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Office of Proceedings

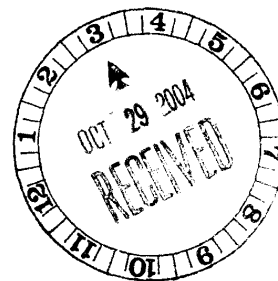
OCT 29 2004

October 29, 2004

Part of
Public Record

BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
1925 K Street NW
Suite 715
Washington, DC 20423-001



Re: STB Docket No. 307 (Sub-No. 5X), Wyoming and Colorado
Railroad Company, Inc. -- Abandonment Exemption -- In Carbon
County, Wyoming

Dear Secretary Williams:

Attached for filing are the original and ten copies of the Reply To Motions
Of Protestant And Response To Environmental Assessment.

Please time and date stamp the extra copy of the Reply and return it with
our messenger.

If you have any questions, please call me.

Sincerely,

Karl Morell

Enclosures

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. AB-307 (SUB-NO. 5X)

WYOMING AND COLORADO RAILROAD COMPANY, INC.
--ABANDONMENT EXEMPTION--
IN CARBON COUNTY, WYOMING

REPLY TO MOTIONS OF PROTESTANT AND RESPONSE TO
ENVIRONMENTAL ASSESSMENT

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Attorney for:
Wyoming and Colorado Railroad
Company, Inc.

Dated: October 29, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. AB-307 (SUB-NO. 5X)

WYOMING AND COLORADO RAILROAD COMPANY, INC.
--ABANDONMENT EXEMPTION--
IN CARBON COUNTY, WYOMING

REPLY TO MOTIONS OF PROTESTANT AND RESPONSE TO
ENVIRONMENTAL ASSESSMENT

Wyoming and Colorado Railroad Company, Inc. ("WYCO") hereby responds to the Motions of Protestant Intermountain Resources, LLC ("Intermountain"), filed on October 19, 2004, and the Response of the State of Wyoming and Carbon County, WY ("Wyoming") to the Environmental Assessment filed on October 21, 2004 ("Response").

On July 23, 2004, WYCO filed with the Surface Transportation Board ("Board") a petition ("Petition") seeking an exemption to abandon a 23.71-mile line of railroad located between Milepost 0.57, near Walcott, and Milepost 24.28, at Saratoga, in Carbon County, Wyoming (the "Line"). Notice of the proposed abandonment was published in the Federal Register on August 12, 2004.

Protests were filed by Intermountain on August 31, 2004, the Town of Saratoga and the Saratoga-Carbon County Impact Joint Powers Board on September 13, 2004, and Wyoming on September 16, 2004. The Board issued its Environmental Assessment in this proceeding on September 21, 2004. On September 27, 2004, WYCO filed its Reply to the Protests.

Intermountain asks the Board to strike WYCO's Reply in its entirety or, alternatively, to strike certain specified statements in the Reply on grounds that "many arguments and statements

in the brief are not supported with evidence in this case.” Motions at 2. Intermountain’s motion is lacking in several respects. WYCO’s filing is not a brief but a reply to Intermountain’s Protest and, at best, Intermountain’s arguments go to the weight of WYCO’s evidence and not its admissibility. In any event, it is obvious that Intermountain is not really seeking to strike the cited statements but to file a reply to WYCO’s reply which is prohibited by the Board’s rules of practice. *See* 49 C.F.R. 1104.13(c); *St. Louis Southwestern Ry. Co. Compensation – Trackage Rights*, 4 I.C.C.2d 668, 673 (1987).

WYCO has no objection to the Board accepting into the record the Declaration of Christopher C. Meyers even though the Declaration is riddled with erroneous and misleading statements. Mr. Meyers attempts to portray himself as an individual who has actively pursued Mr. Kissel of WYCO to negotiate an agreement for rail service and portray his company as ready, willing and able to enter into a subsidy agreement. Mr. Meyers would have the Board believe that Mr. Kissel is evading his overtures and that WYCO refuses to enter into negotiations with Intermountain. The facts, however, belie Mr. Meyers’ assertions.

