

Wisconsin Forest Practices Study

Wisconsin Council on Forestry
September 18, 2014
Rothschild, WI

Budget Update

<u>Item</u>	<u>Budget</u>	<u>Committed To Date</u>	<u>Actual To Date</u>	<u>Variance</u>
Great Lakes Timber Professionals	\$ 6,000		\$ -	\$ 6,000
Project Management	\$ 78,200		\$ 24,634	\$ 53,566
Projects	<u>\$515,800</u>	<u>\$ 113,846</u>	<u>\$ -</u>	<u>\$ 401,954</u>
	\$600,000	\$ 113,846	\$ 24,634	\$ 461,520

List of Projects by Topic

<u>Topic #1 - Availability of Wood Fiber in the State</u>	<u>Committed To Date</u>
Wisconsin Wood Supply Assessment	\$ 99,946
<u>Topic #3 - Factors Influencing Wisconsin's Forest-Based Manufacturing Competitiveness</u>	
Wood Supply Chain Component Cost Analysis: A	\$ 13,900
Comparison of WI and U.S. Regional Cost	
Total	<u>\$ 113,846</u>

Wisconsin Wood Supply Assessment(1)

- Awarded July 1, 2014 to Center for Natural Resources Assessment and Decision Support-Virginia Tech.
- Forest Resource Assessment
 - Collate FIA and spatial data – 10 data layers assembled.
 - FIA Inventory, National Land Cover (NLCD), Protected Areas, MFL spatial data, soils, parcel, census, USFS Timber Product Output (TPO) and WI Wood Utilizing Industries (WWUID).
 - Collecting county cutting notice data in progress.
 - FIA timber volume data for WI survey units summarized for forest types corresponding to NLCD data (softwood/hardwood pulpwood/sawtimber).
 - TPO data and WWUID data are being compared.

Wisconsin Wood Supply Assessment(2)

- **Landowner Survey**
 - Analysis of forested parcels (overlay of parcel data with land cover data) is in progress; this will form the basis for the survey samples.
 - Survey instrument is being developed.
- **Logging Capacity Survey**
 - GLTPA has signed a letter inviting loggers to participate. Master Logger Program has indicated a willingness to participate. Invitation letters will be sent in the next couple of weeks.
 - Currently five logging businesses with 12 logging crews (target is 30 crews) have committed to providing productivity data.
- **Overall project is moving forward, slightly behind schedule however anticipates completion as planned by 9/30/15.**

Wood Supply Chain Component Cost Analysis: A Comparison of WI and U.S. Regional Costs(1)

- Awarded June 17, 2014 to Steigerwaldt Land Services, Inc. (Forest2Market partner)
- Project Milestones
 - Develop a comprehensive and comparative dataset of supply chain cost figures for four U.S regions as stated in the methods section.
 - Complete; includes mixed hardwood, mixed conifer, aspen roundwood (aspen for Lake States and NE U.S.)
 - Develop appropriate means of comparison and display for the data.
 - Complete; comparison will be based on annual average and not individual quarter to address data set variances by quarter. (Data sensitive enough to pick up seasonal differences that vary across the U.S.)

Wood Supply Chain Component Cost Analysis: A Comparison of WI and U.S. Regional Costs(2)

- Project Milestones (cont'd)
 - Identify significant differences in cost components in regional comparisons.
 - In progress.
 - Develop a comprehensive final report that succinctly communicates an assessment of this forestry-related factor, and how it is likely to enhance or impede Wisconsin's ability to attract investment in primary forest-based manufacturing facilities.
 - Final report outline is complete.
 - Draft report on time and due November 30, 2014 (final by 12/31/14).

