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c/o Alaska Roadless Rule
USDA Forest Service, Alaska Region
Ecosystem Planning and Budget Staff
P.O. Box 21628
Juneau, Alaska 99802-1628
Submitted electronically at: <https://www.fs.usda.gov/project/?project=54511>

Attn: Roadless Area Conservation; National Forest System Lands in Alaska

Dear Alaska Roadless Rulemaking Team:

I submit these comments on behalf of UnCruise Adventures, Lindblad Expeditions and The Boat Company in support of maintaining the 2001 Roadless Area Conservation Rule's (Roadless Rule) prohibition on timber sales and road construction in inventoried roadless areas in southeast Alaska. Our companies are small cruise vessel eco-tour operators - part of a visitor products industry that provides thousands of visitors with scenic views of southeast Alaska coastlines, fjords and forests, hiking, beach combing, wildlife viewing and other remote recreation experiences throughout southeast Alaska. Our companies are part of the small cruise vessel fleet - a diverse group of overnight commercial passenger vessels including yachts and smaller motor vessels that carry between 6 and 250 passengers. Many small cruise companies have Forest Service special use permits and provide visitors with roadless remote recreational opportunities. All of these vessels operate in or adjacent to southeast Alaska inventoried roadless areas.¹

The visitor products industry is growing and is the largest private sector economy in the region and requires guided public access to unroaded and intact or recovering forest ecosystems adjacent to or within inventoried roadless areas. The Roadless Rule ensures a supply of these areas to meet growing market demand for visitor products and is the most sensible ecological and economic policy for 21st century southeast Alaska. Every small cruise operator and sport fishing guide commenting on this proposal to date supports the Roadless Rule.²

However, the Forest Service now proposes to undo this fiscally responsible, pro-business policy and exempt the Tongass National Forest from Roadless Rule prohibitions on timber extraction and road construction within inventoried roadless areas.³ Southeast Alaska's visitor products industry relies heavily on inventoried roadless areas which supply remote recreation opportunities. The supply of inventoried roadless areas provides a significant comparative advantage to the 21st century southeast Alaska economy relative to other destinations. Demand is high, and there is a shrinking supply of undeveloped areas for outdoor adventure.

The State of Alaska's petition makes clear its primary purpose is to increase the acreage available to federal timber sale purchasers.⁴ Our companies would lose our comparative advantage in

¹ Alaska 2016 Small Cruise Market; see also <https://www.uncruise.com/destinations/alaska-cruises/alaska-experience-guide> (showing representative cruise routes and destinations).

² See <https://cara.ecosystem-management.org/Public/ReadingRoom?Project=54511> (last accessed October 12, 2018).

³ U.S. Dept. of Agriculture, Forest Service. Special Areas; Roadless Area Conservation; National Forest System Lands in Alaska. 84 Fed. Reg. 201 at 55522.

⁴ State of Alaska. Petition for Rulemaking to exempt the Tongass National Forest from application of the Roadless Rule and other actions. January 19, 2018. Available at: https://www.fs.usda.gov/nfs/11558/www/nepa/109834_FSPLT3_4406959.pdf (last accessed October 6, 2018).

the national and global economy. Any measure that reduces Roadless Rule restrictions on timber harvest and road construction activities will displace the guided public and associated business activity to a much greater extent than disclosed in the Alaska Roadless Rulemaking Cost-Benefit Analysis. The State of Alaska and Forest Service wrongly believe that the Roadless Rule harmed the regional economy and cling to the false hope that authorizing timber entries into inventoried roadless areas would further economic development in Alaska.⁵ The rationale for the proposed action ignores market-based socio-economic changes in the region. Timber entries into inventoried roadless areas would harm the two largest private-sector economies – tourism and fishing.

The primary problem with the proposed action is a state and federal failure to confront simple supply and demand concepts. The 2000 Roadless Area Conservation FEIS recognized that over time, the socio-economic effects of the Roadless Rule would reflect broader economic forces. If timber markets continued to decline, prohibitions on timber entries into inventoried roadless areas would have a marginal impact. Conversely, if demand for remote recreation in southeast Alaska increased, the region would benefit from having a comparative advantage in its supply of acreage available for outdoor adventure opportunities. Now, nearly two decades after the promulgation of the 2001 Roadless Rule, the visitor products industry has ballooned while the timber products industry has shrunk and shifted its manufacturing capacity to China. Market forces operating in local economies favor maintaining the existing supply of inventoried roadless acreage.

The DEIS for this rulemaking did not fairly analyze potential harms to the visitor products industry that may accrue from displacement by timber operations, loss of scenic values, and harm to fish and wildlife. Remoteness, wildlife and scenery form the main visitor attractions in southeast Alaska.⁶ As explained in the Juneau Economic Development Council's Visitor Products Cluster's May 2017 letter to Forest Service leaders, this "wild infrastructure" of public lands and waterways that provide scenery, fishing and wildlife resources brings in over a million visitors annually, driving a billion dollar economy that is the largest source of private sector employment in southeast Alaska.⁷ Wild infrastructure includes inventoried roadless areas used by our vessels throughout southeast Alaska.⁸

The DEIS and Cost-Benefit Analysis wrongly minimized adverse impacts to outfitter/guides, the guided public, and communities supported by visitor products providers. The analysis indicates that Roadless Rule exemption alternatives would save timber sale purchasers between \$1 and \$2 million in operating costs. It then suggests that tour operators would realize only \$77,000 in expenses related to displacement from inventoried roadless areas by ignoring the effects of clearcutting on adjacent areas and the visitor experience. In particular, the Cost-Benefit Analysis excludes scenic values entirely from its methodology. It omits direct travel costs incurred by tour operators who must divert or alter their travel routes in order to first avoid timber extraction activities and then seek out the limited available areas for guiding visitors ashore to experience hiking, wildlife viewing and the other primary capital assets available in the Tongass National Forest.

In sum, we request that the Forest Service adopt the no-action alternative. Any decision to proceed with any alternative that creates Alaska-specific exemptions to the Roadless Rule would require the production of a revised DEIS that fully and fairly informs the public and the decision maker of costs to small cruise vessels and other tour operators.

I. The Roadless Rule protects and advances southeast Alaska's economy and society

The Roadless Rule has significant benefits for the hundreds of thousands of Americans who comprise the guided public, the outfitter/guides who serve the guided public, and southeast Alaska

⁵ Roadless Area Conservation, National Forest System Lands in Alaska. 83 Fed. Reg. at 44253 (August 30, 2018).

⁶ U.S. Forest Service. 2000. Roadless Area Conservation Final Environmental Impact Statement at 3-373 (hereinafter Roadless Rule FEIS)

⁷ See http://www.jedc.org/sites/default/files/Policy_letter%20sign%20on_5_25_2017.pdf .

⁸ See <https://www.uncruise.com/destinations/alaska-cruises>.

municipalities that function as “gateway communities” because of their proximity to undeveloped public lands. As explained by the 2000 Roadless Rule FEIS: “[t]he protection of roadless areas will benefit communities with a strong economic ties to dispersed recreation uses”⁹ The DEIS failed to provide a fair and complete analysis of the consequences of removing all or a significant portion of inventoried roadless acreage on tour operators, the guided public and gateway communities that rely on access to undeveloped inventoried roadless areas.

The 2000 Roadless Area Conservation Rule FEIS explains that “[t]he well-being of rural communities connected to Forest Service administered lands has been an important factor in forming many social and economic policies enacted by the Forest Service and Congress.”¹⁰ The notice of proposed rulemaking asserts that “[t]he overarching goal of the proposed rule is to reach a long-term, durable approach to roadless area management that accommodates the unique biological, social, and economic situation found in an around the Tongass National Forest.”¹¹

The no-action alternative is the only alternative that will accommodate and contribute to the region’s socio-economic well-being. The DEIS acknowledges that none of the Roadless Rule exemption alternatives will have any economic impact in terms of jobs and employment in the region relative to keeping the Roadless Rule intact.¹² Instead, this action aims solely at achieving cost savings for timber sale purchasers.¹³

It is beyond dispute that tourism and commercial fishing are the region’s top private economic sectors.¹⁴ These industries are critical to every rural community and larger municipality in the region. Moreover, visitor spending directly contributes to the development of another important regional economic driver – the arts economy.¹⁵ There are over 2,340 artists residing in southeast Alaska who earn \$29.9 million and have a total economic impact of \$57.8 million through retail sales and events that rely to a substantial extent on visitor spending.¹⁶ The regional arts sector is nearly twice the size of the timber industry, which is so small that it fails to qualify as a relevant economic sector in the region.¹⁷

A. Supply and comparative advantage: intact inventoried roadless areas = economic opportunity

The Roadless Rule benefits Southeast Alaska by maintaining “the wild and unspoiled nature of many inventoried roadless areas” and conserving the remote and semi-remote recreational opportunities commonly sought in southeast Alaska that are not available in roaded areas.¹⁸ The supply of unroaded areas for remote and semi-remote recreation is diminishing while demand for recreation activities in these areas is growing.¹⁹ The only other relatively undisturbed landscapes are in

⁹ Roadless Rule FEIS at 3-371.

¹⁰ U.S. Dept. of Agriculture Forest Service. 2000. Forest Service Roadless Area Conservation Final Environmental Impact Statement Vol. I. at 3-326. Washington, D.C. November 2000.

¹¹ 84 Fed. Reg. at 55,523-24; *see also* DEIS at 1-4.

¹² DEIS at 3-49.

¹³ 84 Fed. Reg. at 55,527.

¹⁴<http://www.seconference.org/sites/default/files/FINAL%20Southeast%20by%20the%20Numbers%202019.pdf>

¹⁵ Exh. 30 (RainCoast Data 2014); Exh. 31 (SitNews 2014).

¹⁶ *Id.*

¹⁷ *Id.*;

<http://www.seconference.org/sites/default/files/FINAL%20Southeast%20by%20the%20Numbers%202019.pdf>

¹⁸ Roadless Rule FEIS at ES-7, 1-4.

¹⁹ *Id.*, *see also id.* at 3-213.

federal Wilderness.²⁰ Wilderness areas are off limits to many tour operators – heightening the importance of maintaining inventoried roadless areas in their current condition.²¹

The 2000 Roadless Area Conservation FEIS projected that the effects of the Roadless Rule in southeast Alaska could be beneficial as the regional economy shifted further away from timber towards recreation and related uses by maintaining “sustainable fish and wildlife populations, natural scenery, and feeling of remoteness.”²² As the largest provider of outdoor recreation opportunities, the Forest Service had already shifted its management focus from timber to recreation in other parts of the country.²³

The Forest Service then recognized that supply and demand would drive changes in the respective values of southeast Alaska inventoried roadless areas for different uses. Broader economic trends and community adaptation to changing markets for resource-based industries would dictate the extent to which the Roadless Rule provided economic benefits to the region’s growing visitor products industry.²⁴ At a national level, demand for remote recreation opportunities was increasing even as the supply was diminishing.²⁵ The Roadless Rule could thus benefit southeast Alaska by “preserving ...] economic opportunity associated with remote recreation and adventure tourism.”²⁶ There already was an economic shift in response to increased demand for Tongass tourism – recreation and tourism levels had more than doubled between the mid-1980s and mid-1990s.²⁷ By maintaining lands for dispersed recreation opportunities, the Roadless Rule could provide stability for gateway communities to maximize benefits from this growing economic sector.²⁸

Since 2000, demand for visitor products has continued to grow. Communities throughout the region developed marketing strategies and small businesses aimed at capitalizing on the region’s wild infrastructure. Alaska’s popularity is growing - particularly southeast Alaska which hosts two-thirds of all state visitors, making it the most visited region of the state.²⁹ The visitor products industry thrives because of the supply of scenery, gateway communities and outdoor adventure opportunities, with consistent annual increases in industry employment and earnings.³⁰ Growth in visitor products industry jobs have offset job losses in other economic sectors.³¹ The Southeast Conference’s 2019 annual economic report identifies the visitor products industry as the region’s top economic sector (including government) in terms of jobs.³² The report estimates that 2020 visitor spending in the region will reach \$800 million.³³

Forest Service lands account for roughly half of regional visitor activity, accommodating 2,874,000 visits which generate \$382 million in spending and support 3,947 direct jobs and 1,110 indirect jobs.³⁴ Inventoried roadless areas account for over two-thirds of Tongass National Forest visitor

²⁰ *Id.* at 3-213.

²¹ See https://www.fs.usda.gov/nfs/11558/www/nepa/85357_FSPLT3_3990922.pdf .

²² Roadless Rule FEIS at 3-389.

²³ *Id.* at 3-275.

²⁴ *Id.* at 3-389.

²⁵ *Id.* at 3-214; -220, -223.

²⁶ *Id.* at 3-389.

²⁷ *Id.* at 3-275.

²⁸ *Id.* at 3-215.

²⁹ <http://www.seconference.org/sites/default/files/FINAL%20Southeast%20by%20the%20Numbers%202019.pdf>

³⁰ *Id.* at 3.

³¹ www.raincoastdata.com/sites/default/files/Southeast%20Alaska%20by%20the%20numbers%202018%20updated%20Sept%202025.pdf .

³² <http://www.seconference.org/sites/default/files/FINAL%20Southeast%20by%20the%20Numbers%202019.pdf>

³³ *Id.*

³⁴ DEIS at 3-41.

spending (\$245 million).³⁵ Forest Service data show strong demand for services provided by the region's 242 outfitters and guides. The number of guided clients on the Tongass National Forest is increasing at a high rate - from 533,388 client service days during the recession in 2011 to 641,149 clients in 2017 - a 17 percent increase.³⁶ The primary activities sought by the guided public – both in the past and in the present - are dispersed, active and remote outdoor recreation experiences such as hiking, kayaking and wildlife viewing.³⁷

Southeast Alaska's comparative advantage in the national and global economy is its "remarkable and unique combination of features including inland waterways with over 11,000 miles of shoreline, mountains, fiords, glaciers and large or unusual fish and wildlife populations that provide opportunities for a wide range of outdoor recreation experiences."³⁸ Leaving inventoried roadless areas intact under the no-action alternative is the best way to accommodate the social and economic situation in the region.

B. Market Demand: the DEIS failed to adequately describe small cruise eco-tour operators and remote recreation

The Forest Service needs to reconsider its proposed action and maintain the current supply of inventoried roadless acreage in order to best accommodate increased demand for outfitting and guiding services and provide for growth and stability in gateway communities.³⁹ Inventoried roadless area qualities are so important to the strong economic performance of the visitor products industry that the DEIS needed to fully disclose Roadless Rule benefits the regional economy and analyze, describe and quantify the contributions of inventoried roadless areas in providing these features to a degree that reflects their relative importance.⁴⁰

NEPA's purpose is to "help public officials make decisions that are based on understanding of environmental consequences, and take actions that protect, restore and enhance the environment."⁴¹ High quality information and accurate scientific analysis are essential to implementing NEPA.⁴² An EIS must explain baseline conditions as part of the agency responsibility to "succinctly describe the environment of the area(s) to be affected ... by the alternatives under consideration" and "insure that environmental information is available to public officials and citizens before decisions are made and before actions are taken."⁴³

9th Circuit case law makes clear that "inaccurate economic information may defeat the purpose of an EIS by 'impairing the agency's consideration of the adverse environmental effects' and by 'skewing the public's evaluation' of the proposed agency action."⁴⁴ The failure of the DEIS to accurately analyze relevant information by comparing the respective socio-economic contributions of timber sale

³⁵ Alaska Roadless Rulemaking Cost-Benefit Analysis at 33.

³⁶ DEIS at 3-39, 163U.S. Forest Service. 2017. Shoreline II Outfitter/Guide Final Environmental Impact Statement at 3-12, Table 3-5.R10-MB-793c (hereinafter Shoreline II FEIS).

³⁷ *Id.* at 3-57 (remote-setting nature tours comprise 63 % of guided public activities in northern Tongass ranger districts); Roadless Rule FEIS at 3-73 (62% of recreation on Tongass is semi-primitive).

³⁸ U.S. Forest Service. 2016. Tongass Land and Resource Management Plan Final Environmental Impact Statement at 3-357. R10-MB-769e (hereinafter 2016 TLMP FEIS).

³⁹ See Roadless Rule FEIS at 3-223, 3-275.

⁴⁰ 2016 TLMP FEIS at 3-477 – 3-524 (developing 30 pages of discussion that review timber market scenarios and business interests while devoting a handful of pages of analysis to the region's largest private sector economies - tourism and fishing).

⁴¹ 40 C.F.R. § 1508.1(c).

⁴² 40 C.F.R. § 1508.1(b).

⁴³ 40 C.F.R. § 1502.15; 1500.1(b); *N. Plains Res. Council v. Surface Transp. Bd.*, 668 F.3d 1067, 1084 (9th Cir. 2011); *Oregon Natural Desert Ass'n v. Jewell*, (9th Cir. 2016)

⁴⁴ *Natural Resources Defense Council v. U.S. Forest Service*, 421 F.3d at 811 (quoting *Hughes River Watershed Conservancy Council v. Glickman*, 81 F.3d 437, 446 (4th Cir. 1996)).

purchasers and visitor products providers subverted NEPA's purpose of ensuring the availability of an "accurate assessment of the information" necessary to evaluate project impacts.⁴⁵ Given that the purpose of this rulemaking is in large part to influence community economies, the DEIS needed to do a much better job of analyzing and disclosing the visitor products industry's influence on economies throughout the region. The DEIS discloses visitor industry impacts broadly,⁴⁶ but then relied on outdated information and erroneous assumptions that minimize the regional scale of the industry.⁴⁷

The DEIS focuses first and foremost on large cruise ship visitation. It references 2015 data showing that visitor industry jobs and tourism activity concentrate in Juneau, Skagway and Ketchikan.⁴⁸ It provides a table listing large cruise ship passengers by community.⁴⁹ Then the DEIS describes the small cruise vessel fleet in just two paragraphs which identify two smaller communities visited by small cruise vessels (Petersburg and Metlakatla).⁵⁰ The small cruise vessel fleet provides significant economic growth and opportunity to the entire region because small cruise vessels "ha[ve] the potential to yield significant benefit because small ships visit communities of all sizes."⁵¹ In fact, in 2015, 11 small cruise companies offered 46 itineraries to southeast Alaska communities, resulting in multiple weekly port calls to southeast Alaska communities of every size from larger communities such as Juneau, Ketchikan and Sitka to mid-sized communities such as Haines, Hoonah, Kake, Petersburg and Wrangell and even to smaller communities such as Kasaan, Skagway and Tenakee Springs.⁵²

Twenty-four small cruise vessels carrying more than 20 passengers with a 16,900 passenger capacity operated in southeast Alaska in 2015.⁵³ Readily available data shows that three companies have since added four more vessels and considerable additional passenger capacity to the southeast Alaska fleet.⁵⁴ This growth has increased the number of multi-day visitors to the region and introduced visitors to wider range of southeast Alaska communities. The 2000 Roadless Area Conservation FEIS explains that recreation use generates considerable economic benefits for small businesses in gateway communities – particularly through non-resident visitors who bring in "outside" dollars.⁵⁵

For the pending Central Tongass Project – a large timber sale - the Forest Service has already planned to maximize the acreage available for clearcutting and road construction by authorizing entries

⁴⁵ *Natural Resources Defense Council*, 421 F.3d at 812.

⁴⁶ Alaska Roadless Rulemaking Cost-Benefit Analysis at 14.

⁴⁷ The apparent preparer of this DEIS, Tetra Tech of Bothell, Washington, also made a number of factual errors in the DEIS. There appears to be a disconnect between on the ground realities and the research of a distant federal contractor. For example, according to the DEIS, there was no outfitter/guide use on Wrangell Island from 2014-2017. How can this be? Table 3.10-4 in the DEIS reports that there was no wildlife viewing activity in the Petersburg and Sitka Ranger Districts from 2013-2017, and that Remote-setting Nature Tours comprised only 6 and 14% of the outfitter/guide activity in those two ranger districts. In contrast, data compiled by local recreation managers shows that the primary activities sought by the guided public are remote-nature tours, which encompass 63% of the guided activity on four ranger districts. See U.S. Forest Service. 2017. Shoreline II Outfitter/Guide Final Environmental Impact Statement at 3-12. Page 3-163 of the DEIS claims that small cruise vessels operate in just a few areas for a short period of time. In fact, as shown by website itineraries cited in this document, as well as planning materials compiled local recreation managers, small cruise vessels operate throughout the region, from April to September.

⁴⁸ Cost-Benefit Assessment at 18-19.

⁴⁹ DEIS at 3-38.

⁵⁰ *Id.* at 3-38-39.

⁵¹ Shoreline II FEIS at 3-11.

⁵² See Alaska Division of Economic Development. 2016. Trends and opportunities in Alaska's small cruise vessel market. Available at: https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/fseprd530432.pdf.

⁵³ *Id.*

⁵⁴ See <http://uncruise-alaska.com/ships/s-s-legacy/>; <https://www.expeditions.com/why-us/our-fleet/national-geographic-quest/overview/>; <https://www.alaskandreamcruises.com/fleet/chichagof-dream>.

⁵⁵ Roadless Rule FEIS at 3-275.

into many of that project area's 43 inventoried roadless areas.⁵⁶ The agency deferred action on these entries pending the completion of this rulemaking.⁵⁷ Action alternatives under this rulemaking will open up tens of thousands of inventoried roadless acres currently utilized for scenery and shoreline recreation by our vessels and other outfitter/guides to development adjacent to communities in this project area, which encompasses the Wrangell and Petersburg Ranger Districts.⁵⁸

The reallocation of inventoried roadless recreation habitat to a distant timber sale purchaser will cause considerable cost to the socio-economic well-being of central southeast Alaska communities. Impacts of this project illustrate how the analysis missed the boat(s). Small cruise vessel operators work to build on recent industry growth through initiatives to increase the number of multi-day visitors to Kake, Petersburg and Wrangell.⁵⁹ Un-Cruise Adventures' "Alaska Yacht, Bears, Bergs and Bushwhacking" tour operates exclusively out of Kake and Petersburg and is one of its highest value tours.⁶⁰ In 2015, 10 small cruise operators offered 28 itineraries that included a minimum of 136 cumulative visits to the central southeast Alaska communities of Kake, Petersburg and Wrangell.⁶¹

These gateway communities have developed targeted marketing strategies accompanied by additional infrastructure and new local economies, including small business development.⁶² Local investments in the visitor products economy reflect market demand trends for rural Alaska community experiences and an economic development model proven to be successful over the past decade in terms of increasing local jobs, municipal revenues and visitor spending.⁶³

For example, Kake and other partners are investing in reconstruction of the historic cannery so that it will provide space for artisans, vendors and other activities.⁶⁴ Because of visitor products industry growth, tourism has become an "economic priority" for Kake.⁶⁵ The Kake Tribal Corporation's current website identifies tourism as "the growth area in terms of jobs and businesses."⁶⁶ The effort to increase the community's attraction to the visitor industry recognizes that it is "ideally located" to take advantage of easy marine access and natural surroundings that are "conducive to developing a versatile variety of tourist attractions."⁶⁷ The community and other partners are investing in reconstruction of Kake's cannery so that it will provide space for artisans, vendors and other activities.⁶⁸

⁵⁶ USDA Forest Service. 2019. Central Tongass Project Draft Environmental Impact Statement Vol. 1 at 3-26, 3-51. R10-MB-832a. U.S. Forest Service, Alaska Region. July 2019.

⁵⁷ *Id.* at 3-26.

⁵⁸ See DEIS, Appx. D at D-1-D-3, D-9-12 (showing that areas heavily utilized by outfitter/guides in these ranger districts will experience some of the largest losses of inventoried roadless acreage).

⁵⁹ Exh. 12 at 116 (Juneau Economic Development Council. 2011. Southeast Alaska action initiatives for key economic clusters – Southeast Alaska Visitor Products).

⁶⁰ Exh. 5.

⁶¹ Exh. 2, Appx. A.

⁶² Goodrich, B. 2015. Rebuilding Alaska: Breathing new life into Kake's historic cannery, Reconstruction Project to incubate business and stimulate rural Alaska economy. In: Alaska Business Monthly, December 10, 2015. See also http://www.wrangell.com/sites/default/files/fileattachments/economic_development/page/3360/2016_profile.pdf ; <http://kaketribalcorporation.com/tourism.html>; [https://www.petersburgak.org/vertical/sites/%7B4767CF81-336B-467E-95E0-0AA7DA2030AC%7D/uploads/small_cruise\(1\).pdf](https://www.petersburgak.org/vertical/sites/%7B4767CF81-336B-467E-95E0-0AA7DA2030AC%7D/uploads/small_cruise(1).pdf) .

⁶³ D'Oro, R. 2011. Alaska natives gain foothold in tourism. Available at: http://www.nbcnews.com/id/42414829/ns/travel-destination_travel/t/alaska-natives-gain-foothold-tourism/#.Wq6ilpch3IV

⁶⁴ Goodrich, B. 2015.

⁶⁵ Exh. 8 (Kake Tribal Corporation 2018).

⁶⁶ *Id.*; Exh. 10 (Goodrich, B. 2015. Rebuilding Alaska: Breathing new life into Kake's historic cannery, Reconstruction Project to incubate business and stimulate rural Alaska economy. In: Alaska Business Monthly, December 10, 2015.

⁶⁷ Exh. 8.

⁶⁸ Exh. 10.

There were 75 small cruise vessel port calls to Wrangell annually with over 7,350 visitors and an overall 26 percent growth in tourism from 2011-2014.⁶⁹ Visitors spent \$4 million during the summer of 2014, including \$2.0 million on excursions and \$1.5 million on lodging and restaurants.⁷⁰ More recent data indicates an even more significant growth trend, with 13,604 visitors arriving in Wrangell via small cruise vessel in 2017 with an expected increase to 22,000 visitors in 2019.⁷¹ There was a 40 percent increase in summer visitor spending from 2014 – 2017.⁷² There are 37 visitor industry businesses in Wrangell.⁷³ Small cruise vessels with 50 – 150 passenger capacities, make roughly 150 port calls to Petersburg.⁷⁴

The small cruise vessel economy provides significant returns on these private and municipal investments in tourism businesses and infrastructure. Cruise companies market tours to a specific type of clientele that seek unique cultural and environmental experiences and are willing to pay premium prices.⁷⁵ Conservative estimates show that one small cruise vessel operating from May to September with a seasonal total of 700 passengers can generate \$1.3 million in combined company spending on fuel, moorage, supplies, services and taxes and client spending on shopping, lodging, meals, transportation and activities.⁷⁶ The \$1,857 value per passenger estimate is conservative; actual spending data for small cruise passengers is not available so the estimate reflects data based on per person spending from all Alaska cruise passengers and is likely lower than per visitor spending by small cruise vessel clientele.⁷⁷ The 20,000 small cruise passenger volume estimated for 2019 would thus generate over \$37 million in direct spending dispersed between larger ports and more rural communities such as Kake, Petersburg and Wrangell. This economic output rises to \$60 million in total economic impact when using economic models that include multiplier effects.⁷⁸

In contrast, the timber industry in southeast Alaska has little role in socio-economic well-being of the region. The stated need for the proposal to create Alaska-specific exemptions to the Roadless Rule is to implement “roadless area management that accommodates the unique biological, social and economic situation in and around the Tongass National Forest.”⁷⁹ The State of Alaska’s petition insists that the Roadless Rule has caused “extensive” or even “devastating” impacts to the economic and social fabric of Southeast Alaska because it restricts road construction and timber removals.⁸⁰ *The DEIS itself admits that action alternatives will not create any jobs relative to keeping the Roadless Rule intact.*⁸¹ The Forest Service, however, believes that timber removals and road construction in inventoried roadless areas will benefit rural economies by creating timber extraction cost savings between \$1-2 million for one of two companies that purchase large timber sales.⁸² These assumptions form the primary premise for the proposed action and grossly mischaracterize actual socio-economic

⁶⁹ Central Tongass Project DEIS at 3-275.

⁷⁰ <http://raincoastdata.com/portfolio>; see 2015 Wrangell Visitor Industry report.

⁷¹ *Id.* see 2018 Wrangell Visitor Industry report.

⁷² *Id.*

⁷³ *Id.*

⁷⁴ Central Tongass Project DEIS at 3-275.

⁷⁵ Alaska Division of Economic Development. 2016. Trends and opportunities in Alaska’s small cruise vessel market.

⁷⁶ *Id.*

⁷⁷ *Id.*

⁷⁸ See Exh. 20 (McDowell Group 2016)(using a visitor direct spending multiplier of 1.62).

⁷⁹ 84 Fed. Reg. at 55,524.

⁸⁰ See https://www.fs.usda.gov/nfs/11558/www/nepa/109834_FSPLT3_4406959.pdf.

⁸¹ DEIS at 3-49.

⁸² 84 Fed. Reg. at 55,527.

trends in the region. The DEIS must re-evaluate the State of Alaska's and Forest Service's socio-economic assumptions.

The 2000 Roadless Area Conservation FEIS projected that the Roadless Rule would shrink the supply of timber and result in a shortage for Southeast Alaska timber processors. Areas outside of inventoried roadless areas would allow for annual timber removals of 50 million board feet.⁸³ The agency's concern was that this volume would support some but not all existing and planned timber processing facilities in southeast Alaska.⁸⁴ The Forest Service feared that Roadless Rule restrictions could reduce timber take by 77 million board feet per year and cause economic harm to communities where the industry was a "cornerstone."⁸⁵

However, the Forest Service also recognized that its ability to provide consistent timber volumes would be less influential in the stability of rural communities than changes in timber industry economics and other macroeconomic forces.⁸⁶ By 2000, increased competition was already eroding Alaska's market share and competitive position.⁸⁷ If demand declines continued, prohibitions on timber extraction and road construction would have a greatly reduced influence on local economies, even within a short period of time.⁸⁸ The 2000 Roadless Area Conservation FEIS explained that:

Even if land managers could provide an even flow of timber offerings, the industry has changed to such an extent that it can no longer be assumed that local mills will be the successful bidder for Agency timber sales, nor that local communities will receive logging and processing jobs as a result of those sales. In today's market, the destination of Federal timber is generally unpredictable as processors reach far to supply their mills. Log sorting yards and high efficiency mills disperse logs differently, directing logs to their most profitable use. These conditions undermine confidence that the Federal timber-supply policy is capable of supporting jobs in specific communities.⁸⁹

Now, nearly two decades later, economic data support the projections regarding the declining market demand trends and competitive disadvantages faced by southeast Alaska timber sale processors in a global economy. Estimated mill production will be less than a third of the 50 million board feet deemed necessary in 2000 to support southeast Alaska timber processors.⁹⁰ Most of the processing now happens in China.⁹¹ There are only two large timber sale purchasers and the Tongass timber sale program transition is to a raw log export model which sends at least six million board feet to non-Alaska processors for every million board feet processed in Alaska.⁹² The Forest Service's largest timber sale contractor, Alcan, exports all of its federal timber under contract.⁹³

These changes mean that exemption alternatives will not generate economic opportunity in southeast Alaska communities. The 2000 Roadless Area Conservation FEIS identified nine communities in southeast Alaska as timber-dependent based on employment data and wood

⁸³ Roadless Rule FEIS at 3-379.

⁸⁴ *Id.*

⁸⁵ *Id.* at ES 7.

⁸⁶ *Id.* at 3-327.

⁸⁷ *Id.* at 3-388.

⁸⁸ *Id.*

⁸⁹ *Id.* at 3-327.

⁹⁰ 2016 TLMP FEIS at 3-492, Table 3.22-8.

⁹¹ See <https://www.alaskapublic.org/2018/09/25/chinese-tariffs-hit-southeast-alaskas-struggling-timber-industry/>

⁹² 2016 TLMP FEIS at 3-492, Table 3.22-8.

⁹³ DEIS at 3-36.

processing activity.⁹⁴ It projected that Roadless Rule prohibitions on timber removals and associated road construction would be harmful to several Prince of Wales Island communities, Wrangell, Petersburg, Ketchikan and Hoonah.⁹⁵ These and other local economies now have transitioned away from dependency on federal timber, yet the DEIS wrongly continues to assume that timber extraction provides jobs and income sources in remote and isolated southeast communities.⁹⁶

Very few, if any, of the communities identified as timber dependent two decades ago would meet the employment and processing thresholds today. Tongass National Forest timber employs a total of 24 loggers and 37 mill employees.⁹⁷ 21st century southeast Alaska communities lack local laborers and businesses involved in the large timber sale program. The Forest Service's own 2016 Tongass Land Management Plan FEIS shows that large timber sale purchasers are irrelevant to the economies of communities once identified as timber dependent. Only two of the 24 smaller rural communities in southeast Alaska have any timber activity at all, while the rest depend primarily on fishing and tourism.⁹⁸

For example, the DEIS states that over 96% of the 2016 log processing in Southeast Alaska – roughly 15 million board feet - occurred on Prince of Wales Island – most of it by one company.⁹⁹ Reported production from mills in Petersburg, Ketchikan and Wrangell was 34 thousand board feet, or .002% of the total production.¹⁰⁰ There are very few local laborers; the timber industry itself recognizes that “[l]ogging has become a socially unacceptably business to be in.”¹⁰¹ The remaining regional timber workforce is declining and there is little or no new workforce interest in logging jobs.¹⁰²

In sum, the DEIS relies on unsupported assumptions about regional dependency – particularly rural economies - on large federal timber sales. Forest Service must seek out and analyze actual 21st century socio-economic data rather than relying on outdated assumptions about timber dependency. Instead, a robust new market-based economic sector has emerged in response to demand trends for outdoor adventure and remote, non-motorized recreation experiences. This sector has replaced a heavily subsidized, declining and mostly absent timber economy in southeast Alaska communities. The growth in small cruise vessel passenger capacity and corresponding increase in guided public use warranted a more thorough analysis of regional non-timber economic values associated with inventoried roadless areas.

II. Adverse impacts on supply: the DEIS failed to analyze how Roadless Rule exemption alternatives will harm the visitor products industry and local economies

The DEIS does not adequately analyze and disclose the adverse effects of Roadless Rule exemption alternatives on remote recreation opportunities and the regional economy, and particularly how potential reductions in the supply of inventoried roadless acreage will create instability and reduce growth in the visitor products economy and harm gateway communities. The State of Alaska's small cruise report explains that:

[t]he number one challenge that operators indicated was lack of sufficient access to public land. These operators require increased and more flexible access to landing sites, including new and maintained trails to provide sufficient space between clients

⁹⁴ Roadless Rule FEIS at 3-333.

⁹⁵ *Id.* at 3-379.

⁹⁶ DEIS at 1-6. The DEIS, Appx. E does identify business licenses it associates with the forest products industry. There is no indication that any of these businesses purchase or utilize Tongass National Forest timber.

⁹⁷ *Id.* at 3-28.

⁹⁸ 2016 TLMP FEIS at 3-547-3-689. R10-MB-769e.

⁹⁹ DEIS at 3-34.

¹⁰⁰ *Id.*

¹⁰¹ <http://raincoastdata.com/portfolio/southeast-alaska-2020-economic-plan>

¹⁰² *Id.*

traveling on different vessels. The branding that is associated with [small cruise tours] is one of uncrowded experiences away from masses of people and the companies that depend heavily on access to U.S. Forest Service land along the cruise routes, any action that limits access ... threatens business stability and reduces opportunities for growth.¹⁰³

Guided public access depends primarily on marine transportation for shoreline based recreation - the terrain and topography of southeast Alaska makes much of rest of the land base unsuitable for outdoor recreation.¹⁰⁴ For various reasons, many cruise operators already face access limitations that allow for guided public use in just a handful of permitted access points along their routes.¹⁰⁵ For example, in Alaska, 41% of the inventoried roadless areas abut Wilderness areas where Forest Service policies severely restrict guided public access.¹⁰⁶

Roadless Rule exemption alternatives will limit guided public access and reduce the quality of the visitor experience. Small cruise vessel companies depend on the ability to market and provide unique recreation experiences.¹⁰⁷ This business model requires guided public access not just to lands in general but rather to uncrowded areas that offer higher quality recreation experiences in environments that free from industrial activities.¹⁰⁸ As the Roadless Area Conservation FEIS explains, "most outfitters and guides prefer natural appearing landscapes, so cutover areas could be avoided until they grow back."¹⁰⁹ Visitors expect to see the region in "a wild and 'unspoiled state.'"¹¹⁰

A. The DEIS improperly defers analysis of adverse impacts to outfitter/guides and the guided public

The DEIS states that specific location impacts would be based on site-specific proposals, which are currently unknown, and would be addressed in subsequent project environmental analyses.¹¹¹ It asserts that it is neither "reasonable [n]or efficient to develop numerous timber harvest or other project level scenarios, nor is the public served by ... hypothetical activity scenarios."¹¹² The Boat Company objects to this approach; the Forest Service has commenced or completed planning on all major timber projects implementing the 2016 Forest Plan prior to or concurrently with this rulemaking.

The analysis does make an effort to identify 15 outfitter/guide use areas where potential conflicts between existing outfitter/guide use and future logging could occur.¹¹³ This effort sought to identify areas where – in most areas, outfitter/guide use occurs near previous developments near or along shorelines, and timber harvest that could already occur may conflict with existing outfitter guide use.¹¹⁴ Ultimately, based on this analysis and an overly broad review of Recreation Opportunity Spectrum and recreation place acreage across the entire National Forest, the DEIS concludes that most Roadless Rule exemption alternatives would only have minimal adverse effects on outfitter/guides, tourism, recreation and local economies.¹¹⁵

¹⁰³ *Id.*

¹⁰⁴ 2016 TLMP FEIS at 3-357.

¹⁰⁵ Alaska. 2016. Small Cruise Market at 4.

¹⁰⁶ Roadless Rule FEIS at 3-137.

¹⁰⁷ See 2016 TLMP FEIS at 3-357.

¹⁰⁸ Juneau Economic Development Council. 2011. Southeast Alaska Visitor Products. Available at: <http://www.jedc.org/forms/5.%20Visitor%20Products%20Cluster%20Initiatives.pdf>

¹⁰⁹ Roadless Rule FEIS at 3-224.

¹¹⁰ 2016 TLMP FEIS at 3-357.

¹¹¹ DEIS at 1-10.

¹¹² *Id.* at 12.

¹¹³ *Id.* at 3-173.

¹¹⁴ *Id.*

¹¹⁵ DEIS at 2-25; Alaska Roadless Rulemaking Cost-Benefit Analysis at 5, 24.

A major problem with this analysis is the statement that “site specific proposals ... are currently unknown, and would be addressed in subsequent project environmental analyses.” Indeed, the Cost-Benefit Analysis substantially relies on the false assumption of evenly distributed timber extraction activities across the entire Tongass National Forest.¹¹⁶ Site-specific proposals are known – specifically, the Forest Service is in the process of authorizing the Central Tongass Project which would extract 230 million board feet of timber from anywhere in nearly 43,000 acres lying within ten “timber analysis areas” (TAAs) located in the Petersburg and Wrangell Ranger Districts on Mitkof, Kupreanof, Kuiu, Wrangell, Zarembo and Etolin islands, and at Thomas Bay and Frosty Bay on the mainland.¹¹⁷ Worse, the Forest Service has no plans to address site-specific impacts to outfitter/guides in that environmental analysis because it is a “a large landscape-scale NEPA analysis” that defers review of specific locations and projects to a later “implementation phase” after the agency issues a Record of Decision.¹¹⁸

This approach is troubling for our businesses because that project authorizes clearcutting any portion of up to 9,500 acres of old-growth forest anywhere within 43,000 acres that provide our businesses with remote recreation and wildlife viewing opportunities and scenic viewsheds.¹¹⁹ Most roadless rule repeal alternatives will, to varying degrees, open up tens of thousands of inventoried roadless acres to development in those ten TAAs.¹²⁰ We plan itineraries years in advance, and neither the Roadless Rule DEIS nor the Central Tongass Project DEIS discloses where and to what spatial extent large clearcut timber sales will displace our operations.

As part of the analysis for the Central Tongass Project, the Forest Service had already planned to maximize the acreage available for clearcutting and road construction by authorizing entries into inventoried roadless areas.¹²¹ The agency deferred action on these entries pending the completion of this rulemaking.¹²² Similarly, the Forest Service has already considered timber entries into Prince of Wales Island inventoried roadless areas, but deferred those entries pending this rulemaking.¹²³ Because of this prior planning effort, the Forest Service must prepare a revised DEIS before making any decision to adopt any of the exemption alternatives. The purpose of an EIS is to “evaluate the possibilities in light of current and contemplated plans and produce an informed estimate of environmental consequences.”¹²⁴ This DEIS unlawfully avoids this obligation by deferring this analysis even though it is reasonably possible to assess adverse direct, indirect and cumulative impacts to outfitter/guides and southeast Alaska visitors displaced by planned logging and road construction pursuant to projects implementing the 2016 Forest Plan.¹²⁵ An environmental analysis must “provide sufficient detail to foster informed decisionmaking and so cannot be unreasonable postponed.”¹²⁶

As explained by the 9th Circuit:

Reliance on programmatic NEPA documents has resulted in a public and regulatory agency concern that programmatic NEPA documents often play a shell game of when and where deferred issues will be addressed

¹¹⁶ Alaska Roadless Rulemaking Cost-Benefit Analysis at 42.

¹¹⁷ Central Tongass Project DEIS at 1-6.

¹¹⁸ *Id.* at 1-1

¹¹⁹ DEIS at 3-60.

¹²⁰ See DEIS, Appx. D at D-9-D-12.

¹²¹ Central Tongass Project DEIS at 3-26.

¹²² *Id.*

¹²³ Prince of Wales Landscape Level Analysis FEIS at 2-36.

¹²⁴ *Kern v. U.S. Bureau of Land Management*, 284 F.3d 1062, 1071-1072 (9th Cir. 2002).

¹²⁵ *Id.*

¹²⁶ *Pacific Rivers Council v. U.S. Forest Service*, 689 F.3d 1012, 1024-1030 (9th Cir. 2012).

...An agency's compliance with the reasonably possible requirement in a programmatic EIS resulting in an appropriate level of environmental analysis ensures that a "shell game" or the appearance of such a game is avoided."¹²⁷

The approach in this DEIS combined with the Forest Service's new approach to landscape scale timber sale planning plays precisely the shell game described above with tour operators. Increased guided public use of North Kuiu Island exemplifies how the failure to timely analyze impacts at an appropriate scale undercuts the conclusions in the DEIS. Timber operations on North Kuiu Island ceased in 2000.¹²⁸ The small cruise vessel industry restructured following the 2009-2010 recession to meet increased market demand for quality remote recreation experiences.¹²⁹ The Central Tongass Project Kuiu Timber Analysis Area has since become a recreational hotspot. Because of proximity to north Kuiu Island and other sightseeing opportunities in Frederick Sound, small cruise vessels now make more frequent visits to the communities of Kake and Petersburg. These port calls further disperse tourism-based economic benefits provided to southeast Alaska communities.

Small cruise vessels now market access to Kake, Saginaw Bay and Security Bay.¹³⁰ Scheduled cruises provide the guided public with the opportunity to "[e]njoy kayak and DIB (shallow water expedition craft) exploration in northern Kuiu's Saginaw Bay" where clients "beachcomb or hike along the beautiful secluded coastline of the area."¹³¹ Visitors then arrive in Kake to "[v]iew the world's tallest totem pole, a carving demonstration, and experience the intriguing culture of the Tlingit in the Native village of Kake."¹³² Un-Cruise Adventures also offers multiple itineraries with north Kuiu and Kake visits that feature morning tours in Kake experiencing local cultural events and totem pole viewing prior to kayaking Saginaw Bay for black bear and eagle viewing and forest hikes.¹³³ The Boat Company's clients kayak among marine mammals amidst the "beautiful scenery" of Security Bay prior to hiking logging roads or sport fishing interior lakes.¹³⁴ Lindblad Expeditions accesses Kuiu Island's interior forests via Security Bay for hiking opportunities and perhaps an occasional glimpse of a black bear.¹³⁵

Forest Service records from the 2007 Kuiu Timber Sale project show that guided public use of Central Tongass Project area recreation places Saginaw Bay and Security Bay averaged 169 visitors per year from 1994 - 2004.¹³⁶ Updated Forest Service actual use data show that average guided public use from 2008 through 2016 tripled to 558 visitors per year.¹³⁷ Guided public use is even higher now - the number of guided visitors increased to Saginaw Bay and Security Bay increased to 696 visitors in 2014, 808 visitors in 2015 and then to 1,225 visitors in 2016.¹³⁸ There is an even more compelling upward trend in actual guided public use of an adjacent recreation place, Rowan Bay. The Kuiu Timber

¹²⁷ *Id.*

¹²⁸ Kuiu Island Timber Sale Planning Record Document # (PR#) 00000516 (Catalog of Events).

¹²⁹ Alaska Division of Economic Development. 2016. Trends and opportunities in Alaska's small cruise vessel market.

¹²⁹ *Id.*

¹³⁰ See, e.g. Exh. 3 (Alaska Dream Island Adventure tour itinerary); Exh. 4 (Alaska Dream Wilderness and Wildlife Safari Adventure); Exh. 5 (Un-Cruise Adventures' Alaska tour packages); Exh. 6 (Un-Cruise Adventures Glaciers and Whales Tour); Exh. 7 (The Boat Company, M/V Mist Cove Captain's Trip Log, July 2017).

¹³¹ Exh. 3; Exh. 4.

¹³² Exh. 3.

¹³³ Exh. 5, 6.

¹³⁴ Exh. 7.

¹³⁵ <https://www.expeditions.com/daily-expedition-reports/190767/>

¹³⁶ Kuiu Timber Sale FEIS PR# 00000011; PR#00000545 at 8.

¹³⁷ Exh. 1. Beers, R. 2017. Outfitter/Guide Use (service days*) within study areas 11, 12A, 12B on the Petersburg Ranger District, Tongass National Forest. Security Bay and Saginaw Bay are now one single recreation use area, Study Area 12A.

¹³⁸ Exh. 1 (Beers 2017).

Sale FEIS planning record showed average guided public use of 35 visitors per year.¹³⁹ Annual average guided public use was 217 visitors per year from 2008 through 2011.¹⁴⁰ After the recession and industry restructuring, guided public use has increased to an average of 634 visitors per year from 2012 through 2016.¹⁴¹ Even during the recession, guided public use of North Kuiu Island had ballooned relative to data from the previous decade when recent clearcuts characterized the landscape. Guided public use averaged 735 visitors annually to the Petersburg Ranger District's recreation Study Areas 12A (Security Bay and Saginaw Bay) and 11 (Rowan Bay/Bay of Pillars) from 2008 – 2011.¹⁴² Updated data now show that 2,348 visitors now use various portions of North Kuiu Island.¹⁴³

Access to North Kuiu bays is essential in large part because they provide high quality recreation experiences at the intersection of Chatham Straits and Frederick Sound, which is a critical location in terms small cruise vessel marine travel routes. Also, there are more stringent guided public access restrictions in surrounding areas along cruise routes – only vessels with small passenger capacities can access adjacent locations such as Admiralty Island, the Tebenkof Bay and Kuiu Island Wilderness and southeastern Baranof Island. These restrictions make access to North Kuiu Island even more critical to the operational feasibility of small cruise vessel operators.

However, the Forest Service has persisted in pursuing purchasers for timber in this area for over a decade.¹⁴⁴ This rulemaking would remove Roadless Rule prohibitions from nearly 53,400 acres in this area.¹⁴⁵ The Forest Service believes that removing Roadless Rule protections from this area will increase the likelihood of a successful timber sale in this area.¹⁴⁶

There are other specific areas where planned timber sales under the Central Tongass Project significantly overlap with areas utilized by the guided public:

Guide Use Area	Annual Average Visitor Days	Alternative 6 Lost Roadless Acres
Thomas Bay	1,867	12,087
Wrangell Island	756	50,941
North Lindenberg	278	48,200
North Kupreanof	150	1,431
Mitkof	928	22,124

B. The Cost-Benefit Analysis arbitrarily minimizes adverse impacts to recreation

The Forest Service recognizes that timber extraction and related road construction in inventoried roadless areas will displace outfitter/guides and the guided public, but erroneously measures this impact across the entire Tongass National Forest rather than across specific area

¹³⁹ Kuiu Timber Sale FEIS PR# 00000011; PR# 00000545 at 8.

¹⁴⁰ Exh. 1.

¹⁴¹ *Id.*

¹⁴² *Id.*

¹⁴³ DEIS, Appx. D at D-1-D-3.

¹⁴⁴ *Id.* at 3-32.

¹⁴⁵ *Id.*, Appx. D at D-9-12.

¹⁴⁶ *Id.* at 3-173.

combinations used by operators and visitors.¹⁴⁷ Another significant error is that the Forest Service's Cost-Benefit Analysis used changes in suitable old-growth and young-growth acres as an indicator for potential displacement of recreationists interested in primitive recreation experiences.¹⁴⁸ Based on these assumptions, the Forest Service estimates that exemption alternatives may displace 2,400 visitors, assuming the visitors and harvest locations are evenly distributed over IRAs.¹⁴⁹ The agency further minimizes impacts to outfitter/guides and visitors by limiting its impact metric to acres directly available for logging, rather total inventoried roadless acreage affected by clearcutting and road construction. It estimates lost revenue to outfitters and guides of \$77,000 per year and another \$242,000 in all recreation industry expenditures, for a total of \$319,000 in annual costs.¹⁵⁰

The methodology used to measure adverse visitor impacts is wrong. NEPA requires that agencies ensure the professional and scientific integrity of cost-benefit analyses.¹⁵¹ An EIS fails this standard when it relies on misleading economic assumptions.¹⁵² Further, an EIS must include "a discussion of adverse impacts that does not improperly minimize side effects."¹⁵³

The Cost-Benefit Analysis admits that:

Changes in roadless area protections could also indirectly affect nearby Primitive and Semi-Primitive ROS settings, as displaced recreationists seek other locations with similar qualities. In addition to long-term impacts in Primitive and Semi-Primitive settings, in the short term, resident and other recreationists could be displaced by logging operators in the nearby vicinity, with the presence of logging equipment potentially affecting access and the overall quality of the recreation experience. This type of short-term impact would potentially affect recreationists across all ROS settings.¹⁵⁴

This admission alone undercuts the methodology used to assess adverse impacts to the visitor industry in showing that the impact of timber extraction activities extend well beyond the area directly logged. Indeed, the geographic scale of recreational habitat adversely impacted by clearcutting can extend even well beyond adjacent, unlogged portions of inventoried roadless areas. Actual industry experts from Unruise Adventures and The Boat Company explain that the resumption of logging on North Kuiu Island will cause them to relocate to other areas:

Logging and associated industrial activities change the remote and non-industrial character of the Tongass, adversely affect wildlife that depends on these lands and waters, affect our ability to use such areas, and potentially affect our ability market and sell Southeast Alaska as an adventure travel destination. We would not take our ships to areas that feature fresh or recent clear cuts (normally 20-25 years before we can go back). We would also not take our ships to areas with active logging going on, because the sights and sounds associated with those activities are incompatible with what our customers expect and want to see while in the wilds of Southeast Alaska. As an example, when logging on Cleveland Peninsula started approximately 5-6 years ago, we had to avoid that area, pass it during the dark of night or stay further away from the

¹⁴⁷ Alaska Roadless Rulemaking Cost-Benefit Analysis at 31.

¹⁴⁸ *Id.* at 31.

¹⁴⁹ *Id.* at 32-33.

¹⁵⁰ *Id.* at 32.

¹⁵¹ 40 C.F.R. §§ 1502.23; 1502.24; *Environmental Defense Fund v. U.S. Army Corps of Engineers*, 515 F.Supp.2d 69, 87 (D.D.C. 2007)

¹⁵² *Nat. Res. Def. Council v. U.S. Forest Service*, 421 F.3d 797, 812 (9th Cir. 2005).

¹⁵³ *N. Alaska Ctr. v. Kempthorne*, 457 F.3d 969, 975 (9th Cir. 2006).

¹⁵⁴ Alaska Roadless Rulemaking Cost-Benefit Analysis at 42.

shore to avoid the scene. This limited our route options, including shore-based activities, and also added fuel costs as we moved routes further east and west. Due to this logging, we dropped Myers Chuck as a stop which we had used for over a decade.¹⁵⁵



Cleveland Peninsula clearcut avoided by Uncruise Adventures. Credit: Joe Sebastian.

Our clients would not book trips with The Boat Company if we did not market and deliver on their expectations of remote recreation experiences in areas free of industrial developments such as clearcut logging and associated activities. Timber sale activities such as log transfer operations in north Kuiu Island bays and upland logging will destroy the currently remote, non-industrial character of the area and displace the hundreds of visitors who use the area each year for guided public recreation. This displacement will concentrate The Boat Company and other small cruise operators into smaller, more crowded areas.¹⁵⁶

In other words, the geographic scale of visitors displaced by timber extraction and logging road construction activities extends well beyond the inventoried roadless acreage converted to suitable timber lands. The Cost-Benefit Analysis arbitrarily limits the displacement impacts on North Kuiu Island guide use areas to the 5,054 old-growth suitable timber acres and 177 second-growth suitable acres.¹⁵⁷ In fact, visitor displacement would occur on a much larger scale encompassing the four guide use areas which comprise nearly 300,000 acres.¹⁵⁸ The Cost-Benefit Analysis thus relies on misleading economic assumptions in concluding that Roadless Rule exemption alternatives would displace a total of 2,400 visitors across the entire forest. In reality, this rulemaking combined with planned timber sale projects would annually displace most of the 2,348 visitors now using just one area - north Kuiu Island.

C. Comments on Scenic Impacts

1. The Cost-Benefit Analysis arbitrarily omits scenic values

A primary purpose of NEPA is to “assure for all Americans ... esthetically and culturally pleasing surroundings” and agencies must incorporate “the environmental design arts in planning and in decisionmaking.”¹⁵⁹ The Boat Company’s comments requested that the DEIS analyze the extent to which negative economic impacts on outfitters and guides and reductions in scenic integrity caused by exemption alternatives will create instability in gateway community economies.¹⁶⁰

As explained in the preceding section, the Cost-Benefit Assessment relied exclusively on changes in suitable old-growth and young-growth acres -areas actually logged - as an indicator for potential displacement of recreationists and guided visitors.¹⁶¹ It estimates lost revenue to outfitters and

¹⁵⁵ Exh. 40, Blanchard Dec’l.

¹⁵⁶ Exh. 41, McIntosh Dec’l.

¹⁵⁷ See e.g. DEIS Appx. D.

¹⁵⁸ *Id.*

¹⁵⁹ 42 U.S.C. § 4331(b)(2); § 4332(a).

¹⁶⁰ Roadless Rule FEIS at 3-224; 3-278; 3-280.

¹⁶¹ Alaska Roadless Rulemaking Cost-Benefit Analysis at 31.

guides of \$77,000 per year.¹⁶² The Administrative Procedure Act (APA) requires that an agency “examine the relevant data and articulate a satisfactory explanation for its action, including a “rational connection between the facts found and the choice made.”¹⁶³ An agency action is “arbitrary and capricious if the agency ... entirely failed to consider an important aspect of the problem, offered an explanation for its decision that runs counter to the evidence before the agency, or is so implausible that it could not be ascribed to a difference in view or the product of agency expertise.”¹⁶⁴ By relying solely on suitable timber acreage to assess displacement impacts rather than the affected scenic landscapes, the analysis arbitrarily excludes displacement and other adverse impacts associated with the much larger amount of terrestrial and marine area affected by reduced scenic integrity.

Inventoried roadless areas generally have high scenic integrity that contributes to economic viability of gateway communities.¹⁶⁵ The 2000 Roadless Area Conservation FEIS explained that:

There would be a decline in the land base available for recreation opportunities in relatively undisturbed landscapes outside of Wilderness. Development, such as road construction, would be likely to negatively affect scenic quality on affected areas. Since inventoried roadless areas tend to have high scenic integrity, management actions would likely reduce scenic integrity, which could negatively affect recreation values¹⁶⁶ The Forest Plan FEIS recognizes that:

...demand for scenic quality can best be represented by the increase in tourist-related travel to the Tongass, as well as a heightened awareness and sensitivity of Alaskan residents to scenic resource values. These facts result in a strong indirect connection between scenic resource values and the economy of Southeast Alaska. For example, Southeast Alaska’s Inside Passage is advertised and promoted by the Division of Tourism, cruise ship operators, and the Southeast Alaska Tourism Council. Their marketing strategy focuses on the scenery of the Tongass National Forest as a major attraction. The visitors to Southeast Alaska would, therefore, arrive with expectations and an image of the environment and scenery awaiting them. If current trends continue, demand for viewing scenic landscapes will increase.

...Lands adjacent to the Alaska Marine Highway, cruise ship routes, flight-seeing routes, high-use recreation areas, and other marine and land-based travel routes will be seen by more people, more frequently, and for greater duration.¹⁶⁷

The anticipated rising visitor numbers due to increased demand for viewing scenic landscapes - is consistent with research showing that landscape quality generates real economic value.¹⁶⁸ Appendix F of the Forest Plan identifies Visual Priority Routes – plan components - where each Ranger District must emphasize scenery, such as routes utilized by cruise ships, ferries and private boaters. The Forest Plan desired condition for Visual Priority Travel Routes is that forest visitors, recreationists and others “will view a natural-appearing landscape.”¹⁶⁹ Indeed, as explained in the preceding sections and anticipated by the Forest Service, use of Visual Priority Routes for scenic values is increasing.

The DEIS explains that scenic quality reflects “two definable elements, landscape character and scenic integrity” and identifies Tongass National Forest inventoried roadless areas as providing “natural

¹⁶² *Id.* at 32.

¹⁶³ *Motor Vehicle Manufacturers Ass’n v. State Farm Mutual Automobile Ins. Co.*, 463 U.S. 29, 43 (1983)

¹⁶⁴ *Id.*

¹⁶⁵ *Id.* at 3-228.

¹⁶⁶ *Id.* at 3-278.

¹⁶⁷ TLMP FEIS at 3-389-3-390.

¹⁶⁸ Exh. 37 (Ahtikoski et al 2011).

¹⁶⁹ 2016 Forest Plan at 3-103.

appearing landscapes with very high scenic integrity” and “high value for landscape character.”¹⁷⁰ The Forest Service recognizes that outfitter/guides seek natural appearing landscapes to meet client expectations of a wild and unspoiled Alaska.¹⁷¹ Thus, “[i]mpacts to existing outfitter/guide use are likely to be greatest where changes in roadless designations allow development in areas that are used for outfitter/guide activities dependent on high scenic integrity and undisturbed landscapes.”¹⁷²

During the 1996 Forest Plan revision process, the Forest Service identified a negative public perception of clearcuts - “[a]lmost all of those who commented on harvest methods were opposed to the continuation of clearcutting in the Tongass National Forest Commenters found clearcuts unappealing and unsightly.”¹⁷³ Instead of photographing and watching whales and wildlife with a scenic forested background, visitors would instead view a background characterized by clearcuts such as the “view” from the Petersburg Ranger District’s recent Tonka project:



According to Pacific Northwest forester John Bliss:

Social research focused on public aesthetic judgments of forest practices has overwhelmingly concluding that Americans find clearcutting aesthetically offensive. Most research on scenic beauty assessment finds that forest scenes rated high in aesthetic

¹⁷⁰ DEIS at 3-11.

¹⁷¹ Roadless Rule FEIS at 3-373.

¹⁷² DEIS at 2-21.

¹⁷³ Exh. 38 (USDA 2000).

quality contain large trees, low to moderate stand densities, grass and herb cover, color variation, and multiple species. Scenic beauty is reduced by small trunks, dense shrubs, bare ground, woody debris, and evidence of fire or other disturbance.¹⁷⁴

Bliss' findings are consistent with academic studies that consider the growth of nature-based tourism in areas formerly dominated by timber development:

Forest preference studies conclude that people appreciate mature forests with good visibility, some undergrowth and a green field layer with no signs of soil preparation. Forests are thought to be in their natural state, or that look natural and bear no visible traces of human activity are usually preferred. Correspondingly, the view after clearcuts is the least preferred environment. In particular, the large size of the regeneration area and direct traces of cutting, such as signs of soil preparation and logging residues, have a negative impact. Furthermore, on average, people do not prefer dead or fallen trees.¹⁷⁵



¹⁷⁴ Exh. 35. Bliss, J.C. 2000. Public perceptions of clearcutting.

¹⁷⁵ Exh. 36. Tyrvaenen, L, H Silvennoinen & Ville Halliakainen. 2016. Effect of the season and forest management on the visual quality of the nature-based tourism environment: a case from Finnish Lapland. In: Scandinavian Journal of Forest Research 2017. Vol 32, No. 4, 349-359



Recent clearcuts on Prince of Wales Island. Credit: Colin Arisman/Wild Confluence Media

The Forest Service recognizes that it is a challenge to quantify the scenery resource.¹⁷⁶ However, as shown above, the impacts of clearcuts extend well beyond the acreage outside of the clearcut. The Cost-Benefit Analysis rests on the conclusion that the area clearcut alone causes displacement effects on visitors and adverse economic impacts on visitor products providers. That conclusion is implausible and fails entirely to consider an important aspect of the problem.

2. The DEIS fails to disclose plans to reduce scenic integrity objectives

The DEIS describes scenic integrity objectives and scenic viewsheds and reaches ambiguous conclusions about the effect of this rulemaking.¹⁷⁷ It identifies “natural-appearing landscapes with high-scenic qualities that people value” as roadless area characteristic warranting analysis but fails to disclose the environmental consequences of this action.¹⁷⁸ The analysis violates NEPA because it relies on a false statement and thus fails to disclose adverse cumulative effects associated with implementation of the 2016 Forest Plan. Specifically, the DEIS claims that no changes in scenic integrity objectives or scenery standards are proposed under any alternative, and that old growth harvests would follow Forest Plan scenic integrity objectives for all alternatives.¹⁷⁹

This is not true. The Forest Service currently plans project specific Forest Plan amendment would lower adopted Scenic Integrity Objectives in order to allow for increased volume through clearcutting on scenic viewsheds adjacent to Frederick Sound, Wrangell Narrows, Sumner Straits and

¹⁷⁶ USDA Forest Service. 2015. Saddle Lakes Timber Sale Final Environmental Impact Statement.R10-MB-740a at 180. Ketchikan-Misty Fjords Ranger District, Tongass National Forest, Ketchikan, Alaska. September 2015.

¹⁷⁷ DEIS at 3-199-3-215.

¹⁷⁸ *Id.* at 1-5-1-6; 2-3.

¹⁷⁹ *Id.* at 3-201.

on all sides of Wrangell Island.¹⁸⁰ The amendment could result in additional 12,084 acres of clearcuts visible from Forest Plan Visual Priority Routes and Use Areas that provide scenery to our clients: Wrangell Narrows, Frederick Sound from Petersburg to Kake and Sumner Strait between Wrangell and Cape Decision.¹⁸¹ The plan is to reduce existing scenic integrity well below Forest Plan Scenic Integrity Objectives.¹⁸² Indeed, “changes to scenic integrity will last for longer than the implementation of the project, up to approximately 60 to 100 years” and project impacts could reduce scenic integrity to an “Unacceptably Low” rating.¹⁸³ Roadless Rule exemption alternatives would convert up to 130,000 acres of inventoried roadless areas in the vicinity of these scenic viewsheds to development status.¹⁸⁴

The Forest Service similarly plans to lower scenic integrity objectives for the South Revilla Integrated Resource Project.¹⁸⁵ As shown below, the agency has previously planned to reduce scenic integrity objectives in this area as part of the Saddle Lakes timber sale.¹⁸⁶



Figure 14. (Photo Point 88) Existing View from Carroll Inlet, looking West



Figure 15. (Photo Point 88), with proposed Alternative 5 units shown as an overlay

¹⁸⁰ Central Tongass Project DEIS at 1-7, 3-69-3-70.

¹⁸¹ *Id.* at 3-69-70; USDA Forest Service. 2016. Land and Resource Management Plan, Appx. F. Alaska Region, Tongass National Forest. R-10-MB-769j. December 2016.

¹⁸² Central Tongass Project DEIS at 3-293-3-295.

¹⁸³ *Id.*

¹⁸⁴ See Appx. D at D-10-12.

¹⁸⁵ Tongass National Forest; Ketchikan Misty Fiords Ranger District; Alaska; South Revilla Integrated Resource Project. 83 Fed. Reg. 153 at 39,050-51. August 8, 2018. Tongass National Forest; Ketchikan Misty Fiords Ranger District; Alaska; South Revilla Integrated Resource Project. 84 Fed. Reg. 126 at 31,288-89. July 1, 2019.

¹⁸⁶ USDA Forest Service. 2015. Saddle Lakes Timber Sale Final Environmental Impact Statement.R10-MB-740a at 180. Ketchikan-Misty Fiords Ranger District, Tongass National Forest, Ketchikan, Alaska. September 2015.



Figure 12. (Photo point 101) existing view looking from North Saddle Lake (Saddle Lakes Recreation Area), southeast to northwest



Figure 13. (Photo point 101), with proposed Alternative 5 units shown as an overlay over Figure 12 above

Carroll Inlet is a scenic viewshed used by tour operators and the proposed Alaska Roadless Rulemaking would expand the area available for clearcutting by 54 percent.¹⁸⁷ This rulemaking would remove Roadless Rule protections from over 55,000 acres adjacent to Carroll and George Inlets.¹⁸⁸

The DEIS wrongly assumes that scenic integrity objectives would remain in place and conceal clearcuts.¹⁸⁹ Much of the shoreline – the scenic landscape – is currently roadless, increasing the importance of remaining intact inventoried roadless areas for scenic values:

¹⁸⁷ DEIS at 3-209.

¹⁸⁸ *Id.*, Appx. D at D-11.

¹⁸⁹ *Id.* at 3-209.

South Revilla Project Area

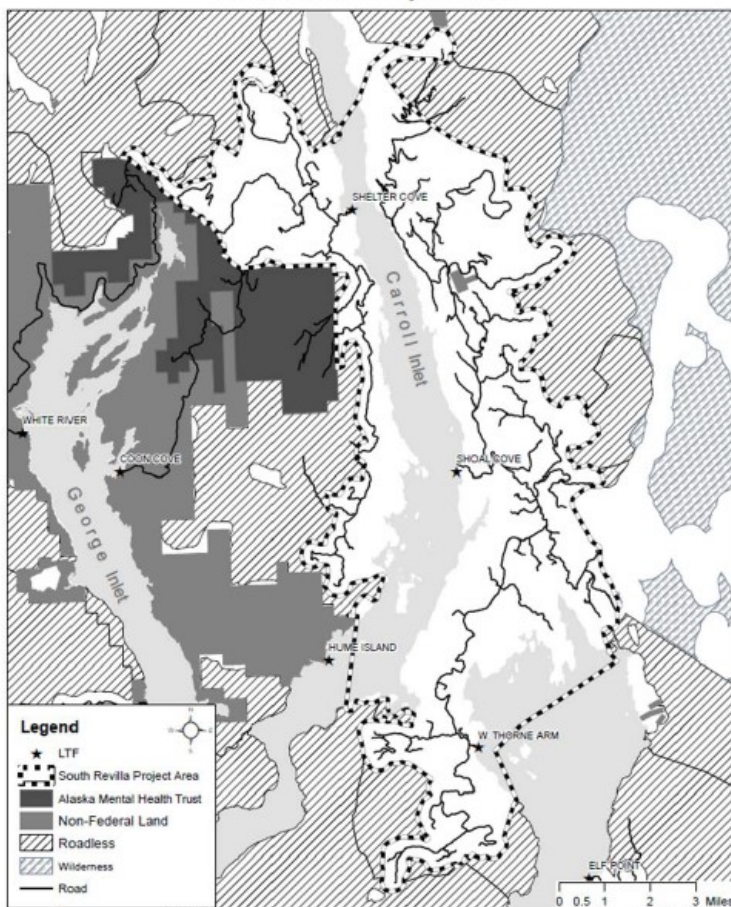


Figure 1. Project area map.

As previously explained, the Forest Service cannot defer analysis based on the belief that specific location impacts and site-specific proposals are currently unknown.¹⁹⁰ Because of existing planning efforts, the Forest Service must prepare a revised DEIS that analyzes cumulative impacts to scenic viewshed affect by planned timber projects implementing the 2016 Forest Plan before making any decision to adopt any of the exemption alternatives. The purpose of an EIS is to “evaluate the possibilities in light of current and contemplated plans and produce an informed estimate of environmental consequences.”¹⁹¹ An environmental analysis must “provide sufficient detail to foster informed decisionmaking and so cannot be unreasonable postponed.”¹⁹²

D. Comments on Recreation Opportunity Settings and Congestion

The DEIS measures impacts to tourism primarily on the basis of the Recreation Opportunity Spectrum (ROS) and the acreage of 1,436 “recreation places” identified in 1997.¹⁹³ The analysis of Recreation Opportunity Settings and recreation places assumes an even Forest-wide distribution of harvest across suitable acres to assess potential impacts.¹⁹⁴ The analysis of these metrics is too broad

¹⁹⁰ *Id.* at 1-10.

¹⁹¹ *Kern v. U.S. Bureau of Land Management*, 284 F.3d 1062, 1071-1072 (9th Cir. 2002).

¹⁹² *Pacific Rivers Council v. U.S. Forest Service*, 689 F.3d 1012, 1024-1030 (9th Cir. 2012).

¹⁹³ DEIS at 3-160-161; 3-166-67.

¹⁹⁴ *Id.* at 3-173.

to inform our companies about the impacts of this rulemaking particularly with regard to actual use patterns and the need to assess impacts to remote recreation activities that overlap with planned timber sales.¹⁹⁵

For example, the ROS change metric that focuses on the availability of Primitive and Semi-Primitive recreation opportunities is not a meaningful way to evaluate adverse impacts to larger commercial recreation businesses because they operate extensively in areas with more developed classifications due to accessibility, group size limits, and other restrictions – particularly for our companies because most of our vessels carry more than 50 passengers. Many cruise operators already face access limitations that allow for guided public use in just a handful of permitted access points along their routes. There are locations in the vicinity of planned timber sales that are particularly critical to small cruise vessels because of specific ROS settings that allow for higher levels of guided public use. Allowable levels of guided public access are much lower in adjacent Congressionally designated Wilderness Areas and other areas zoned for Primitive and Semi-Primitive Non-Motorized remote recreation opportunities.

The Cost-Benefit Analysis admits that the impacts of this rulemaking would primarily occur in settings impacted by past timber industry activities.¹⁹⁶ While timber entries into inventoried roadless areas would affect a small amount of Primitive, Semi-Primitive Non-Motorized (SPNM) and Semi-Motorized (SPM) settings there would be a significant impact on other settings.¹⁹⁷ This is precisely our companies' concern. The DEIS fails to recognize that tourism access commonly concentrates in areas designated, but not currently used, for timber. Currently, many timber management areas are in roadless status, which provides our companies with predictable and consistent land use.

Thus, a critical missing piece from the DEIS is site-specific information showing whether guided visitors are now using areas classified as "Roaded Natural" or other more developed settings and whether timber sale activities would displace them. The Forest Service could have consulted its outfitter/guide database to determine levels of guided visitor use in areas that overlap with planned timber sales, but the analysis instead relied on broad measurements of recreation places and settings that do not reflect actual on the ground uses by tour operators.

The DEIS and Cost-Benefit Analysis fail to adequately describe the impacts of displacement and congestion on tour operators. Displacement will occur in multiple ways – direct displacement by timber extraction activities, displacement through loss of scenic integrity, and displacement caused by congestion. As explained by the 2000 Roadless Area Conservation Rule FEIS, "congestion ... negatively affects the quality of the recreation experience."¹⁹⁸ Most visitor products providers avoid other groups and need to seek other areas such as when there are more than two or three other parties in a bay.¹⁹⁹ For small cruise operators, avoiding other groups means expending more fuel and spending less time providing clients with remote recreation opportunities.

There are 242 outfitter/guides providing a consistently increasing number of visits (641,000 in 2017) to Tongass National Forest lands each year.²⁰⁰ The Cost-Benefit Analysis recognizes that displacement to "other parts of the Forest" may occur and that congestion may be acute in "areas where recreation use is already at or near capacity" or where "competition already exists between resident recreationists, independent visitors, and commercial outfitter guide operations."²⁰¹ But it assumes operators can easily find an alternative location and estimates lost revenue to outfitters and

¹⁹⁵ *Id.* at 3-168;

¹⁹⁶ Roadless Rulemaking Cost-Benefit Analysis at 40.

¹⁹⁷ *Id.* at 40-41.

¹⁹⁸ Roadless Rule FEIS at 3-278.

¹⁹⁹ DEIS at 3-163.

²⁰⁰ *Id.* at 3-39, 163; U.S. Forest Service. 2017. Shoreline II Outfitter/Guide Final Environmental Impact Statement at 3-12, Table 3-5.R10-MB-793c (hereinafter Shoreline II FEIS).

²⁰¹ Roadless Rulemaking Cost-Benefit Analysis at 42.

guides of \$77,000 per year based solely on direct displacement from actively logged acreage.²⁰² It never confronts the critical issue of the availability of alternative areas due to capacity constraints and the operational logistics of small cruise operators.²⁰³

Crowding and congestion are existing concerns in the region. The DEIS identifies a possible indirect effect on adjacent or nearby areas as displaced guides need to move – but never confronts the serious questions about the availability of alternative areas or the significant costs of diverting travel routes to seek distant locations.²⁰⁴ Local recreation managers in southeast Alaska recognize that the growth of the visitor industry over the past two decades has created management challenges in terms of providing sufficient access to remote recreation opportunities.²⁰⁵ Some use areas are already at capacity, exacerbating potential displacement effects.²⁰⁶ This means the agency will be unable to meet demand for guided public use of the region.²⁰⁷ Existing increased demand for recreation means more competition for available areas and conflicts between recreation users.²⁰⁸

Our industry has been proactive in working to address congestion so as to maintain a quality recreation experience for all users. UnCruise Adventures, along with several other small-ship operators, have invested thousands of dollars and hundreds of hours into respectful and cooperative planning and communications that keep us from accidentally overlapping with each other while operating in the backcountry. Roadless Rule exemption alternatives will further remove access to locations all of us depend on and have cooperated on for our businesses. There are fewer locations that are suitable for recreational access and activity than it may seem when looking at the Tongass National Forest as a 17-million-acre resource. The majority of those 17 million acres are not accessible or suitable for recreation purposes. In short, while the Tongass is a large land area, less than ¼ of it is suitable for commercial recreation, and we will be significantly and negatively affected if currently available acres are placed in a timber management priority status. Roadless Rule exemption alternatives will create congestion and cause displacement by forcing visitor products providers to operate within a limited supply of inventoried roadless acreage.

