

Agenda Item No.:	2
Work Plan:	State Forests Work Plan
Topic:	State Forests Management
Presentation Title:	Western Oregon State Forests Draft Forest Management Plan Scenarios
Date of Presentation:	November 22, 2024
Contact Information:	Tyson Wepprich, Adaptive Management Specialist Tyson.M.Wepprich@odf.oregon.gov Tod Haren, Information Unit Manager Tod.H.Haren@odf.oregon.gov Michael Wilson, State Forests Division Chief Michael.Wilson@odf.oregon.gov

CONTEXT

Forest Management Plans (FMP) provide the overarching direction for state forestlands managed by ODF. These plans are developed pursuant to Oregon Administrative Rule (OAR) 629-035-0030 and are approved by the Board of Forestry to codify the Board's finding that management direction in the FMP meets Greatest Permanent Value (OAR 629-035-0020).

The draft Western Oregon State Forests Management Plan was presented to the Board at the September 2023 meeting. This FMP is proposed to replace the current FMPs for the state forestlands under the Department of Forestry's management in western Oregon. The draft FMP is developed to provide policy direction consistent with the draft Western Oregon State Forests Habitat Conservation Plan (HCP).

When an FMP is adopted as rule, new Implementation Plans are created that set medium-range management objectives designed to meet long-term FMP goals. Since the draft FMP is a high-level document intended to allow for a broad range of implementation pathways, the Board will consider a broad range of potential scenarios to guide staff towards the Board's desired outcomes for the draft FMP goals. In September, the Board, the Forest Trust Lands Advisory Committee (FTLAC), and Division staff discussed potential scenarios for Division staff to model to demonstrate trade-offs among resource goals. In this meeting, Division staff will share the set of proposed scenarios, and the Board will approve the scenarios for the modeling work in the coming months.

FMP SCENARIOS

The Division's forest activity model emulates how the forest could be managed over time with forest stands grown forward from the current inventory. It projects harvest volumes, revenues, and forest stand metrics across the landscape by optimizing management decisions according to model inputs, such as silvicultural practices, goals, and constraints. The resulting forest stand metrics can in turn project a range of Performance Measures, such as carbon storage or habitat suitability for species covered under the HCP.

The discussion between the Board, FTLAC, and Division staff focused on key values and management approaches that would affect the outcomes of the draft FMP. All of these scenarios assume a final HCP with Incidental Take Permits that reflect the current draft HCP conservation measures, including the landscape design of Habitat Conservation Areas (HCAs) with silvicultural treatments enacted to meet habitat development goals over the first 30 years of the HCP. Management strategies for the areas outside of HCAs and Riparian Conservation Areas were a focus of the discussion, where approaches to timber production and other resource objectives may vary.

In the September discussion, key points of agreement included support for HCP implementation with active forest restoration treatments, forest health, climate change adaptation, habitat for wildlife, recreation, and revenue for counties and ODF. Key differences in management strategies were explored, including specific high-level volume targets, final harvest rotation ages, maximizing Net Present Value (NPV), and allowing for variations in the flow of timber volume over time.

Scenarios are not specific implementation alternatives that would be adopted as-is. Actual implementation of FMPs is carried out through more specific plans under the authority of the State Forester (OAR 629-035-0030(5)(b)). The intention of modeling FMP scenarios is to show examples of trade-offs between resources and outcomes under different implementation approaches. Evaluation criteria, including draft Performance Measures, modeled in conjunction with the management scenarios will help inform future conversations.

The FMP scenarios for Board approval are included in the table below with a descriptor of the approach to timber management outside of HCAs. Scenario 1 was presented by FTLAC and includes volume targets for the first 30 years on Board of Forestry (BOF) lands specifically, after which the harvest would reset to a non-declining flow. Scenario 2 has older trees harvested for tandem goals of carbon storage, diversity of stand seral stages, and harvest volume. Scenario 3 seeks to maximize harvest volume, with final harvest near the culmination of the stand growth rate. Scenario 4 is intended to show a management approach based on maximizing Net Present Value, which would frontload harvest volume in time.

	Run a	Run b	Run c
<u>Scenario 1 – Volume Targets</u> for 30 years, then non-declining flow after 30 years	185 MMBF on BOF land	195 MMBF on BOF land	205 MMBF on BOF land
<u>Scenario 2 – Long Rotations</u> with more even distribution of age classes (outside HCAs)	Up to 150 years in managed acres	Up to 120 years in managed acres	
<u>Scenario 3 – Maximize volume</u>	Unlimited periodic variation	10% periodic variation limit	
<u>Scenario 4 – Maximize NPV</u> Net Present Value maximized at 4% discount rate	Unlimited periodic variation	10% periodic variation limit	30% periodic variation limit

EVALUATION CRITERIA

In this meeting, we will clarify which evaluation criteria the Board will have with the scenario outcomes to inform their future discussions about management approaches and trade-offs. The June 2024 meeting had a discussion between the Board and FTLAC about draft Performance Measures that will accompany the draft FMP. Not all draft Performance Measures are quantifiable in the modeling exercise. Those that are relevant to the FMP scenarios will be used as metrics presented with modeling results. The Division is also using a consultant to provide a Socioeconomic Report on the scenario outcomes that will provide detail beyond the draft Performance Measures, including estimates of direct and indirect employment and income for both timber and non-timber forest uses. In addition, during the discussion in September, Board members provided additional metrics that they would like to be informed about when discussing trade-offs.

RECOMMENDATION

The Department recommends the Board direct the State Forests Division to model the range of forest management scenarios presented and return to the Board with the results for the Board's evaluation of the trade-offs associated with those scenarios.

NEXT STEPS

Over the next several months, the Division will:

1. Move forward with modeling the range of scenarios approved by the Board.
2. Develop reports including evaluation criteria including Performance Measures, a Socioeconomic Report, and other requested outcomes.
3. Work with the Board and FTLAC through facilitated work sessions to review and discuss trade-offs associated with outcomes from the modeled scenarios.
4. Obtain guidance from the Board for Performance Measure targets or thresholds to inform the development of initial Implementation Plans (currently expected to begin with fiscal year 2028) for the draft FMP.

ATTACHMENTS

None.



