EXHIBIT BC – To National Instruction 440-310

Regional Conservation Partnership Program (RCPP) – 2018 Farm Bill RCPP Classic Ranking Guidance

This Exhibit provides ranking guidance for 2018 Farm Bill RCPP Classic financial assistance (FA) awards. Specific requirements for each RCPP Classic activity type (Land Management, Rental, US Held Easements, Entity Held Easements, and Watersheds) vary by activity type and are outlined by activity type and contracting platform as described in Parts I-IV below.

CART ranking requirements apply to all awards planned and contracted through Conservation Desktop (CD). This NI provides detailed guidance for Conservation Desktop (CD) ranking of Land Management, Rental, and Entity Held Easement parcel applications. Future updates will address US-Held Easements.

All RCPP Classic Supplemental Agreement awards for Technical Assistance (TA) and all RCPP Alternative Funding Arrangement (AFA) Supplemental Agreement awards (for FA or TA) are exempt from these ranking requirements. Some RCPP classic FA Supplemental Agreements are also exempt from ranking requirements, as further specified in Parts I-V below.

Part I: RCPP Classic Producer Contracts and Supplemental Agreements, Land Management and Rental Activity Ranking Guidance

- 1) Introduction
 - This Part contains ranking guidance for ranking of 2018 Farm Bill RCPP projects with Land Management or Rental (LMR) activity.
- 2) General LMR Pool Requirements
 Each RCPP LMR ranking pool must be based on the relevant PPA, particularly
 Attachment 2 Deliverables, Exhibits 1 and 2 (as applicable), and program requirements.
 - a) Land Management (LM) and Rental funding will be managed per negotiated PPA budgets, however the two activity types will be managed in a single ranking pool per project. States may use CART categories or CD reports to align obligations with PPA deliverables for each of these RCPP activities. PPA amendments are required where substantive differences between PPA activity budgets and obligations are anticipated.
 - b) Assessment of Applications for Producer Contracts:
 - LMR Producer contract applications will be managed in CD and must be ranked in a single project specific ranking pool.
 - Pending future CART enhancements to support evaluation of a single plan within multiple ranking categories in the same ranking tool, LMR applications will only be evaluated in a single ranking category for each RCPP project.
 - c) Assessment of Partner Supplemental Agreements:

SA Land Management awards are relatively rare project elements. SA LM awards not identified as exempt from ranking in the relevant PPA Exhibit 1 (e.g., based on inclusion as identified as part of a selected project proposal and/or otherwise necessary for NRCS to complete project responsibilities) must be assessed in CART as outlined below:

- 1) A single supplemental agreement-only LM ranking pool will be established.
- 2) LM Supplemental Agreements will be contracted using RCPP portal and all LM supplemental agreements are subject to NHQ review and concurrence requirements.

3) Ranking Pool Naming

The following naming convention MUST be used for each RCPP ranking pool: (4-digit RCPP Id) (Activity Type: LMR (Producer Contracts in Conservation Desktop or LM Supplemental Agreements in Portal) (Award Type: Producer or Supplemental) (Optional: Fiscal Year) e.g., 1234 LMR Producer.

4) Land Uses

The national RCPP ranking template includes a comprehensive list of available Land Uses. Land uses in an LMR ranking pool must be tailored to include land uses identified in Exhibits 1 and 2 of the PPA, as applicable.

5) Resource Concern and Resource Concern Categories

The national RCPP ranking template includes a comprehensive list of available Resource Concerns and Resource Concern Categories. States should use information in PPA Exhibits 1 and 2 to tailor ranking tool to the project.

LMR ranking pools for any project with rental activity must include Long-term Protection of Land. Additionally, applications which include either RCPP rental practice (RFRN or RFRP) must include Long-term Protection of Land as a Resource Concern to be correctly associated with ranking pool(s).

6) Practices

The national RCPP ranking template provides a broad list of available practices including traditional conservation practices (100-900 practices codes), enhancements (e-practices codes), and RCPP rental practices, (RFRP Rental Payment based on NRCS Defined Model, and RFRN FA Rental Payment based on Negotiated Project Specific Scenarios). Practices allowed in a RCPP project ranking pool must be tailored to project and the applicable contract type as outlined in Exhibits 1 and 2 of the project specific PPA.

Note on LM Supplemental Agreements--If a ranking pool will be used to assess RCPP Classic Land Management Supplemental Agreements, the practice list must exclude all enhancements and both the rental practices (RFRN and RFRP). These activities are inconsistent with RCPP supplemental agreement authorities.

7) Ranking Component Weights

The RCPP national ranking template provides states flexibility in how to capture negotiated project ranking expectations in PPA Exhibits 1 and 2. Weightings should be established to

ensure that applications best suited to achieving project purposes are prioritized. Where variability in project objectives exists (e.g., same project includes expectation of serving applications with both EQIP-like objectives and CSP-like objectives, and "vulnerability" weightings could confound comparisons), States are encouraged to balance ranking component weights and use "categories" to optimize selections.