The undisputed facts of record are that: (1) the traffic on the Line since 1987 has been inadequate to fully compensate WYCO; (2) the former shipper on the line entered into annual take-or-pay contracts in order to retain WYCO’s services; (3) the only shipper on the line since at least 1987 closed its mill in Saratoga in January 2003; (4) the line has been dormant for nearly two years; (5) WYCO commenced this abandonment proceeding in June 2003, five months after the mill closed; (6) in September 2003, Intermountain acquired the Saratoga mill; (7) in the Fall of 2003, WYCO, on its own volition, suspended its abandonment efforts and initiated discussions with Intermountain to determine whether continued rail service on the Line was economically feasible; (7) WYCO spent about six months unsuccessfully pursuing an

arrangement with Intermountain that would enable WYCO to continue operating the line; and (8) WYCO restarted its abandonment efforts in Spring 2004 after it was unable to reach an agreement with Intermountain. Hardly the picture of a railroad unwilling to negotiate an arrangement for continued rail operations.

Notwithstanding the purported importance of rail service to Intermountain, by its own admission, Intermountain did not make any attempt to contact WYCO until August 27, 2004, when Intermountain's attorney called the undersign to ask whether WYCO would object to Intermountain seeking an extension of time to file its Protest. WYCO agreed not to object as long as the extension did not delay the processing of this proceeding by the Board. In addition, it was agreed that, given the late stage of this proceeding, the principals of the two companies should meet as soon as possible to determine whether an arrangement could be reached that would compensate WYCO for restarting rail service on the Line.

Pursuant to this understanding, Mr. Kissel made repeated efforts to reinitiate negotiations with Mr. Meyers. WYCO records show that Mr. Kissel called Mr. Meyers immediately on August 27th but Mr. Meyers was unavailable. Mr. Meyers returned the call on August 30th. Although at the time of the call Mr. Kissel was unavailable, he returned the call unsuccessfully that same day. On August 31st, Mr. Kissel called again but Mr. Meyers was unavailable. On September 1st, Mr. Kissel once again called Mr. Meyers at his office and on his mobile phone. Mr. Meyers returned the call on September 1st. While Mr. Kissel was not available at that time, he returned the call later that day. Mr. Kissel called twice on September 2nd, twice on September 3rd and once on September 8th and each time Mr. Meyers was unavailable. It was not until September 9th, after Mr. Kissel had made at least 11 phone calls to Mr. Meyers, that these two

individuals first spoke since last Spring. Once again, Mr. Kissel's conduct is hardly indicative of an individual who is running from Mr. Meyers and refuses to talk.

The disingenuousness of Mr. Meyers' statements is illustrated by other undisputed facts of record. Mr. Meyers would have the Board believe that rail service is absolutely essential to the operation of the mill at Saratoga. Mr. Meyers, however, is unable to explain why, if rail service is so essential, Intermountain acquired the mill without first having even a single conversation with WYCO. In its Protest, Intermountain claimed that it would reopen the mill by October 15, 2004. That date has come and gone and the mill is as dormant today as it was year ago when Intermountain purchased the mill. Now Mr. Meyers asserts that the mill cannot reopen until Intermountain has an agreement with WYCO.

Mr. Meyers' Declarations are also riddled with inconsistencies. In the Declaration attached to the Protest, Mr. Meyers points out that, last Fall and Winter, Mr. Kissel did not know the price per car that WYCO would need to charge. This is hardly surprising since, as Mr. Meyers goes on to concede, Intermountain had no or questionable timber supply and did not know how many cars it would ship. In the Declaration attached to the Motions, Mr. Meyers states, at page 2, that "[Mr. Kissel] refused to talk about [the subsidy payment], and at page 4, that "WYCO's representatives refuse to talk about an agreement". Yet, at page 5, Mr. Meyers states that "[i]n our last conversation, Mr. Kissel stated that he had not put all of the cost figures together and hence they were not available to discuss with me at this time."

Based on discussions Mr. Kissel has had directly with Mr. Meyers and Mr. Meyers' distortions of the events that have transpired over the last year in his Declarations, WYCO has come to the conclusion that Intermountain's real objectives are to delay the abandonment of the Line until Intermountain reaches a decision on whether to reopen the mill. Also, given Mr.

Meyers' lack of candor in his Declarations, WYCO is concerned about reaching any subsidy agreement with Intermountain outside of the auspices of the Board under 49 U.S.C. 10904.

