

TONGASS NATIONAL FOREST PLAN AMENDMENT
OBJECTION RESOLUTION MEETING

VOLUME II

Cape Fox Hotel
Shaa Hit Conference Room
Ketchikan, Alaska
October 13, 2016

BEFORE :

REVIEWING OFFICER BETH PENDLETON;

REGIONAL FORESTER ALASKA

EARL STEWART, TONGASS FOREST SUPERVISOR

FACILITATOR: JAN CAULFIELD

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1 P R O C E E D I N G S
 2 (Ketchikan, Alaska - 10/13/2016)
 3 (On record)
 4 MS. CAULFIELD: Good morning, everyone.
 5 My name is Jan Caulfield and I'll be assisting as the
 6 facilitator for the meeting today and tomorrow and next
 7 week in Juneau as well, so we appreciate you joining us
 8 for the second day of meetings related to the Forest
 9 Plan Amendment Objection Resolution Process.
 10 The focus today is on young-growth
 11 transition, so we have two topics on the agenda for
 12 today if you look at Page 3 of your initial agenda.
 13 The morning is dedicated to young-growth inventory and
 14 then the afternoon to the issue timeframe for
 15 transition to young growth.
 16 Just a quick review on the process. As
 17 we did yesterday, parties who are identified in the
 18 agenda as either objectors related to those issues or
 19 interested persons who've identified and been
 20 designated related to those issues will have an
 21 opportunity to speak at the opening of each of those
 22 issues. So for young-growth inventory this morning and
 23 for the timeframe to transition in the afternoon.
 24 Beth will start each issue with sort of
 25 a framing of the things that she would like to talk

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1 about during these sessions and then there will be an
 2 opportunity for each objector and interested person to
 3 speak or their designated spokespersons and then we
 4 want to have adequate time for discussion on each
 5 issue.
 6 Before we go into Issue 2 I do want to
 7 call to your attention and I hope that you've picked up
 8 here in the room the agenda that's been developed for
 9 Day 3 and Day 6. This has also now been posted on the
 10 objections website, so that's available online. This
 11 agenda was built last night based on the input that the
 12 Forest Service received about the topics that people
 13 would like to talk about, so I just wanted to look at
 14 it quickly with you and we'll start working from this
 15 tomorrow, which is the third day.
 16 So on Day 3, on the second page of that
 17 new agenda packet, tomorrow here in Ketchikan we'll get
 18 started at 9:00. There's an hour there, 9:20 to 10:20,
 19 Beth wants to continue discussion on some of the issues
 20 that came up related to renewable energy development
 21 that we discussed yesterday and you can see a couple of
 22 bullet points there, biomass listing as a renewable
 23 energy resource and then discussion of a potential
 24 criteria related to public versus private renewable
 25 energy projects. So we have an hour for that

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1 conversation.
 2 There's an hour and 20 minutes there at
 3 10:40 up until lunchtime to talk about the impacts of
 4 the transition plan on timber-dependent communities.
 5 What we've done there is we've listed the party or the
 6 objector who asked that that be on the agenda for
 7 tomorrow and that's the Ketchikan Gateway Borough.
 8 So the way that will work is we'll just
 9 ask the Ketchikan Gateway Borough to do sort of a five-
 10 minute kickoff on what they'd like to frame that
 11 discussion as and then it will just be open discussion
 12 between Beth and all of the objectors and interested
 13 parties.
 14 We'll come back after lunch and use
 15 that same sort of design, although some different time
 16 limits there on the three points that are listed here;
 17 harvest and high-volume old-growth stands, limit on
 18 old-growth clearcutting and harvest constraints and the
 19 model implementation reduction factor.
 20 Again, the party that asked that those
 21 be on the agenda are listed there and they or whoever
 22 is speaking for them at this meeting would have the
 23 opportunity to kick off those. In this case, a half
 24 hour for each of those topics. So those would be the
 25 topics of conversation on Day 3, this Friday.

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1 Looking at Day 6, this is next
 2 Wednesday, October 19th in Juneau, the full morning we
 3 now have an issue related to market demand and that is
 4 because quite a number of objectors had put in comments
 5 during the objection process related to that. So that
 6 morning session will be structured just like we're
 7 doing the morning session today with the five minutes
 8 per objector or interested person and then time for
 9 discussion. So that full morning there is related to
 10 market demand and there is an attachment on Page 4 of
 11 this little packet.
 12 Beth made a real effort to capture the
 13 things that had come in on Day 1 as suggestions for
 14 additional items to discuss. So that is the agenda for
 15 Day 3 and Day 6.
 16 Owen.
 17 MR. GRAHAM: I gave Beth and Earl a
 18 paper yesterday where I explained that on the 19th I
 19 have to travel to Anchorage for an annual convention.
 20 You've got the demand issue that I wanted to speak to
 21 is on that day, so I can't do both. Is there some
 22 other time with the demand issue or just write you
 23 something or some opportunity to talk to it?
 24 MS. CAULFIELD: Owen, actually we did
 25 talk about that because Earl knew that you were

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1 traveling, but we had thought that the morning would be
 2 okay and that you'd be traveling later in the day. So
 3 is that not the case?
 4 MR. GRAHAM: No, the only plane that I
 5 could get on leaves at 7:00 in the morning.
 6 MS. CAULFIELD: Ah, okay.
 7 MR. GRAHAM: I've got to be there in
 8 time for a reception that night.
 9 MS. CAULFIELD: Would it be possible to
 10 move that into the afternoon and have you participate
 11 by phone from Anchorage?
 12 MR. GRAHAM: Maybe. I could try that.
 13 I'll look and see what time I get in.
 14 MS. CAULFIELD: Okay. Thanks.
 15 MR. GRAHAM: I didn't mean to be a
 16 pest. I just was.....
 17 MS. CAULFIELD: No. Well, apologies.
 18 We actually thought we had that covered okay for you,
 19 but I see we didn't know about your particular
 20 departure time. So let's look at flipping those. Maybe
 21 you could get back to us and let us know what your
 22 arrival time is in Anchorage.
 23 MR. GRAHAM: I will. Thank you.
 24 MS. CAULFIELD: We'll double check that
 25 and make sure. For those of you that are in the room

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1 and on the phone we'll get back to you on that.
 2 Anything else before we start?
 3 MR. PENDLETON: I don't think so.
 4 MS. CAULFIELD: Okay. So bear with us.
 5 The kick-off always takes a few minutes. We're going
 6 to go into the young-growth inventory issue and one of
 7 the things I noticed is that if every objector or
 8 interested person who is listed is eligible to speak to
 9 this issue took a full five minutes, we would have no
 10 time for discussion and that is not what we want. We
 11 need time for discussion at the end.
 12 Just hearing presentations is helpful,
 13 but really the point of this process is for Beth to
 14 have an opportunity to talk with you all and vice
 15 versa, conversation on some key points. So what I want
 16 to do quickly is go through this list and see who is
 17 intending to speak to this or have a spokesperson speak
 18 to it.
 19 Owen, Alaska Forest Association. So
 20 you're, of course, planning to talk this morning on
 21 this. Alaska Miners Association.
 22 MR. CLARK: We have devoted -- there's
 23 a group of us that have devoted time to Owen Graham.
 24 This is Jim Clark. I would just suggest we do what we
 25 did yesterday. You had a list of the groups that had

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1 devoted the time or assigned the time to Owen Graham
 2 from my letter to the Regional Forester that you read
 3 from yesterday.
 4 MS. CAULFIELD: Right.
 5 MR. CLARK: And all of those people are
 6 willing to and are assigning the time to Owen Graham.
 7 I'm assuming he'll do just what Bob Grimm did
 8 yesterday, take enough time to make his presentation.
 9 Not using all of it necessarily, but enough time to
 10 make a presentation. So that would take care of nine
 11 of us.
 12 MS. CAULFIELD: Great, Jim. I think
 13 that's really helpful. The phrase you just said that I
 14 liked was it may not take all that time. If there's
 15 nine of you and that's five minutes per person, that's
 16 45 minutes and that would break our bank in terms of
 17 the time we have available.
 18 Owen, do you have a guess on.....
 19 MR. GRAHAM: Yeah, I've never spoken
 20 for 45 minutes in my life.
 21 (Laughter)
 22 MR. GRAHAM: It won't take that long.
 23 Maybe 15 or 20 minutes.
 24 MS. CAULFIELD: 15 to 20. That's
 25 great. Okay. With that understanding, do you want me

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1 to keep going here? So let me just quickly do -- Eric,
 2 were you planning to speak?
 3 MR. NICHOLS: (Nods affirmatively)
 4 MS. CAULFIELD: Susan, have you joined
 5 us? Well, actually she's not on this issue. Excuse
 6 me. We talked to Jim. So, Holly.
 7 MS. HARRIS: No, we won't be
 8 participating and that's for all of the Earthjustice,
 9 et al.
 10 MS. CAULFIELD: Today. Thank you.
 11 Okay.
 12 MS. HARRIS: Well.....
 13 MS. CAULFIELD: This morning. Okay,
 14 great. So GEOS Institute. Jim, are you planning to
 15 speak for a maximum of five minutes this morning for
 16 GEOS?
 17 MR. CLARK: Jim Clark?
 18 MS. CAULFIELD: Jim Furnish for GEOS
 19 Institute.
 20 MR. FURNISH: Jim Furnish, yes.
 21 MS. CAULFIELD: Okay. Thanks. He
 22 sounds like he's juggling a cell phone in a car. We've
 23 all been there doing those kinds of things. Larry
 24 Edwards.
 25 MR. EDWARDS: Yes, I'll speak. I could

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1 probably do it in five minutes. I might go a minute or
 2 two over. That could be on GSACC's time, between GSACC
 3 and Greenpeace.
 4 MS. CAULFIELD: Let me see if Southeast
 5 Conference has dialed in at all.
 6 (No response)
 7 MS. CAULFIELD: Okay. Buck, Southeast
 8 Alaska Conservation Council. Are you speaking this
 9 morning?
 10 MR. LINDEKUGEL: I don't have a
 11 presentation.
 12 MS. CAULFIELD: Well, no, but you get
 13 your five minutes. Are you planning to talk to this
 14 this morning?
 15 MR. LINDEKUGEL: Certainly not five
 16 minutes.
 17 MS. CAULFIELD: Okay. Brian from
 18 Sealaska.
 19 MR. KLEINHENZ: Yes. I'll be brief.
 20 MS. CAULFIELD: Okay. State of Alaska,
 21 Chris.
 22 MR. MAISCH: Yes, we'll speak to it.
 23 MS. CAULFIELD: Okay. I think that
 24 kind of covers it. I think with that understanding
 25 that we're talking 15 to 20 minutes off the start, then

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1 we're probably all right. So sound okay?
 2 MS. PENDLETON: Yes.
 3 MS. CAULFIELD: Okay. With all that,
 4 I'll turn it over to Beth for her opening.
 5 MS. PENDLETON: Good morning,
 6 everybody. So we're going to talk this morning about
 7 the young-growth inventory. I do have a couple of
 8 comments that I wanted to make based on the input from
 9 objectors. And then I do have a few questions that
 10 will come up when we get into discussion, but I have
 11 kind of a focus area that's noted on Attachment 1 of
 12 the agenda. So I want to restate that so as you're
 13 thinking about your remarks it would be really helpful
 14 to me to have you address that issue.
 15 So just as a little bit of background,
 16 the young-growth transition was identified by the
 17 public as a significant issue in the Plan Amendment.
 18 The issue includes consideration of the financial
 19 efficiency, sale-ability and volume of young-growth
 20 timber available to the timber industry in Southeast
 21 Alaska.
 22 Some of the concerns that were raised
 23 in the objections regarding the young-growth inventory
 24 information used for the Plan Amendment and how it
 25 relates or affects the transition to young-growth-based

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1 timber management program.
 2 Some objectors contended in their
 3 remarks that the Tongass will transition out of old
 4 growth and into young growth under the selected
 5 alternative without sufficient information to determine
 6 if there is enough economic timber to provide for a
 7 sustainable industry.
 8 The Tongass Advisory Committee in their
 9 recommendations asked the Forest Service to complete a
 10 thorough analysis of young-growth inventory at the
 11 stand level in the first three years of the transition
 12 to more accurately predict the young-growth timing and
 13 supply to complete the transition.
 14 The TAC noted that this investment in
 15 stand level work would help ground proof and refine
 16 inventory and growth data, improve inventory accuracy
 17 and increase reliability of forecast projections for
 18 future resource management and investment activities.
 19 So that was a key recommendation from the TAC.
 20 Since that time I think many of you
 21 know that the Forest Service has been working with the
 22 State of Alaska Division of Forestry through a
 23 challenge cost share agreement and it's making
 24 significant investment in stand level inventory work on
 25 the Tongass.

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1 We have dedicated a couple million
 2 dollars to date in the inventory work to improve the
 3 stand level information. We've also been investing in
 4 workforce development and opportunities to improve
 5 infrastructure.
 6 The timber inventory work is focused on
 7 a total of 70,000 acres. It's a combination of young
 8 growth and old growth, so that's currently occurring.
 9 It began this past summer and will continue through
 10 2017. Data analysis is continuing and will help the
 11 Forest Service in prioritizing areas for timber sale
 12 planning at the project level. The inventory work
 13 underway covers a range of field and stand conditions
 14 and the data will be extrapolated across the forest to
 15 other areas for project level planning.
 16 This would be really helpful in your
 17 comments this morning if you could address the
 18 following. I'd like some further discussion and input
 19 about the contention raised by some objectors that a
 20 final decision to transition out of old-growth harvest
 21 and into young-growth cannot be made until there is a
 22 complete inventory of young-growth timber on the
 23 Tongass. It would be helpful if in your remarks you
 24 could address that. I will have some additional
 25 follow-up questions when we get into the discussion.

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1 As we get started, I'm going to ask
 2 those on the phone if you would please mute your phones
 3 until you're called upon.
 4 MS. CAULFIELD: So let's go ahead.
 5 Again, we're working through these alphabetically.
 6 Alaska Forest Association. Owen, thanks for starting
 7 us off.
 8 MR. GRAHAM: Okay. Thank you. First
 9 of all, the general statement to us it doesn't make
 10 sense to adopt a new plan, a new direction for the
 11 National Forest and then do the analysis or the
 12 feasibility of that plan at a later date. That doesn't
 13 seem to make sense. The transition has been predicated
 14 on some very faulty assumptions.
 15 The Forest Service should postpone any
 16 decision to prematurely transition to young-growth
 17 until it's completed a comprehensive young-growth
 18 inventory and a financial feasibility analysis to
 19 ensure that the early transition will actually work.
 20 I'd like to note the Nature Conservancy
 21 in 2009, the Forest Service in 2010 and the timber
 22 industry this year have all prepared financial
 23 feasibility analysis of this early transition to young-
 24 growth and they all agree that manufacturing the
 25 current young-growth timber will not be profitable for

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1 at least another 30 years. The trees are just too
 2 small.
 3 The Nature Conservancy commissioned the
 4 Beck Group to do a report in 2009. That report
 5 basically concluded the Forest Service would have to
 6 pay a purchaser \$140 a thousand in order to be
 7 profitable to harvest and manufacture just 8 million
 8 board feet of young-growth annually.
 9 The Forest Service did their own
 10 economic assessment of the proposed transition in 2010
 11 and they also said the transition was not financially
 12 feasible. The report also noted that allowing the
 13 trees to grow to maturity would result in lower
 14 harvesting cost and higher product values. The report
 15 also noted a big lack of information regarding what
 16 products could be produced from the young-growth and
 17 what manufacturing investments would be needed.
 18 Several loggers and mill operators in
 19 Southeast recently worked together to prepare
 20 additional financial feasibility analyses of young-
 21 growth manufacturing. Those analyses confirm that the
 22 proposed transition won't work at this time. The
 23 analysis compared the performance for three sawmill
 24 scenarios to the profit and loss statements for a group
 25 of successful young-growth sawmills in the Lower 48.

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1 The analysis revealed that a number of
 2 competitive disadvantages for a small sawmill in
 3 Southeast exist, including not the least of which is a
 4 800-mile barging of lumber to Washington state to reach
 5 the customers, lack of manufacturing integration that
 6 the sawmills in other regions enjoy. An example is in
 7 those other regions they have a market for not just
 8 their chips, but also their bark, their sawdust and
 9 their shavings.
 10 All those represent revenue for the
 11 sawmill. A lot of the sawmills just break even on
 12 actually making lumber and then they get the bulk of
 13 the revenue from chips, bark, sawdust and shavings, the
 14 residuals.
 15 I spoke to Jean Daniels about her 2015
 16 to 2030 timber demand projections. She admitted that
 17 her estimates of state and private timber had not been
 18 checked or confirmed. She said she planned to do that,
 19 but was ordered to wrap up her report early to comply
 20 with a Forest Service time schedule for the transition
 21 EIS. Those estimates that she made, the initial
 22 estimates that she wasn't allowed to check were off by
 23 some 30-80 percent. There were other extreme volume
 24 errors in the demand projection.
 25 Daniels' biomass analysis had a huge

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1 volume error that invalidated all of her biomass
 2 conclusions. Daniels didn't even consider the cost of
 3 harvesting or manufacturing young-growth lumber.
 4 Daniels didn't consider the impacts of a lack of any
 5 manufacturing integration.
 6 Daniels assumed the sawmills would make
 7 any machinery upgrades necessary for young-growth
 8 transition, but evidently she was unaware that the
 9 manufacturing of young growth would not be profitable
 10 with or without the machinery upgrade and no rationale
 11 person would make the investments in a project that
 12 couldn't be profitable.
 13 How am I doing on time?
 14 MS. CAULFIELD: Well, you've used up 4
 15 minutes and 30 seconds.
 16 MR. GRAHAM: Okay. I'll save the rest
 17 for my next five-minute block unless you'd rather I
 18 just kept going.
 19 MS. CAULFIELD: You actually have three
 20 blocks in a row, so I think the best thing to do, Owen,
 21 is just complete your statement. That would be the
 22 most helpful. Thanks.
 23 MR. GRAHAM: Block two. The young-
 24 growth inventory that the Forest Service and the State
 25 have underway will not be sufficient to prepare

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1 financial feasibility analysis of this early transition
 2 to young-growth harvesting and manufacturing.
 3 The current inventory design as checked
 4 a couple days ago is to cruise only 10 percent of the
 5 young-growth acres and only on the stands that are 55
 6 years old and older, plus to make some stand exams, not
 7 a cruise, stand exams on stands that are 40 to 55 years
 8 old. However, those stands that are 40 years and older
 9 are predominantly below 500 feet elevation and they
 10 were harvested prior to the NFMA clearcut size and
 11 other limitations that were put in in 1976.
 12 In addition, the forest growth and
 13 yield models and studies that the Forest Service was
 14 using were designed from plot data that was located at
 15 elevations below 500 feet and most of those plots were
 16 adjacent to saltwater as that's where most of the early
 17 logging took place, close to the beach.
 18 Consequently the current cruise design
 19 will not provide information that's representative of
 20 the other 90 percent of the young growth. For
 21 instance, the young growth at higher elevations grows
 22 much slower and it tends to be shorter and higher
 23 defect and has more twist and more wind shake and more
 24 compression wood and bigger knots and higher tapered.
 25 A completely different log up there for the most part.

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1 The Forest Service explained they
 2 intend to use a LIDAR system to try to estimate and
 3 compensate for not visiting the majority of the young-
 4 growth stands, but that system won't provide accurate
 5 site index information for the growth and yield models,
 6 it won't provide accurate species and great
 7 information, it won't provide dependable harvesting and
 8 cost information other than maybe some side strokes.
 9 An adequate assessment of the
 10 attributes surrounding the Southeast Alaska
 11 young-growth timber will require an intensive field
 12 survey to acquire the necessary onsite data. The
 13 current lack of knowledge makes it impossible to assess
 14 the forest potential for the present and into the
 15 future and to make any detailed financial analysis of
 16 the feasibility of this transition.
 17 It simply makes no sense to make this
 18 major change in management direction of the nation's
 19 largest forest without a decent resource information
 20 block end, including both a thorough young-growth
 21 inventory and a solid financial feasibility analysis of
 22 this proposed transition so that people know whether or
 23 not it's going to work. Right now it doesn't look like
 24 it will.
 25 We don't want to have a repeat of the

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1 failed 2008 TLMP implementation. The 2008 plan
 2 included a significant number of timber harvest
 3 constraints that were poorly considered. A number
 4 people complained about it and the Forest Service did a
 5 quick economic test of the 2008 plan and that test that
 6 the Forest Service performed indicated that only about
 7 20 percent of the plan could be successfully
 8 implemented.
 9 Yet the Agency refused to do a more
 10 thorough examination of the economics and as a result
 11 they weren't able to implement. They were unable to
 12 implement most of the timber sale plans for the last
 13 eight years.
 14 As a consequence of that failed
 15 implementation we've lost three of the mills that were
 16 in operation back then and many of the jobs that
 17 existed in 2008. We don't want to lose any more. We
 18 need a good financial feasibility analysis and that's
 19 going to require good cruise and it needs to be done
 20 before we lock into a new plan that changes the
 21 direction.
 22 Thank you.
 23 MS. CAULFIELD: Owen, thanks very much.
 24 So Alcan Forest Products. Eric. Dru is helping us
 25 with timing just to let you know. At four minutes

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1 she'll let you know that you're at four minutes and
 2 have a minute to wrap up. So appreciate it. Thanks.
 3 MR. NICHOLS: My concern after sitting
 4 on the TAC is really the variability in the fall-down
 5 acres that we're going to address here. I'm going to
 6 try and address some of Beth's concerns or what she
 7 asked us to address. I'm going to change mine around
 8 just a little bit here.
 9 I think basically what we're trying to
 10 get to is with 251,000 acres of timber LUD and young-
 11 growth stands we can't afford to lose any of those.
 12 One of the reasons we can't afford to lose those in
 13 these fall-down acres are because the analysis that the
 14 TAC did was based upon all the acres there. We did not
 15 put down a fall-down percentage in there. We knew it
 16 was going to become a problem, but we did not have any
 17 information in order to have any degree of certainty on
 18 what those fall-down would be.
 19 My concern gets to be on some of the
 20 fall-down we've seen in the old-growth forest we've got
 21 some information here that we see up to a 70 percent
 22 fall-down acres on the old-growth side. The young-
 23 growth side we just don't know until this inventory is
 24 complete.
 25 I've attended a number of meetings that

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1 Sheila has addressed some of the fall-down. The best
 2 that her point is is there's highly variable stands out
 3 there and they really don't know what that fall-down is
 4 going to be. The EIS took some level of fall-down into
 5 account. I could not find within the EIS how much that
 6 fall-down was going to be.
 7 So I'm going to try and go back to
 8 Beth's -- you know, the complete inventory why, why do
 9 we have to do it. Well, on the TAC, a couple things
 10 that we did in the TAC. One of them was we had a one
 11 for one, so every acre of old growth we could protect
 12 we'd take an acre of young growth there. So it became
 13 critical that we really didn't know how much young
 14 growth was there.
 15 The conservation groups were pushing
 16 and pushing hard that we had an absolute deadline for
 17 when we were going to get an old growth. We could not
 18 give them an absolute deadline because we didn't know
 19 how much fall-down we were going to get within these
 20 young-growth stands here.
 21 So that was one of the big pushes to
 22 get this inventory done, was that we needed to be able
 23 to satisfy the conservation groups on how much old
 24 growth and where that old growth was going to be
 25 located for the transition harvest of the old growth.

