\$439.68	\$355.93	\$314.06
Shinnery Oak				
Sign-up incentive (5 year contract)	\$2.50	\$2.00	\$1.50	\$1.00
Sign-up incentive (10 year contract)	\$5.00	\$4.00	\$3.00	\$2.00
Range Planting	\$95.81	\$91.46	\$74.04	\$65.33
Mechanical Brush Management (light)	\$166.71	\$159.13	\$128.82	\$113.66
Mechanical Brush Management (Moderate)	\$273.52	\$261.08	\$211.35	\$186.49
Mechanical Brush Management (Heavy)	\$342.42	\$326.85	\$264.60	\$233.47
Chemical Brush Management	\$70.66	\$67.45	\$54.60	\$48.18
Sand Sagebrush				
Sign-up incentive (5 year contract)	\$2.50	\$2.00	\$1.50	\$1.00
Sign-up incentive (10 year contract)	\$5.00	\$4.00	\$3.00	\$2.00
Range Planting	\$95.81	\$91.46	\$74.04	\$65.33
Mechanical Brush Management (light)	\$166.71	\$159.13	\$128.82	\$113.66
Mechanical Brush Management (Moderate)	\$273.52	\$261.08	\$211.35	\$186.49
Mechanical Brush Management (Heavy)	\$342.42	\$326.85	\$264.60	\$233.47
Mixed Grass				
Sign-up incentive (5 year contract)	\$2.50	\$2.00	\$1.50	\$1.00
Sign-up incentive (10 year contract)	\$5.00	\$4.00	\$3.00	\$2.00
Range Planting	\$248.14	\$236.86	\$191.74	\$169.19
Mechanical Brush Management (light)	\$111.80	\$106.72	\$86.39	\$76.23
Mechanical Brush Management (Moderate)	\$184.38	\$176.00	\$142.48	\$125.72
Mechanical Brush Management (Heavy)	\$460.61	\$439.68	\$355.93	\$314.06

Annual conservation payments will be scaled by habitat quality in addition to unimpacted acreage and proximity on the landscape. The quality of those unimpacted acres will be valued by the WAFWA habitat evaluation guide (HEG) which utilizes 4 relatively consistent variables using the below criteria.

WAFWA Habitat Evaluation Guide (HEG) Scoring Criteria

1. Vegetative cover—Non-overlapping canopy cover of herbaceous plants and shrubs

a.	>45%	Score	1.0
b.	31-45%	Score	0.85
c.	15-30%	Score	0.60
d.	<15%	Score	0.25
e.	Cropped	Score	0.05

2. Vegetative composition—Relative vegetative cover of preferred grasses and shrubs including little bluestem, sideoatsgrama, big bluestem, Indian grass, sand bluestem, switchgrass, sand sagebrush, and sand shinnery oak

a.	>75%	Score	1.0
b.	51-75%	Score	0.85
c.	25-50%	Score	0.60
d.	<25%	Score	0.25
e.	Cropped	Score	0.05

3. Percent cover of tall woody plants > 3 ft. in height in upland sites

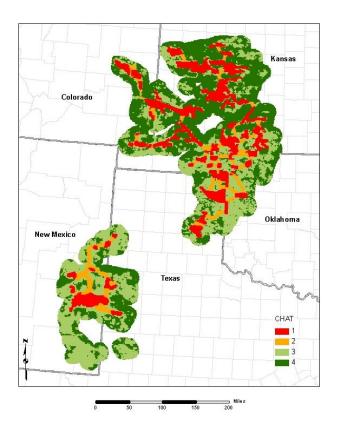
a.	0%	Score	1.0
b.	<1%	Score	0.85
c.	1-5%	Score	0.60
d.	>5%	Score	0.25
e.	Cropped	Score	0.05

4. Availability of potential habitat – Proportion of area within a 1 mile radius in grass cover

a.	>90%	Score 1.0
b.	80-89%	Score 0.9
c.	70-79%	Score 0.8
d.	60-69%	Score 0.7
e.	50-59%	Score 0.6
f.	40-49%	Score 0.5
g.	30-39%	Score 0.4
h.	20-29%	Score 0.3
i.	10-19%	Score 0.2
j.	1-9%	Score 0.1
k.	<1%	Score 0.0

The HEG score will be calculated using the following formula and will range from 0-1.