*Oregon*TM
STATE FORESTS
Our COMMON GROUND

FMP Scenario Modeling

Western Oregon State Forests Management Plan

Oregon Board of Forestry
November 22, 2024



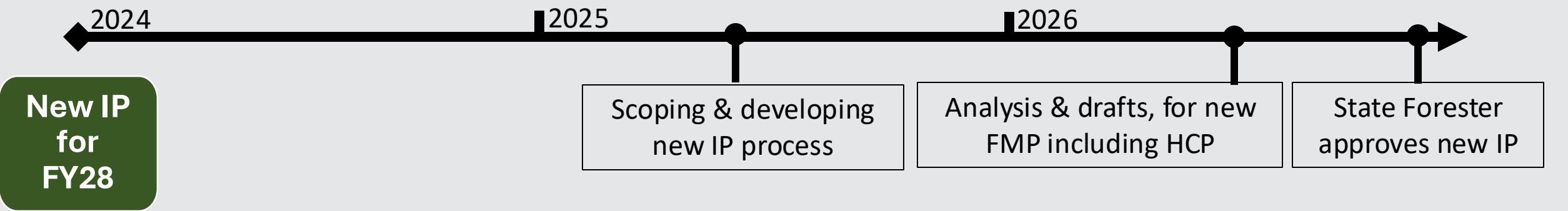
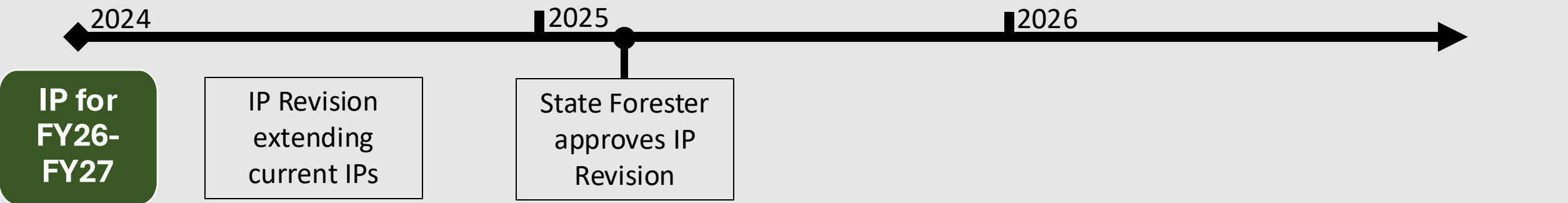
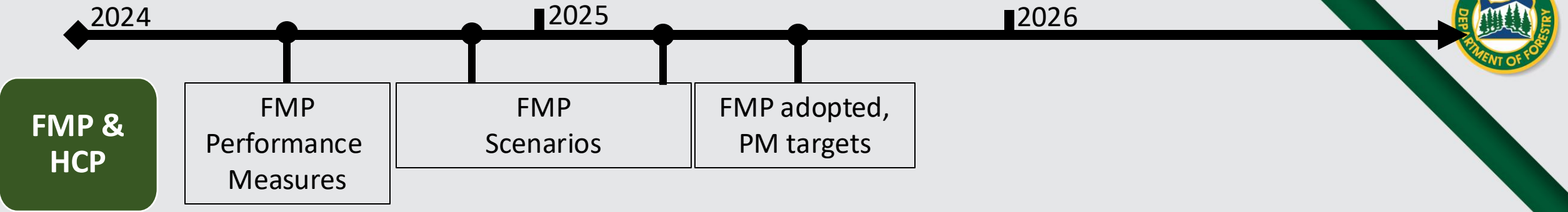
Agenda

- Review Purpose
- Modeling Scenarios
- Model Outcomes
- Discussion & Decision
- Next Steps



Purpose

- Explore range of management approaches
 - Evaluate trade-offs among key modeled outcomes
 - Facilitate board and stakeholder discussion on outcomes and priorities for management of State Forests
- * Not modeling or selecting a specific implementation alternative



Model Review

Process

- Input data (e.g., growth/yield, reforestation, silviculture, constraints)
- Set goals to reflect the desired outcomes from the scenarios
- Model spatially-explicit management and forest stand metrics over time
- Estimate and report outcomes

Note that the model and input data are consistent with the December 2023 report presented to the Board and FTLAC





Draft Scenario Development Board of Forestry discussion with FTLAC (September 2024)

Key points of agreement

- Habitat Conservation Plan (HCP) in place
- Forest restoration, climate change adaptation, habitat for wildlife, recreation, revenue generation

Key differences in management strategies to explore

- Timber harvest volume targets, flow, and rotation ages

For all scenarios

- Draft HCP is in effect with consistent HCA management
- Forest Practices Act, easements, legal requirements
- Consistent log prices and management costs

Model Scenarios

	Run a	Run b	Run c
Scenario 1 – Specific volume targets for 30 years, then non-declining flow	185 MMBF on BOFL	195 MMBF on BOFL	205 MMBF on BOFL
Scenario 2 – Longer rotations, with thinning before final harvest age	Up to 150 years in managed acres	Up to 120 years in managed acres	
Scenario 3 – Maximize volume	Unlimited periodic variation	10% periodic variation limit	
Scenario 4 – Maximize net present value at 4% discount rate	Unlimited periodic variation	10% periodic variation limit	30% periodic variation limit

Note: All scenarios will be modeled to meet draft HCP commitments. Periodic variation in all scenarios is modeled as a constraint between model periods (i.e., 5-year periods).





Model Scenario: 30 Year Harvest Volume Target

- Objective: Stable harvest volume from BOFL for 30 years (includes HCA treatments)
- Assumptions:
 - Reset after 30 years
 - Maximize volume with non-declining flow after 30 years
- Variations:
 - 30-year BOFL harvest goal: 185, 195, and 205 mmbf/yr



Modeling Scenario: Longer Rotations

- Objectives: Increase the age of final harvest
- Assumptions:
 - Manage towards age class regulation
 - Harvest allowed to depart from even flow
 - Age as a surrogate for forest conditions
 - 150-year rotation
- Potential Variation:
 - 120-Year rotation



Modeling Scenario: Maximize Volume

- Objective: Maximize Volume
- Assumptions:
 - Periodic (5-year) variation is unconstrained
 - Model will harvest stands at culmination of biological growth rate
- Potential Variation:
 - 10% constraint



Model Scenario: Maximize Net Present Value

- Objective: Maximize the sum of discounted cashflow (NPV)
- Assumptions:
 - Discount rate: 4% real rate
 - No minimum harvest age
 - No ending inventory constraint
 - Unlimited periodic variation
- Potential Variations:
 - Rate of periodic (5-year) variation limited:
 - Possible 10%
 - Possible 30%



Model Outcome Reporting

- Harvest volume and acres
 - By stand age and method
 - HCA & restoration treatments
- Revenue to counties
- Net Present Value
- Forest condition
- HCP commitments
- Carbon storage and flux
- Socioeconomic outcomes
 - Direct and indirect economic benefits of timber and non-timber forest use
 - Government revenues
 - Recreation: value to users and economic impact



Recommendation

The Department recommends the Board direct the State Forests Division to model the range of forest management scenarios presented and return to the Board with the results for the Board's evaluation of the trade-offs associated with those scenarios.

