



# Southeast Alaska Conservation Council

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**Sent via email**

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Dear Forest Supervisor Stewart:

The Southeast Alaska Conservation Council and Wrangell Resource Council submit these comments on the 2016 Draft Environmental Impact Statement (DEIS) for the Wrangell Island Project (WIP). These comments supplement the more comprehensive comments submitted July 18, 2016 by Earthjustice on behalf of several groups, including SEACC and WRC.

For over four decades, SEACC has actively participated in Tongass management at all levels. Inspired by the land, wildlife, cultures, and communities of Southeast Alaska, SEACC's mission is to protect the special places of the world's largest temperate rainforest, promote conservation, and advocate for sustainable human use of natural resources. The residents of Wrangell Island who make up WRC support maintenance of a viable, livable community that uses all of the island's natural renewable forest resources sustainably. Their livelihoods range from commercial fishing and small timber mill operations to local business and health care.

Since January 2011, SEACC and WRC have worked in good faith with the Borough of Wrangell, local small mill owners, and others to design a collaborative and sustainable logging program on Wrangell Island.<sup>1</sup> The Forest Service promised a timber sale on Wrangell Island that sustains rural prosperity, preserves and maintains forests, and provides an economically viable supply timber for the long-term. Instead, the WIP DEIS proposes nothing but wasteful, money-losing alternatives that sacrifice essential old growth deer habitat on Wrangell Island to support an export-driven timber program while the island's recreation and tourism infrastructure (cabins, trails, and campsites) crumble because of budget cuts and reduced staffing. After years of efforts by WRC, SEACC, the Borough of Wrangell and others to promote a collaborate approach to this project, the Forest Service remains stuck pursuing an unrealistic and unsustainable approach to forest management that sacrifices the long-term economic, social, and ecological values of Wrangell Island.

The DEIS identifies Alternative 2 at the agency's preferred alternative. This alternative calls for logging 65 mmbf of old-growth forest from approximately 5,309 acre and bulldozing 17.2

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<sup>1</sup> See e.g., WIP PR 634\_0096 (initial scoping), 634\_0105 (Map Committee Report), 634-115 (Wrangell Community Economic Development Forum), 634\_1116 (Small Mill & Wildlife Alternative); 634\_0162 (August 2103 Corrected NOI Scoping Comments); 634\_0253 (Small Mill & Forest Products Summit). Unexpectedly, we could not find a copy of our April 26, 2012 supplemental comments or our November 27, 2015 comments on the 4<sup>th</sup> NOI for the WIP in the copy of the WIP Planning Record provided to Earthjustice. You will find copies of the latter two documents attached to these comments; please incorporate them into the WIP Planning Record.

miles of new road and 14.9 miles of temporary roads along with reconditioning 5.8 miles of existing roads. The new roads will cost nearly \$5.5 million dollars. High road development costs mean more old growth habitat must be clearcut to pay for the new roads. At this stage, all the action alternatives appear economically infeasible and appraise negatively, even with the current Region 10 export policy in place.

Without explanation, the Forest Service failed to consider the “Small Mill and Wildlife Alternative” submitted by the Wrangell Resource Council & SEACC in 2011. This is surprising given District Ranger Dalrymple’s instructions in the Wrangell Island EIS Project Initiation Letter:

The [Interdisciplinary Team] should develop a range of alternatives including the No Action Alternative, the Proposed Action Alternative, and additional action alternatives that respond to the purpose and need and key issues. These should include an alternative (s) to address public comments from the public [and] SEACC.<sup>2</sup>

Unlike the action alternatives disclosed in the DEIS, our alternative focused on:

- Ensuring a consistent, long-term supply of economic timber to small mills in Wrangell from small sales along the existing road system over a 30-year transition timeframe.
- Maintaining Wrangell Island’s deer population.
- Integrating wildlife and fish habitat restoration, recreation, and stewardship activities into the project based on the “Good for Services” model.

As developed, this Small Mill and Wildlife Alternative recognized the importance of customary and traditional hunting, fishing, and gathering on Wrangell Island and the recreation and tourism economy that relies on intact watersheds and landscapes. Unlike the action alternatives in the DEIS, our alternative provided the greatest direct economic benefit to the community of Wrangell while maintaining a healthy forest ecosystem on Wrangell Island. Failing to take a hard look at our alternative violates NEPA. Had the Forest Service considered it, perhaps they would not have offered such economically infeasible alternatives as it did. The agency’s own “timber economics report”<sup>3</sup> notes important factors for the economic impracticability for the action alternatives, including use of the Viking Mill in Klawock, over 130 miles away, for calculating tow costs, and high-cost helicopter yarding. The Small Mill and Wildlife Alternative would have supplied local mills with reasonable supply of old growth for decades from the existing road base.

