



American Forest Resource Council
5100 S.W. Macadam Avenue, Suite 350
Portland, Oregon 97239

Phone: (503) 222-9505
Fax: (503) 222-3255
E-mail: info@amforest.org
www.amforest.org

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Task Force Report Disappoints

On July 22, the Administration released the Final Report of the Western Oregon Task Force. The Task Force visited Oregon in January of this year and interviewed various stakeholders interested in BLM land management policies. The report is far from providing a way for the BLM to move forward with timber management in the absence of the Western Oregon Plan Revisions (WOPR), which was withdrawn by Interior Secretary Ken Salazar on July 16, 2009. The 33 page report instead calls for the formation of committees, and processes that largely sidestep any effort to resolve the issues that have been hampering the management of these federal forests for the better part of two decades. Instead of directly addressing these issues, the Administration has suggested assessing “opportunities for economic diversification in O&C counties” and “redirecting the current budget and performance focus away from timber targets and toward forest health and restoration.” It also recommends that the science work done in developing the WOPR “be independently reviewed by an Interagency Science Team.”

In short, the report is a repackaging of a number of recommendations that have no reasonable chance of success and will do nothing to resolve the issues facing Oregon’s forests and struggling rural communities. The report has received almost universal criticism ranging from the Oregon Congressional Delegation to the Editorial Board of the Oregonian.

Representatives Peter DeFazio (D-OR), Kurt Schrader (D-OR), Greg Walden (R-OR) and Senator Ron Wyden (D-OR) immediately sent a letter to Secretary Salazar expressing their disappointment with the report. They noted that a May, 2010 request to meet with the Secretary has gone unanswered and renewed their request to meet to discuss the “next steps to offer an interim timber supply and develop a long-term forest plan for Western Oregon.” The delegation’s press release and letter can be found at: http://www.house.gov/apps/list/press/or02_walden/07_22_10_western_oregon_task_force.shtml

The Obama Administration continues to ignore the practical solution of moving sustainable forest management projects forward under either the Northwest Forest Plan or the WOPR. If the Secretary believes the way in which Endangered Species Act consultation was done on the WOPR is a legally fatal flaw, the sensible solution is to undertake consultation and resolve that issue. No steps in that direction have been taken since the WOPR was “withdrawn” more than a year ago. A copy of the report can be found at http://www.blm.gov/or/news/files/WOTF_FinalReport.pdf /*Ann Forest Burns*

DeFazio Convenes BLM Meeting

On July 9, Representative Peter DeFazio convened a meeting in Eugene to discuss approaches for moving forest management projects forward on BLM lands in southwest Oregon. In addition to DeFazio and his staff, representatives from AFRC and local forest products companies, the environmental community, BLM staff, academia and staff from the office of Senator Ron Wyden were

in attendance. The discussions focused on the challenges facing the BLM as it seeks to plan and implement timber management projects on the Medford and Roseburg Districts. These districts lack the plantation forests currently found in the Salem and Eugene Districts and are facing other limiting factors related to the Northern Spotted Owl and Red Tree Vole in trying to propose projects in intermediate aged stands.

DeFazio outlined his concern with the current paralysis facing the BLM and local communities in southwest Oregon and his desire to work with the BLM, the industry, the environmental community and others to resolve these long standing issues. His office is currently working with the BLM to identify an area to propose and implement meaningful forest management projects that will provide a possible path forward for managing these forests and identify issues that may require administrative or legislative correction.

In the short term, the paralysis facing these BLM districts is severely impacting local mills and communities. With a little over 2 months remaining in the Fiscal Year, the Medford BLM has sold little more than 2 million board feet (mmbf). This compares to a 60 mmbf target under the Northwest Forest Plan and a 21 mmbf timber sale program announced by Interior Secretary Ken Salazar last year. *Heath Heikkila*

FS/BLM Budget

On July 22, the House Interior and Environment Appropriations Subcommittee Chaired by Representative Jim Moran (D-VA) approved a \$32.2 billion spending bill, which provides funding for the Forest Service and BLM. The Committee has embargoed the detailed bill and conference report, but did provide a summary table outlining overall funding levels. According to the summary, the overall Interior Appropriations bill was basically a flat budget from 2010 with roughly \$11 billion going to the Department of Interior, \$10 billion to the Environmental Protection Agency (EPA) and \$4.9 billion to the Forest Service.