Intermountain also requests that the Board delay this proceeding, grant oral hearing and allow Intermountain to engage in extensive discovery, including taking the depositions of WYCO employees. Intermountain, however, fails to explain the purpose these requests would achieve other than to delay this proceeding. Also, the discovery Intermountain seeks bears no relevance to the issues in this proceeding. Intermountain does not dispute that the Line has been out of service for nearly two years nor does it contend that it will have adequate volumes of traffic to render WYCO's operations profitable. The level of any subsidy payment is irrelevant to the Board's decision as to whether to grant the abandonment. The subsidy issue only comes into play once the abandonment has been granted.

Wyoming claims that abandonment of the Line "will not further the national policies of the Healthy Forests Restoration Act (HFRA) and the United States Forest Service's (FS) management plan for the Medicine Bow National Forest (Medicine Bow) and Routt National Forest (Routt)." Response at 2. Wyoming, however, fails to explain and WYCO does not understand the relevance of HFRA to the abandonment of the Line or the statutory criteria governing the Board in abandonment proceedings.

Wyoming offers the Response as a comment to the Board's Environmental Assessment ("EA") yet it seeks no changes to the EA nor does it suggest any environmental conditions. It is readily obvious that the Response is not a comment to the EA but another filing addressing the merits of the abandonment request. Since the time for filing comments on the merits of the abandonment request has long expired, since Wyoming has already filed a Protest in this proceeding, and since all of the information in the Response predates Wyoming's Protest,

WYCO would be warranted in requesting the Board to strike the Response. WYCO, however, has no objection to the Board considering this otherwise impermissible filing since, in WYCO's view, the *Medicine Bow National Forest Revised Land and Resource Management Plan* ("Medicine Bow Resource Plan"), on which Wyoming so heavily relies, supports WYCO's position in this proceeding and undermines the arguments of Wyoming and Intermountain.

Wyoming asserts that HFRA was not signed into law until December 3, 2003, and, therefore, was not in effect when WYCO solicited comments from the various federal and state agencies. The Medicine Bow Resource Plan, on which Wyoming so heavily relies, is not a by-product of HFRA. Rather, forest plans are prepared in accordance with the 1976 National Forest Management Act, the 1969 National Environmental Policy Act, and other applicable laws. The Medicine Bow National Forest Land and Resource Management Plan was first issued in November 1985. In October 1999, the Forest Service published a Notice of Intent for the Revised Plan. The draft environmental impact statement for the Revised Plan was issued in December 2002, well before WYCO solicited comments on the environmental impact of the proposed abandonment. Also, WYCO served its Environmental Report on various federal and state agencies, including USDA Natural Resources Conservation Service, on June 3, 2004, six months after HFRA was signed into law. Consequently, the governmental entities responsible for administering the Medicine Bow Resource Plan have had ample opportunity to raise any concerns they may have regarding the abandonment of the Line. In fact, the Natural Resources Conservation Service, by letter dated July 17, 2003, specifically stated that "[w]e do not have any comments on the abandonment of the railroad line." See Exhibit 4 to WYCO's Environmental Report.

WYCO does not dispute much of the analysis in the Response regarding the importance of timber harvesting as a tool to improving forests. WYCO, however, takes strong issue with the implication in the Response that abandonment of the Line would impact the opening of the Saratoga mill. WYCO also does not read the Medicine Bow Resource Plan as concluding that the Saratoga mill is an important, much less an indispensable, element to timber harvesting in Medicine Bow.

Attached as Exhibit 1 are excerpts from the Executive Summary of the Medicine Bow Resource Plan cited by Wyoming. At pages 5 and 6, the Forest Service notes that recent purchasers of Medicine Bow timber resources have been the prior owner of the Saratoga mill and the owner of the Laramie, WY mill. The Forest Service, however, points out that the Medicine Bow National Forest was only able to supply 20 percent of the two mills' total timber supplies and "that current mill capacities exceed the volume offered."

In its Protest, Intermountain stated that it will contract with the Forest Service to purchase approximately 100 million board feet (mmbf) of timber over the next several years. Intermountain failed to explain whether those purchases would be solely for its Saratoga mill or whether some of the timber would be processed at its Montrose, CO facility. In any event, the Medicine Bow Resource Plan permits only the maximum harvesting of 22.8 mmbf per year. *See* page 16 of Executive Summary. In other words, to meet its claimed volumes, Intermountain would have to be successful in purchasing virtually the entire annual Allowable Sale Quantity ("ASQ"). According to the Forest Service, the Saratoga mill has the capacity to process up to 53 mmbf annually using only one shift. *See* page 5 of Executive Summary. Consequently, even if Intermountain is successful in acquiring the entire annual ASQ of timber from the Medicine Bow National Forest, the Saratoga mill would only be operating at less than 50 percent of its capacity.

Moreover, according to the Forest Service, the planned timber harvesting requires more detailed environmental analysis and, thus, is not necessarily certain to occur. *See* Executive Summary at 3.

Excerpts from the Record of Decision for the Medicine Bow National Forest are attached as Exhibit 2. At page 5, the Forest Service explains that it had selected the option which provides potential outputs of 22.8 mmbf per year, “though the experienced budget level on the Forest generally allows the Forest to produce less than half that amount per year.” At page 35 and 36, the Forest Service noted:

Timber markets have changed dramatically in recent years, and especially since the Forest Plan was first approved. *** There are three large sawmills around the forest, two of which recently changed ownership or management. Given the complexity and volatility of today’s timber industry, it is difficult to forecast future production at any of these facilities.

Anticipated sawtimber volumes from the [Medicine Bow National Forest], if experienced budget levels continue throughout the first decade, may add sufficient supplies to satisfy modest industry capacity – either 1-shift operations at most mills, including the one at Saratoga, or greater than 1-shift operations at most mills excluding the mill at Saratoga. Because total timber shed volume would fall short of fully utilizing all local industry one-shift capacity, not all mills may be equally viable. Since [the selected alternative falls] short by 9 MMBF of a combined 1-shift production at all mills, it is uncertain whether all mills would continue operation, some choosing to operate at less than 1-shift, or whether one mill would close. Should budgets and other factors not limit sawtimber volume, then slightly more than half of the maximum industry capacity would be utilized.

Attached as Exhibit 3, is the Section of the Final Environmental Impact Statement (“FEIS”) for the Medicine Bow Resource Plan addressing Timber Resources. The FEIS demonstrates the questionable nature of the annual ASQ. The 1985 Land and Resource Management Plan established an ASQ of 28.4 mmbf per year. Between 1986 and 2001,

however, the annual sawtimber sold was 12.5 mmbf. The FEIS also points out that the former owner of the Saratoga mill purchased logs from locations in Wyoming, Colorado, Utah, Idaho and New Mexico. In addition, the FEIS notes that a new mill has opened in Encampment, WY which has plans to process small diameter logs.

The Medicine Bow Resource Plan refutes virtually every argument advanced by Wyoming and Intermountain in this proceeding. Far from finding the Saratoga mill indispensable to the objectives of the Plan, the Forest Service has concluded that there is significant excess capacity and that at least one mill, particularly the Saratoga mill, may fail. The Medicine Bow Resource Plan also dispels the arguments that rail service is essential to the operation of a mill and that only nearby mills could economically harvest timber in the Medicine Bow National Forest. As the FEIS points out, a mill was reopened by a new owner in Encampment, WY, just south of Saratoga, notwithstanding the fact that there is no rail service in Encampment. Also, the prior owner of the Saratoga mill received supplies of logs from as far away as locations in Utah and New Mexico. Wyoming makes much of the fact that the Saratoga mill is capable of handling small, new-growth timber. The FEIS, however, points out that the mill in Encampment specializes in the processing of small diameter logs.

In summary, the Medicine Bow Resource Plan only reinforces WYCO's fears that Intermountain will not be able to obtain sufficient timber supplies to warrant either the reopening of the mill at Saratoga or providing WYCO the necessary subsidy to render reopening the Line economically feasible.

WYCO urges the Board to authorize the abandonment of the Line. In so doing, the Board will not be harming the interests of Intermountain or Wyoming. Both have stated that Intermountain stands ready to enter into a subsidy arrangement that will fully compensate

WYCO. Once the abandonment is granted, Intermountain and Wyoming can come forward and demonstrate the sincerity of their claims by invoking the provisions of Section 10904. In so doing, the interests of all parties will be accommodated. Through a Board prescribed subsidy, Intermountain can be assured of not having to overpay for WYCO's services and WYCO will be fully compensated if the subsidy is paid or, if the subsidy is not paid, be able to salvage the Line and recoup its significant investment.