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1 But we could not give them that because we did not have
 2 a high enough degree of certainty on how much volume of
 3 young growth we really were going to be able to get
 4 because we had no idea really what that fall-down acres
 5 were going to be.
 6 The 250,000 acres of young growth in
 7 the timber LUD we cannot hit the volumes in the Plan if
 8 we lose much percentage of that. So the Plan volumes
 9 become unreasonable if we lose 20 percent, 10 percent
 10 of those acres there. The TAC went out on a field
 11 trip, we looked at some streams that were going to be
 12 fish streams in the future that were not fish streams
 13 when they're harvested. So our concern is that we're
 14 going to see a lot of fall-down acres in the older
 15 stands because of the timeframe they were harvested was
 16 at a much different degree of protection for resources
 17 than what the younger stands were done at here.
 18 So until we get the inventory complete
 19 I just don't think there's enough information there to
 20 run the models to see how much young growth is really
 21 going to be available for the transition time period.
 22 I'll leave it at that.
 23 MS. CAULFIELD: Great. Thank you very
 24 much. Let me just check on the phone to see if anyone
 25 has joined from Cascadia Wildlands.

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1 (No response)
 2 MS. CAULFIELD: Carol Rushmore, have
 3 you joined from the City of Wrangell?
 4 (No response)
 5 MS. CAULFIELD: Okay. Larry, Greater
 6 Southeast Alaska Conservation Community.
 7 MR. EDWARDS: My name is Larry Edwards.
 8 I'm on staff for Greenpeace here in Southeast. I'm
 9 also on the Board of Directors of GSACC. We were on
 10 the GSACC and others' objection letter which there were
 11 five groups. Our objection letter points out several
 12 problematic factors that are involved in this
 13 apparently simple but in fact quite complex question
 14 that was posed in the agenda for today.
 15 The first problem with the question is
 16 its focus on, quote, a viable timber industry, a term
 17 not defined in either the Secretary's letter or the
 18 FEIS. It's wide open to subjective interpretation and
 19 poses one of the most important problems with the
 20 purpose and needs statement of the EIS.
 21 Our draft EIS comments and our
 22 objection letter state that, quote, the viable timber
 23 industry focused purpose and need fails to address
 24 Planning Rule requirements to ensure ecological,
 25 economic and social sustainability of the Planning area

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1 and we cited to a CFR on that. We requested that you
 2 reinstate the scoping process based on a revised
 3 purpose and need and we request that once again today.
 4 The second problem with the question is
 5 its narrow focus on economics. That is whether there
 6 would be sufficient, quote, economic young growth in
 7 supporting a viable industry, whatever that is.
 8 Specifically this narrow approach fails to take into
 9 account these factors.
 10 First is the Tongass Conservation
 11 Strategy as it presently exists. Second, the facts
 12 that scientists involved in the creation of the
 13 strategy in the 1990s believed it was already
 14 inadequate at that time when it was adopted in 1997.
 15 Third, the character of the second-growth lands that
 16 will be logged over the first several decades. The
 17 inventory question can't be just timber volume and
 18 timber economics oriented. It needs to consider all
 19 those other elements.
 20 Regarding that third item, it's already
 21 apparent from the FEIS and the work of the TAC without
 22 waiting for a more detailed inventory that an industry
 23 of the scale the FEIS is aimed at supporting would need
 24 to over the next two to three decades pick off nearly
 25 all the second growth from the early years of

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1 industrial scale logging. These stands are generally
 2 at low elevation as already was mentioned today. On
 3 high-productivity sites where clearcuts were most often
 4 large scale and often were valley scale cuts or were in
 5 the now protected beach fringe for example.
 6 As explained in record document 769-02-
 7 0008, these older prime site second-growth stands are
 8 now a significant span of time back towards reverting
 9 to an old-growth condition and it's important that many
 10 of them and more than just those that happen to be in
 11 the conservation strategy elements in the present plan
 12 that they be allowed to make that reversion to old
 13 growth.
 14 Whichever of the two choices is made
 15 regarding these stands, whether to cut them now or let
 16 them revert, that choice will still be reverberating
 17 two centuries from now in terms of the condition of the
 18 forest for multiple uses and the wildlife that it does
 19 or doesn't support.
 20 The third problem with the question is
 21 its assumption in the context of the FEIS that
 22 transitioning, quote, out of old-growth logging
 23 requires second-growth logging of some particular scale
 24 or, put another way, it assumes that either, one, a
 25 viable industry the size of the present industry when,

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1 in fact, a viable industry of a smaller size may also
 2 be possible. Two, it assumes that the transition out
 3 of old-growth logging must be based almost entirely on
 4 a second growth industry and that other kinds of
 5 economic transitions that are less dependent on timber
 6 are not possible.
 7 On the last point, the critical
 8 consideration is the next two to three decades. Beyond
 9 that timeframe when the so-called wall of wood becomes
 10 available both for utilization and for foresightful
 11 conservation, there will be much more planning latitude
 12 regarding the reasonable scale for that future timber
 13 industry.
 14 The fourth problem with the question is
 15 its statement that the subject is a transition, quote,
 16 out of old-growth harvest. In fact, the proposed Plan
 17 does no such thing. Post-transition it continues to
 18 annually log 5 million board feet of old growth, which
 19 is something that's irreplaceable. Over the span of a
 20 century, that is a substantial volume acreage and in
 21 addition to the cumulative impacts that already exist.
 22 That's an impact that will be focused primarily on
 23 southern Southeast Alaska and particularly Prince of
 24 Wales Island.
 25 In conclusion, the Tongass young-growth

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1 inventory that is needed is one to help determine both
 2 what to leave and what to take in view of both the
 3 tremendous cumulative impacts across southern Southeast
 4 Alaska on all land ownerships and they need to bring
 5 the Tongass Conservation Strategy up to snuff.
 6 Thank you.
 7 MS. CAULFIELD: Larry, thank you. So
 8 we're going to go to Jim Furnish with GEOS Institute.
 9 Jim, thank you for participating by phone. We are
 10 asking for no more than five minutes now in terms of
 11 these opening comments. We have Dru here in the room
 12 helping us identify when it's four minutes, so since
 13 you can't see her flashy yellow sign, I'll just jump in
 14 and let you know when you've got about a minute left.
 15 So, Jim, can we turn it to you for
 16 about five minutes.
 17 MR. FURNISH: Yes, certainly, and I am
 18 starting the clock. I just wanted to say that for me
 19 context is very important and I think it's worth noting
 20 that this transition that the Tongass and the Forest
 21 Service are grappling with today has been long
 22 contemplated. The real question is when is the
 23 appropriate time to make this pivot.
 24 I think everyone acknowledges that it
 25 depends on the amount and character of the second

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1 growth that's available, so I think it's very timely
 2 that we're talking about both these issues. Not only
 3 the timing of the transition but also the nature of the
 4 young-growth inventory that's been used.
 5 I think if you look at the impact of
 6 Vilsack's memorandum directing the Forest Service to
 7 undertake this transition planning, would have
 8 compelled the Forest Service to take an as soon as
 9 possible approach. I'm somewhat distressed in looking
 10 at the outcome that it appears that the Agency has
 11 taken an as long as possible approach.
 12 When the memo was written in 2013 and
 13 gave the Agency a 10 to 15-year window, it took three
 14 years to get the planning done and now you've said you
 15 need 16 years to complete the transition and I will
 16 bring up points that in terms of looking at some of the
 17 analytical underpinnings and modeling underpinnings,
 18 the Forest Service has continued to take a very old and
 19 outdated use of data, models, et cetera, pretty much
 20 every step of the way.
 21 I don't object to being somewhat
 22 conservative as long as that conservatism is coupled
 23 with additional -- look at new information that becomes
 24 available so that at least you see a conservatism
 25 through a more aggressive approach and can compare it

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1 to analytically and reasonably.
 2 I don't know the individual that had
 3 the lengthy presentation earlier, but I do want to
 4 spend a little bit of time talking about Katherine
 5 Meyer's analysis that she's been conducting for the
 6 last three years as a corollary to the Forest Service.
 7 I can only assume that that individual has either not
 8 read or is ignoring virtually everything that Katherine
 9 has been doing for the last three years.
 10 I hope that the Forest Service, who has
 11 been provided all of Katherine's data and analysis
 12 results, is at least aware of her information if others
 13 are not. I would say that all these things that came
 14 up with respect to site index, slopes, proximity to
 15 open roads, proximity to ocean, characteristics, all
 16 these things have been analyzed in great detail,
 17 Katherine using both the Agency's own data and maps and
 18 stand information as well as buttressed by additional
 19 investments to provide stand level data at one plot per
 20 acre, which is more dense in terms of its analytical
 21 framework than any that's been done on the Tongass I
 22 think in its history.
 23 All those I think show conclusively
 24 that these concerns about the character of Tongass
 25 second growth in terms of its volume per acre is size

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1 characteristics, height, diameter. This material is
 2 commercially suitable today and it will only grow more
 3 so in time. This is why she was so anxious to get a
 4 milling study done and actually run a lot of this
 5 material through mills, get it produced and marketed to
 6 see what kind of a value would be derived.
 7 I think it's worth noting that the cost
 8 for the industry to transition is much less in
 9 actuality than some forecasts in terms of dollars and
 10 time. In terms of tens of millions of dollars,
 11 Katherine is an expert in these things and her
 12 estimates are that it would cost about three to five
 13 million dollars and a few months, six to eight months,
 14 to install some of this highly efficient technology
 15 that could generate twice as much lumber volume log
 16 scale as is currently in practice in Southeast Alaska.
 17 I just think it's time for the Forest
 18 Service to take a hard look at the most current data
 19 that's out there to make sure that the potential of
 20 this transition is scrutinized with the best possible
 21 analytical underpinning and not using old, outdated
 22 information.
 23 Thank you.
 24 MS. CAULFIELD: Jim, thank you. I'm
 25 working down my list here and let me check on the phone

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1 to see if anyone from Southeast Conference has joined
 2 to talk about this issue of young-growth inventory.
 3 (No response)
 4 MS. CAULFIELD: Sealaska Corporation,
 5 Brian. Thanks.
 6 MR. KLEINHENZ: Thanks for the
 7 opportunity to talk. Sealaska has provided both
 8 through the comment period and the objection period a
 9 lot of written feedback, so in the interest of not
 10 repeating ourselves I won't go through those. I'll
 11 just try to give a brief, in plain English, explanation
 12 to add to the record of how we feel about this
 13 particular topic of young-growth inventory.
 14 The 2008 TLMP is structured in such a
 15 way that the Forest Service is able to offer timber
 16 sales in young-growth stands. So that flexibility
 17 exists. It became clear through efforts like the TAC
 18 and conversations with all interested stakeholders that
 19 the amount of information available on young growth was
 20 really slim. This is probably due to a focus on old
 21 growth in the past.
 22 As Eric and Owen and just about
 23 everyone else stated, the recognition was we didn't
 24 really have a good handle on the resource. This was as
 25 early as the Tongass Futures Roundtable the

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1 recommendation was made that a more comprehensive look
 2 at the young-growth resource be undertaken or a young-
 3 growth inventory to paraphrase.
 4 It's commendable that the Forest
 5 Service did, in fact, undertake that this summer
 6 through a cost-sharing with the State of Alaska and has
 7 actually put a lot of information in the hands of
 8 resource managers. Put a lot of plots on the ground, a
 9 lot of people out looking at the young-growth stands.
 10 The piece that's out of sync is that
 11 that information is just starting to come in now. So
 12 all the information that could be brought to bear
 13 regarding young-growth inventory, what those plots
 14 found, what those people found, has not been leveraged
 15 into the draft EIS or the Record of Decision.
 16 It just seems to make good sense that
 17 the Forest Service would want to use that data that
 18 they're paying for and gathering because of the
 19 explicit need in order to inform the EIS, the amendment
 20 and the Record of Decision. So simplistically we would
 21 recommend that that information be used and the
 22 Amendment be deferred until some of that information
 23 could be leveraged.
 24 The commitment has already been made to
 25 gather the information, so the Agency has admitted they

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1 need more information. It's coming. We don't see the
 2 burning platform to get the Record of Decision signed
 3 before there's an opportunity to use that.
 4 I guess that specific question about
 5 when to move into young growth, we would just offer
 6 that as information comes in that the Agency does have
 7 the flexibility to make young-growth sales available
 8 and that they exercise that option while they do the
 9 necessary research and integration of information.
 10 Thanks.
 11 MS. CAULFIELD: Thanks very much,
 12 Brian. Let me check on the phone. Has anyone joined
 13 from -- actually, excuse me. I'm going to come back
 14 here in the room. I'll check with the phone in a
 15 minute, but State of Alaska. So, Chris, it's your
 16 opportunity.
 17 MR. MAISCH: Thank you for the
 18 opportunity to raise and discuss the issue of the
 19 young-growth inventory. These two topics that we're
 20 going to discuss today, the inventory and the timeframe
 21 for transition, are very much interrelated, so we've
 22 saved a lot of our comments on the timeframe part for
 23 that portion of the agenda, so this will be mostly on
 24 inventory.
 25 This topic is a key component of the

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1 transition that is being undertaken to better
 2 characterize both the young growth and old forest
 3 resources of the region. The project is initiating and
 4 demonstrating many of the recommendations that were
 5 made by the Tongass Advisory Committee. That included
 6 utilizing partnerships, developing the local workforce
 7 through a combination of education, internships and
 8 employment so that residents and communities of the
 9 region derive maximum benefits from transition projects
 10 and by ensuring our collective efforts are transparent
 11 and inclusive.
 12 The project was launched via challenge
 13 cost share agreement between the State of Alaska and
 14 the Forest Service. Beth did a good job of describing
 15 that. I'm going to elaborate just a bit further.
 16 There are three main components under Task 1 of the
 17 agreement and these are focused on age, class and stand
 18 base inventories of the forest. Age classes of 55+,
 19 40-54 years old and old growth. The data and field
 20 observations produced by this project will be the
 21 roadmap for the transition that will unfold over the
 22 life of the Forest Plan.
 23 The importance of this project should
 24 be apparent to all. No matter what position you might
 25 have on forest management in the Tongass, having timely

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1 and accurate information about the resources being
 2 managed is a requirement for future dialogue as well as
 3 projects that will produce the logs and other goods and
 4 services so necessary to maintaining the social and
 5 economic well-being of Southeast communities.
 6 I had some highlights here of what
 7 we've actually accomplished on the inventory, but I
 8 think I just want to make one key point since I know
 9 you'd like to get to discussion. The timeframe for
 10 completing the inventory in your opening statement,
 11 Beth, you mentioned that you had three years during the
 12 first part of the transition to complete the inventory.
 13 The work that we're doing right now at
 14 the end of this field season we'll have about 4,700
 15 plots installed for our efforts so far this year. On
 16 that track we're doing a total of 14,000 plots, so that
 17 would project a three-year time period, so we would not
 18 be done at the current pace of work until the end of
 19 the 2018 field season. So we have some suggestions on
 20 how that might be accelerated in terms of the pace and
 21 maybe during discussion we can talk more specifically
 22 about that.
 23 In addition to the forest inventory
 24 work, there was Task 2 of the agreement, which is also
 25 divided into three additional components, which are

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1 focused on workforce development, infrastructure
 2 inventory and assistance to other landowners. I won't
 3 offer more details on those issues right now either,
 4 but those are all three critical parts of this overall
 5 transition and I think you have to keep that in
 6 perspective and in mind when we're talking about this.
 7 It's really a holistic approach. It's very much a
 8 change in how we conduct business on the Tongass and
 9 you have to take this as a whole.
 10 A second challenge cost share agreement
 11 has also been submitted to continue work across all
 12 elements of the first project and one of the speakers
 13 mentioned the LIDAR information that's a part of that
 14 second round that will help chew up some of the
 15 inventory information and make it more easily
 16 expandable across the Forest and deal with some of the
 17 issues that Owen mentioned in terms of including areas
 18 that are not currently being inventoried.
 19 I think I'll leave it at that for right
 20 now and we'd be happy to discuss this further during
 21 the discussion period. Thank you.
 22 MS. CAULFIELD: Thanks, Chris. So let
 23 me check further just to see if people have joined us
 24 on the phone who would be eligible to speak to this
 25 issue as an objector or interested person. So checking

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1 in, do we have anyone from The Boat Company? George
 2 Woodbury.
 3 MR. WOODBURY: I'm on. I don't have
 4 anything to say at this time.
 5 MS. CAULFIELD: Okay, great. George,
 6 it's good to know that you're there and you'll be able
 7 to participate in the discussion, so we appreciate
 8 that. Thanks for being on the phone. And interested
 9 persons, Denise Boggs.
 10 (No response)
 11 MS. CAULFIELD: Jason Custer.
 12 (No response)
 13 MS. CAULFIELD: Tony.
 14 (No response)
 15 MS. CAULFIELD: And Ara Marderosian.
 16 (No response)
 17 MS. CAULFIELD: So, with that -- let me
 18 just double check, but with that I think we've been
 19 through those who were planning to offer opening
 20 statements as an objector and interested person. Do
 21 you want to take a little break and then come back?
 22 MS. PENDLETON: Yeah, let's take a 10-
 23 minute and then we'll go into discussion.
 24 MS. CAULFIELD: Okay. So we're
 25 suggesting a 10-minute break and then we can all

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1 regroup, come back in 10 minutes and we'll start
 2 discussion. Thanks very much. We'll be staying on the
 3 phone line and back with you at about five minutes
 4 after 10:00. Thanks.
 5 (Off record)
 6 (On record)
 7 MS. CAULFIELD: We're going to come
 8 back together in Ketchikan here and we're back on the
 9 phone. So appreciate your getting started with us
 10 again. Thanks.
 11 (Pause)
 12 MS. CAULFIELD: We'll go ahead and get
 13 going. Beth, I'll turn it over to you to start the
 14 discussion.
 15 MS. PENDLETON: Okay, great. Thanks,
 16 Jan. So thanks to each of you that shared some
 17 thoughts. I do realize that some of the comments kind
 18 of crossed over between topics from this morning and
 19 this afternoon when we talk about the transition
 20 timeframe, but they are integrally related and I
 21 recognize that, but thank you for your sharing.
 22 I had a couple of thoughts as I was
 23 listening to the remarks that were shared this morning.
 24 I think the first of those that I'd like to maybe
 25 explore a little bit more is relative to the inventory

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1 and the information that may be learned as we complete
 2 this inventory work.
 3 And then I'd also like to after that
 4 explore probably with you, Chris, but there may be
 5 others that would have some thoughts around
 6 opportunities to accelerate the inventory work that's
 7 underway.
 8 So just to share some of the things
 9 that are going through my mind. I think the first of
 10 those is the inventory work that's underway. Again,
 11 that was something that was recommended by the Tongass
 12 Advisory Committee and something that the Agency sees
 13 as a critical investment to get that stand level
 14 information for project level planning.
 15 The Agency has differentiated in the
 16 Forest Plan, we have a sufficient course filter data
 17 around inventory of young growth at the strategic
 18 level. Our Forest Plan is a strategic document. So we
 19 maintain that we have that adequate level of
 20 information, but at the stand level, as we get into
 21 actual project planning, we recognize that we need
 22 finer course information and I think that you all have
 23 shared some of the issues and concerns or lack of
 24 information that we may have at the stand level. So
 25 this inventory is going to help to inform that project

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1 level planning work.
 2 So recognizing that there is certainly
 3 a potential to glean new information in the stand-level
 4 inventory that's ongoing, the question that I have that
 5 I'd like to hear from folks on is whether or not you
 6 could support the addition of a management
 7 approach in the Final Record of Decision that would
 8 commit the Forest Service, one, to reviewing the
 9 results of the updated young-growth inventory as soon
 10 as it's complete and verified and, two, reporting on
 11 any of the differences or unexpected outcomes from the
 12 information provided in the plan amendment and EIS. So
 13 that's the first question and then I have a followup to
 14 that.
 15 The question here really is around your
 16 ability to support the addition of a management
 17 approach that would first review results of updated
 18 young-growth inventory as it's completed and verified.
 19 Secondly, report any differences or unexpected outcomes
 20 from that information in the Plan Amendment and FEIS.
 21 MR. EDWARDS: That was quite a lot.
 22 Could you repeat those questions.
 23 MS. PENDLETON: Sure. So could you
 24 support the addition of a management approach in the
 25 Final ROD that committed the Forest Service to, one

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1 reviewing the results of the updated young-growth
 2 inventory as soon as it's completed and verified. The
 3 second part of the question is reporting on any
 4 differences or unexpected outcomes from the information
 5 provided in the Plan Amendment and Final Environmental
 6 Impact Statement.
 7 MS. CAULFIELD: Owen.
 8 MR. GRAHAM: I can go ahead for a
 9 moment?
 10 MS. PENDLETON: Yes.
 11 MR. GRAHAM: Beth, I had a couple
 12 thoughts about that when you were talking about it.
 13 Back in 2008 we criticized the Plan, we filed an appeal
 14 and Gail Kimbell made a commitment to us in writing and
 15 she said she would do a 14-year timber sales and she
 16 would do an economic analysis. There was four parts to
 17 it. And I believe she was sincere. I've known Gail
 18 for a long time. She was very sincere and fully
 19 intended to do it.
 20 The Forest started on preparing those
 21 10-year timber sales and then there was a change in
 22 administration and it all just fell apart. One of the
 23 10-year sales came out about half the size it was
 24 supposed to be and the others didn't come out at all.
 25 So I believe you're sincere and I

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1 believe that you want to do this. I'm not confident
 2 that it will actually happen. Not because of you
 3 welching down the road or doing something different.
 4 We tried that with Gail, who I thought was honorable,
 5 and it didn't work.
 6 Another example is just prior to that
 7 we had the roadless exemption. The Forest Service
 8 agreed to exempt Alaska from the Roadless Rule and they
 9 settled a lawsuit with the State and agreed to exempt
 10 us and then some court overturned it and said, well,
 11 the Forest Service didn't do their paperwork just
 12 right. You know, they needed to do a better reasoning
 13 for why they're going to do the exemption. But instead
 14 of going back and fixing whatever errors it was, the
 15 new administration said, oh, screw it, we're not going
 16 to defend this, the hell with it, we're just not going
 17 to honor that exemption.
 18 You know, I trust you and I trust a lot
 19 of the Forest Service people I work with, like Earl,
 20 but I don't trust the Forest Service as an Agency. We
 21 change administrations and all that can go out the
 22 window in a heartbeat and we've got nothing. So,
 23 personally, I wouldn't be comfortable with that.
 24 MS. PENDLETON: Thank you, Owen.
 25 Other.....

