

TONGASS NATIONAL FOREST PLAN AMENDMENT  
OBJECTION RESOLUTION MEETING

VOLUME III

Cape Fox Hotel  
Shaa Hit Conference Room  
Ketchikan, Alaska  
October 14, 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 - 10/14/2016)  
3                    (On record)  
4                    MS. CAULFIELD: So good morning  
5 everyone. Welcome back. This is Jan Caulfield, the  
6 facilitator for the meeting here in Ketchikan, meeting,  
7 of course, on the Tongass National Forest Plan  
8 Amendment as part of the objection resolution process.  
9 Thank you for joining us again. We have a surprisingly  
10 sunny day in Ketchikan. After a day of rain yesterday,  
11 I don't think anybody expected the sun to come back so  
12 fast so that's very nice.  
13                    I wanted to just let people know about  
14 the agenda and where to find the most recent version of  
15 that and then we're going to do just a real quick round  
16 of introductions so everybody knows who's here in the  
17 room and who's on the phone, and then we'll get started  
18 with our first topic.  
19                    There is posted on line a single,  
20 complete, updated agenda for the full six days. So if  
21 you go on line to the Forest Plan Amendment objections  
22 website, objections process website, you'll find that  
23 complete updated agenda and that includes the complete  
24 agenda for today, which is Day 3, October 14th. So  
25 that's where you can find that, we have paper copies of

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1 it out on the front table here in Ketchikan.  
2                    So I thought, let's just go ahead, you  
3 know, if you could all say good morning, the objectors  
4 and the interested persons who are here at the table  
5 with us in Ketchikan this morning, and then we will  
6 check on the phone, and we'll get started.  
7                    So, Beth, did you want to say good  
8 morning real quick as part of the introductions and  
9 then we'll go to the folks at the table.  
10                    MS. PENDLETON: Good morning. It's  
11 good to see everybody back today. I'm Beth Pendleton.  
12 I'm the reviewing officer. And as I shared with folks  
13 on Day 1, my role is really to oversee the objections  
14 process and to seek and gain clarity around the issues  
15 and also evaluate potential for remedy of issues before  
16 a formal response to all of the objectors and also  
17 direction to the Forest Supervisor. So it's good to be  
18 here again today, I've really valued our discussions  
19 the last couple of days and it's helping me to get that  
20 clarity that I'm seeking. So thank you all for being  
21 here.  
22                    MS. CAULFIELD: Thank you, Beth. So,  
23 Owen, if you don't mind, let's just go around the table  
24 here and then I'll poll who's on the phone and then  
25 we'll get started.

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1                    MR. GRAHAM: All right. Owen Graham.  
2 I'm the Executive Director of the Alaska Forest  
3 Association.  
4                    MR. FRENCH: Chris French. I'm the  
5 Director of Planning and Community Development for the  
6 Ketchikan Gateway Borough.  
7                    MR. GALLEGOS: Tony Gallegos. I'm the  
8 Cultural Resource Director with Ketchikan Indian  
9 Community.  
10                    MS. HARRIS: Good morning. I'm Holly  
11 Harris. A staff attorney with Earthjustice, here on  
12 behalf of the Earthjustice, et al., objectors.  
13                    MR. EDWARDS: I'm Larry Edwards on the  
14 staff of Greenpeace based in Sitka. Also on the board  
15 of the Greater Southeast Alaska Conservation Community.  
16                    MR. KLEINHENZ: Morning. Brian  
17 Kleinhenz representing Sealaska Corporation.  
18                    MR. MAISCH: Yep, good morning, too.  
19 Chris Maisch representing the State of Alaska and  
20 Division of Forestry.  
21                    MR. WILLIAMS: Austin Williams. Trout  
22 Unlimited.  
23                    MS. CAULFIELD: So thank you, that's  
24 who we have at the table this morning here in  
25 Ketchikan. And let me check just on the phone to see

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1 who may be there participating.  
2                    Alaska Miners Association, Frank  
3 Bergstrom, are you on the phone this morning.  
4                    MR. BERGSTROM: Yes, I am. And Neil  
5 MacKinnon, and Jim Clark will be joining us from this  
6 same phone.  
7                    MS. CAULFIELD: Okay, thanks very much.  
8 Appreciate that Frank. Bob Grimm, Alaska Power and  
9 Telephone.  
10                    MR. GRIMM: Yes, I'm present. Thank  
11 you.  
12                    MS. CAULFIELD: Good morning, Bob. Is  
13 anyone here from Alaska Wilderness League.  
14 (No comment)  
15                    MS. CAULFIELD: Alcan Forest Products.  
16 (No comment)  
17                    MS. CAULFIELD: The Audubon Society.  
18 (No comment)  
19                    MS. CAULFIELD: Cascadia Wildlands.  
20 (No comment)  
21                    MS. CAULFIELD: Center for Biological  
22 Diversity.  
23 (No comment)  
24                    MS. CAULFIELD: City of Wrangell.  
25 Carol, are you with us this morning.

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1 (No comment)  
 2 MS. CAULFIELD: Defenders of Wildlife.  
 3 MR. LAVIN: This is Pat Lavin.  
 4 MS. CAULFIELD: Thanks, Pat. First  
 5 Things First Foundation, and, Frank, you already said  
 6 good morning, so, thanks. GEOS Institute.  
 7 (No comment)  
 8 MS. CAULFIELD: Eric Lee.  
 9 (No comment)  
 10 MS. CAULFIELD: Ketchikan Chamber of  
 11 Commerce.  
 12 (No comment)  
 13 MS. CAULFIELD: Natural Resources  
 14 Defense Council.  
 15 (No comment)  
 16 MS. CAULFIELD: Resource Development  
 17 Council.  
 18 (No comment)  
 19 MS. CAULFIELD: Southeast Conference.  
 20 (No comment)  
 21 MS. CAULFIELD: Southeast Alaska  
 22 Conservation Council.  
 23 (No comment)  
 24 MS. CAULFIELD: Sierra Club.  
 25 (No comment)

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1 MS. CAULFIELD: Ara Marderopsian.  
 2 (No comment)  
 3 MS. CAULFIELD: Okay. Thank you for  
 4 that. Appreciate your patience with our introductions  
 5 process, and I think we're ready to start.  
 6 So in terms of, we're going to turn to  
 7 some continuing questions that Beth wanted to discuss  
 8 with you about Issue 1, which is renewable energy  
 9 development that we talked about at more length on the  
 10 first day of the meeting, on Wednesday. And so I just  
 11 want to remind people, there's a couple of sub-  
 12 questions here, and, Beth, will start us off in a  
 13 minute, but the parties who are, you know, invited to  
 14 the conversation with Beth on this point are those  
 15 objectors and interested persons who are listed for  
 16 that renewable energy development issue on Page 8 of  
 17 the consolidated agenda. So that's who will be  
 18 speaking with you. And, I guess I'll turn it over to  
 19 you, Beth, to start that conversation.  
 20 MS. PENDLETON: Okay, great, thanks,  
 21 Jan. And good morning, again.  
 22 So after our lengthy discussion on  
 23 Wednesday there were a couple of questions that came up  
 24 that I wanted to pursue a little bit further. They  
 25 were issues that came up in the conversation, or in the

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1 MS. CAULFIELD: Sitka Conservation  
 2 Society.  
 3 (No comment)  
 4 MS. CAULFIELD: The Boat Company.  
 5 (No comment)  
 6 MS. CAULFIELD: Trust Land Office, do  
 7 you want to take a minute just to say good morning,  
 8 Paul, since you've joined us.  
 9 MR. SLENKAMP: Good morning.  
 10 (Laughter)  
 11 MS. CAULFIELD: Paul Slenkamp from the  
 12 Trust Land Office. We're just letting you exercise  
 13 your voice this morning.  
 14 Margo Waring.  
 15 (No comment)  
 16 MS. CAULFIELD: Nearly done here you  
 17 guys.  
 18 George Woodbury.  
 19 (No comment)  
 20 MS. CAULFIELD: And then interested  
 21 persons.  
 22 Denise Boggs.  
 23 (No comment)  
 24 MS. CAULFIELD: Jason Custer.  
 25 (No comment)

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1 objector statements, and so there's just a couple  
 2 things I'd like to dig into a little bit this morning.  
 3 And during those discussions there were several of the  
 4 objectors that raised the issue of including biomass as  
 5 a renewable energy source with concerns raised  
 6 regarding the land use designations that may see  
 7 biomass removal. And this is what I heard.  
 8 So I'd like to explore that a bit more,  
 9 whether I'm understanding that concern correctly, and I  
 10 need some further feedback to provide that greater  
 11 clarity.  
 12 So the first question that I have is am  
 13 I capturing the concern correctly and, if so, what land  
 14 use designations are of greatest concern for biomass  
 15 removal.  
 16 So, again, as you're thinking about  
 17 this, several objectors raised the issue of including  
 18 biomass as a renewable energy source with concerns. I  
 19 heard some concerns raised regarding the land use  
 20 designations that may currently see biomass removal.  
 21 So my first question is, am I  
 22 understanding that correctly, that there's some  
 23 concerns out there, and, if so, what land use  
 24 designations are of greatest concern for biomass  
 25 removal?

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1 MS. HARRIS: Good morning, Beth. This  
 2 is -- oh, sorry, Jan.  
 3 MS. CAULFIELD: No, I was just going to  
 4 say, Holly.  
 5 MS. HARRIS: Didn't mean to step on  
 6 you.  
 7 MS. CAULFIELD: Go ahead.  
 8 MS. HARRIS: Good morning, Beth. I  
 9 guess I would back up and suggest that, to the extent  
 10 you're thinking of comments that the Earthjustice  
 11 objectors made, that wasn't a LUD specific concern.  
 12 The Agency's record on biomass is incredibly weak. And  
 13 the justifications or purported justifications for  
 14 including biomass as a renewable energy and the  
 15 evidentiary support that you have in your record does  
 16 not support including biomass, on any LUD. When you  
 17 are making this type of programmatic decision, and we  
 18 are evaluating the criteria upon which the Agency is  
 19 purporting to include biomass, you don't have support  
 20 for including it.  
 21 Let me offer just a couple of pieces  
 22 here.  
 23 Let's talk about the carbon piece first  
 24 and foremost. Two factors affecting the carbon  
 25 equation that the EIS totally floats over.

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1 The nature of the Forest upon which we  
 2 will be taking that biomass and the fact that biomass,  
 3 the Agency admits makes logging more economical or  
 4 increases the likelihood. At one point, quote,  
 5 considerably higher rates of logging.  
 6 So let me take the biomass equation  
 7 first. The single greatest contributor would be  
 8 logging of old-growth for biomass, or facilitating the  
 9 logging. Making it more economic to go after old-  
 10 growth Forests by allowing biomass. That is a vicious  
 11 positive feedback for a transition, or a Forest Plan  
 12 that's supposed to be advancing a transition to now be  
 13 encouraging additional old-growth logging is simply  
 14 arbitrary.  
 15 The second piece here, though, is even  
 16 if we're talking about second growth, and as we talked  
 17 a little bit yesterday, the Agency is not only allowing  
 18 the industry now to have as much old-growth as it  
 19 wants, but now we're going to open up the most  
 20 ecologically sensitive areas to second growth, now  
 21 we're really putting a whole new level of trade off --  
 22 unexamined tradeoffs on the table. Again, the EIS, is  
 23 silent on that.  
 24 And let me just wrap up with sort of  
 25 the underlying question of, what are the human health,

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1 what are the environmental consequences that needed to  
 2 have been examined in this programmatic decision, you  
 3 know, the EIS in describing the air emissions from  
 4 renewable energy says, quote, they are negligible  
 5 consisting of management activities and worker trips.  
 6 If you're going to include biomass you're talking about  
 7 a completely different creature. We're talking about  
 8 carcinogens, we're talking about -- I won't go into the  
 9 whole list, but the fact is, we have unexamined health  
 10 consequences; we have unexamined environmental  
 11 consequences; and we have unexamined carbon  
 12 consequences, that this Agency must deal with at the  
 13 programmatic stage. This can't be punted. The courts  
 14 have made clear, you can't punt this to a project  
 15 specific analysis. You are making the decision now as  
 16 a programmatic determination to favor this nasty carbon  
 17 polluting source of energy, you have to examine those  
 18 effects at this stage; you can't push that off, and  
 19 this EIS doesn't do that.  
 20 MS. PENDLETON: Thank you, Holly, for  
 21 your comments and input.  
 22 Larry.  
 23 MR. EDWARDS: Larry Edwards. Yeah, I  
 24 think Holly covered it very well.  
 25 MS. PENDLETON: Thank you.

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1 MS. CAULFIELD: Let me check, anyone on  
 2 the phone with a comment on this point.  
 3 MR. GRIMM: Yeah, this is Bob Grimm.  
 4 Again, I want to get in the record, the U.S. Forest  
 5 Service Strategic Energy Framework published in January  
 6 2011 signed by the chief of the U.S. Forest Service.  
 7 At least with this document biomass is included as a  
 8 renewable. And I think, nationally, biomass has been  
 9 included as a renewable in, you know, in general  
 10 consideration.  
 11 You know, there is some issues with  
 12 burning biomass, but there's also new technology coming  
 13 available as far as bio fuels and being able to use  
 14 renewable resources to create renewable fuels to be  
 15 used in the future that are not carbon-based. And so I  
 16 would caution just excluding biomass.  
 17 The objection seems to be -- that I  
 18 heard seemed to only be focused towards the combustion  
 19 of biomass. I don't know that I agree with that or not  
 20 but certainly making renewable fuel out of biomass is  
 21 not going to have the same impacts as combusting  
 22 biomass.  
 23 I would encourage that biomass be left  
 24 and defined in the plan as a renewable fuel because it  
 25 has been defined as a renewable fuel, you know, at the

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1 national level.  
 2 Thank you.  
 3 MS. PENDLETON: Thank you, Bob. Go  
 4 ahead, Owen.  
 5 MR. GRAHAM: I wasn't trying to cut  
 6 anybody off....  
 7 MS. CAULFIELD: No, I think he was  
 8 done.  
 9 MR. GRAHAM: .....I just wanted to get  
 10 in the cue.  
 11 MS. CAULFIELD: Yeah, go ahead.  
 12 MR. GRAHAM: I think you should leave  
 13 biomass in the plan as a renewable resource. I always  
 14 thought it was renewable because the trees grow back,  
 15 you know, and you can keep doing it. But the -- you  
 16 know, right now I think a number of you have seen the  
 17 facilities on Prince of Wales, over in Craig,  
 18 particularly, that are using biomass. The City of  
 19 Craig heats three public buildings, the elementary  
 20 school, the middle school, and the aquatic center  
 21 primarily with wood chips purchased from Viking Lumber,  
 22 which is nearby in Klawock. And these are residual  
 23 chips that come out of the mill and need to be utilized  
 24 and so rather than chip them south, they're selling  
 25 them to the city and just trucking them over there.

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1 The wood chips, you know, if we lose the mill we're not  
 2 going to have those chips available. And building on  
 3 that success, the city also is working on a project to  
 4 dry sawdust waste and mix with the chips, that'd make  
 5 it -- the city will receive a higher value wood chip  
 6 that will burn more efficiently in the city's wood  
 7 boiler. And the same drying equipment also allows the  
 8 manufacture of biobricks that are sold, you know, for  
 9 space heating. And the city uses a gassification  
 10 combustion system to keep the school buildings and the  
 11 aquatic center and it burns so cleanly that the  
 12 facility doesn't require any special air permits from  
 13 the State, so there's hardly any health consequences as  
 14 a result of this and, you know, it seems like it's all  
 15 good to me.  
 16 The facilities reduce their operating  
 17 costs by displacing tens of thousands of gallons of  
 18 diesel fuel that would have had to have been burned, so  
 19 it makes both economic sense and it's pretty much -- in  
 20 terms of -- I don't know the exact numbers on carbon,  
 21 but it sounds to me like it's pretty much carbon  
 22 neutral at best because you're burning wood chips  
 23 instead of heating oil.  
 24 The other schools on Prince of Wales  
 25 are doing the same thing.

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1 Naukati has a biomass facility under  
 2 construction. And a wood fire boiler has been  
 3 purchased by the school in Hollis. There's another one  
 4 going in in Hydaburg. And all of these facilities just  
 5 help make the sawmilling operations in the area more  
 6 efficient because they can utilize these residuals that  
 7 we don't have a -- we no longer have a pulp mill or a  
 8 large biomass converter like the pulp mill had that  
 9 generated heat and electricity so this just helps the  
 10 program get along better.  
 11 I think it needs to stay in the plan.  
 12 MS. CAULFIELD: Chris.  
 13 MR. MAISCH: Thank you. And, good  
 14 morning, again. I'd like to add a few comments in  
 15 addition to the ones that others have just made. But I  
 16 think you know the importance of biomass to the  
 17 transition. There's over 22 Southeast Alaska entities  
 18 that have applied for feasibility studies since 2012.  
 19 As Owen outlined, many of those have actually moved on  
 20 to construction and operation and interest remains high  
 21 in biomass due to its low cost and clean burning  
 22 technology when compared to fossil fuels. All the  
 23 facilities that have been built are clean burning,  
 24 they're certified by EPA and DEC commissioned compliant  
 25 facilities.