Habitat units will be calculated as the product of the unimpacted acreage and the HEG score. The habitat units will be weighted by the location of the acreage relative to the priority areas delineated within the LPC Crucial Habitat Assessment Tool (CHAT) (Figure 1). The corresponding multiplier associated with each of those categories will be used to convert the habitat units into offset units.



CHAT Category	Offset Multiplier
CHAT 1	1.25
CHAT 2	1.05
CHAT 3	0.9
CHAT 4	0.8

Figure 1. Crucial habitat assessment tool (CHAT) categories and their associated **offset multipliers,** FY 15. The categories are ranked and valued according to their priority as described within the LPC range-wide plan.

The base value of the offset units equates to the average cost to replace an acre of impacted habitat by making payments to private landowners to implement conservation practices (Figure 2). Those values are set annually by WAFWA using practice costs estimates provided by the Natural Resources Conservation Service (NRCS) and the Farm Service Agency (FSA). The unit values must be converted into payments by applying a multiplier which is proportional to the actual cost of implementing the practice relative to the base unit value (Table 2). Finally, one last multiplier must be utilized to convert the base

payment rate into the amount being offered by WAFWA for implementing the conservation plan (Table 3).

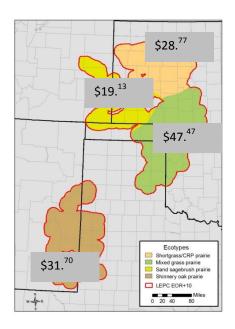


Figure 2. Offset **unit values** in each service area, FY15.

Table 3. Conservation planpayment weightings, FY15.

Conservation Incentive/Practice	Shortgrass	Shinnery Oak	Sand Sagebrush	Mixed Grass
Rangeland Management Plan	0.492	0.232	0.695	0.422
Planted Grass Management Plan	1.473	1.025	1.935	0.919

Table 4. Conservation plan payment scalings, FY15.

Practice	CHAT 1	СНАТ 2	СНАТ 3	СНАТ 4
Management Plans (Rangeland and Planted Grass)	1.08	1.05	1.11	1.13

Calculations

The below table illustrates how the previously described methods will be used to calculate payments for one managementunit during the first fiscal year of this plan. <u>Multiple tables</u> will be used to calculate all the payments if there is more than one management unit where conservation practices will be applied.

Management Unit ____

Location- Practice	UnimpactedAcres ^a	l	HEG Score		Offset Multiplier	r	Offset Units or UnimpactedAcreage		Offset Unit Value or Per Acre Payment Rate	I	Practice Weight		Payment Scaling	Payments
CHAT 1														
Sign-up Incentive	NA	X	NA	X	NA			X	х	2	NA	X	NA =	=
Restoration Practice	NA	X	NA	X	NA	_		X	Х	2	NA	X	NA =	
Management Plan		X		X	1.25	_		X	Х	(X	=	=
CHAT 2														
Sign-up Incentive	NA	X	NA	X	NA			X	X	2	NA	X	NA =	=
Restoration Practice	NA	X	NA	X	NA	_		X	Х	(NA	X	NA =	=
Management Plan		X		X	1.05	-		X	Х	(X	=	=
СНАТ 3														
Sign-up Incentive	NA	X	NA	X	NA			X	X	2	NA	X	NA =	
Restoration Practice	NA	X	NA	X	NA	_		X	Х	(NA	X	NA =	=
Management Plan		X		X	0.9	_		X	Х	(X	=	=
CHAT 4														
Sign-up Incentive	NA	X	NA	X	NA			X	X	3	NA	X	NA =	
Restoration Practice	NA	X	NA	Х	NA			X	X	(NA	X	NA =	=
Management Plan		X		X	0.8			X	X			X	=	-
Total														

^aPayments for sign-up incentives and restoration practices are based on the **unimpacted** acreage within the area where they are being applied.

ESTIMATED ANNUAL PAYMENTS (BY FEDERAL FISCAL YEAR)

FY 15 (Year 1)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Sign-Up Incentive	Brush Mgt.	Range Planting	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total									

FY 16 (Year 2)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 17 (Year 3)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 18 (Year 4)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 19 (Year 5)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 20 (Year 6)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 21 (Year 7)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 22 (Year 8)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 23 (Year 9)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

FY 24 (Year 10)

Management Unit	Expected HEG	Expected Unimpacted Acreage	Expected Offset Units	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Total Expected Payment
Total						

Contract Totals

Management Unit	Expected HEG Score at Contract Completion	Expected Offset Units	Sign-Up Incentive	Brush Management	Range Planting	Rangeland Mgt. Plan	Planted Grass Mgt. Plan	Expected Payment
Grand Total								

Exhibit B

Table 1. Payment rates (per unimpacted acre) offered to landowners in the **sand sagebrush service area** for sign-up incentives, management plans, restoration practices, and perpetual conservation easements, 2015.

