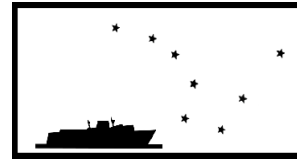


# SOUTHEAST CONFERENCE



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February 26, 2007

Forrest Cole  
Tongass Forest Supervisor  
648 Mission Street  
Ketchikan, AK 99901

RE: Southeast Conference Initial Commentary on TLMP DEIS

Dear Supervisor Cole:

The Southeast Conference (SEC) has been analyzing the Draft Environmental Impact Statement (DEIS) and proposed Tongass Land Management Plan (TLMP) Amendment and would like to offer our initial response. SEC will be submitting interim comments; as well as a more detailed response near the end of the public comment period after further analysis and after we see responses to questions we will put to the TLMP Planning Team and after the conduct of the various public meetings.

SEC appreciates the willingness of the TLMP planners to help us clarify various points in the document. We want to learn more about the SPECTRUM program for analyzing timber; as well as receive clarification of assumptions used concerning timber volumes, the locations of the suitable acres, the determination of the non-interchangeable components, the rationale for the timber management LUDs, the timber harvest schedule and other elements of the plan that will ultimately affect the timber outputs.

As we have stated in the past, our goal is to seek a more diverse economy in Southeast through the restoration of a healthy timber industry. In order to accomplish that goal, it is imperative that an adequate, reliable supply of economic timber be provided from the Tongass Forest. Also, as we have stated in the past, updated demand analyses indicate that an annual Allowable Sale Quantity (ASQ) from the Tongass must exceed 400 million board feet in order to assure that not less than 360 million board feet are economic to harvest.

Our initial assessment of the alternatives in the DEIS suggest that only Alternative #7 approaches the needed annual timber supply. Even that alternative does not appear to attain the needed 360 million board feet ASQ of economic timber from the Tongass. It appears that overly optimistic and unrealistic assumptions were used in stating the ability of the state and private lands to annually supply timber. The vast majority of commercial timberland in southeast Alaska is within the National Forest. Much of the non-federal

timberland is now in 2<sup>nd</sup>-growth timber that will not be mature and again commercially harvestable for about another 30-40 years. Thus, the 360 million board foot timber supply must come from the Tongass.

As we have pointed out in the past, the Tongass Forest has a biological potential of providing an annual timber harvest of 1.3 billion board feet, with over 600 million feet set aside in congressionally designated roadless and wilderness areas. Thus, with less than 700 million feet remaining potentially available for harvest, the 360 million feet we advocate as being needed for restoration of a fully integrated timber industry is a very reasonable amount for you to offer in the final plan. We would also point out that only about 1.5 million acres from the 5.7 million acres of commercial timberland on the Tongass must be managed for multiple-use in order to sustain the 360 million board foot timber supply. Since the 1.5 million multiple-use acres can include most of the existing 2<sup>nd</sup>-growth acreage, about 75% of the Tongass old-growth will be untouched in perpetuity. This modest harvest from the National Forest needs to be clearly pointed out in the FEIS and reflected in the final amended plan.

More than half of the timber sales prepared subsequent to the 1997 TLMP have been uneconomic, primarily because of four conservation strategy requirements that were imposed by that plan. SEC recognized the constraints imposed by those requirements when we advocated the inclusion of Alternative "P" from the unpublished 1992 Final EIS in the current DEIS. We continue to support a decision to exclude the four most costly and duplicative conservation measures found in the 1997 plan. We believe that the harm to the timber industry and the overall economy of Southeast Alaska far outweighs the unfounded benefits to wildlife and fish by implementing them. Based on updated science and a decade of field implementation experience with the 1997 plan, the current conservation measures we believe should be excluded from the final amended plan are:

1. The marten and goshawk standards.
2. The 100-foot buffers on each side of all Class III, non-fish streams.
3. The large, medium, and small Habitat Conservation Areas (HCA) and the old-growth reserve strategy.
4. The 1000-foot beach and estuary buffers (reduce to 500-feet, except in 2<sup>nd</sup> growth areas where the buffer would be 100-feet).

In addition to the above four problematic conservation measures contained in the 1997 plan, the proposed addition of a Legacy Forest Structure guideline in the amendment calling for the retention of old growth timber stand characteristics within all harvest units should be excluded. This requirement would further hamper the economics of timber sales, would create severe safety hazards during harvest, would leave large trees subject to future wind damage and would increase the costs of sale planning and layout. Furthermore, the need for this additional guideline is not founded in science.

In summary, SEC urges the Forest Service to fairly evaluate all of the alternatives and select the one that allows an annual harvest level of 360 million board feet and also urges

the Forest Service to exclude the costly, unnecessary elements of the 1997 TLMP and the amendment, as outlined above.