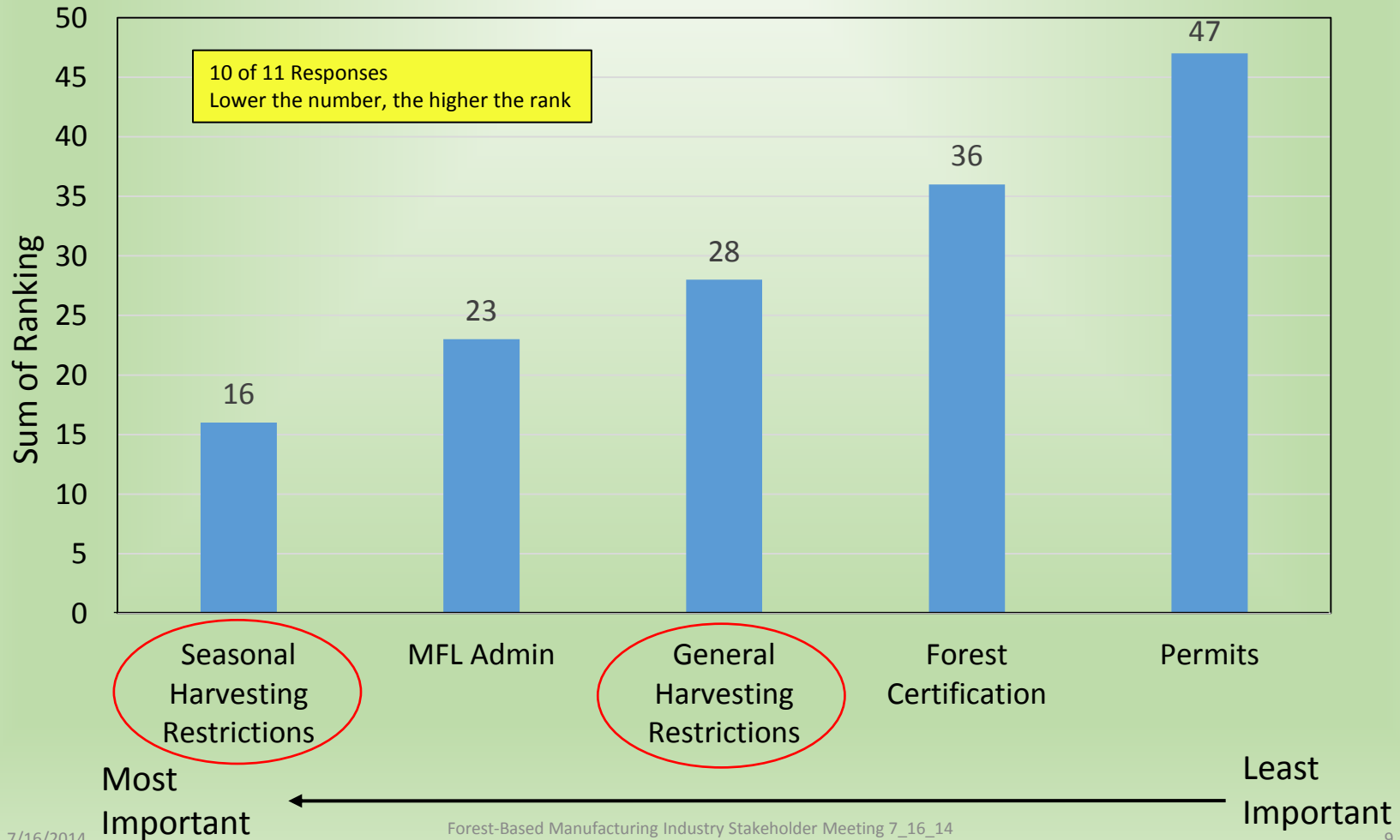
Re-Evaluation of Topic #2-Economic and ecological consequences (cost/benefits) of forestry policies, regulations and guidelines (PRGs)

- GLTPA/WCFA conducted a Forest-Based Manufacturing Industry Workshop on July 16th .
- Purpose
 - Provide GLTPA/WCFA input to provide NCASI with information to prepare an RFP to solicit proposals to address topic #2.
- Participants Invited
 - 11 participants representing the logging sector, pulp/paper mills, sawmills, REITs, consulting foresters (TIMOs/NIPFs).