	Habitat Quality (HEG Score)							
Location- activity	All Sites	0.05	0.2	0.4	0.6	0.8	1.0	
CHAT 1								
Sign-up Incentive (5-yr contract)	\$2.50							
Sign-up Incentive (10-yr contract)	\$5.00							
Rangeland Management Plan		\$0.90	\$3.59	\$7.18	\$10.77	\$14.35	\$17.94	
Planted Grass Management Plan		\$2.50	\$9.99	\$19.99	\$29.98	\$39.98	\$49.97	
Range Planting	\$95.81							
Brush Management (light cover)	\$166.71							
Brush Management (moderate cover)	\$273.52							
Brush Management (heavy cover)	\$342.42							
Perpetual Conservation Easement	\$264.00a							
CHAT 2								
Sign-up Incentive (5-yr contract)	\$2.00							
Sign-up Incentive (10-yr contract)	\$4.00							
Rangeland Management Plan		\$0.73	\$2.92	\$5.85	\$8.77	\$11.70	\$14.62	
Planted Grass Management Plan		\$2.04	\$8.14	\$16.29	\$24.43	\$32.58	\$40.72	
Range Planting	\$91.46							
Brush Management (light cover)	\$159.13							
Brush Management (moderate cover)	\$261.08							
Brush Management (heavy cover)	\$326.85							
Perpetual Conservation Easement	\$264.00a							
CHAT 3								
Sign-up Incentive (5-yr contract)	\$1.50							
Sign-up Incentive (10-yr contract)	\$3.00							
Rangeland Management Plan		\$0.66	\$2.66	\$5.32	\$7.97	\$10.63	\$13.29	
Planted Grass Management Plan		\$1.85	\$7.40	\$14.81	\$22.21	\$29.61	\$37.02	
Range Planting	\$74.04							
Brush Management (light cover)	\$128.82							
Brush Management (moderate cover)	\$211.35							
Brush Management (heavy cover)	\$264.60							
Perpetual Conservation Easement	\$264.00a							
CHAT 4								
Sign-up Incentive (5-yr contract)	\$1.00							
Sign-up Incentive (10-yr contract)	\$2.00							
Rangeland Management Plan		\$0.60	\$2.39	\$4.78	\$7.18	\$9.57	\$11.96	
Planted Grass Management Plan		\$1.67	\$6.66	\$13.33	\$19.99	\$26.65	\$33.32	
Range Planting	\$65.33							
Brush Management (light cover)	\$113.66							
Brush Management (moderate cover)	\$186.49							
Brush Management (heavy cover)	\$233.47							
Perpetual Conservation Easement	NEb							

^aThis figure represents the maximum amount that can be paid for the easement. The actual figure will be negotiated between the landowner and the technical service provider based on terms of the easement, site potential, existing impacts, etc. ^bNE = not eligible without special authorization from the LPCIC

Table 2. Payment rates (per unimpacted acre) in the **shortgrass service area** for sign-up incentives, management plans, restoration practices, and perpetual conservation easements, 2015.

			Habitat Q	uality (HI	EG Score)		
Location- activity	All Sites	0.05	0.2	0.4	0.6	8.0	1.0
CHAT 1							
Sign-up Incentive (5-yr contract)	\$2.50						
Sign-up Incentive (10-yr contract)	\$5.00						
Rangeland Management Plan		\$0.96	\$3.82	\$7.64	\$11.47	\$15.29	\$19.11
Planted Grass Management Plan		\$2.86	\$11.44	\$22.89	\$34.33	\$45.77	\$57.22
Range Planting	\$184.16						
Brush Management (light cover)	\$111.80						
Brush Management (moderate cover)	\$184.38						
Brush Management (heavy cover)	\$460.61						
Perpetual Conservation Easement	\$363.00a						
CHAT 2							
Sign-up Incentive (5-yr contract)	\$2.00						
Sign-up Incentive (10-yr contract)	\$4.00						
Rangeland Management Plan		\$0.78	\$3.11	\$6.23	\$9.34	\$12.46	\$15.57
Planted Grass Management Plan		\$2.33	\$9.32	\$18.65	\$27.97	\$37.30	\$46.62
Range Planting	\$175.79						
Brush Management (light cover)	\$106.72						
Brush Management (moderate cover)	\$176.00						
Brush Management (heavy cover)	\$439.68						
Perpetual Conservation Easement	\$363.00a						
CHAT 3							
Sign-up Incentive (5-yr contract)	\$1.50						
Sign-up Incentive (10-yr contract)	\$3.00						
Rangeland Management Plan		\$0.71	\$2.83	\$5.66	\$8.49	\$11.32	\$14.16
Planted Grass Management Plan		\$2.12	\$8.48	\$16.95	\$25.43	\$33.91	\$42.38
Range Planting	\$142.31						
Brush Management (light cover)	\$86.39						
Brush Management (moderate cover)	\$142.48						
Brush Management (heavy cover)	\$355.93						
Perpetual Conservation Easement	\$363.00a						
CHAT 4							
Sign-up Incentive (5-yr contract)	\$1.00						-
Sign-up Incentive (10-yr contract)	\$2.00						
Rangeland Management Plan		\$0.64	\$2.55	\$5.10	\$7.64	\$10.19	\$12.74
Planted Grass Management Plan		\$1.91	\$7.63	\$15.26	\$22.89	\$30.52	\$38.14
Range Planting	\$125.57						
Brush Management (light cover)	\$76.23						
Brush Management (moderate cover)	\$125.72						
Brush Management (heavy cover)	\$314.06						
Perpetual Conservation Easement	NEb						

^aThis figure represents the maximum amount that can be paid for the easement. The actual figure will be negotiated between the landowner and the technical service provider based on terms of the easement, site potential, existing impacts, etc. ^bNE = not eligible without special authorization from the LPCIC

Table 3. Payment rates (per unimpacted acre) in the **mixed grass service area** for sign-up incentives, management plans, restoration practices, and perpetual conservation easements, 2015.

	Habitat Quality (HEG Score)								
Location- activity	All Sites	0.05	0.2	0.4	0.6	0.8	1.0		
CHAT 1									
Sign-up Incentive (5-yr contract)	\$2.50								
Sign-up Incentive (10-yr contract)	\$5.00								
Rangeland Management Plan		\$1.35	\$5.41	\$10.83	\$16.24	\$21.66	\$27.07		
Planted Grass Management Plan		\$2.94	\$11.77	\$23.55	\$35.32	\$47.09	\$58.86		
Range Planting	\$248.14								
Brush Management (Chemical Application)	\$70.66								
Brush Management (light cover)	\$111.80								
Brush Management (moderate cover)	\$184.38								
Brush Management (heavy cover)	\$460.61								
Perpetual Conservation Easement	\$528.00a								
CHAT 2	Ψ320.00								
Sign-up Incentive (5-yr contract)	\$2.00								
Sign-up Incentive (10-yr contract)	\$4.00								
Rangeland Management Plan	φ 1 .00	\$1.10	\$4.41	\$8.82	\$13.24	\$17.65	\$22.06		
Planted Grass Management Plan		\$2.40	\$9.59	\$19.19	\$28.78	\$38.37	\$47.96		
Range Planting	\$236.86	\$2.40	\$9.59 	\$19.19	\$40.70	\$30.37	\$47.90		
	\$67.45								
Brush Management (Chemical Application)									
Brush Management (light cover)	\$106.72								
Brush Management (moderate cover)	\$176.00								
Brush Management (heavy cover)	\$439.68								
Perpetual Conservation Easement	\$528.00a								
CHAT 3	44.50								
Sign-up Incentive (5-yr contract)	\$1.50								
Sign-up Incentive (10-yr contract)	\$3.00								
Rangeland Management Plan		\$1.00	\$4.01	\$8.02	\$12.03	\$16.04	\$20.05		
Planted Grass Management Plan		\$2.18	\$8.72	\$17.44	\$26.16	\$34.88	\$43.60		
Range Planting	\$191.74								
Brush Management (Chemical Application)	\$54.60								
Brush Management (light cover)	\$86.39								
Brush Management (moderate cover)	\$142.48								
Brush Management (heavy cover)	\$355.93								
Perpetual Conservation Easement	\$528.00a								
CHAT 4									
Sign-up Incentive (5-yr contract)	\$1.00								
Sign-up Incentive (10-yr contract)	\$2.00								
Rangeland Management Plan		\$0.90	\$3.61	\$7.22	\$10.83	\$14.44	\$18.05		
Planted Grass Management Plan		\$1.96	\$7.85	\$15.70	\$23.55	\$31.39	\$39.24		
Range Planting	\$169.19								
Brush Management (Chemical Application)	\$48.18								
Brush Management (light cover)	\$76.23								
Brush Management (moderate cover)	\$125.72								
Brush Management (heavy cover)	\$314.06								
Perpetual Conservation Easement	NEb								

