



Carbon and Forest Management Work Group

Questions and Comments From the November 8, 2023 Meeting

Disclaimer: Work group members should rely on written responses to questions and comments that are emailed to members or posted on DNR's [project webpage](#). All other communications will be considered unofficial.

Timber Volume Reports

➤ In terms of context, it would be helpful to see where DNR fits in terms of percentage of state timber volume - and how much timber is exported as a percentage of timber volume. Maybe we're going to get there...

DNR Response: The percentage of timber harvest volume from state trust lands by year can be found on DNR's website: <https://www.dnr.wa.gov/TimberHarvestReports>

Per the 1990 Forest Resources Conservation and Shortage Relief Act, logs from DNR-managed lands are export-restricted. They can be exported out of state in the Domestic U.S., but must be processed before international export.

➤ Are there timber harvest reports since 2017? The link you provided only has reports through 2017.

DNR Response: The percentage of timber harvest volume from state trust lands by year can be found at <https://www.dnr.wa.gov/TimberHarvestReports>.

Unfortunately, DNR ceased creating those reports in 2017. The University of Montana is going to publish more recent reports, but has not done so yet. Refer to http://www.bber.umt.edu/fir/S_WA.asp.

County Funding

➤ In terms of the economics of a harvest to county funding run, can you provide a sample budget? How much money does the county actually receive at the end?

DNR Response: DNR does not have access to county budgets, but does post reports on our website that detail the amount of trust beneficiary revenue that is distributed to each county: <https://www.dnr.wa.gov/about/fiscal-reports/county-quarterly-income-reports>.

DNR Forest Management

➤ Is thinning within Special Habitat Areas (SHAs) allowed under the Marbled Murrelet Long-term Conservation Strategy?

DNR Response: In SHAs, thinning is allowed only in areas that 1) do not meet DNR's definition of marbled murrelet habitat, and 2) are being managed for northern spotted owls. The thinning must have an objective to improve northern spotted owl habitat conditions. There are restrictions on how heavy the thinning can be, and when it can be performed to avoid impacts on nesting murrelets.

➤ What type of management can be done in DNR's "ecological emphasis" areas to maintain forest health and fire resiliency and (in this conversation's context) attempt to avoid carbon stocks from being lost to mortality and fire?

DNR Response: Under its *State Trust Lands Habitat Conservation Plan and Policy for Sustainable Forests*, DNR manages a number of areas with "ecological emphasis," such as marbled murrelet habitat, northern spotted owl habitat, riparian areas, wetlands, and others. Each of these areas has its own management guidelines that affect the type of forest management that DNR can perform, such as thinning and road building.

➤ Is legislative authority needed to establish a system of forest carbon reserves to protect all remaining high value carbon stocks (mature forests) from logging and road building?

DNR Response: Assuming that these lands would remain in trust status, DNR would need authorization from the Board of Natural Resources to create carbon reserves. DNR also may need legislative authority to replace the trust beneficiary revenue that would be lost, and to keep the trusts whole.

Contractors and RFQs

➤ Does the workgroup have a say in whom you choose to conduct the carbon accounting work?

DNR Response: No, the state contracting process does not allow non-state employees to participate directly in the contracting process. However, both contractors will share their proposed analysis methodologies with the workgroup and consider workgroup feedback in refining those methods.

➤ The proviso says "and emerging science" not just IPCC methodology. Can work group members view and comment on RFQs before they are posted? It would be helpful to have links to the RFQs.

DNR Response: The RFQs have already been posted, and the solicitation closed on November 28. As it takes time to get a contractor on board, DNR had to move quickly to meet our timeline. The RFQs were posted on a state procurement site called WEBS: <https://pr-webs-vendor.des.wa.gov/>. You must register as a vendor to access the system.

➤ The RFQ says to use "established, peer-reviewed methodologies consistent with the most current IPCC guidance to estimate the potential increases or decreases in carbon sequestration and storage." But the proviso says to use "carbon accounting and quantification methodologies outlined by the

intergovernmental panel on climate change as well as emerging scientific research.” The RFQQ should be made consistent, just an example.

DNR Response: DNR issued an amendment to the RFQQ that reflects this change.

➤Can we ensure that the contractor will follow the proviso rather than how you all phrased the language in the RFQQ?

DNR Response: The contractor will be required to follow the language as written in the contract, which is based on the RFQQ.

Carbon Analysis

➤In regards to the carbon accounting, it seems that 'in the forest' needs to include downed timber, soils, etc., not just standing timber. Right?

DNR Response: The specific carbon pools to include in the analysis will be discussed in a future work group meeting with the carbon contractor. The contractor will share their proposed analysis methodologies with the workgroup and consider workgroup feedback in refining those methods.

➤How is wood supply different than carbon storage in wood harvested?

DNR Response: In the context of the RFQQs, the wood basket study contractor will be assessing the current and future wood supply of timber resources from DNR-managed lands that could result from different forest management scenarios selected by the work group, as well as the wood supply from non-DNR-managed lands within Washington and from outside the state. The carbon contractor will look at how carbon is stored in timber harvested from DNR-managed lands, and in harvested wood products, under these different forest management scenarios over time.

Wood Basket Analysis

➤Does the 'wood basket' include exports?

DNR Response: Per the 1990 "Forest Resources Conservation and Shortage Relief Act (FRCSRA)," logs from DNR-managed lands are export-restricted. They can be exported out of state in the Domestic U.S., but must be processed before international export. Exports of timber into and out of Washington and timber supply from other timberland owners are both part of the scope of work for the wood basket contractor.

➤Logs from DNR lands cannot be exported. This may be a good presentation topic for this group to hear.

DNR Response: DNR appreciates the comment and will consider that for future work group meetings.

➤The wood supply issue is broader than DNR-managed lands. It seems relevant to look at overall unprocessed log exports as we consider supply to Washington State mills.

DNR Response: Yes, this consideration was included within the scope of work in the wood basket RFQQ.

➤ Do we have any sense how much processed timber DNR is exporting?

DNR Response: DNR does not sell or export processed timber. DNR auctions timber sales to the highest bidder, and the successful bidder harvests the timber and sells the logs to Washington mills. The mills process the logs and sell the processed wood.

➤ Since the wood basket is larger than just Washington, how will demand to regions outside of Washington state be handled?

DNR Response: The wood basket contractor will propose a methodology for the wood supply study and impacts analysis, and will share that methodology with the work group.

➤ Financial impacts should include trust revenue impacts over time.

DNR Response: Determining impacts to trust beneficiary revenue at the scale of individual trusts would require further analysis through DNR's sustainable harvest calculation, which would occur outside of this work group process.

➤ "Predictable" should be defined to comply with DNR's trust requirements. I would use "maximally predictable" to define "predictable." We need to maintain sufficient timber supply to have a competitive log market for trust revenue. We need revenue to support government services, including schools and fire departments.

DNR Response: Thank you for your comment. This concept will be explored further as the work group begins developing possible management approaches.

Timeline

➤ Do we really have until late 2025 to finish our work?

DNR Response: This work group is funded by a proviso in the 2023-25 biennium Capital Budget. The funding must be used before the end of the biennium, which is June 30, 2025. The work of this group cannot continue past this date unless DNR receives additional funding and a timeline extension from the Washington State Legislature.

Meeting Process

➤ There is a difference between "quorum" and "majority vote."

BluePoint Response: A quorum is the minimum number of members of the work group that must be present at any of its meetings to make the proceedings of that meeting valid. Quorum will be one-half the work group plus one, or 7 based on the current work group roster of 12 members.

The threshold for consensus in the work group is a supermajority of 75 percent. This threshold is based on the number of work group members in the meeting. If all 12 members are in attendance, 9 will need to vote in favor to advance an approach or recommendation.

➤ Does an alternate have a vote, or are they only allowed to collect information?

BluePoint Response: Yes. An alternate attending the meeting in a work group member's place may vote during the meeting. Work group members are responsible for selecting their own alternates.

➤ How will the viewpoint of someone who is in the "Block" position on the scale be captured?

BluePoint Response: Minority opinions will be documented and included in the legislative report for this work group.

➤ How do we deal with technical issues? For example, we establish a quorum and then experience connectivity for some percent of members during the meeting.

BluePoint Response: A quorum is the number of people needed to hold the meeting. A supermajority is the number of people needed to take a vote on whether to advance an idea or approach forward in this process.

If a work group member has technical issues at the time of the vote, a supermajority would not be reached and the vote would be taken when the work group member has solved their technical issues.

➤ How will we ensure that WG recommendations comply with DNR's legal obligations? Will DNR have a veto?

DNR Response: DNR staff attending the meeting will inform work group members when a proposed management approach does not comply with DNR's legal obligations. In the final legislative report for this group, DNR will note if a proposed approach can or cannot happen under DNR's current legislative authority.

➤ In the Trust Land Transfer (TLT) work group we did thumbs up, sideways, down. If a thumb / thumbs were down we had much more discussion about whatever the issue was and most times the proposal was modified / clarified the thumb down would become sideways which was essentially 'stand aside'. Maybe this system is too simple but it worked recently for a number of us. Just a thought.

DNR Response: DNR appreciates the comment and will consider using this approach.

➤ Should we consider minority reports?

BluePoint Response: Yes. Minority reports will be included in the final legislative report.

DNR/AAG Role and Legislative Authority

➤ Will DNR have its AAG (attorney general) representatives review any recommendations for consistency with State Law and the State Constitution?

DNR Response: DNR staff will be attending all work group meetings and can let the work group know when a proposed approach is not consistent with current laws and policies. DNR has also invited its AAG to attend these meetings. AAG review would occur as needed.

➤ There may be recommendations that we all agree have mutual benefits that require new legislative authority.

DNR Response: DNR agrees with this statement.

➤ Agree that some recommendations may require legislation. But we and especially DNR should know the starting point with legality.

DNR Response: DNR staff will be attending each meeting, and can let the work group know if a proposed approach is not consistent with current laws and policies. In certain instances, AAG review may be needed to address legality.