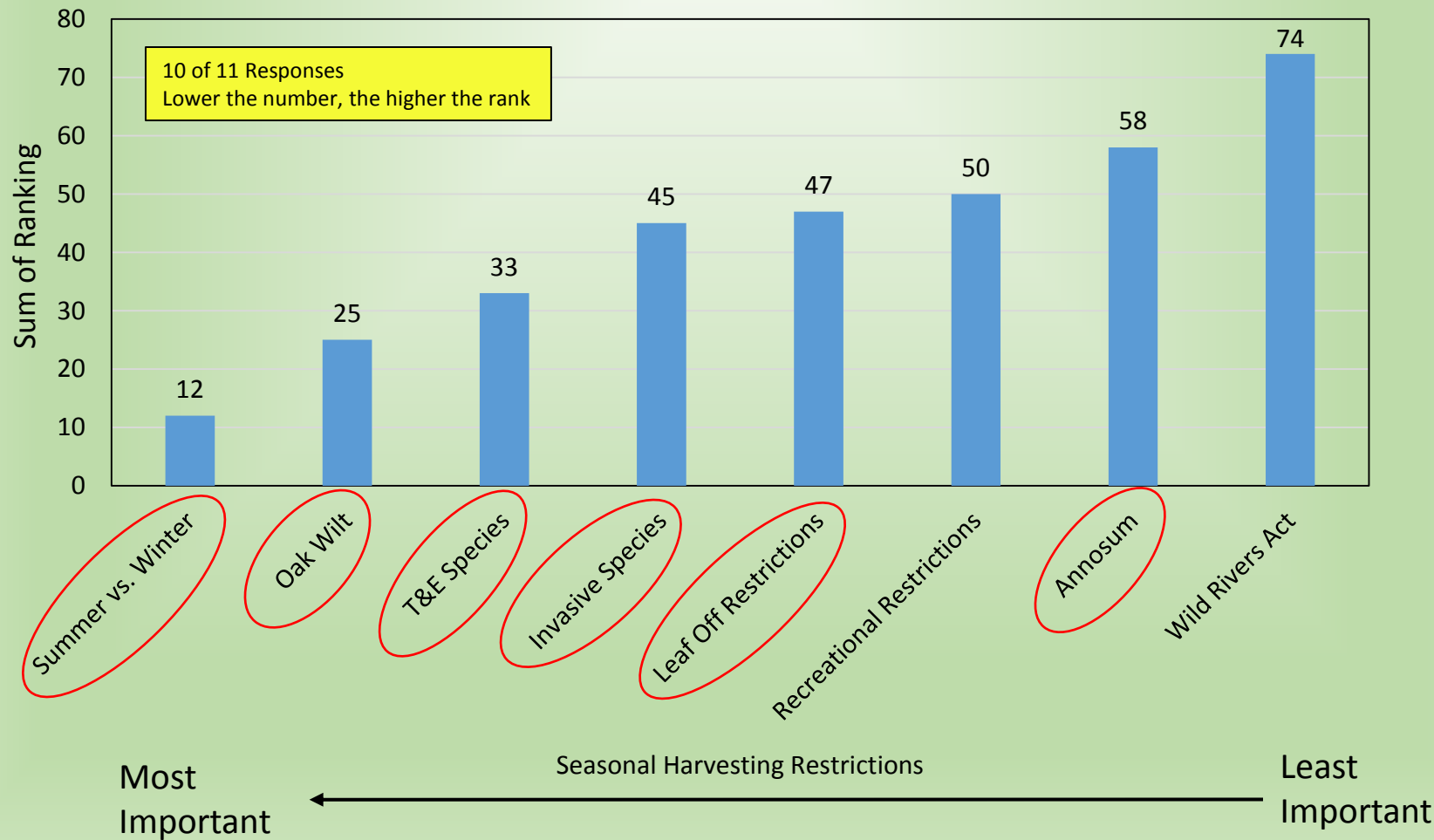
Forest-Based Manufacturing Industry Workshop (1)

- Facilitators and Workshop Support
 - GLTPA, WCFA, NCASI, WDNR staff, Senator Tom Tiffany
- Workshop Objectives
 - Solicit input on the WDNR forest management policies, guidelines and regulations (PRG) that are economically burdensome;
 - Categorize the cost impact to the industry of the identified PRGs; and
 - Rank the identified PRGs in order of importance.