^aThis figure represents the maximum amount that can be paid for the easement. The actual figure will be negotiated between the landowner and the technical service provider based on terms of the easement, site potential, existing impacts, etc. ^bNE = not eligible without special authorization from the LPCIC

Table 4. Payment rates (per unimpacted acre) in the **shinnery oak service area** for sign-up incentives, management plans, restoration practices, and perpetual conservation easements, 2015.

	Habitat Quality (HEG Score)							
Location- activity	All Sites	0.05	0.2	0.4	0.6	0.8	1.0	
CHAT 1								
Sign-up Incentive (5-yr contract)	\$2.50							
Sign-up Incentive (10-yr contract)	\$5.00							
Rangeland Management Plan		\$0.50	\$1.98	\$3.96	\$5.95	\$7.93	\$9.91	
Planted Grass Management Plan		\$2.19	\$8.77	\$17.54	\$26.31	\$35.08	\$43.86	
Range Planting	\$95.81							
Brush Management (Chemical Application)	\$70.66							
Brush Management (light cover)	\$166.71							
Brush Management (moderate cover)	\$273.52							
Brush Management (heavy cover)	\$342.42							
Perpetual Conservation Easement	ψ512.12							
i ei petuai consei vation Lasement								
	\$264.00a							
CHAT 2								
Sign-up Incentive (5-yr contract)	\$2.00							
Sign-up Incentive (10-yr contract)	\$4.00							
Rangeland Management Plan		\$0.40	\$1.62	\$3.23	\$4.85	\$6.46	\$8.08	
Planted Grass Management Plan		\$1.79	\$7.15	\$14.29	\$21.44	\$28.59	\$35.73	
Range Planting	\$91.46							
Brush Management (Chemical Application)	\$67.45							
Brush Management (light cover)	\$159.13							
Brush Management (moderate cover)	\$261.08							
Brush Management (heavy cover)	\$326.85							
Perpetual Conservation Easement	\$264.00a							
CHAT 3	Ψ201.00							
Sign-up Incentive (5-yr contract)	\$1.50							
Sign-up Incentive (10-yr contract)	\$3.00							
Rangeland Management Plan		\$0.37	\$1.47	\$2.94	\$4.41	\$5.87	\$7.34	
Planted Grass Management Plan		\$1.62	\$6.50	\$12.99	\$19.49	\$25.99	\$32.49	
Range Planting	\$74.04	ψ1.0Z	ψ0.50 	Ψ12.77 	Ψ1 <i>7</i> . 1 <i>7</i>	ΨΔ3.77 	ψ32. 1 7	
Brush Management (Chemical Application)	\$54.60							
Brush Management (light cover)	\$128.82							
Brush Management (moderate cover)	\$211.35							
Brush Management (heavy cover)	\$264.60							
Perpetual Conservation Easement	\$264.00°							
CHAT 4	\$204.00							
Sign-up Incentive (5-yr contract)	\$1.00							
• • • • • • • • • • • • • • • • • • • •	\$2.00	-						
Sign-up Incentive (10-yr contract)		¢0.22	\$1.32	\$2.64	\$3.96	\$5.29	\$6.61	
Rangeland Management Plan		\$0.33 \$1.46						
Planted Grass Management Plan	 ¢6E 22	\$1.40	\$5.85	\$11.69	\$17.54	\$23.39	\$29.24	
Range Planting	\$65.33							
Brush Management (Chemical Application)	\$48.18							
Brush Management (light cover)	\$113.66							
Brush Management (moderate cover)	\$186.49							
Brush Management (heavy cover)	\$233.47							

Perpetual Conservation Easement	NE^{b}						
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^aThis figure represents the maximum amount that can be paid for the easement. The actual figure will be negotiated between the landowner and the technical service provider based on terms of the easement, site potential, existing impacts, etc. ^bNE = not eligible without special authorization from the LPCIC