8) Applicability:

States may use either a text question or geospatial assessment to determine pool applicability to application acres:

• Geospatial:

Land Unit Qualification = [ALL]

State must publish the geospatial layer that represents the project area map as (current) PPA.

• Textual:

Bracketed text in following question may be edited to be consistent with state practice in other LM like program ranking tools, and/or to reflect negotiated expectations of tract location with respect to project area:

Treated acres (entirely/partially) within the RCPP project area, and application will address one or more project conservation benefit(s) in the project area?

9) Category Questions

Ranking Categories support the need to have similar applications compete against one another. In an RCPP context, categories may be used to ensure selections meet project-specific considerations identified in the relevant PPA and associated exhibit(s). For example, categories may be used to:

- Ensure Historically Underserved Producers have opportunity to compete against one another
- Ensure rental only, rental and land management, or land management only applications have opportunity to compete against similar applications where discrete competitions are envisioned per PPA.
- Address negotiated expectations for competition of LMR funding based on land use or other project priorities in the PPA.

10) Ranking Questions

• Program Questions (200 Points Total)

States must include the following questions, or close equivalents tailored to a specific project. Each category heading (e.g., Outcomes) must be included in every ranking tool. Edits are permissible only to make questions more project-specific/reflective of negotiated project expectations and cannot result in reduction of minimum percentages available to each category, or eliminate any of the categories (except bundling, where PPA exhibits indicate bundling will not be used for either Land Management or Rental activity assessments).

Outcomes (minimum 40 Points [20% of Program Points]):

Outcomes: Application directly addresses one or more resource concern(s) for which outcome metrics have been included in which PPA Attachment 4 includes outcome metrics? (yes earns points, no does not)

Contributions (minimum 40 Points [20% of Program Points])

Contributions: PPA exhibits identify direct relationship between proposed LMR activities and partner contributions, and application directly leverages RCPP funding with partner contributions. (yes earns points, no does not)

Historically Underserved (maximum 40 Points [20% of Program Points])

Historically Underserved Producers: PPA Exhibits identify ranking priority for HU producers, and application meets those requirements.

Partner Bundles/Bundling (maximum 50 Points [25% of Program Points])

Partner Application Bundles: PPA Exhibits identify negotiated expectations for lead partner submission of bundled applications, and application has been identified by lead partner as part of an application bundle.

Other RCPP proposal related non-resource driven issues (Optional, set points to maintain program question minimums and partner bundle points from above)

Where applicable PPA exhibit(s) include(s) "programmatic" expectations that are not captured elsewhere in this section, state may add additional question(s), so long as total points in this section and for any added optional question(s) align with stated requirements for other programs questions.

• Resource Questions (200 Points)

Partners have the statutory responsibility in RCPP projects to identify each project's "conservation benefits." These conservation benefits generally translate to "resource concerns" in the PPA and applicable exhibit(s). CART Vulnerability and Planned Practice Effects points are used to help ensure that resource concern issues are recognized in application consideration. Resource questions (and the flexibility afforded this component via Ranking Weights) may serve to further target application selections to project priorities and will be critical to avoiding "ties" (particularly when rental only applications are a possibility). Accordingly, states and partners have wide latitude in negotiating meaningful, resource-based questions.

11) Tie Breaker

Criteria other than the total federal cost of application must be used to break any tie. States are highly encouraged to use resource and program questions to separate applications. Where ties do occur, states have some flexibility with respect to obligations, as RCPP PPA allows for accelerated obligations without necessity for PPA amendment.

Part II: Entity Held Easement (EHE) Activity Ranking Guidance

1) Introduction

This Part contains ranking guidance specific to ranking of 2018 Farm Bill RCPP projects with RCPP EHE.

2) General Ranking Pool Requirements

Each RCPP EHE ranking pool must be based on the negotiated RCPP PPA and program requirements.

- a) RCPP funding for EHE acquisition will be obligated based on a CD plan in parcel contracts, and CART ranking processes must be followed.
- b) A single CART ranking pool must be constructed for each RCPP project.
- c) Assessment of Applications in AFA Projects and Classic Projects with preselected parcels identified in proposal/PPA may use streamlined ranking. A minimum of one question required in each of the following sections: applicability, category, program, and resource concerns.

3) Ranking Pool Naming

The following naming convention MUST be used for each RCPP ranking pool: (4-digit RCPP Id) (Activity Type: EHE Parcel Contracts (Award Type: Producer or Supplemental) (Optional: Fiscal Year) e.g., 1234 EHE Producer.

4) Land Uses

The national RCPP ranking template includes a comprehensive list of available Land Uses. Land uses in an EHE ranking pool must tailored to include (all) of those land uses identified in PPA Exhibits as applicable.