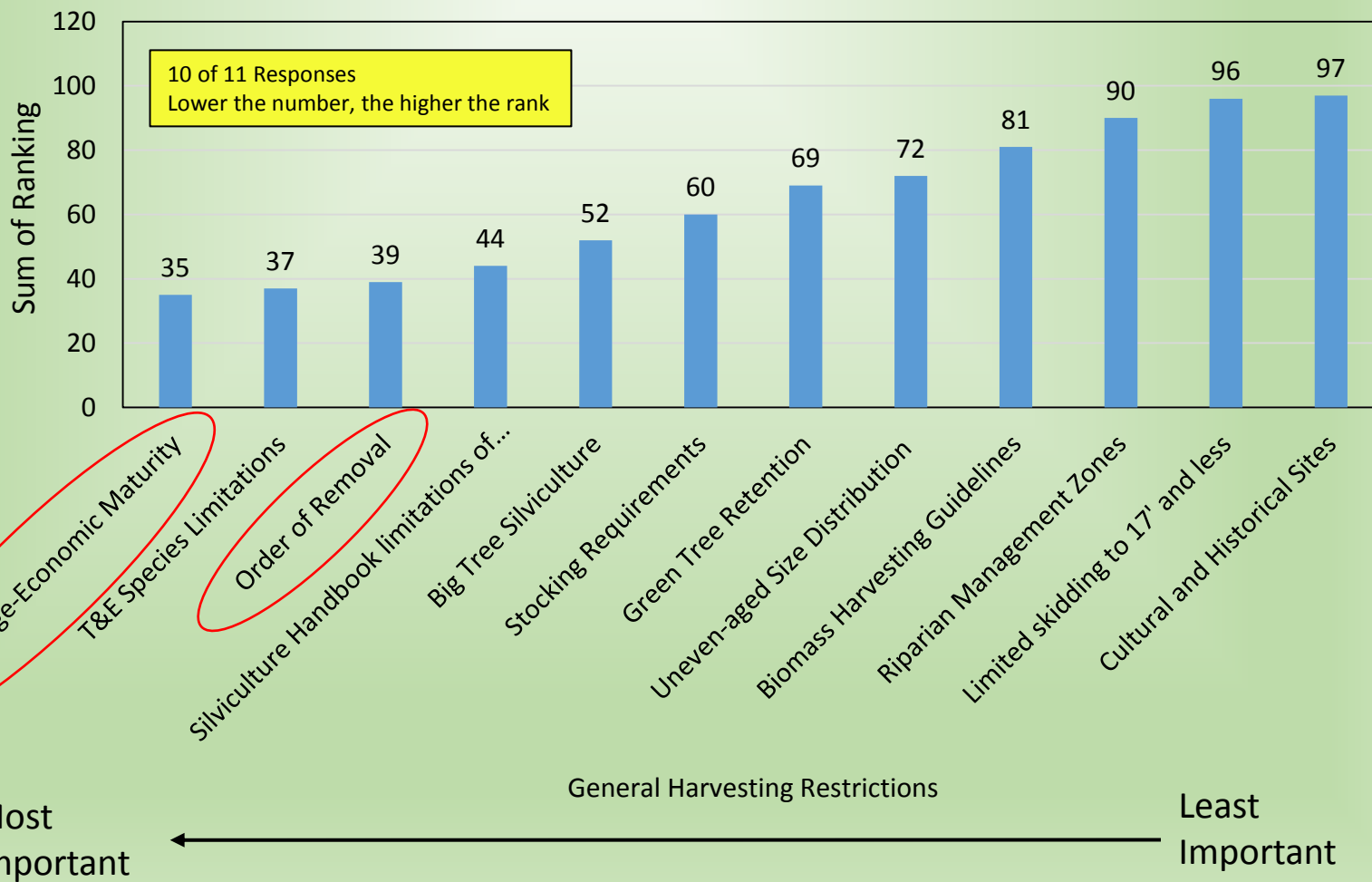
Broad Economically Burdensome Topics



Seasonal Harvesting Restrictions



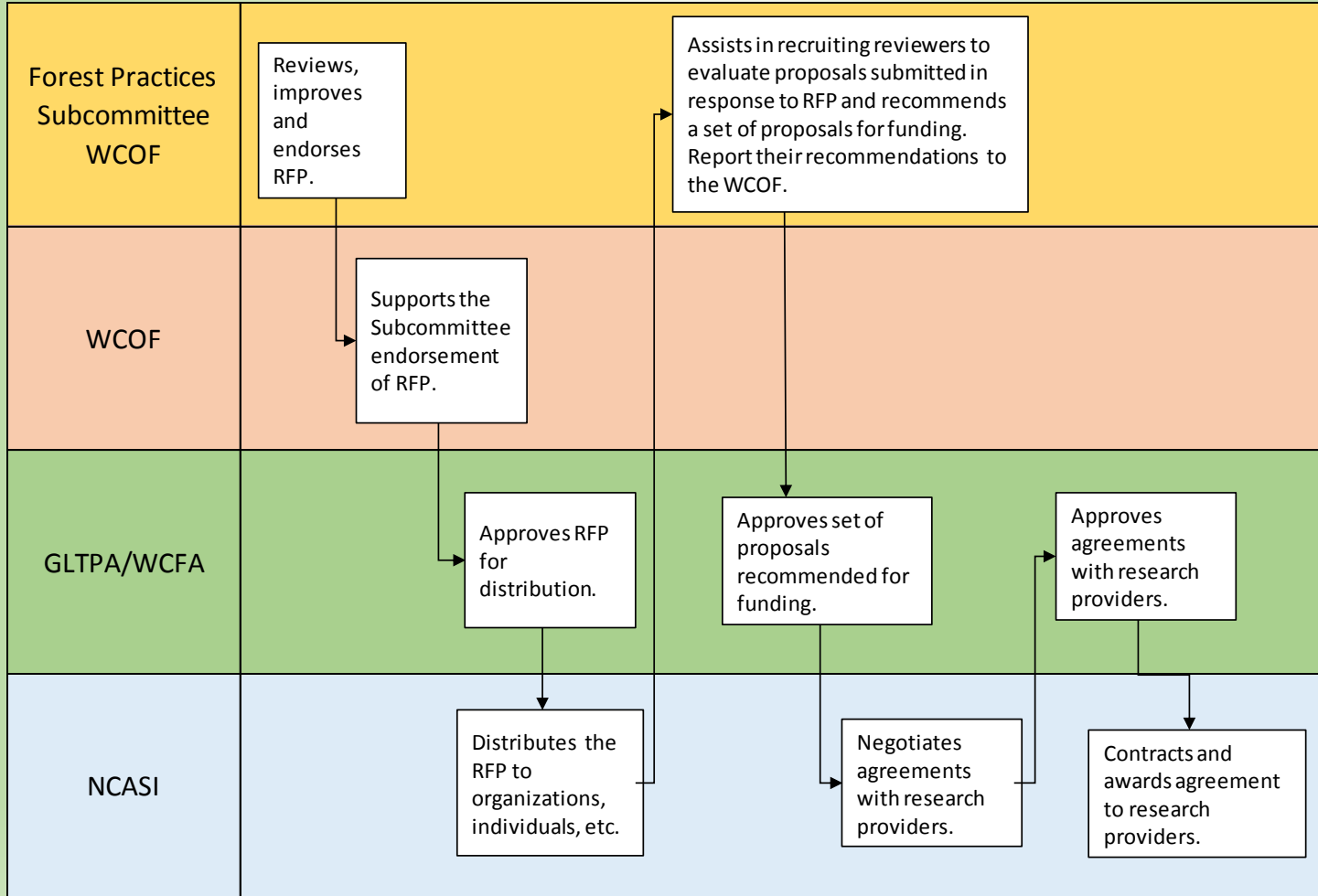
General Harvesting Restrictions



Revised Topic #2

- Original Topic #2 - Economic and ecological consequences (cost/benefits) of forestry policies, regulations and guidelines (PRGs).
- Revised Topic #2 – Economic costs and ecological consequences (costs/benefits) of selected timber harvesting restrictions in Wisconsin.
- Path Forward
 - Develop RFP 2.0 to address Seasonal Harvesting Restrictions. (RFP 2.0 developed and endorsed by the COF Forest Practices Subcommittee.)
 - Currently negotiating with the principal investigator to modify their RFP 1.0 Topic #2 proposal relative to rotation age and order of removal identified under General Harvesting Restrictions.

Request For Proposal (RFP) Process Flow



RFP 2.0 – Questions

What is the scope of selected timber harvesting restrictions in Wisconsin, and the potential for restrictions to shift harvesting from summer to winter months?

- Identify scope of selected restrictions i.e. geography, soil types forest cover types/conditions;
- Describe how selected restrictions individually and cumulatively affect harvesting operations;
- Characterize how select restrictions differ among regions, soil types, etc.; and
- Develop GIS layers or maps describing counties affected by selected restrictions.
- Particular restrictions of interest: Oak wilt, state listed and/or G1/G2 species, invasive species, leaf-off restrictions and Annosum root rot.

RFP 2.0 – Questions

What are the economic consequences of the timber harvesting restrictions identified in question 1?

- Economic consequence i.e. marginal costs estimated individually and cumulatively where applicable;
- Case studies and assessing the relevance of case studies to well defined population of forest stands and/or timber sales;
- Economic consequences and potential risks should be allocated among the wood supply chain; and
- Potential economic consequences and potential risks outside the wood supply chain.

RFP 2.0 – Questions

What are the ecological consequences of the timber harvesting restrictions identified in question 1?

- Documented ecological consequences i.e. near-term (e.g. few years) and long-term (e.g. decades) on:
 - Forest structure and composition;
 - Indicators of forest health such as risk of disease;
 - Aspects of wildlife habitat and biodiversity;
 - Soil/site productivity; and
 - Water quality.
- Documented
 - Review and synthesis of scientific literature
 - Stand and/or landscape level modeling that supports quantitative estimates of ecological consequences to the restrictions.

Tentative Timeline

September
2014

- Complete negotiations for Topic #2 project submitted under RFP 1.0.
- Send out RFP 2.0 for solicitation.
- Continue to monitor project work plans.

October
2014

- RFP 2.0 proposals due.
- COF Subcommittee to review and recommend proposals for funding.
- Continue to monitor project work plans.

November
2014

- Select RFP 2.0 proposals for negotiation and funding.
- Draft Report - Wood Supply Chain Component Cost Analysis:
A Comparison of WI and U.S. Regional Costs.
- Continue to monitor project work plans.