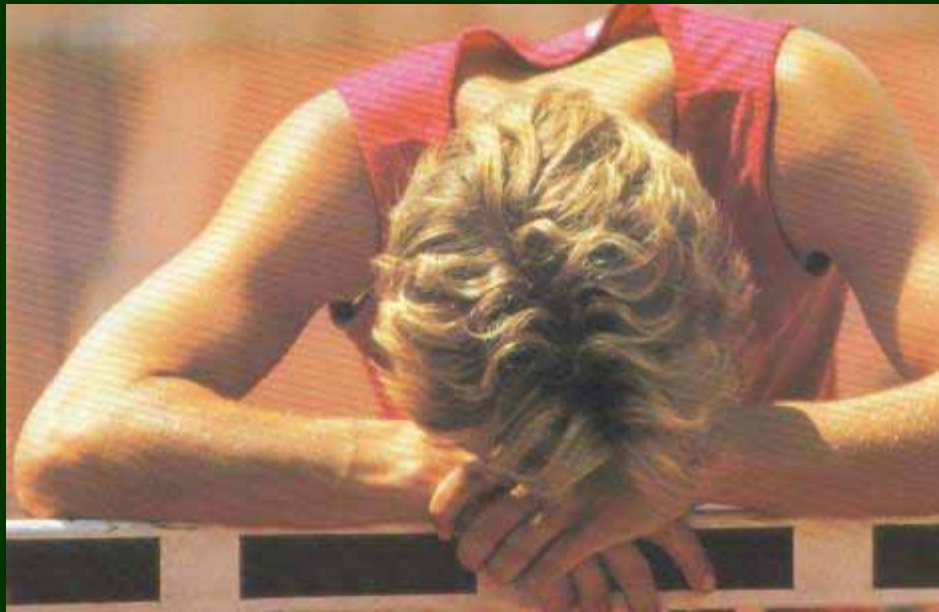


**CROP and Central Oregon**

***A Case Study in Woody Biomass Supply & Utilization:  
Doing it Right!***

**Presented by  
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*The Healthy Forest Restoration Act*



*Getting it on  
the ground*

*Great! .... now how do we do it???*

*But some protocols in place to help reduce the stress . . .*



- *Categorical exclusions*
- *Service contracting (long term)*

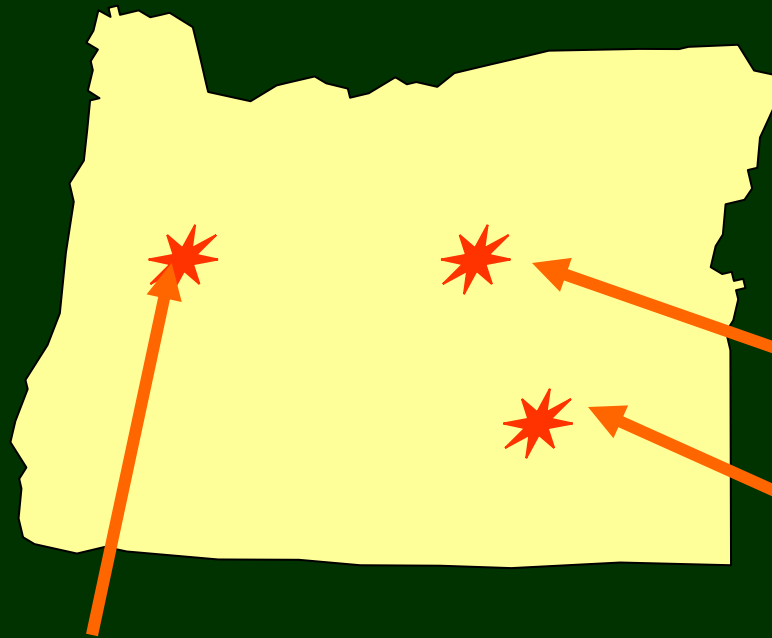
But new protocols tend to be conducted at project level:

- project by project basis (CEs)
- district level (service contracts)

Difficulty with project platform:

- Impact on a smaller scale
- Misses investor landscape resource offering requirements for investment

*Oregon*



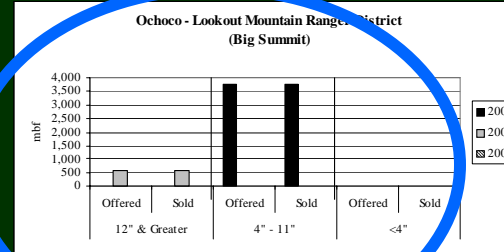
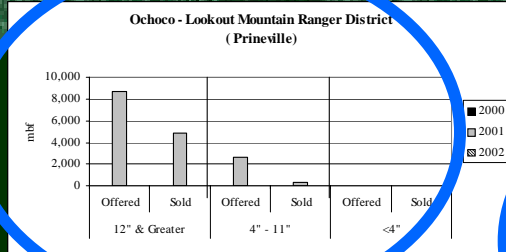
It began with biomass inventorying ....