The BLM's budget was reduced from \$1.133 billion in FY10 to \$1.11 billion (a \$23 million decrease). The Committee has not provided a summary outlining funding levels for the BLM's O&C Lands, which the Obama Administration proposed cutting by \$6 million. Representative Peter DeFazio and other Oregon delegation members recently wrote to Chairman Moran requesting that this funding be restored.

The Forest Service budget remained the same at \$4.9 billion, however, the National Forest System line item, which includes funding for non-fire land management activities, including timber management, was increased by \$37 million over FY10. It is also unclear what position the Committee took on the Administration's Integrated Resource Restoration (IRR) budget proposal. The Administration had sought to combine several National Forest System line items, including timber management, into one large program account and direct some funds to the Forest Landscape Restoration Act (FLRA) and to the preparation of large-scale watershed restoration projects. The overall impact of this budget proposal would most likely be a reduction for funds available for on-the-ground timber management.

Significant questions remain in both the House and Senate regarding the 2011 Forest Service budget and how exactly it would be implemented. They include:

- The new IRR combined line item. – There are many unanswered questions about the proposal and

how the large bucket approach would operate. One suggestion has been to consider a pilot program on a limited number of national forests. The proposed carve outs for the FLRA and Watershed projects have left the impression that the Forest Service may have more proposed activities than resources available.

- Timber Program Volume – There remains a great deal of angst that the Forest Service is attempting to get away from measurable timber outputs and move only to acres treated as targets. The 2011 budget did have a timber output of 2.4 billion board feet which was down from the 2010 output of 2.5 billion board feet. If the agency goes only to an acreage target, this could have significant ramifications on the remaining forest products infrastructure if the acres treated only have minor components of merchantable sawlogs.
- Roads Funding – Several Appropriations Subcommittee members have voiced concern regarding the large reduction in road building and maintenance funds which could impact planned timber management activities. There will be times when roads will need to be maintained, moved, or joined for the sake of operations. The cuts proposed in this account will make matters difficult, and appropriators will have to balance limited dollars between competing demands, including the Legacy Roads and Trails program. Past House Interior Appropriations Subcommittee Chairman Norm Dicks (D-WA) has been a strong proponent of this program to restore or remove failing Forest Service roads.
- Watershed Restoration – The Administration’s proposal to remove \$50 million from the base of the Forest Service budget to fund watershed studies and restoration activities is a concern without additional new funding.
- The Administration’s proposal to move to the exclusive use of stewardship contracts has been withdrawn following opposition from many House and Senate members.

Many of these issues were discussed in the House Subcommittee hearing. Given that the Senate Subcommittee has yet to take up the bill it appears likely that a Continuing Resolution will be in the works for FY11, which would fund government programs at FY10 levels. / *Tom Partin*

DNR Timber Report

The Washington DNR has completed its FY10 timber sale program and below are the end of year results. FY10 was the highest volume sold by DNR since the late 1980’s.

Sales offered	200
Sales sold	193
Sales no-bid	7
Volume offered	765 mmbf
Volume sold	742
Volume no-bid	23
% Volume sold	97
Sold sale value	\$183.4 million

Price/MBF	247
Overbid ratio	31%
Average bidders per sale	3.51

DNR expects to sell approximately 650 mmbf in FY11, 590 mmbf will come from westside forests and 60 mmbf from the eastside forests. DNR has made up their volume arrearage from the decades' early years and harvest should be at the sustained yield level of 650 mmbf through the rest of the harvest decade which ends in FY14. /*Jacob Groves*

Lincoln-Chambliss Letter

On July 2, Senators Blanche Lincoln (D-AR) Chair of the Agriculture Committee and Saxby Chambliss (R-GA) Ranking Member of that Committee were joined by 35 other Senators on a letter asking EPA to exclude biomass emissions in their recently developed Green House Gas (GHG) Tailoring Rule. This letter is similar to the one that was sent on June 16 from 63 members of the House of Representatives.

The Senators state in their letter that biomass utilization provides a carbon-neutral, clean energy source that should play a more significant role in our nation's energy policy. Using woody biomass from public and private lands to produce clean, renewable energy helps improve forest health, creates critical jobs that cannot be exported, and helps reduce our reliance on foreign oil.

