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# RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

July 14, 2016

Robert Dalrymple  
District Ranger  
Wrangell Ranger District  
Box 51  
Wrangell, AK 99929

Dear Mr. Dalrymple:

The Resource Development Council for Alaska (RDC) is writing to offer its perspective on the Wrangell Island Project Draft Environmental Impact Statement (DEIS).

RDC is a statewide, non-profit, membership-funded organization comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to encourage a strong, diversified private sector economy in Alaska through the responsible development of our natural resources.

While RDC appreciates the work the Forest Service has put into the Wrangell Island Project, we urge the agency to increase the supply of old-growth timber to the forest products industry until young-growth timber is more fully mature. Further, more work needs to be done to improve the economics of the project. Such action will enhance the economy of Southeast Alaska and create much-needed jobs for local residents. A more balanced project can be achieved while protecting the environment, wildlife, and fisheries of the region.

The Wrangell Island Project was originally intended as one part of the Forest Service's pledge to provide a series of four ten-year timber sales, each with an annual volume of 15 to 20 million board feet (mmbf), to help meet its ten-year timber sale commitment under the 2008 Tongass Land Management Plan. As currently configured, the project no longer meets that objective. The project now appraises in a deficit timber sale mode, requiring modifications to address economic shortcomings.

Extensive partial harvesting prescriptions will result in much higher logging costs and remove only the higher value trees to compensate for the high costs. This will leave residual timber stands with insufficient value to support future logging. Moreover, new trees growing in the shadow of the residual trees will be dominated by shade tolerant hemlock trees, reducing future stand diversity and value. Given the high cost of partial cutting, combined with the negative economics and impacts on those stands, the partial cut prescription is unwarranted. Furthermore, with three-quarters of the land already set aside in the project area, the partial cutting prescription should be dropped.

Other elements of the plan severely compromising the economics of the project include viewshed prescriptions, which are unnecessarily constraining in an area that has had extensive logging over the past 60 years. These constraints, as well as strict adherence to the Roadless Rule, leaves only a quarter of the land within the project area open to

timber harvesting, reducing the planned timber sale volume to 65 mmbf – roughly a third of the originally planned volume. The potential negative fish and wildlife impacts of the Wrangell project are overstated and the benefits of the sale are not even acknowledged in the DEIS. Meanwhile, the market demand analysis for the project is inadequate and inaccurate. The analysis does not address the cost of accessing and harvesting young growth stands, nor does it address the value of the young growth in both the domestic and export markets. In addition, projected timber harvest levels are too small to support an adequate economy of scale to support a competitive industry. Moreover, the assumption that the mills will make investments to enable them to process small volumes of young growth timber is flawed.

Furthermore, the market demand analysis falsely assumes private timber will be available to local sawmills and the projected level of private timber harvest is overstated. These and other issues, including road construction costs and silviculture concerns, are discussed in detail in the July 2016 comments of the Alaska Forest Association (AFA), which RDC endorses.

Given false assumptions, errors and shortcomings, the revised demand analysis should not be used to assist the Forest Service in meeting the Tongass Timber Reform Act requirements for estimating planning cycle demand for timber from the forest. As AFA outlined in its July 2016 comments, the volume of timber under contract is far below the level the Forest Service asserts is necessary to comply with the law and also far below the level necessary to sustain what is left of the forest products industry in Southeast Alaska.

In conclusion, RDC appreciates the effort the Forest Service has put into the Wrangell Island Project, however, more work remains to be done to improve the economics of the project, including an increase in the supply of old-growth timber to industry.

Sincerely,



Carl Portman  
Deputy Director