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1 MR. FURNISH: This is Jim Furnish. I'd
 2 like to comment on that.
 3 MS. PENDLETON: Okay, Jim, why don't
 4 you go ahead then.
 5 MR. FURNISH: I would say both the
 6 examples given of Gail's policy and also the roadless
 7 exemption that the elections have consequences. I
 8 think Beth has raised an issue that I think relates to
 9 NEPA regulations rather than (indiscernible - breaking
 10 up) policy (indiscernible). Both emergence of their
 11 information and (indiscernible) science. Gail -- Beth,
 12 I would suggest that what we're talking about is a
 13 given with respect to NEPA regulations that the Forest
 14 Service is obligated to act upon the emergence of new
 15 information as to see how it relates to the Plan that's
 16 been decided.
 17 Thank you.
 18 MS. PENDLETON: Thank you for that
 19 comment, Jim. Again, I'm looking for some feedback
 20 relative to the inventory work that's currently
 21 underway. As that inventory information becomes
 22 available, I'd really appreciate your thoughts relative
 23 to the addition of a management approach in the Final
 24 Record of Decision that would require the Forest
 25 Service to review those results as they're completed

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1 and verified and, secondly, report on any differences
 2 or unexpected outcomes from the information provided in
 3 the Plan Amendment that's currently in the Plan
 4 Amendment and FEIS.
 5 I think, Eric, did you have some
 6 thoughts?
 7 MR. NICHOLS: I always have some
 8 thoughts. So I guess from an industry standpoint, if
 9 we're going to look at something like that, will we see
 10 some beefed up language on the one for one? So if
 11 we're going to encounter more fall-down acres, more
 12 fall-down, a reduction in young-growth volume
 13 availability during this transition, do we also get a
 14 commitment that the Forest Service will maintain the
 15 volume whether it's old-growth or young-growth.
 16 We're struggling very difficult right
 17 now to come up with enough volume to sustain the
 18 industry, so I have concerns on the litigation side of
 19 things as we try to put more old growth back into the
 20 Plan in order to make up for young growth that's going
 21 to fall out of this thing and I think that's going to
 22 become a huge litigation issue over the next 10 to 15
 23 years. So that's one of my concerns.
 24 Another concern, regardless what GEOS
 25 says, it's a huge cost commitment from the industry

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1 side to make this transition. They may look at the
 2 sawmill side, but also from the timber harvesting side.
 3 If we're going to be competitive, we're going to get a
 4 cost comparable to the rest of the world, we have to
 5 make substantial investments in mechanized equipment
 6 that's applicable for Southeast Alaska here.
 7 So the longer that this stuff drags on,
 8 the less information that we have to make those with
 9 some degree of certainty that that volume is going to
 10 be there and the timeframe for that volume. So I have
 11 concerns on our capital investment on the harvesting
 12 side of this stuff here.
 13 And then also from the market side of
 14 things. We've been involved -- we're currently
 15 involved in harvesting young growth. We have market
 16 challenges there and one of those market challenges is
 17 the consistency of this. I can't displace other volume
 18 from sources when I can't ensure the final manufacture
 19 that this stuff is going to be available on a
 20 consistent basis year after year after year.
 21 So my fear is that without good
 22 information going into this thing we get into this in a
 23 year or two, we've hit some of our better stands and
 24 then all of a sudden there's no young growth available
 25 for some period of time and we just can't make a

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1 successful transition if we're going to be in this real
 2 up and down volume in the young growth in order to make
 3 it work.
 4 MS. PENDLETON: Thanks, Eric. I just
 5 have a followup for you. What would it look like or
 6 what would be a suggestion to the Agency? Currently we
 7 put out a five-year schedule. Is there something other
 8 than that that would be helpful, perhaps looking longer
 9 term around transition and volume that would be
 10 available, both young and old growth?
 11 MR. NICHOLS: You know as well as I do
 12 that five years -- the Plan changes every six months.
 13 MS. PENDLETON: I'm saying that though
 14 relative to the stand level inventory information
 15 coming available so that's verified. Is there
 16 something that would be helpful from a projection
 17 standpoint, a planning standpoint?
 18 MR. NICHOLS: I think, Beth, the first
 19 thing, a standard industrial landowner, they would take
 20 that and they would take a 25-year projection or
 21 something like that. You've got to go beyond five.
 22 You've got to go out there 10, 15 years. There's no
 23 reason you can't. You've got all that information
 24 available. Make a longer-term plan. You know, you
 25 can't do something on a five-year plan when I have a

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1 seven-year bank note on one piece of equipment.
 2 So you've got to lengthen this thing
 3 out in the information you're going to supply to
 4 industry so that they can see this for the next 10 to
 5 15 years if we're going to make these capital
 6 investments and that's going to have to be down at a
 7 stand level. But where's it going to come out at and
 8 what's that stuff really going to look like, what kind
 9 of harvesting methods are we going to need, what kind
 10 of cultural prescriptions is the Forest Service going
 11 to use.
 12 So 10 years minimum, 15 years would be
 13 nice if we're going to make these kind of capital
 14 investments to make this transition.
 15 MS. PENDLETON: Thank you, Eric. Is
 16 there anybody else that would like to respond. Chris.
 17 MR. MAISCH: Yeah, I'll touch on more
 18 of this this afternoon and the timeframe, but the whole
 19 concept of adaptive management, which I think you're
 20 essentially getting to by suggesting the support of a
 21 management approach by using new information as it
 22 comes in. Obviously this inventory is a very good
 23 example of that. It's going to be a lot of new
 24 information that better informs your opportunity to
 25 manage this forest resource.

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1 So I think it's imperative that you
 2 fully embrace that concept and the new Planning Rule,
 3 the 2012 Planning Rule has lots of examples and it very
 4 much emphasizes that type of approach. It talks about
 5 doing more frequent amendments. Some that don't even
 6 require potentially NEPA analysis depending on the type
 7 of amendment that's being considered. The key plans
 8 are all current so that you don't wait 15 years to make
 9 a big change.
 10 So I think you've got to really be a
 11 lot more nimble in that regard and I know the State
 12 would support that kind of approach where you are using
 13 the best information available to make management
 14 decisions.
 15 MS. PENDLETON: Great. Thank you for
 16 that, Chris. Brian.
 17 MR. FURNISH: This is Jim Furnish one
 18 more time.
 19 MS. PENDLETON: If you could hold on
 20 just one minute, Jim. We've got somebody who's just
 21 going to speak here and then I promise we'll go to you
 22 next. Thanks.
 23 MR. FURNISH: Yeah, that's fine. Sure.
 24 MS. PENDLETON: Brian.
 25 MR. KLEINHENZ: Yeah, thanks. I think

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1 the question was if we could get comfortable with a
 2 sort of informal process for integrating the results
 3 and the differences of the young-growth inventory. I
 4 guess in all honesty it's hard to get comfortable even
 5 with the formal process, so it would be a little bit
 6 difficult to imagine how to interact and have
 7 substantive feedback on a sort of a parallel process.
 8 So I guess it would be Sealaska's perspective to
 9 encourage you to use the formal processes that are
 10 available to try to integrate the results.

11 The young-growth inventory itself, you
 12 mentioned that this course-level data was adequate to
 13 do the Forest Plan. Just as an observer of how the TAC
 14 functioned -- I mean the TAC did a really good job of
 15 sort of vetting all the information that was available
 16 using a really wide set of experts, both inside and
 17 outside the Agency to try to push it as hard as they
 18 could. Even in the TAC recommendations report one of
 19 the primary notes was that they had trouble pushing
 20 that course-level data to really get an idea of how
 21 good the inventory was.

22 So I guess I'd question whether or not
 23 the course-level data was really adequate. I can't
 24 imagine a more in-depth dive than what that group did,
 25 that formal FACA group. So just a little bit of

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1 feedback.

2 Thank you.

3 MS. PENDLETON: Thank you, Brian. I
 4 think we'll go to the phone now. Jim Furnish. Jim,
 5 before you start, let me -- we need to remind everybody
 6 who is on the phone to mute their phone. You're all
 7 hearing, of course, now there's an interruption from
 8 Verizon Wireless. So we need to stop the interruptions
 9 and then we'll hear from Jim Furnish.

10 MR. FURNISH: Are you ready for me now?
 11 MS. CAULFIELD: Yeah, Jim, we hope we
 12 are. So let's go ahead and hear from you.

13 MR. FURNISH: Okay. I just wanted to
 14 double back and make sure that Beth understood that my
 15 earlier comment was intended to address her question
 16 because I feel that NEPA obligates the agency to do as
 17 you suggested because if you have new information and
 18 you have to use the best available science, if this
 19 inventory data reveals things that it be incorporated,
 20 I think you must do this to comply with NEPA.

21 Now having said that, in response to
 22 the other thing, I'm surely sensitive, I'm sure
 23 everyone is, to the industry's need for a secure source
 24 of supply. Having been a Forest Supervisor on the
 25 Siuslaw National Forest, after the spotted owl crisis,

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1 I want to mention to everybody that we conducted a
 2 transition to small timber very quickly and the outcome
 3 was that we have not had on the Siuslaw National Forest
 4 a timber sale appeal or a lawsuit in over 20 years.

5 If the industry is seeking a secure
 6 supply, your best source is second-growth timber. It's
 7 the least controversial and most reliable product out
 8 there. The longer the Forest Service industry
 9 continues to rely on old growth with all the competing
 10 issues, potential litigation, you're delving into
 11 continued uncertainty.

12 Thank you.

13 MS. PENDLETON: Thank you, Jim. Did
 14 any else want to respond to that question before I go
 15 to another question?

16 MR. CLARK: This is Jim Clark. I think
 17 your question is should we proceed with the plan as it
 18 is and apply adaptive management to make changes as we
 19 go or should we complete the inventory prior to
 20 proceeding with the Plan?

21 I would just point to Pages 10 and 11
 22 of the Draft Record of Decision in which the Forest
 23 Service states, and I think correctly, that harvesting
 24 55-year-old trees does not appear to be practical or
 25 economic in Southeast Alaska at this time. The market

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1 of large volumes of young-growth logs has not been
 2 demonstrated and this is especially true for small logs
 3 from 55-year-old stands.

4 And then proceeding to Page 11, it says
 5 recent experience in modeling indicates that the
 6 majority of trees in 55-year-old stands will produce
 7 only one log per tree. This results in higher logging
 8 costs and substantially lower revenues per acre. The
 9 proponents of this alternative assumes such stands
 10 producing only one log per tree would be economic.
 11 Forest Service information suggests they are not.

12 So it just seems to me that we really
 13 need the inventory before you can proceed with the
 14 Plan. I don't think anybody is going to have an
 15 objection to adaptive management after we have a good,
 16 solid inventory. From what you've said or what the
 17 Forest Service has said in the Draft ROD, you don't
 18 have enough information to proceed now and you really
 19 should do this inventory before you go to the next
 20 step.

21 Thank you.

22 MS. PENDLETON: Thank you, Jim. Chris.

23 MR. MAISCH: I just wanted to add to
 24 what Jim just said about the economic part. In the
 25 TAC, we actually were using a two-log tree as a proxy

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1 for economics. So I think you're probably aware of
 2 that, but I thought it was worth mentioning since he
 3 pointed that piece out.
 4 Thank you.
 5 MS. PENDLETON: Thanks, Chris. Buck.
 6 MR. LINDEKUGEL: Thanks, Beth.
 7 Economics keep coming up here. Economic feasibility,
 8 efficiency. It seems like you're applying different
 9 tests for young growth than you've applied for old
 10 growth in the past. Nobody here in industry objected
 11 to the old-growth inventory that the Forest Service
 12 used for decades and it was shown to be a fable.
 13 That's why we have fall-down.
 14 That's why we have to address the
 15 constant -- go out in the field and realize that the
 16 trees that we thought were there, that we planned on
 17 aren't there. At the same time, timber is no longer
 18 the driving economic force in Southeast Alaska. The
 19 Southeast Conference in 2014 reported that the arts
 20 sector of the economy earned twice as much as the
 21 timber industry. That was referring to 2013. So we're
 22 way past that point of having a viable industry in our
 23 mind. It's propped up by massive subsidies.
 24 The GAO reported just this year that
 25 the cost associated with doing timber sales were 14

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1 times the stumpage that they received back from the
 2 industry. Sure, those costs include NEPA and planning,
 3 but they also include building roads like was done on
 4 the North Kuiu timber sale here recently. Over \$1.3
 5 million in road construction costs born by taxpayers
 6 for a sale that didn't get purchased.
 7 So I would just encourage you, Beth, to
 8 treat these segments of the industry, the forest
 9 economy here that really make a difference, the same.
 10 Give them all a fair shake here and not just sacrifice
 11 their long-term interest for short-term interest of one
 12 industry.
 13 MS. PENDLETON: Buck, thank you for
 14 your comments. I would like us though to focus around
 15 some of the questions around the young-growth
 16 inventory. It will be helpful to me as we move forward
 17 with the preparation of the Final ROD to be able to
 18 consider a potential management approach that would, in
 19 this case, help us to get a better understanding of
 20 that finer scale information that will come forward in
 21 the young-growth inventory. And to provide an
 22 opportunity in a more adaptive approach to consider
 23 that information and any differences or unexpected
 24 outcomes, new information that we might learn for
 25 what's currently in the FEIS and the Plan.

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1 So I'd like to hear if there's anybody
 2 else that wants to speak to that point. If not, I will
 3 go on to my next question.
 4 MS. CAULFIELD: This is Jan. Just
 5 wondering, anyone else on the phone?
 6 MR. DELLASALA: Yes, this is Dominick
 7 DellaSala. Jim Furnish has been speaking for GEOS, but
 8 since you opened it up I have a question for you, Beth.
 9 So, hypothetically speaking, if the inventory.....
 10 MS. PENDLETON: Dominick.
 11 MR. DELLASALA:actually match
 12 what (indiscernible) and they demonstrate that a
 13 quicker transition timeline is possible, how will the
 14 Forest Service react to that?
 15 MS. PENDLETON: So, Dominick, really
 16 with any issue, as new information becomes available,
 17 the Agency considers that new scientific information.
 18 As has been so eloquently noted by
 19 Chris, under the new Planning Rule we have an
 20 opportunity to -- and a more flexible, adaptable manner
 21 to consider new information as that information becomes
 22 available through the provisions in the Planning Rule.
 23 So I think we were going to go to Paul.
 24 Thank you.
 25 MR. SLENKAMP: Hi, this is Paul with

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1 the Trust Land Office. Just a real quick comment. The
 2 Forest Service has really been evading the supply issue
 3 for many years, but an inventory indicates what your
 4 future supply is. The inventory is questionable and
 5 the supply is then even more uncertain.
 6 The industry lives and dies by
 7 analyzing risk. The industry relies on this consistent
 8 supply. Currently there's not a reliable supply that
 9 industry can model what it's going to be doing in the
 10 next five years.
 11 So my question would be how can you
 12 implement a new plan without having a certain
 13 inventory, being certain on what is on the ground and
 14 how that plan will be moved forward and how you can
 15 maintain that viable industry.
 16 MS. PENDLETON: Thanks, Paul, for your
 17 perspectives. So I would like to go.....
 18 MR. FURNISH: This is Jim Furnish. Can
 19 I speak to that issue?
 20 MS. PENDLETON: Yeah, I'd like you to
 21 speak to the inventory issue specifically.
 22 MR. FURNISH: Yes. Reference was made
 23 to the Draft Record of Decision and the conclusions
 24 that the Forest Service had reached with respect to
 25 inventory data and I would just say that the GEOS

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1 objection went to great lengths to question some of
 2 those Agency conclusions using new inventory data. I
 3 would just plead with the Forest Service to go back and
 4 evaluate GEOS's comments using inventory data that we
 5 believe is valid because much of that is the Forest
 6 Service's very own data.
 7 MS. PENDLETON: Thank you for your
 8 comment, Jim. I also just need to mention, as I stated
 9 yesterday, that in the Final Record of Decision and I
 10 should say in my response to all of the objections of
 11 which they are numerous there will be a written
 12 response to each objection issue that has been raised
 13 by objectors. So that will be a published response, so
 14 you will get a response. Thank you.
 15 Anybody else that wants to specifically
 16 speak to my question around the addition of the
 17 management approach, the consideration of that
 18 information, and then looking more adaptively at any
 19 adjustments set in the future would need to be made.
 20 Any other comments with regard to that?
 21 I do have another question that I'd like to ask, but
 22 just let me pause and see if there's anybody else that
 23 wants to respond to that.
 24 (No comments)
 25 MS. PENDLETON: Okay. Chris -- and I

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1 think there may be others that may have some thoughts
 2 here as well, but maybe if you're comfortable starting
 3 since you kind of offered. What would it take to
 4 accelerate in your mind the current inventory work
 5 that's under way?
 6 MR. MAISCH: I've got a couple
 7 suggestions and I'll just run through them real
 8 quickly. Some of these get a little technical, but
 9 I'll try and stay above diving too deep on that. The
 10 first opportunity would be the plot density. Currently
 11 we're doing one plot every 2.5 acres. So this winter
 12 when we start doing a more in-depth dive on the
 13 datasets and doing analysis it may be possible to
 14 increase that ratio, say a one every five-acre ratio,
 15 which of course would significantly change the current
 16 sampling density and that would speed things up.
 17 The next way to at least accelerate the
 18 pace would be if we change the basal area factor that's
 19 being used for the actual plots themselves and the
 20 basal area factor chooses which trees you're going to
 21 sample on a plot. If you pick too large a factor,
 22 you're going to sample a lot of trees. Statistically
 23 you need somewhere in the six to seven range is what
 24 generally on an average is considered acceptable. So
 25 we'll be doing some work again this winter to take a

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1 look at how many trees per plot are currently being
 2 measured and is there some opportunity to make some
 3 changes in that basal area factor. Again, that would
 4 speed the data collection part of the effort.
 5 The next most likely way to speed
 6 things up would be the manpower topic. That's a little
 7 more difficult because we already have a crew of 10
 8 that are working on just the 55-plus piece of this.
 9 Five of those are residents or people that lived in
 10 Southeast that were trained in the Resource Academy
 11 that we had in the spring. We'll be doing another
 12 Resource Academy this coming spring to train an
 13 additional group of people.
 14 So there's a capacity/talent/skill
 15 issue if you would, both I think in your agency and our
 16 agency, and trying to add manpower would be a good way
 17 to do this, but it's easier said than done finding the
 18 right skill sets, especially when you bring new people
 19 on like that. We have to have, if you will, a master
 20 forester or someone that can lead that two-person crew
 21 that is fully competent in the activities that we're
 22 undertaking.
 23 Some of the people we've trained this
 24 year might be ready to step into those roles, so we'll
 25 partner them up with some of the newer trainees coming

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1 out of the academy this spring. So some of that
 2 remains to be seen. I think all of these things can be
 3 done within the budget we've already identified.
 4 Some of the other challenges on the
 5 manpower side and the more remote we get our vehicles,
 6 housing, boats, how to move the crews around in the
 7 field and how to house them. So that's more of a --
 8 it's an unrealistic issue that could be addressed, but
 9 the farther out we get on some of these more remote
 10 locations that does become a consideration.
 11 So those are some quick thoughts on
 12 that topic. There's probably some more things that
 13 could be considered too.
 14 MS. PENDLETON: Okay. Thanks, Chris.
 15 Sorry, Brian.
 16 MR. KLEINHENZ: No, that's okay. Just
 17 to kind of add to what Chris said, one obvious way to
 18 speed up at least one crew is to add a helicopter to
 19 support at least one of the crews. It adds additional
 20 expense, but it certainly moves crews around.
 21 MR. MAISCH: That's where I was going.
 22 That will take money.
 23 MS. PENDLETON: Eric.
 24 MR. NICHOLS: We've harvested a lot of
 25 second growth and the variability in those second-

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1 growth stands there's some physical ground features
 2 that you may be able to stratify, whether it's site,
 3 whether it's going to be elevation, but I would think
 4 that at some point here with the data that you've got
 5 so far you can start to see some -- some things start
 6 to emerge out of that on where the merchability and
 7 where the non-merchability stands are at and you may be
 8 able to stratify what you're sampling out there. Like
 9 I said, whether it's elevation or aspect or site
 10 indexes you might be able to reduce the number of acres
 11 that you're trying to inventory if you can get a handle
 12 on this variability out there and what constitutes
 13 what's going to be merchantable and what's not going to be
 14 merchantable.
 15 MS. PENDLETON: Thanks, Eric. Any
 16 other comments from folks on that?
 17 MS. CAULFIELD: Let me just help check
 18 in on the phone. Again, Beth's question now is what
 19 would it take to accelerate the young-growth inventory
 20 work. Anyone on the phone with comments or suggestions
 21 about ways to accomplish that.
 22 MR. DELLASALA: This is Dominick
 23 DellaSala. My concern is that the distribution of the
 24 plots as I understand them only 10 percent of the
 25 70,000 acres are in young growth and if the transition

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1 is indeed happening in young growth, a greater
 2 distribution of plots in young growth to assess
 3 availability and site factors is necessary because I'm
 4 not sure 10 percent is statistically rigorous enough.
 5 MS. PENDLETON: I think, Chris, you
 6 have a response on that.
 7 MR. MAISCH: Yeah, I'd like to suggest
 8 too, as I mentioned earlier, that this phase two
 9 challenge cost share is really looking at using LIDAR,
 10 which is, of course, not that new of a remote sensing
 11 technology, but it would certainly give us the
 12 capability to expand the information that we're
 13 essentially getting on the ground right now across the
 14 rest of the young growth resources. You could
 15 certainly do some spot-checks to true it up, but the
 16 LIDAR technology is -- if you're not familiar with it
 17 and haven't used it, it's quite a powerful dataset to
 18 help with the inventory task.
 19 MR. DELLASALA: I think that's a good
 20 idea. GL proposed that about three years ago and
 21 talked to the State and energy company and the Tongass
 22 about doing LIDAR, so I think it's a really good
 23 approach, particularly when you can correlate it with
 24 the on-the-ground sampling.
 25 MS. PENDLETON: Thank you, Dominick.