The Senators urged the Administration to expedite a review of the issues in conjunction with the U.S. Department of Agriculture to insure biomass can be used as a reliable source of green fuel. /*Tom Partin*

EPA Responds

On July 9, EPA Assistant Administrator Gina McCarthy responded to the House and Senate letters on the GHG Tailoring Rule. In the letter McCarthy stated that "We recognize the concerns you raise on the treatment of biomass combustion emissions for air permitting purposes. As stated in the final Tailoring Rule, we are mindful of the role that biomass or biogenic fuels and feedstocks could play in reducing Green House Gas (GHG) emissions, and we do not dispute observations that many federal and international rules and policies treat biogenic and fossil fuel sources of CO2 emissions differently."

The letter went on to state that the permitting burdens and costs that would be created under the statutory emissions thresholds, does not itself provide a rationale for excluding all emissions of CO2 from combustion of a particular fuel, even a biogenic one. However, McCarthy did state in her letter that "the fact that in the Tailoring Rule EPA did not take the final action one way or another concerning such an exclusion does not mean that EPA has decided that there is no basis for treating biomass CO2 emissions differently from fossil fuel emissions under the Clean Air Acts programs. The Agency is committed to working with stakeholders to examine appropriate ways to treat biomass combustion emissions and to assess the associated impacts on the development of policies and program that recognize the potential for biomass to reduce the overall GHG emissions and enhance U.S. energy security."

McCarthy said that her agency "is committed to working with stakeholders to examine appropriate ways to treat biomass combustion emissions, and to assess the associated impacts on the development of policies and programs that recognize the potential for biomass to reduce overall GHG emission and enhance U.S. energy security."

In the letter McCarthy also outlines a “Call for Information” by EPA asking for stakeholder input on approaches to addressing GHG emissions from bioenergy and other biogenic sources, and the underlying science that should inform these approaches.

Call for Information

On July 15, EPA published in the Federal Register a “Call for Information” on how the agency should address biomass electric generation in the context of the Tailoring Rule. In the rule, EPA did not take action on a request from commenter’s to exclude CO₂ emissions from biogenic fuels. Instead, EPA explained that the legal basis for the rule, reflecting specifically the overwhelming permitting burdens that would be created under the statutory emissions thresholds, does not itself provide a rationale for excluding all emissions of CO₂ from combustion of a particular fuel, even a biogenic one.

The fact that the Tailoring Rule did not take final action one way or another concerning such exclusion does not mean that EPA has decided there is no basis for treating biomass CO₂ emissions differently from fossil fuel CO₂ emissions under the Clean Air Act’s PSD and Title V Programs. Rather, in finalizing the Tailoring Rule, the agency did not have sufficient information to address the issue of the carbon neutrality of biogenic energy. This Call for Information serves as a first step for EPA in considering options for addressing emissions of biogenic CO₂ under the PSD and Title V programs as indicated above.

Interested parties are invited to assist EPA in the following: (1) surveying and assessing the science by submitting research studies or other relevant information, and (2) evaluating different accounting approaches and options by providing policy analyses, proposed or published methodologies, or other relevant information. Interested parties are also invited to submit data or other relevant information about the current and projected scope of GHG emissions from bioenergy and other biogenic sources. Comments are due by September 15 and can be submitted one of the following ways - mail: EPA Docket Center, Attention Docket OAR-2010-0560, Mail code 2822T, 1200 Pennsylvania Avenue, NW, Washington, DC 20460, fax: (202) 566-1741, or email: GHGBiogenic@epa.gov. / *Tom Partin*

Forest Planning Rulemaking

The Forest Service is making some progress in its forest planning rulemaking effort though they are behind schedule. The fourth national roundtable is being held July 28-29 in Washington, D.C. and is being attended by AFRC staff. The intent of this fourth roundtable is to discuss the “draft” concepts of what will be in the new rule. These “draft” concepts were to be released prior to the roundtable to provide time for review. The agency has on its website a proposed three-part planning framework as follows:

- (1) Assess conditions and stressors on the National Forest System unit and in the context of the broader landscape;
- (2) Revise or amend land management plans based on the need for change (identified through assessments); and
- (3) Monitor to detect changes on the unit and across the broader landscape and to evaluate the ability of management actions to produce desired outcomes.

The agency also intends to develop “draft” concepts around key components including the all-lands approach, public involvement, species diversity, water resources and watershed health, ecological restoration and other critical issues discussed at the earlier regional and national roundtables. At this time, the only “draft” concepts available for review is the all-lands approach and collaboration.