Once the planning is completed and these changes are in place, we would like the Tongass Forest to immediately begin preparing sufficient timber sales to allow for the investment necessary to restore a fully integrated manufacturing industry and return a timber related employment of more than 4000 year-round, well paying jobs.

We will continue to work with you and your Planning Team over the next few months to seek a solution that achieves the economic diversification goal of SEC and best meets the needs of the people of Southeast, while continuing to protect the environment. A more detailed set of initial comments follows. Thank you for your attention and consideration.

Sincerely,



Carol Rushmore  
President

# Preliminary SEC Commentary on 2007 TLMP DEIS

## 1. Roadless areas

**The DEIS is unclear on this subject and thus very easy to misunderstand. Only 642,270 roadless acres are scheduled for harvest in alternative #7. That is only 4% of the 15.5 million roadless acres on the Tongass.**

- i. Many of these roadless acres are simply places that are more than 1,200 feet from a road or 1,200 feet from a cutting boundary in a roaded area.
- ii. The 15.5 million roadless acres are comprised of 9.6 million acres of inventoried Roadless Areas and 5.9 million acres of Congressionally designated Wilderness, Monuments and Roadless Areas
- iii. What is the amount of “real roadless” area vs. the amount of acres that are “roadless because of the 1200 foot rule?”

## 2. Demand

**The industry needs 360 mmbf to achieve its goals. That requires harvesting only 1/4 of the commercial timberland on the Tongass. That \_ should include the 2<sup>nd</sup>-growth areas previously harvested.**

- i. The *annual* demand for timber cannot be less than the amounts needed to supply the existing and planned mills want to operate. There is about 370 mmbf of installed capacity now and the mills that are trying to operate have a capacity of about 200 mmbf. These mills need about 3 years of timber under contract in order to operate efficiently, i.e. 600 mmbf. The current volume of timber under contract is about 100 mmbf so the current annual demand is 500 mmbf.
- ii. The *long-term* demand is for sufficient timber to sustain a fully integrated manufacturing industry. That volume is 360 mmbf.
- iii. Many of the communities, the Southeast Conference, the State of Alaska and the Alaska Congressional Delegation all agree that 360 mmbf of timber sales is needed.

- iv. The timber industry and the McDowell Group have both calculated that 350-360 mmbf is the minimum volume needed to sustain a fully integrated manufacturing industry.

### **3. Demand Calculation**

**The 1997 Morse Formula, used in the DEIS, resulted in a demand estimate that fell conveniently in the middle of the, then current, Haynes and Brooks range of estimates. The “annual demand” calculation proposed by Morse starts with a low mill capacity estimate that is further reduced by a contrived “capacity utilization” rate and then further reduced by an unrealistic estimate of nonfederal sources of timber:**

- i. The 284 mmbf mill capacity in the Morse report is a compilation of estimates from owners, operators and USFS employees. In contrast, the Juneau Economic Development Council inventoried the equipment in each mill and, after discussions with the equipment manufactures, summarized the 2-shift operating capacity for the mills at just over 500 mmbf.
- ii. The “Capacity Utilization” estimates in the Morse report are a similar compilation of estimates of lumber produced by each mill and a guess at the saw log volumes consumed by the mills each year. There is insufficient information provided to analyze the estimates individually, but we know that two of the largest sawmills had operated at capacity with only two exceptions – the 1983-1986 market depression period and a number of intervals after 1994 when the USFS failed to provide the full Ketchikan long-term sale volume.
- iii. The “Share of industry raw material provided by the Tongass” is evidently calculated annually. Incredibly, the calculation seems to simply take an estimate of the percentage of federal timber utilized in the mills in recent years and multiplies it by the already understated “demand”. For instance, during the timber supply crisis of the last few years the mills have been able to harvest only about 45 mmbf annually from the Tongass and have supplemented that volume with another 20 mmbf from the state, hence the Tongass has supplied only about 64% of the timber. Next, even if the total mill demand were estimated by the agency at 360, the formula would assume that 36% of 360, or 130 mmbf, would come from the state – but the state cannot supply 130 mmbf! They can supply only 13 mmbf annually. The 20 mmbf was a short-term

emergency effort by the State to sustain the mills until the timber program could be restored.

- iv. The volume necessary to sustain a competitive, fully integrated manufacturing industry currently cannot be achieved because USFS has the Tongass timber supply trapped in a Catch-22; they will not prepare and sell more timber than their estimated annual demand, but their annual demand is predicated upon how much we harvested in the prior years. This “self-fulfilling prophesy” will never allow the integrated industry supply needs to be met.
- v. The draft indicates that changes to the current list of wildlife Management Indicator Species (MIS) may yet be made and may affect the Final Management Plan. Such changes could result in significant reductions in the timber ASQ. It must be pointed out that any changes to the Final EIS (such as changes in the MIS) that have not been displayed and evaluated in the DEIS would require a Supplemental DEIS, thus further delaying completion of the Amendment.