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1 Thank you, Chris. My understanding is about 50,000
 2 acres of that 70 are young growth acres.
 3 MR. MAISCH: Are you talking the sample
 4 size?
 5 MS. PENDLETON: No, the total acreage,
 6 total project acreage that we're inventorying through
 7 the challenge cost share.
 8 MR. MAISCH: Oh, yeah, it is. I've got
 9 the acreage actually here, but yes. It's actually
 10 about 12.8 percent if you want to know the exact
 11 percentage.
 12 MS. PENDLETON: Thank you.
 13 MR. MAISCH: The amount of young growth
 14 being inventoried. If you take the numbers like Eric
 15 talked about earlier of about 250,000 acres, the amount
 16 of acres that we're targeting with that current ratio,
 17 1 every 2.5 comes out to be about 12.8 percent.
 18 MS. PENDLETON: Thank you, Chris, for
 19 that clarification. Okay. So I do have one other
 20 follow-up question for folks. I want to go back just
 21 for a minute to this concept of a management approach
 22 and the review of the results of the updated young-
 23 growth inventory as soon as it's complete and verified
 24 and then reporting on the differences, unexpected
 25 outcomes, new information learned from that

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1 information, that's what's currently provided in the
 2 Plan and the FEIS.
 3 So my follow-up question on that is I'd
 4 like to hear from folks on whether you think objectors
 5 who raised this issue, and as you know there were any,
 6 should be provided the opportunity to review any
 7 updated inventory information. Would that be important
 8 to you.
 9 MS. CAULFIELD: So Chris.
 10 MS. PENDLETON: Okay, Chris.
 11 MR. MAISCH: Yeah, I think we talked
 12 about that earlier in our comments that all this needs
 13 to be as transparent as possible, so I think the
 14 concept would be to make inventory data available via
 15 website so that any entity that wanted to look at it
 16 and do their own analysis or become more familiar with
 17 it, that's a key part of this effort.
 18 MS. PENDLETON: Thanks, Chris. The
 19 other question I'll ask kind of tied to that. So
 20 objectors and the opportunity to review that
 21 information and provide input. Also what about the
 22 public, is that important?
 23 Go ahead, Eric, if you want to address
 24 either the first or the second part of that question.
 25 MR. NICHOLS: The first part because I

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1 mean the dataset is going to be huge, so it really is
 2 how you analyze it here. So I guess my question for
 3 you would be would the Forest Service then take this
 4 new information and remodel what you modeled for the
 5 plan and put it back into the information that was
 6 given in the FEIS so that we can understand what
 7 differential there may be.
 8 I guess unless you do that it's very
 9 difficult to take a bunch of data and try and compare
 10 that against your course level versus your stand level.
 11 If you went back and applied it to the models on what
 12 the amendment does as far as volume over time, then I
 13 think that would be extremely helpful.
 14 MS. PENDLETON: Thank you.
 15 MR. DELLASALA: Yeah, this is Dominick
 16 weighing in for GEOS on that question, Beth.
 17 MS. PENDLETON: Okay. Thanks,
 18 Dominick.
 19 MR. DELLASALA: Certainly we would
 20 support transparency and I think you are all obliged to
 21 do that. The question I have though is what's lacking
 22 here are particular performance benchmarks so that if
 23 the data are showing one thing, what is the benchmark
 24 or threshold that the Forest Service will use to
 25 accelerate the transition? That's still not clear to

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1 me. I mean it's great having more data, but how does
 2 that factor into an accelerated transition glipath
 3 (ph)?
 4 MS. PENDLETON: Thanks, Dominick. That
 5 may also come up this afternoon as we have more
 6 discussion around timeframes. So thank you for that.
 7 Okay. Any other thoughts from folks in
 8 regard to that question?
 9 MR. CLARK: This is Jim Clark. I think
 10 that Eric Nichols is exactly right. The information
 11 would be very valuable for the objectors and the public
 12 to have, but first it needs to be put into comparative
 13 form by the Forest Service running it through its model
 14 so we have an apples to apples comparison.
 15 Thank you.
 16 MS. PENDLETON: Thank you, Jim. So
 17 that's the end of my questions at this point. I
 18 appreciate your responses. I would like to take a 10-
 19 minute break and then we'll come back and I may have a
 20 couple follow-up questions or we may end up breaking
 21 early for lunch.
 22 MS. CAULFIELD: Great. Thanks, Beth.
 23 Thanks, everybody. So we're going to come back at
 24 11:00 and we'll check back in and see where we stand.
 25 Those on the phone, we'll just leave the phone line

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1 open. We'll go on mute, but we'll be back with you at
 2 11:00 o'clock. Talk soon. Thanks.
 3 (Off record)
 4 (On record)
 5 MS. CAULFIELD: Take our seats back in
 6 the room. We're back on the phone, right, Tina?
 7 Thanks. So we'll turn it back over to Beth to continue
 8 the discussion.
 9 MS. PENDLETON: Thanks, Jan. So let me
 10 just begin by saying thank you all for taking the time
 11 to reflect on and provide input to the questions I ask.
 12 As I shared with you yesterday, it's really critical to
 13 me to hear I think specific feedback on the questions
 14 that I have because this is going to help me in shaping
 15 my direction to the responsible official Earl in
 16 advance of our next steps on the Record of Decision.
 17 So thank you for that.
 18 There was one point that came up this
 19 morning. I think I'm going to ask those of you who
 20 spoke to the one to one this afternoon when we get into
 21 some of the timeframe discussion. I've actually got a
 22 question in there around that. So I'd just ask you to
 23 think about that, what the Advisory Committee went
 24 through and the discussions and maybe specifically what
 25 that refers to. I think that would be a good

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1 discussion for the group to hear and to have when we
 2 talk this afternoon.
 3 So I don't have any specific further
 4 questions relative to the young-growth inventory. I
 5 appreciated the comments shared this morning with
 6 regard to the completion of that inventory, some
 7 further sharing as well on what the current work
 8 underway is comprised of, opportunities to strengthen
 9 that, potentially accelerate that.
 10 I also appreciated the feedback with
 11 regard to some things I'm thinking about as it relates
 12 to a management approach that would necessitate review
 13 of that information as it becomes available, as it's
 14 completed, as it's verified and then how we would go
 15 about reporting and, more importantly I think, engaging
 16 objectors, the public, through our NEPA processes
 17 relative to any new information or unexpected outcomes
 18 from that information. So thank you for that.
 19 I'm going to turn it over to Jan.
 20 We've got another big topic this afternoon. I don't
 21 know, Jan, if there's anything that you want to share
 22 and then timeframes for when we're going to come back
 23 together and for the folks on the phone.
 24 MS. CAULFIELD: Thank you, Beth. As we
 25 said yesterday, we are sticking with the timeframes on

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1 the agenda because there may be people who are tuning
 2 in right at the time indicated to join in the
 3 discussion. So we do appreciate your flexibility. We
 4 were never sure how long these conversations were going
 5 to take. So at this point we've ended early for our
 6 morning. We're going to take a break now until 1:15
 7 and we'll come back, as Beth indicated, to talk about
 8 the timeframe to transition to young growth. So that's
 9 our topic at 1:15 for the rest of the afternoon and we
 10 will see you then.

11 To those on the phone, thanks again for
 12 hanging in there on the phone. I know that's not easy.
 13 We will hang up now and redial and talk to you at 1:15.
 14 So thanks everybody.

15 (Off record)
 16 (On record)

17 MS. CAULFIELD: Okay. Welcome back
 18 everybody. This is Jan Caulfield again, facilitator.
 19 In the room here in Ketchikan, the objection resolution
 20 meetings for the Tongass Forest Plan Amendment. We are
 21 going to be moving into Issue 3, the timeframe for
 22 transition to young growth in just a minute.

23 One thing I did want to let you know
 24 though, everybody here and on the phone, is that we
 25 have made a change in the agenda for Day 6, which is

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1 next Wednesday in Juneau, and that was to accommodate
 2 travel for some of the objectors that are going to be
 3 participating in the topics that day.

4 So we are redoing that agenda right
 5 now. We're going to have some printed copies here for
 6 you all in Ketchikan either later today or in the
 7 morning and it will be online by late today. There's
 8 no change in the topics. We're just flipping the
 9 order, so let me just tell you quickly and then you'll
 10 see it when it's printed.

11 We're going to change to a 10:00 a.m.
 12 start time. Again, this is next Wednesday, the 19th of
 13 October in Juneau. There will be a 10:00 a.m. start
 14 time and we'll start with -- there was a short list of
 15 three that we were just calling other topics. So we'll
 16 start with that and take that until noon, break for
 17 lunch until 1:30 and then from 1:30 to 4:30 will be the
 18 entire afternoon for the issue of market demand.

19 So we just flipped before and after
 20 lunch and we'll get that printed up and online for you.
 21 It could take us all the way through the day until 5:00
 22 o'clock adjournment just depending on how long that
 23 discussion on market demand goes. So that's the change
 24 and that's what we'll do next Wednesday.

25 So, for today, right now what I'd like

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1 to do is what I did this morning, is just do a quick
 2 poll through the parties who may be participating in
 3 this discussion just to see who it is that is intending
 4 to have an opening comment so we can just make sure our
 5 time is okay. So let's do that real quick.

6 So starting with the Alaska Forest
 7 Association, Owen, I'm sure you're going to be starting
 8 us off again alphabetically, right? Speaking as well,
 9 the next two there is Alaska Miners Association and
 10 Alaska Power and Telephone. So, like this morning you
 11 would be doing that, is that correct?

12 MR. BERGSTROM: This is Frank Bergstrom
 13 for AMA. Yes, we'll be doing the same format as this
 14 morning, yielding our time to Owen.

15 MS. CAULFIELD: And, Eric, you'll be
 16 speaking this afternoon. Is Susan Culliney on the line
 17 from the Audubon Society?

18 MS. CULLINEY: Yes, I am.

19 MS. CAULFIELD: Oh, great. Thank you,
 20 Susan. Will you be giving an initial statement or
 21 comment here about the issue?

22 MS. CULLINEY: Yeah. I haven't heard
 23 how it's worked before, but I just have a little
 24 explanation.

25 MS. CAULFIELD: Okay, great. Thank

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1 you. Carol Rushmore from the City of Wrangell, are you
 2 on the phone?

3 MS. RUSHMORE: Yes, I am.

4 MS. CAULFIELD: And, Carol, are you
 5 planning to do an initial comment?

6 MS. RUSHMORE: Yes.

7 MS. CAULFIELD: Okay, great. Thanks.
 8 Jim Clark is the next person here. Is he covered under
 9 your comments as well?

10 MR. GRAHAM: Initially he said he was.

11 MS. CAULFIELD: Okay. I think he just
 12 said yes. Thanks. Holly. So you're speaking for
 13 Earthjustice. Does that cover other speakers?

14 MS. HARRIS: Yes. Earthjustice on
 15 behalf as well as all of the objectors.

16 MS. CAULFIELD: Okay. Great.

17 MS. HARRIS: There are some additional
 18 objectors who filed their own objections and as we've
 19 continued that pattern they might speak for themselves.

20 MS. CAULFIELD: Okay. Does that
 21 include GEOS?

22 MS. HARRIS: GEOS, NRDC, SEACC.

23 MS. CAULFIELD: Okay. Great. Thank
 24 you. That helps. Larry.

25 MR. EDWARDS: Yeah, I'll have a few

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1 brief words.
 2 MS. CAULFIELD: Okay. So Neil
 3 MacKinnon, I'm assuming -- are you covered under Owen's
 4 comments?
 5 MR. MACKINNON: Yes, I will yield my
 6 comments to Owen.
 7 MS. CAULFIELD: Thanks, Neil. Eric
 8 Lee, are you on the phone?
 9 (No response)
 10 MS. CAULFIELD: Okay. Thanks.
 11 Ketchikan Chamber of Commerce, Ketchikan Gateway
 12 Borough, Governor Frank Murkowski and Resource
 13 Development Council, I have those all as being covered
 14 under Owen's comments, is that right? Okay. Do a
 15 little batch here.
 16 MR. GRAHAM: (Indiscernible).
 17 (Laughter)
 18 MS. CAULFIELD: I'm keeping you at 15.
 19 Natural Resources Defense Council, anyone on the phone
 20 from them?
 21 MR. LAWRENCE: Yeah, it's Niel
 22 Lawrence. I will try to be here for a quick opening
 23 statement. I was thinking about ceding my time to
 24 Owen, but it seems like he's got lots.
 25 (Laughter)

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1 MS. CAULFIELD: I'm sure he'd be
 2 delighted, Niel. Shelly Wright, Southeast Conference,
 3 are you on the line?
 4 (No response)
 5 MS. CAULFIELD: Okay, not. Buck, did
 6 you have anything you wanted to offer in an opening or
 7 just participate?
 8 MR. LINDEKUGEL: Very brief.
 9 MS. CAULFIELD: Okay. Thanks. Brian,
 10 Sealaska.
 11 MR. KLEINHENZ: Yeah, although if all
 12 my points are covered before my opportunity, I'll just
 13 yield my time at that point.
 14 MS. CAULFIELD: Okay. Thanks. Let me
 15 check, Andrew Thoms, Sitka Conservation Society, are
 16 you on the phone with us?
 17 (No response)
 18 MS. CAULFIELD: Okay, not. Chris
 19 Maisch, State. Anyone on the phone from The Boat
 20 Company?
 21 (No response)
 22 MS. CAULFIELD: Okay. Austin, I'm
 23 assuming you're going to have something to say.
 24 MR. WILLIAMS: I'll be very brief.
 25 MS. CAULFIELD: And Paul, did you.....

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1 MR. SLENKAMP: Yes, I'll have very
 2 brief.
 3 MS. CAULFIELD: Okay. Great. Let me
 4 check, is Margo Waring on the phone?
 5 (No response)
 6 MS. CAULFIELD: George Woodbury.
 7 (No response)
 8 MS. CAULFIELD: Okay. Then a few more
 9 just that are interested persons. Denise Boggs, Jason
 10 Custer.
 11 (No response)
 12 MS. CAULFIELD: Tony. Oh, Tony, you're
 13 here. Hi. Are you planning to -- or just maybe
 14 participate in the discussion?
 15 MR. GALLEGOS: The discussion.
 16 MS. CAULFIELD: Okay. And then Ara
 17 Marderosian.
 18 (No response)
 19 MS. CAULFIELD: That's a few more than
 20 this morning, but I think it should leave time for
 21 discussion.
 22 MR. FURNISH: This is Jim Furnish.
 23 MS. CAULFIELD: Jim.
 24 MR. FURNISH: Yes, I was going to ask
 25 was somebody else speaking for GEOS Institute?

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1 MS. HARRIS: Yes, Jim, GEOS is on the
 2 Earthjustice objection. This is Holly.
 3 MR. FURNISH: Well, I think I'm going
 4 to, in light of that, and also with Niel from NRDC, I
 5 think I'm just going to yield my time to those two.
 6 MS. CAULFIELD: That's great. Thanks
 7 for that clarification, Jim. Let me just remind people
 8 who are on the phone please mute your phones. We are
 9 hearing a little bit of background noise and it would
 10 be very helpful to us and to you I think if we could
 11 make sure those phones are muted.
 12 With that I think, Beth, I'll turn it
 13 over to you to frame the issue and we'll come back in a
 14 moment for those initial comments.
 15 MS. PENDLETON: Thank you, Jan.
 16 Welcome back, folks. So this afternoon, and I do think
 17 we will use most of our time today because I've got a
 18 number of clarifying questions, but I do want to take a
 19 few minutes to frame the issue, the focus on the
 20 timeframe for transition to young growth.
 21 So as a little bit of background, in
 22 it's July 2nd, 2013 memorandum addressing sustainable
 23 forestry in Southeast Alaska, the Secretary of
 24 Agriculture affirmed that transition to a more
 25 ecologically, socially and economically sustainable

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1 forest management strategy is a high priority for USDA,
 2 the Forest Service and the Tongass National Forest.
 3 The memorandum stated USDA's goal is to
 4 effectuate this transition over the next 10 to 15 years
 5 so that at the end of this period the vast majority of
 6 timber sold by the Tongass will be young growth. This
 7 timeframe was identified to conserve old-growth forest
 8 while allowing the forest industry time to adapt.
 9 How quickly the Tongass can transition
 10 to a young-growth-based timber management program while
 11 still providing economic timber to support the local
 12 forest products industry is a focus of many issues
 13 raised in the objections. It's not a surprise that
 14 there are concerns on both sides of the timeframe
 15 issue. Some objectors contend that transition to young
 16 growth within 10 to 15 years is too quick, while others
 17 believe the transition timeframe of 10 to 15 years is
 18 too long.
 19 Although there are several aspects to
 20 the objections related to the timeframe for transition
 21 to young growth, the issue that I would like further
 22 discussion about, so if you can address this as part of
 23 your remarks it would be very helpful to me.
 24 It is the contention raised by some
 25 objectors that the transition to young growth within 10

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1 to 15 years is untenable because there is no profitable
 2 market for young growth, there is insufficient volume
 3 available due to the constraints of the selected
 4 alternative and there is no assurance of sufficient
 5 volume to justify the investments industry will need to
 6 make for transition to be achievable.
 7 For those objectors who contend that
 8 transition timeframe of 10 to 15 years is too long and
 9 does not decrease the harvest of old growth more
 10 rapidly, I'd like the discussion to focus on the view
 11 that this timeframe unnecessarily prolongs industry's
 12 investment in harvesting and marketing young growth.
 13 That statement is also in Attachment 1.
 14 I know that's a mouthful, but if you need to look at it
 15 as you're preparing your comments, it's in Attachment 1
 16 for Issue 3.
 17 So with that, Jan, I'm going to turn it
 18 back over to you.
 19 MS. CAULFIELD: Thank you, Beth.
 20 Moving alphabetically through the objectors, Alaska
 21 Forest Association. So, Owen, as you did last time, if
 22 you just want to -- the next two objectors are Alaska
 23 Miners Association and Alaska Power and Telephone, so
 24 15 or 20 minutes would be fine to cover your remarks.
 25 That would be great.

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1 MR. GRAHAM: Okay. Yeah, I won't take
 2 quite that long. I already spoke about the
 3 impossibility of manufacturing lumber profitably from
 4 the current small diameter young-growth trees. Those
 5 trees need time to grow to where they're large enough
 6 to produce higher-value products. Further, by allowing
 7 the trees to grow longer, the volume of timber per acre
 8 will be dramatically increased. The trees grow slowly
 9 at first and then they grow very fast for a period of
 10 years.
 11 Our older young-growth stands are just
 12 entering their maximum growth rate period. Allowing
 13 these trees to grow another 30 years will more than
 14 double the volume per acre on the young-growth timber
 15 lands and that will reduce the cost of accessing or
 16 harvesting the timber as well as allowing higher value
 17 products to be manufactured from those trees.
 18 The very low volumes of timber harvest
 19 projected in the EIS are not going to support an
 20 industry. The idea that the nation's largest National
 21 Forest can support only a few micro-mills is absurd.
 22 The small mills we have now are fine, but, for the most
 23 part, they don't have the resources to build roads and
 24 other facilities necessary for the harvest of timber.
 25 Instead the mid-size mills and the smaller mills work

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1 together buying, trading and selling logs to one
 2 another. The larger mills operate the larger timber
 3 sales and do most of the road building.
 4 The State of Alaska also needs to
 5 expand its business sectors to include more mining,
 6 logging and other activities to replace jobs and
 7 revenue that have been lost from oil production. The
 8 local communities need these additional businesses as
 9 well. Developing additional energy helps everyone and
 10 should be encouraged. Similarly, mining and logging
 11 should be expanded. These industries do not conflict
 12 with one another and they don't conflict with fishing,
 13 tourism or any other responsible business activity.
 14 In order to expand the logging
 15 operations, there has to be more timber available, but
 16 there's already insufficient acres of young-growth
 17 timber to sustain even a single sawmill let along an
 18 integrated manufacturing industry. There have been
 19 several analyses done in past years that all recognize
 20 the need for a minimum economy of scale of at least 300
 21 to 350 million board feet of timber harvest each year.
 22 Without an economy of scale there's no
 23 viable market for sawmill chips, sawdust, planer
 24 shavings and bark. The chips right now are being

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1 barged out of Alaska at a significant cost and the
 2 result as a financial return is very small. The other
 3 sawmill residuals, the sawdust, planer shavings and
 4 bark have become a big disposal expense rather than a
 5 saleable product like they are with our competitors
 6 down south.