	Run a	Run b	Run c
Scenario 1 – Specific volume targets for 30 years, then non-declining flow	185 MMBF on BOFL	195 MMBF on BOFL	205 MMBF on BOFL
Scenario 2 – Longer rotations, with thinning before final harvest age	Up to 150 years in managed acres	Up to 120 years in managed acres	
Scenario 3 – Maximize volume	Unlimited periodic variation	10% periodic variation limit	
Scenario 4 – Maximize net present value at 4% discount rate	Unlimited periodic variation	10% periodic variation limit	30% periodic variation limit



Next Steps

1. Model the range of scenarios (Winter 2024-25)
2. Board and FTLAC review outcomes from the modeled scenarios and discuss trade-offs (Spring 2025)
3. Board sets Performance Measures based on scenarios to guide development of initial Implementation Plans for the new FMP (Summer 2025)



Board of Forestry
Public Comment Compilation
November 22, 2024

To: Oregon Board of Forestry and Department of Forestry

From: Scott Killops

Subject: Public Comment for the Board of Forestry Meeting on 11/22/2024
Regarding the *CCCP Implementation Update to the BOF, 10/17/2024*

Date: 11/16/2024

Thank you for the opportunity to provide public comments for the Board of Forestry (Board) meeting on 11/22/2024. My comments pertain to the [Climate Change and Carbon Plan \(CCCP\) Implementation Update](#) presented to the Board at their retreat on October 17, 2024. Since public comments were not accepted at the Board retreat, I'm providing my comments on the CCCP Implementation Update now.

I would like to preface my comments by sharing my background. I am a retired Software Program Manager with twenty years of experience managing large software development programs at Intel Corporation. As a consequence, I view both the [CCCP](#) itself and the [CCCP Implementation Update](#) through a program management lens. Observations and opinions expressed here are also biased by the Intel corporate culture in which I gained my program management experience. I am very much expressing a particular point of view. That point of view is limited by seeing only what the Board and ODF share on their web site and in their public meetings, so there is a certain amount of speculation in these comments.

I would also like to preface my comments by saying that they are intended as constructive input, not criticism. My hope is that these comments may contribute to the successful implementation of the CCCP. I have great respect for the Board and ODF and great appreciation for the hard work that you perform on behalf of all Oregonians.

Respectfully,
Scott Killops
350PDX Forest Defense Team Member

Thank you for your leadership on climate smart forestry.

I want to start by thanking the Board and ODF for your leadership on climate smart forestry. Thank you for creating and approving the [Climate Change and Carbon Plan \(CCCP\)](#) and for making Climate Leadership a priority in the [Vision for Oregon's Forests \(Vision\)](#). Thank you also for creating and approving the [Western Oregon State Forests Habitat Conservation Plan \(HCP\)](#). The Habitat Conservation Areas (HCAs) prescribed in the HCP should also serve as effective carbon stores. I also appreciate the many areas of progress reported by Forest Resources Director Josh Barnard in the [CCCP Implementation Update](#). However, I do have concerns regarding how CCCP implementation is being tracked, about the implementation of the Forestry Natural Climate Solutions Fund, and about the lack of visible progress with ODF's Forest Carbon Accounting Framework. These concerns are discussed below.

Is CCCP implementation managed as a program at ODF?

From the outside, it appears that there is no CCCP implementation plan. Such a plan would define measurable outcomes and/or deliverables for each CCCP goal, a work breakdown structure or task list for the work to achieve these outcomes, the resource requirements to complete the work, a schedule for completing the work, and metrics by which progress will be tracked. Without an implementation plan, it's hard to say whether adequate resources are being requested or applied to achieve CCCP goals.

In the CCCP Implementation Update, Board member Bob Van Dyk asked State Forester Cal Mukumoto where we are with program funding. Cal replied that a Policy Option Package (POP) approved for the Governor's Request Budget (GRB) includes funding for John Tokarczyk's and Danny Norlander's positions. That's great news. But from a program management point of view, the answer should be based on a roll-up of the resource requirements in an implementation plan and whether those resources are available. If there are resource gaps, the impact of these gaps on ODF's ability to achieve CCCP goals should be articulated.

From the [Oregon Climate Action Commission \(OCAC\) Natural & Working Lands Fund \(NWLF\) Annual Report, September 2024](#), it appears that there is a CCCP resource gap. In 2024 the NWLF allocated \$3,250,000 to the ODF Forestry Natural Climate Solutions Fund to fund three projects. For all three of these projects the report states, "Due to staff capacity limitations and other delays, ODF will likely not be able to implement this project within the agency's originally proposed timeframe. ODF will likely request future expenditure limitation approval to extend project implementation into the coming biennium." However, the [2025-27 Biennium: Agency Request Budget \(ARB\)](#) doesn't even mention the CCCP nor any staffing limitations associated with it. Nor do any of the [POPs presented to the Board at the June 6 2024 BOF meeting](#).

I am concerned that many CCCP Supporting Actions or dependencies are also under-funded. These include the Enhanced Forest Inventory system, the Forest Carbon Accounting Framework, and Research and Monitoring. Without an implementation plan or a more detailed CCCP Implementation Update, it's hard to say. But there has not been much visible progress in these areas since CCCP approval in November 2021. In particular, the CCCP states (page 40) that ODF intends to "Continue to produce the [Oregon Forest Ecosystem Carbon Inventory Report](#) on a biennial basis." To my knowledge, this report has not been produced since 2019.

I am fully aware that the coming biennium will be a difficult budget cycle and that ODF does not expect to get much, if any, additional funding from the legislature. However, this makes it more important to be clear about what can and cannot be accomplished with available resources and to set expectations with the Board and the public accordingly.

From the outside, it also appears that there is no CCCP implementation team. In my experience, a program as complex as the CCCP requires a dedicated program manager leading a cross-functional team of representatives from the groups performing the work in order to achieve its goals. This team initially creates the implementation plan, then meets regularly to coordinate work, track progress and report metrics, manage issues and risks, and provide input to program updates. Using team input, the program manager provides written progress reports to ODF management on a regular basis. During the “Department Strategic Planning” discussion at the Board retreat, State Forester Cal Mukumoto said that he is trying to get ODF to work more cross-functionally, across organizational silos. Cross-functional implementation teams for complex programs like the CCCP are one good way to do this.

From the outside, it also appears that there is no sponsor or champion for the CCCP on the ODF Executive Team. Who is accountable for or cares deeply about the success of the CCCP? This person would ensure that an implementation plan for the CCCP is created, would seek adequate funding in biennial budgets, would monitor internal progress reports from the implementation team, would assist with removing barriers, and would ensure that a program update is presented to the Board on at least an annual basis. This does not seem to be occurring.

In summary, from the outside it looks like CCCP implementation is not being managed as a program. It looks like the CCCP is viewed as an aspirational document to which ODF managers are expected to align their operations, but with little coordination, oversight, or accountability. I think that ODF would achieve greater success with CCCP implementation if they did manage it as a program. If ODF does not manage CCCP implementation as a program, I think that the ODF Executive Team should make a bigger commitment to looking for CCCP alignment and progress in division operation reviews and status reports.

CCCP Implementation Update

The [CCCP Implementation Update](#) presentation was largely comprised of slides from the [Climate Change and Carbon Plan informational webinar held on May 27, 2021](#). Most of this presentation material was devoted to the history of the creation of the CCCP and a brief overview of CCCP contents. Just four slides were devoted to the CCCP Implementation Update per se.

(Slide numbers below refer to slide numbers in [20241017-bof-meeting-materials.pdf](#), since there are not slide numbers on the CCCP Implementation Update slides themselves.)

Slide #45 – Forest Resources Update: This slide was a place-holder for Forest Resources Director Josh Barnard’s verbal update on activities in his division which support the CCCP. This was a great update, the most detailed of the presentation. But as several Board members commented, it would be good to have it in writing and good to have similar updates from the other ODF divisions. The State Forests

division has a [Draft Western State Forests Management Plan](#) out for review and will [soon begin the process of updating district Implementation Plans for FY2026-27](#). It would be good to get an update on how they intend to use these plan revisions to advance the climate smart forestry goals of the CCCP.

Slide #46 – How Are We Doing?: This slide is the CCCP Implementation Update in a nutshell. This slide might have been a good intro or overview if it were followed by more detailed implementation update slides. Unfortunately, it wasn't. This slide states, "A wide variety of unforeseen changes have made some goals and actions unachievable or difficult," but it doesn't say which goals are now unachievable. It also states, "Tracking not there" with sub-bullets stating that this is due to "Vision interaction" and "Vision metrics". It's not clear to me why work on the [Vision for Oregon's Forests \(Vision\)](#) should interfere with tracking implementation of the CCCP, unless the same ODF resource is assigned to both activities. Even then, the workload seems manageable.

Slides #36-43 – CCCP Goals: These slides were not presented in the Board retreat, but were included in the posted meeting material. These slides are taken from the CCCP webinar and present one goal per slide with the CCCP statement of the goal. Since the CCCP was approved three years ago, what would be more useful is one goal per slide with actions completed since 2021, actions planned to be completed in the coming biennium (i.e. the upcoming budget cycle), an update on any barriers affecting this goal, and an assessment of whether goal achievement is on track or not.

Slide #30 – Barriers – The CCCP (pages 11-12) includes a table of "Potential Barriers" and "Resolutions or means to address issues". The "Barriers" slide is just a high level summary of the kinds of barriers included in the CCCP. Three years into CCCP implementation, it would have been more useful to describe actions that have been taken to address barriers, which barriers remain, what actions are planned to address remaining barriers, and what help is needed to address remaining barriers.

Slide #44 – Supporting Actions – The CCCP devotes 11 pages to defining 14 Supporting Actions of which it says, "Supporting actions are linked to multiple Goals. Depending on the action, impacts can and will extend to several goals, they are not limited to a one-to-one goal relationship. These supporting actions will be incorporated into agency planning, which includes documents and processes like Board Work Plans, Forest Management Plan, Implementation Plans, and Annual Operating Plans, among others." The CCCP Implementation Update devotes one slide to Supporting Actions with no status update. Three years into CCCP implementation, it would have been more useful to describe actions that have been taken to date and actions that are planned to be completed in the coming biennium.

Slide #47 – Where are we going?: This slide states that CCCP metrics work stopped when Vision for Oregon's Forests work began, but it doesn't say why. It's not clear to me that these activities need to be coupled, especially since the Vision rolls up the CCCP goals as strategies and the Board decided not to insist on measurable goals in the Vision. In the same BOF meeting in which the CCCP was approved on November 3, 2021, there was an agenda item titled [2021 Board of Forestry State Forests Metrics Update](#) (pages 188-199). This update included draft carbon storage metrics for Oregon State Forests. I see no

reason why this work should not continue other than resource constraints, which is why I am concerned about CCCP resource requests in the current [ODF ARB](#) and [associated POPs](#).

This slide makes no mention of the [OCAC Draft Natural & Working Lands Fund Biennial Report – 2024 Report to the Oregon Legislature](#). This report includes a Section VI, Actions Planned for 2025, with a Subsection C for ODF which lists seven actions. These actions would have been good to include here.

Slide #48 – Other Active Climate Change Efforts: This slide is a useful overview, but it’s not followed by any more detailed slides. It would be good to add a slide for each of ODF’s key collaborations regarding the CCCP. These should include at least the OCAC for work on the Natural & Working Lands Fund and the USFS for work on forest inventory and forest carbon accounting.

Oregon Climate Action Commission – Natural & Working Lands Fund

ODF is collaborating with the [Oregon Climate Action Commission \(OCAC\)](#) on implementation of [HB3409 \(2023\) Sections 53-67, State Policy for Natural Climate Solutions](#). This includes implementation and allocation of the Natural & Working Lands Fund (NWLF) and the Forestry Natural Climate Solutions Fund (FNCSF). This is a major new development since the CCCP was approved and should have warranted a more detailed discussion in the CCCP Implementation Update.

The [Oregon Climate Action Commission \(OCAC\) Natural & Working Lands Fund \(NWLF\) Annual Report, September 2024](#) indicates that in 2024 the NWLF allocated \$3,250,000 to fund three ODF projects:

Project No.	Agency	Program / Project	Fund Allocation
P9	ODF	Advance Implementation of Climate-Smart Forestry	\$1,500,000
P10	ODF	Climate-Smart Forestry: Tribal and EJ Partnerships	\$1,000,000
P11	ODF	Establishment of Climate-Ready Seed Orchards	\$750,000

For all three of these projects the report states, “Due to staff capacity limitations and other delays, ODF will likely not be able to implement this project within the agency’s originally proposed timeframe. ODF will likely request future expenditure limitation approval to extend project implementation into the coming biennium.” It would be good to get an update on whether the staff capacity limitations and other delays have been resolved.

The [OCAC Draft Natural & Working Lands Fund Biennial Report – 2024 Report to the Oregon Legislature](#) includes a Section VI, Actions Planned for 2025, with a Subsection C for ODF which lists seven actions:

- Provide funding to local districts to increase adoption of climate-smart forestry activities through incentives and technical assistance for existing programs.
- Provide funding to tribes that want to implement climate-smart forestry practices on tribal

forest lands.

- Work on implementation of ODF's climate-ready seed efforts to provide species and seed that are more climate adapted as informed by future projections.
- Continue implementing associated ODF efforts, such as the Climate-Smart Forestry Award; supporting long-lived wood fiber utilization (e.g., mass timber); and administering forest health treatments to increase resistance, increase adaptation, or direct the forest ecosystem dependent on the local conditions.
- Track and work to secure national and international climate and carbon-related funding through grants and other opportunities.
- Continue efforts around the adoption of a Habitat Conservation Plan (HCP) and a Forest Management Plan for State Forests, and an HCP for private riparian areas, which include climate considerations.
- Continue research projects and efforts that will inform interests in carbon stocks and cycles, land use issues related to forestry, and the effects of climate on insects, diseases, and abiotic factors.

These actions are not stated in a measurable way. Without a CCCP implementation plan as discussed above, it's hard to say what ODF's deliverables are for 2025.

The [OCAC Draft Natural & Working Lands Fund Biennial Report – 2024 Report to the Oregon Legislature](#) includes a Section III, "Other State, Federal, and Private Funding Sources" with a Subsection C, "Pending and Planned Funding Requests". For ODF, this Subsection states: "Advance Implementation of Climate-Smart Forestry (ODF): ODF anticipates that N&WL funds will enable cooperators to leverage additional federal resources to support climate-smart forestry practices. No funds have been leveraged to date, but efforts are underway to identify potential funding sources." Two years following passage of the Inflation Reduction Act (IRA) and three years following passage of the Infrastructure Investment and Jobs Act (IIJA), ODF should be able to speak with more specificity about federal funds they are pursuing. The Board meeting on September 7, 2022 included a presentation on [Inflation Reduction Act and Bipartisan Infrastructure Investment and Jobs Act funding for America's Forests](#). ODF should leverage this presentation to create a more detailed report.

It should be noted that the [Urban and Community Forest \(UCF\) Program Update for 2024](#) reports that UCF applied for, and was awarded, over \$27M in Federal grants through the IIJA and IRA. It's not clear why this is not included in the NWLF biennial report. (It should also be noted that the UCF program update is a good example of a written program update that the CCCP program may want to emulate in the future.)

The [OCAC Draft Natural & Working Lands Fund Biennial Report – 2024 Report to the Oregon Legislature](#) also includes a Section VII, "Looking Forward: Natural Climate Solutions Investment Potential" with the description, "The following subsections describe the potential and need for additional investments in natural climate solutions identified by ODA, ODFW, and OWEB." There is a footnote stating, "The

Oregon Department of Forestry declined to provide content for this section.” This seems like a missed opportunity.

Forest Carbon Accounting Framework

The CCCP Implementation Update did not discuss ODF’s forest carbon accounting framework at all. But the CCCP devotes two pages (under Supporting Actions – Monitoring and Research) discussing plans in this area. This includes a plan to produce the [Oregon Forest Ecosystem Carbon Inventory Report \(FECR\)](#) on a biennial basis. To my knowledge the FECR has not been produced since its initial release in 2019. In fact, it appears that the ODF [Forest Carbon Accounting](#) web page has not been updated since 2019. It looks like there hasn’t been a Board update on forest carbon accounting since the [State Forests Carbon and Inventory](#) report in September 2022. Forest carbon accounting is foundational to managing forests for carbon sequestration and storage. It appears that ODF and the Board should devote more attention to this area.

Three years after the approval of the CCCP, the [Stand Level Inventory \(SLI\) Annual Report 2024](#) doesn’t even include the word carbon. I think ODF should make it their ambition to include a carbon inventory in this annual report. Three years ago ODF created draft carbon storage performance measures that included per-district trend graphs (see State Forests Performance Measure Update, November 3, 2021, in [20211103-bof-agenda.pdf](#) pages 188-199 and in [20211103-bof-presentations.pdf](#) slides 97-119). I think that ODF should adopt these carbon storage performance measures and include per-district trend graphs in the creation of district Implementation Plans, Annual Operations Plans, and Annual Reports.

According to the USFS [Forest inventory and Analysis \(FIA\)](#) web site, “The Forest Inventory and Analysis (FIA) program published a [new modeling system in September 2023 for predicting tree cubic-foot volume, biomass, and carbon attributes](#), completing a goal of the 2015 FIA Strategic Plan. This system, termed ‘National Scale Volume and Biomass Estimators’ (NSVB), provides a more consistent and accurate accounting of structural components of trees across the US for total tree cubic-foot volume, biomass, and carbon.” It would be good to get an update on whether ODF intends to adopt the NSVB.

Climate Change and Forest Carbon Work Plan 2022-2024

The Board Work Plan [Climate Change and Forest Carbon Work Plan 2022-2024](#) was not addressed in the CCCP Implementation Update. Board member Bob Van Dyk brought it up and asked about the status of the Framework for Climate Change Assessment, which has not been implemented. But this work plan includes five work items and it would be good to get a progress report for each of them:

Topic A: Climate Change and Carbon Plan Tracking

Topic B: Framework for Climate Change Assessment

Topic C: American Forests – Carbon & Climate Change Modeling

Topic D: Participation in the Temperate Forest MOU and Work with the USFS PNW Research Station on Forest Carbon Co-Production efforts

Topic E: Estimation of the Department Greenhouse Gas footprint

References

BOF and ODF References

ODF web page – Climate change

<https://www.oregon.gov/odf/forestbenefits/pages/climate-change.aspx>

ODF web page – Forest carbon accounting

<https://www.oregon.gov/odf/forestbenefits/Pages/forestcarbonstudy.aspx>

ODF Climate Change and Carbon Plan

<https://www.oregon.gov/odf/forestbenefits/Documents/odf-climate-change-and-carbon-plan-draft.pdf>

BOF Climate Change and Forest Carbon Work Plan 2022-2024

<https://www.oregon.gov/odf/board/bof/bofwp-climate-change-2022-2024.pdf>

Legislative Reference

Oregon House Bill 3409 (2023) – See Sections 53-67, State Policy for Natural Climate Solutions

<https://olis.oregonlegislature.gov/liz/2023R1/Downloads/MeasureDocument/HB3409/Enrolled>