✓ *Siuslaw NF Watershed*  
*(Ecotrust funded by EPA \$)*

✓ *Central Oregon*  
*(Bend-Redmond)*

✓ *South Central (Hines)*

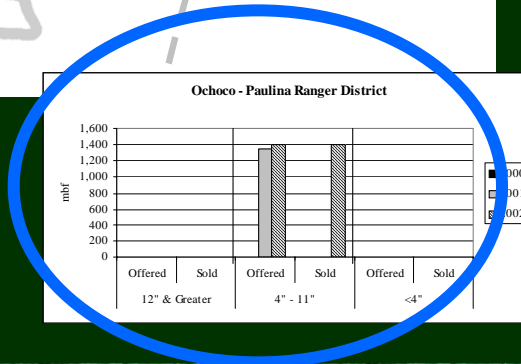
# Denver Bioenergy and Wood Products



**Oregon's  
Ochoco NF:**

**Offered vs sold  
for '00-'02**

***Unlevelized!!***



## What we see:

- No coordination between NF systems in regions
- No coordination between USFS ranger districts
- No coordination with other agencies in region with harvest activity (BLM, state, DOT, etc)

... coupled with biomass-to-energy projects proving difficult to pencil out without introduction of value-add.

## What investors saw:

- *erratic supply* at best; no level playing field
- *Uncertainty* where or when supply will come from in an investment landscape (~200 mile radius)
- *little information* on resource characteristics to be supplied
- *no investor risk mitigation* efforts within the investor landscape (agency coordination targeting risk factors)



*Solution . . . Seed the **CROP***  
*(**C**oordinated **R**esource **O**ffering **P**rotocol)*

**CROP**

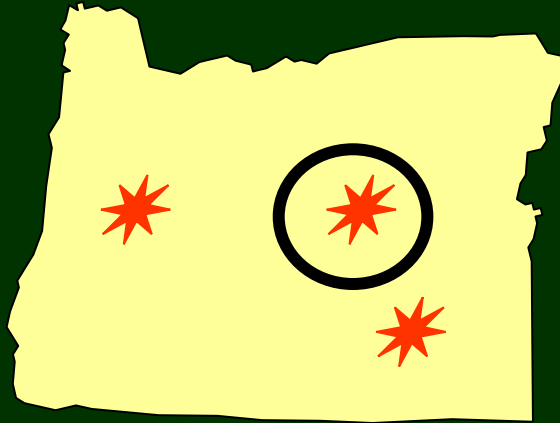
- ✓ Nation's first benchmark projects in investor landscape coordination of projected resource offering:
  - ***Within agencies*** (ie RD's within NF system)
  - ***Between agencies*** (USFS, BLM, state, Counties, Indian nations, etc.)

**CROP**

- ✓ **Premise:**
- Focus is on “*levelized*” supply between key players, not necessarily adding more supply.
  - “Levelized” effort must apply to *volume, diameter, and species* in locational context.

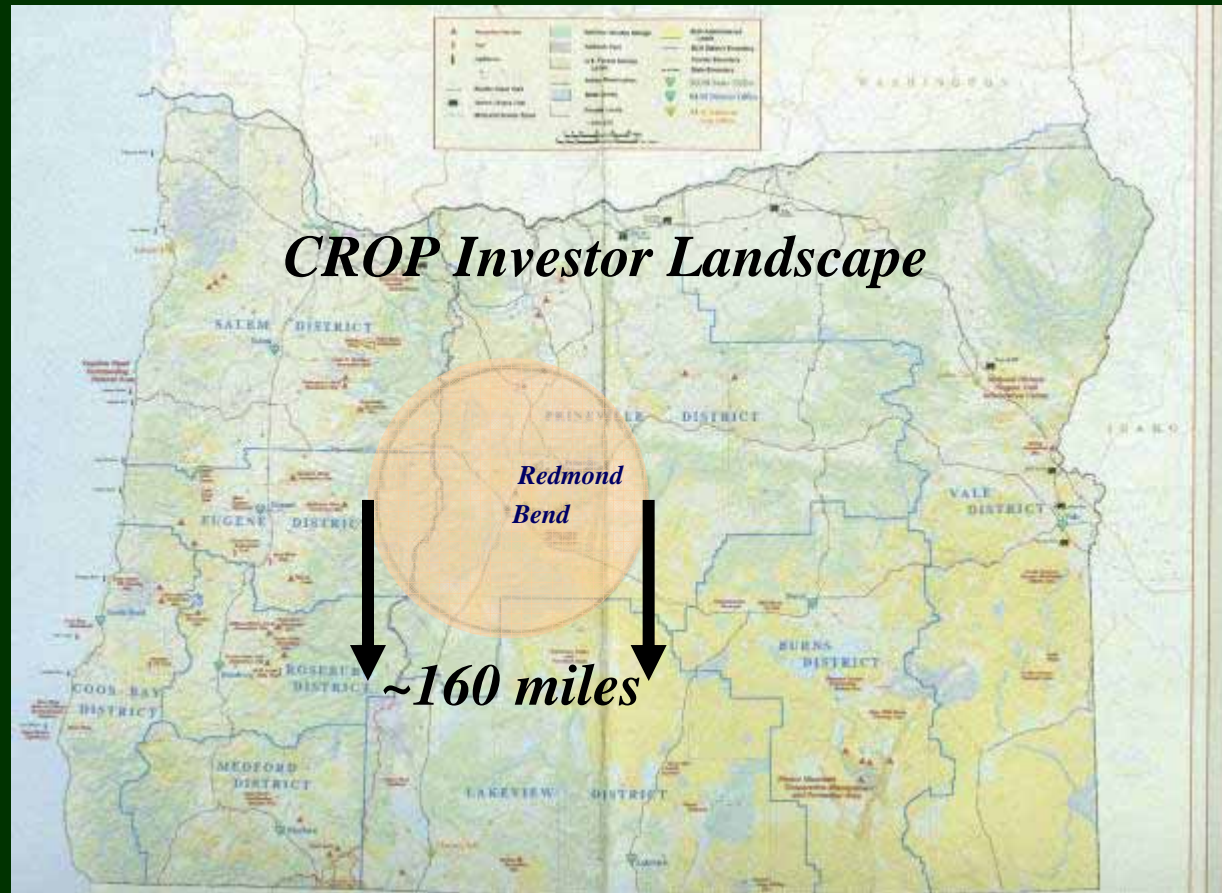
5 market-driven factors (*what investors look at*)

- ✓ How much is proposed for removal (5-year period)?
- ✓ Where will the volume come from?
- ✓ How levelized is the removal flow over time?
- ✓ What is the comparative credibility of the projected removals?
- ✓ What are the associated risks?