7 Without any adequate economy of scale,
 8 a standalone sawmill can't maximize its efficiency by
 9 targeting specific species, grades and sizes of logs.
 10 Instead each sawmill has to be flexible enough to saw
 11 the entire range of species, grades and log sizes.

12 We currently have to export most of our
 13 small rough saw logs to the Pacific Rim markets because
 14 we don't have an economy of scale that can support
 15 maybe a veneer plant and a plywood plant or some other
 16 facility that could profitably manufacture those
 17 products.

18 It's also difficult to develop and
 19 maintain a customer base for very small volumes of each
 20 individual product that comes out of a single sawmill
 21 trying to cut everything, whereas with a number of
 22 sawmills and larger economy of scale each mill could
 23 specialize it's own product, develop it and marketing
 24 and do a much more efficient job.

25 The related business of barging of

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1 equipment, barging logs and lumber are also less
 2 efficient without an economy of scale. Similarly,
 3 local equipment sales and service office for logging
 4 and sawmill equipment cannot exist without enough
 5 business activity. I've used this example before many
 6 times.

7 We used to have several logging
 8 equipment dealers in Southeast, but now all of our
 9 parts and service has to be flown or barged in from
 10 Washington state. That causes big delays. It causes
 11 big expenses. Makes us much less efficient.

12 We used to have enough harvesting
 13 activity to support bunkhouse and cookhouse catering
 14 services, trucking contractors, drilling and blasting
 15 contractors. We've lost most of those services and now
 16 we no longer operate nearly as efficiently as we did in
 17 the past. It affects all of us that are trying to
 18 harvest timber and make products.

19 I spoke earlier about the failure to
 20 implement the timber sale plans under the 2008 TLMP.
 21 The excessive constraints that prevent the Forest
 22 Service from implementing the old-growth timber sales
 23 haven't changed. They weren't addressed in the Draft
 24 EIS. And they'll also impact the young-growth stands.
 25 In fact, the 70 or 80 percent fall-down that the Forest

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1 Service has experienced so far in the old-growth
 2 projects is likely to be even greater for the young-
 3 growth projects.

4 For one thing, the young-growth timber
 5 has less value and thus economic young-growth timber
 6 sale projects are going to be even harder for the
 7 Forest Service to design. Further, somebody else
 8 already mentioned the older young-growth stands were
 9 harvested when the constraints were much less onerous
 10 than they are now. Consequently, many of the young-
 11 growth acres now will be in conflict with the current
 12 standards and guidelines, so those won't be
 13 harvestable.

14 So all these things are going to cause
 15 -- the fall-down in the young growth appears to be more
 16 than 70 or 80 percent and so the numbers that were
 17 projected in the EIS for volume aren't going to be
 18 there. They're not even going to be close. That's
 19 what we believe. That's what it appears. It seems
 20 logical. We don't see any reason not to think it's
 21 going to be worse.

22 If we adopt the Plan now and it fails,
 23 as it appears most likely, you won't have the
 24 opportunity to use adaptive management to fix it
 25 because the last of the industry will be gone. That's

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1 why the inventory and the financial feasibility
 2 analysis must be done before any decision to adopt the
 3 transition proposal. It can't wait until we die and
 4 then come in and do life support. It's over, you know.

5 I think I'll cut it off right there.

6 That's my comment. Thank you.

7 MS. CAULFIELD: Thank you, Owen. So
 8 Eric, Alcan Forest Products. Do you want to go ahead.

9 MR. NICHOLS: So when we look at the
 10 transition, the timeframe of transition, there really
 11 is two factors in our mind; it's volume, which we've
 12 pretty much covered in the first part of the day with
 13 the cruise issue there, and then it's the economic
 14 viability of harvesting and marketing young-growth
 15 timber in Southeast Alaska.

16 I want to go back to one of Beth's
 17 comments on the volume. One of the reasons the volume
 18 is so critical here is that there won't be any other
 19 players offering young growth. So if I'm going to
 20 develop a market, I'm going to buy equipment, I'm going
 21 to be a part of that industry, then I'm wholly
 22 dependent on Forest Service. Native young growth is
 23 about 30 years out. Nobody goes into business with a
 24 single source supplier and that's kind of where we're
 25 put into that situation today with this transition at

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1 this point in time.
 2 So whatever capital investments we do
 3 make, we're 100 percent wholly dependant on the Forest
 4 Service young-growth timber since the other timber is
 5 still 30 years out. So, from a volume issue, it is
 6 very critical because I don't have any backup volume
 7 when the Forest Service falters a little bit or when
 8 litigation comes in play. So that's one of our big
 9 concerns with this whole cruise and volume on that side
 10 of it.
 11 The other side is economically viable
 12 timber. The U.S. Forest Service has not sold enough
 13 young growth to have a reliable data on harvesting
 14 costs across the forest and the markets for young-
 15 growth logs or lumber. In order to ensure reasonable
 16 probability, the forest industry surviving this Plan
 17 Amendment transition has to have more actual
 18 harvesting, transportation and market information on
 19 young growth. They have no actual cable harvesting
 20 costs on young growth.
 21 The only harvesting cost collected to
 22 date is on one single thinning. Only two small high-
 23 volume per acre, pre-roaded, young growth sales have
 24 sold. These will not be representative of the average
 25 young growth stands over the next 10 years. More young

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1 growth sales have to be sold and operated for the USFS
 2 and the industry to understand the costs and markets of
 3 young growth. Economically viability is at best a
 4 guess. We cannot invest in a forest industry with so
 5 much uncertainty.
 6 When you ask on the capital side of
 7 things here, one of the things that's going to become
 8 real apparent in this cruise and as you operate more
 9 and more of this young growth is we don't have any
 10 fiber markets. Pulp mills are closing up and down the
 11 whole West Coast. That portion of our business is
 12 becoming less and less.
 13 The young growth generates a fair
 14 amount of fiber, especially in mechanical harvesting.
 15 We have no chip and saw markets here for 5 through 7-
 16 inch material here. So the only markets that we do
 17 have are 8-inch and up saw log that are consistent
 18 market on the export side of things here.
 19 So there is probable markets out there
 20 for the old or young growth and for the young growth
 21 that has been primarily pre-commercial thinned out
 22 there. What we're lacking is markets for fiber,
 23 whether it's bio or whatever you're going to put that
 24 into, and we're lacking markets for very small diameter
 25 wood.

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1 The capital side of things, I'm not
 2 sure how you get around it. You can't buy four or
 3 five, six hundred thousand dollar pieces of machinery
 4 for seven or eight, nine million feet a year. It takes
 5 volume to amortize these things. It takes volume to
 6 have the assurance from any kind of banking side that
 7 you're going to have and be in this business here.
 8 It's got to a point where this industry
 9 is unbankable. If you don't have internal capital,
 10 you're not going to get into this business up here. So
 11 I don't know what the situation for that's going to be
 12 unless it's going to be longer-term sales with some
 13 kind of guaranteed volume. That's what brought the
 14 pulp mills up here and that's probably what's going to
 15 end up having to be in the end if you are going to keep
 16 a sustainable industry long term here.
 17 But the economic viability we cannot
 18 use Lower 48 costs and just apply a factor to them.
 19 The Forest Service has to put up more young-growth
 20 sales, we have to see what the cost factor of these
 21 things are, especially with the cable harvesting. We
 22 have some real challenges ahead of us with downhill
 23 yarding where most of the old growth was downhill yards
 24 in the beginning. The young growth is going to have to
 25 be done the same way. We don't know what those costs

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1 are going to be. So until we do nobody knows what this
 2 viability -- whether we will be able to retain an
 3 economically viable industry or not.
 4 Thanks.
 5 MS. CAULFIELD: Thank you, Eric. I'd
 6 like to ask people on the phone again to please mute
 7 your phone when you're not speaking and that will help
 8 us out. Thank you.
 9 Susan on the phone from the Audubon
 10 Society, would you like to make some of your opening
 11 comments. We'll keep an eye on the clock and if you're
 12 getting towards four minutes, I'll give you a quick
 13 interjection that you need to wrap up by five. So go
 14 ahead.
 15 MS. CULLINEY: I don't think I'll take
 16 the whole five minutes. When Audubon looks at the
 17 habitat that, you know, on the environment side, on the
 18 industry side, we all want the same stuff, that large
 19 tree old growth. According to data that we've looked
 20 at back when, you know, you're starting out there and
 21 that was 7 percent of all the Tongass and what's been
 22 harvested is 4 percent.
 23 So we see this as a point of compromise
 24 and the transition towards sustainability is critical
 25 at this juncture. You know, we're looking at forest

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1 products as just one part of that sustainable future.
 2 Clearcutting old growth it's liquidating that resource
 3 that is needed for that sustainable future for fishing,
 4 for tourism, for guiding, for bringing in bird watcher
 5 that can inject additional economics into local
 6 communities here. So there does need to be thinned.
 7 It can't be just an old growth clearcutting on the
 8 Tongass and we think it's time.
 9 So when you start talking about what is
 10 that timeframe, 15 years, environmentally we'd prefer
 11 to see a five-year or three-year transition. And this
 12 clock has been running with the memo issued in 2013,
 13 here we are in 2016 and the time is -- we need to get
 14 started on it.
 15 Another aspect of it from our
 16 perspective is whether you select five years, whether
 17 you select 15 years from whatever your transition time
 18 period is, it's very important to have some measures on
 19 that timeframe to ensure that it does happen in say 15
 20 years. That belt-tightening, that ratcheting down from
 21 where we are now to the target of 5 million board feet
 22 of old growth and hopefully a second-growth industry
 23 blossoming.
 24 But as we see the Plan presently, there
 25 are these escape valves, flexibility allowing a

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1 slideback and that just doesn't reassure us that this
 2 is going to happen at the end of whatever time period
 3 it is and the Plan states 15 years. So we'd like to
 4 see some surety, some guarantee that at the end of 15
 5 years we're not still on this precipice looking down
 6 and wondering how to get to that second-growth
 7 industry.
 8 Additionally, the target, that 5
 9 million board feet, at the end of the transition, what
 10 does that look like? It's our vision, which is old-
 11 growth elective cuts linking natural conditions,
 12 allowing kind of a selective harvest. To continue that
 13 vision, the vision that the Forest Service has and that
 14 the Plan has, it's important to make sure that the Plan
 15 codifies that vision. So if you say 5 million board
 16 feet and I say 5 million board feet, how do we know
 17 we're sharing that same idea. We'd like to see more in
 18 writing so we can make sure everyone is on the same
 19 page with respect to that.
 20 I think that is all for now.
 21 MS. CAULFIELD: Thanks very much,
 22 Susan. Carol Rushmore.
 23 MS. RUSHMORE: I'll be really brief. A
 24 couple of the previous speakers actually spoke to some
 25 of our comments that primarily deal with the

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1 insufficient identification of acres and volume of the
 2 young growth and by not actually showing how you're
 3 going to provide consistently long term for that in
 4 order to make the transition.
 5 So if that's not available and you're
 6 not currently harvesting the old growth, you're not
 7 actually taking into consideration the social and
 8 economic impacts to the existing communities, you're
 9 looking more at the wildlife and the habitat issues
 10 primarily. Again, we're trying to bump up that
 11 priority of the social and economic impacts.
 12 The other thing, of course, is the
 13 economy of scale issue that was brought up and the
 14 economic viability of the timber and the adaptive
 15 management issues that were discussed.
 16 Thank you.
 17 MS. CAULFIELD: Carol, thanks. So
 18 Holly.
 19 MS. HARRIS: Thank you, Jan. I'll try
 20 to be brief and I apologize in advance for the
 21 sniffing. Industrial scale old-growth logging on the
 22 Tongass must stop. It is not economically sustainable.
 23 We have heard that repeatedly over the course of the
 24 morning, but it is also not environmentally
 25 sustainable.

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1 Clearcutting this ancient forest is bad
 2 for wildlife, fishing, tourism, recreation and climate
 3 change. Southeast Alaska's tourism, recreation and
 4 fishing industries long ago supplanted industrial-scale
 5 logging as the region's economic drivers and those
 6 industries depend on healthy, intact old-growth
 7 forests.
 8 The Forest Service is poised to miss an
 9 important opportunity to move Southeast away from the
 10 decades-long controversy of old-growth logging.
 11 Instead of bringing an end to the damage and
 12 destruction of clearcut, clearcutting this Forest Plan
 13 appears poised to perpetuate that conflict and
 14 controversy in perpetuity.
 15 The Forest Service improperly
 16 constrained its thinking and its analysis. I'd like to
 17 emphasize this point. All of the alternatives in the
 18 FEIS offer essentially the same purported transition
 19 out of old-growth logging. All of the action
 20 alternatives lack any mechanism, any Plan component
 21 that actually brings about the transition. The one
 22 thing the Agency was supposed to do was transition us
 23 out of old growth. There is no Plan mechanism to
 24 accomplish that objective.
 25 All of the alternatives offer the same

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1 time period, 10 to 15 years, of this aspirational goal
 2 of a transition. All of the alternatives establish a
 3 PTSQ of 46 million board feet. All of the alternatives
 4 contemplate continued universal application of an
 5 export policy that accomplishes little more than
 6 shipping our logs out of Alaska, thereby depriving
 7 Southeast Alaskans of the economic benefit.

8 Again, universal application across all
 9 of the alternatives. All of the alternatives include
 10 things -- similar changes with regard to renewable
 11 energy, identical changes with regard to
 12 transportation.

13 I need to explain this FEIS is
 14 extremely vulnerable in its analysis of alternatives.
 15 The Tongass old-growth program is a relic of a bygone
 16 era. The world markets have moved on. Southeast Alaska
 17 has moved on. Continuing this program only leaves
 18 Alaskans with the environmental destruction and no
 19 meaningful economic benefit.

20 Southeast Alaska needed a Forest Plan
 21 that, quote, transitioned quickly away from timber
 22 harvesting and old-growth forests. That's not what we
 23 got.

24 With that I'll conclude my comments.
 25 MS. CAULFIELD: Thank you, Holly.

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1 Larry Edwards.

2 MR. EDWARDS: Holly pretty well covered
 3 it. There were lots of comments on the Draft EIS and
 4 before the TAC that what we need is an immediate
 5 transition out of old growth and I think the EIS has
 6 just failed completely to look at that to consider a
 7 broad range of alternatives. There were reasonable
 8 alternatives that were not looked at in detail. So I
 9 think what's needed here is a major backup in the
 10 planning process. There's a lot of stuff that needs to
 11 be done over here.

12 MS. CAULFIELD: Thank you, Larry.
 13 Sealaska, Brian.

14 MR. KLEINHENZ: Thanks. I'll make a
 15 few points and I'll be brief. Much of the volume
 16 analysis, especially in regards to the young growth
 17 that's available hinges on this 55-year-old age class.
 18 I just wanted to take the opportunity to share a little
 19 bit of Sealaska's experience in logging that particular
 20 age class. We have logged several hundred acres of
 21 that amounting to over 6 million board feet. We did
 22 that logging on those lands before we really wanted to.
 23 We had to move forward the Plan since we were waiting
 24 for the final adoption and passage of our land
 25 entitlement bill.

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1 So even though we logged and sold those
 2 55-plus-year-old stands we found that it was too early
 3 and there was a lot of waste. Not only did we waste
 4 out the tops of most of the trees, we ended up with
 5 one-log trees, we also ended up wasting out a lot of
 6 the smaller dimension hemlock and spruce, so we weren't
 7 able to fully utilize even each tree.

8 Again, we wouldn't have chosen to do
 9 this had we not been desperate for the volume. I see
 10 that same scenario playing out in the Forest Service,
 11 the desperation for volume drive this. I wanted to
 12 caution that. It was also very clear to us that not
 13 all 55-year-old stands were made equal. Even though
 14 the stands had the same essential age, the trees had
 15 the same age, we had to leave large chunks of the stand
 16 untouched where the trees were growing slower.
 17 Shallower soils, more water. So there was a number of
 18 net-downs that happened, both acreage net-down and then
 19 tree by tree or volumetric net-downs.

20 Again, since the assumptions of
 21 supplier built on that age class pivotally, I think
 22 it's really important to get a handle on what you
 23 really have to work with in terms of that particular
 24 age class.

25 This timeframe transition also utilizes

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1 a lot of commercial thinning to create volume even
 2 though the amendment and the Draft EIS suggest that
 3 commercial thinning could be quite expensive. We
 4 certainly don't want to get into a situation where it
 5 takes a large government appropriation to produce
 6 volume out of areas through commercial thinning.

7 We'd like to see this program be able
 8 to support itself and have concerns about commercial
 9 thinning's ability to both produce volume economically,
 10 but also could set those stands back so that the rest
 11 of the volume essentially becomes abandoned.

12 Thank you.
 13 MS. CAULFIELD: Thank you, Brian.
 14 State of Alaska, Chris Maisch.

15 MR. MAISCH: Thank you again for the
 16 opportunity to raise and discuss the issue of the young
 17 growth transition timeframe from the State of Alaska
 18 perspective. As you know, the State has been a
 19 longstanding and active participant in the development
 20 of policy and active management on the Tongass.

21 Over the last decade we have engaged in
 22 the Tongass Futures Roundtable Initiative, participated
 23 as a cooperating agency in the 2008 Tongass Land
 24 Management Plan Revision process, including
 25 establishing a State Tongass Team to serve as a single

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1 point of contact for dialogue with the Forest Service.
 2 We've served as a member of the Tongass Advisory
 3 Committee.
 4 We've become a key partner with the
 5 Forest Service and others in implementing management
 6 activities via the Challenge Cost Share Agreement. We
 7 are negotiating a Good Neighbor Agreement to partner
 8 with the Forest Service to undertake timber sale
 9 management and administrative activities on Kosciusko
 10 Island.
 11 We've engaged at all administrative
 12 levels of the Forest Service, including the Washington
 13 office, Region 10 and the Tongass National Forest.
 14 These experiences in our government-to-government
 15 relationship have provided a unique opportunity to
 16 observe and work with the Agency and to offer some
 17 insights on the topic of the transition timeline.
 18 As currently envisioned in the Forest
 19 Plan, the timeline is not a realistic target. There
 20 are numerous factors that interact with each other to
 21 determine the trajectory for the transition and I'd
 22 like to offer for your consideration several key
 23 points.
 24 First, biologic. The pool of young-
 25 growth trees available for harvest is governed by their

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1 growth rates. Their original harvest date, their site
 2 class and numerous other phenotypic and genotypic
 3 factors.
 4 Next, economics. Markets for round
 5 logs exist, but markets for products produced from
 6 local manufacturing are uncertain or will need
 7 development as sufficient log volumes become available
 8 to support the investment in new equipment both in the
 9 woods and in the mill.
 10 Then technology. Changes in equipment
 11 and manufacturing processes that produce new or
 12 innovative products. I'd offer for your consideration
 13 mass timber as a great example of innovation. Cross
 14 laminated timber and nail laminated timber are products
 15 that are relatively new in the U.S. marketplace and
 16 we're now building buildings 10 stories or more in
 17 height using wood products, which used to be the realm
 18 of only steel and concrete.
 19 I won't even go into the climate-
 20 friendly benefits of that. That's probably a
 21 discussion for another day. But a key emphasis of the
 22 2012 Planning Rule is the concept of adaptive
 23 management and how it should be applied in the context
 24 of forest planning. I would offer that we have a
 25 textbook example of the application of this concept

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1 embodied in the concept of the timeframe for
 2 transition.
 3 A quote from the October 12th Federal
 4 Register will further illustrate this connection, so
 5 bear with me while I quote the Register. "Recognizing
 6 that adaptive management requires a more responsive and
 7 iterative approach to modifying land management plans
 8 to reflect new information, the Department's intent
 9 when developing the 2012 planning rule was for the
 10 planning process to encourage and support the more
 11 regular use of amendments to keep plans current between
 12 revisions, and thereby
 13 also make the revision process less cumbersome because
 14 plans would not become as out-of-date between
 15 revisions."
 16 A key term was used, new information.
 17 Or said in another way, the data and information that
 18 will spring forth from the young-growth inventory. Why
 19 should we constrain the Plan with a fixed timeframe for
 20 transition. You need to have the flexibility to
 21 maneuver within your Forest Management Plan and to base
 22 your management on the experience of your staff while
 23 tempering this with good qualitative and quantitative
 24 data, otherwise known as best available science.
 25 I urge you to make the necessary

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1 changes to allow the full intent of the 2012 Planning
 2 Rule to be expressed with regard to the timeframe for
 3 transition and to allow your professional staff to use
 4 their education, experience and skills to maintain a
 5 viable timber industry for today, for tomorrow and for
 6 into the future.
 7 The State and many other organizations
 8 and individuals stand ready to assist and achieve this
 9 important goal. Thank you.
 10 MS. CAULFIELD: Thank you, Chris.
 11 Austin, Trout Unlimited. Thank you.
 12 MR. WILLIAMS: Thank you for the
 13 opportunity first of all to provide input. I very much
 14 appreciate the work that Beth and Earl, you both as
 15 well as your staff have put into this Plan Amendment.
 16 Regarding the timeframe for the
 17 transition, we have been discussing this transition to
 18 young growth for at least six years if not longer. One
 19 of the challenges that I see is that we have continued
 20 to put off this transition while we deliberate how to
 21 solve some of the problems facing young growth. What
 22 that has done is it has created a situation of conflict
 23 and I think quite plainly we have used up the social
 24 license that once existed for our old growth timber
 25 program.

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1 So long as the Forest Service continues
 2 to plan and offer large-scale old-growth timber sales
 3 we're going to be promoting conflict and litigation and
 4 promoting the uncertainty that that entails. So in
 5 order to provide certainty, in order to provide
 6 guarantees not just for fish or for the environment and
 7 the ecological value of the landscape, but also for
 8 industry, I think it's imperative that the Forest
 9 Service get on with its transition and do so in a
 10 concrete and verifiable manner so that industry can do
 11 the planning it needs, can foresee the changes that are
 12 going to happen with the supply of timber from Forest
 13 Service lands so that the region's economy and
 14 fisheries and tourism can continue to thrive and grow.
 15 So as the Agency is looking to finalize
 16 its ROD, I encourage both of you and the Forest Service
 17 to provide the clarity and the certainty for the
 18 transition and the enforceable mechanism to make sure
 19 that this will happen and happen in as quick and as
 20 timely a manner so that we can reduce the conflict,
 21 reduce the litigation and allow Southeast Alaska to
 22 continue on its way, which largely is not old-growth
 23 timber based at this point.
 24 Thank you.
 25 MS. CAULFIELD: Thank you. Paul, Trust

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1 Land Office.
 2 MR. SLENKAMP: Thank you for the
 3 opportunity to address the committee today. Alaska
 4 Mental Health Trust Authority has been funding programs
 5 that serve Alaska's most vulnerable populations for the
 6 past two decades. This includes programs for mental
 7 illnesses, developmental disabilities, Alzheimer's
 8 disease and related dimentias, traumatic brain injuries
 9 and substance abuse disorders.
 10 In order to support vital mental health
 11 services for Alaskans, the Trust needs to continue to
 12 generate revenue from its lands and resources. This
 13 effort is managed by the Trust Land Office, which I'm
 14 employed.
 15 The Trust grants approximately \$20
 16 million annually to projects, activities, State
 17 agencies and non-profits that improve the lives of the
 18 beneficiaries in the areas of substance abuse
 19 prevention and treatment, housing and long-term
 20 services and supports, disability justice, employment
 21 and engagement.
 22 I'd just like to remind this group that
 23 today's development creates tomorrow's recreational
 24 opportunities. That is just highlighted throughout the
 25 Tongass that this current tourism industry and

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1 transportation system that we are utilizing to create
 2 all this opportunity that has been highlighted was
 3 initially created through timber harvest.
 4 The area and the region continues to be
 5 a vital place for people from all over the world that
 6 come to enjoy it and this has happened after 50 years
 7 of industrial logging. So the concept that no one will
 8 come here if this continues I believe is not true.
 9 Supply is the issue. As a landowner of
 10 the Trust, it requires a healthy competitive market to
 11 maximize our revenues. Without a healthy market the
 12 timber that we currently market loses value to a point
 13 where it may become valueless. An adequate supply is
 14 the issue for us to move forward.
 15 The Forest Service should endorse all
 16 opportunities to provide volume to the industry for the
 17 next five to ten years. This is the most critical time
 18 period.
 19 Thank you.
 20 MS. CAULFIELD: Thank you, Paul. I
 21 think that actually concludes everyone who was going to
 22 make an initial comment, Beth. Tony, you had indicated
 23 you were just going to participate in discussion,
 24 right? So I think we're look.
 25 MR. LAWRENCE: damaging - in tact old

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1 growth there is no more
 2 MS. CAULFIELD: Niel, that is my fault
 3 for shooting by you. There you are. Okay.
 4 MR. LAWRENCE: I wasn't on your initial
 5 list and I think I missed roll call this morning.
 6 MS. CAULFIELD: So please do. I
 7 apologize.
 8 MR. LAWRENCE: I will try to be very
 9 quick and get us to the discussion, which is really the
 10 meat of this. The Forest Service can and really must
 11 transition much more definitively and much more rapidly
 12 than it's proposing. This is the gist of why.
 13 It's been six and a half years since
 14 Secretary Vilsack said that it was time to transition
 15 out of old-growth logging and move to a and the Forest
 16 Service agreed that it would try to do that rapidly.
 17 Six and a half years later it's now proposing to spend
 18 at least another 16 years on that transition. As you
 19 heard from Holly Harris from Earthjustice, there is
 20 really no enforceable actual commitment in the Forest
 21 Plan to end old-growth logging in 16 years. So it's 16
 22 years unless it's not.
 23 In doing that, the Agency is ignoring
 24 the Secretary's explicit direction from three years ago
 25 that it develop more rapid alternatives. There's

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1 nothing in the FEIS that meets that directive from the
 2 Secretary. It's also ignoring the fact that despite
 3 what Owen Graham, who I genuinely like and admire,
 4 says, old growth logging is bad for every other value
 5 and user of the Forest except the timber industry.
 6 I'm not dismissing the timber industry,
 7 which, of course, is just NRDC and its members, it's
 8 part of the public, but it is a very small part of the
 9 local economy these days. The logging of old growth is
 10 damaging to the real industrial drivers and the region.
 11 Nobody, none of the recreation industry benefits from
 12 clearcuts. Nobody comes to the Tongass to see
 13 clearcuts.
 14 The fisheries biologists are absolutely
 15 open and shut that the most important terrestrial
 16 habitat for salmon runs is intact old-growth drainages.
 17 But even from the perspective of the
 18 industry, as Trout Unlimited pointed out, there is no
 19 more insecure and unreliable source of fiber than old
 20 growth. There are certainly uncertainties about
 21 transition timing and shifting to second growth. That
 22 does not include timber availability because as a
 23 result of the really intensive timber cruising that we
 24 did that GEOS and NRDC paid for in representative
 25 second growth stands 40 to 60 years old.

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1 There is a lot of timber out there that
 2 is in sort of readily accessible stands, low slopes,
 3 down below 1,000 feet, away from buffers, away from
 4 sensitive sites that's very operable and good quality
 5 trees that is of an age and a size that the timber
 6 industry sells from private lands.
 7 Now you heard from Brian that that is
 8 not an efficient way to use second growth resources and
 9 I think that is true, but the Forest Service's mandate
 10 is not to maximize the efficiency of second growth,
 11 it's to get out of old-growth logging, this is the
 12 Secretary's directive, as rapidly as possible.
 13 Regardless of the uncertainties, this much is certain
 14 in my view and that is without a push, without a real
 15 near-term deadline from the Agency, all the problems
 16 associated with old-growth logging are going to
 17 continue for everyone indefinitely.
 18 I should point out that even the TAC
 19 understood that. The TAC, in its final
 20 recommendations, called for an end to the old-growth
 21 timber sale decisions after a maximum of five years.
 22 That's right there on their December recommendations
 23 from last year on Page 13. The Forest Service said
 24 that it's implementing TAC's recommendations and that's
 25 a recommendation that it just chooses to ignore.

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1 So what we think is that the Agency
 2 needs to step up. It needs to set a short definite
 3 deadline that will drive a transition and focusing on
 4 cooperatively and rapidly tackling the real issues and
 5 questions that that transition raises.
 6 For instance, if milling equipment and
 7 getting second growth -- efficient second growth
 8 milling equipment in place in the region is an issue,
 9 as Eric Nichols suggested and I think is right and the
 10 Agency should get busy and work collaboratively with
 11 the community, with political leaders, with public
 12 officials that figure out how we can get the financing
 13 in place or the loan guarantees in place to make that
 14 happen.
 15 That is what Secretary Vilsack called
 16 for in 2010 when he said that the Forest Service would
 17 join with other Federal agencies to bring the full
 18 resources of the Federal government to bear on making
 19 sure that a transition could happen rapidly.
 20 That is a vision, that is a commitment
 21 that the Forest Service needs to honor by adopting a
 22 real binding near-term transition out of old growth and
 23 getting to work solving the problems and the questions
 24 that that raises.
 25 Thanks.

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1 MS. CAULFIELD: Niel, thanks very much.
 2 With that, I do believe that we've covered everybody,
 3 but please do let me know if you're on the phone or
 4 here in the room and I've inadvertently skipped over
 5 you. I think we've got them all, Beth.
 6 MS. PENDLETON: Thank you all for your
 7 comments. I realize there's some quite divergent
 8 perspectives around this issue. There are several
 9 questions that I have that will help me in providing
 10 direction to the Forest Supervisor relative to next
 11 steps. So I want to go through those questions. We'll
 12 go ahead and do the first one, I think, and then we'll
 13 take a little break.
 14 So the first question where I need some
 15 input from the objectors and interested persons is
 16 around the discussion we had a little bit this morning
 17 around the one-to-one reduction of old growth to young
 18 growth that's incorporating some potential language in
 19 the ROD.
 20 So some objectors have suggested
 21 incorporating a one-to-one reduction of old growth to
 22 young growth in the Record of Decision. It would be
 23 helpful to me if that could be defined first and then
 24 I've got some follow-up questions. So I was going to
 25 ask those that were engaged with the Tongass Advisory

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1 Committee because I know this was a point of discussion
 2 within that group, so maybe Eric and Chris, if you have
 3 some thoughts on that just to clarify and define that
 4 and the intent around that.
 5 MR. NICHOLS: I'll take the first shot,
 6 Chris. It kind of goes back to the no net loss as we
 7 look at the land base and what we were trying to do was
 8 prevent -- you know, was to keep the timber land base
 9 out there as we see more and more restrictions on that.
 10 This thing started about -- as we
 11 started to run the models, we could see that there was
 12 not going to be enough young growth to transition in
 13 that timeframe, so we offered up the ability to trade
 14 out old growth for young growth. So that was the start
 15 of this whole one-to-one, was that for every acre of
 16 old growth we protect we take another acre of young
 17 growth. That's what got us into the some of the non-
 18 developmental LUDs, was to try and make that trade-off
 19 there. Those were tough discussions.
 20 So everybody felt on the conservation
 21 side that those trade-offs were acceptable if we could
 22 meet the underlying intent of the LUD there. So that
 23 was the first start of it there.
 24 We had a meeting in Ketchikan here, the
 25 TAC did. We had a number of Forest Service

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1 representatives. At one of the breaks one of your
 2 wildlife biologists came up to me and said, you know,
 3 there's some young-growth acres that are much more
 4 important to wildlife than old-growth acres are. So it
 5 started down this path that not all acres are the same
 6 for fish or for wildlife there. So we kind of kept that
 7 in the back of our mind.
 8 We got into the TU-77. Kirk Hardcastle
 9 pushed hard to consider fish much more than we did.
 10 There's a number of young-growth acres in those TU-77
 11 watersheds. So we formalized it to the point where if
 12 you believe or the Forest Service biologist specialist
 13 believe that there are young-growth acres in there that
 14 need to be protected, then we need to find additional
 15 old-growth acres to change those out with.
 16 So I think that was the intent of the
 17 TAC, was we have to keep a timber volume, a timber
 18 base, a timber consistency, as per Vilsack's letter
 19 also. In order to do that, we needed to build in some
 20 flexibility for the Forest Service and your specialist
 21 that there may be areas that we can trade out. There
 22 may be old-growth acres that are not as important. As
 23 Kirk says, I don't care about the hillsides, I don't
 24 care about the top of the mountain, I care about the
 25 fish streams here.

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1 So depending on which wildlife,
 2 depending on which group you represent there, there was
 3 an opportunity that -- the TAC tried to build in some
 4 flexibility for the Forest Service to operate this Plan
 5 such that we can try and protect the wildlife the best
 6 we can but still offer the timber volume.
 7 MS. PENDLETON: Thank you, sir. Chris,
 8 is there anything you want to add to that? Also Carol
 9 Rushmore I know that you were on the advisory committee
 10 as well. So make sure we give you an opportunity to
 11 address this.
 12 MR. MAISCH: Yeah, I think Eric did a
 13 very good job of explaining a lot of the thinking that
 14 evolved in the TAC over the course of the discussion of
 15 this topic. I'd just emphasize that the concept was to
 16 maintain the current industry that we had in place so
 17 that we had to maintain the volume necessary to do that
 18 so that this transition actually had a realistic chance
 19 of occurring and that's really where this one-to-one
 20 concept came from.
 21 So, like I said, Eric covered the rest
 22 of it quite well, so I'll leave it at that. Thank you.
 23 MS. PENDLETON: Thanks, Chris. Carol,
 24 is there anything that you would like to add?
 25 MS. RUSHMORE: No. They've done fine.

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1 Thank you.
 2 MS. PENDLETON: Okay. Great. Thanks.
 3 So the second part of the question, some of the
 4 objectors have suggested incorporating -- and this is
 5 -- let me just back up a minute. As part of the
 6 objector comments there were a number of objectors who
 7 offered a potential remedy, so this is where this
 8 springs from. So I kind of want to get a pulse from
 9 the objectors participating today.
 10 Some objectors have suggested
 11 incorporating a one-on-one reduction of old growth to
 12 young growth in the Record of Decision. So my question
 13 is I'd like to hear from folks if you could support
 14 that approach.
 15 Let me ask while you're thinking about
 16 that, there's another piece of this that I'd really
 17 like to hear from folks how might it spur industry to
 18 make investments in marketing young growth more rapidly
 19 and if you see an opportunity or connection there what
 20 might that relationship be.
 21 MR. EDWARDS: Larry Edwards with
 22 Greenpeace and GSACC. The TAC was mentioned in this
 23 one-to-one thing came up. I'd just like to point out
 24 that there was no scientific representation of the TAC.
 25 I don't think there was any really valid representation

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1 of wildlife interests there. There were
 2 conservationists on there, but they were people that
 3 were more oriented towards wheeling and dealing than
 4 the specifics. The TAC was really kind of a setup from
 5 the beginning. Everything was skewed way off to one
 6 side. So I don't really put a lot of stock at all into
 7 the process the TAC went through.
 8 MS. PENDLETON: Thank you for hour
 9 comments, Larry. So I'd like to go back to my question
 10 and if anybody would like to address it, if not then we
 11 can move on. Yes, Chris.
 12 MR. MAISCH: I mean obviously the State
 13 was part of the TAC and we supported that concept when
 14 we were a member of the TAC and the decision that we
 15 came to. So I don't see us not continuing to support
 16 the concept of one to one. I'm struggling with trying
 17 to link that to how you could move the young growth
 18 part of manufacturing ahead sooner.
 19 The real challenge for us is still
 20 having sufficient quantity of that type of wood to
 21 manufacture it. You've heard a lot of people talk
 22 about the scale involved in some of the scales that's
 23 associated with the economics scale. It's not an easy
 24 nut to crack and it's going to take some pretty
 25 innovative approaches and a lot of hard work to figure

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1 that piece out.
 2 The bottom line is you have to have the
 3 wood to start with. That gets back to some of our
 4 comments about the biologic pieces that we're
 5 struggling with. Larry mentioned earlier the wall of
 6 wood and that was something we spoke a lot about in the
 7 TAC because there is a wall of wood that gets here and
 8 that's part of what that inventory is about, is better
 9 quantifying when, what kind of quality and where it's
 10 at. That's really going to help us then start to craft
 11 more of a business plan for how the transition happens.
 12 So thank you.
 13 MS. PENDLETON: Thank you, Chris.
 14 Eric.
 15 MR. NICHOLS: I'm not sure where to
 16 start on this after listening to Larry here. All I can
 17 say is that we put a lot of thought and spent a lot of
 18 time. We tried to build in some flexibility for the
 19 Agencies and for the specialists, but we also tried to
 20 make sure we protected the industry, that there was a
 21 volume available for the industry.
 22 At the end of the day, the industry is
 23 going to survive or not survive based on volume,
 24 whether it's old-growth volume or second-growth volume.
 25 Some of the industry is more dependent upon the old

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1 growth, some are not quite so dependent on the old
 2 growth, but it's volume-based. So if it's a one-for-
 3 one, that was a concept that I agreed to in the TAC
 4 early on in order to kind of push this thing forward
 5 here.
 6 The question is -- from a biological
 7 standpoint, we ran the models. I think you can only
 8 bring so much of it forward. I think the TAC did a
 9 pretty good job of modeling and we maximized what we
 10 could model. We took the maximum clearcuts, we reduced
 11 the visuals as low as we could. We went into non-
 12 development LUD. So I mean I think the TAC took
 13 a hard look at, you know, how much young growth we
 14 could bring forward and how much old growth we could
 15 protect in doing so. So I stand by the models and I
 16 stand by what our decision was, but I don't know if you
 17 can do much more than what we did unless you can find
 18 some old or young growth out within the Forest here.
 19 MS. PENDLETON: Thanks, Eric. Owen.
 20 MR. CLARK: This is Jim Clark. I can't
 21 see what's going on in the room, so is there somebody
 22 that you've already got lined up to speak?
 23 MS. PENDLETON: We do, Jim, but we'll
 24 go to you just after Owen Graham.
 25 MR. CLARK: Fair enough. Thank you.

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1 MR. GRAHAM: Thanks. Everything I've
 2 learned about young growth manufacturing from our
 3 manufacturers is we don't have enough volume to support
 4 a mill up here right now. We just don't have enough
 5 volume of young growth. There's not enough acres, the
 6 trees. You know, if you let the trees grow a little
 7 longer, there'll be more volume on those acres and
 8 there will be additional acres, but right now not even
 9 close to having enough volume to support a mill.
 10 The idea of having loan guarantees for
 11 something that's doomed to fail, that's just picking
 12 the tax payers' pocket. Right now the only viable
 13 market I see for this young growth is to cut it and
 14 export it to the Pacific Rim and even that operation
 15 should stand on its own. It shouldn't be subsidized.
 16 It's either going to be economic or not. Loan
 17 guarantees aren't necessary if you've got a viable
 18 proposal to go forward. You can go borrow money. If
 19 you don't, you're not going to borrow it and a loan
 20 guarantee just means someone else is going to be left
 21 carrying the bag.
 22 I'd like to comment on some other stuff
 23 too, but I'll wait until later rather than get us off
 24 topic.
 25 MS. PENDLETON: Thanks, Owen. I think

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1 we're going to go to Jim Clark.
 2 MR. CLARK: Just a couple of things
 3 about this speed of transition and the ability to move
 4 forward more quickly. Just the Forest Service's own
 5 documents, I'd like to read one phrase from the May
 6 2010 Economic Analysis of Southeast Alaska at Page 23
 7 where the Forest Service says young-growth management
 8 is not currently economically available without
 9 substantial public investments to pay for thinning.
 10 This is because the vast majority of young growth
 11 currently available on the developed land base is too
 12 young and small to generate profits in excess of the
 13 logging and transportation costs used in this analysis.
 14 That point is updated at Page 10 of the
 15 Draft ROD where the Forest Service says harvesting 55-
 16 year-old trees does not appear to be practical or
 17 economic in Southeast Alaska at this time.
 18 So A, in order to speed up transition
 19 we're starting from a point where the logs aren't
 20 economic and, B, the Forest Service tells us that it's
 21 going to need substantial investments in a period when
 22 it's been very hard to see increase in the Forest
 23 Service budget.
 24 I think it's a fair question to ask and
 25 I know you're not in the business of answering today,

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1 but I think it's a fair question, where is the
 2 substantial investments going to come from and how much
 3 is going to be needed. And just to tie back to this
 4 morning, until we have a realistic inventory of how
 5 much young growth there is, how are we going to know
 6 how much investment is needed in order to address the
 7 very points that the Forest Service made in 2010 and in
 8 the existing ROD.
 9 So I would just ask that those points
 10 be considered. Thank you.
 11 MS. PENDLETON: Thank you, Jim. Larry.
 12 MR. EDWARDS: Larry Edwards again. To
 13 address the one-to-one concept more directly, basically
 14 it puts the burden back on old growth again. It just
 15 prolongs the transition. So we oppose the one-to-one
 16 approach.
 17 MS. PENDLETON: Thank you.
 18 MR. EDWARDS: And I think that what
 19 goes along with that is so what gives instead and I
 20 think it comes back to the comments I made this
 21 morning, which is one of the big questions, crucial
 22 questions that the FEIS did not address at all, which
 23 is what is a viable industry.
 24 I think what it comes down to is what
 25 size industry can you reasonably get through this

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1 transition. So I think that's what really needs to be
 2 looked at and one of the big failings in this NEPA
 3 process.
 4 MS. PENDLETON: Thanks. Holly.
 5 MS. HARRIS: Just very briefly. Beth,
 6 I'm afraid it doesn't solve the problem. The one-to-
 7 one is not going to solve the lack of enforceability.
 8 A one-to-one doesn't drive the transition. It's a
 9 voluntary transition. Should the industry ever decide
 10 it wants to transition out of old growth, then we'll
 11 start moving towards that transition. A one-to-one
 12 doesn't satisfy our lack of enforceability or certainty
 13 if I'm sitting on the other side from the industry's
 14 perspective.
 15 So we offered a number of different
 16 mechanisms. I know you want to focus on one-to-one
 17 right now, but those weren't addressed. None of those
 18 were analyzed. You certainly have seen it, how the
 19 Agency can split, under the Amended 2008 splitting up
 20 ASQ. There's a lot of flexibility and there were
 21 mechanisms at your disposal and we wished you'd looked
 22 at those and kicked the tires on those, but the lack of
 23 any mechanism whatsoever, frankly, is troubling for
 24 everybody at this table, so I don't see how one-to-one
 25 fixes this particular problem.