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1 And I also wanted to mention the  
 2 European Union, and their program of using biomass to  
 3 meet their renewable energy directive targets under  
 4 their Red Article 17 process and it's widely accepted  
 5 wood pellets are used all over the UK and various  
 6 european countries. A lot of science and research has  
 7 gone into that, as long as the fuels are managed  
 8 sustainably they meet the criteria for climate biomass  
 9 carbon reducing fuel and methodology.  
 10 Biomass does not promote logging but it  
 11 does make the logging that does occur more efficient.  
 12 It allows us to use essentially what would be a waste  
 13 stream otherwise and we're essentially able to use that  
 14 to help these communities to have a stable, locally  
 15 produced fuel source; one that creates jobs in the  
 16 communities, and I've seen that many times myself out  
 17 in rural Alaska in some of the small communities, much  
 18 like the ones on Prince of Wales and the other islands.  
 19 Communities of several hundred people that all of a  
 20 sudden have some economies of scale based around their  
 21 energy needs, actually creating jobs in those  
 22 communities. And private sector jobs in these small  
 23 communities, even if it's just two or three, make a  
 24 very large impact on the overall health of that  
 25 community. It's helping schools maintain the ability

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1 to stay open, because of the costs and the savings and  
 2 that's a really important thing in Southeast because as  
 3 you know there's been many school closures over the  
 4 last decade in Southeast communities, based on  
 5 population, not so much energy, but the whole picture  
 6 is also about budgets for those school systems, and any  
 7 way we can help those schools improve their fiscal  
 8 situation we should be doing that.

9 So to more specifically answer your  
 10 question about the LUDs, I would say any development  
 11 LUD that can make use of biomass is certainly  
 12 appropriate. There's special projects, administrative  
 13 ones or others in non-development LUDs that you can  
 14 also leverage biomass, essentially use that waste  
 15 stream, it shouldn't be the driver for the project but  
 16 if someone can use it, let's use it, put it to good  
 17 use.

18 Those are the comments I have.  
 19 Thank you.

20 MS. PENDLETON: Thank you, Chris. Is  
 21 there anybody else that would like to make a comment.  
 22 We'll go to Brian, and then Holly we'll come to you.

23 MR. KLEINHENZ: Sealaska is listed as  
 24 an interested party on this particular topic, and our  
 25 interest is largely around the stability and priority

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1 of rural communities and the ability for them to have  
 2 access to really what's a meaningful spaceheating  
 3 resource, but has also been leveraged for other energy  
 4 production. So from firewood in a stove, to pellets,  
 5 to chips, it's been a valuable heating resource.

6 Sealaska often uses the metric of  
 7 diesel replacement. When we evaluate -- we have a wood  
 8 pellet system heat our headquarters office in Juneau,  
 9 one that we positioned right in the middle of downtown  
 10 Juneau knowing that air quality would be closely  
 11 examined, never had a problem, never been a smell,  
 12 never been an emission issue. And when we talk about  
 13 it, we talk about the diesel we displace, both dollars  
 14 saved and also carbon balanced to the positive. I  
 15 think Holly's point is a good one, that the Forest  
 16 Service should go ahead and consider some of those  
 17 carbon balance issues. I think they're very difficult  
 18 calculations to make. Both, burn of diesel and the  
 19 transportation of diesel are pretty easy things to  
 20 figure out, what the footprint of those things would be  
 21 compared to what biomass burning would be.

22 I would also suggest that overall these  
 23 renewable energy issues in the amendment could stand to  
 24 be parsed out. We heard a lot of issues yesterday  
 25 about volumetric and inventory issues. I think that

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1 the Forest Service is a heck of a lot closer on  
 2 renewable energy issues, a couple of tweaks that seemed  
 3 pretty straightforward on renewable energy LUDs, some  
 4 additional background on biomass, and I really think  
 5 that the Forest Service could get there. I think it  
 6 would be to the benefit of all Southeast Alaska  
 7 communities to have some clarity on how to develop  
 8 renewables.

9 MS. PENDLETON: Thank you, Brian. Go  
 10 to you, Holly. Thank you.

11 MS. HARRIS: Just briefly, I wanted to  
 12 hit, I think, three points.

13 One, to the suggestion that biomass  
 14 with regard to old-growth is carbon neutral, the  
 15 Agency's record is overwhelmingly clear on this point,  
 16 it is not carbon neutral; it is, in fact, one of the  
 17 single worst things we can be doing in terms of carbon  
 18 sequestration as well as climate change and climate  
 19 change mitigation. The Agency's record in this regard  
 20 is quite clear.

21 Second, to the suggestion that it does  
 22 not -- that biomass does not promote logging, again,  
 23 the Agency's record here is quite clear. The FEIS  
 24 admits on no less than three occasions that allowing  
 25 biomass does encourage logging, and, will, in fact,

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1 promote it. And I return to the point of, to the  
 2 extent we're allowing it with regard to old-growth,  
 3 you're now adopting a plan that requires this Agency to  
 4 promote and encourage biomass which, in fact, would  
 5 then promote the logging of old-growth, the antithesis  
 6 of what we're supposed to be accomplishing with this  
 7 plan. Those are not my points, that's what the Agency  
 8 has put forward in its EIS.

9 And then finally to the suggestion that  
 10 we might be able to have biomass on only certain LUDS.  
 11 Well, the entire framework of this plan and the  
 12 Agency's analysis, to date, has not been predicated on  
 13 such an approach, and so I remind you that we can't  
 14 really switch horses here at the Eleventh Hour. We  
 15 have a Chapter 5 under the Priority of Direction, it is  
 16 the governing chapter, in event of conflict, unless  
 17 we're going to rework that Priority of Direction and  
 18 come up with a very different plan, we're going to run  
 19 into some analytical problems and, again, a lack of  
 20 evidentiary analysis -- evidentiary support, pardon me,  
 21 and, Agency analysis -- advance those obligations.

22 And I want to make clear, my comments  
 23 this morning are focused solely on biomass, not -- I  
 24 agree with Brian, I thought -- you know, overwhelming  
 25 support with regard to smart community based renewable

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1 energy sources of other types. Biomass is different,  
 2 and you're going to have to have a different Agency  
 3 record to support your conclusions regarding biomass.  
 4 MS. PENDLETON: We'll go to Paul and  
 5 then, Larry, did you have your hand up as well.  
 6 MR. EDWARDS: (Nods affirmatively)  
 7 MS. CAULFIELD: Yes, Paul had his hand  
 8 up right when Holly did.  
 9 MS. PENDLETON: Okay.  
 10 MS. CAULFIELD: So, Paul, then Larry.  
 11 MS. PENDLETON: Okay.  
 12 MS. CAULFIELD: And then I'll go to the  
 13 phone.  
 14 MR. SLENKAMP: Yeah, good morning.  
 15 Biomass is going to be extremely important in a future  
 16 integrated industry. A substantial cost of producing  
 17 finished products is through the drying process, the  
 18 kiln process, or whatever you're -- or plywood or  
 19 whatever you're manufacturing. A future manufacturing  
 20 facility will require heat as a part of the conversion  
 21 process. Inco-generation is old science and has been  
 22 used for decades in manufacturing facilities.  
 23 We've looked a facility which could  
 24 potentially process municipal waste, which is currently  
 25 transported outside of the region to the Columbia

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1 River, this would require biomass as a supplemental  
 2 fuel.  
 3 It's also critical that biomass be made  
 4 available for the future industry and that is one of  
 5 the things that this Plan Amendment requires is to  
 6 explore where this future industry will lie.  
 7 MS. PENDLETON: Thank you, Paul.  
 8 Larry.  
 9 MR. EDWARDS: Yeah, I think that the  
 10 FEIS doesn't get into biomass to the extent that is  
 11 necessary to support any kind of decision to support a  
 12 biomass program. And addressing the USDA framework  
 13 report that was mentioned, that document has not been  
 14 through a NEPA process, so the NEPA process for this  
 15 plan is how that needs to be handled for this region.  
 16 And, then, you know, points were raised  
 17 about the differences among communities, you know, ones  
 18 that are quite isolated and rural, so I think that if  
 19 you're looking at carbon balance, when you do a more  
 20 extensive investigation in an environmental impact  
 21 statement, there's going to be a difference among those  
 22 communities so that needs to be taken into account.  
 23 And then, you know, concerning points  
 24 that were raised about no apparent health effects; the  
 25 difficulty with biomass and especially, you know, the

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1 cleaner you make it, you know, the kinds that are  
 2 burning very hot and like the gassification process  
 3 that was mentioned, then you're getting down into  
 4 particulates that are called PM2.5, which is smaller  
 5 than 2.5 microns, and those particles are small enough  
 6 that they can be absorbed directly into the bloodstream  
 7 through the lung lining, and nasal passages, so they  
 8 have completely different health effects than like  
 9 burning wood in a wood stove, for example, which is  
 10 also -- you know has different kind of health effects.  
 11 But I wouldn't just write that off, it  
 12 needs to be covered more thoroughly in the EIS, and  
 13 that's the problem, the EIS is just not adequate for  
 14 this at all.  
 15 MS. PENDLETON: Okay, thank you.  
 16 MS. CAULFIELD: So I see Chris French  
 17 and then I'm going to poll and see if anyone on the  
 18 phone is wanting to come in on the conversation.  
 19 MR. FRENCH: So in terms of having  
 20 biomass as a renewable energy, I would point out that  
 21 the United States National Renewable Energy Lab, as  
 22 part of the U.S. Department of Energy lists biomass as  
 23 an important renewable energy source and it also  
 24 highlights in its mapping of potential areas for  
 25 biomass that Southern Southeast Alaska is listed as a

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1 very high, with estimates of 1,000 dry tons per year of  
 2 biomass, it's highest listing in its mapping for both  
 3 Forest residues and primary mill residues for those.  
 4 And then in terms of community impacts,  
 5 I would just agree with what Owen and others have said  
 6 regarding the use of biomass as heating source for  
 7 municipal buildings. For example the Ketchikan Airport  
 8 has just recently switched over to a biomass heating  
 9 system for the airport. It's a clean heating system  
 10 that's gone, as I think Chris has mentioned, like other  
 11 facilities, government facilities, it has gone through  
 12 EPA review, as well as FAA and other Federal as well as  
 13 State agencies for that, and I'd just point out that  
 14 it's also a source of replacement for fossil fuels both  
 15 at the household level as well as the government  
 16 building level in communities in Southeast Alaska.  
 17 Thank you.  
 18 MS. PENDLETON: Thank you, Chris.  
 19 MS. CAULFIELD: So let me check, is  
 20 there anyone on the phone who is an objector or  
 21 interested person for the renewable energy development  
 22 issue who would like to offer a comment.  
 23 MR. LINDEKUGEL: Please, Jan. This is  
 24 Buck Lindekugel with Seak.  
 25 MS. CAULFIELD: Yeah, go ahead, Buck.

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1 MR. LINDEKUGEL: I just wanted to chip  
 2 in and say we're in agreement with Earthjustice and  
 3 Larry on this.  
 4 MS. CAULFIELD: Thanks, Buck. Anyone  
 5 else on the phone who would like to offer a comment.  
 6 (No comment)  
 7 MS. CAULFIELD: So I see Brian and  
 8 Larry here in the room.  
 9 MS. PENDLETON: Okay, we'll go Brian  
 10 and then we'll go Larry.  
 11 Brian.  
 12 MR. KLEINHENZ: Okay, thanks, Beth. So  
 13 just from Sealaska's perspective to address the LUD  
 14 question, I would agree with the State, that any land  
 15 use designation that allows a timber harvest should  
 16 also be allowed -- have allowable use for biomass.  
 17 I'll just -- at the risk of stating the obvious, just  
 18 point out that biomass, whether it's pellets or cord  
 19 wood or anything else is simply another Forest product  
 20 and we're starting to get into a little bit of a nuance  
 21 of market, you know, today's saw log could be  
 22 tomorrow's pellet log. So when you consider biomass I  
 23 would encourage the Agency to be careful not to  
 24 predesignate products because these things move and  
 25 markets need to be able to flux in order to capture the

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1 best opportunity, essentially fiber is fiber.  
 2 MS. PENDLETON: Thank you, Brian.  
 3 Larry.  
 4 MR. EDWARDS: Larry Edwards. Yeah, I  
 5 just wanted to respond to the comments that Chris  
 6 French made. And the airport and also the Forest  
 7 Service building down the hill here and the Discovery  
 8 Center are excellent examples of places where there  
 9 were good alternatives that I believe should have been  
 10 used instead, of which, you have two, which would be  
 11 either air source sea pumps, or since those facilities  
 12 are right on tide water, sea water source heat pumps.  
 13 And, for example, Juneau Hydro Power now is looking at  
 14 doing a district heating system for downtown Juneau  
 15 that would perhaps be based on sea water source heat  
 16 pumps. So that technology exists and it's quite  
 17 efficient and in the long run is going to be less  
 18 expensive than biomass as well.  
 19 MS. PENDLETON: Thank you, Larry. Any  
 20 other final comments on this topic. This has been  
 21 really helpful discussion and to hear these different  
 22 perspectives.  
 23 (No comment)  
 24 MS. PENDLETON: Okay. So I would like  
 25 to move on to another topic focus that came up in our

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1 discussion the other day and I need a little bit more  
 2 clarification. Again, this is still with the renewable  
 3 energy topic. As part of the submissions for  
 4 additional objection issues to discuss a suggestion  
 5 regarding public versus private renewable energy  
 6 development was submitted. So I'd like to explore a  
 7 little bit whether this suggestion is an additional  
 8 proposed criteria for the Forest Service to consider in  
 9 its decisionmaking on renewable energy projects.  
 10 So my question is what is the  
 11 significance of distinguishing between public or  
 12 private renewable energy projects and should that  
 13 distinction be an additional factor considered in the  
 14 project priorities stated in the Forest Plan direction.  
 15 So let me go ahead and just repeat  
 16 that.  
 17 This was an issue that came up the  
 18 other day and also came up in some objector comments.  
 19 So my interest is exploring a little  
 20 bit more the suggestion in an additional proposed  
 21 criteria for the Forest Service to consider in its  
 22 decisionmaking on renewable energy projects and is  
 23 there a significance in distinguishing between public  
 24 or private renewable energy projects and should that  
 25 distinction be an additional factor considered in the

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1 project priorities stated in the Forest Plan direction.  
 2 Larry.  
 3 MR. EDWARDS: Yes, Beth, could you  
 4 please give an example of what kind of projects you are  
 5 thinking of here. I'm really having trouble wrapping  
 6 my head around the question.  
 7 MS. PENDLETON: So that's a great  
 8 question and there may be someone who can help explain  
 9 that a little bit more, but the comment referred to  
 10 consideration of a criteria for entities, public entity  
 11 versus a private entity sourced renewable energy. And  
 12 is it important to make that -- distinguish that in  
 13 criteria.  
 14 MR. EDWARDS: How would a private  
 15 energy project relate to the Forest Plan, I guess  
 16 that's where I'm stumbling a little bit on this  
 17 question.  
 18 MS. PENDLETON: Okay. So good  
 19 question. And I don't know, Bob, this may be -- Bob  
 20 Grimm, I don't know if you have any thoughts on this.  
 21 It was something that I heard the other day. Is there  
 22 an important distinguishing thought there with regard  
 23 to public versus....  
 24 MR. GRIMM: This is Bob Grimm.  
 25 MS. PENDLETON: Yep.

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1 MR. GRIMM: I don't think there should  
 2 be an additional criteria that prioritizes private  
 3 investment over public investment whatsoever. You  
 4 know, this would be a general type of a criteria and  
 5 what we really want is have, you know, the renewable  
 6 resources of the National Forest managed, and  
 7 potentially developed to capture the benefits into  
 8 renewable energy.  
 9 If we start -- you know, it could be  
 10 that some resources are better developed by public  
 11 entities and it could be that other resources are  
 12 better developed by private entities. But an overall  
 13 preference for one or the other, over all renewables, I  
 14 think, is inappropriate.  
 15 MS. PENDLETON: Thank you for that  
 16 comment.  
 17 Does anybody else have a thought.  
 18 (No comment)  
 19 MS. PENDLETON: So, Jim Clark, if  
 20 you're still on, I think it was specifically in your  
 21 objection letter.  
 22 (No comment)  
 23 MS. PENDLETON: He may not be on yet.  
 24 MS. CAULFIELD: Yeah, he may not be  
 25 plugged in yet, yeah.

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1 MS. PENDLETON: Chris.  
 2 MR. MAISCH: Yeah, I can maybe add a  
 3 little bit to that.  
 4 I would agree that I don't think  
 5 there's any difference between a public or private  
 6 project with regard to how that might interplay with  
 7 the plan. But I think it is very important for either  
 8 type of project like that to have a secure fuel supply  
 9 as part of their overall financing package for a  
 10 project like that, and so there could be some interplay  
 11 there. I'm not as familiar with that section of the  
 12 plan. But, certainly, I know when we're involved with  
 13 biomass projects that's one of the first questions  
 14 we're asked about is the fuel supply, and,  
 15 particularly, sustainability of that supply over the  
 16 long-term. So if there's an interplay there, I think  
 17 that would be a good thing to perhaps address.  
 18 MS. PENDLETON: Okay, thank you. Did  
 19 anybody else have any comments on this.  
 20 Larry.  
 21 MR. EDWARDS: Yes. From what Chris  
 22 said it sounds to me like.....  
 23 MR. BERGSTROM: Yes, thanks for the  
 24 opportunity to comment.....  
 25 MS. CAULFIELD: Larry, is it okay to go

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1 to Frank since he started?  
 2 MR. EDWARDS: (Nods affirmatively)  
 3 MS. CAULFIELD: So, Frank, yeah, you go  
 4 ahead, and then -- so Frank we'll turn it to you and  
 5 then we'll come back to Larry here in the room in  
 6 Ketchikan.  
 7 MR. BERGSTROM: Okay. And apologize  
 8 for blurting out if someone else was already started.  
 9 You know one thing is, yeah, I'm kind  
 10 of with the other commenters here, it's really hard to  
 11 understand why there would be a difference between  
 12 public financing of such a project or private  
 13 financing. Certainly any entity that gets into the  
 14 distribution of energy is going to be regulated through  
 15 the Regulatory Commission of Alaska, all being done in  
 16 the better -- the greater public interest and we just  
 17 really can't focus on why there would be made between  
 18 the two. It's all in the public's interest.  
 19 MS. PENDLETON: Thank you, Frank.  
 20 Larry.  
 21 MR. EDWARDS: Yeah, Larry. So my  
 22 understanding of what Chris said basically is that the  
 23 question defaults to what we were discussing earlier  
 24 about how the program relates to the Tongass Land Plan,  
 25 just as a supply, or not a supply, whichever.

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1 MS. PENDLETON: Thank you, Larry.  
 2 Okay, that was the last question that I had on the  
 3 renewables so I think we can move on, unless I just  
 4 want to check with the phone and make sure there isn't  
 5 any other comment.  
 6 MR. BERGSTROM: Jan, this is Frank  
 7 again here. Could you just check the mics there and  
 8 make sure they're working, sometimes we're not getting  
 9 any signal, or a very, very distant signal.  
 10 MS. CAULFIELD: Yeah, I think, Larry,  
 11 maybe just move that mic right close to you because I'm  
 12 thinking you're not coming through as loudly and that  
 13 might be the case. So thanks Frank for that,  
 14 appreciate the feedback on what you're able to hear.  
 15 So we're just going to do a little  
 16 agenda check here.  
 17 (Pause)  
 18 MS. CAULFIELD: Appreciate you're  
 19 giving us a few minutes. As you know when we built the  
 20 agenda we never knew how long it was going to take to  
 21 talk about things and we didn't want to be too tight on  
 22 time, so we seem to have maybe erred the other way and  
 23 sort of provided sometimes too much time. So what  
 24 we're planning to do is take a break now until 10:00  
 25 o'clock and our next topic, which, on the agenda is

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1 scheduled to start at 10:40 is impacts of the  
 2 transition plan on timber dependent communities, and  
 3 our opening speaker on that is Dan Bockhorst, who's the  
 4 Ketchikan Gateway Borough Manager, so we're checking to  
 5 see if he would be available to start that topic as  
 6 early as 10:00 o'clock, and we'll have a report on that  
 7 when we get back. If we do start it early at 10:00, we  
 8 would make sure to continue that discussion, you know,  
 9 past 10:40 so if there are people who are joining in  
 10 specifically for that topic, we would still be on the  
 11 topic and they would be able to join us at that point.  
 12 So that's what we're considering, just to make good use  
 13 of all of your time, basically. We are here and can  
 14 talk any time today but we want to make good use of  
 15 your time and maybe not have an hour long break right  
 16 now.  
 17 So, Larry, any comments about adjusting  
 18 like that.  
 19 MR. EDWARDS: Yeah, appreciate the  
 20 approach but it just seems to me for people who were  
 21 instructed that we're going to follow the schedule  
 22 originally, that I would hate for anyone to be excluded  
 23 from the whole discussion.  
 24 MS. CAULFIELD: I agree.  
 25 MR. EDWARDS: Although I would like to

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1 move things along, I just think it's better to stick  
 2 with what people were informed earlier, the last two  
 3 days.  
 4 (Pause)  
 5 MS. CAULFIELD: Right, okay, it's one  
 6 of those judgment things, Larry, I think you've  
 7 persuaded us to stick with that plan. So, okay.....  
 8 MS. HARRIS: Way to go Larry.  
 9 (Laughter)  
 10 MS. CAULFIELD: Way to go Larry.  
 11 (Laughter)  
 12 MS. PENDLETON: Good job.  
 13 MR. EDWARDS: That's a first.  
 14 (Laughter)  
 15 MS. CAULFIELD: What that means is,  
 16 those of us in Ketchikan get a little sun break right  
 17 now, perhaps, or at least you can check your other  
 18 emails, so we're going to stick with that plan. Stick  
 19 with our agenda, that says at 10:40 we will come back,  
 20 so let Dan know that we're back at 10:40 for impacts to  
 21 the transition plan on timber dependent communities, so  
 22 we will take a break until then.  
 23 I do want to let you know that as far  
 24 as the afternoon goes, we have had a change. Lunch  
 25 will be at noon, we will come back at 1:15 for this

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1 list of other topics, however, the third bullet there  
 2 on harvest constraints related to MERF and the fall  
 3 down, Alaska Forest Association, which had asked that  
 4 that be on the agenda has said that they no longer need  
 5 that to be on the agenda, so we're deleting that third  
 6 point this afternoon. So that may mean, likely will  
 7 mean, is that we will end a little earlier today, like  
 8 as much as a half hour earlier than is shown in the  
 9 agenda.  
 10 So thanks for that, we will be back at  
 11 10:40. For those of you on the phone, we will talk to  
 12 you then, and those of you here in the room we'll see  
 13 you then.  
 14 Thanks.  
 15 (Off record)  
 16 (On record)  
 17 MS. CAULFIELD: Welcome back everyone.  
 18 This is Jan Caulfield here in Ketchikan. It's 10:40,  
 19 and we're at the point on our agenda called other  
 20 topics, and our first topic is impacts of the  
 21 transition plan on timber dependent communities, and  
 22 for this topic Dan Bockhorst, who's the manager of the  
 23 Ketchikan Gateway Borough is here, sort of to kick off  
 24 the topic with some remarks and then it will be open  
 25 for other objectors and interested persons to have a

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1 conversation with Beth about those points.  
 2 So, Beth, anything to say before we  
 3 start.  
 4 MS. PENDLETON: No, but other than  
 5 welcome, Dan, I'm glad that you could be up here to  
 6 present and to get us started with our discussion, so  
 7 it'd be helpful. And it would be helpful to me, too,  
 8 to hear from those objectors who commented, you know,  
 9 in your formal objections on this topic just maybe to  
 10 hear just a short perspective statement from those that  
 11 would like to do that. And then I do have several  
 12 questions, and may have more as we get into the  
 13 discussion that I'd like folks to provide some response  
 14 to.  
 15 So, Dan, thank you for being here.  
 16 MR. BOCKHURST: Thank you, Beth, Jan,  
 17 Earl. For the record my name is Dan Bockhurst, I'm the  
 18 manager of the Ketchikan Gateway Borough, and I'm going  
 19 to speak about impacts on timber dependent communities  
 20 with regard to the transition of young-growth that's  
 21 proposed in the Tongass Forest Plan Amendment.  
 22 I thought it would be helpful to start  
 23 by trying to put into context our communities and the  
 24 17 million acre Tongass National Forest, just to bring  
 25 a sense of the scale that we're speaking about.

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1 In our nation, roughly, one in every  
 2 four acres of lands is owned by the Federal government,  
 3 a lot of land. In Alaska the figure is more than  
 4 double the national average. In Southeast Alaska the  
 5 percentage of land owned by the Federal government is  
 6 even significantly larger than Alaska as a whole, or  
 7 the national average. Three-quarters of the land in  
 8 Southeast Alaska is comprised of the Tongass National  
 9 Forest. So clearly what happens in the Tongass  
 10 National Forest is of great importance to the 75,000  
 11 residents of Southeast Alaska. However, as imposing as  
 12 those figures are, they pale in comparison to the  
 13 circumstances here in the Ketchikan Gateway Borough.  
 14 Ketchikan Gateway Borough is the largest  
 15 geographically, in geographic terms, the largest  
 16 organized borough in Southeast Alaska. In the  
 17 Ketchikan Gateway Borough, within their boundaries, the  
 18 Federal government owns 96.7 percent of all of the land  
 19 in the Borough, that's three and a half times the  
 20 national average. Nearly all of that land is Tongass  
 21 National Forest property.  
 22 Thus, clearly, the 14,000 residents of  
 23 the Ketchikan Gateway Borough have an enormous stake in  
 24 the Tongass National Forest policies.  
 25 I want to speak to the economic impacts

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1 from the shift in timber policies that occurred in the  
 2 1990s that are still evident today. Ketchikan and  
 3 surrounding areas were devastated by a shift in the  
 4 timber Forest policies in the 1990s.  
 5 The Tongass Land Management Plan issued  
 6 in 1997 and amended in 2008 sharply reduced allowable  
 7 timber harvest levels in the 17 million acre Tongass  
 8 National Forest. In terms of Ketchikan, Ketchikan lost  
 9 an estimated 1,550 timber related jobs, 23 percent of  
 10 the employment in the Ketchikan Gateway Borough  
 11 vanished. The devastating effects of the shift in  
 12 Federal timber policy still echo in our community  
 13 today. You can see it in our schools, for example.  
 14 More than one in five of the desks in our schools is  
 15 empty today compared to the level in the 1990s, in  
 16 1997, in particular, when the mill closed. More than  
 17 40 percent of the students attending our schools today  
 18 are on free and reduced lunch programs, reflecting  
 19 financial distress in the families of those students.  
 20 Other current economic indicators clearly show  
 21 continued suffering. The number of employed workers in  
 22 the Ketchikan Gateway Borough today is 28 percent  
 23 greater than the national average. The communities on  
 24 nearby Prince of Wales Islands have suffered similar  
 25 impacts.

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1 I want to speak to Secretary Vilsack's  
 2 2013 directive to preserve jobs and economic  
 3 opportunities.  
 4 Three years ago, on July 2nd, 2013,  
 5 U.S. Department of Agriculture Secretary Tom Vilsack  
 6 directed the Forest Service to transition management of  
 7 the Tongass National Forest to be more economically,  
 8 socially, and ecologically sustainable. In doing so,  
 9 however, Secretary Vilsack recognized that the Federal  
 10 government cannot cause further economic harm to the  
 11 timber industry in Southeast Alaska. Therefore, he  
 12 stipulated clearly that the Forest Service, and, I  
 13 quote, must do this in a way that preserves a viable  
 14 timber industry that provides jobs and opportunities  
 15 for residents of Southeast Alaska. Three months after  
 16 Secretary Vilsack's announcement, the office of the  
 17 Tongass Forest Supervisor here in Ketchikan, the office  
 18 now occupied by Mr. Stewart, announced that it would  
 19 begin a public process to amend the Forest Plan.  
 20 Again, I want to quote from that statement, they would  
 21 do it in a way that supports the continued viability of  
 22 the Forest industry in Southeast Alaska, per the  
 23 direction of Secretary of Agriculture Tom Vilsack.  
 24 Yesterday, in case you saw the  
 25 newspaper, we were visited by Governor Walker. I want

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1 to speak a little bit about the fiscal crises that the  
 2 State of Alaska is currently in the middle of.  
 3 So when the Tongass Forest Supervisor's  
 4 office announced its intention to amend the Forest  
 5 Plan, North Slope crude oil, which has funded the State  
 6 of Alaska government for nearly 40 years was selling at  
 7 more than \$100 a barrel. A year later the price of oil  
 8 began to collapse, which ultimately brought about an 80  
 9 percent reduction in the income of the State of Alaska.  
 10 Yesterday, Governor Walker spoke about Alaska's fiscal  
 11 affairs. He indicated that the state is experiencing,  
 12 and, I quote, the greatest fiscal crises in the state's  
 13 history. It's very clear that our state government is  
 14 reeling in its efforts to cope financially. The  
 15 State's current operating budget is 4 billion dollars  
 16 in the red for 700-some thousand people. Governor  
 17 Walker indicated that the State has drawn 13 billion  
 18 dollars from its savings to fund deficits in the  
 19 operation of the State government. Yesterday, Governor  
 20 Walker stated that deficits roll downhill. As manager  
 21 of the Ketchikan Gateway Borough I'm experiencing that  
 22 very clearly. The State has slashed capital spending  
 23 in Southeast Alaska by 90 percent. The State has cut  
 24 approximately 500 jobs, mostly in Juneau and Ketchikan.  
 25 The State has placed a moratorium on cost sharing of

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1 major construction and renovation of municipal school  
 2 facilities at a time when the Ketchikan Gateway Borough  
 3 School District is identifying 13 million dollars in  
 4 needed capital improvements to deal with student  
 5 safety, to deal with infrastructure like roof  
 6 replacement and to deal with energy efficiency  
 7 projects. We have existing debt that we've incurred  
 8 with the expectation and promise that the State of  
 9 Alaska would reimburse portions of that, however, the  
 10 Governor vetoed 25 percent of the funding and left the  
 11 Ketchikan Gateway Borough \$675,000 short this year in  
 12 that regard. The Governor also cut transportation  
 13 funding, which will cost the Borough School District  
 14 \$134,000 this year. Moreover the Borough faces  
 15 \$125,000 reduction in State funding for basic need for  
 16 our schools next year. What is remarkable is despite  
 17 these very significant local impacts resulting from the  
 18 State's fiscal crises, we ain't seen nothing yet. The  
 19 Legislature has yet to come to terms with dealing with  
 20 its financial crises. The point being that the need  
 21 for the Forest Service to preserve jobs and economic  
 22 opportunities in Southeast Alaska is far more critical  
 23 today than was the case at the time of Secretary  
 24 Vilsack's directive three years ago.  
 25 I want to speak to the Proposed Tongass

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1 Forest Plan Amendment and how it will impact us.  
 2 There is no question that the plan to  
 3 transition to young-growth timber is 30 to 50 years  
 4 premature. It's doomed to fail. The Forest Service  
 5 itself recognized this in its own economic analysis  
 6 that was prepared in May of 2010.  
 7 I want to quote from Page 23 of that  
 8 economic analysis.  
 9 It states that young-growth management  
 10 is not currently economically viable without  
 11 substantial public investments to pay for thinning.  
 12 This is because the vast majority of young-growth  
 13 currently available on the developed land base is too  
 14 young and small to generate profits in excess of the  
 15 logging and transportation costs used in this analysis.  
 16 The Forest Service's 2016 -- June 2016  
 17 draft Record of Decision fails to acknowledge the  
 18 analysis that I referred to, the May 2010 economic  
 19 analysis of Southeast Alaska. It also fails to  
 20 identify the source of the substantial public  
 21 investment, which the Forest Service, itself, said, was  
 22 needed to make the transition plan first.  
 23 In April of this year the Ketchikan  
 24 Gateway Borough, Mayor, an Assembly Member and I raised  
 25 these concerns regarding the Tongass Forest Plan

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1 Amendments in a trip to Washington, D.C. We met with  
 2 the office of the Deputy UnderSecretary for Natural  
 3 Resources and the Environment at USDA and also met with  
 4 the office of the Deputy Director of the Forest  
 5 Service. We were told in both cases that Mr. Stewart  
 6 would be the one that would make the decision regarding  
 7 the Tongass Forest Plan Amendment, including how  
 8 Secretary Vilsack's commitment would be fulfilled.  
 9 Again, the Tongass Forest Service Supervisor's office  
 10 characterized Secretary Vilsack's July 2, 2013  
 11 statement as direction that the Forest Service must  
 12 transition management of the Forest in a way that  
 13 preserves viable timber industry and provides jobs and  
 14 opportunities for residents of Southeast Alaska. The  
 15 June 2016 proposed Record of Decision clearly fails to  
 16 fulfill that objective and directive. A decision to go  
 17 forward with the current proposal is irreconcilable  
 18 with Secretary Vilsack's mandate. It is imperative  
 19 that the Tongass Forest Supervisor carefully and  
 20 objectively weigh the heavy consequences that the  
 21 proposed alternative will have on the lives of  
 22 residents of the Ketchikan Gateway Borough, Prince of  
 23 Wales Island and adjoining regions. Of particular  
 24 concern is the fate of Viking Lumber on Prince of Wales  
 25 Island, the last remaining midsize sawmill in the

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1 region.  
 2 A better, more suitable alternative  
 3 must be found. One that fulfills Secretary Vilsack's  
 4 mandate.  
 5 That concludes my prepared remarks.  
 6 MS. PENDLETON: Thank you, Dan. So at  
 7 this point I would invite objectors who have made  
 8 specific comment relative to this topic, and, again,  
 9 it's the impacts of the transition on timber dependent  
 10 communities. If there's a statement or something you'd  
 11 like to add to either Dan's comments or a different  
 12 perspective, I think it would be helpful to hear that  
 13 and then I do have a few questions for discussion.  
 14 MR. GRAHAM: Thank you. Yeah, I agree  
 15 completely with what Dan has said here. This morning,  
 16 Beth, I gave you a copy of the performers that we put  
 17 together trying to find a way to utilize small logs in  
 18 a sawmill up here, you know, small volumes of small  
 19 logs, and everything that we've looked at says that it  
 20 can't possibly work; it's not even close, you know.  
 21 And if you cut off the supply, if you  
 22 even announce it you're going to cut off the supply.  
 23 The customers that Viking has right now are going to  
 24 start looking for a replacement, you know, they're just  
 25 not going to have 15 years or 10 years, he's going to

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1 be abandoned by his customers much sooner. And the  
 2 numbers, I already mentioned the numbers that the plan  
 3 says are going to be available, this 46 million, we  
 4 don't believe that's going to be there because  
 5 nothing's been done to address the constraints that are  
 6 in the 2008 plan that have prevented you from  
 7 implemented that plan. And so I see this thing as  
 8 being the death of the timber industry coming very  
 9 quickly and that's why we want to do this more complete  
 10 inventory so that we can sit down with you and analyze  
 11 this and determine whether or not it's actually going  
 12 to work because it looks like to us that there's no  
 13 question that it can't possibly work. It's just going  
 14 to wipe out the last of the industry for no good  
 15 reason.

16 Thank you.

17 MS. RUSHMORE: This is Carol from  
 18 Wrangell.

19 MS. CAULFIELD: So, great, Carol, thank  
 20 you very much, I was just about to check with the phone  
 21 so, please, go ahead.

22 MS. RUSHMORE: Okay. I don't have  
 23 anything prepared because I didn't realize this was an  
 24 issue until last -- one of the topics until last night.  
 25 But I would like to reinforce and support what Dan

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1 Bockhurst had said, and what Owen just said.  
 2 Wrangell, too, had 97.28 percent  
 3 Federal land ownership with its Borough. When we lost  
 4 our mill back in '94, 20 percent of the jobs were lost  
 5 overnight, those were the direct jobs, not the support  
 6 services, and 30 percent of the earnings. We have  
 7 experienced all of the same things that the Ketchikan  
 8 Gateway Borough has as well. And since then we've had  
 9 at least three, if not, maybe, four or five, but three  
 10 very viable business interests to look at doing  
 11 something with that mill property over the last year  
 12 and recently there have been two. And when they do  
 13 their business planning, when they go to financial  
 14 institutions, when they talk to support services as far  
 15 as are they going to be here in the next 10 to 15  
 16 years, when they look at the supply, it's not there.  
 17 They cannot capitalize their business interests, they  
 18 cannot guarantee that they invest their own money into  
 19 a smaller scale operation at our Wrangell Mill site  
 20 that they will be able to find the logs necessary to  
 21 operate old-growth or young-growth and they can't get  
 22 the financial support and possibly not the regional  
 23 support for the infrastructure that they need to help  
 24 provide those logs. Wrangell is no longer a timber  
 25 dependent community. We have not recovered from that

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1 loss back since 1994 but we have developed another  
 2 industry instead, so we are recovering slowly. But we  
 3 still have some timber businesses in this town.

4 My question is, the existing plan is  
 5 supposedly supposed to provide old-growth for these  
 6 existing businesses on a smaller scale. But from what  
 7 you keep hearing is, all old-growth should stop, is the  
 8 Forest Service moving in that direction or are we going  
 9 to be able to keep the seven to 15 jobs that we have  
 10 right now with our existing specialized product  
 11 businesses that require the old-growth.

12 And so I ask that question, is, how can  
 13 the plan guarantee me, when you haven't been able to  
 14 get the logs out, when we've been fighting over the  
 15 Wrangell Island sale for the last six years, how are  
 16 existing businesses going to be able to survive.

17 Thank you.

18 MS. PENDLETON: Thank you, Carol.  
 19 Brian.

20 MR. KLEINHENZ: Yeah, thanks. I'm  
 21 happy to speak to this topic and Sealaska is very  
 22 interested in this topic.

23 Sealaska represents and is owned by  
 24 about 22,000 tribal member shareholders. About half of  
 25 those people live in Southeast Alaska, mostly in rural

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1 communities. The other half of that 22,000 are tied to  
 2 Southeast Alaska in a very fundamental and emotional  
 3 way, in most cases tied to it directly through family,  
 4 would like to come back here if they could. Sealaska  
 5 uses the resources that we have received under ANCSA to  
 6 try to create economic development for the benefit of  
 7 those 22,000 tribal member shareholders.

8 We have a saying inside the company  
 9 that; what's good for Sealaska's shareholders is good  
 10 for rural communities, and what's good for rural  
 11 communities is good for Sealaska shareholders and we  
 12 believe that. That creating those economic activities  
 13 for any resident in Southeast Alaska is going to  
 14 benefit our shareholder base.

15 What we have to work with under ANCSA  
 16 is significantly smaller than the assets that the  
 17 Federal government has to leverage. We own about two  
 18 percent of the land that the Federal government has to  
 19 work with. It's really very paltry and small compared  
 20 to the size of the Tongass National Forest. Even  
 21 though we have this relatively small land base, we've  
 22 been able to create a framework of a sustainable timber  
 23 program that runs at about 45 million board feet per  
 24 year. That's what we intend to harvest this year, in  
 25 2015 [sic]. The Forest Service was able to offer zero

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1 new volume for sale this year. Now, we do that on a  
 2 really small land base with a Staff of about 15 folks,  
 3 of professionals that actually go to the woods and are  
 4 involved directly in putting those timber sales  
 5 together. Compare that with 14 [sic] million acres of  
 6 Tongass National Forest and a Staff including the  
 7 Regional Office and the Tongass Forest itself of  
 8 probably about 400, it's a pretty dramatic difference.  
 9 With that small Staff and with that small level of  
 10 economic activity we've been able to create hundreds of  
 11 jobs, millions of dollars of scholarships for tribal  
 12 member shareholders, we've been able to fund Sealaska  
 13 Heritage Institute, which promotes Native language and  
 14 arts, and we've been able to stand up a community  
 15 development fund that invests in small communities and  
 16 entrepreneurs that otherwise wouldn't have the capital  
 17 necessary to stand up their new business ideas, right  
 18 here in Southeast Alaska. All that with only two  
 19 percent of the land base.  
 20 We count on the Forest Service to  
 21 maintain a harvest at least equal to ours in order to  
 22 maintain critical service industries. Float plane  
 23 companies move back and forth in the winter from Prince  
 24 of Wales Island to Ketchikan, companies that move  
 25 equipment and services, diesel shops, tug and barge

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1 companies, they can't just survive on the economic  
 2 activity and the volume that Sealaska moves on its own.  
 3 Without some significant Forest Service input those  
 4 services will go away. We won't have any tug and barge  
 5 companies anymore. The Forest Service, and we have  
 6 sincere questions and dire concerns about the ability  
 7 to actually add meaningful volume under the plan  
 8 amendment. If the Forest Service goes down to a vastly  
 9 reduced harvest level, or zero, Sealaska will have to  
 10 reevaluate its own sustainable harvest framework which  
 11 could mean that we have to harvest faster than we're  
 12 growing and perpetuate a boom and bust cycle in  
 13 Southeast Alaska that nobody's interested in seeing  
 14 again. We want to see steady opportunities that are  
 15 predictable so people will want to raise families here  
 16 in Southeast Alaska, fill the schools, pay the taxes,  
 17 go to the grocery stores.  
 18 The plan amendment, as it's written,  
 19 leaves an absolute gaping hole in economics. That's a  
 20 hole that we have to fill if we're going to assure  
 21 stability for Southeast Alaska.  
 22 MS. PENDLETON: Thank you, Brian. Are  
 23 there others that wish to make a comment.  
 24 (No comment)  
 25 MS. PENDLETON: We'll just check on the

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1 phone as well.  
 2 MR. BERGSTROM: Could we make some  
 3 comments.  
 4 MS. PENDLETON: Yes, Frank, go ahead.  
 5 MR. BERGSTROM: Okay. Well, we'll be  
 6 giving some more comments on Day 6, specifically about  
 7 mining. But as a case in point per the point that was  
 8 just given, in Juneau, as an example, between  
 9 Kessington and Greens Creek, we're looking at  
 10 approaching 1,000 of the highest paying jobs, be they  
 11 direct employment, contractor employment, or other  
 12 direct type employment like that here in the town and  
 13 city of Juneau. The AMA would love to see that kind of  
 14 employment work out through the rest of the region by  
 15 creating opportunities for mine development, and to  
 16 have mine development we have to have access to the  
 17 land base and a reasonable opportunity to permit good  
 18 deposits.  
 19 So I think that is one area where the  
 20 Tongass has some real growth potential and this plan  
 21 really should try to support that if, indeed, is  
 22 looking for positive economic outcomes.  
 23 Thank you.  
 24 MS. PENDLETON: Thank you, Frank.  
 25 Holly.

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1 MS. HARRIS: Thank you, Beth. I'll be  
 2 very brief.  
 3 I would like to remind you that  
 4 Southeast's tourism, recreation, fishing industries  
 5 long ago supplanted timber dependent economies. It's  
 6 important that we see the Agency begin to support these  
 7 industries. That's the management void we face today.  
 8 We're desperately waiting for your leadership to be  
 9 supporting the industries that are actually supporting  
 10 Southeast Alaska. Our communities today are based on  
 11 tourism relating jobs, 28 percent of our regional  
 12 economy upwards, in excess of a billion dollars,  
 13 another billion dollars coming from the salmon  
 14 industry. Seafood industry, generally the largest  
 15 private sector in terms of work force and labor  
 16 accounting for 20 percent of work force, average  
 17 monthly employment. In 2013 in terms of work force  
 18 earnings the art sector was nearly twice the size of  
 19 the timber industry.  
 20 The fact is Southeast Alaska has moved  
 21 on. We are more diverse than we ever have been. We  
 22 are stronger when we are more diverse. We need to  
 23 support those industries that are supporting our  
 24 communities today, not what supported them 20 or 30  
 25 years ago. The financial reality of the Tongass

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1 clearcutting old-growth program is the world has moved  
 2 on. It is not sustainable. We need to account for  
 3 that reality. It is difficult, I'm not going to pretend  
 4 it isn't but Southeast Alaska has already made that  
 5 switch.  
 6 The fact is, and I want to be clear  
 7 here, it's not an end of all old-growth. As you both  
 8 know, our colleagues and our partners have consistently  
 9 supported the small timber operators and will continue  
 10 to do so going forward. Fully supportive of an ongoing  
 11 old-growth market. But it is smaller, it is domestic.  
 12 It is supporting Alaskans. It is not clearcutting  
 13 thousands of acres and shipping those logs out of the  
 14 region and over to Asia. It is about supporting jobs  
 15 in the region, making it smaller, domestic,  
 16 economically and environmentally sustainable.  
 17 MS. PENDLETON: Thank you, Holly. Just  
 18 going to -- Chris it looks like you've got some  
 19 perspective to share.  
 20 MS. MAISCH: I'd like to just reinforce  
 21 some of the early speakers comments about the impact to  
 22 communities. Certainly the State of Alaska would, you  
 23 know, say many of the same things so I will not repeat  
 24 those.  
 25 I would like to stress that we can't

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1 really predict the future. We don't know what kind of  
 2 innovation and markets might become available for the  
 3 wood products from Southeast Alaska. And Southeast  
 4 Alaska provides wood to the world as well as to our  
 5 local communities. And, you know, innovation produces  
 6 things like this iPhone. 10 years ago this didn't  
 7 exist. So I think to think about what might be  
 8 possible from this Forest, what kind of products might  
 9 be derived from it and how it might play some important  
 10 roles, both in our domestic and our international  
 11 marketplace should not be under estimated. The tall  
 12 buildings I mentioned earlier in my testimony two days  
 13 ago, is a great example of some innovative use of wood.  
 14 It has climate benefits, it stores carbon when it's  
 15 used that way.  
 16 So I think we can do better. We can  
 17 look to the future and build an industry here that  
 18 really will support Southeast Alaska.  
 19 Thank you.  
 20 MS. PENDLETON: Thank you, Chris.  
 21 MS. CAULFIELD: Let me check back on  
 22 the phone. Is there anyone else who is an objector or  
 23 interested person on this topic related to timber  
 24 dependent communities and the effect of the transition  
 25 plan. Anyone else who has a comment at this time.

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1 MR. LINDEKUGEL: Yes, Jan. Buck  
 2 Lindekugel.  
 3 MS. CAULFIELD: Thanks, Buck, go ahead.  
 4 MR. LINDEKUGEL: First off I wanted to  
 5 state our agreement with the position Holly pointed out  
 6 and then to respond to some of the comments we've  
 7 heard.  
 8 You know, we understand the loss of  
 9 jobs, it's difficult and the consequences on those,  
 10 adversely affected, or challenging. That process goes  
 11 on all the time. And we need to find ways of  
 12 addressing that and keeping our communities healthy and  
 13 strong, and we think diversifying the economy here in  
 14 Southeast is critical for that.  
 15 You know, from our position the timber  
 16 industry drove the decline of the Tongass Timber  
 17 Program. They hygraded the most economical stands  
 18 first and, you know, they went after the biggest trees  
 19 that are easiest to get and their unsustainable logging  
 20 practices have resulted in the impossibility of the  
 21 Forest Service offering economic sales today, in  
 22 today's world. We can't compete in the world market.  
 23 In August the Forest Service offered a 30 million board  
 24 foot timber sale on north Kuiu. They used 1.3 million  
 25 dollars of taxpayer money to build nearly all the

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1 required roads and approved the sale for 100 percent  
 2 export, even after all that the Forest Service received  
 3 no bids for this sale. An earlier speaker mentioned  
 4 the Wrangell Timber Sale Project and it has been going  
 5 on a long time and we participated in good faith  
 6 throughout the process trying to develop an alternative  
 7 that addressed the needs of the small mills in Wrangell  
 8 and the need for locals to be able to hunt deer on  
 9 their own island. What we saw in the draft EIS here  
 10 was a range of alternatives that for 65 million board  
 11 feet of timber with 100 percent of old-growth logging  
 12 and every action alternative reflected an overwhelming  
 13 economic loss, they indicated advertised bid rate, and  
 14 the trade off was that focused logging was going to  
 15 decimate the remaining valuable deer habitat on the  
 16 island, and that's not good for the community of  
 17 Wrangell.  
 18 So we understand the challenging times  
 19 we're facing here and things are not going to get  
 20 easier and we need to continue to work together, but  
 21 going backwards to try to replicate what was done in  
 22 the '50s and '60s in this century is a mistake.  
 23 Thank you.  
 24 MS. PENDLETON: Thank you, Buck. Okay,  
 25 I think we've got at least one more comment.

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1 Owen.  
 2 MR. GRAHAM: Yeah, thank you. I'd like  
 3 to comment on a couple topics that were brought up.  
 4 First of all there is no conflict  
 5 between logging operations and the mill operations and  
 6 tourism or fishing or any of those things. A lot of  
 7 the tourism on Prince of Wales is -- in fact most of  
 8 the tourism on Prince of Wales has to do with the road  
 9 system and the communities over there. And as far as  
 10 the fish, you know, two of the most heavily logged  
 11 watersheds on the Tongass, you know, are Harris River  
 12 and Staney Creek, fish populations have more than  
 13 doubled since logging commenced back in the '50s. And  
 14 the same thing with wildlife, there's lots of deer,  
 15 there's all kinds of wildlife out there. All this  
 16 concern, you know, about wildlife being harmed and deer  
 17 hunting being harmed, it's just that, it's just a fake  
 18 concern. The deer are doing fine in the logged areas,  
 19 anybody that drives around out in those young-growth  
 20 areas see more deer there than they do anywhere else.  
 21 There is no conflict with these others. It's a false  
 22 choice that's being offered by some people, saying,  
 23 well, we're going to do tourism instead of logging, we  
 24 can have both. And that would help with the diversity  
 25 that Buck is talking about there. I agree, tourism is

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1 a good thing, but logging and milling and manufacturing  
 2 products is also a good thing, so let's have both and  
 3 let's quit pretending that there's some conflict  
 4 between those various industries.  
 5 MR. CLARK: This is Jim Clark, I'd like  
 6 to tailgate off of Owen's remark and point out a couple  
 7 of things.  
 8 In 1980 Congress agreed to an annual  
 9 harvest of 450 million board feet, but we're talking  
 10 about 10 percent of that now and so all of that  
 11 reduction has had to do with making sure these other  
 12 resources are protected.  
 13 The other point that I'd make  
 14 tailgating off of Buck's remarks, if old-growth sales  
 15 aren't economic, how in the world are young-growth  
 16 sales going to be economic.  
 17 Thank you.  
 18 MS. PENDLETON: Okay, thank you, Jim.  
 19 Anybody else. I do have a couple questions. We'll go  
 20 Larry and then we will go to you Austin.  
 21 MR. EDWARDS: Yeah, I think what we're  
 22 dealing with now is the bust that came after the big  
 23 boom that peaked around 1979 or '80 or so. Regarding  
 24 what was said about Sealaska lands in comparison to the  
 25 National Forest. There is a huge gulf there between

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1 Forest practices that are used and there's also a huge  
 2 gulf between the character of the Tongass National  
 3 Forest and the lands that Sealaska owns in terms of the  
 4 Tongass is about two-thirds, either non-Forest or non-  
 5 productive Forest.  
 6 In regard to a lot of the rest of the  
 7 discussion that went on, in November of 2015 the State  
 8 gave testimony before the House Committee concerning  
 9 the 2 million carve-out that the State would like to  
 10 have from the Tongass National Forest. And I have here  
 11 a 10-page critique of the State's testimony addressing  
 12 each of the 10 major points that they raised in that  
 13 regard, which deals with the boom and bust as well as  
 14 other aspects of why we can't sustain any longer the  
 15 kind of industry that is either in the EIS, in the  
 16 proposed plan or the one that Owen Graham proposed on  
 17 Monday where he said that we need to log 300 to 350  
 18 million board feet a year to have a viable industry.  
 19 But this document challenges all of that. It's too  
 20 detailed to go into now but I'd like to submit a copy  
 21 of that for the record. It's not in the record  
 22 already because this was a Legislative matter that  
 23 wasn't really squarely in the purview other than the  
 24 discussion today of what was in the plan.  
 25 MS. PENDLETON: Okay, thank you, Larry.

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1 And just ask you to visit with Robin Dale after we  
 2 break, thank you.  
 3 MR. EDWARDS: Thank you.  
 4 MS. PENDLETON: Austin.  
 5 MR. WILLIAMS: Thanks, Beth. There's  
 6 no doubt that management of the Tongass National Forest  
 7 has a huge impact on local communities. I'll keep my  
 8 comments very brief and mostly reflect back on our  
 9 written comments and the thousands of comments that are  
 10 supporters within Alaska submitted as part of the  
 11 record at the scoping and draft EIS stage.  
 12 But, you know, Southeast Alaska  
 13 fisheries are increasingly important to local  
 14 communities and rely almost entirely on healthy  
 15 functioning watersheds on the Tongass National Forest.  
 16 And I think there's pretty clear desire from many  
 17 Southeast Alaska residents from many communities for  
 18 Tongass fisheries to really become a focal point of  
 19 management of the Forest. And, you know, so I'll just  
 20 point to the comments that have already been submitted  
 21 in our written form to kind of reinforce that.  
 22 But, you know, certainly the Forest  
 23 Service can, you know, do a lot to support our  
 24 fisheries. I think a lot of improvements have been  
 25 made in recent years and I certainly look at inclusion

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1 of the Tongass-77 in the draft ROD and proposed plan  
 2 amendment as a significant positive step and encourage  
 3 the Forest Service to continue to look for ways like  
 4 that to support our local communities in Southeast.  
 5 Thank you.  
 6 MS. PENDLETON: Thank you, Austin. Is  
 7 there anybody else before we go to some questions and  
 8 further discussion.  
 9 (No comment)  
 10 MS. PENDLETON: Anybody else on the  
 11 phone that wanted to make a comment with regard to the  
 12 impacts of transition on timber dependent communities.  
 13 (No comment)  
 14 MS. PENDLETON: Okay, not hearing any.  
 15 I do have a few questions, and they are fairly narrowly  
 16 focused. I just want to say that fully recognize and  
 17 appreciate the comments that have been shared and a  
 18 recognition that the Tongass National Forest plays a  
 19 critical role in the 30-plus communities within  
 20 Southeast Alaska and the economic health of those  
 21 communities. And our programs and the kinds of work  
 22 that the Forest Service is engaged in helps to support  
 23 many, many different industries, some of which have  
 24 been mentioned by folks here in the room. My  
 25 questions, however, are really very specific to the

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1 plan, to the EIS, and to the draft Record of Decision  
 2 related to the impacts of transition on timber  
 3 dependent communities, and the topic that -- and, Dan,  
 4 thank you for kicking us off today with your remarks  
 5 and to help us focus on that.  
 6 So I've got a couple of questions that  
 7 I would appreciate hearing from folks to help bring, if  
 8 needed, some further clarity, certainly for me and in  
 9 direction to the Forest Supervisor and in response to  
 10 objectors, so the two questions that I have.....  
 11 The first one is, what specific  
 12 economic or social effects on communities have you  
 13 identified, that from your perspective the Forest  
 14 Service has not identified or considered.  
 15 So, again, the question is, what  
 16 specific economic or social effects on communities have  
 17 you identified, that from your perspective the Forest  
 18 Service has not identified or considered.  
 19 (Pause)  
 20 MS. PENDLETON: Do you want to....  
 21 MS. CAULFIELD: Well, I was just going  
 22 to say I saw Holly first and then Owen.  
 23 MS. PENDLETON: Go ahead, Holly, and  
 24 then we'll go to you, Owen, thank you.  
 25 MS. HARRIS: I would just offer that

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1 what we see lacking is the Agency's continued  
 2 investment in spending so much of both the tens of  
 3 millions of dollars in publicly subsidized programs to  
 4 support a dying old-growth program. The social license  
 5 for clearcutting old-growth is over. Communities do  
 6 not support this. The public does not support this.  
 7 So what you're doing is you're sucking up all of those  
 8 resources and all of that money that we could be  
 9 putting back into Southeast Alaska communities and  
 10 having Staff devote their time to supporting the  
 11 industries that are actually keeping our communities  
 12 going today.  
 13 So you've failed to analyze that  
 14 tradeoff in continuing to funnel what is now 20, 27  
 15 million dollars per year, 21 by some counts, millions  
 16 of dollars in taxpayer subsidies to support an old-  
 17 growth program that virtually everyone in this room has  
 18 admitted is not economically sustainable and certainly  
 19 isn't environmentally sustainable. The EIS needed to  
 20 analyze, what happens if we transition to sustainable  
 21 industries and what is the Agency's role in supporting  
 22 that transition. How would you change your staffing,  
 23 how would you change your program funding, where would  
 24 those dollars now be going and actually supporting  
 25 programs that are helping Southeast Alaska communities

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1 today. That's what our communities need and that's  
 2 what the EIS and the record needed to have  
 3 investigated.  
 4 MS. PENDLETON: Thank you, Holly.  
 5 Owen.  
 6 MR. GRAHAM: Yeah, thank you. First of  
 7 all the timber industry is not subsidized, you know,  
 8 most of the money that the Forest Service spends on its  
 9 program are doing environmental analysis, not preparing  
 10 timber sales or administering timber sales. A lot of  
 11 the timber sales are economic and we pay a lot of  
 12 stumpage that doesn't get considered, we also pay taxes  
 13 and other things. But in terms of the things that  
 14 Forest Service hasn't considered, I think it did a good  
 15 job of looking at all the issues but I am still really  
 16 concerned that the economic analysis and EIS was so  
 17 vague and the conclusions they came up with were so  
 18 absurd that nobody that knows much about finance has  
 19 any faith in them. And to say that young-growth is  
 20 going to be creating a loss, and the more of it we do  
 21 the better the economics will be is basically what came  
 22 out of the EIS analysis. That just doesn't make any  
 23 sense.  
 24 And right now at this point I'm just  
 25 virtually certain that this young-growth program can't

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1 work. I haven't found anybody that can show me how it  
 2 will be financially feasible to do this and that's why  
 3 I keep giving you those information that I come up with  
 4 in trying to find out how the Forest Service, or  
 5 whoever did this financial analysis, the wood stock  
 6 analysis and all that, how they could possibly come up  
 7 with those absurd conclusions that this is -- that, you  
 8 know, transitioning to young-growth is not only going  
 9 to work but it's going to improve the net present value  
 10 for the Forest Service, it doesn't make any sense. You  
 11 know the sales that they mentioned earlier that didn't  
 12 receive any bids, it's because they're in a remote area  
 13 and we'd actually sent a letter to the Forest Service  
 14 ahead of time saying, we don't think this sale's going  
 15 to work the way you've got it configured and we  
 16 suggested changes they could make but, you know,  
 17 hopefully in the future the Forest Service can take  
 18 another look at those sales and repackage them because  
 19 we desperately need the volume.  
 20 There is a way to manage the Forest  
 21 economically and whether or not the Forest Service  
 22 spends, you know, the bulk of their money that they  
 23 have to operate on, whether if they want to continue to  
 24 spend that in environmental analysis, that's their  
 25 business, you know, presumably it's a good decision but

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1 it's not a subsidy of the industry, the industry  
 2 doesn't benefit from paying millions of dollars for  
 3 EIS, we just want to buy timber sales from you guys and  
 4 make products and sell them and pay our stumpage and be  
 5 part of the community.  
 6 So that's all I got, thank you.  
 7 MS. PENDLETON: Thank you, Owen. Dan.  
 8 MR. BOCKHURST: Thank you. I indicated  
 9 this in my previous comments but I will reiterate that  
 10 the draft Record of Decision does not reflect the May  
 11 2010 economic analysis that was done by the U.S. Forest  
 12 Service, Alaska Region, with the title Envisioning a  
 13 Sustainable Economy with Thriving Communities, which  
 14 would fulfill the directive of Secretary Vilsack. It  
 15 does not acknowledge or address the economic analysis  
 16 there, does not recognize what is recognized in that  
 17 economic analysis that the transition to young-growth  
 18 harvest is not feasible at this point in time.  
 19 Thank you.  
 20 MS. PENDLETON: Thank you, Dan. I  
 21 think we had Chris and then Holly.  
 22 MS. CAULFIELD: Chris and then Holly.  
 23 MS. PENDLETON: Yeah, thanks, Chris.  
 24 MS. CAULFIELD: And then we'll go to  
 25 the phone.

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1 MR. MAISCH: Thank you. I just wanted  
 2 to just briefly about the economic analysis piece of  
 3 what's currently in the ROD or the FEIS. And I would  
 4 encourage you to really look holistically at the whole  
 5 suite of different sectors that represent the economy  
 6 in Southeast. And I think everyone's fairly familiar  
 7 with those, you know, it ranges from recreation,  
 8 tourism, fisheries, forestry, mining, you know, there's  
 9 a whole suite of activities. And I think if we try and  
 10 singly focus again on just one of those areas we run  
 11 the risk of seeing something catastrophic happen again.  
 12 I'll use fisheries as an example.  
 13 Up on the Yukon River the king part of  
 14 that fishery's collapsed. It's not because of habitat,  
 15 it's at ocean conditions. While habitat is vitally  
 16 important there are other factors at play that can  
 17 affect fisheries very dramatically that we frankly  
 18 don't understand well. And so while I'm not  
 19 discounting the impact of both commercial and  
 20 sportfisheries and the importance of habitat for that  
 21 resource, we should be mindful that there are other  
 22 things at play that could affect us and we would have  
 23 very little ability at this point to change those kind  
 24 of trajectories.  
 25 So I guess I'm arguing for flexibility,

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1 do the economic analysis that will really take a look  
 2 at how we maintain flexibility, resilience, you know,  
 3 we've got to look to the future here and we're going to  
 4 have to be pretty smart about how we support and  
 5 sustain our communities.  
 6 Thank you.  
 7 MS. PENDLETON: Thanks, Chris.  
 8 Holly.  
 9 MS. HARRIS: I wanted to touch briefly  
 10 on the issue of stumpage values and this is an area,  
 11 Beth, in which the Agency's analysis is noticeably  
 12 absent.  
 13 Unless like the analysis done in 1997  
 14 and again in 2008, the Agency this time has not done a  
 15 stumpage analysis and is not either in the FEIS or in  
 16 the planning record. That stumpage analysis is  
 17 important for a number of reasons because it  
 18 demonstrates the hot spots in the Tongass. We continue  
 19 to go back to the well again and again and again in  
 20 targeted areas and in certain parts of the Tongass have  
 21 borne the brunt of that Tongass pro -- pardon me, that  
 22 old-growth program over the years. It's noticeable  
 23 that the Agency refused to do that stumpage analysis  
 24 this time around. I encourage the Agency to run that  
 25 analysis using contemporary information because it

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1 demonstrates quite clearly the conflict and the  
 2 collision course that you're setting us on. This isn't  
 3 an old-growth program that is diffuse across a wide  
 4 spectrum of the Tongass, we are asking a handful of  
 5 communities in a very small geographic footprint of the  
 6 Tongass to carry the entire brunt of this program and  
 7 the Agency's failure to analyze those environmental  
 8 tradeoffs, those economic tradeoffs, those social  
 9 tradeoffs, quite frankly is unacceptable. The public  
 10 needs to see that analysis, just as you've done in the  
 11 past, as you did in '97, as you did in 2008, and the  
 12 failure to do so now is arbitrary.

13 MS. CAULFIELD: Thanks, Holly. And let  
 14 me check in, this is Jan. Let me check in with the  
 15 phone if there's who want to answer this question that  
 16 Beth has raised.

17 MR. CLARK: This is Jim Clark, is there  
 18 somebody else first.

19 MS. CAULFIELD: No, Jim go ahead, and  
 20 then we'll check again with the phone after you're  
 21 done. Go ahead, Jim.

22 MR. CLARK: Okay. I think the -- a  
 23 couple of things. As Dan said, the 2010 Southeast  
 24 Economic Report that the Forest Service put together is  
 25 not mentioned in the ROD and really is a good spring

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1 board because that was put together to respond to the  
 2 May 2010 memorandum from the Secretary asking for an  
 3 immediate transition to second growth.

4 Secondly, the ROD does not deal with  
 5 the issue of what happens if the transition to second  
 6 growth doesn't work, and I think it'd be really  
 7 important to do that because as was pointed out by  
 8 speakers yesterday, the Secretary's memorandum has been  
 9 out there for a number of years, most recently the 2013  
 10 memorandum, and, yet, the ROD, at Page 10, says, that  
 11 young-growth is an economic. Does that mean it's not --  
 12 economic or marketable, does that -- is it not  
 13 economic, marketable because insufficient funds have  
 14 been devoted to it or is it for another reason. None  
 15 of that has been analyzed or presented to the public  
 16 and we really ought to know whether or not what the  
 17 impacts on the communities will be if you transition to  
 18 second growth and it doesn't work.

19 Thank you.

20 MS. CAULFIELD: Thank you, Jim. This  
 21 is Jan again, anyone else on the phone who had a  
 22 comment in response to Beth's question at this time.

23 MS. RUSHMORE: Carol with Wrangell.

24 MS. CAULFIELD: Yes, Carol, go ahead.

25 MS. RUSHMORE: Okay. To me the

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1 economic analysis is more the timber sale analysis  
 2 versus the actual analysis of impacts to communities.  
 3 So I don't think there's a clear description of the  
 4 jobs and the earnings, the benefits to the communities  
 5 on what this industry can or cannot do, how the sales  
 6 would actually support other industries, access, how  
 7 can you establish a dollar value for the access, for  
 8 recreation, for the subsistence users, so I think it's  
 9 very lacking in the actual analysis for the communities  
 10 and for the residents of Southeast Alaska. And I think  
 11 that's one reason why the TAC was supporting this huge  
 12 monitoring program to try to get at some of those  
 13 economic analysis that the Forest Service currently  
 14 does not do and is not addressed in the ROD.

15 Thank you.

16 MS. CAULFIELD: Thanks, Carol. Anyone  
 17 else on the phone.

18 MS. PENDLETON: Thank you.

19 MR. LINDEKUGEL: Please, Jan. This is  
 20 Buck.

21 MS. CAULFIELD: Okay, Buck.

22 MR. LINDEKUGEL: Just briefly. The  
 23 Forest Service is continuing wasteful money losing  
 24 timber sale planning that sacrifices essential old-  
 25 growth deer habitat to support an export driven timber

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1 program while important visitor infrastructure, cabins,  
 2 trails, campsites crumble because of budget cuts and  
 3 reduced staffing. And what we've seen since 2010 is  
 4 the Forest Service continue its budget and Staff  
 5 allocations to disproportionately support timber at the  
 6 expense of these driving or thriving sectors of the  
 7 local economy.

8 Thank you.

9 MS. CAULFIELD: Thanks, Buck.

10 MS. PENDLETON: So I'm going to just  
 11 repeat the question and just make sure that there  
 12 aren't any other comments on that before I go to my  
 13 next question.

14 So, again, I'm really looking for some  
 15 feedback relative to the impacts of transition on  
 16 timber dependent communities, and, specifically,  
 17 economic or social effects on communities that you may  
 18 have identified and that from your perspective the  
 19 Forest Service has not identified or considered in the  
 20 plan and EIS.

21 MS. CAULFIELD: So just any final  
 22 comments from anyone here in the room or on the phone  
 23 on about that specific question, we just want to make  
 24 sure, and then Beth will move to her next question.

25 So, Brian, thanks.

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1 MR. KLEINHENZ: Sure, thanks. I'll try  
 2 to be very narrow and very specific.  
 3 In the amendment itself, the Forest  
 4 Service admits that transition to young-growth will  
 5 take substantial outside money to implement. Nowhere  
 6 does it consider, contemplate or suggest where that  
 7 money will come from, where that outside investment  
 8 will come from. Whether that is the communities  
 9 themselves that are expected to make that investment or  
 10 the public at large, I think it's a very large  
 11 question. The best -- or the worst case scenario -- or  
 12 the best -- I'm sorry -- the best case scenario would  
 13 be for the communities of Southeast Alaska to put their  
 14 hand out to the rest of the public. Worst case  
 15 scenario would be for nothing to happen and rural  
 16 communities and urban communities in Southeast Alaska  
 17 simply missing an opportunity.  
 18 MS. PENDLETON: Thank you, Brian.  
 19 Last request for input on this one.  
 20 (No comment)  
 21 MS. PENDLETON: Anybody else on the  
 22 phone.  
 23 (No comment)  
 24 MS. PENDLETON: Okay. Then I'm going  
 25 to move to my next question. And I'm going to refer

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1 to, and thank you Carol Rushmore, because you did kind  
 2 of provide some introduction with regard to the work  
 3 that the Tongass Advisory Committee did and their  
 4 specific recommendations that they brought forward for  
 5 monitoring and it's quite extensive.  
 6 In their recommendations, and, in  
 7 particularly, some specific metrics and a dashboard,  
 8 again, this is around the impacts of transition to  
 9 timber dependent communities and the impacts of overall  
 10 transition in Southeast Alaska and there was a number  
 11 of very specific metrics that were identified.  
 12 So my question relates to the proposal  
 13 from the Tongass Advisory Committee and it would be  
 14 helpful for me to hear from those that wish to provide  
 15 input around the monitoring and economic and social  
 16 effects that have been proposed by the Tongass Advisory  
 17 Committee and recommended to the Forest Service. Are  
 18 those sufficient for the Agency to undertake throughout  
 19 transition or are there other metrics that the Forest  
 20 Service should consider in the development of the  
 21 monitoring plan.  
 22 (Pause)  
 23 MS. PENDLETON: So any thoughts on  
 24 that.  
 25 Chris.

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1 MR. MAISCH: I'll weigh in. I guess as  
 2 a TAC member, obviously we are very supportive of the  
 3 social, economic aspects of monitoring that was  
 4 recommended.  
 5 There is, as you referenced, a pretty  
 6 extensive and detailed recommendation from the TAC on  
 7 different things that should be monitored and a  
 8 recognition that there needed to be some additional  
 9 work to help fully develop the framework and the  
 10 techniques to collect that information; that it should  
 11 be done annually and that it should be very transparent  
 12 so there would be the ability to report on those  
 13 metrics through a dashboard, on a website so  
 14 communities, residents, anyone that had interest in  
 15 this topic could gauge who we're doing with this whole  
 16 effort. And we also recommended that it should be, as  
 17 much as possible, potentially a third-party so that  
 18 it's not you, just an Agency, potentially monitoring  
 19 itself, third-party monitoring would give a much more  
 20 rigorous and I would contend a more honest look at how  
 21 the transition is unfolding.  
 22 So we would continue to support that  
 23 direction.  
 24 Thank you.  
 25 MS. PENDLETON: Thanks, Chris. Maybe

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1 just a followup question because those metrics are very  
 2 specific to timber related metrics and the impact of  
 3 transition relative to what the TAC brought forward,  
 4 and as we've been discussing and heard, that there are  
 5 other industries.  
 6 Was there much discussion and  
 7 opportunity to look at other industries and associated  
 8 metrics.  
 9 MR. MAISCH: Yeah, to answer your  
 10 question, we recognized there were other things that  
 11 should be added in and that that would have to be a  
 12 follow on, and, in part, that was because the  
 13 relatively narrow scope we had in the TACs of things we  
 14 could talk, and we were very much focused on the timber  
 15 and the transition piece of that. So, in developing  
 16 that framework, certainly I think you should pull in  
 17 other perspectives and other industries or economic  
 18 factors that should be monitored in addition to just  
 19 some of the timber specific things that were  
 20 recommended. And so that's still work to be done.  
 21 MS. PENDLETON: Okay, thank you.  
 22 Holly.  
 23 MS. HARRIS: I'd like to echo Chris'  
 24 thoughts there, recognizing that Secretary Vilsack's  
 25 memo is broader than timber, of course. And so to the

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1 extent that as we make this transition to a more  
 2 sustainable management scheme, I agree with Chris that  
 3 it isn't just about timber and we need to be looking at  
 4 those other industries and what the Agency is doing to  
 5 support and advance those interests.  
 6 But with regard to timber, an  
 7 additional metric that I'd recommend, Beth, how much  
 8 time, how much money the Agency is spending on an  
 9 annual basis or on a per project basis to plan and  
 10 evaluate old-growth timber sales that are never bid on  
 11 and how much money and time is wasted evaluating timber  
 12 sales the industry doesn't want. If we're going to  
 13 advance out of old-growth timber, let's stop wasting  
 14 our money and our Staff expertise on projects the  
 15 industry doesn't want, recognizing that as a metric  
 16 would be one way to advance that interest.  
 17 MS. PENDLETON: Thanks, Holly.  
 18 MS. CAULFIELD: Larry.  
 19 MS. PENDLETON: Yes, Larry.  
 20 MR. EDWARDS: Yeah, thank you, Larry  
 21 Edwards. Chris mentioned having a third-party  
 22 independently do the monitoring. I'd be pretty  
 23 troubled by that. It puts a lot of -- a lot on who  
 24 would be selected to do that. If the Forest Service or  
 25 some other Federal agency, I'm not sure how that would

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1 be done, but if the Forest Service were to do it or  
 2 some other agency, at least there's accountability  
 3 there. But I really have difficulties with having a  
 4 third-party business do it.  
 5 MS. PENDLETON: Thank you, Larry.  
 6 Anybody else here in the room wish to make a comment.  
 7 (No comment)  
 8 MS. PENDLETON: Jan, why don't we go to  
 9 the phone and check and see if anybody on the phone.  
 10 MS. CAULFIELD: So, thanks, Beth. Just  
 11 to refresh that question; looking at the monitoring  
 12 metrics that the TAC recommended; Beth's question was,  
 13 are those sufficient or are there other metrics that  
 14 people would recommend.  
 15 So those on the phone, any response to  
 16 that specific question.  
 17 (No comment)  
 18 MS. PENDLETON: So that was my final  
 19 question and I don't have any further questions for  
 20 clarification.  
 21 My appreciation to folks for their  
 22 perspectives and input and also for responding to the  
 23 questions that I did have to bring some greater  
 24 clarity, not only around metrics but around other  
 25 social effects on communities and economic effects on

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1 communities, associated specifically with the  
 2 transition.  
 3 So I think that wraps it up, Jan, for  
 4 the morning.  
 5 MS. CAULFIELD: We're going to go back  
 6 to the agenda.  
 7 MS. PENDLETON: Yes, we're going to  
 8 back to the agenda. Larry, did you have one more  
 9 thought or comment.  
 10 MR. EDWARDS: Yeah, I actually had one  
 11 more thought on our previous discussion before the  
 12 break if I could.  
 13 MS. PENDLETON: Okay, yes.  
 14 MR. EDWARDS: I was talking about  
 15 health effects from biomass. And part of the  
 16 difficulty with that is that none of the communities  
 17 here are large enough to do an epidemiological study to  
 18 really determine what effects are, so all we can do is  
 19 rely on studies that were done elsewhere. So I just  
 20 wanted to add that clarification.  
 21 MS. PENDLETON: Okay, thank you for  
 22 that Larry.  
 23 Jan.  
 24 MS. CAULFIELD: Okay, thanks, Beth. So  
 25 just another refresh on the agenda and what's going to

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1 happen. It's a quarter to 12:00, so it's a little bit  
 2 of an early break for lunch. We're going to come back  
 3 at 1:15 and there are two topics; maximum of 30 minutes  
 4 for each of these topics that we'll be taking up at  
 5 1:15 and those are harvest and high volume old-growth  
 6 stands, and limit on old-growth clearcutting and those  
 7 were both things that were asked on Day 1 to be added  
 8 to Day 3 by Pat Lavin from the Defenders of Wildlife.  
 9 So that will take us from 1:15 to 2:15.  
 10 And then what we will do at that point,  
 11 since we had one topic go off of the agenda by request  
 12 of, you know, the party that had raised it, we will  
 13 take from 2:15 to 2:30 to do closing and so we'll be  
 14 adjourning by 2:30 today.  
 15 So, Holly, did you have a question  
 16 about the agenda.  
 17 MS. HARRIS: I apologize guys, I'm just  
 18 not clear on these two points. Could you just -- in  
 19 terms of preparing over lunch, could you guys explain  
 20 the differences between these points, I'm just not  
 21 smart enough to follow what we're going to talk about.  
 22 MS. CAULFIELD: Yeah, Holly, give us a  
 23 second. They were comments that came in from Defenders  
 24 of Wildlife on Day 1 so we wanted to make sure that  
 25 proper time was provided to talk about them. And

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1 Robin's just going to get for us what Pat's request was  
 2 and then we'll read that to you.  
 3 MS. HARRIS: That would be great.  
 4 MS. CAULFIELD: So just one minute.  
 5 MS. HARRIS: Thank you all very much.  
 6 (Pause)  
 7 MR. LAVIN: I'm here, maybe....  
 8 MS. CAULFIELD: Oh, Pat, are you on the  
 9 phone?  
 10 MR. LAVIN: I am.  
 11 MS. CAULFIELD: Do you want to just  
 12 give a little clarification on those two points. And,  
 13 again, these were drawn from the letter you submitted  
 14 on Day 1 to add these two topics for discussion on Day  
 15 3; can you help us here.  
 16 MR. LAVIN: You bet. I sent a message  
 17 in on Day 1, or maybe before Day 1, I was fuzzy about  
 18 whether all of Defender's objection points would fall  
 19 within the umbrella that was intended by Issue 5 on Day  
 20 5 and the response that I received was, one of them  
 21 fell within the discussion actually yesterday and our  
 22 other two objection issues were going to be placed on  
 23 the Day 3 agenda. So that's kind of how it got there.  
 24 And so our three issues, the one we  
 25 already talked about yesterday was the limit on old-

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1 growth logging, some kind of enforceable limit that  
 2 isn't there, and then the other two are to talk about a  
 3 plan direction or limit that would end or at least  
 4 reduce the practice of hygrading the highest volume  
 5 stands and another plan direction or component that  
 6 would limit the frequency or extent of clearcutting,  
 7 the culture of practice of clearcutting in old-growth.  
 8 So both of those we raised in our  
 9 objection. We were kind of tailing that off of a lot  
 10 of comments in the record from the scientific  
 11 community. So the scientific community has called for  
 12 both of those plan components at different -- both in  
 13 this particular process and over the years so we were  
 14 kind of carrying those two forward and that, or whoever  
 15 was designing the agenda, I think, decided that those  
 16 didn't fall within any of the original categories for  
 17 the agenda and so put them on for the Day 3.  
 18 MS. PENDLETON: So was that helpful,  
 19 Holly.  
 20 MS. HARRIS: Yes, ma'am. Thank you  
 21 very much.  
 22 MS. PENDLETON: Okay, great. So  
 23 Patrick this afternoon we will take up those two  
 24 topics. It would be helpful for each topic if you  
 25 could just prepare a couple minute introduction on each

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1 of those, kind of an overview of your key perspectives  
 2 and concerns and then we will have the opportunity to  
 3 hear other perspectives and have any clarifying  
 4 questions or dialogue following that.  
 5 MR. LAVIN: That'd be great. I was  
 6 just going to say for me, both of them as well as the  
 7 third issue we already talked about, are pretty closely  
 8 connected and it might make sense if I speak initially  
 9 to those issues to kind of talk about both of them at  
 10 once as opposed to separate introductory statements.  
 11 MS. PENDLETON: Yes, that would be  
 12 fine.  
 13 MR. LAVIN: So maybe a couple extra  
 14 minutes or something to deal with both of them together  
 15 and then the discussion into.  
 16 MS. PENDLETON: Okay, that sounds good.  
 17 So you can plan on up to five minutes for your kind of  
 18 overview introduction to those two issues.  
 19 MR. LAVIN: Appreciate it.  
 20 MS. PENDLETON: Thank you.  
 21 MS. CAULFIELD: Okay. Holly, thanks  
 22 for the question. Pat, I'm glad you were on the phone  
 23 and could help us get that response and we will see you  
 24 all at 1:15 so thanks very much. We'll be redialing in  
 25 just before 1:15 and talk to those of you on the phone

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1 after lunch.  
 2 Thanks.  
 3 (Off record)  
 4 (On record)  
 5 MS. CAULFIELD: So, hi, welcome back,  
 6 let me check in with the phone.  
 7 Pat Lavin, are you on the phone yet  
 8 with us this afternoon.  
 9 (No comment)  
 10 MS. CAULFIELD: Okay, we may need to  
 11 wait a few more minutes until he joins us.  
 12 MS. PENDLETON: Yes.  
 13 (Pause)  
 14 MS. CAULFIELD: So, hi, again, this is  
 15 Jan Caulfield. Just checking in, Pat, have you joined  
 16 us on the phone.  
 17 MR. LAVIN: I have.  
 18 MS. CAULFIELD: Great. So we'll begin  
 19 again this afternoon. And, again, we have an hour  
 20 essentially to talk about two topics that Pat's going  
 21 to lead off on, harvest and high volume old-growth  
 22 stands and limit on old-growth clearcutting. So, Pat,  
 23 we'll turn it over to you if you'd just like to  
 24 reintroduce yourself and your organization and set the  
 25 stage and then we'll go into discussion with Beth. So

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1 thanks very much.  
 2 MR. LAVIN: Absolutely. Thanks, Jan.  
 3 My name's Pat Lavin, I'm with Defenders  
 4 of Wildlife in Anchorage. Thanks for the opportunity  
 5 to speak today, for having this process.  
 6 Defenders of Wildlife is a national  
 7 science based conservation organization with offices in  
 8 most of the regions of the country including here in  
 9 Anchorage. One national program of Defenders is  
 10 working on National Forest policy and planning. We  
 11 were intimately engaged in the development of the 2012  
 12 Forest Planning rule and served on the FACA committee  
 13 associated with that. We work on Forest planning  
 14 implementation issues on National Forests around the  
 15 country. And our focus on these efforts is using  
 16 planning tools and science based analysis to develop  
 17 protections and conditions that maintain habitat and  
 18 productivity and really viable wildlife populations and  
 19 we're really trying to keep things like endangered  
 20 species, risking general avoid the necessity of those  
 21 through these planning rules. And that's only a brief,  
 22 one thing that we do, that hopefully gives a sense of  
 23 why we're here and engaged in the amended process on  
 24 the Tongass.  
 25 I want to talk just for a minute about

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1 the context of that amendment just -- I feel that we  
 2 are all aware of this but it's kind of worth restating  
 3 because it helps set the stage, I think, for the two  
 4 agenda items that are on there for right now, and that  
 5 is the -- at least for the 2013 amendment from  
 6 Secretary Vilsack, the policy decision about a  
 7 transition on the Tongass has already been made, so  
 8 we're not so much discussing whether to do that  
 9 anymore, it's more about how. And I think in the  
 10 conversations today or maybe more so yesterday,  
 11 sometimes that may get lost. And I thought, Eric, for  
 12 example, said something entirely reasonable at the end  
 13 of one of the sections yesterday about, that, of  
 14 course, it's a profit driven industry and when young-  
 15 growth is profitable then a transition can happen, or  
 16 similarly I think Chris was noting that in some ways  
 17 it's sort of putting the cart before the horse to  
 18 proceed with a Record of Decision now when there's  
 19 inventory information we think that would be  
 20 forthcoming, you know, in a few years. And these are  
 21 sensible comments in a diagnostic policy environment,  
 22 but I think we do need to bear in mind that the policy  
 23 choice has already been made, and that there's a  
 24 transition to young-growth is going to happen, so  
 25 regardless of the economic uncertainties that may look

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1 at now and even regardless of the helpful information  
 2 that's in the pipeline, now, I believe that that will  
 3 come forward and be very helpful but it can't serve as  
 4 a reason to kind of wait and see longer, the decision's  
 5 kind of already made and when that information comes on  
 6 line it should speculate a better transition but a that  
 7 transition itself is not in question now.  
 8 So let me try and -- I'll stop there as  
 9 far as the context that I feel like we're in and  
 10 briefly mention that the Defenders objection, the two  
 11 that I'll talk about in a minute; the third one was a  
 12 limit on old-growth logging itself. We talked about  
 13 that yesterday, I hope that discussion kind of  
 14 clarified for Beth and others why Defenders and some  
 15 other groups don't see the language that Beth read to  
 16 us as constituting that limit on old-growth logging.  
 17 And I just kind of restate that again now because I  
 18 don't think these other two issues that I'm about to  
 19 talk about make as much sense in the absence of that  
 20 limit on old-growth logging meter, sort of related sub  
 21 issues. But I think we need that.  
 22 So as to the two that are on the agenda  
 23 in front of you, both really reflect the ecological  
 24 underpinnings of that original Vilsack memo, the  
 25 original reason for the transition, not the only

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1 reason, but an important reason being environmental  
 2 impacts of logging in old-growth and the diminishing  
 3 social acceptance of continuing that practice.  
 4 Both of these issues were brought  
 5 forward strenuously by the scientific community in the  
 6 amendment process and, in fact, our objection relies  
 7 almost entirely on the comments from scientists. And I  
 8 will just highlight some of those right now quickly, so  
 9 it sets the stage maybe for the discussion afterwards.  
 10 So with regard to clearcutting in old-growth, in 2003  
 11 there was a former Forest Service Chief Jack Thomas and  
 12 Mike Dombeck called for an end to logging in old-  
 13 growth. 10 years later came the Vilsack memo, of  
 14 course, there were things in between that, but 2013  
 15 arrived the Vilsack memo. In 2014 78 scientists,  
 16 including Chief Thomas and Dombeck again called for the  
 17 full protection of remaining old-growth. Again, we've  
 18 logged a lot of it on the planet and in our country.  
 19 In 2015 in the context of the amendment seven  
 20 scientific societies representing 30,000 members  
 21 including the American Fisheries Society, the Wildlife  
 22 Society, the Ecological Society of America and others  
 23 specifically called for an end to clearcut logging of  
 24 old-growth Forest on the Tongass.  
 25 And then similarly with regard to the

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1     hygrading issue and that is disproportionately logging  
 2     the high volume old-growth stands on the Tongass, a  
 3     timeline beginning in 1979 when the Alaska Chapter of  
 4     the Wildlife Society flagged that issue and said that  
 5     the logging of those areas should not exceed the  
 6     proportion of their occurrence in the Forest in order  
 7     to provide a balance and diversity of habitat. Then in  
 8     1985, again, the Alaska Chapter argued that the  
 9     disproportionate harvest of those high volume should  
 10    cease. In 1990, as folks know, that input was  
 11    (indiscernible) to the Tongass Timber Reformat but with  
 12    regard specifically to the contract in play at the time  
 13    but did not make its way into the subsequent Forest  
 14    Plan. And then during the 1997 plan development and  
 15    the conservation strategy there was a 21 scientist peer  
 16    review group coordinated by the Pacific Northwest  
 17    Research Station, which, while giving high marks  
 18    overall to a lot of work that went into the strategy  
 19    found that none of the proposed alternatives would be  
 20    sufficient to ensure viable wildlife populations on the  
 21    Tongass, and that peer review group specifically  
 22    suggested that the Forest Service not differentially  
 23    cut below out to high volume old-growth, that being one  
 24    reason that they were not sure that viable wildlife  
 25    populations would continue to exist.

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1             And, finally, the 2008 amendment, that  
 2     did expressly note the large tree old-growth component  
 3     as a distinct set, or class and it did acknowledge the  
 4     reality that those classes have been hygraded in the  
 5     past but didn't -- there were no plan components or  
 6     direction to discourage or stop that practice.  
 7             We feel that the Forest Service  
 8     response is to these issues as they were brought up  
 9     during this process didn't offer any competing  
 10    scientific takes on or policy considerations that would  
 11    explain a decision to not adopt what the scientific  
 12    community is calling for and so that's why we kind of  
 13    carried it forward in the objections.  
 14            Last thing, real quick, you know I  
 15    tried to -- I've probably gone over my five minutes,  
 16    but I tried really hard to stick with it because it was  
 17    a rule and because the Forest Service has gone to the  
 18    trouble of structuring an agenda and made some  
 19    estimates about guiding the discussion so that it's  
 20    productive, and I couldn't help making an observation  
 21    that it's analogous to, you know, that sort of  
 22    leadership and direction is kind of telling me and us  
 23    what to do, is kind of the leadership and direction  
 24    that we need from the Forest Plan Amendment itself,  
 25    which leaves it more open-ended and less clear to

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1     really everyone what we're supposed to do, how exactly  
 2     we do this transition, and I hoped the plan had spoken  
 3     to that with a little more clarity and that was kind of  
 4     what was behind these objections.  
 5             So thank you, and I'll stop there.  
 6             MS. PENDLETON: Thank you, Patrick.  
 7     This is Beth speaking. And I just have one question  
 8     for you and I think it would be helpful to me just for  
 9     you to clearly state the remedy that you're seeking,  
 10    both for the issues of harvest of high volume old-  
 11    growth stands, as well as limits on old-growth  
 12    clearcutting. If you can just simply state those  
 13    remedies that you seek, that would be helpful to me.  
 14             Thank you.  
 15             MR. LAVIN: Sure. Let me -- I think  
 16    there's more than one way to do that and I wouldn't  
 17    suggest anything in stone or that, you know, for  
 18    example, Defenders would insist on, more, or anything  
 19    like that.  
 20             But I think, generally speaking, so,  
 21    for example, what we said about the high volume --  
 22    about the hygrading issue, one thing the plan could do  
 23    is take account of the historic hygrading that has  
 24    already occurred. I think it was Susan yesterday, who  
 25    said the original percentage there was say seven

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1     percent, and I realize there's definitional challenges  
 2     sometimes too in having standards defined, but about  
 3     half of the original high volume old-growth stands have  
 4     already been logged, and in light of that keep logging  
 5     completely out of those stands as a way of trying to  
 6     protect the highest value wildlife habitat. But  
 7     another possibility, and is sometimes in the scientific  
 8     commentary as well, is to at least shoot for  
 9     proportionate logging, so you'd have to keep track of  
 10    how much old-growth logging is happening in which  
 11    habitat types and ensure that that high volume old-  
 12    growth is not disproportionately reduced or removed  
 13    from the landscape compared to other old-growth  
 14    habitat.  
 15             And with regard to clearcutting,  
 16    understanding that some flexibility in prescription  
 17    might -- you know, might make sense, I mean what we  
 18    sort of suggested was providing direction at the Forest  
 19    Plan level that, you know, large clearcuts and old-  
 20    growth are not what this amendment is all about. So if  
 21    it's not a prohibition on that at the Forest Plan level  
 22    then at least a recognition that that's exactly the  
 23    kind of thing that we're trying to move away from as  
 24    fast as possible so it wouldn't be expected under a  
 25    normal sort of timber sale circumstances and

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1 understanding when you get down to the finer scale  
 2 there could be some areas and depending on how big an  
 3 open constitutes a clearcut and what exactly you do,  
 4 you know, devil's in the details, but something in the  
 5 broad Forest direction indicating a substantial step  
 6 away from that as kind of a status quo way that we  
 7 anticipate doing business for the next -- you know, for  
 8 the transition period would be helpful. As I saw it  
 9 the same basic, you know, rules around clearcutting in  
 10 old-growth apply going forward in the transition period  
 11 as were there before.

12 MS. PENDLETON: Okay, thank you,  
 13 Patrick that was helpful.

14 I think what I'd like to do is there  
 15 were other objectors that did weigh in on this issue  
 16 and just open it up to those folks for any other  
 17 additional perspectives.

18 Holly.

19 MS. HARRIS: Thank you. And I will try  
 20 to be brief.

21 I echo Pat's comments in recognizing  
 22 that there is an ecological imperative to end old-  
 23 growth, and that is true whether second growth is ever  
 24 economically viable. The overwhelming, and I don't  
 25 just mean consensus, the evidentiary support in your

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1 record from the scientific community, both from  
 2 academia, from private industry as well as from  
 3 government scientists is the ecological need to stop  
 4 clearcutting our old-growth. I urge the Agency to  
 5 update its EIS and acknowledge that expert disagreement  
 6 in the record. It is overwhelming and it is  
 7 undisclosed.

8 So I want to first emphasize that  
 9 there is an ecological problem that must be solved and  
 10 that was Secretary Vilsack's -- part of Secretary  
 11 Vilsack's memo.

12 I want to touch briefly on this idea  
 13 and I've heard it over the course of the last several  
 14 days that we'll transition if and when it ever becomes  
 15 economical profitable to log second growth.  
 16 Respectfully, that's not what Secretary Vilsack said.  
 17 We have to end old-growth logging. We are going to end  
 18 old-growth logging whether second growth ever comes on  
 19 board in an economically viable fashion. The  
 20 difference, I think, is in terms of the definition of a  
 21 viable industry. Secretary Vilsack did not say today's  
 22 timber industry has to look exactly the way it does  
 23 right this minute, what the Agency failed to analyze  
 24 was all of the different ways the timber industry might  
 25 actually be more dynamic, more sustainable and more

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1 diverse under a different model, and that could come  
 2 from a whole host of changes. But the Agency didn't  
 3 look at that. The thumb on the scale throughout the  
 4 analysis is it has to look exactly the way today's  
 5 does, and that's the wrong analysis. What we needed  
 6 from you guys was to say what if it looks smaller.  
 7 What if it's more nimble. What if it's domestic  
 8 instead of export driven. So I want to separate that  
 9 on terms of the economic piece. But first and foremost  
 10 the ecological need to get out of old-growth. And then  
 11 I think what I've perceived of mischaracterization of  
 12 the economic piece from the Secretary's memo.

13 Beth, you asked about remedies. So  
 14 first correct the analysis and bolster the Agency's  
 15 record, as I've just pointed out.

16 On the hygrading piece. I think we've  
 17 seen this playing out in certainly the contemporary  
 18 era. We're seeing millions of dollars and months,  
 19 years, years going into these old-growth timber sales  
 20 being planned and the enormous resources that you folks  
 21 are having to put forward to plan these sales, only to  
 22 watch the timber industry come up and hygrade and just  
 23 gobble up a few units. Respectfully, I think we're  
 24 wasting a lot of money and we're wasting a lot of time.  
 25 We're wasting the public's resources in planning these

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1 massive timber sales, recognizing they're going to  
 2 appraise negatively and then we're going to have to  
 3 come back in and just have.....

4 MS. CAULFIELD: Excuse me, they're not  
 5 hearing you for some reason. Do you have a sense of --  
 6 do you want to try this microphone over here.

7 Let me check in, this is Jan, are you  
 8 hearing me on the phone at all.

9 MR. LAVIN: Jan, this is Pat, I was  
 10 hearing you -- I'm hearing you and was hearing Holly as  
 11 well.

12 MS. CAULFIELD: Okay, so apologies to  
 13 whoever is not hearing. I think others on the phone  
 14 are hearing us. Yeah, so I think we're going to go  
 15 ahead and continue. If there was a person who was  
 16 having trouble hearing, I guess I'm going to suggest  
 17 that you try dialing in again and see if your  
 18 connection can approve. It sounds like it's working,  
 19 maybe just one person having a technical difficulty, so  
 20 you might try dialing in again and we're going to  
 21 continue here.

22 Thanks.

23 MS. HARRIS: Thank you, Jan. Oh,  
 24 gracious. Now I'm afraid I'm blowing folks out in  
 25 terms of volume. Is that too loud for folks in the

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1 room.

2 MS. CAULFIELD: Go ahead.

3 MS. HARRIS: Going to your question of

4 remedy, Beth, in terms of hygrading, what I think one

5 of the most frustrating and challenging things we're

6 seeing is the years spent planning these big timber

7 sales only to find out they appraise negatively so the

8 industry has to come back in after we've got an

9 approved ROD and now they're going to go in and cherry-

10 pick which units they want. If we did a better job of

11 sitting down with the industry earlier on and saying,

12 look, this isn't going to appraise positively, we all

13 know that, let's stop this charade, what do you really

14 want, let's go in and find those units that you guys

15 really think you're going to need. Let's do a more

16 targeted program that makes for a meaningful transition

17 rather than wasting all of this time and expense

18 planning these enormous sales that we all know won't

19 work. What we're doing right now, I'm afraid, is

20 misleading the public, quite frankly is inflating

21 timber's expectations of what's going to be there at

22 the end of the day and we're not getting the resources

23 where we need them to advance this transition. So I

24 think a more selective pool of what is actually

25 conceivably going to be logged and driving our

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1 environmental analysis around that, rather than these

2 sort of pie in the sky old-growth sales that can't be

3 logged, shouldn't be logged, and finding a targeted way

4 to move us through this transition in a rapid way,

5 again, driven by the ecological need and not the financial.

6 MS. PENDLETON: Thank you, Holly.

7 MS. CAULFIELD: Let me address the

8 phone, too. So if I can ask those of you who are

9 listening on the phone, please put your phones on mute

10 because we are hearing some more background noise than

11 we have earlier. So please put your phones on mute if

12 you're listening through the teleconference.

13 Thank you.

14 MS. PENDLETON: Okay. Is there anybody

15 else that wanted to provide some perspective.

16 Larry.

17 MR. EDWARDS: Larry Edwards.

18 MR. CLARK: This is Jim Clark.

19 MS. PENDLETON: Just a minute, Jim, if

20 you can hold on just a minute, Larry Edwards is going

21 to speak and then we've got Brian Kleinhenz and then

22 we'll go to you.

23 Thank you.

24 MR. EDWARDS: This is Larry Edwards.

25 What Pat has said is correct. However, at this point

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1 in time there's so little of the high volume old-growth

2 left, that, you know, we can't be talking about

3 disproportional logging of that anymore, just

4 proportional logging of it. We can't touch it anymore.

5 That's kind of where it needs to be.

6 The problem now is that, you know,

7 especially on the South Tongass, where there's been so

8 much effort both on the National Forest and all the

9 other land ownerships, what's critically important now

10 as well as what used to be called the average volume

11 stands. So, you know, it comes back to Vilsack's memo

12 and what Beth said to the Tongass Future's Roundtable

13 meeting in May of 2010, we need a rapid transition out

14 of old-growth and, you know, here we are six years

15 later, we're past rapid already, we're beyond that, it

16 needs to be pretty much immediate in my view. And I

17 think that, you know, focusing overly on high volume is

18 kind of a distraction because it's the whole old-growth

19 thing that's the issue now at this point, because so

20 much is gone.

21 You know if you look at these older

22 scientific studies which have their origins back into

23 the late '70s or '80s, there's been so much logging

24 that's happening since then and so much loss of that

25 high volume, that it's just beyond the pale to even

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1 consider logging that anymore.

2 MS. PENDLETON: Thanks, Larry.

3 Brian.

4 MR. KLEINHENZ: Yeah, less of a comment

5 and more of a respectful request. I know that we have

6 almost a whole day dedicated to market demand and some

7 of the discussion is drifting over that way. I know

8 some of the objectors who were interested in that

9 particular agenda item would appreciate being involved

10 in the conversation.

11 MS. PENDLETON: Thank you. And we will

12 have plenty of time to discuss that. I believe that's

13 on Day 6, and that's next Wednesday, would have an

14 opportunity to bring some of the discussion back in as

15 well.

16 Thank you.

17 So I think we'll go to Jim, Jim Clark,

18 your perspective.

19 MR. CLARK: Thank you. And just to

20 muddy the waters a little bit here, what we have is an

21 amendment, a plan amendment, not a revision. And if

22 this is a plan amendment then what -- the change that

23 are being brought here do not change everything in the

24 plan.

25 In the 2008 plan, including the four

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1 conditions that the Under Secretary laid out in his  
 2 approval of the plan include a requirement for economic  
 3 timber, and not all timber is economic. So the  
 4 question is, is the economic timber what people are  
 5 referring to as hygrading, is selective logging  
 6 hygrading, what do we mean by hygrading in this  
 7 respect. But the 1997 plan called for an integrated  
 8 industry and, of course, the 2008 plan was an amendment  
 9 to the 1997 plan. So to put it all together the Forest  
 10 Service should be supplying sufficient economic timber  
 11 for an integrated industry.

12 So this plan amendment doesn't take  
 13 that off the table, nor does Secretary Vilsack's  
 14 memorandum, which means that those who are calling for  
 15 the end of old-growth logging need to figure out a way  
 16 to accommodate those within the existing plan amendment  
 17 unless you plan to step back and revise the whole plan  
 18 and rewrite it, in which case the Forest Service would  
 19 have the authority to take all of those earlier  
 20 requirements out. And I just think that in terms of  
 21 process you need to think about what this is, what  
 22 we're dealing with in this plan amendment versus a  
 23 revision. So if this is a revision and you want to  
 24 make all those changes, that's not what was advertised  
 25 as part of the NEPA process.

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1 You do need to fold in the need to  
 2 accommodate what was in the earlier plans that you are  
 3 amending here.

4 Thank you.

5 MR. GRAHAM: This is Owen, is it my  
 6 turn.

7 MS. CAULFIELD: So why don't we go with  
 8 Owen and then Holly. Yes, thank you, Owen, go ahead  
 9 and then we'll be back with Holly here in the room.

10 MR. GRAHAM: Okay, thanks. I just had  
 11 four quick points.

12 First of all, I think the estimates of  
 13 big tree high volume old-growth are pretty much  
 14 exaggerated. I've raised this with the Forest Service  
 15 in the past and they pretty much acknowledged that they  
 16 made the numbers really conservative and they basically  
 17 put in -- you know, they didn't do a lot of research on  
 18 their own, they accepted other people's work, and so --  
 19 but the numbers are exaggerated.

20 The other issue is, you know, we've  
 21 been logging for some 60-some years and we have never  
 22 had a problem in the young-growth areas where we've  
 23 been logging. You know, the wildlife's been doing  
 24 fine, despite periods of harsh winters and periods of  
 25 mild winters. And this whole issue that the deer and

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1 other wildlife are going to suffer in the logged areas  
 2 just hasn't been true after 60 years, you know, and so  
 3 I think, you know, all over the country after you go  
 4 through and have some development for whatever purpose,  
 5 you generally get an increase in deer in particular.

6 The third point is we need to continue  
 7 logging old-growth to support these mills that we have  
 8 until we have a substitute. You can't just lay off a  
 9 bunch more people and say, the hell with these people,  
 10 you know, people whose jobs aren't dependent on timber  
 11 harvests and timber manufacturing may not give a damn  
 12 but it's a pretty serious thing to the rest of us, you  
 13 know, we want to continue our jobs, we don't want to go  
 14 out and learn how to sell pencils to tourists or any of  
 15 those things, we want to keep having a real timber  
 16 industry and manufacturing products and selling those  
 17 products at a profit and that's how we run our  
 18 business.

19 And the last point, is that, people  
 20 talking about constraints. I agree with what Jim just  
 21 said but even without that, adding constraints more --  
 22 you know, we've already got so many constraints you  
 23 can't implement the plan you have, at least not  
 24 completely, and adding constraints is going to make  
 25 that problem even worse, whether you're logging old-

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1 growth or young-growth. If you just keeping putting  
 2 more and more constraints on it it just makes it that  
 3 much more difficult to create economic timber sales and  
 4 then people that don't really know anything about  
 5 business say, well, gee, it's not economic and  
 6 therefore we should end it, you know, no, we shouldn't  
 7 end it, what we should do is fix the problems, find a  
 8 better way to design our timber sales so that they're  
 9 responsible timber sales that protect the environment  
 10 but also allow for people to run a profitable business.

11 Thank you.

12 MS. PENDLETON: Thank you, Owen.  
 13 Holly.

14 MS. HARRIS: Just three points. I do  
 15 want to, again, reiterate, that the Earthjustice  
 16 objectors are not calling for an end to all old-growth,  
 17 I don't know how many times I can say this. Fully  
 18 supportive of the small market, small timber operator  
 19 old-growth program that the Agency has advanced. We  
 20 might be working with you in the future on some of the  
 21 fine print, but the concept of a continued old-growth  
 22 program in some form or fashion has been consistent  
 23 with our message for many, many years now and that has  
 24 not changed, so it is not an end of all old-growth. It  
 25 is a move towards a sustainable old-growth program. It

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1 is a move towards a domestic old-growth program. It is  
 2 a move towards the smaller operators focused on high  
 3 quality value added timber operations as compared to a  
 4 clearcut industry that is entirely dependent on public  
 5 subsidies and exports.  
 6 So I want to make that point again, at  
 7 the risk of repeating myself.  
 8 Second, with all due respect to Owen  
 9 Graham, the record in the Agency's Forest Planning  
 10 Amendment is quite clear, the consequences to wildlife  
 11 are undisputed and, yes, there have been massive  
 12 changes in wildlife. We have friends all over  
 13 Southeast, all of us do, who have seen changes in deer  
 14 hunting, who have seen changes in, if they're bird  
 15 watchers, you name it, old-growth logging has had  
 16 significant and the Agency admits in many instances,  
 17 approaching irretrievable consequences on our wildlife  
 18 populations and on our bird populations. So I have to  
 19 respectfully disagree with Mr. Graham on that point.  
 20 MS. PENDLETON: Thanks, Holly.  
 21 Any other perspectives to share on this  
 22 topic.  
 23 MS. CAULFIELD: I need to check  
 24 specifically on the phone if I could.  
 25 MS. PENDLETON: Yes.

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1 MS. CAULFIELD: Yeah, this is Jan, just  
 2 check in on the phone, if there's any others on the  
 3 phone who have perspectives on this topic they would  
 4 like to share with Beth.  
 5 MR. CLARK: Briefly, this is Jim Clark.  
 6 I think a fair question to ask, I mean, because it's  
 7 been said a number of times, that there's no support  
 8 for subsidization of continued old-growth logging. And  
 9 as I've mentioned a couple of times, the 2010 report  
 10 the Forest Service put together said that in order for  
 11 young-growth to work there's going to need to be a  
 12 substantial investment in the pre-commercial and  
 13 commercial thinning and, again, in the Record of  
 14 Decision at Page 10, the Forest Service states  
 15 forthrightly that young-growth timber isn't economic or  
 16 marketable at this point.  
 17 So my question would be, would there be  
 18 support among the various groups for a substantial  
 19 subsidization of the young-growth.  
 20 MS. CAULFIELD: Young-growth  
 21 treatments?  
 22 MS. PENDLETON: Yes. You're referring  
 23 to young-growth treatments, correct, Jim?  
 24 MR. CLARK: I'm sorry, say that again,  
 25 I didn't hear you.

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1 MS. PENDLETON: Your comments pertain  
 2 to the treatment of young-growth, like pre-commercial  
 3 thinning and investment.  
 4 MR. CLARK: Your 2010 document talks  
 5 about both pre-commercial thinning, which would be a  
 6 Forest Service responsibility and commercial thinning,  
 7 which the timber operator would pay for, which would,  
 8 again, impact the economics of the sales. So those --  
 9 the question is -- that I'm just asking generally, it's  
 10 a rhetorical question, I don't expect anybody to  
 11 answer, but I think it's important to know whether the  
 12 groups will support the substantial investment, we  
 13 don't know how much that is yet because it's not  
 14 reflected in the documents, not reflected in the ROD,  
 15 how much investment is going to be needed to subsidize  
 16 moving from old-growth to young-growth. And that  
 17 really should have been disclosed as part of the ROD  
 18 and part of the NEPA documents. And I guess I'm  
 19 asking, whatever it is, are the various groups at the  
 20 table here today willing to support that substantial  
 21 investment, whatever it is.  
 22 Thank you.  
 23 MS. PENDLETON: Thank you, Jim.  
 24 We're going to go to Austin.  
 25 MR. WILLIAMS: I was just looking

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1 through some of our written comments again. You know  
 2 this discussion kind of reaffirms to me the fact that  
 3 the status quo of a large old-growth timber program  
 4 just isn't working in the Tongass and that we need to  
 5 figure out a way to transition to the Forest. And from  
 6 a fisheries standpoint we have roughly 65 watersheds in  
 7 need of significant restoration work with estimates up  
 8 to 100 million dollars to perform that work. And as a  
 9 partner organization that seeks to bring resources to  
 10 bear to do some of that work, and that works with the  
 11 Agency and other stakeholders in the region, you know,  
 12 there is most certainly consequences that arise out of  
 13 our past and our ongoing harvest of old-growth timber.  
 14 And I think it underscores some of the issues that Pat  
 15 has raised and that we've discussed elsewhere, you  
 16 know, that there's a need to move beyond and, you know,  
 17 it's not -- Trout Unlimited doesn't have the answers  
 18 for how to make a young-growth timber industry work  
 19 moving forward but, you know, there's certainly a need  
 20 within the Agency to make that change, to make that  
 21 transition and, you know, to operate on its Forest  
 22 lands in a way that is sustainable that provides for  
 23 fisheries, for tourism, for wildlife, and, you know,  
 24 recognizes that there are impacts and that there have  
 25 been impacts and we need to, you know, manage in a

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1 sustainable manner that, you know, provides for a  
 2 diverse array of benefits to all sectors of Southeast.  
 3 MS. PENDLETON: Thanks, Austin.  
 4 Okay.  
 5 Any other perspectives or thoughts.  
 6 Anybody on the phone.  
 7 (No comment)  
 8 MS. PENDLETON: Okay. I have just one  
 9 additional questions, I think, and Holly it kind of  
 10 tied back to some points that you raised earlier. And  
 11 this has to do with public, I think public engagement  
 12 in the management approach that's described in Chapter  
 13 5 for young-growth which provides for opportunities for  
 14 engagement early and throughout the process, the  
 15 planning processes. And kind of curious if there's  
 16 some thoughts, on some ways that we can improve upon  
 17 them, and I'm thinking more specifically as it relates  
 18 to long-term planning. We talked a little bit about  
 19 this yesterday, of sales out into the future, but if  
 20 there's some opportunities in Chapter 5 to strengthen  
 21 or clarify the engagement around those planning  
 22 aspects.  
 23 MS. HARRIS: Beth, at the risk of  
 24 misconstruing your question, or maybe not misconstruing  
 25 and not giving an answer that you might want to hear,

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1 if that means going into areas that the Tongass Plan  
 2 has protected for virtually two decades, there isn't  
 3 any way that you're going to be able to soften or make  
 4 that appropriate. That isn't a matter of public  
 5 involvement. The public has been involved and was told  
 6 that those areas would be protected and they have been  
 7 protected for 20 years. So I don't think it's a matter  
 8 of finding ways to improve the dialogue or improve the  
 9 communication if your goal is to try to get your hands  
 10 on the most sensitive ecological areas of the Tongass  
 11 when it comes to second growth.  
 12 That is never, never going to be  
 13 acceptable. The scientific community has come out in  
 14 overwhelming opposition to that proposal. So it is not  
 15 as simple as trying to find a way to massage or to move  
 16 us to a different position.  
 17 Logging and road building in those  
 18 areas has simply never been consistent with ecological  
 19 management of the Tongass and that is going to prove  
 20 problematic if you move ahead with that approach.  
 21 MS. PENDLETON: Thank you, Holly.  
 22 MR. MAISCH: Well, I find myself in  
 23 complete disagreement with that statement.  
 24 As embodied in the TAC, a lot of what  
 25 we were focusing on was trying to have more local

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1 involvement, and more local voice in the management  
 2 actions of the Forest Service. That's why the Tongass  
 3 Transition Collaborative has been established. That's  
 4 why we have a Prince of Wales Collaborative. The  
 5 Forest Service has been very active in standing up, and  
 6 it's to provide that local input. To have a national  
 7 group sit here and say something like that, it's just  
 8 irresponsible in my opinion.  
 9 The people most affected by these  
 10 Forests are the people that live in and around the  
 11 communities, on Prince of Wales, here in Southeast. We  
 12 had a whole discussion this morning about impacts to  
 13 these communities. If there's reasonable activities  
 14 that are in non-development LUDS that will have  
 15 restoration goals that will speed the recovery of those  
 16 sites from the original logging that ought to be on the  
 17 table. This carte blanche, don't touch it, it doesn't  
 18 work in today's world, the world's not that simple,  
 19 it's a lot more complex, and we have to recognize that.  
 20 And we have to be innovative and we have to be willing  
 21 to work together to get past the problems of the past,  
 22 and I would encourage the Forest Service to please keep  
 23 that in mind.  
 24 Thank you.  
 25 MR. GRAHAM: This is Owen, and I'd like

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1 to get in the cue again when it's my turn.  
 2 MS. PENDLETON: Okay, Owen, that's  
 3 fine. Thank you Chris.  
 4 MS. CAULFIELD: Do you want to give  
 5 Holly, I think she's responding.....  
 6 MS. PENDLETON: Yes.  
 7 MS. CAULFIELD: .....and then go to  
 8 Owen.  
 9 MS. PENDLETON: That's fine.  
 10 MS. HARRIS: I need to totally agree  
 11 with what Chris just said.  
 12 MS. PENDLETON: Okay.  
 13 MS. HARRIS: What I was focused here on  
 14 was the commercial aspects of logging second growth.  
 15 When it comes to the restoration activities, et cetera;  
 16 et cetera, I couldn't agree more with what Chris just  
 17 said and I miss -- if I did misconstrue your question  
 18 there, Beth, I thought you were targeting the  
 19 commercial logging of second growth in those  
 20 ecologically important areas. And the piece I was  
 21 emphasizing here was the scientific input, that's where  
 22 the record doesn't support this. And so if that's the  
 23 choice you want to make then we need the scientific  
 24 support to go in and understand what those ecological  
 25 trade-offs are. And whatever you end up -- you know,

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1 whatever choices you end up making, you have to have  
 2 had the scientific analysis to explain and ultimately  
 3 support your opinion; that's what's missing here.  
 4 So to the extent I misspoke, Chris was  
 5 correct to catch me on that. I'm focused here on the  
 6 commercial logging aspects.  
 7 MS. PENDLETON: Okay, thank you for  
 8 that Holly.  
 9 MS. CAULFIELD: Owen.  
 10 MS. PENDLETON: Owen, let's go to you.  
 11 MR. GRAHAM: Yeah, thank you. You  
 12 know, I think there's this tendency sometimes for  
 13 people to pick and choose their science. I can  
 14 remember when people talked about being told to remove  
 15 logs from the streams to change the habitat to  
 16 something else and now that's considered a bad  
 17 practice, but at the time that's what science said to  
 18 do.  
 19 And I think as far as this high volume  
 20 old-growth, you know, the timber industry, when it  
 21 first came in, they were cutting drainages, they were  
 22 trying to minimize the road building and their costs  
 23 and, you know, for a pioneering enterprise in a remote  
 24 area, they weren't hygrading, they were going into an  
 25 area and logging the entire area and as it grew back,

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1 well, they'd go log somewhere else and later we started  
 2 patch cutting and that led to this impression of  
 3 hygrading, but what they're mostly doing is, what would  
 4 make sense, we're harvesting the areas that would grow  
 5 back the fastest. We're harvesting the best growing  
 6 sites and we're trying to do it in the low cost areas  
 7 because the cost of putting in the initial road system  
 8 and so, yeah, we were targeting lower cost areas to  
 9 offset the high cost of moving into an area for the  
 10 first time. We were using clearcut methods for  
 11 harvesting because it's cheaper to clearcut and because  
 12 the trees grow back a lot faster if you clearcut than  
 13 if you partial cut. You know, there's a bunch of  
 14 science reasons we did that, it wasn't just a bunch of  
 15 greedy profiteers, it was actually science-based  
 16 reasons we were doing all those things and financially  
 17 sound reasons for some of the practices we had. And we  
 18 need to consider all the science, including those kinds  
 19 of decisions and we need to consider economics and  
 20 finance, that's part of business, it's part of life,  
 21 you can't -- not everybody works for an outfit that  
 22 doesn't have to show a profit by making products, you  
 23 know, somebody has to actually make products and create  
 24 businesses and build things that way, we can't all work  
 25 for government agencies or environmental groups or

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1 something. There's nothing wrong with working for a  
 2 government agency or an environmental group but it  
 3 takes more than that to make the world work.  
 4 Thank you.  
 5 MS. PENDLETON: Thank you, Owen.  
 6 So let me just pause for a minute and  
 7 see if there's any other, from the objectors, of  
 8 perspectives that you'd like to share.  
 9 (No comment)  
 10 MS. PENDLETON: Okay, I think we've  
 11 wrapped up that discussion.  
 12 Thanks.  
 13 MS. CAULFIELD: Thanks, Beth. Which  
 14 brings us to the end of our day and our three days  
 15 together and I know Beth will have a few closing  
 16 thoughts here in a minute, but I want to just, you  
 17 know, revisit what will happen next and get everybody  
 18 on the same page for that.  
 19 We are going to be in Juneau for three  
 20 days next week, as you know, and we will be meeting at  
 21 the public radio station, KTOO, their address is on the  
 22 front page of the agenda, in their conference room.  
 23 For those who are participating by phone, it's the same  
 24 phone number we've been using this week and, again,  
 25 that's listed on the front page of the agenda.

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1 Remember that, now, on line there's a complete agenda  
 2 for all six days, so you can find that on line at the  
 3 Forest Service Tongass National Forest Plan Amendment  
 4 website.  
 5 And just real briefly, Monday we'll be  
 6 starting at 10:00 o'clock. And on Monday morning we're  
 7 going to have the same opening remarks, and kind of  
 8 setting the stage and describing the process and  
 9 everything that we did on Wednesday morning, so those  
 10 of you who were here Wednesday morning, and if you  
 11 decide you don't want to have that opportunity to  
 12 listen again, you might choose not to come on Monday  
 13 morning, it'll be essentially covering the same topics.  
 14 But there have been some people who have joined in this  
 15 week who weren't there on Wednesday morning and it  
 16 would be helpful for you to come. Also, you know,  
 17 we're expecting some new participation in Juneau so  
 18 that's why we're repeating that and just laying the  
 19 groundwork again.  
 20 Monday afternoon is when we'll start  
 21 back into issues, and so Monday afternoon the issue  
 22 that will come up is application of the roadless rule.  
 23 Tuesday in Juneau we'll have a 9:00  
 24 o'clock start and the issues that day all revolve  
 25 around harvest and components of the wildlife

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1 conservation strategy and other areas.  
 2 And then on Wednesday what we now call  
 3 Day 6 there's going to be three topics in the morning,  
 4 that'll be a 10:00 a.m. start, of course I'll remind  
 5 you when we get closer to that day. The three topics  
 6 in the morning relate to deer and wolf populations on  
 7 Prince of Wales Island, and then also a couple of  
 8 topics related to mining. And then Wednesday afternoon  
 9 next week is market demand.  
 10 So, again, that agenda is posted on  
 11 line and we'll have more paper copies of it up in  
 12 Juneau to pick up at the front desk.  
 13 I think that's all I want to say in  
 14 terms of sort of the nuts and bolts of continuing Day 4  
 15 through 6 next week.  
 16 Before I turn it over to Beth I just  
 17 want to say thanks very much for all of you  
 18 participating and making everything go so smoothly,  
 19 really appreciate that.  
 20 Beth.  
 21 MS. PENDLETON: Well, thank you, Jan,  
 22 and appreciate your assistance with facilitation. And  
 23 also to all of the objectors and interested persons,  
 24 thank you for your sharing and for your engagement.  
 25 It's been critical to me as the reviewing officer to

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1 hear, to be able to inquire and ask questions through  
 2 the objection process to make sure that I clearly  
 3 understand, not only perspectives but to be able to  
 4 consider possible remedy as we complete the overall  
 5 planning process for the amendment, so it really has  
 6 been very valuable and important.  
 7 I did want to just take a minute or so  
 8 to talk a little bit about the information and as we  
 9 move forward, not only this week, but next week as we  
 10 complete the opportunity to engage around objections  
 11 and potential remedy and to bring clarification, that,  
 12 as I stated the other day, this information will  
 13 ultimately factor into my final written response to all  
 14 objectors on all issues. And so that is still, you  
 15 know, still to come. But as I mentioned earlier the  
 16 issues that I brought forward for further  
 17 considerations are areas where I believe we have some  
 18 opportunity for remedy and further clarification.  
 19 So thank you for the dialogue. Thank  
 20 you for your perspectives. And I really do look  
 21 forward to the continued engagement around a number of  
 22 other issues next week.  
 23 I also wanted to let folks know -- a  
 24 couple of folks have asked about the written  
 25 transcript, which will be available October 28th from

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1 all six days, and I believe we've had a request too for  
 2 double-spacing on that, and that's something that we  
 3 can accommodate, that was requested by folks, so that  
 4 will be available the 28th of October and also will be  
 5 posted to the website.  
 6 So with that, looking forward to next  
 7 week. I also want to acknowledge and thank those from  
 8 the Forest Service who have helped as well with the  
 9 meeting this week, to Maria, Robin, and Sue Howle, in  
 10 particular, and to Dru and others, so thank you for  
 11 that, and I think we are ready to wrap. And just wish  
 12 folks safe travels if you're traveling home. If this  
 13 is your home, enjoy your weekend.  
 14 (Off record)  
 15 (PROCEEDINGS TO BE CONTINUED)  
 16  
 17  
 18  
 19  
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 21  
 22  
 23  
 24  
 25

1 CERTIFICATE  
 2 UNITED STATES OF AMERICA )  
 3 )ss.  
 4 STATE OF ALASKA )  
 5 I, Salena A. Hile, Notary Public in and  
 6 for the state of Alaska and reporter for Computer  
 7 Matrix Court Reporters, LLC, do hereby certify:  
 8 THAT the foregoing pages numbered 291  
 9 through 407 contain a full, true and correct Transcript  
 10 of the TONGASS NATIONAL FOREST PLAN AMENDMENT  
 11 OBJECTION RESOLUTION MEETING, VOLUME III, taken  
 12 electronically on the 14th day of October at Ketchikan,  
 13 Alaska;  
 14  
 15 THAT the transcript is a true and  
 16 correct transcript requested to be transcribed and  
 17 thereafter transcribed by under my direction and  
 18 reduced to print to the best of our knowledge and  
 19 ability;  
 20  
 21 THAT I am not an employee, attorney, or  
 22 party interested in any way in this action.  
 23 DATED at Anchorage, Alaska, this 28th  
 24 day of October 2016.  
 25  
 \_\_\_\_\_  
 Salena A. Hile  
 Notary Public, State of Alaska  
 My Commission Expires: 09/16/18