By ignoring this proffered alternative, the agency missed an important collaborative opportunity to work with local residents on a community-forest project that makes long-term sense for the entire community economy. The agency must scrap this DEIS and issue a

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<sup>2</sup> WIP PR 634\_0036 attachment 2012\_03\_02wrangell\_island\_PIL\_signed at 2.

<sup>3</sup> WIP PR 634\_1109\_Stearns

revised draft EIS that includes this reasonable alternative; the DEIS is so inadequate as to preclude meaningful analysis. *See* 40 C.F.R. § 1502.9(a), (c).

**I. The Agency Violated the Tongass Timber Reform Act, National Forest Management Act, and NEPA by Failing to Disclose and Consider an Annual Market Demand Calculation for 2016.**

The agency identifies the underlying need for the WIP coming from “from the Forest Service’s obligation, subject to applicable law, to seek to provide a supply of timber from the Tongass National Forest that meets market demand annually and for the planning cycle . . . .” WIP DEIS at 4. The agency begins its analysis regarding Issue 1: Timber Economics and Availability with the explanation:

In order to meet this objective, the project is designed to include sufficient units and volume to allow the Forest Service to adjust future timber sale offerings from the project area to meet fluctuating market conditions.

DEIS at 62. Its cumulative effects analysis on this issue notes: “Timber harvest under the action alternatives would contribute to meeting projected market demand for timber in Southeast Alaska and support logging and sawmill or export jobs.” DEIS at 65.

In explaining the reasons for conducting environmental analysis of the WIP, the DEIS explains how the agency develops forecasts for market demand. *See* DEIS, Appendix A at 278-282. Inexplicably, the DEIS only provides information identifying “the goal for volume of timber to be offered” for FY 2014 but not FY 2016. *Id.* at 282.

**A. Failure to Prepare and Consider a Current Annual Market Demand Projection for FY 2016 Violates the Tongass Timber Reform Act.**

In findings related to the TTRA in the ROD for the 1997 Revised Tongass Plan, Regional Forester Janik stated:

Legal advice to the Forest Service indicates that **annual timber sale offerings from the Tongass National Forest will be limited to an amount of timber for which there is demand**, as referred to in (sic) TTRA. The Forest Service will develop procedures to ensure that annual timber sale offerings are consistent with market demand.

1997 TLMP Revision ROD at 37 (emphasis added). As directed, the Forest Service prepared and adopted these procedures in 2000, named the “Morse methodology” after their author. Subsequently, as explained in the 2008 TLMP Amendment ROD:

The Forest Service adopted the Morse methodology as the means **by which the agency complies year-by-year with the annual demand portion of the TTRA** “seek to meet” requirement. Similarly, the agency intended to comply with the requirement to seek to meet demand “for each planning cycle” **through a series of annual applications of the Morse methodology.**

2008 TLMP Amendment ROD at 30 (emphasis added). The TTRA limits the timber that the Forest Service can offer on the Tongass to timber "for which there is demand" and the Forest Service complies with the TTRA, by conducting the Morse methodology annually. The failure to do so in 2016 violates the TTRA's "seek to meet" prerequisite.

**B. Failing to Apply Applicable Procedures for Calculating Annual Market Demand in FY 2016 Violates NFMA.**

The NFMA requires that "resource plans and permits, contracts and other instruments for the use and occupancy of National Forest System lands shall be consistent with the land management plan." 16 U.S.C. § 1604(i). The 2008 TLMP Amendment ROD established the annual average volume of timber that could be offered over the life of the plan; it also directed the agency to comply with the annual year demand portion of the TTRA "through a series of annual applications of the Morse methodology." *See* 2008 TLMP Amendment ROD at 30. Failing to follow direction for complying with the TTRA, as provided for in the 2008 TLMP, violates the National Forest Management Act.

For the record, the recently released draft Record of Decision for the 2016 TLMP Amendment reaffirms existing plan direction:

The Forest Service adopted the Morse methodology as the means by which the agency complies year-by-year with the annual demand portion of the TTRA "seek to meet" requirement. Similarly, the agency intended to comply with the requirement to seek to meet demand "for each planning cycle" through a series of annual applications of the Morse methodology.