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1 MS. PENDLETON: Thanks, Holly. Anybody
 2 else have comments on the one-to-one.
 3 MR. LAWRENCE: This is Niel. When you
 4 have time, would you put me on the cue.
 5 MS. CAULFIELD: I think you're in,
 6 Niel.
 7 MS. PENDLETON: Yeah, you're in, Niel.
 8 MR. LAWRENCE: I just wanted to speak
 9 to a couple prior comments. First, Owen Graham's
 10 comment about loan guarantees. I think he's right.
 11 You know, if the profits are assured, then you don't
 12 need a loan guarantee. I think we all understand there
 13 are uncertainties about the second growth industry. I
 14 mentioned loan guarantees as a result of having heard
 15 someone in the timber industry in Southeast Alaska say
 16 the risk that the Forest Service can't deliver second
 17 growth is high enough that you just can't justify
 18 putting private capital into retrofitting, installing a
 19 high-efficiency second growth small diameter line and a
 20 mill, but a loan guarantee would take that risk away
 21 and make it possible to put that equipment in place.
 22 The loan guarantees are -- that's a
 23 public investment and it does cost money and Owen is
 24 right about that. The guys who sell drop-in, high-
 25 efficiency, small diameter processing equipment

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1 estimate that putting something like in Southeast
 2 Alaska is somewhere in a \$3-5 million proposition. I
 3 don't know what the loan guarantee on that is, but it's
 4 not going to be the whole \$3 million. Contrast that
 5 with the money that the Forest Service is currently
 6 investing in the old growth logging program. It's a
 7 little hard to get a hard and fast number, but it's got
 8 to be somewhere in the 20 to 25 million dollars a year
 9 range.

10 The transition is going to take public
 11 investment. There is public investment right now in
 12 Southeast Alaska. The question is can we reconfigure
 13 that investment in a way that produces a better future
 14 for the whole region. That stops damaging activities
 15 and creates the maximum opportunity that the existing
 16 industry can survive. That I think leads you to loan
 17 guarantees. That's why I mentioned that.

18 MR. CLARK: Tailgating what Niel had to
 19 say, he points out and I really think he's right. It's
 20 what the Forest Service itself has said, that we're
 21 going to need substantial public investment. We don't
 22 know from the NEPA documents or the ROD how much that
 23 public investment is going to be and how can we know
 24 what it is until we have an adequate inventory. So it
 25 would seem to meet the points Niel just made there's

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1 more work to be done here.

2 Thank you.

3 MS. PENDLETON: Thank you, Jim.

4 MS. CAULFIELD: Let me see if there's
 5 either in the room or on the phone any additional
 6 responses to Beth's last question, which was about the
 7 one-to-one, and then we'll take a break and then we'll
 8 come back and hear what some of the other discussion
 9 points are. But before we take a break anything else
 10 on that topic either here in the room or on the phone?
 11 Eric.

12 MR. NICHOLS: Your second point was to
 13 do it quickly, to transition quickly from the industry
 14 standpoint. The way to transition quickly is to make
 15 it economically feasible. So we are profit-driven and
 16 it's amazing when there's money to be made how many
 17 people jump into it. So it really is based upon money
 18 and that is going to be the driver whether this thing
 19 transitions quickly or not. If there's enough money in
 20 it, more people will get into it and there will be more
 21 demand for it there.

22 But the other side of it, public loan
 23 guarantees and all that you're not going to get very
 24 many people. You can't take public money and try and
 25 make something profitable with it. It's never worked

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1 out and it's never going to work out.

2 Thanks.

3 MS. PENDLETON: Thank you, Eric. All
 4 right, let's take a....

5 MS. CAULFIELD: Come back at 20 till.

6 MS. PENDLETON: Yeah, come back at 20
 7 till. Thanks.

8 (Off record)

9 (On record)

10 MS. CAULFIELD: The discussion on the
 11 timeframe for transition to young growth and I know
 12 Beth has some additional questions for all of you, so
 13 I'll turn it over to Beth.

14 MS. PENDLETON: Thanks, Jan. So the
 15 next question that I'd like folks to think about and
 16 give me some feedback on evolves around the type of
 17 prescription and where we harvest and the effect on
 18 transition. The type of prescription. So maybe think,
 19 for example, clearcuts versus commercial thinning and
 20 where we place projects on the landscape affect the
 21 length of transition.

22 What are people willing to see or allow
 23 in order to achieve a shorter timeline? I've heard a
 24 lot of interest in shortening that timeframe around
 25 transition. So in this case if you could address the

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1 types of prescriptions and where we place projects on
 2 the landscape and what are people willing to allow in
 3 order to achieve shorter timelines.

4 Eric.

5 MR. NICHOLS: We did a thinning, a
 6 space thinning. I don't think from an economic
 7 standpoint it was very successful and I'm not sure from
 8 a biological standpoint. So I think when you start
 9 looking at prescriptions, if you're going to clearcut,
 10 you're going to gain economic, but you're also going to
 11 impact less landscape acres also there. Less roading,
 12 less volume, less area that you're going to impact
 13 there.

14 So from a prescription standpoint I'm
 15 not convinced that we know how to thin well enough to
 16 make it economical at this point in time. Where do you
 17 put them at? I don't think you have any choice. I
 18 mean your large blocks or Kosciusko, Thomas Bay, you've
 19 got to go with where the initial harvesting happened.
 20 Some of the stuff in the '40s out in the outer islands
 21 that was done for World War II and then you've got to
 22 look at the early days of the pulp mill. So
 23 biologically it's going to drive where you're going to
 24 be from an age standpoint more so than anything else.
 25 So I guess I don't see the where too

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1 much. The Sealaska bill gave you 50,000 acres
 2 exemption on CMAI. My guess you're going to use that
 3 to fair extent if you're going to maintain some
 4 economically viable timber out there.
 5 MS. PENDLETON: Thank you. Chris.
 6 MR. MAISCH: Yeah, I would chime in on
 7 the different harvest methods that are being considered
 8 other than clearcut at least in the young-growth types.
 9 We're talking for example on the Kosciusko project some
 10 group selection that's in the current prescription for
 11 that. I've seen some group selection work that's been
 12 done on previous units kind of as a pilot if you will
 13 or test case.
 14 Depending on how that actually gets
 15 laid out on the ground, I think it's going to be really
 16 difficult to make those kind of prescriptions pay their
 17 way. The only way they might pay their way is if you
 18 have a larger volume portion of the sale that is
 19 positive that you can write those other types of
 20 prescription off against so that your whole sale is
 21 positive.
 22 But I think we haven't learned enough
 23 yet. I don't know that we have all the right equipment
 24 available here in the state to make that work. I know,
 25 Eric, you guys used some forwarders over in Heckita,

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1 didn't you, if I remember right. So I think there's
 2 some things capacity-wise that way that operators don't
 3 currently have in terms of the right type of equipment
 4 to really make that efficient here so that's going to
 5 continue to be a challenge.
 6 And I guess that's one thing we're
 7 looking forward to in this Good Neighbor Authority
 8 Project, is to learn more about it using adaptive
 9 management how we're managing the forest. So I'll
 10 leave it at that. Thank you.
 11 MS. PENDLETON: Thanks, Chris. I'm not
 12 seeing anybody else in here. Maybe we'll go to the
 13 phones, Jan, and see if there's anybody who wanted to
 14 respond to that question. If I need to restate it, I'm
 15 happy to do that.
 16 MS. CAULFIELD: Yeah, I think that
 17 would be good.
 18 MS. PENDLETON: Let me just go ahead
 19 and restate it. The type of prescription and where we
 20 place projects on the landscape have an opportunity to
 21 affect the length of the transition. So what are
 22 people willing to allow in order to achieve a shorter
 23 timeline.
 24 MS. CAULFIELD: Let me check in.
 25 Anyone on the phone with a response to that question

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1 for Beth.
 2 MR. CLARK: Is the question could we go
 3 into the beach fringe and where the oldest of the young
 4 growth is?
 5 MS. PENDLETON: That could be a
 6 prescription certainly, Jim.
 7 MS. CAULFIELD: Go ahead.
 8 MR. LINDEKUGEL: To be specific, we
 9 don't support taking shortcuts with the habitat
 10 conservation area strategy or riparian management
 11 objectives to speed up the transition. There's
 12 something in our mind that's really wrong with the
 13 trend of the Forest Service supporting, promoting old-
 14 growth logging for export. The same trees that are the
 15 driving economic force for the other industries that
 16 depend on the Tongass and that actually have more
 17 workers than the timber industry.
 18 Another troubling trend is the loss of
 19 old growth in the Tongass, which is America's most
 20 vulnerable and valuable old growth forest. Delaying the
 21 transition to young growth is only going to put more
 22 pressure on a finite and irreplaceable resource that we
 23 need for other purposes.
 24 Thanks.
 25 MS. PENDLETON: Holly.

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1 MS. HARRIS: I apologize. I
 2 misunderstood your question. I was looking at it only
 3 in the affirmative and not the converse of where we
 4 wouldn't want you going.
 5 So I know we have a day dedicated to
 6 this, but I just want to very briefly say, you know, a
 7 cornerstone of Tongass management for 20 years, I'm one
 8 of those nerdy people who has actually read all those
 9 planning records and all those notes that you guys
 10 write. We read them. All those reports. The
 11 defensible scientifically-based management protocols
 12 have worked and yet on the most important decision the
 13 Agency is making in a generation we abandon that
 14 approach on the Tongass.
 15 We have no scientific support for going
 16 into those areas and starting to clearcut. Every
 17 scientist who has opined on this issue has told you not
 18 to do that. U.S. Fish and Wildlife, Pacific Northwest
 19 Research Station, the architects of the conservation
 20 strategy. Time and time and time again said you can't
 21 be logging in those areas.
 22 We need those areas for our salmon
 23 strongholds. We need these as the backbone of the
 24 conservation strategy and yet we're going to rip those
 25 out with no scientific support and abandon that

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1 predicate. We can't do that. That's arbitrary.
 2 That's not the kind of defensible scientifically-based
 3 management that we need and have come to trust on the
 4 Tongass.
 5 At the end of the day, where's the
 6 science that says it's okay to do that. It's not in
 7 the record and it needs to be. So, no, we don't
 8 support compromising the habitat conservation strategy
 9 and don't support clearcut logging and logging in those
 10 areas.
 11 MS. PENDLETON: Thank you, Holly.
 12 MS. CULLINEY: This is Susan from
 13 Audubon. I'll reiterate that and say that going into
 14 beach fringe and riparian management areas as well as
 15 old-growth preserves is not a tenable solution for us.
 16
 17 It's also not clear from the question
 18 when you're saying speed up the transition. Are you
 19 asking industry to speed up to the 15 years or are you
 20 asking from a baseline of 15 years speeding up to an
 21 environmental -- you know, the five year transition
 22 that a lot of environmental groups have supported?
 23 MS. PENDLETON: Thank you, Susan. My
 24 comment was with regard to the selected alternative,
 25 which calls for the transition within 16 years. And my

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1 question was looking at opportunities to achieve a
 2 shorter timeline with regard to....
 3 MS. CULLINEY: (Indiscernible) instead
 4 of under this 2008 plan timeline, you're saying
 5 speeding up as in affects the transition according to
 6 the Secretary's memo.
 7 MS. PENDLETON: Correct. To achieve a
 8 shorter timeline.
 9 MS. CULLINEY: I understand the
 10 question. Thank you.
 11 MR. MAISCH: Yeah, I have one other
 12 thing I omitted to mention when I was talking earlier,
 13 so I thought it would be worth adding this in.
 14 One of the other things we learned on
 15 the various field trips when we were looking at some of
 16 the different civil cultural prescriptions, the group
 17 selections, some of the commercial thins, was that you
 18 also needed some flexibility on the contracting side
 19 and the administrative side of those units. So there
 20 wasn't always good alignment between what the civil
 21 culturist wrote as a prescription versus how it was
 22 then carried out through the contracting shop when they
 23 had to administer that contract.
 24 There was not always a good
 25 understanding of what the objectives were and that

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1 there really needed to be some flexibility because this
 2 is breaking some new ground with some of these
 3 operators and those contracting officers would benefit
 4 from being able to be more flexible in how they
 5 administer that contract.
 6 So if something is clearly not working
 7 and causing a real loss to that operator, be it a
 8 utilization spec or whatever, it might be that they had
 9 some ability and authority to adapt in situ, if you
 10 would, as opposed to just by the book.
 11 MS. PENDLETON: Thanks, Chris. Eric.
 12 MR. NICHOLS: The TAC -- I mean in
 13 order to speed it up we maximized the clearcut size,
 14 pushed 100 acres as best we could, we minimized the
 15 visuals, we looked at these non-development LUDS and
 16 the intent behind that was to try and prove the
 17 underlying position or the underlying intent of that
 18 LUD. We looked at second growth areas in the beach
 19 fringe that were stem excluded, no deer habitat in
 20 there, stands that have been shut down, and there are
 21 growth cycles in there, too many stems per acre in
 22 there. So I think the intent wasn't just to try and
 23 speed up, but it was also to try and improve those
 24 stands for whatever that underlying was, whether it was
 25 fish habitat or whether it was wildlife habitat. I

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1 don't think anybody went in with the idea that we were
 2 just going to rape and pillage these areas there.
 3 I can tell you that the conservation
 4 groups, the ones that brought this forward, they're the
 5 ones that actually suggested the size of openings and
 6 the timeframe between openings there. So it wasn't
 7 something that was pushed from the industrial side of
 8 things. It was for young growth only and it was
 9 actually to try and improve some of that habitat and be
 10 able to still maintain some commercial timber harvest
 11 in those areas in order to speed that transition there.
 12 For the TAC, in order to speed the
 13 transition, the recommendations that you took, our
 14 modeling, we've maximized what we could do from a
 15 volume basis and area basis with the clearcuts and the
 16 visuals especially.
 17 Thank you.
 18 MS. PENDLETON: Thanks, Eric. Holly.
 19 MS. HARRIS: I apologize. Just one
 20 point of clarification. I know it's clear in context,
 21 but Eric you're referring to the conservation groups
 22 that sat on the TAC that had partnership or
 23 participation in the TAC, the conservation communities
 24 as a whole did not make those recommendations.
 25 Thank you.

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1 MS. PENDLETON: Thanks, Holly. Chris.
 2 MR. MAISCH: Yeah, Eric, I didn't hear
 3 if you said it, but the whole concept you were
 4 discussing was often referred to as co-intent and that
 5 purpose was to achieve those multiple objectives. One,
 6 the habitat piece or along with the timber piece. I
 7 think it's worth really doubling down on what Eric said
 8 in terms of these are stands that were already
 9 harvested once, they're young growth stands and you've
 10 got access often already made into these units, so you
 11 have very low impact from reopening access. Now some
 12 of the challenges are places that were A-frame logged
 13 and how you would access those, but then again that's
 14 where some innovation would come in to play in term of
 15 making some of that available.
 16 MS. PENDLETON: Thanks, Chris. We
 17 should probably check the phone. Anyone on the phone
 18 who wants to respond.
 19 (No response)
 20 MS. PENDLETON: This is based on some
 21 of the objectors and some of your comments. Some
 22 objectors indicate the plan does not adequately require
 23 adherence to the 10 to 15-year transition as stated in
 24 the Secretary's memorandum.
 25 The forest-wide multiple use goals and

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1 objectives in the Plan include two timber objectives.
 2 I want to read those and then I've got a question. The
 3 timber objective, number one, is seeking to accelerate
 4 a transition to primarily young growth harvest. Offer
 5 an average of 46 million board feet annually and a
 6 combination of old growth and young growth. When young
 7 growth offered is less than 41 million board feet,
 8 provide old growth to make up the difference and
 9 achieve the average annual projected timber sale
 10 quantity of 46 million board feet. After the
 11 transition offer an average of 5 million board feet of
 12 old growth annually to support Southeast Alaska mills.
 13 The second timber objective. Seek to
 14 provide an economic timber supply sufficient to meet
 15 annual market demand for Tongass National Forest timber
 16 and the market demand for the planning cycle. The
 17 volume of young growth as part of the yearly offer will
 18 increase from an average of 9.2 million board feet
 19 annually in the first decade to an average of 25
 20 million board feet annually in years 11 through 15 as
 21 the program nears full transition.
 22 So the question that I have is to
 23 clarify this concern. I'm going back to the adherence
 24 to the 10 to 15-year transition as stated in the
 25 Secretary's memorandum to clarify this concern. What

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1 is it about this plan language that I've just shared
 2 that does not adequately adhere to the transition
 3 timeline resulting in a reduction in old growth volume
 4 throughout the transition.
 5 So what is it about the plan language
 6 that I've just shared in those two timber objectives
 7 that does not adequately adhere to the transition
 8 timeline resulting in a reduction in old growth volume
 9 throughout the transition. Is there something in that
 10 language that could be more clear? Your thoughts and
 11 comments on that.
 12 MR. CLARK: Your question, what do you
 13 do about the substantial public investments that are
 14 needed? Are you assuming that those public investments
 15 would be made to achieve those objectives? And what
 16 assurance do you have that those public investments
 17 would be made?
 18 MS. PENDLETON: So for the purposes of
 19 that question, Jim, go ahead and assume those
 20 investments are made.
 21 MR. CLARK: Those investments are made
 22 and the timber is economic, it's like Eric Nichols said
 23 before, they will move forward. So it's really a
 24 question of achieving the investments, but again we
 25 know from the ROD that the timber isn't economic now,

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1 so what level investment is going to be needed depends
 2 on what the inventory of the young growth is that's
 3 going to fall in this category.
 4 Once you know that, if the timber -- it
 5 seems like then you can have a plan and if the timber
 6 is economic, it's going to be harvested and it will be
 7 accelerated depending on markets. Thank you.
 8 MS. PENDLETON: Thanks, Jim.
 9 MR. EDWARDS: Larry Edwards. I'll take
 10 a stab at it, at least for a start here. If you look
 11 at the 46 million board feet, it's not just a matter of
 12 timeline, it's also a matter of scale. We're looking
 13 at a volume there that's substantially greater than the
 14 average that's been logged over the last number of
 15 years.
 16 As I mentioned earlier this morning, if
 17 you look at the 5 million board feet, that's expected
 18 in the plan to continue indefinitely. That's chipping
 19 away year by year. Look at it maybe on a century time
 20 scale. You project the plan out to its horizon.
 21 That's half a billion board feet. That's a lot of
 22 volume, a lot of acres, a lot of addition to existing
 23 cumulative impacts that exist from all the logging
 24 that's happened particularly in the southern part of
 25 the region on all land ownerships.

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1 I see it as a matter of scale, not just
 2 a matter of timeline. If you reduce the scale, that
 3 reduces the timeline. That's part of the answer
 4 anyway. I haven't addressed all my feelings on it, but
 5 that's a start.
 6 MS. CAULFIELD: Any other comments in
 7 the room. Brian.
 8 MR. KLEINHENZ: If I understand it, I
 9 think you asked if the amendment is more or less
 10 consistent with the memo that Secretary Vilsack wrote
 11 directing a transition. It reads very much the same,
 12 so I'd say probably yes, although I would point out
 13 that the memorandum from the Secretary was without a
 14 public process. So I think what you're hearing from us
 15 in regards to concerns with that would have been the
 16 same concerns we would have expressed had we been given
 17 the opportunity to comment on the Secretary's memo.
 18 MS. PENDLETON: Thanks, Brian. Larry.
 19 MR. EDWARDS: Thanks, Brian. I'd like
 20 to follow up on that a little bit. After the memo came
 21 out and the process got started for doing the
 22 amendment, there were a lot of comments that the Forest
 23 Service got that you should be going back to the
 24 Secretary and say, look, we've got some problems here
 25 and you need to rethink the approach that you've

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1 directed us to take.
 2 We made those same comments to the TAC
 3 and we asked the TAC to write to the Secretary and
 4 voice that kind of opinion. At least if not by the TAC
 5 itself, at least forwarding opinions it got from the
 6 public, but the TAC refused to do that, so here we are.
 7 MS. CAULFIELD: We'll go ahead with
 8 Eric and then I'll check with folks on the phone and
 9 see if you want to come in on this discussion. Eric.
 10 MR. NICHOLS: There was a lot of
 11 discussion on the TAC, especially as we got towards the
 12 end on assurance that old growth was going to end and I
 13 kind of hear that same thing in the room today. Part
 14 of that was this five year identifying all the old
 15 growth within that timeframe. There was also some
 16 issues as far as that stopped that after five years
 17 here. I guess it's really the Forest Service who
 18 decides on which timber we harvest or we don't harvest,
 19 but I think your language is very plain.
 20 I think that the identification in this
 21 inventory of the old growth that's going to be
 22 available during the transition, I think that puts that
 23 out fairly early in the process and lets people take a
 24 shot at it as far as their concerns on those areas.
 25 I guess I don't understand the concerns

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1 from some of the groups here that the old growth will
 2 end because I think in everybody's mind that decision
 3 has been made and it's a pretty blunt decision here.
 4 MS. CAULFIELD: Austin.
 5 MR. WILLIAMS: There's I think four
 6 things that stick out to me on this point. One is the
 7 time that has elapsed since the Secretary's memo. So
 8 in 2013 Secretary Vilsack directed for a 10-15 year
 9 transition and we have now spent three years coming up
 10 with a plan for a 16-year transition. So we're not
 11 dealing with -- it feels like it's a moving target or
 12 maybe it's a moving start date that instead of a
 13 transition 10 to 15 years from 2013 we're now talking
 14 about a 16-year transition from 2016 or 2017 or
 15 whenever the Plan amendment goes final.
 16 I think Larry's point regarding the
 17 increase in timber availability that would be required
 18 over what we have done in recent years is also
 19 concerning in that -- you know, if we have been cutting
 20 something around 27-30 million board feet a year over
 21 the last handful of years, assuming an increase to 46,
 22 that's an increase above what we have done in the past.
 23 That point dovetails to my next, which
 24 is that on the first of those timber management
 25 objectives as you read it, and I don't have the

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1 language in front of me so I'm going to be a little
 2 vague on this, but as I recall that phrase it seems to
 3 imply that the end of old growth logging is contingent
 4 upon young growth being available as opposed to -- and
 5 it's phrased in a way that if young growth is not
 6 brought forward, that old growth will continue to be
 7 offered and I think that causes a problem, especially
 8 when you consider an increase up to 46 from what we
 9 have been cutting in recent years.
 10 The fourth point I think is one -- for
 11 me is one that, Eric, you've brought up a couple times
 12 that part of the TAC recommendations was to have the
 13 bridge old growth identified and planned within five
 14 years. Losing that recommendation in the Forest Plan
 15 is cause for some concern in that it takes away a layer
 16 of kind of reassurance to the public that we're going
 17 to be moving out of old growth.
 18 I think it also signals probably to
 19 industry that we could let this drag out longer and I
 20 think the Agency needs to be providing incentives to
 21 industry and helping industry recognize that we need a
 22 change now and that the status quo isn't working and
 23 putting a definite cap on the remaining old growth and
 24 then metering it out over time I think provides that
 25 type of assurance and incentive for industry to make

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1 the necessary investments or to at least really start
 2 to grapple with some of the challenges that the young-
 3 growth industry will pose.
 4 Thank you.
 5 MS. HARRIS: The only thing I would add
 6 to Austin's points. Removing that or failing to adhere
 7 to the TAC recommendation in this regard obviously has
 8 set uncertainty and folks have to interpret that you've
 9 done that intentionally. So the aspirational language
 10 of, gosh, we hope to transition someday, while I'm sure
 11 well-intended, you've had mechanisms proposed through
 12 your collaborative process and you refuse to follow
 13 those.
 14 So you're doing that for a reason and I
 15 think what you've done then is just instill uncertainty
 16 both at the industry and folks like my clients, but the
 17 other thing it's done is it's just perpetuated the
 18 inefficiency for the agency staff to be continuing down
 19 this old growth program. Time and again we watch the
 20 Agency struggle mightily to come up with a profitable
 21 old growth timber sale. How many millions of dollars
 22 have to be spent at this Agency to continue offering
 23 these sales, taking years and thousands of hours only
 24 to have nobody bid on it because the industry doesn't
 25 want it.

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1 We have to give a hard cap. It gives
 2 everybody the certainty and then you guys are going to
 3 be better suited to find those timber sales that these
 4 guys actually want, that they'll bid on and they'll
 5 actually be able to achieve their economic goals. It
 6 doesn't do anybody any good to continue down this path
 7 of you folks trying to offer timber sales that these
 8 guys don't want while all the time and just sort of
 9 entrenching us in this process for, from our
 10 perspective, no transition. We could be sitting here
 11 16 years from now and saying we're still trying to
 12 transition.
 13 MS. PENDLETON: Thanks, Holly.
 14 MS. CAULFIELD: Let me check in with
 15 the phone now. Is there anyone on the phone who wants
 16 to enter in the discussion on these points?
 17 MR. LAVIN: This is Pat Lavin. I'm at
 18 Defenders of Wildlife. I think Holly and Austin pretty
 19 much covered what I was going to say, but I'll just add
 20 maybe just to clarify because I might have a
 21 misunderstanding, but in addition to what they had said
 22 my understanding is that even the 46 million board feet
 23 is kind of a projection, you know, average of a best
 24 guess at that future market demand, but if that were to
 25 change, then there's nothing in the Plan to again have

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1 any kind of cap. So if that additional demand were to
 2 actually exceed expectations at some point in the
 3 future, five, ten years out or what have you, then
 4 additional potentially old growth logging could ramp up
 5 to meet even more than the 46 million board feet of
 6 projected demand.
 7 So that's my understanding. If anyone
 8 can clarify that, that would be great, but if that is
 9 the case, then it's kind of an additional reason why
 10 some kind of cap or limit, to have something
 11 enforceable in the plan to put the teeth I guess to
 12 that language that you read initially, Beth, is kind of
 13 what we're looking for.
 14 Thank you.
 15 MS. PENDLETON: Thank you.
 16 MS. CAULFIELD: Thanks, Pat. And I did
 17 hear another voice. I don't know. If you could speak
 18 up again, we'll get you going here on the phone.
 19 MS. CULLINEY: This is Susan with
 20 Audubon. I think I'll echo a lot of what my colleagues
 21 have been saying about the issues here and the
 22 language. I think is the ability to make up the volume
 23 with old growth over the duration of the transition so
 24 that flexibility -- you're not held to that standard of
 25 reducing over time. So that in practice we get to the

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1 end of the transition and we're still where we start
 2 out because we didn't tighten that belt down.
 3 So I'm hearing a cap, it's an
 4 interesting idea, and then as Austin was saying can be
 5 metered out. Or if there's an ability to eliminate or
 6 reduce over time that flexibility. If young growth
 7 volume falls below 41 million board feet, if there's a
 8 way to reduce that flexibility, slide back towards old
 9 growth reliance, I think that could help increase the
 10 guarantee, the surety at the end of the transition
 11 period, we really do have that end.
 12 I guess I'll throw in another thing
 13 that I kind of heard Larry bring up, which I think is a
 14 good point on the end, the goal here, the 5 million
 15 board feet in perpetuity, is there any way to put some
 16 sideboards on that so that it really does end old
 17 growth clearcut logging so those aren't 5 million board
 18 feet of clearcuts, but there's more language describing
 19 how those 5 million board feet would be harvested. I
 20 think that would lend some credibility and some help
 21 and some of the uncertainty that I'm expressing and I'm
 22 hearing other people express.
 23 MS. PENDLETON: Thank you, Susan. Is
 24 there anyone else on the phone who wanted to comment
 25 before I move on.

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1 (No response)
 2 MS. PENDLETON: Thank you for your
 3 comments. I do have one final question that I'd like
 4 to hear back from folks on. That is if it were to
 5 implement a management approach or monitoring approach
 6 that tracks adherence to the transition, how would the
 7 objectors react to putting that management approach or
 8 monitoring approach in place?
 9 MS. CULLINEY: My question on
 10 monitoring would be what would the feedback loop look
 11 like. So, if you're monitoring, you have certain
 12 criteria you're looking at and get that data back and
 13 then how do you plug that data back in to change what
 14 you're doing? I'd like to see how that loop looks if
 15 you kind of drew it out on paper. Maybe a little
 16 clarification on what you're thinking.
 17 MS. PENDLETON: Thanks, Susan. So if
 18 the Plan were to implement a management approach or
 19 monitoring approach that tracks adherence to the
 20 transition, so the timber objectives that I just read,
 21 how would you feel or react to that if we put such an
 22 management approach or monitoring approach in place?
 23 If you have suggestions for what that might look like,
 24 that would be helpful as well.
 25 Chris.

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1 MR. MAISCH: Yeah, I think if you'll
 2 recall one of the TAC recommendations was definitely
 3 centered around this monitoring topic. Probably a
 4 little more holistic. You've narrowed it down just to
 5 take a look at the timber piece of it and how that's
 6 progressing with regard to the transition. But I think
 7 it would be our contention that you've got to look more
 8 holistically and broader across that topic and that we
 9 are looking at a larger set of economic indicators as
 10 part of the transition because the transition really
 11 embodies a lot more than just timber.
 12 We always seem like we focus on this
 13 timber piece and there's many other pieces of the
 14 transition that are equally important, some of which
 15 have been spoken about here today but some that
 16 haven't. It's very important to have your finger on the
 17 pulse of how those things are progressing too in
 18 concert and parallel with the timber piece of this.
 19 I think it's certainly appropriate to
 20 monitor. There's both
 21 implementation monitoring and effectiveness monitoring,
 22 trying to tease those out and how you want to take a
 23 look at that for the timber part of it. I'm sure it
 24 could be done and certainly we wouldn't object to
 25 something like that, but I do think you have to keep

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1 that more holistic aspect in mind.
 2 I know the Forest Service is required
 3 to do certain monitoring to make sure the plan is
 4 implemented, but I think the TAC went beyond that and
 5 some of the things they were recommending. In fact, I
 6 think the challenge cost share II agreement actually
 7 expands and provides some funding to start developing a
 8 framework for what that more holistic process would
 9 look like.
 10 MS. PENDLETON: Thank you, Chris.
 11 Buck.
 12 MR. LINDEKUGEL: Monitoring can be
 13 useful. In my years, watchdog and Tongass management,
 14 it's too little too late and it's not effective in
 15 actually leading to adaptive responses, so I'm a little
 16 leery of it. It doesn't solve the problem to say we'll
 17 get back to you later if the record shows that that
 18 hasn't really happened in the past. I don't have
 19 confidence it will make any difference if that makes
 20 sense.
 21 MS. PENDLETON: Thank you for your
 22 comment. Anybody else want to comment on the potential
 23 for implementing a management or monitoring approach
 24 that would track adherence to transition? Chris, his
 25 comment, it is something that we actually have a

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1 proposal looking at moving forward with this monitoring
 2 actions and just broader than the timber objectives,
 3 but that get to some of the co-intent focus of the
 4 advisory committee.
 5 So any other thoughts from folks around
 6 that. Holly.
 7 MS. HARRIS: Thanks, Beth. Thanks,
 8 Jan. You know, I think the value of monitoring is only
 9 as good as what are you monitoring. If there is no
 10 cap, if there's no timeframe, if there's no ratchet, if
 11 it's not a gate system that the TAC recommended, then
 12 what are we monitoring. We're monitoring an
 13 unenforceable transition. If we had a target we were
 14 watching, how many sales are we getting through the
 15 planning process, what percentage of the volume is
 16 being ratcheted down from our starting point. Maybe
 17 it's a year timeframe. Whatever metric you've wanted
 18 to have used, and we've -- you know, sorry, we've
 19 offered a number of ideas, others have offered them,
 20 but if you're monitoring just, gosh, we're going to
 21 try, I'm not sure that I understand how that helps
 22 inform the process.
 23 So I think the monitoring is only
 24 valuable if we have an enforceable mechanism that
 25 brings about that transition. And then, yes, that

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1 helps inform the discussion. How are we doing in terms
 2 of Southeast, how is the Agency doing in terms of
 3 getting those sales out to industry, how is industry
 4 doing in terms of making this transition. But watching
 5 an unenforceable transition through a monitoring
 6 program strikes me as ineffective.
 7 MS. PENDLETON: Thank you. Austin.
 8 MR. LAWRENCE: It's not entirely clear
 9 to me how the monitoring program might play out
 10 specifically as it relates to the Forest Plan, but a
 11 couple of Chris's comments kind of struck me and
 12 there's definitely an advantage to going back and
 13 looking at the 2010 transition statements. Really look
 14 at everything from renewable energy, fisheries, tourism
 15 and a lot of other economic sectors beyond timber. I
 16 could see a lot of value in a monitoring program
 17 however structured, whether it was part of this Forest
 18 Plan amendment specifically or a separate process. But
 19 that tracked the contributions from the Forest Service
 20 to the public and to communities of Southeast Alaska.
 21 Trout Unlimited has worked with a
 22 handful of other groups and the Forest Service to kind
 23 of explore ideas about different performance metrics
 24 that could be used for fish and wildlife for instance.
 25 Incorporating some of those other broader economic

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1 benefits from forest lands I think would absolutely
 2 help whether as part of this Plan Amendment or a
 3 separate project. Obviously the devil is in the
 4 details, but I see a lot of benefit there.
 5 MS. CAULFIELD: Thank you. Let me go
 6 ahead and check on the phone and see if there's others
 7 on the phone that would like to address this question
 8 about a management action that would provide for this
 9 type of monitoring going forward. Management approach.
 10 Excuse me. Anyone on the phone?
 11 (No response)
 12 MR. MAISCH: Yeah, on this topic of
 13 monitoring, I think it's worth expanding just a little
 14 bit further. A lot of the monitoring takes a look at a
 15 widget, how many things do we produce of a certain
 16 type, as opposed to looking at actual outcome. The
 17 outcome monitoring is much more powerful because I
 18 think you were just alluding to that. It tells a story
 19 about are you achieving outcomes and goals that are
 20 enumerated in the Plan. It's not just saying I did
 21 this much restoration acreage or this much of a
 22 particular type of activity.
 23 You have to build a logic chain
 24 typically of certain actions that lead to an outcome,
 25 so that's part of what this TAC recommendation was, was

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1 looking at outcome-based indicators that we could use
 2 to help gauge the overall transition as it progresses.
 3 So that needs to be developed. It's not a simple
 4 process to develop those kind of metrics, but it is
 5 doable.
 6 MS. PENDLETON: Thanks, Chris. So any
 7 other comments or input on a monitoring plan associated
 8 with transition. Larry.
 9 MR. EDWARDS: Yeah, just a general
 10 comment on monitoring. One of the difficulties is just
 11 the time lags that occur in the whole process. You've
 12 got to acquire the data and then someone has to write
 13 up the report and then what do you do with it. That
 14 takes another process within the Agency and perhaps
 15 even some public process involved as well in terms of
 16 what you do about it.
 17 What we need is stuff in the Plan
 18 that's enforceable. You know, we're checking things
 19 that are probably going to work anyway instead of
 20 things that are adaptive. We need some really strong
 21 sideboards in the Plan on what's going to happen here.
 22 MS. PENDLETON: Thank you. Owen.
 23 MR. GRAHAM: I was just thinking about
 24 the Secretary's unilateral memo about transitioning and
 25 maintaining a viable industry. Maybe you want to

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1 monitor some labor statistics, like how fast people are
 2 losing their jobs or whether their wages are going up
 3 or down or whether they have to go into another
 4 industry to survive and support their families, whether
 5 or not they have to leave the state because of this.
 6 Maybe those should be part of the monitoring also.
 7 MS. PENDLETON: Thank you.
 8 MS. CULLINEY: I'll kind of echo Holly.
 9 I don't think the monitoring option replaces the need
 10 for the mechanisms within the Plan, but I think it
 11 could be really interesting and include all types of
 12 data, economics of industry, economics of, as folks are
 13 saying, kind of more of a holistic look at Southeast
 14 Alaska jobs and industries and just looking at how a
 15 region like this does a transition. That would be very
 16 interesting and valuable. Again, it doesn't settle in
 17 my mind the necessity to make sure that this transition
 18 does take place.
 19 MS. PENDLETON: Thank you, Susan. Okay.
 20 I think we've exhausted folks on this question. I
 21 would like us just to take a really short break. I
 22 just need to check with some of my technical folks just
 23 to make sure that there isn't any other lingering area
 24 to investigate. If we could just take 10 minutes and
 25 then we'll come back and it may be fairly short.

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1 MS. CAULFIELD: So we'll be back about
 2 20 minutes to 4:00, about 10 minutes. Thanks.
 3 (Off record)
 4 (On record)
 5 MS. CAULFIELD: Take your seats and
 6 we'll get started again for a short amount of time
 7 before we conclude for the day. We're back on the
 8 phone, so thanks for hanging in there. I'll turn it
 9 over to Beth.
 10 MS. PENDLETON: Great. Thank you, Jan.
 11 Thank you all on the phone and in here for the dialogue
 12 today. I don't have any further questions for
 13 clarification around our timeframe for transition to
 14 young growth. I found the input and the discussions
 15 really valuable this afternoon from each of the
 16 objectors and interested parties, so thank you for
 17 that.
 18 I just also want to say that I really
 19 appreciate the dialogue that we had this morning around
 20 the young-growth inventory, particularly some of the
 21 questions and probing that I did and needed to hear
 22 kind of from the group around the opportunities for a
 23 more adaptive management approach around the learning
 24 from that inventory.
 25 And also looking at some opportunities

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1 for accelerating the work ahead of us relative to
 2 completion of the stand level inventory work that's
 3 currently ongoing through the challenge cost share
 4 agreement with the State.
 5 This afternoon thank you as well for
 6 the discussions around transition timeline and for
 7 providing some additional perspectives and insight.
 8 The discussion around the one-to-one young growth/old
 9 growth acreage, the comments that each of you shared or
 10 many of you shared around that or discussions around
 11 opportunities to shorten the timeline around
 12 transition, as well as considerations for some active
 13 monitoring and active monitoring approach to track
 14 adherence around transition have also been really
 15 helpful. I appreciate that.
 16 The inquiry is helping me to understand
 17 and get greater clarity around direction to the Forest
 18 Supervisor and that's really a key intention and
 19 importance of our discussions and hearing from each of
 20 you and doing a little bit more of that probing and
 21 inquiry, so thank you for that.
 22 We still have a number of topics to
 23 discuss. I think for today we can wrap. We've got an
 24 agenda for tomorrow that's been crafted. I think it
 25 would be helpful maybe to hear a little bit from Jan

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1 and just kind of have you go over that a little bit.
 2 MS. CAULFIELD: Thanks, Beth. So
 3 looking at tomorrow, Day 3, I just want to make sure
 4 that everybody realizes that we've -- so we distributed
 5 this morning here in the room a paper copy of Day 3 and
 6 it's also posted online, so if we could look at that
 7 together. Our plan is to start at 9:00 here. 9:20
 8 Beth wanted to have another opportunity for discussion
 9 on renewable energy development. So she's going to
 10 have some additional questions that she'll pitch to you
 11 about these topics that are listed here.
 12 Biomass listing is a renewable energy
 13 resource and that came up yesterday. Also discussion of
 14 potential criteria, public versus private renewable
 15 energy projects. So Beth will have some crafted
 16 questions to sort of pitch to start discussion on those
 17 things tomorrow. Then we thought we'd take a break and
 18 come back at 10:40 and the topic we have listed there
 19 is impacts of the transition plan on timber-dependent
 20 communities.
 21 So, Chris, I just wanted to confirm
 22 with you that you knew that that's on there because the
 23 Ketchikan Gateway Borough had asked for it so that you
 24 and Dan are aware. Basically how that would work is at
 25 10:40 just turn to you and Dan to open that

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1 conversation with five minutes of laying the groundwork
 2 and then it will be an open discussion with Beth and
 3 all the parties here.
 4 Does that work for you and your
 5 schedule and Dan's?
 6 MR. FRENCH: So I know the Borough
 7 Manager, Dan, is going to be presenting that. So he
 8 only has five minutes to present that? I think that's
 9 what I'm hearing.
 10 MS. CAULFIELD: Yeah, I think what we'd
 11 like to do is do a five-minute opening from Dan and
 12 then it's open conversation and additional points and
 13 Dan can make many more points during the discussion.
 14 We've got an hour and 20 minutes, so I think there's
 15 plenty of time there.
 16 MR. FRENCH: Okay. Because I know he
 17 has more than five minutes to talk about.
 18 MS. CAULFIELD: Yeah, he'll be able to
 19 work them in. Have more of a discussion format after
 20 that, understanding that he'll be a big part of that
 21 discussion, but it would open it to others as well.
 22 MR. FRENCH: All right. Thank you.
 23 MS. CAULFIELD: So that's the plan
 24 there. Take lunch at 12:00, come back at 1:15 and
 25 there are three topics listed here; harvest and high-

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1 volume old growth stands, limit on old growth
 2 clearcutting and then I'll get to the third one in a
 3 minute, but maybe just to confirm those were asked for
 4 by Defenders of Wildlife. Pat, are you still on the
 5 phone?
 6 MR. LAVIN: Yes, I am.
 7 MS. CAULFIELD: Okay. So, again, on
 8 those the thought was to have 30 minutes for each of
 9 those bullet topics which came out of the request that
 10 you submitted yesterday for additional topics and again
 11 the plan would be that you'd have five minutes to be
 12 the opening pitch on that, lay the groundwork and then
 13 we would have a total of 30 minutes of discussion on
 14 each of those.
 15 Then the same for the third bullet
 16 item, which Alaska Forest Association had asked for
 17 harvest constraints and talking more about fall-down.
 18 So an opening five minutes from Owen on that and then
 19 30 minutes total for discussion.
 20 With that design, we would just have
 21 closing remarks after that and probably adjourn early
 22 around 3:30 tomorrow. That's how this agenda flows.
 23 Are there any questions about it from either folks in
 24 the room or on the phone.
 25 (No response)

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1 MS. CAULFIELD: Okay, great. So let's
 2 look at Day 6 because I just want to make sure you've
 3 got the right agenda in front of you about Day 6. As
 4 you recall, we revised Day 6, so what I have done and I
 5 recommend you do is if you have a paper copy that shows
 6 Day 6 starting at 9:00 and starting with market demand,
 7 that's not what we're doing anymore. Put a big X
 8 through that. We distributed just a few minutes ago
 9 the new plan for Day 6, which accommodates people's
 10 travel schedule, et cetera, and this has been posted
 11 online and on the table. You should have found it
 12 there in front of you.
 13 So Day 6, which is next Wednesday in
 14 Juneau, our plan is to start at 10:00, go to as late as
 15 5:00. The morning topics are listed there and we'll go
 16 over this again as we get closer to Day 6, but the
 17 morning topics that are listed there and then the
 18 afternoon, starting at 1:30, would be the issue of
 19 market demand and the full afternoon for that.
 20 So just wanted to make sure people saw
 21 that we've got that new version of Day 6 and they don't
 22 get confused with the old version. Big X on that one.
 23 This is the one that's posted online and you have on
 24 the table in front of you.
 25 Any questions about especially

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1 tomorrow?
 2 (No response)
 3 MS. CAULFIELD: Okay. I think we're
 4 good. We'll be starting at 9:00 tomorrow morning.
 5 We'll see you then and a big thanks from me as well to
 6 all of you here in the room and everybody who's on the
 7 phone. We'll see you in the morning. Thanks.
 8 (Off record)
 9 (PROCEEDINGS TO BE CONTINUED)
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C E R T I F I C A T E
 UNITED STATES OF AMERICA)
)ss.
 STATE OF ALASKA)
 I, Salena A. Hile, Notary Public in and
 for the state of Alaska and reporter for Computer
 Matrix Court Reporters, LLC, do hereby certify:
 THAT the foregoing pages numbered 130
 through 290 contain a full, true and correct Transcript
 of the TONGASS NATIONAL FOREST PLAN AMENDMENT
 OBJECTION RESOLUTION MEETING, VOLUME II, taken
 electronically on the 13th day of October at Ketchikan,
 Alaska;
 THAT the transcript is a true and
 correct transcript requested to be transcribed and
 thereafter transcribed by under my direction and
 reduced to print to the best of our knowledge and
 ability;
 THAT I am not an employee, attorney, or
 party interested in any way in this action.
 DATED at Anchorage, Alaska, this 28th
 day of October 2016.

 Salena A. Hile
 Notary Public, State of Alaska
 My Commission Expires: 09/16/18