Oregon Climate Action Commission (OCAC) References

Oregon Climate Action Commission

<https://climate.oregon.gov/>

Draft Natural & Working Lands Fund Biennial Report - 2024 Report to the Oregon Legislature

<https://static1.squarespace.com/static/59c554e0f09ca40655ea6eb0/t/670da47945543015558591dd/1728947322202/2024-DRAFT-OCAC-NWL-Fund-Biennial-Report.pdf>

Natural & Working Lands Fund Annual Report – September 2024

<https://static1.squarespace.com/static/59c554e0f09ca40655ea6eb0/t/66df4041690d12650cb7e0fc/1725907018175/2024-OCAC-NWL-Fund-Annual-Report.pdf>

Natural & Working Lands Fund Proposal – January 2024

<https://static1.squarespace.com/static/59c554e0f09ca40655ea6eb0/t/6594aea62498db70a925d691/1704242854973/2024-NWL-Joint-Proposal.pdf>

United States Forest Service (USFS) References

Forest Inventory and Analysis

<https://research.fs.usda.gov/programs/fia>

Tree Volume, Biomass, and Carbon Models

<https://www.fs.usda.gov/research/programs/fia/nsvb>

Pacific Northwest Research Station - Carbon Research Initiative Update, 2022

<https://research.fs.usda.gov/sites/default/files/2023-02/pnw-cibr-2022-final.pdf>

Board of Forestry Meeting Presentations Related to the CCCP

10/17/2024 – Climate Change and Carbon Plan Implementation Update (pages 17-49)

<https://www.oregon.gov/odf/board/bof/20241017-bof-meeting-materials.pdf>

9/4/2024 – Urban and Community Forestry Program Update for 2024

<https://www.oregon.gov/odf/board/bof/20240904-bof-item-e.pdf>

9/4/2024 - 2024 Climate Smart Forestry Award Recognition

<https://www.oregon.gov/odf/board/bof/20240904-bof-item-9.pdf>

<https://www.oregon.gov/odf/board/bof/20240904-bof-record-item-09.pdf>

3/8/2023 – Sightline Institute: Long Rotational Forestry Discussion

<https://www.oregon.gov/odf/board/bof/20230308-bof-item-06.pdf>

<https://www.oregon.gov/odf/board/bof/20230308-bof-record-item-06.pdf>

3/8/2023 – Climate Smart Award (pages 54-63)

<https://www.oregon.gov/odf/board/bof/20230308-bof-packet.pdf>

<https://www.oregon.gov/odf/board/bof/20230308-bof-record-item-03.pdf>

11/16/2022 – Our Search for Climate-Smarter Forestry: Accelerating the Transition (pages 172-197)

<https://www.oregon.gov/odf/board/bof/20221116-bof-packet.pdf>

9/7/2022 – State Forests Carbon and Inventory

<https://www.oregon.gov/odf/board/bof/20220907-bof-item-07.pdf>

<https://www.oregon.gov/odf/board/bof/20220907-bof-record-item-7.pdf>

9/7/2022 - Inflation Reduction Act and Bipartisan Infrastructure Investment and Jobs Act (pages 1-9) and Stages for Implementing Forest Carbon Plans and Policies (pages 10-18)

<https://www.oregon.gov/odf/board/bof/20220907-bof-record-item-9.pdf>

6/8/2022 - Carbon Trends on Oregon State Forests (pages 1-3),

Pacific Coast Forest Carbon: Estimating Regional Carbon Stocks and Flux (pages 89-130),

Memorandum of Understanding - Pacific Coast Temperate Forests (pages 132-133),

DLCD – Overview: Oregon’s Land Use Planning Program (pages 134-143),

DLCD – Climate Change Resilience Assessment (pages 144-155)

<https://www.oregon.gov/odf/board/bof/20220608-bof-handouts.pdf>

6/8/2024 - Oregon Forest Ecosystem Carbon Inventory: 2001 – 2016 (pages 63 – 73)

<https://www.oregon.gov/odf/board/bof/20220608-bof-agenda.pdf>

11/3/2021 - Climate Change and Carbon Plan Final Draft Approval (pages 334-402)

<https://www.oregon.gov/odf/board/bof/20211103-bof-agenda.pdf>

11/3/2021 – State Forests Performance Measure Update (pages 188-199)

<https://www.oregon.gov/odf/board/bof/20211103-bof-agenda.pdf>

9/8/2021 – Governor Kate Brown’s Executive Order 20-04 (pages 173-186)

<https://www.oregon.gov/odf/board/bof/20210908-bof-agenda.pdf>

9/8/2021 - Summary of Comments Received on Climate Change and Carbon Plan (pages 189-191)

<https://www.oregon.gov/odf/board/bof/20210908-bof-agenda.pdf>

11/4/2020 – Oregon Forest Carbon Accounting Framework (pages 148-151)

<https://www.oregon.gov/odf/board/bof/20201104-bof-agenda.pdf>

Oregon Forest Carbon Accounting Framework (pages 64-183)

<https://www.oregon.gov/odf/board/bof/20201104-bof-handouts.pdf>

11/4/2020

Board of Forestry Authority to Address Issues Related to Climate Change (pages 19-48)

<https://www.oregon.gov/odf/board/bof/20201104-bof-handouts.pdf>



To: Chair Kelly, Members of the Oregon Board of Forestry
Cc: State Forester Mukumoto, State Forest Division Chief Michael Wilson
From: State Forest Coalition Groups
Date: 11/19/2024
Re: State Forest Annual Report, Climate Plan and Draft Forest Management Plan Scenarios

Dear Chair Kelly and Members of the Board of Forestry:

On the behalf of the State Forest Coalition member groups, we thank you for managing state forests for the greatest permanent value for all Oregonians and for the opportunity to comment on the Forest Management Plan scenarios.

We encourage the Board of Forestry (Board) to continue to move forward with finalizing the Habitat Conservation Plan for Western Oregon State Forests (HCP), as the best means of complying with the mandatory requirements of the federal Endangered Species Act (ESA). We also support the Board in fully implementing the Climate Change and Carbon Plan (Climate Plan), approved in 2021. The draft Forest Management Plan and its implementation options must include meaningful and measurable progress toward realizing the goals and objectives of the Climate Plan.

CFTLC Report for FY 2024

The Oregon Department of Forestry (ODF) recently issued its Council of Forest Trust Land Counties [Report](#) for Fiscal Year 2024. This is the first report issued since the ODF began implementing the HCP, pending final approval by federal agencies and issuance of Incidental Take Permits in 2026.