Draft ROD at 25.

**C. The Agency's Failure to Make and Disclose a FY 2016 Annual Market Demand Calculation in the DEIS Violates NEPA.**

The agency claims it uses the annual market demand forecast "to set the short-term goals or the Tongass Timber Program – volume the Forest plans to offer in the current year, pending sufficient funding and sufficient NEPA-cleared volume." DEIS at 281. Absent from the DEIS and planning record, however, is of the detailed, comprehensive monitoring information the Forest Service claims is required by the Morse methodology. *Id.* Failing to make and disclose the annual market demand calculation and accompanying monitoring data for Tongass timber in the WIP DEIS violates NEPA because it fails to fully inform the public how the agency is complying with the annual demand portion of the TTRA "seek to meet" direction.

We recommend the agency withdraw this DEIS and issue a revised draft EIS because the lack of this critical information precludes meaningful analysis. *See* 40 C.F.R. § 1502.9(a), (c).

Appendix H at H-6 Project-level NEPA documents also describe how each specific timber sale meets the TTRA requirement to seek to meet market demand for Tongass timber while also providing for the multiple use and sustained yield management of the Forest's renewable resources.

## **II. Agency Fails to Take a Hard Look at the Effect of the Current Export Policy Affects Local and Regional Economies.**

According to the analysis in the Final Environmental Impact Statement (FEIS) for the 2016 TLMP Amendment:

NEPA analysis of the effects of the Limited Export Policy has been conducted at both at the programmatic and site-specific levels since its adoption. While analysis at the forest plan level assists the agency in selecting among management alternatives, the forest plan itself also does not authorize the harvest of timber without further, site-specific NEPA review. Project-level NEPA analyses evaluate the effects of timber sales in light of the policy including potential effects on in-state employment and the financial efficiency of project alternatives.

2016 TLMP FEIS, Appendix H at H-6. Unfortunately, the WIP DEIS lacks any such analysis. Although our initial scoping comments identified our interest in design of a sustainable timber program for “local, value-added wood manufacturers,” the DEIS totally fails to evaluate the effects of the proposed sale on these local businesses.<sup>4</sup> The DEIS offers only a general statement that the “[c]urrent export policy allows 100 percent Alaska yellow-cedar export plus hemlock/spruce export equal to 50 percent total sale net sawlog volume” DEIS at 66. The DEIS does not try to explain the environmental and economic effects of this policy. Inexplicably, the Forest Service does not even identify the export policy as one of the effects analysis indicators for Issue 1, Timber Economics and Availability. DEIS at 63.

In recommending the new export policy to the Regional Forester, the Director of Forest Management advised the new policy “would increase the utilization of small diameter and low grade timber . . . , level the playing field with industry in the lower 48 . . . , [and] also increase returns to the Government from the sale of timber from the Tongass. *See* Memo from Forest Management Director Castillo to Regional Forester Bschor (Mar. 13, 2007). Missing from the WIP DEIS is any evaluation of how effective the new policy has been in achieving these objectives. Without disclosing and evaluating real data, neither the public nor decisionmakers can meaningfully evaluate the benefits or costs of the policy.

One of the stated forest-wide multiple use goals for this timber project is the management of Tongass timber “for production of saw timber.” DEIS at 4. No explanation is given for how allowing the export (in the round) of up to 50 percent of the project’s timber assists the Forest Service’s achievement of this goal.

Appendix A states “[d]emand for Tongass National Forest timber currently depends on markets for sawn wood and exports of softwood logs.” DEIS at 281. Missing from the DEIS is any data or analysis supporting this assumption. Neither can the Forest Service rely on the programmatic effects analysis, such as it is, in the 2008 or 2016 TLMP. Given the deficit appraisals projected for all the action alternatives with and without export, what basis does the

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<sup>4</sup> *See* WIP PR 634\_0096 at 5; *see also* WIP PR 634\_0197 (Borough of Wrangell scoping comments recommending “Minimiz[ation of] round log export”); WIP PR 634\_0098 at 27 (Sierra Club’s Jan. 29, 2011 Scoping Comments); at 120 (TCS & Greenpeace Scoping Comments).

Forest Service have for a conclusion that export increases utilization of Tongass timber, improves sales economics, or results in increases the appraised value of project timber?

