



## Lake County Resources Initiative

*A Healthy Economy and Environment based on Sustainable Natural Resources, ensuring Quality of Life for Present and Future Generations*

### EXECUTIVE SUMMARY LAKEVIEW 10-YEAR PILOT PROGRAM

5/25/16

#### OVERVIEW

To address the current high hazard fuel conditions and the need for wildlife habitat restoration on federal lands, Lake County Resources Initiative (LCRI) is leading an initiative to establish a 10-year Pilot Program to allow forest residues from federal land management activities to qualify as Renewable Identification Number (RIN) compliant feedstock under the Federal Renewable Fuel Standard 2 (RFS2). LCRI is seeking federal legislation to amend the RFS2 to include the 10-Year Pilot Program. Senator Ron Wyden’s staff is leading the effort to draft the legislation. Other federal legislators have expressed support, including Senator Jeff Merkley. For the first pilot project, LCRI proposes South Central Oregon, where there are overstocked federal forests in need of fuels reduction treatment, and Red Rock Biofuels as the biofuels producer partner.

#### BACKGROUND

Wildfire is a common occurrence throughout the western United States. However, natural resource management policy and changing ecological conditions have interacted in ways that have resulted in hazardous fuel conditions. Historic fire suppression policies, juniper invasion into sagebrush and grasslands and other forces have led to overstocked forests and rangelands throughout the U.S. West. Wildfires are more severe and intense than in the past, presenting a more serious risk to human welfare, air quality, water quality, and economic and ecological values. As shown in Figure 1, acres burned and federal fire suppression costs (in constant dollars) have increased over 400% in the last 30 years.

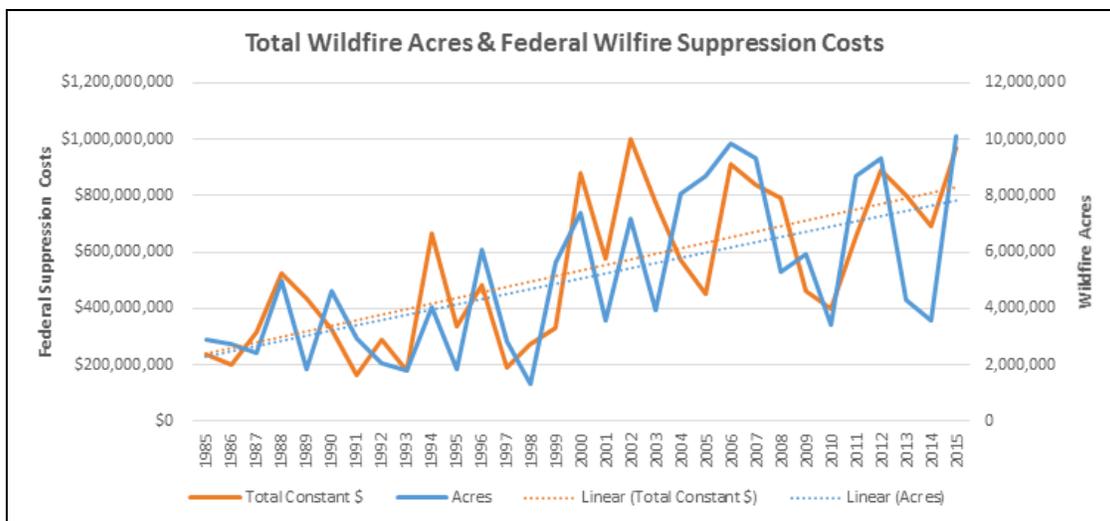


Figure 1. Fire Acreage and Costs from 1985 Through 2015 (Source: National Interagency Fire Center)

Biofuels facilities utilizing waste forest residue as feedstock could serve as outlets for material from wildfire mitigation activities. However, current federal regulations stipulate that only forest biomass material sourced from non-federal lands will qualify as a renewable feedstock for the generation of RINs associated with renewable fuel



production. As such, biofuel producers are likely to source feedstock ONLY from non-federal lands. Since much of the forest land in the western U.S. is federal, this severely limits the ability of land managers to treat forested regions on a landscape basis. An “All Lands” approach must be considered to strategically treat watersheds, wildlife habitat, and the wildland urban interface (WUI) near communities. Federal statutory language defining renewable biomass should be inclusive and support an All Lands approach.

### 10-YEAR PILOT PROGRAM

To demonstrate that an All Lands approach could be effective at restoring forestlands and ecosystem health, LCRI is recommending that a 10-year pilot program be implemented. For the first pilot project, LCRI is proposing:

- Forest residues from federally managed lands including four National Forests (Fremont-Winema, Deschutes, Modoc, Klamath) and three Bureau of Land Management Districts (Applegate, Lakeview, Burns) would qualify as RIN-compliant renewable feedstock.
- The forest residues will be utilized at the Red Rock Biofuels facility in Lakeview, Oregon to produce renewable jet, diesel and gasoline blendstock fuels.
- Create a comprehensive environmental and economic monitoring protocol with oversight by LCRI and a Science Advisory Panel (made up of recognized third-party experts), with rigorous pre- and post-treatment sampling to better understand impacts to: impacts, including soils, wildfire behavior mitigation, wildlife habitat, water availability and quality, social and economic impacts to local communities, and air emissions (including greenhouse gases).
- Provide annual report to Congress confirming progress on acres treated, forest material removed, NEPA analysis accomplished, and monitoring results.

### INTERESTED STAKEHOLDERS

Stakeholders and agencies that support the 10-year pilot program initiative include:

- Oregon Department of Forestry
- California Forestry Association
- Oregon State University
- Sustainable Northwest
- Wallowa Resources
- Watershed Research and Training Center
- Central Oregon Intergovernmental Council
- OR Community Renewable Energy Association
- Deschutes County Board of Commissioners
- Lake County Board of Commissioners
- Klamath County Board of Commissioners
- Deschutes County Board of Commissioners
- Association of Oregon Counties

This list is not all-inclusive - others have expressed an interest and are expected to sign-on.

### About Lake County Resources Initiative

LCRI was established in 2002 as a nonprofit 501(c)3, to develop and facilitate natural resource-based jobs in Lake County based on the concept of sustainable ecosystems. LCRI’s mission is to demonstrate a sustainable approach to natural resources to ensure quality of life for present and future generations. LCRI’s Vision:

1. *Promote and share an understanding of the inter-relationships between people and their environment.*
2. *Develop opportunities for family wage jobs through ecologically sound and sustainable practices.*
3. *Encourage and facilitate new ideas and technologies.*
4. *Design and manage resource-based projects and services in the communities of Lake County.*

LCRI serves as staff/facilitator/coordinator to the Lakeview Stewardship Group a forest collaborative of local leaders, environmentalist, industry and local citizens. ***In 2015 the Lakeview Stewardship Group received the Chief of the Forest Service’s Award for the best forestry collaborative group in the Nation.***