The report found that:

- Revenue to the counties from the ODF exceeded the five and ten year averages at \$67,418,781. (Page 3)

- Revenue to Clatsop County exceeded the five and ten year averages at nearly \$26 million. (Page 3)
- Timber harvest was below the five-year average but higher than the previous two years. FY 2024 harvest was 209 million board feet. (Page 2)
- The ODF met or exceeded its projected timber sale and revenue projections for 2024.
- Harvest and revenue are projected to continue at these levels through FY 2027. (These reports do not project beyond three years)

These results demonstrate that the HCP is not currently reducing harvest revenue and likely won't in the next several years according to ODF projections and modeling. It also reinforces that the ODF's short-term projections are accurate. However, reductions in harvest levels and revenue will eventually occur, requiring a restructure of the revenue model for state forests. Our groups support working with the ODF, counties and taxing districts to change the current system of revenue distribution and diversify revenue sources for the ODF and for counties receiving state forest timber revenue.

Implementation of the Climate Change and Carbon Plan

Our coalition continues to be concerned by ODF's failure to meaningfully translate the Climate Plan into management actions on state forests. The Climate Plan¹ directs the ODF to implement the following:

- Incorporate climate change into the Forest Management Planning (FMP) and Implementation Planning (IP) process.
- Implement silvicultural pathways and harvest rotations that increase carbon storage in the forest while maintaining wood fiber flow to the forest products industry.
- Identify areas particularly susceptible to the deleterious effects of climate change and work to conserve them. This includes climate-sensitive habitats, areas of high conservation value, and areas of cultural significance that may become threatened by climate change. This should be done with input from tribal and community-based organizations.
- Restore areas impacted by insect pests and diseases to productive forests through removal of susceptible species and use of site appropriate species.
- **Identify areas that have high carbon storage potential**, especially for those that can provide benefits for threatened and endangered species habitat, water quality, and educational and recreation opportunities for Oregonians. Establish priorities for these areas that include long-term carbon storage.
- **Internal Carbon Pricing Process.** The Department, and specifically the State Forests Division, should work toward setting an internal carbon price for the lands and forests that it manages. Having this information incorporated into future forest management planning and decisions will allow the State Forests Division to implement carbon-smart forestry on the Board of Forestry and Common School Fund forestlands throughout the state.

¹ Oregon Department of Forestry Climate Change and Carbon Plan, Pages 32-33

We urge the Board to direct the ODF to ensure these measures are included in the FMP and to develop clear performance measures to evaluate their success.

Forest Management Plan Timber Harvest Model Scenarios

The Climate Plan requires incorporation of climate-smart forestry, including mitigation and adaptation measures listed above, into the FMP and IP development processes. The proposed harvest modeling scenarios must include constraints that are consistent with the Climate Plan and its implementation measures.

Coalition members have reviewed the proposed harvest modeling scenarios and offer the following recommendations:

- Eliminate “Run C”, which would average 205 million board feet annually for the first 30 years of the HCP. This is very unlikely to be a realistic target and would be inconsistent with the Climate Plan.
- Constrain the models to prioritize carbon storage in the forest to facilitate a carbon pricing process.
- Prioritize longer logging rotations to increase carbon storage.
- Constrain the modeling to retain all existing stands over 90 years old to maximize carbon storage in the forest.
- Consider eliminating Scenario 4, which would maximize net present value at a 4% discount rate. Optimizing economics may be inconsistent with the Climate Plan and inconsistent with managing state forest for the greatest permanent value.

Thank you for considering these comments.

Sincerely,

Eve Goldman
Staff Attorney
Tualatin Riverkeepers

Brenna Bell
Forest Climate Manager
350PDX

Grace Brahler
Wildlands Director
Cascadia Wildlands

Michael Lang
Senior Policy Manager
Wild Salmon Center

Chuck Willer
Executive Director
Coast Range Association

Rand Schenck
Forestry and Natural Lands Lead
MCAT, Mobilizing Climate Action Together

Casey Kulla
Forest Policy Coordinator
Oregon Wild

Joseph Youren
Forest Policy Director
Seven Capes Bird Alliance

Joe Liebezeit
Assistant Director of Statewide
Conservation
Bird Alliance of Oregon

Darlene Chirman
Leadership Team
Cascade-Volcanoes Chapter
Great Old Broads for Wilderness



DAN JOHNSON
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING

150 BEAVERCREEK ROAD OREGON CITY, OR 97045

Dear Board of Forestry:

Clackamas County has and will continue to be interested in how the Oregon Department of Forestry (ODF) manages the forestlands entrusted to the State. Management of these lands is intended to provide dependable and predictable revenue to counties, reduce wildfire, and care for our natural habitat.

As ODF embarks on the development of the Forest Management Plan, Clackamas County submits the following technical comments for consideration:

- Under manageable yield scenarios to forecast 185mmbf, 195mmbf, and 205mmbf:
 - We recognize the State is advancing the HCP despite consistent concerns raised by counties. As you study these scenarios, please ensure all regulations are accounted for to reach the projected 185, 195, and 205mmbf models.
 - We ask the State to consider efficiencies of managed lands, and where it makes sense to convey County Trust lands to counties willing to resume management
 - Consider adding a scenario that includes not implementing the HCP for all County Trust lands and voluntarily managing lands as if they were in the proposed HCP. Sell the carbon credits to provide additional revenue to the State and counties.
- Under the maximum yield and net present value scenarios:
 - There is continued concerns with these concepts/scenarios as they do not produce consistent revenues.
- Under 120–150-year stand scenarios:
 - There is continued concern that this scenario will limit the amount of harvestable timber in counties with high percentages of timberlands under 120 years of age. The counties entrusted the state to manage this land for dependable yield which would be greatly reduced if this scenario is adopted.
 - We would ask the state to compare potential fire losses in forest acreage that have 120+ year stands to those stands that are managed at 50-70 years. We feel compelled to highlight that the recent mega-fires on federal lands in 2020 took place on stands exceeding 100 years in age.

There is a continued expectation that the state meets the intent imagined when the county lands were put into Trust with the state. Scenarios that do not honor that commitment challenge the fundamental concepts considered and are no supportable.

Andrew Dobmeier

Clackamas County Forester
adobmeier@clackamas.us
(503) 488-9416

Memo to Board of Forestry
From Bob Van Dyk
November 22, 2024

From: Bob Van Dyk, member of Board of Forestry
To: Board of Forestry
Date: November 21, 2024
Re: Matters at the November 22 Board Meeting
Cc: State Forester Mukumoto, ODF Staff, Interested Stakeholders

I apologize, board members, for the lateness of this communication, but in the interest of clarity I want to let you know about several matters I plan to speak to at our meeting on Friday, including our January agenda and state forest management.