### **III. Forest Service Fails to Follow Internal Agency Direction for Computing Financial Efficiency Analysis as Required in the Forest Service Handbook.**

FSH 2409.18\_32.2 directs agency planners how to compute financial efficiency of project alternatives at the Gate 2 stage. This analysis should compare estimated Forest Service direct expenditures with estimated financial revenues. According to the Handbook, planners are to “[u]se 3-year average historical costs to estimate the costs of implementing future timber sale projects.” FSH 2409.18\_32.22. Although R-10 Supplement 2409.18-2013-1 approves use of the Financial Analysis Spreadsheet Tool – Residual Value (“FASTR”), it does not specifically delete, amend, or modify National FSH direction regarding disclosure and analysis of historical cost data.

Why didn’t agency planners disclose 3-year average historical costs from 2012-2015? Failing to do so violates the agency internal directives and NEPA. The FASTR outputs are meaningless without disclosing all the data they rely on. This information is important because economic efficiency is goal of TLMP and this project and a comparison between direct expenditures and projected financial revenues provides a strong basis for comparison of the action alternatives.

### **IV. DEIS Ignores No Mention Made of the Direction in Executive Order 13653 for the Forest Service to Manage Its Lands and Waters for Climate Preparedness and Resilience.**

Missing from the DEIS is a reference to the November 1, 2013 Executive Order 13653. Neither does the DEIS support the required risk-informed decision making or explain what steps the agency proposes to take with this proposed project to improve climate preparedness and resilience, the President’s Climate Action Plan, or the Secretary’s explicit recognition of the Tongass’ global significance as a carbon-rich reserve.<sup>5</sup> The supplemental DEIS should identify how the Forest Service’s management proposals for the natural infrastructure on Wrangell Island follow and promote the dual goals of improved climate resilience and carbon sequestration.

### **V. Proposed WIP Violates TLMP By Failing to Apply TLMP Standards.**

The 2008 Amended Forest Plan describes desired landscape attributes on the Tongass as including maintenance of viable wildlife populations and the maintenance and improvement of fish and wildlife habitat “to ensure sustainable fish and wildlife and their uses.”<sup>6</sup> To achieve

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<sup>5</sup> PR 769\_01\_000046 at PDF 1 (U.S. Department of Agriculture, Office of the Secretary, Secretary’s Memorandum 1044-009 Addressing Sustainable Forestry in Southeast Alaska (July 2, 2013)) (Secretary Vilsack’s Memo).

<sup>6</sup> 2008 Amended Forest Plan at 2-1 (“There are no threatened or endangered species on the Forest.”); *see also id.* at 2-1 (“Opportunities for hunting, trapping, and viewing game species are being provided. World-class wildlife resources such as brown bears and wolves, considered threatened or endangered in the lower 48 states, are relatively abundant and available for human use and enjoyment in perpetuity.”).

these desired attributes, the Forest Service must manage the Tongass in such a way as to “[m]aintain the abundance and distribution of habitats, especially old-growth forests, to sustain viable populations in the planning area” and “[m]aintain habitat capability sufficient to produce wildlife populations that support the use of wildlife resources for sport, subsistence, and recreational activities.”<sup>7</sup>

Incredibly, without explanation, the DEIS evaluates effects on various bird and wildlife populations in terms of whether the population will “persist.”<sup>8</sup> The DEIS fails to disclose and evaluate whether the WIP will comply with the 2008 TLMP and maintain sufficient wildlife habitat to support sustainable wildlife populations on the Tongass, particularly deer and wolves. Not only does the DEIS violate NFMA by failing to assure compliance with TLMP requirements, it fails to demonstrate the project follows the agency’s obligations to provide for the multiple use and sustained yield of all renewable forest resources under the Tongass Timber Reform Act.

For all the above reasons, we find the WIP DEIS so flawed as to preclude meaningful analysis. As proposed, the project is both economically and ecologically unsustainable. We support selection of the no action alternative.

Best Regards.



Buck Lindekugel  
Grassroots Attorney



Stephen Todd  
WRC Board President

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<sup>7</sup> 2008 Amended Forest Plan at 2-9.

<sup>8</sup> DEIS at 91 (Queen Charlotte goshawks), 94 (wolves), 96 (martens), 100 (bears), 103 (red squirrels), 106 (deer), 109 marbled murrelets, 100 (Southern red-backed voles).