5) Resource Concern and Resource Concern Categories

The national RCPP ranking template includes a comprehensive list of available Resource Concerns and Resource Concern Categories. States should use information in Exhibits to tailor ranking pool to the project. EHE ranking pools must include Long-term Protection of Land as a resource concern.

6) Practices

The national RCPP ranking template provides a very targeted list of available practices: LTPPE Long-Term Protection of Land – Permanent Easement or LTPMAS Long-Term Protection of Land – Maximum Duration Allowed by State Law. States may only include the practice which applies to their state in ranking tool.

7) Ranking Component Weights

The RCPP national ranking template provides States flexibility in how to best capture negotiated project specific ranking expectations documented in PPA. Weightings should be established to ensure that applications best suited to achieving project purposes are prioritized. Where variability in project objectives exists (e.g., same project includes expectation of serving applications with different levels of protection, land uses, geographical areas), States are encouraged to balance ranking component weights and use "categories" to optimize application selections.

8) Applicability:

States may use either a text question or geospatial assessment to determine ranking pool applicability to application acres:

Geospatial:

Land Unit Qualification = [ALL]

State must publish the geospatial layer that represents the project area map as (current) PPA.

Textual:

Bracketed text in following question to may be edited to be consistent with state practice in other EHE like program ranking pools, and/or to reflect negotiated expectations of tract location with respect to project area:

Treated acres (entirely/partially) within the RCPP project area, and application will address one or more project conservation benefit(s) in the project area?

9) Category Questions

Ranking categories are available to support need to have similar applications compete (only) against one another. In RCPP context, categories may be used to ensure selections meet project specific considerations identified in PPA and Exhibits are satisfied. For example, categories may be used to:

- Ensure Historically Underserved Producers have opportunity to compete against one another.
- Ensure pre-selected, vs. non-pre-selected parcels are trackable within the project.
- Address negotiated expectations for competition of EHE funding based on land use or other project priorities in the PPA.

10) Ranking Questions

• Program Questions (200 Points Total)

States must include the following questions, or close equivalents; regardless of applicability in any specific project, each applicable category heading (e.g., Outcomes) must be included. Edits are permissible only to make questions more project specific/reflective of negotiated project expectations and cannot result in reduction of minimum percentages available to each category, or eliminate any of the categories (except bundling, if PPA indicates lead partner bundling will not be used for EHE easements).

Outcomes (minimum 40 Points [20% of Program Points]):

Outcomes: Application directly addresses one or more resource concern(s) for which outcome metrics have been included in which PPA Attachment 4 includes outcome metrics? (yes earns points, no does not)

Contributions (minimum 40 Points [20% of Program Points])

Contributions: PPA exhibits identify direct relationship between proposed Entity Held Easement activities and partner contributions, and application directly

leverages RCPP funding with partner contributions. (yes earns points, no does not)

Historically Underserved (minimum 40 Points [20% of Program Points])

Historically Underserved Producers:: PPA Exhibits identify ranking priority for HU producers, and application meets those requirements.

Partner Bundles/Bundling (maximum 50 Points [25% of Program Points])

Partner Application Bundles: PPA Exhibits identify negotiated expectations for lead partner submission of bundled applications, and application has been identified by lead partner as part of an application bundle.

Other RCPP proposal related non-resource driven issues (Optional, set points to maintain program question minimums and partner bundle points from above)

Where applicable PPA exhibit(s) include(s) "programmatic" expectations that are not captured elsewhere in this section, state may add additional question(s), so long as total points in this section and for any added optional question(s) align with stated requirements for other programs questions.

• Resource Questions (200 Points)

Partners have the statutory responsibility in RCPP projects to identify each project's "conservation benefits." These conservation benefits are generally translated to "Resource Concerns" in the PPA and applicable Exhibit(s). CART Vulnerability and Practice points are used to help ensure that resource concern issues are recognized in application consideration. Resource questions (and the flexibly afforded this component via Ranking Weights) may serve to further target application selections to project priorities and will be critical to avoiding "ties". Accordingly, States and partners have wide latitude in negotiating meaningful, resource-based questions.

11) Tie Breaker

Lead state/partner negotiation should establish (and document) a method to break any ties. Criteria other than the total federal cost of application must be used to break any tie; states highly encouraged to use resource and program questions to separate applications. Where ties do occur, States have some flexibility with respect to obligations, as RCPP PPA allows for accelerated obligations without necessity for PPA amendment.

Part III: US Held Easement Activity Ranking Guidance for Producer Contracts and Supplemental Agreements

Reserved

Part IV: RCPP Watershed Activity Ranking Guidance

Watershed activities will be managed via Supplemental Agreements in the RCPP portal, based on projects and or local assessment processes identified in selected project proposals.