Respectfully submitted,

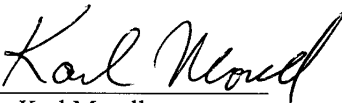
A handwritten signature in cursive script, reading "Karl Morell", written in black ink.

Karl Morell
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(202) 638-3307

Dated: October 29, 2004

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of October, 2004, I have caused a copy of the foregoing Reply to be served on all parties of record in this proceeding.



Karl Morell

EXHIBIT 1

MEDICINE BOW NATIONAL FOREST

Revised Land and Resource Management Plan
Final Environmental Impact Statement

Executive
Summary

MEDICINE BOW NATIONAL FOREST REVISED PLAN FEIS

Introduction

This is a summary of the Final Environmental Impact Statement (FEIS) which accompanies the Medicine Bow National Forest Revised Land and Resource Management Plan (Forest Plan). This summary presents the different alternatives considered and their projected impacts.

In addition to this summary, the following documents are available on request:

- Revised Land and Resource Management Plan
- Final Environmental Impact Statement and Appendices
- Record of Decision
- Management Area Map for the Revised Plan
- CD ROM containing the final documents and maps
- CD ROM of Draft Documents and Maps supporting the DEIS and Proposed (Draft) Plan (incorporated by reference in the FEIS)

This information is available at local Forest Service offices on the Medicine Bow-Routt National Forests and Thunder Basin National Grassland, public libraries and on our website, www.fs.fed.us/r2/mbr.

Overview of Planning Process and History

Forest plans are prepared in accordance with the 1976 National Forest Management Act (NFMA), the 1969 National Environmental Policy Act (NEPA), and other laws and regulations. The Medicine Bow National Forest Land and Resource Management Plan (1985 Plan) was issued in November 1985. NFMA regulations state that a forest plan should ordinarily be revised on a 10-year cycle or at least every 15 years (39 CFR 219.10).

In October of 1999, a Notice of Intent (NOI) was published in the Federal Register. The NOI contained a description of the Forest Service Proposed Action based on the six major revision topics. Comments were received from the public and analyzed in order to develop alternatives to the proposed action.

A wide range of alternative themes was developed to address these comments and describe the major characteristics of the alternatives. Descriptions of six alternative themes were shared with the public at a series of open houses, in Forest Plan Revision Newsletters, and on the Internet in November of 2001. Based on public comment, the alternative themes were modified to meet public desires (Alternatives B and D). A restoration alternative was combined with the proposed action and was named Alternative E. Additional alternative themes were developed, including three alternatives, which were proposed by interested groups of citizens. These three alternatives when described in detail became Alternatives C, F and G. Alternative A represented the No Action or 1985 Plan, as amended.

A draft environmental impact statement (DEIS) that analyzed six alternatives (A-F) in detail and two benchmark alternatives (G, H) was issued in December 2002 and was available for public comment until April 4, 2003. Forest planners and interdisciplinary team members reviewed these comments and modified the direction in the forest plan, the alternatives, and the supporting analysis as needed. The FEIS incorporates those changes, analyzes seven alternatives, and identifies the selected alternative that will guide future management of the Medicine Bow National Forest. The Regional Forester has documented the basis of this decision in a Record of Decision (ROD).

MEDICINE BOW NATIONAL FOREST REVISED PLAN AND FEIS

Between the Draft and Final Forest Plan and EIS

After considering public comments on the draft forest plan and DEIS, the interdisciplinary team made necessary changes and revisions. These are presented in the FEIS and the Revised Forest Plan. Analysis for all seven alternatives is presented in Chapter 3 of the FEIS.

Alternative D FEIS, as described in the FEIS, is a modification of Alternative D described in the DEIS based on public comments and additional analysis conducted between draft and final. It is within the range of alternatives described and analyzed and is a modification of Alternative D DEIS. There were changes between the DEIS and FEIS and between Proposed (Draft) Plan and Final Plan in the following areas:

- ◆ Biological Evaluation (BE) and Biological Assessment (BA)
- ◆ Management Indicator Species (MIS)
- ◆ Watershed assessments were updated and watershed analyses
- ◆ Recreation Use Data included new information
- ◆ The timber analysis and the modeled outputs
- ◆ The economic and communities analyses
- ◆ Estimates of potential fire, insects, and disease occurrences
- ◆ Oil and gas leasing stipulations
- ◆ Old growth forest standards
- ◆ Elk and deer winter range allocations

