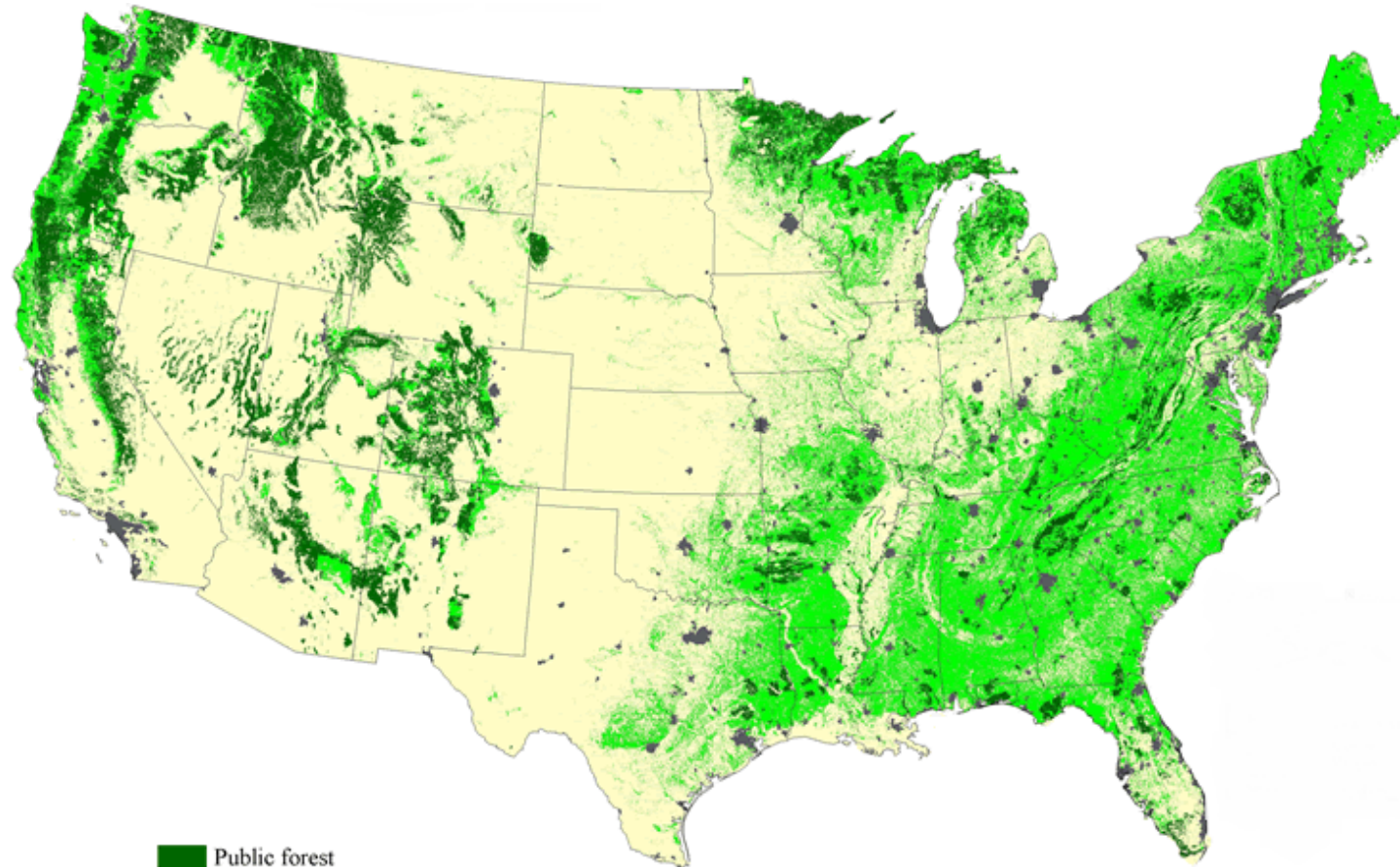


RED-II from the perspective of large-scale forest owners in the Southeast US

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US Forest Demographics



Public forest
Private forest
Non-forest
Urban areas

USDA Forest Service, State and Private Forestry,
Cooperative Forestry Staff, Washington Office.



Data sources:
Forest: NLCD (1992)
Ownership: PAD (2001)
States: ESRI Data & Maps 2002
Urban areas: DCW (1998)

- 20% certified timberlands
- 67% of forests available for harvest
- Actual harvest on < 2% of forest land per year
- 57% of forests privately owned by 11 million landowners
- 92% of products are from privately owned forest lands

Forest Resources of the United States, 2017.
United States Department of Agriculture.

Southeast US Forests

- Abundant & growing resources
- Sustainably managed
- Protected habitats
- Strong regulatory environment



US Forest Owner Perspectives on RED-II

- **Lack awareness of RED-II**
 - No significant disagreement
 - Generally do not understand why it is necessary
 - Bioenergy producers are typically the face of the industry
- **Unlikely to influence existing processes**
 - Strong & effective practices
 - Existing risk-based certifications are effective
- **Bioenergy markets do not drive long-term forest decisions**
 - Higher valued products drive forest decisions
- **Changes in forest management are realized over decades, not months**
 - Driven by strategy

Are Bioenergy Markets Important?

Forest Owners

- Unequivocally, yes!
- We need outlets for tops, limbs and unmerchantable material
- It is becoming increasingly difficult to identify outlets for forest thinnings which must be removed to facilitate forest growth

Sawmill Operators

- Absolutely!
- Our objective is to 100% utilize every piece of fiber we purchase, but some byproducts are unavoidable (dust, shavings, chips, bark)

A Willingness to Change?

We already act in a responsible and transparent manner and will continue to do so:

- Access to our data, operations personnel and timberlands for audit purposes.
- Respond to and participate in certification scheme audit requests.
- Openly share information with biomass producers when they perform audits of our practices.
- Voluntarily maintain recognized forest certifications

Key Observations

- Complexity leads to confusion, delay, and inaction
- Strong markets allow forests to remain as forests
- Sometimes, the influence of the marketplace can be more effective than legislation
- Legislation implemented in a piecemeal fashion does not instill confidence

Final Thought

Based on your knowledge of the practices of Southeast US Large Forest Holders, what would you have them do differently from this point forward?



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