January Agenda

As you know, OAR 629-010-0040 states that “At the request of any two Board members, the Chairperson shall include a specific item on the agenda.”

Recent communications from Ms. Eleni Collins, our board administrator, provided a tentative agenda for the two-day January meeting and noted there may be room to add items.

It is not clear to me whether private discussion of potential agenda items with other board members comports with the rules on serial communication, and given that we have a board meeting tomorrow, I am writing to share two items that I would like to see on the agenda in January. In doing so I hope to both let you know about two things I think would be helpful to have on the agenda, and offer other board members the opportunity to speak to the desirability of including the topics.

- **State Forester Review Background and Discussion**

Background: This summer Chair Kelly wrote the board to let us know that DAS would be coordinating a review of the State Forester this fall. Mr. Kelly also said that there was room to supplement the review with other methods if the board so desired. I would like to know more about how DAS will conduct the review, and to provide an opportunity for the board to discuss what other methods, if any, the board would like to add to supplement the review.

- **Purpose:** *Provide board an overview of the timing and content of the DAS review process, with time allocated for discussion of supplementing DAS review.*
- **Proposed Presenters:** *DAS*
- **Proposed Time:** *30 minutes to 45 minutes, with time divided between presentation and questions/discussions*
- **Proposed Board Action:** *None proposed, but motions would be in order.*
- **Public Comment:** *Yes*

- Climate Change and Carbon Plan Implementation: Discussion on next steps

Background: ODF staff provided an update on the CCCP at the recent retreat in Pendleton. Unfortunately there was no opportunity for public comment and no material was provided in advance. Moreover, the key slide (46), titled “How are we doing?” was complex and difficult to read. What was clear, however, is that there is currently no tracking or metrics for implementing the CCCP. In addition, the one major deliverable identified in the Climate Change and Carbon BOF Work Plan was not completed. I was impressed by the ODF staff who presented in Pendleton, but have questions remaining. The CCCP sets out an ambitious vision of the BOF and ODF as “national leaders” in climate-smart forestry. Since joining the board, I have heard repeatedly from climate-minded stakeholders who have been eager for information on what, if anything, is happening with the CCCP. There are no clear answers. The comments recently submitted to the board by Mr. Scott Killops underlined my concerns.

Given the public interest in the CCCP, the limited progress toward an ambitious goal, and the lack of clarity about where it is headed, I suggest the board devote time to considering what aspects of the CCCP are realizable by ODF and to clarify what actions to expect by ODF on the CCCP in the near term. The board might also specify which goals are not likely to be attained. I believe this is best accomplished by a four-fold approach:

- 1) Board members review the CCCP and recent presentation in Pendleton.
 - 2) Board solicits public comment in advance and takes comments at the meeting about the progress to date and desired progress ahead.
 - 3) State Forester Mukumoto presents a draft, two-page work plan of realistic CCCP implementation actions for 2025-2026, in light of staff capacity. This work plan would be posted as part of the board packet before the meeting.
 - 4) Board discussion in light of materials above, and action if the majority so desires.
- *Purpose: Allow board to discuss implementation status of CCCP in light of progress to date and work plan ahead.*
 - *Proposed Presenters: State Forester Mukumoto*
 - *Proposed Time: 60 minutes, with majority of time spent on board discussion of implementation of CCCP*
 - *Proposed Board Action: None proposed, but motions would be in order.*
 - *Public Comment: Yes*

State Forest Modeling

I am excited to hear the discussion on the modeled alternatives before the board, and there are several matters I would like to add to the discussion.

Ten-year planning: It is important that modeling considers the long-term consequences of any management approach, but given the practical uncertainty about the future and the inability to control future boards, I think a ten-year planning horizon is the best way to find agreement and compromise. The HCP decision was a big one and opposed by key stakeholders. Those stakeholders are now largely at the table and ready to work with the board and others to find common ground, if possible, in the context of implementing the HCP. I commend those county leaders and forest industry leaders for their constructive approach. From my view, decisions that require commitments beyond a ten-year planning cycle are likely to be more divisive. With this in mind I offer two thoughts, below.

Special Places and the Carbon Plan: As you know, the driving concern in the development of the management zones in the draft Habitat Conservation Plan was the welfare of the covered species. Other concerns, such as recreation, carbon, and water supply sources were not key considerations. Consequently, in some cases the areas outside of the Habitat Conservation Areas (“General” zoning, for short), may have left some such “special places” open to clearcutting.

In addition, the ODF Climate Change and Carbon Plan identifies (page 33) several actions to be taken “during the development of the draft Western Oregon FMP and associated IP planning process.” The plan states that ODF will “Identify areas that have high carbon storage potential, especially those that can provide benefits for threatened and endangered species habitat, water quality, and educational and recreation opportunities for Oregonians. Establish priorities for these areas that include long-term carbon storage.”

I think the public interest would be well served by ODF working to identify and protect special places that have high value for non-timber purposes as well as implementing the language from the CCCP quoted directly above. To do so I suggest the following, not as a proposal to pass in the near term but to add to the conversation tomorrow.

– Only approximately 5% of operable general-zoned stands are over 90 years old. These stands are more likely to provide habitats that are rare on the landscape, and to also store more carbon than younger stands, and as such they may be good candidates for protection. They also provoke the most concern from the public when clearcut. I think the following approach would be desirable.

- 1) Model results report on treatment of oldest 5% of operable General acres in first ten years.
- 2) These stands are considered for deferred harvest in the first ten years, but not beyond.
- 3) ODF use the next 10 years to pursue carbon payments for protecting these lands.
- 4) ODF use the next 10 years to consider modifications to the HCA boundaries to accommodate both timber production and protection of special places not currently covered by HCP or other protections.

To clarify, I don’t see protection of the oldest 5% as the goal per se, but rather as a proxy related to the costs of protecting special places on General ground, which might be done for additional reasons, such as recreation, water supply, or proximity to residences.

Recreation: As I mentioned at the September meeting, most Oregonians interact with the state forests as recreation users. Camping, hunting, hiking, OHV riding, mushroom gathering, fishing, wildlife viewing, swimming, target shooting, etc. are the primary reasons many people care about the state forests. The modeling conversation does not include recreation, and admittedly indicators for recreation are complex.

Nonetheless, I think the BOF and ODF need a revamped plan for recreation on state forests that is developed inclusively and addresses long-term funding. I hope the eventual direction from the board on sideboards for implementation plans include specific direction to execute such a planning process on a reasonable timeline, with the hopes of including proposals developed in the process for budget additions (POPs) or related legislative concepts.