The framework and “draft” concepts can be viewed on the agency’s website at http://fs.usda.gov/wps/portal/fsinternet!/ut/p/c4/04_SB8K8xLLM9MSSzPy8xBz9CP0os3gjAwhwtDDw9_AI8zPyhQoY6BdkOyoCAGixyPg!/?ss=119987&navtype=BROWSEBYSUBJECT&cid=STELPRD B5180288&navid=09100000000000&position=Feature*&ttype=detail&pname=Planning%20Rule-%20Home.

If you have any interest in these and would like to submit comments, you can do so on the agency’s blog for the rulemaking process. AFRC asks that if you do so, please share your comments with us as well so we can compile them and submit as appropriate. /*Chuck Burley*

Viability Rule in Law?

On July 15, the House Natural Resources Committee passed legislation that included a provision to codify the viability rule. The Consolidated Land, Energy, and Aquatic Resources (CLEAR) Act of 2009, introduced by Representative Nick Rahall (D-WV), was promoted in response to the BP Gulf oil spill, but included many provisions unrelated to offshore oil production, including the provision to codify wildlife management standards for the Forest Service and BLM. The proposed provision would require management to maintain sustainable populations of native and desired non-native species, and monitoring programs to determine the status and trend of species. The standards to be established by this bill are similar to those in the Forest Service 1982 planning rule. It has been demonstrated over the years that this is a nearly impossible standard to achieve.

Representative Tom McClintock (R-CA) offered an amendment to strike this section (Section 228) from the bill during Committee markup but that failed 21-24. However there were three Democrats that voted to strike the section and others that voiced concern with the viability rule provision to Democratic leaders in the House. The legislation is expected to reach the House floor for a vote this week and it appears that the viability rule provision will be removed prior to being brought up for a vote. /*Chuck Burley*

CFLR Projects Submitted

On June 18, Agriculture Secretary Vilsack announced the 15 members of a newly formed advisory committee to evaluate Collaborative Forest Landscape Restoration (CFLR) proposals. The Forest Landscape Restoration Act required the committee to be created to prioritize landscape-scale restoration projects designed to benefit local economies. The Act authorizes \$40 million a year for these projects but Congress only appropriated \$10 million in FY10. The committee met July 20-22 in Washington DC to review candidate projects for funding.

At least one project was submitted by each of the 10 regions. Region 6 submitted five projects: Colville National Forest CFLR Project; the Deschutes Skyline Landscape Project; the Lakeview Federal Stewardship CFLR Project (Fremont-Winema National Forest); the Malheur National Forest CFLR Project; and the Tapash Sustainable Forest Collaborative (Okanogan-Wenatchee National Forest). Region 5 submitted four projects: Dinkey Restoration Project (Sierra National Forest); Sage Steppe and

Dry-Forest Restoration on the Modoc Plateau; Middle Fork of the American River Restoration Project (Tahoe National Forest) and Upper South Fork Salmon River CFLRP Proposal (Klamath National Forest). Region 1 submitted two proposals: Clearwater Basin Collaborative CFLRP Proposal and Southwestern Crown of the Continent Collaborative CFLRP Proposal. The full list of 31 projects can be viewed at <http://www.fs.fed.us/restoration/CFLR/regionalproposals.shtml>.

The Act calls for a maximum of 10 projects nationally each year and allows each region to have no more than two projects per year. The purpose of the CFLR program is to encourage the collaborative, science-based ecosystem restoration of priority forest landscapes. The President's proposed 2011 budget seeks \$40 million to be devoted to the projects. To date, the committee's selections have not been announced. /*Ann Forest Burns*

Grizzly Challenge Halts Logging

In a ruling issued June 29, Montana Federal District Court Judge Donald Molloy halted logging on three timber sale projects on the Kootenai National Forest (*Alliance for the Wild Rockies v. Bradford*). The judge concluded that the Forest Service had violated the National Environmental Policy Act (NEPA) by not adequately analyzing the likely impact of the projects on grizzly bears and failing to explain why its cumulative effects analysis was done at the bear-management, rather than the forest level. In addition he found the agency violated the Endangered Species Act by failing to explain why helicopter logging within the Cabinet-Yaak Grizzly Bear Recovery Zone would not adversely affect the bears and failing to obtain an incidental take statement from the US Fish and Wildlife Service.