*Central Oregon Partnerships for  
Wildfire Risk Reduction  
(COPWRR)*

**A Template for CROP National Implementation**



**Central Oregon investor landscape includes:**

- **5 National forests**
- **State lands**
- **ODOT**
- **4 BLM districts**
- **Warm Springs Indian Nation**
- **10 Counties**
- **Private lands**

*What was asked for ( 5-yr. Period):*

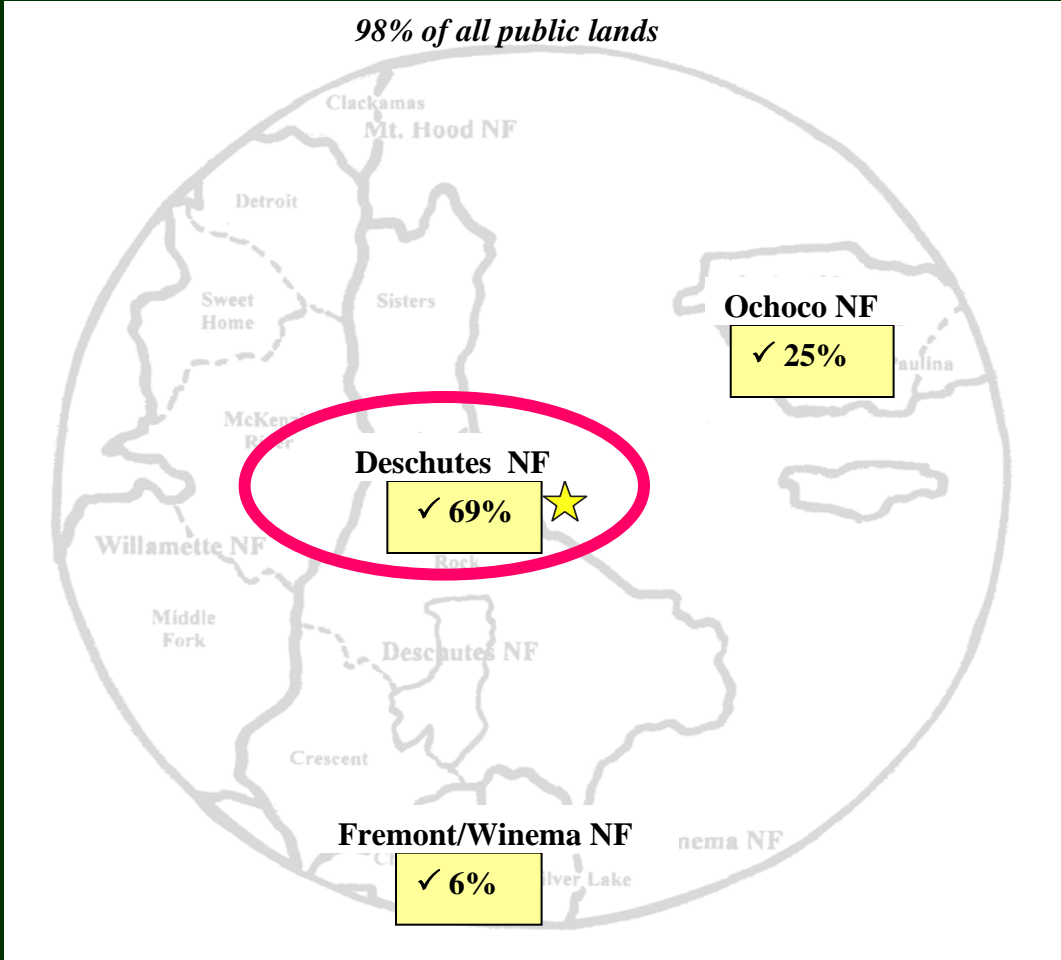
*(inclusive data)*

- *Volume (by mmbf; green/dry tons; ccf )w/ conversions*
- *Diameter sizes <4” 4”-7” 7”-9” 9”-12” >12”*
- *Species (12 species evaluated for resource flow)*
- *Harvest “type”: fuel load reduction, timber sales, PCT, post and pole*