III. Inventoried Roadless Areas provide intact habitat and refugia for fish and wildlife

Finally, our companies have a special appreciation for southeast Alaska's fish and wildlife and particularly its charismatic megafauna. Small cruise operators provide visitors with unique wildlife viewing opportunities. The Boat Company also offers both marine and freshwater fishing opportunities and utilizes streams through inventoried roadless areas on the mainland, both sides of Kuiu Island, and Baranof Island.

A. The DEIS failed to consider the value of inventoried roadless areas for bears

The wildlife resource also generates significant economic value, and inventoried roadless areas will be critical to maintaining wildlife for viewing and consumptive uses. Ongoing implementation of the 2016 Forest Plan will transition remaining old-growth habitat in the timber base to second growth forests that provide lower quality or even inhospitable habitat for wildlife. As shown in the following table, Alaska's wildlife has tremendous economic value for both passive and consumptive uses, and inventoried roadless areas must remain intact to prevent further losses of that asset.

²⁰² *Id.* at 32.

²⁰³ *Id.*

²⁰⁴ DEIS at 3-173.

²⁰⁵ See, e.g. Shoreline II FEIS.

²⁰⁶ DEIS at 2-21.

²⁰⁷ *Id.*

²⁰⁸ Roadless Rulemaking Cost-Benefit Analysis at 42.

Table 3. Economic Value of Hunting and Wildlife-Viewing Trips for Residents and Visitors in Alaska in 2011

	Number of Trips	Trip Expenditures		Net Economic Benefit		Sum = Gross Economic Value	
		Total (Millions)	Average per Trip	Total (Millions)	Average per Trip	Total (Millions)	Average per Trip
Residents (Total)	7,042,000	\$7,764	\$1,102	\$2,066	\$293	\$9,830	\$1,396
Hunters	1,052,000	\$1,345	\$1,279	\$461	\$438	\$1,806	\$1,717
Wildlife Viewers	5,991,000	\$6,419	\$1,071	\$1,605	\$268	\$8,024	\$1,339
Visitors (Total)	985,000	\$6,232	\$6,323	\$844	\$857	\$7,076	\$7,180
Hunters	15,000	\$158	\$10,324	\$12	\$765	\$169	\$11,089
Wildlife Viewers	970,000	\$6,074	\$6,260	\$833	\$858	\$6,906	\$7,119
Hunting (Total)	1,067,000	\$1,503	\$1,409	\$473	\$443	\$1,976	\$1,852
Wildlife Viewing (Total)	6,961,000	\$12,492	\$1,795	\$2,438	\$350	\$14,930	\$2,145
Total	8,028,000	\$13,995	\$1,743	\$2,911	\$363	\$16,906	\$2,106

Source: ECONorthwest. 2014.

Our businesses provide clients with scientific and ecological information about southeast Alaska’s black and brown bears and viewing opportunities throughout inventoried roadless areas.²⁰⁹ The agency’s responsibility to maintain foraging, denning and other habitat needs for bear populations in the project area is of considerable socio-economic significance. Bears are a top species for wildlife viewing visitors in Alaska and generate millions of dollars in regional economic impacts. In 2011, wildlife hunting and viewing in general generated 2,463 jobs in southeast Alaska, \$138 million in labor income and \$360 million in total economic output.²¹⁰ More recent studies show that bear viewing generates massive economic impacts in southcentral Alaska and British Columbia’s.²¹¹

TABLE 8.
Bear Viewing Economic Contribution Estimates (2019 dollars)

	Direct Purchases	Employment	Labor Income	Value Added
Direct Effect	\$17,085,981	371	\$9,984,858	\$7,205,510
Indirect Effect	\$9,765,449	56	\$3,974,799	\$6,126,837
Induced Effect	\$9,411,464	63	\$3,319,786	\$5,708,554
Total Effect	\$36,262,894	490	\$17,279,170	\$19,040,901

²⁰⁹ <https://www.theboatcompany.org/resources-forms/frequently-asked-questions/>; <https://www.uncruise.com/destinations/alaska-cruises/wildlife>; <https://www.lindbladalaska.com/cruises/wild-alaska-escape/>

²¹⁰ EcoNorthwest. 2014.

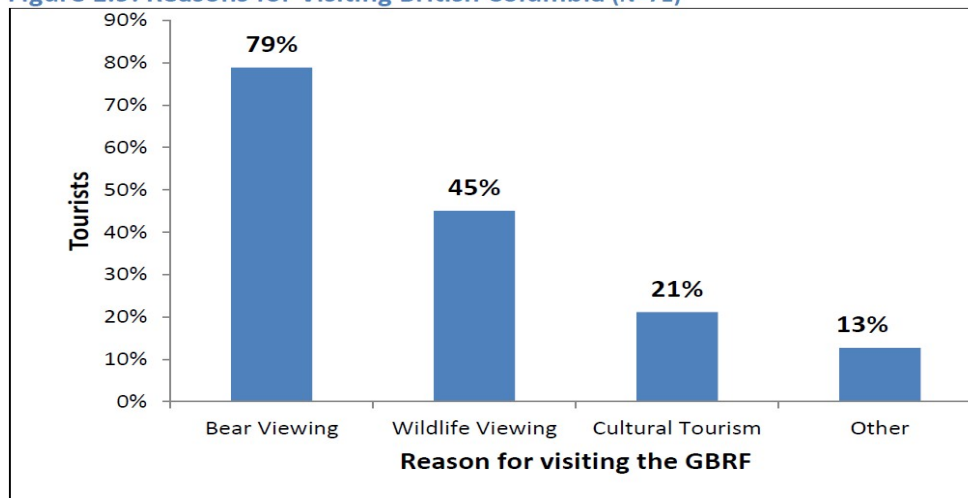
²¹¹ Table 8: Exh. 28. Young, T.B. & J.M. Little. 2019. The economic contribution of bear viewing in south central Alaska. University of Alaska Fairbanks. Table 1.5: Exh. 24. Center for Responsible Travel. 2014. Economic impact of bear viewing and bear hunting in the Great Bear Rainforest of British Columbia. Washington, D.C.

Table 1.5 Bear Viewing: Economic Impacts (\$000)

	Direct	Indirect	Induced	TOTAL
Visitor Spending ¹	\$15,109.0			
Company Revenues ²	\$14,114.9	\$1,884.0	\$1,700.8	\$17,699.8
Material purchases ³	\$6,805.6	\$756.2	\$596.3	\$8,158.1
GDP ⁴ --- of which	\$7,309.3	\$1,127.9	\$1,104.6	\$9,541.7
Labor costs	\$4,889.6	\$722.2	\$646.3	\$6,258.1
<i>Wages and Salaries</i> ⁵	\$4,486.9	\$584.1	\$434.4	\$5,505.4
<i>Mixed Income</i> ⁶	\$0.0	\$57.9	\$157.6	\$215.5
<i>Benefits (Supplementary Labor Income or SLI)</i>	\$402.6	\$80.3	\$54.2	\$537.1
Employment	510	13	12	535
Employment (FTE) ⁷	111	11	10	133

Visitors to Alaska and coastal rainforests in British Columbia identify bear viewing opportunities as a primary reason for their visits.²¹²

Figure 1.9: Reasons for Visiting British Columbia (N=71)

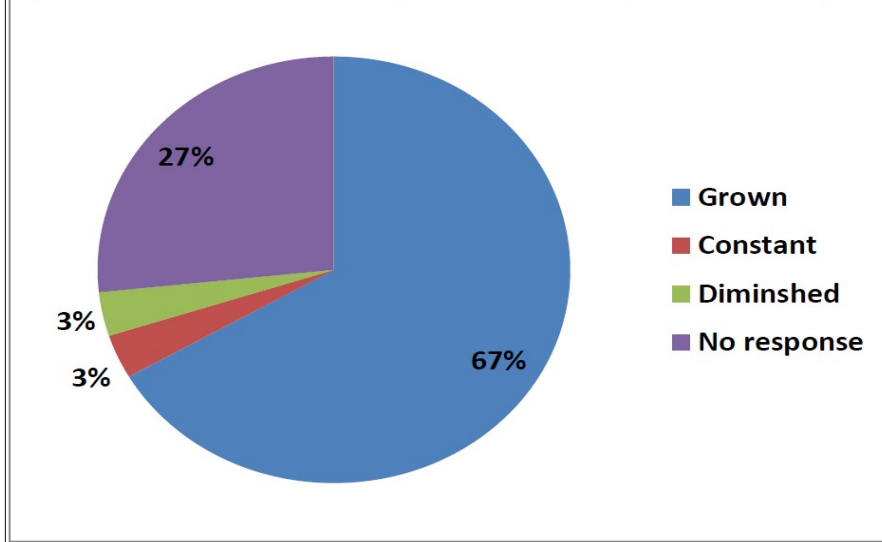


Indeed, maintaining and increasing bear viewing opportunities best meets the stated socio-economic purposes of this rulemaking.²¹³

²¹² *Id.*; EcoNorthwest 2014.

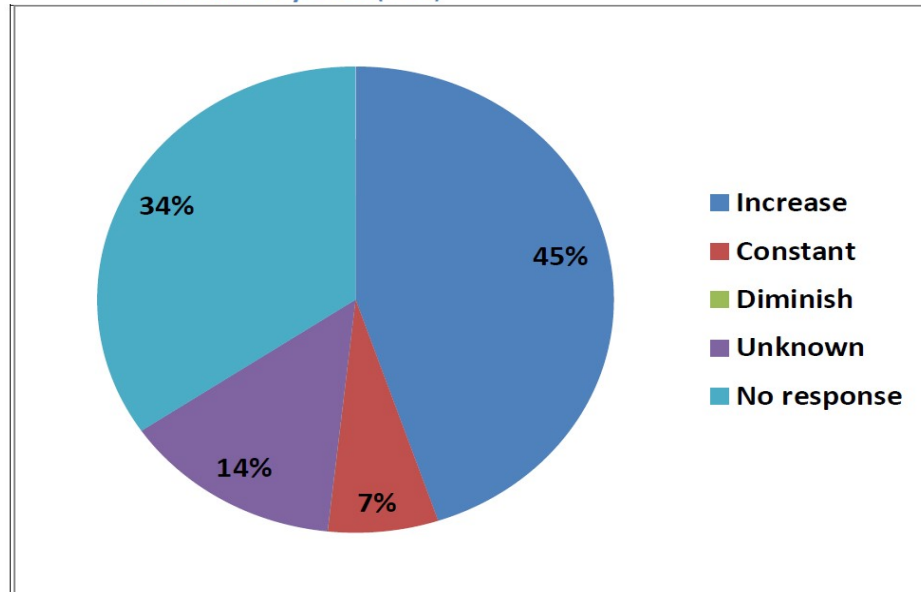
²¹³ Exh. 24.

Figure 1.6: How has the size of your business changed in the last 5 years? (n=30)



Asked if they expect bear-viewing tours to increase over the next ten years, 45% said that they expect it to increase, 7% said they expect it to remain constant, while no companies said they expect their bear-viewing business to decline.

Figure 1.7: How do you expect your company's growth to change over the next 10 years? (n=30)



Despite the economic importance of bears, the DEIS provides only a brief discussion of bear habitat needs, noting a preference for estuarine, riparian and forested coastal habitat, and

concentration along streams during the late summer season for foraging.²¹⁴ It then wrongly insists that there is no difference between roadless rule alternatives in terms of maintaining bear populations.²¹⁵

The DEIS does not provide enough information to support its conclusions about the impacts of opening up inventoried roadless areas for clearcutting and timber road construction as part of these projects. It fails in particular to provide a meaningful discussion of abundance trends, disclose the cumulative effects of future losses of black bear summer habitat during times of reduced pink salmon abundance, and explain how the Forest Service will maintain adequate denning habitat and address other impacts of human caused disturbances to bears.

