

January xx, 2023

Board of Natural Resources
PO Box 47001
Olympia, WA 98504-7000

Dear Board Members:

As local elected officials representing the overwhelming majority of the land area of Whatcom County -- including all 1,587 acres of Department of Natural Resources (DNR) state trust lands identified for potential lease under the agency's proposed Carbon Project -- we write to you to outline concerns and to request additional information before any further action is taken to lease state trust lands located in Whatcom County.

We are concerned about the lack of information provided by DNR outlining likely revenue reductions to state trust land beneficiaries, the environmental and socioeconomic impacts of withdrawing additional state trust lands from sustainable timber management, and science-based analysis showing that the Carbon Project will actually yield carbon emission reductions. Stakeholders with diverse views on the Carbon Project also continue to raise questions about the criteria used to identify candidate parcels.

About half of DNR state trust lands in western Washington are already withdrawn from sustainable timber management to provide wildlife habitat, preserve old growth forests, and protect water quality -- including over 11,000 acres (38%) of the state forest transfer county trust lands in Whatcom County. These withdrawals were done with the promise of providing certainty for sustainable timber harvests on the remaining lands, but also came at the cost of funding for local public services such as schools, fire districts, and libraries as well as private sector employment in the local forestry sector. We have fundamental concerns that the withdrawal of another 1,587 acres of DNR state trust lands in Whatcom County undermines those past promises, will further reduce revenues available for public services, and threatens the viability of the local forest products sector to meet our society's needs for carbon-friendly wood products.

DNR's Carbon Project will likely result in increased carbon emissions as we import more wood products from other countries, including those with illegal logging and weak environmental protections, and as locally produced, carbon-friendly wood products are replaced by non-renewable, more carbon-intensive building materials. The Carbon Project clearly conflicts with the recommendations of the United Nations, the Intergovernmental Panel on Climate Change (IPCC), and the international scientific consensus supporting sustainable forest management and the use of carbon-friendly wood products:

"In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fiber or energy from the forest, will generate the largest sustained mitigation benefit." IPCC, [Fourth Assessment Report](#), 2007

"...reduced harvest may lead to gains in carbon storage in forest ecosystems locally, but these gains may be offset through international trade of forest products causing increased harvesting pressure or even degradation elsewhere (Pendrell et al. 2019b; Kastner et al. 2011; Kallio and Solberg 2018)." IPCC, [Sixth Assessment Report](#), 2022

“The World Business Council for Sustainable Development estimates that wood demand will grow by 8.8% per year to 2030 due to the building and construction sector alone (Moleman, 2020)...This projected rise in wood and wood fiber demand is set against a constrained supply which must be increased to fully utilize the climate mitigation contribution of wood-based products.” [Dalberg Report](#), 2022

We respectfully ask that the Board of Natural Resources direct DNR to provide the following information for each of the seven parcels in Whatcom County identified for potential inclusion in Phase I and II of the Carbon Project:

- Detailed revenue and Net Present Value (NPV) projections comparing estimated revenues from carbon leases versus timber harvests for each beneficiary, including Whatcom County and Junior Taxing Districts. Any revenue projections should consider both the short- and long-term revenue and a NPV comparison for the end of the 40-year lease period.
- A forest and wood product carbon accounting of the net carbon pool comparing a permanent, no-harvest scenario with sustainable timber harvests conducted consistent with the DNR's Habitat Conservation Plan and Sustainable Harvest Calculation. Any carbon accounting should include a Life Cycle Assessment for embodied carbon in wood products as well as leakage and product and energy substitution factors specific to Washington state for wood products and biomass energy.
- A socioeconomic impact analysis of the reduced harvest levels on direct and indirect employment associated with the forest products sector in northwest Washington and the potential impacts of timber supply disruptions on the viability of local mills and forestry contractors.
- A site-specific analysis of the environmental effects of setting aside these parcels from timber harvest, including any immediate environmental benefits not already being achieved through the polices that set aside half of state trust lands in western Washington.

We also request that any carbon leases in Whatcom County be subject to approval by the Board of Natural Resources and that the Board not consider further action until DNR produces this information.

Thank you.

Cc: