

Oregon Business Plan: Forest Management and Biomass. 2011 Summary of Progress

2011 Recommendations

2011 Progress

<p>5. Actively manage federal and state forest lands, particularly with regard to thinning dangerous fuel loads in Oregon's dry side forests, and utilizing woody biomass as a source of renewable energy.</p> <ul style="list-style-type: none"> • Implement Federal Forestlands Advisory Committee recommendations to this effect. • Continue state and federal support to develop a biomass industry. • Encourage state and federal environmental regulations that recognize woody biomass as a carbon neutral source of renewable energy. • Promote market opportunities for Oregon wood products. • Promote sustainable harvests from state forests, especially in our depressed coastal communities that need the resulting jobs and revenues to fund public services. 	<ul style="list-style-type: none"> ✓ At the urging of the Forest Cluster, the Board of Forestry named restoration of federal forest health the number one forestry issue in Oregon and renewed its endorsement of the 2009 Federal Forestlands Advisory Committee report. ✓ The Legislature re-authorized the biomass production tax credit for six years. The Business Energy Tax Credit was replaced in part with a Renewable Energy Incentive Program that offers grants for renewable energy projects, including biomass. ✓ SB 862 highlights the Department of Forestry's ability to issue contracts for woody biomass removal and makes it explicit that this activity is a forest practice regulated by the Forest Practices Act. ✓ By rule, Oregon DEQ redefined biomass as carbon neutral. ✓ The U.S. Environmental Protection Agency ruled to defer the regulation of greenhouse gas emissions from biomass for three years while the agency studies the science. ✓ The Board of Forestry approved a new management plan that increases timber harvest and addresses conservation values on the Elliott State Forest near Reedsport. ✓ The Oregon Business Development Department contributed \$50,000 to support a shared biomass technical assistance specialist with the U.S. Forest Service.
--	---

2012 Initiatives

Actively manage Oregon's public forests to restore forest health, improve rural economic vitality, and increase utilization of biomass energy.

Gov. Kitzhaber's recent policy speech to the Oregon Board of Forestry calls for a comprehensive approach to management of state, federal, and private lands. This includes increasing state involvement in finding practical ways to increase active management of our federal forests. The Nature Conservancy and other experts estimate that Oregon should be treating 500,000 acres per year of federal forests over the next 20 years to improve forest health, increase fire resiliency, and help prevent catastrophic fires. This would create hundreds of jobs by supplying a reliable source of raw material for Oregon's remaining mills and the fledgling biomass industry.

The Federal Forest Advisory Committee's ad hoc Implementation Working Group has become a critical hub in advancing federal forest health in Oregon. The Federal Forest Advisory Committee laid out a vision and recommendations in its 2009 report and the working group has been crafting next steps. The Working Group's

Oregon should be treating 500,000 acres per year of federal forests over the next 20 years to improve forest health, increase fire resiliency, and help prevent catastrophic fires. This would create hundreds of jobs by supplying a reliable source of raw material for Oregon's remaining mills and the fledgling biomass industry.

proposed steps for 2012 constitute the recommendations of this jobs item.

Forest Management/Biomass Energy Recommendations for 2012

- Business, environmental and public sector partners should design a plan to achieve the goal of treating 500,000 acres of federal forests per year over the next 20 years, which experts recommend is necessary to restore the health and resiliency to our federal forests.
- They should support the plan with a quantitative and qualitative analysis of the economic and environmental impact of such treatment, address funding strategies, market impacts, agency staff capacity, state versus federal leadership, regulations and other questions.
- They should support existing and new multi-stakeholder forest collaboratives to engage communities, build trust and broaden agreement on proposed treatments to advance forest restoration at a landscape scale, reducing the risk of catastrophic wildfire while delivering reliable wood and fiber supplies to local mills and businesses engaged in biomass-to-energy uses.
- They should work with Forest Service to test pilot approaches to NEPA to realize efficiencies and quicken the pace of forest restoration projects.
- They should advocate for new and increased public funding strategies to accelerate planning and implementation of forest restoration treatments on federal lands.
- Gov. Kitzhaber and the Western Governors Association should urge Congress to support \$40 million in annual federal funding for the Collaborative Forest Landscape Restoration Program.

In addition to these steps, there are others to be taken in 2012 by numerous forest sector stakeholders to increase utilization of the state's public timber resources, improve rural economic vitality and boost biomass utilization. These include:

- Led by Oregon's congressional delegation, Oregon forest sector stakeholders should agree on, and advocate for, a unified Oregon position on the future of the O&C lands, looking at all options to maximize economic, environmental and social benefit that these lands can and should generate for Oregon's citizens.
- Oregon's forest sector stakeholders and congressional delegation should continue to press the EPA to follow the lead of the Oregon DEQ and define biomass as a carbon neutral source of energy. The EPA is engaged in a three-year study of this issue. It is important that the EPA and other key agencies conduct a transparent and unbiased review with broad stakeholder input. This review must recognize that the forest carbon cycle is a dynamic, ongoing process that occurs across broad landscapes without a specific start and end date.
- Oregon's forest sector stakeholders, state leaders, and Congressional delegation should do everything in their power to assert the validity of the current regulatory framework including the Oregon Forest Practices Act, and press to overturn the Ninth Circuit Court of Appeals ruling that would change the Environmental Protection Agency's practice of 35 years – that forest roads do not need to obtain a National Pollution Discharge Elimination System (NPDES) permit.
- The Oregon Department of Forestry must implement the new management plan for the Elliot State Forest, approved by the Oregon Board of Forestry in November 2011. The new plan:
 - Increases timber production with sustainable targets.
 - Expands revenues to public schools.
 - Provides for conservation areas that are protected from timber harvest.
 - Supports the economies of coastal Oregon and the Willamette Valley by generating several million dollars in additional forest-products sector payroll in southern Oregon and the mid-Willamette Valley, as Elliott State Forest logs are processed in local mills.