The purpose of an EIS is to “evaluate the possibilities in light of current and contemplated plans and produce an informed estimate of environmental consequences.”²¹⁶ This DEIS unlawfully avoids this obligation by deferring this analysis even though it is reasonably possible to assess adverse impacts to bear populations exposed to habitat degradation approved or pending approval through projects such as the Central Tongass Project or other planned timber projects.²¹⁷ Moreover, the 2016 Forest Plan FEIS did not analyze adverse impacts to bear habitat associated with clearcutting and timber road construction in inventoried roadless areas. Roadless Rule exemption alternatives proposed in this EIS entail activities that alter the environment in a significant and different way, requiring a revised DEIS to remedy this flawed DEIS.²¹⁸

The 2000 Roadless Area Conservation FEIS recognized that inventoried roadless areas provide important habitat to species that are sensitive to disturbance, such as black bears or other large mammals that avoid roads.²¹⁹ Inventoried roadless areas function as biological strongholds and places of refuge for wide ranging carnivores such as bears.²²⁰ Black bears populations respond negatively to high road density and need habitat that provides remoteness from human activity.²²¹ *Inventoried roadless areas are of increasing importance than in the past “due to the cumulative degradation and loss of other habitat in adjacent landscapes.”*²²²

There is ongoing cumulative habitat loss and degradation in areas where this rulemaking would remove Roadless Rule protections, such as Wrangell and Mitkof Island, among others. For timber projects near Petersburg, the Forest Service has concluded that timber extraction and road construction would have “moderate” effects to black bears because of broad reductions in old-growth forest habitat, reductions in denning habitat, reductions in foraging habitat and disturbances during summer, and increased vulnerability to human harvest.²²³ On Wrangell Island, the agency has identified serious concerns with long-term decreases in habitat suitability, loss of denning habitat and

²¹⁴ DEIS at 3-80-81; 3-96-97.

²¹⁵ *Id.* at 2-28; 3-96-97.

²¹⁶ *Kern v. U.S. Bureau of Land Management*, 284 F.3d 1062, 1071-1072 (9th Cir. 2002).

²¹⁷ *Id.*

²¹⁸ *Pacific Rivers Council v. U.S. Forest Service*, 689 F.3d 1012, 1024-1030 (9th Cir. 2012).

²¹⁹ Roadless Rule FEIS at 3-144.

²²⁰ *Id.* at 3-125; 3-142.

²²¹ *Id.* at 3-144, 148-149.

²²² *Id.* at 3-142.

²²³ USDA Forest Service. 2012. Tonka Timber Sale Final Environmental Impact Statement at 3-70-3-72. R10-MB-705c. Tongass National Forest, Petersburg, Alaska. March 2012; see also Dungan, J. 2014. Wildlife Resource Report, Mitkof Island EA. Petersburg Ranger District, Tongass National Forest, Alaska (an 843 acre project, includes harvest of POG within 500 ft of class 1 streams, resulted in reduction to foraging habitat).

susceptibility to over-harvest due to high road densities.²²⁴ These effects led the Forest Service to identify significant cumulative effects and conclude that the species would at best, “persist.”²²⁵

Average male skull size of black bears is declining for unknown reasons, and state biologists have identified a likely declining trend in black bear populations caused by carrying capacity reductions caused by clearcut logging. The Alaska Department of Fish and Game explains that:

We remain concerned about the extensive habitat changes occurring throughout [Central Southeast Alaska] due to logging. ... More than 129,000 acres of forested habitat in Unit 3 have been logged to date. As a result, timber harvest poses the most serious threat to black bear habitat in the unit over the long term. Black bears are able to exploit increases in forage in early-successional plant communities immediately after logging and may temporarily benefit from clearcutting. However, this food source is lost approximately 2-25 years postlogging with canopy closure, and second-growth forest provide little bear habitat. ... Large clearcuts on Mitkof, Wrangell, and Kupreanof Islands will diminish in value as bear habitat over the next few decades.²²⁶

According to ADF& G Division of Wildlife Conservation researcher Lavern Beier, who has studied the region’s bears for decades, Roadless Rule exemption alternatives present significant cumulative risks to bears, particularly female bears foraging in an altered landscape, and exponential risks of increased human caused mortalities.²²⁷ Scientists have also found that a reduction in *suitable* den sites can lead to decreased black bear populations.²²⁸ The DEIS failed to take a hard look and the current status of bear populations in the regions, specific values of roadless habitat for bears, and other population vulnerabilities, such as declining pink salmon returns.

B. The DEIS failed to take a hard look at southeast Alaska salmon populations and trends

The DEIS fails to disclose or analyze trends in salmon abundance in the project area - a significant factor for project area bears. Will disturbances caused by logging have a greater impact now with reduced foraging opportunities? Salmon also support project area sport, commercial and subsistence fisheries. The Boat Company has provided guided saltwater and freshwater sport fishing opportunities in southeast Alaska for nearly four decades. The DEIS identifies a roadless characteristic locally unique and specific to Alaska – rich habitat that supports multiple species of fish for sport & recreation.²²⁹ There is ample demand for freshwater fishing so long as habitat degradation does not reduce the supply of important sport fish species, because decreasing catch rates reduce the quality of the freshwater fishing experience.²³⁰ Our scoping comments requested that the DEIS review historical harvest data, provide a detailed description of current stock status in project area watersheds, and disclose the cumulative impacts of additional clearcutting and road construction on this important southeast Alaska resource.

The 2000 Roadless Area Conservation FEIS recognized that throughout the Pacific Northwest, excessive logging and road construction in aquatic systems caused a “broad decline of species such as

²²⁴ Wrangell Island Project Draft Environmental Impact Statement. 2016 at 98. U.S. Forest Service, Alaska Region. Tongass National Forest, Wrangell Ranger District. R10-MB-634. May 2016.

²²⁵ *Id.* at 100.

²²⁶ Lowell, R. 2013. Unit 3 black bear management report. Chapter 6, Pages 6-1 through 6-26 in P. Harper and L.A. McCarthy, editors. Black bear management report of survey and inventory activities. 1 July 2010-30 June 2013. Alaska Department of Fish and Game. Juneau, Alaska.

²²⁷ <https://www.juneauempire.com/opinion/opinion-tongass-roadless-rule-reversal-threatens-brown-bear-populations/>

²²⁸ Davis, H, A.N. Hamilton, A.S. Harestead & R.D. Weir. 2012. Longevity and Reuse of Black Bear Dens in Managed Forests of Coastal British Columbia. In: Journal of Wildlife Management 76(3):523-527.

²²⁹ DEIS at 2-3.

²³⁰ Roadless Rule FEIS 3-281.

salmon ... and other aquatic species that depend on habitat in NFS lands.”²³¹ Road construction and timber entries into inventoried roadless areas thus also adversely impact fishing economies.²³² Salmon returns for several species throughout southeast Alaska have declined since 2016. Aquatic systems within inventoried roadless areas may thus be critical to the recovery of diminished southeast Alaska salmon populations because they “function as biological strongholds for many fish species.”²³³

Allowing timber removals and roads would present unacceptable risks to fish at a time of significant vulnerability to habitat loss given the low population levels of many stocks. Indeed, a major purpose of the Roadless Rule was to address adverse impacts to fish caused by logging and road construction. The Forest Service identified numerous adverse impacts: increased sediment loads, modified stream flows, habitat fragmentation and loss of connectivity, degraded water quality, increased stream temperatures, fish passage barriers, loss of genetic fitness, loss of spawning and rearing habitat and increased vulnerability to catastrophic events.²³⁴ The science relevant to logging and road construction in salmon habitat is simple: low road densities = healthier fish populations and high road densities have negative effects on aquatic ecosystems and reduce fish populations.²³⁵

The omission of any current harvest data or information about project area salmon populations is a major oversight in the DEIS. An EIS must explain baseline conditions as part of the agency responsibility to “succinctly describe the environment of the area(s) to be affected ... by the alternatives under consideration” and “insure that environmental information is available to public officials and citizens before decisions are made and before actions are taken.”²³⁶ Thus agencies must “consider every significant aspect of the environmental impact of a proposed action” and to “inform the public that it has indeed considered environmental concerns in its decisionmaking process.”²³⁷

Our scoping comments noted that, as a tour operator that provides guided sport fishing opportunities, The Boat Company’s fishing guides have decades of experience fishing streams throughout and adjacent to inventoried roadless area streams on the mainland, Kuiu Island, and Baranof Island and have observed that salmon returns for several species, particularly in Frederick Sound and Chatham Strait were exceptionally poor in 2018. Guides observed numerous stream systems that had dried up as the region experienced a prolonged drought. Ongoing drought conditions are affecting salmon distribution, run timing and potentially abundance throughout the state.²³⁸

ADF&G harvest data show a declining abundance trend:

²³¹ Roadless Rule FEIS at 1-1; 3-285.

²³² *Id.* at 3-285.

²³³ Roadless Rule FEIS at 1-1.

²³⁴ *Id.* at 3-164-166.

²³⁵ *Id.* at 3-164-168.

²³⁶ 40 C.F.R. § 1502.15; 1500.1(b); *N. Plains Res. Council v. Surface Transp. Bd.*, 668 F.3d 1067, 1084 (9th Cir. 2011); *Oregon Natural Desert Ass’n v. Jewell*, (9th Cir. 2016)

²³⁷ *Baltimore Gas & Elec. Co. v. Natural Res. Def. Council, Inc.*, 462 U.S. 87, 97 (1983).

²³⁸ <https://www.krbd.org/2019/08/12/ketchikan-wildlife-affected-by-drought/>; <https://www.juneauempire.com/news/southeast-pink-salmon-forecast-cause-for-concern/>; <https://www.alaskajournal.com/2019-08-20/drought-and-dry-conditions-impacting-salmon-across-state>

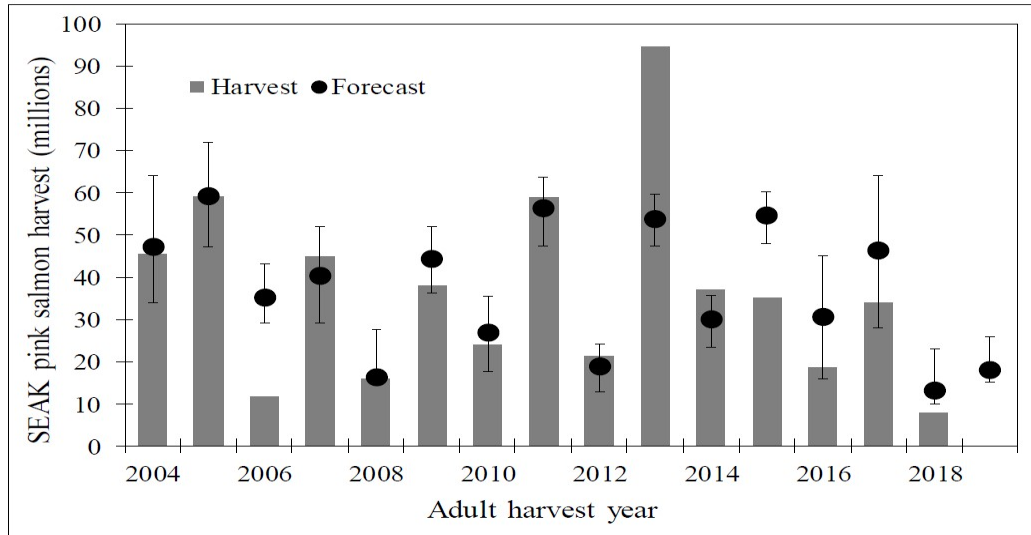


Figure 2. Annual harvests of pink salmon in SEAK compared to the actual preseason harvest forecasts, 2004–2019. The error bars represent the 80% confidence intervals of the forecasts.

A review of ADF&G management reports indicates that the declining abundance trend is most severe in central and northern southeast Alaska.²³⁹ The Boat Company’s clients fish for pink salmon in northern and central southeast Alaska, particularly in stream systems that are within or hydrologically connected to inventoried roadless watersheds, such as on North Kuiu Island. The DEIS for this rulemaking improperly relies on outdated data from the 2016 Forest Plan FEIS to assess impacts to the region’s commercial, sport, subsistence and ursine fisheries.²⁴⁰ The failure to provide updated information about the region’s salmon fisheries is a major flaw with the DEIS.

IV. Conclusion

In sum, timber entries into inventoried roadless areas sales will displace guided visitors and cause negative economic impacts on outfitters and guides, harming local economies and small businesses in gateway communities. The DEIS failed to fully and fairly disclose and analyze adverse socio-economic impacts caused by Roadless Rule exemption alternatives and cannot justify moving forward with any exemptions. Our companies request that you adopt the no-action alternative and cease planning on this rulemaking.

Sincerely,

Paul Olson

Paul Olson, Attorney at Law

Captain Dan Blanchard
 CEO/Owner
 UnCruise Adventures

²³⁹ See, e.g. Exh. 26 (ADF&G 2018).

²⁴⁰ DEIS at 3-109.

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