# Denver Bioenergy and Wood Products

**Ponderosa Pine – NF**  
**(5-yr total = 182.2 mmbf)**

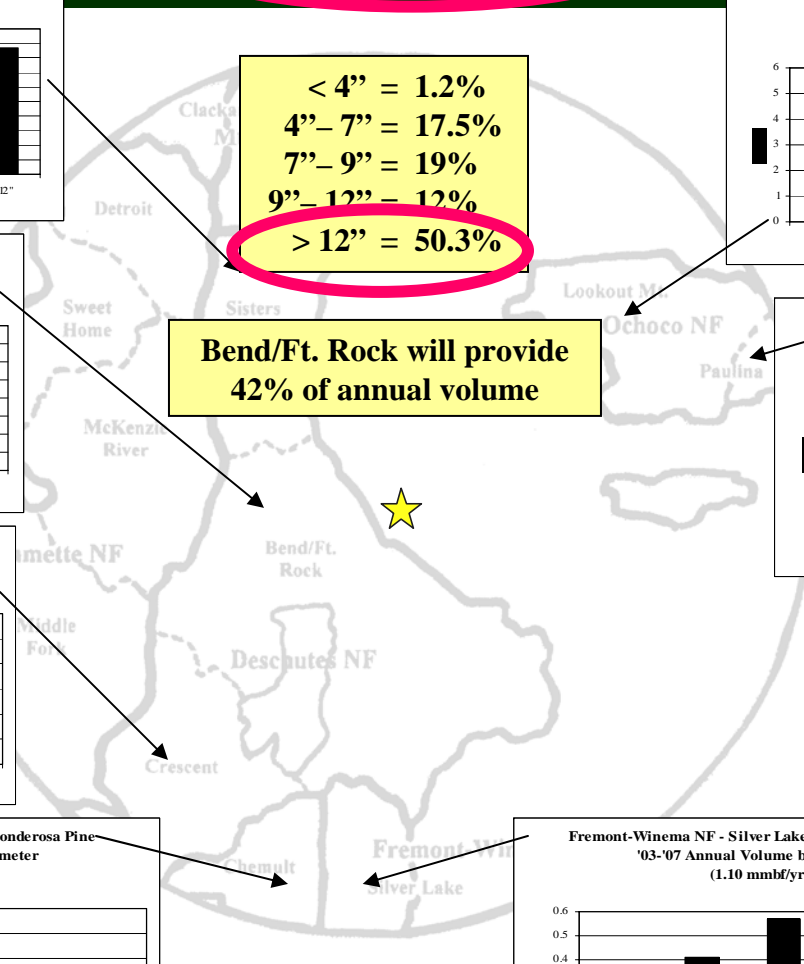
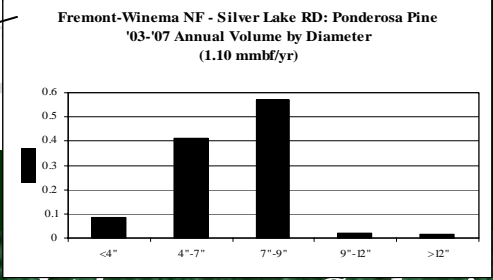
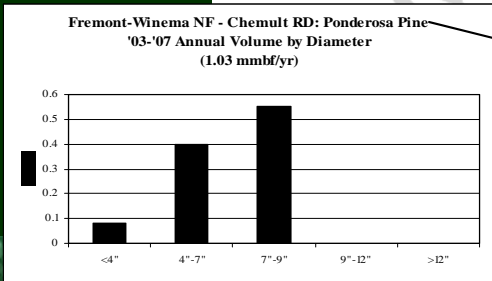
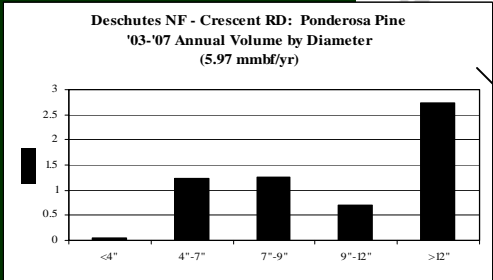
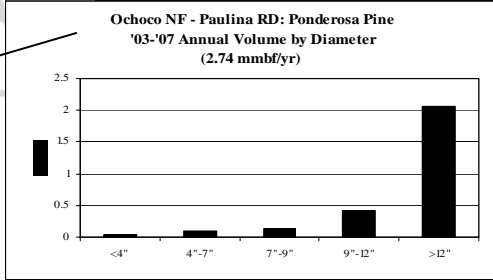
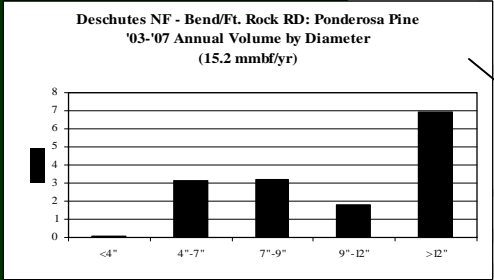
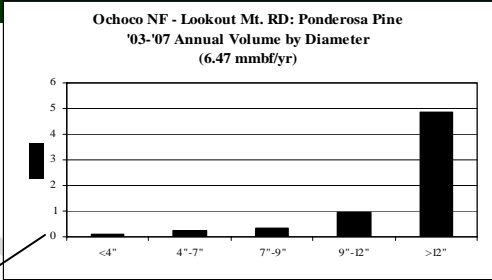
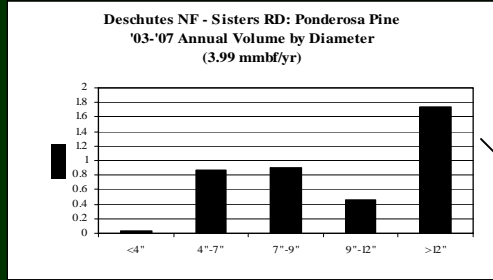