The three proposed projects would have treated over 10,000 acres, and include both timber harvesting and hazardous fuels reduction. The ruling is likely to have additional impacts on the Kootenai National Forest timber sale program as the forest attempts to find replacement volume to meet this year's targets. /*Ann Forest Burns*

OESF Comment Period Closes

On July 15, the public comment period for the Olympic Experimental State Forest (OESF) HCP Planning Unit/DEIS closed. This culminated almost two months of public outreach including meetings and hearings to provide input on the management of this important forest plan. Public hearings were held in Port Angeles and Forks and had very sparse attendance, with only AFRC and local trust beneficiaries present. Attendees represented those party to the June 2006 Settlement Agreement that resolved the challenge to DNR's 2004 ten-year sustainable harvest calculation that directed the DNR to create the OESF Forest Plan.

AFRC submitted comments that supported the Landscape Alternative. We feel that the increased harvests on the OESF, while still maintaining essential riparian ecosystem functions and Northern Spotted Owl/Marbled Murrelet habitat, will be beneficial for those companies who source wood from the Olympic Peninsula and others who utilize timber grown in Washington State, but also for the surrounding communities and the trust beneficiaries. The Landscape Alternative gives AFRC members increased certainty in timber supply on the Olympic Peninsula in the future, making it possible for them to continue making investments in milling operations and to remain a valued employer for the citizens of local communities.

AFRC feels that DNR has fulfilled their SEPA responsibilities. However we expect both the FEIS and an OESF Forest Plan to meet the terms of the 2006 Settlement Agreement when the FEIS is released. The current timeframe is to have the FEIS completed by the end of the year. /*Jacob Groves*

Lakeview Sustained Yield Unit

The Lakeview unit on the Fremont National Forest is scheduled for a regular periodic review this year. The forest is holding a public hearing next month in Lakeview. The reevaluation will include analysis of economic, social and political conditions and trends within the unit and the area. For more information, direct your browser to <http://www.fs.fed.us/r6/frewin/projects/lfsu/documents/20100713-lfsu-reevaluation.pdf> /*Chuck Burley*

Bombers Phasing Out

The fleet of slurry bombers being used by the Forest Service for initial attack on wildfires now numbers 17. At their peak, the number of these fixed wing, multi-engine aircraft was 44. The remaining fleet of 17 tankers is due for replacement in 2012, however the \$2.5 billion price tag for updating the fleet isn't available in these days of budget cutbacks, and other options are going to have to be looked at. Without the large multi-engine tankers, the Forest Service will be looking to heavy lift helicopters and single-engine air tankers to fight fires on initial attack and in the back country.

Agency people believe the use of helicopters and smaller planes will still give them the initial attack capabilities they need, although some lawmakers are worried there is too much risk by not replacing the tankers. The first big scale back of slurry bombers occurred in 2005 following the deadly crashes of at least two of the big fixed wing aircrafts. /*Tom Partin*

Welcome Bell Timber & Boise, Inc.

AFRC is pleased to welcome Bell Timber and Boise, Inc. as new members.

Bell Timber is the fiber procurement arm and wholly owned subsidiary of the over 100 year old, family held Bell Lumber & Pole Co., a leading seller of wooden utility poles. Bell Lumber & Pole has facilities in New Brighton, Minnesota; Barron, Wisconsin; Shingleton, Michigan; Conway, Washington; Oldtown, Idaho and Vernon, BC. Bell Timber is a purchaser of Washington DNR timber, buying both timber sale contracts and log sorts. It also purchases logs from private landowners in Washington, Oregon and Idaho, as well as throughout the Lake States and from British Columbia. Bell's log yard at Conway, Washington was reopened in 2007 after being mothballed for several years. Tom McKenzie is their Washington timber manager.

Boise, Inc. has joined AFRC with their Wallula, Washington paper mill. The company has over 4,000 employees and is headquartered in Boise, Idaho. They operate five paper mills, five corrugated products plants, a corrugated sheet feeder, corrugated sheet plant, two distribution facilities, and a transportation business. They also manufacture packaging products and papers including corrugated containers, containerboard, label and release and flexible packaging papers, imaging papers for the office and home, printing and converting papers, newsprint, and market pulp.

We look forward to both companies participation in all of AFRC's activities. /*Tom Partin*