Implementation of the Forest Plan

A forest plan provides the framework to guide the day-to-day land and resource management operations of a National Forest. The forest plan is a strategic programmatic document that does not make project level decisions. Those decisions are made after more detailed, site-specific analysis and further public comment. NFMA requires that resource plans and permits, contracts, and other instruments issued for the use and occupancy of National Forest System lands be consistent with the forest plan. The following are some examples of project decisions that require more detailed environmental analysis:

- ◆ Timber harvesting and related activities, such as slash disposal and road construction.
- ◆ Range allotment management plans.
- ◆ Fish or wildlife habitat improvement projects.
- ◆ Watershed improvement projects.
- ◆ Developed recreation sites or trail construction

Resource inventories, actions plans, and schedules are not binding decisions and do not require additional environmental analysis at the project level.

Public involvement is a key part of implementing the forest plan. Monitoring and evaluation reports are available annually for public review.

Overview of the Medicine Bow National Forest

The Medicine Bow National Forest lies in southeast Wyoming in the north-south trending Central Rocky Mountains. The Forest includes approximately 1.1 million acres and is the only national forest in southeast Wyoming.

Forest Plan Revision Topics

As a result of numerous public involvement opportunities including meetings, open houses, and newsletters (described in Appendix A of the FEIS), the Forest Service identified six major revision topics.

Major Revision topics are subjects in which resource conditions, technical knowledge, or public perception of resource management has created a potential need for change. These changes are generally important enough to: affect large areas, change the mix of goods and services produced, or involve decisions in management direction where there is no public consensus on the best course of action.

The following six major revision topics are:

1. Biological Diversity
2. Timber Suitability and Forest Land Management
3. Recreation Opportunities
4. Roadless Area Allocation and Management
5. Special Areas
6. Oil and Gas Leasing

The major revision topics address the central issues to which future management of the Medicine Bow National Forest must respond. Each of the seven forest plan revision alternatives described in Chapter 2 of the FEIS represents a different set of answers to address issues associated with the major revision topics. Here is a summary of the topics.

Biological Diversity

The Medicine Bow National Forest provides a wide diversity of habitats for many species. Species on the Forest include at least 351 vertebrate animals and 1,162 species of higher plants (Von Ahlefeldt 1996). These vertebrate animal species include approximately 24 fishes, 6 amphibians, 19 reptiles, 227 birds, and 75 mammals. These species provide Forest users and visitors with a full range of opportunities that include sport, commercial, and viewing activities.

Human activities such as logging, livestock grazing, road building, and fire suppression have altered some of the natural processes and disturbances that would have otherwise shaped the forest.

Timber Suitability and Forest Land Management

Recent purchasers of Medicine Bow National Forest timber resources are primarily the Louisiana-Pacific (LP), with a mill in Saratoga, WY (recently sold to Intermountain Resources), and Bighorn Lumber, with a mill in Laramie, WY. The Saratoga mill can process a variety of log sizes and species to produce a wide variety and grades of lumber products. The Bighorn mill focuses on high quality lumber products. The Saratoga mill can process up to 53 million board feet annually using one shift. The one-shift capacity for Bighorn is about 15 million board feet.

In recent years, the Medicine Bow National Forest has supplied LP and Bighorn with approximately 20% of their total timber supplies. Private lands and state lands have provided the balance of timber supplies. Lumber prices, energy costs, international imports, and alternative supply sources all influence the share of timber supplies provided by a single

MEDICINE BOW NATIONAL FOREST REVISED PLAN AND FEIS

landownership. Consequently, the future demand for timber from the Medicine Bow National Forest cannot be characterized by a simple projection of historic trends. It can be stated with certainty, however, that current mill capacities exceed the volume offered.

Recreation Opportunities

Recent studies indicate by 2020, recreation use levels for all activities together on the Forest may be expected to increase by as much as 27%. Consistent with national studies, viewing activities show a much higher increase (41-49%) than this average. Activities common on the Medicine Bow include viewing wildlife and scenery. The activity showing the highest projected increase in use is cross-country skiing, expected to increase by 89% by 2020.

There are 693 developed campsites on the Forest, with capacity for 500,000 persons over the course of an average season. Most of the campgrounds on the Forest were constructed in the 1960s. Campground use levels average 32%. A 1991 corridor analysis determined there was no need for additional capacity of developed campsites on the Forest. Pressure for backcountry recreation opportunities has leveled in recent years.