#### 4. Wildlife habitat

**The draft presumes *incorrectly* that logging and the associated road building is bad for wildlife habitat and diversity and, consequently the alternatives that allow the most harvest are deemed the most harmful.**

- i. In 1992 key positions in Alaska Region were replaced –
  1. The Regional Forester was replaced with a wildlife biologist,
  2. The TLMP Planning Team Leader was replaced with a biologist and,
  3. The Forest Supervisors responsibility for updating TLMP was subsequently replaced with a wildlife science group. The science group made recommendations for a new wildlife conservation strategy for the Tongass.
- ii. Three Land Use Designations (LUDs) are defined in the draft as “Intensive Development” and are combined to calculate the ASQ. Historically, very little harvest has occurred in either the “Scenic View shed” or the “Modified Landscape” LUDs. Thus the achievable ASQ should be based only on the suitable acres in the “Timber Management” LUD.

- iii. In 1994 the University of Alaska made an independent review of the Forest Service' Review of Wildlife Management and Conservation Biology on the Tongass National Forest. The University concluded:
1. "...the report places an extraordinarily high level of prominence on the old growth forest landscapes in the Tongass National Forest. This high level of prominence is justified in the report by using assumptions that may be in error and that are often based on research and experience that is neither in the Tongass National Forest nor in Alaska".
  2. "There are other equally valid approaches that do not include excessive commitments of acreage in addition to equivalents of habitat conservation areas already existing for maintenance of biodiversity and habitat. We believe the USDA Forest Service should look at alternative approaches that do not focus almost solely on old-growth".
  3. "There is a distinct bias (emotional or conceptual) towards preserving 'productive' old-growth."
- iv. The University report was ignored and the 1997 TLMP adopted all of the science group recommendations.
- v. Alternatives 1-6 of the draft have added a Legacy Forest Structure Standard & Guide(S&G). This new S&G, unfounded in science, calls for the retention of connective old growth habitat within all harvest units. The adoption of this S&G would cause significant reductions in estimates of available timber. This fall-down is not addressed in the DEIS. The adoption of this S&G would also increase the cost of sale design, layout and harvest; would create timber harvest safety problems; would leave old growth trees subject to wind damage; and would inhibit future second growth management.

## 5. Biodiversity

**Only \_ of the commercial timberland is needed to supply a fully integrated manufacturing industry in perpetuity. The remaining \_, which will never be impacted, is well distributed**

**across the Tongass and is more than adequate to sustain viable wildlife populations.**

- i. There are about 10 million forested acres on the Tongass. 5.7 million acres are classified as “commercial timberland”. Only about 1.5 million acres, including the acres logged in the past, are needed to sustain a harvest level of 360 mmbf.

## **6. Intensive forest management**

**The areas scheduled for harvest under Alternative #7 should be concentrated in intensive management blocks so that fewer roadless areas will be impacted. The following additional changes are also needed:**

- i. The beach fringe buffer should be reduced from 1,000-feet to 500-feet in old-growth areas and 100-feet in 2<sup>nd</sup>-growth areas.
- ii. Old-growth reserves should not be imposed on the areas selected for timber harvest because the \_ of the commercial timberland that is not needed for timber production is well distributed across Southeast Alaska and is more than adequate to ensure biodiversity and viable populations of all wildlife.
- iii. The primary harvest prescription should be clear cutting because:
  1. Clear cutting is safer for the loggers than partial cutting
  2. Clear cutting maximizes the growth rate for the 2<sup>nd</sup>-growth
  3. Clear cutting is less expensive than partial cutting
  4. Clear cutting minimizes the amount of road construction needed.
  5. Clear cutting provides abundant deer browse for 25-40 years.
  6. 60+ year old stands can be commercially thinned to provide wood fiber and to increase deer browse.
  7. Clear cutting minimizes insect and disease infestations.
  8. Clear cutting practices can minimize wind damage by utilizing natural wind firm characteristics of the land.
  9. There is an increase in the number of small mammals and song-birds in clear cut areas. This is nice for the raptors and other predators as well.
- iv. The minimum 100-foot buffers on both sides of all fish-streams are adequate to protect fish habitat in the areas proposed for harvest under Alternative #7. Non-fish stream buffers should be utilized

only in site specific cases where a real need is identified by a fisheries biologist.

## 7. Providing year round jobs

**Alternative #7 is the only alternative that provides sufficient timber volume to sustain a fully integrated manufacturing industry. We believe, as does the DEIS also state, that this will support about 4,000 direct, year round jobs – in the woods and in the mills – and several thousand more indirect jobs.**

- i. Alternative #7 has an ASQ of 421 million board feet, but the EIS says only 382 million board feet will come from economically operable timber stands.
- ii. The timber sale program must be designed with adequate economics to allow the mills to operate in all market cycles. We don't want the mills to have to suspend operations every time there is a downturn in the markets.

## 8. Protecting fish habitat

**Timber harvesting pursuant to Alternative #7 will not harm fish habitat.**

- i. The State Forest Practices stream buffers and best management practices for road building and timber harvesting are sufficient to protect fish habitat. The Forest Service requirements under Alternative #7 are needlessly more protective than the State Forest Practices Act requirements.
- ii. The EIS indicates that fish harvests have increased over time. This can only mean that the fish habitat has not been harmed by past timber harvest activities.

## 9. Recreation opportunities

**There are and will always be ample recreation opportunities in the unroaded areas of the Tongass. However, the demand for recreational opportunities in *roaded* areas is far from met.**

- i. Currently 89% of the Tongass is available for primitive and semi-primitive recreation.

- ii. Under alternative #7, the primitive recreation acreage would decline about 16% and the roaded recreation acreage would increase by the same amount.

## 10. Intensive Development

**Three Land Use Designations (LUDs) are defined as “Intensive Development” on page 2-39. These are combined to calculate the ASQ. However, two of the three – Scenic View Shed and the Modified Landscape – require partial cutting and this practice has proven to be uneconomic.**

**The achievable ASQ should *only* be calculated based on the acres in the Timber Management Production? LUD. Any projected harvest in the other two LUDs should be included in the NIC2 volume but should be removed from the suitable timber base.**

## 11. Timber Management LUD

**The timber management LUD must not be encumbered by Scenic Integrity objectives. In this LUD, clear cutting must be the only cutting method specified. All other methods are uneconomic and will not maximize 2<sup>nd</sup> growth production. Efforts to diversify and produce value added products must recognize the economies of scale necessary for these efforts to be successful.**

## 12. Alternative P vs. Alternative 7

**The SEC requested that the Forest Service include Alternative P from the 1997 DEIS in the current draft. The Forest Service responded by including Alternative 7 that was described by the Forest Service as being the same as Alternative P. In reviewing the Draft Alternative 7 has 1.1 MM suitable acres while Alternative P had 1.8 MM acres. This difference needs to be explained.**

- i. There is a serious disconnect in the common understanding of what is possible. We are saying that we need 360 mmbf and that we need 1.8 million acres of the Tongass to achieve that level. The

DEIS says that Alternative 7 would produce over 400 mmbf and that only 1.1 million acres are needed to do so. This needs to be explained clearly because as it stands, the DEIS appears to be based on something other than forestry and the production potential of a typical acre of the Tongass.

ii. A typical acre of the Tongass will generate about 25,000 board feet of usable wood. So, to generate 360,000,000 board feet, 14,400 acres will have to be harvested each year. Most of this will have to be old growth because not enough second growth has matured to meet the need. Properly managed 2<sup>nd</sup> growth will generate more wood than old growth.

### **13. Table 3.22-29 Present Value for Recreation/Tourism, Timber Receipts, and Variable Program Costs**

**This table is a travesty and undermines the scholarship and professionalism of the rest of the document. It compares benefits and costs in a completely lopsided manner. A complete critique on this table will be forthcoming but these are some initial comments to show how wrong the table is.**

- i. The Timber Benefit, i.e. revenue to USFS, is shown as \$116 million for Alternative 7 and is based on the anticipated receipt of \$11.69 per MBF. The actual expanded value of a single MBF is \$600 when all of the economic impacts of the harvesting and processing of a thousand board feet of wood are accounted for. The text following the table blithely says that these non-USFS benefits are accounted for elsewhere and that might be fine if the recreation benefits were treated the same way, but they are not!
- ii. Instead, the recreation benefits are based on a wildly speculative survey asking “how much would you pay?” for a given experience. Would the general public, not just doctors and dentists, really pay more than \$1000 per person per day for sport fishing? We don’t think so.
- iii. This table is a concrete example of extremely speculative guess work and taints the validity of any other analysis in the document. The table, in addressing Alternative 7, indicates a value of timber to the government of \$116 million over 160 years. That is what USFS would be paid in cash for stumpage. The value of recreation/tourist is \$7.599 billion, Yes BILLION! We do not know what the government actually receives in fees off the Tongass, but we would guess it at much less than \$10 million. The table shows the cost of timber program but

shows no cost for the recreation/tourism program. The timber management program gets no credit for anything positive (additional recreation/tourism access, healthy stands, more deer browse, diversity of habitat, etc.)