# Denver Bioenergy and Wood Products

**Ponderosa Pine – NF**  
 ('03 – '07 annual volume = 36.3 mmbf)

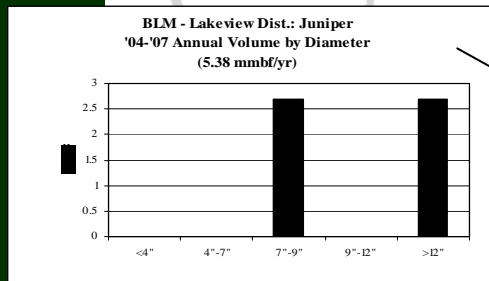
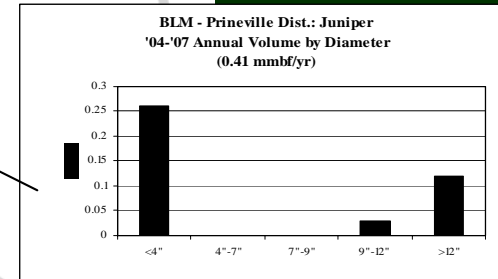
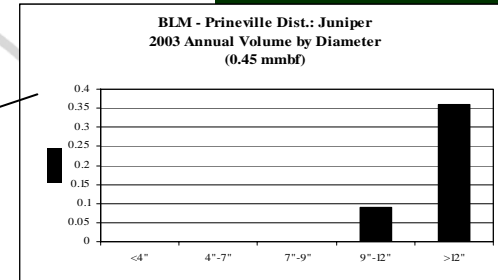
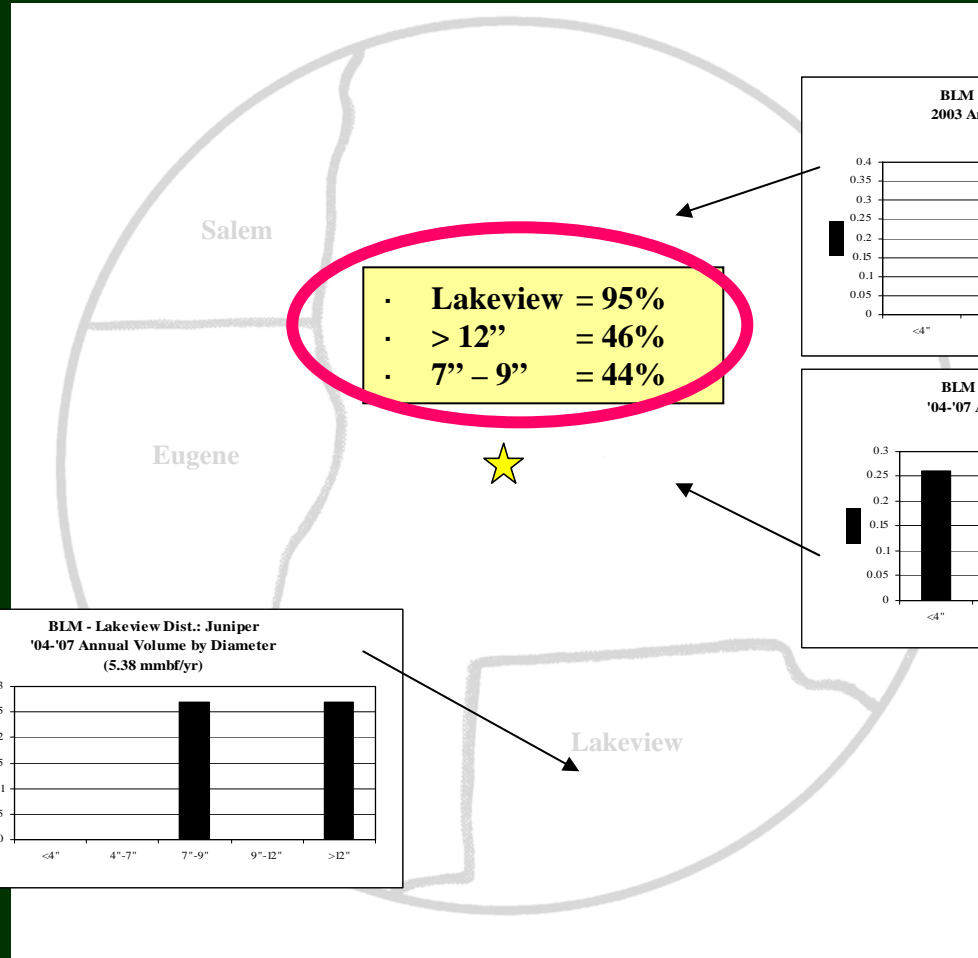
< 4" = 1.2%  
 4" – 7" = 17.5%  
 7" – 9" = 19%  
 9" – 12" = 12%  
**> 12" = 50.3%**

**Bend/Ft. Rock will provide  
 42% of annual volume**



# Denver Bioenergy and Wood Products

**Juniper – BLM  
(5-yr total = 23.6 mmbf)  
by diameter**



Associated Risks:

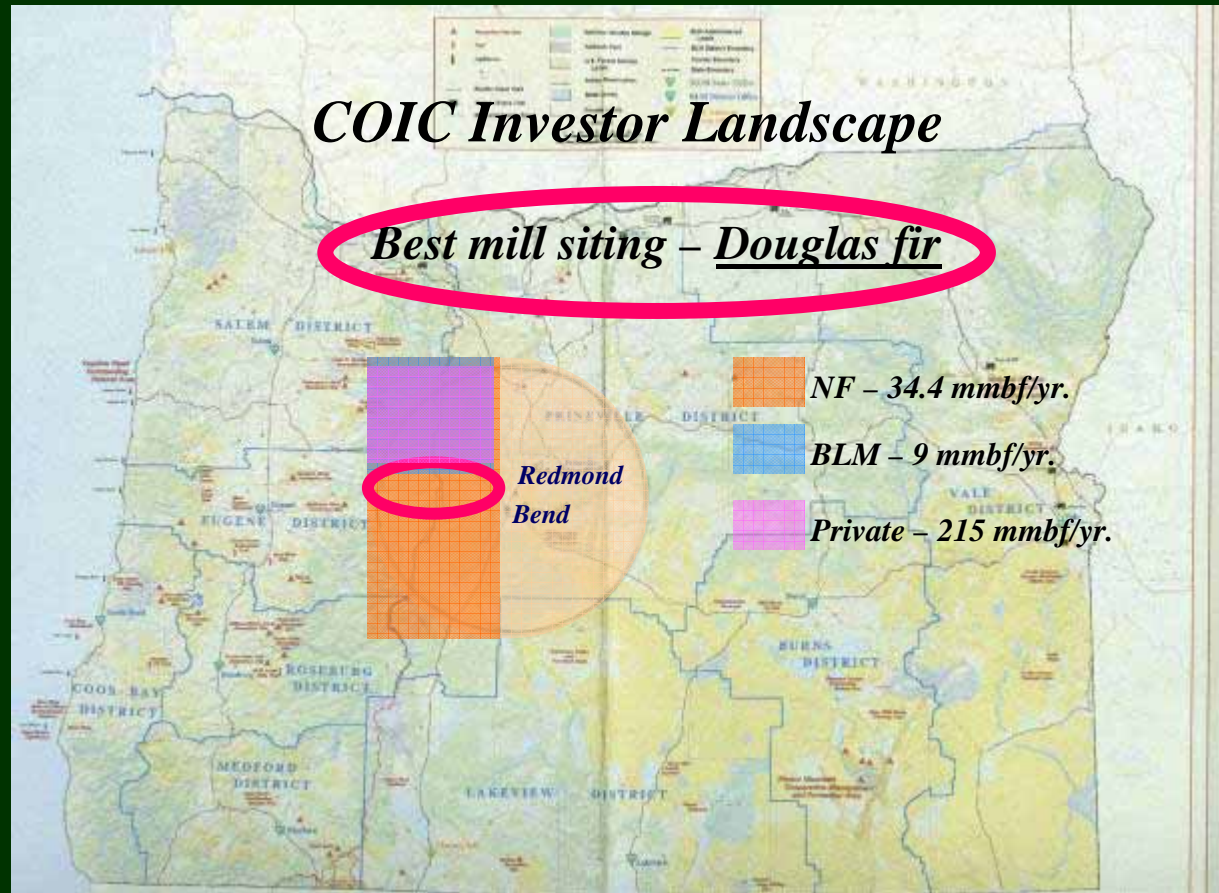
➤ On 5-yr. removal volume: may create 'red flag': > 12" = 53%

➤ On harvest type: *interesting!*

Fuel Load Reduction: only 11% of total volume

Timber Sales: 67% of total volume

➤ ~ 354 mmbf in 4"-12" of which 35% is 9"-12" ← *Important!!*





**What Happened Next ?**



- ✓ **COPWRR stakeholder Advisory Council decides CROP a top priority.**
- ✓ **Oregon Governor designates CROP an Oregon Solutions Project.**
- ✓ **CROP Project Team develops Declaration of Cooperation.**

**January 20, 2005**

**CROP Declaration of Cooperation**

*An uncommon alliance occurs:* organizations sign the CROP Declaration of Cooperation, outlining the ways in which they will *work together to implement CROP.*



**CROP Declaration of Cooperation Signators**

<b>Industry</b>
<b>NW Wood Products Assoc.</b>
<b>Warm Springs Forest Products Ind.</b>

<b>Agency</b>
<b>USFS Region 6</b>
<b>OR/WA State BLM</b>
<b>Deschutes National Forest</b>
<b>Ochoco National Forest</b>
<b>Prineville BLM</b>

<b>Government</b>
<b>Governor's Office</b>
<b>OR Economic &amp; Community Devel. Dept.</b>
<b>Oregon Dept. of Energy</b>
<b>OR Dept. of Fish &amp; Wildlife</b>
<b>OR Dept. of Environmental Quality</b>
<b>Oregon Dept. of Forestry</b>

<b>Environmental</b>
<b>Sisters Forest Planning Committee</b>
<b>Sustainable Northwest</b>
<b>OR Natural Resources Council</b>
<b>Friends of the Metolius</b>

*CROP Project Team in place to . . .*

*. . . drill down: refine the  
data for 'bankability'*

**Drilling down:**

- ✓ **Material Condition:** Green vs dead (% moisture content)
- ✓ **Material Status:** Standing; down scattered or decked; piled
- ✓ **WUI acres & Non WUI acres**
- ✓ **Site conditions:** habitat protection measures required, slope conditions, NEPA completed.
- ✓ **Environmental & political concerns:** (e.g. riparian zone, roadless area, or sensitive habitat?)
- ✓ **Economics:** (e.g. what are the harvest & transportation costs?)

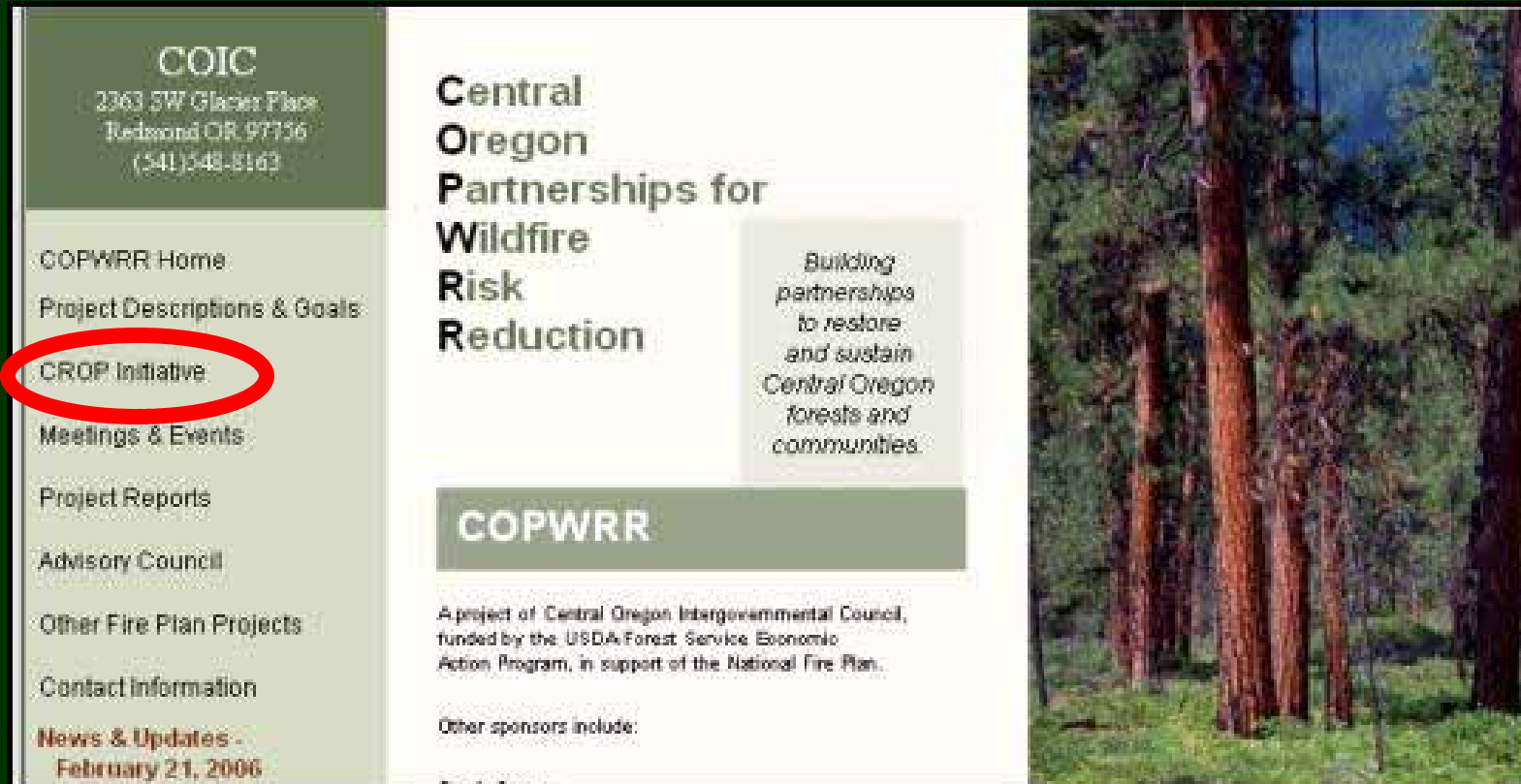
*CROP planning protocols established:*

- *track supply* provision
- *track levelization* of supply
- development of a “*shelf stock*” of approved projects
- identify *product opportunities* for “*unmerchantable*”
- track *environmental performance*

*Recent Development – CROP in Action!!*

**January 2006:** MOU signed committing federal agencies to *offer a minimum of 8,000 acres/year (over 20 years) of biomass* in the CROP landscape.

**CROP database** for web use now in development  
(businesses in region already developing investment plans for CROP supply).



**COIC**  
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Redmond OR 97736  
(541)548-8163

COPWRR Home  
Project Descriptions & Goals  
**CROP Initiative**  
Meetings & Events  
Project Reports  
Advisory Council  
Other Fire Plan Projects  
Contact Information  
News & Updates -  
February 21, 2006

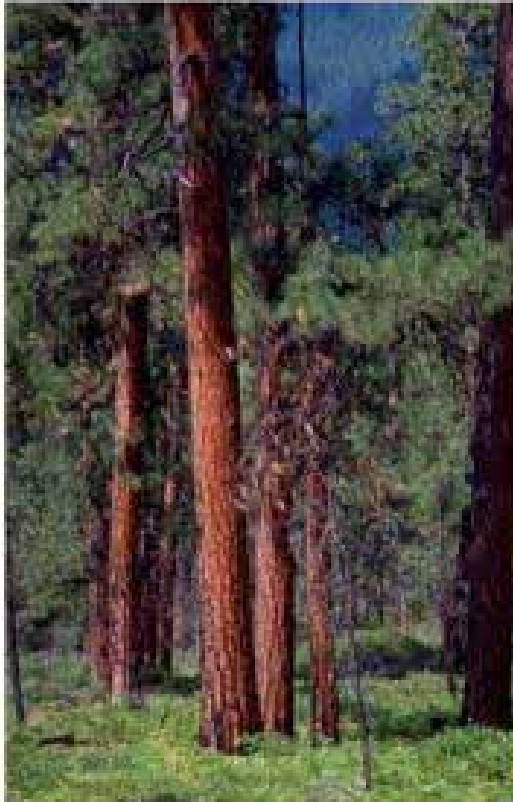
**Central Oregon Partnerships for Wildfire Risk Reduction**

Building partnerships to restore and sustain Central Oregon forests and communities.