There are 237 miles of nonmotorized, multiple use trails outside wilderness areas. Nineteen percent of Medicine Bow National Forest trails are in wilderness. The remaining 81% are in a natural setting, closer to development.

The Medicine Bow National Forest is heavily roaded. Dispersed camping occurs forest-wide alongside roads. For this reason, the 2,592 miles of developed roads on the Forest are highly valued by some members of the public. The 2000 Travel Management Decision prohibits motorized travel off designated routes (except for snowmobiles). Analysis for Phase II of Travel Management Decision is underway. Phase II will establish the Forest network of closed and open roads.

Conflicts between winter motorized and winter nonmotorized recreationists are increasing. Issues include competition for limited parking at selected high use sites, and the desire to experience the same forested settings concurrently. These conflicts and concurrent use present a safety concern in some cases.

Roadless Area Allocation and Management

Planning regulations (36 CFR 219.17) require the Forest Service to inventory, evaluate, and consider all roadless areas for possible inclusion in the National Wilderness Preservation System. The roadless area inventory identified 31 roadless areas on the Forest totaling 319,738 acres, about 29% of the Medicine Bow. All 31 areas were found to be capable and available for wilderness and were evaluated for proposed wilderness designation.

The existing designated Wilderness Areas on the Medicine Bow National Forest total 79,323 acres, approximately 7% of the Forest. They are the Platte River Wilderness (22,363 acres); the Encampment River Wilderness (10,400 acres); the Huston Park Wilderness (31,300 acres) and the Savage Run Wilderness (15,260 acres).

Special Areas

Wild and Scenic Rivers: For the Plan Revision, all streams on the Forest were evaluated to determine if they meet the eligibility criteria for Wild and Scenic rivers. As a result, the Forest has six potential Wild and Scenic River candidates: the North Fork of the Little Snake

MEDICINE BOW NATIONAL FOREST REVISED PLAN AND FEIS

TOPICS, subtopics	Alt A	Alt B	Alt C	Alt D DEIS	Alt D FEIS	Alt E	Alt F
Allowable Sale Quantity (ASQ) (million board feet /year)	28.9	27.2	25.8	24.2	22.8	20.7	3
Harvest Treatments for ASQ Total (acres/year)	3,245	3,124	2,976	2,835	2,736	2,562	175
Regeneration harvests (acres/year)	2,067	2,103	1,988	1,810	1,687	1,600	8
RECREATION OPPORTUNITIES							
Summer-Recreation Opportunity Spectrum (% of forest)							
Motorized	80	83	78	71	74	76	60
Nonmotorized	20	17	22	29	26	24	40
Winter-Recreation Opportunity Spectrum (% of forest)							
Motorized	81	81	80	69	67	53	11
Nonmotorized	17	17	18	29	31	45	87
Non use (Sheep Mountain)	2	2	2	2	2	2	2
SPECIAL AREAS							
Research Natural Areas							
Number	1	1	1	2	6	7	10
Outside wilderness (acres)	749	749	749	4,229	15,476	38,575	33,825
Within wilderness (acres)	0	0	0	3,480	10,043	11,857	0
Special Interest Areas							
Number	6	11	8	15	13	15	5
Outside wilderness (acres)	4,304	17,726	1,776	29,987	18,706	24,135	7,892
Within wilderness (acres)	0	0	0	11,857	0	0	0
Wild and Scenic Rivers							
Number	0	3	2	2	2	6	8
Miles	0	31.4	26.4	27.7	27.7	49.4	67.4
ROADLESS/WILDERNESS							
Wilderness Areas (000 acres)	78.9	78.9	78.9	78.9	78.9	78.9	78.9
Additional Wilderness (000 acres)	0	0	0	60.8	28	4.5	271.4
Inventoried Roadless (000 acres)	320	320	320	320	320	320	320
Retaining Roadless Character (% of Inventory)	66	68	82	97	95	99	98



Medicine Bow National Forest

FINAL ENVIRONMENTAL IMPACT STATEMENT AND REVISED LAND AND RESOURCE MANAGEMENT PLAN

RECORD OF DECISION

December 2003



**FINAL ENVIRONMENTAL IMPACT STATEMENT
AND
REVISED LAND AND RESOURCE
MANAGEMENT PLAN**

RECORD OF DECISION

Medicine Bow National Forest

December 2003

Lead Agency: U.S. Department of Agriculture
Forest Service
Rocky Mountain Region

Cooperating Agencies: State of Wyoming (including Carbon, Converse Counties)
Seven Southeastern County Conservation Districts
USDI Bureau of Land Management (Wyoming)

**Responsible
Official:** Rick D. Cables
Regional Forester
Rocky Mountain Region

**Recommending
Official:** Mary Peterson
Forest Supervisor
Medicine Bow-Routt National Forests and
Thunder Basin National Grassland

Located within Albany, Carbon, Converse, Laramie, and Platte Counties, Wyoming

This document presents the decision regarding the selection of a Revised Land and Resource Management Plan for the Medicine Bow National Forest. It summarizes the reasons for choosing the Selected Alternative as the basis for the Revised Forest Plan, which will be followed for the next 10 to 15 years. The long-term environmental consequences contained in the Final Environmental Impact Statement are considered in this decision.

MEDICINE BOW N.F. REVISED LAND AND RESOURCE MANAGEMENT PLAN

stipulations as specified in Appendix C of the FEIS. I am also making the decision to authorize the Bureau of Land Management (BLM) to offer specific lands identified as available for oil and gas leasing. There will be 63,182 acres available with standard stipulations; 4,276 acres with timing limitations; 98,945 acres with No Surface Occupancy; 80,724 acres with Controlled Surface Use; and 18,173 acres with both Controlled Surface Use and Timing Limitations.

Lands allocated to Management Area 2.2 include both an existing RNA and five new RNAs. The existing Snowy Range RNA has been withdrawn from mineral entry. The LaBonte RNA and the Brown's Peak RNA are on lands with no recognizable potential for oil and gas development. RNAs within Wilderness areas (Savage Run and Platte Canyon) are not available for fluid mineral leasing. The Battle RNA is available for oil and gas leasing; however, no ground-disturbing oil and gas activities are permitted. Leasing in the Battle RNA will be with a no surface occupancy (NSO) stipulation.

6. Timber Harvest

The mix of Management Area prescriptions in Alternative D FEIS provides for continued timber harvesting. Alternative D FEIS provides potential resource outputs of 22.8 million board feet (MMBF) per year Allowable Sale Quantity (ASQ), though the experienced budget level on the Forest generally allows the Forest to produce less than half that amount per year. Timber management activities may occur on 44% of the Forest. Activities on 44% of the Forest work towards achieving a generally regulated distribution of age classes. I am allocating 132,047 acres to MA 5.13 Forest Products and 281,835 acres to MA 5.15 Forest Products, Ecological Maintenance and Restoration Considering the Historic Range of Variability.

With this decision, clearcutting has been determined to be the optimum method for regenerating lodgepole pine, one of the two dominant cover types on the Forest (the other being spruce/fir). Created openings in MA 5.15 will vary in size from less than 40 acres to 250 acres, or are staged to create larger patterns over time. As per Forest Service Manual (FSM) direction 2470, any decision to exceed 40 acres opening size at the project level must be approved by the Regional Forester or the Regional Director of Renewable Resources.

7. Recreation Opportunities

The Forest will be managed under a wide variety of management areas, many of which emphasize recreation opportunities. See ROD Table 4.

Seventy-four percent of the MBNF is allocated for summer-motorized recreation on existing roads and trails. Sixty-four percent of the area is allocated for winter-motorized recreation. The total acreage available for semi-primitive non-motorized recreation, including designated Wilderness, recommended Wilderness and backcountry opportunities is 286,266 acres, an increase of 72,338 acres. The total acreage available for semi-primitive motorized recreation is 223,056 acres, a decrease of 41,132 acres.

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Budget Level	A	B	C	D DEIS	D FEIS	E	F
Desired Budget Level	37.2	35.2	33.5	31.6	30.0	27.4	6.1

4. Timber Supply

Estimating sawtimber volume harvested and processed locally during the first decade of the plan must consider a variety of factors – some that influence timber supply and others that influence mill capacities. While national forest timber has been a relatively low share of total timber harvest in the market area, the balance of timber supplies has been provided by state, private, and other ownerships. It is generally recognized that recent volumes from state and private ownerships are not sustainable in the long run. Estimates of all supply sources are captured in the table below.

ROD-Table 9. