**Quarterly Report on Potential Tongass Timber Sales**

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**Recent Tongass timber sales.** The US Forest Service (USFS) provided a timber sale schedule update (attached) to the Alaska Forest Association on October 20, 2011. In summary, the agency sold 39 MMBF in 2011 and the industry harvested 33 MMBF. The current volume of timber under contract is 105 MMBF. Since it takes three-years to harvest the average timber sale, the most the industry could harvest in any one year is 1/3 of the volume under contract – about 35 MMBF. Consequently, as has been the case since about 1994, the volume of timber under contract is the limiting factor in our harvest level.

The USFS handout lists 240 MMBF sold over the last 5-years, but the agency has acknowledged that about half of that volume is comprised of reoffered timber sales. The USFS agreed to provide a summary of the new timber sales offered. This document could help counter allegations by some organizations that there is more timber being offered than is being purchased and harvested. This allegation is untrue, but has appeared in most timber sale appeals and lawsuits for the last ten-years or more.

**Projected FFY12 Tongass timber sale volume.** The agency expects to advertise only about 10 MMBF in the next 12 months, and about half of this volume is under litigation and may not be available.

Currently there are four significant timber sales in preparation – Tonka (on Kupreanof Island), Big Thorne (on Prince of Wales Island), Navy (on Etolin Island) and the Wrangell Island sale. None of these are expected to be completed soon enough to be offered in FY 2012. Even if these sales are offered late in calendar year 2012, winter conditions will prevent significant operations until the 2nd-Quarter of 2013.

The first large timber sale project completed under the new 2008 TLMP was Logjam. The Diesel and Slake sales that were sold in 2009/2010 were part of the Logjam project. The next sales in the timber pipeline are: Central Kupreanof, Tonka, Big Thorne, Navy and Wrangell Island. The USFS has issue the final Record of Decision (ROD) for the Central Kupreanof sale and is offering it as a stewardship contract. The location and economics of the sale make it unsuitable for purchase by the currently established mills in southern Southeast.

The USFS intended Tonka to be the next sale that would provide volume to local mills while ramping up work on other projects to reestablishing a timber pipeline and shelf volume.[[1]](#footnote-1) Initial plans called for offering Tonka by spring 2011, but due to internal USFS policy and procedural issues, the schedule has dramatically slipped. The result is a projected hole in the 2012 timber supply that will be difficult to resolve. If sufficient volume is not made available, a significant portion of the remaining timber harvesting and milling capacity in southern Southeast may fail for lack of a timber supply.

Markets and demand for wood products is not the issue. If sufficient timber supplies were available, businesses would stabilize and begin to make plans for the future. Instead, current federal actions make it impossible for businesses in the timber industry to consider new investments in infrastructure and the communities and residents of southeast have fewer options for a diverse and robust economy. Population numbers continue to drop in the region and communities are struggling to maintain schools and other public functions for the remaining residents.

**State timber sales in Southeast.** The State is working on a second “bridge” timber program to provide additional timber volume from state lands during this period of insufficient volume from Forest Service lands. A similar program was developed and implemented in 2004-2008 to ensure local mills would have enough volume to remain open while the 2008 Tongass Land Management Plan (TLMP) was completed and implemented. Additional State timber sales can provide short-term help. However, state sales from the small state-owned land base in Southeast are already close to the sustained yield limit, and cannot fully compensate for a lack of federal sales,

**Needed actions.** The Tonka and Big Thorne timber sale projects are close enough to completion that they could be offered in May or June of 2012 if the Forest Service would shorten their discretionary time schedules for preparing Records of Decision and responding to appeals, and accept some risk by advertising the timber sales during the 105-day appeal period. Most environmental group appellants wait until the last day of the appeal period to file appeals to maximize the delay in offering the sales.

It is also important for the USFS to continue work on the Navy and Wrangell timber sales and to make all of the sales as large as possible so that the industry doesn’t continue to suffer from an inadequate volume of timber under contract.

The Timber Task Force encourages and supports Forest Service actions to speed up the timber sale projects and to immediately resume work on the four 10-year sales as pledged by the Chief of the Forest Service in 2008. The Chief committed to offering four individual, 10-year timber sales with a volume of 150-200 MMBF each. The size and the 10-year term are needed to enable purchasers to make significant investments and to amortize those investments.

Support for the restored timber sale program should come primarily from the affected communities. The State needs a strong public relations program to provide those communities the facts, particularly since environmental organizations continue to disseminate disinformation about Alaskan forests and our industry.

The Timber Task Force further recommends that the Governor prepare correspondence to the Secretary of Agriculture and the Chief of the Forest Service outlining his concern and offering suggestions for resolving the current timber supply crisis.

1. A term used to describe the availability of NEPA cleared timber sales that can be purchased by operators. The USFS currently provides only one sale at a time and any delays in the sale process or “pipeline” result in a volume shortfall. This happened in 2008 when the Forest Service sold only 5 million feet of timber and is projected to occur again in 2012 when only 5-10 million feet will be available for sale. The States “bridge” timber program in 2004-2008 kept mills supplied with wood and preserved infrastructure and jobs at a critical time. [↑](#footnote-ref-1)