**COPWRR**

A project of Central Oregon Intergovernmental Council, funded by the USDA Forest Service Economic Action Program, in support of the National Fire Plan.

Other sponsors include:




**COIC**  
2363 SW Glacier Place  
Redmond OR 97756  
(541)548-8163

- COPWRR Home
- Project Descriptions & Goals
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February 21, 2006

### "Levelizing" Small Diameter Timber Supply to Achieve Diverse Goals

In our efforts to achieve the COPWRR goals of reducing wildfire risk, enhancing ecosystem health, and providing community jobs and income in Central Oregon, we've learned that it is critically important to stabilize the supply of small diameter timber. Research performed by Mater Engineering Ltd. for the COPWRR Strategy revealed two key findings:

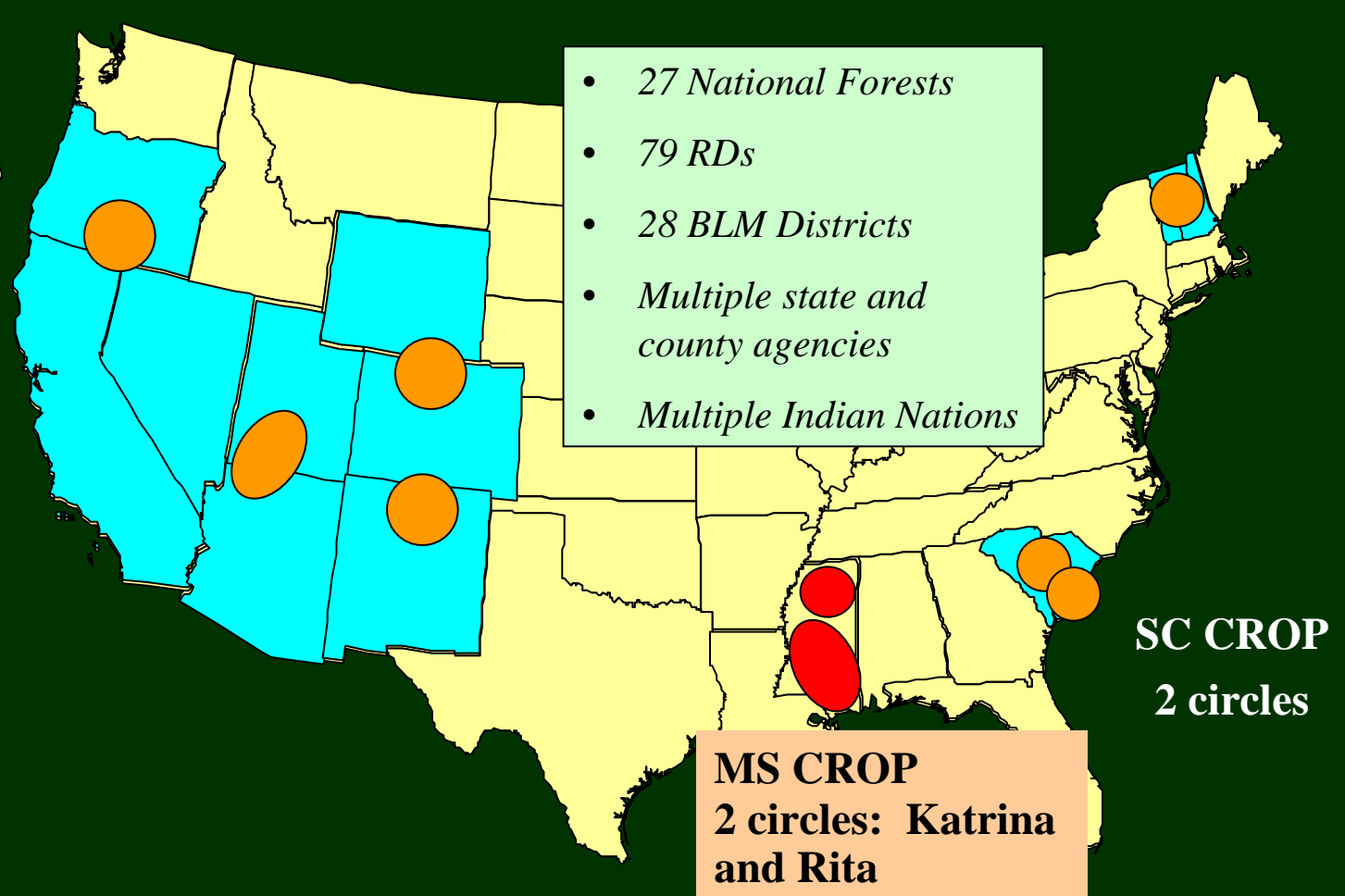


- 1) **Supply Fluctuations:** small diameter timber supply within and among Central Oregon's National Forest Ranger Districts, BLM Resource Areas, and private woodlands has experienced dramatic fluctuations in the last few years; and
- 2) **Stalled Investment:** these fluctuations have contributed to a stall in technology investment and employment in the region's wood products sector.

Click on these links for more CROP information:  
[Quick Summary](#)  
[Crop Declaration of Cooperation](#)  
[CROP Supply Report](#)

Researchers noted that businesses need to be able to "look out" at least three, five, or ten

2006 National CROP Pilots





*Potential for CROP as a new supply/investment tool?*



*We think excellent potential . . .*

*. . . Just may have to look at  
resource offering from a  
different angle!*

*For more information:*

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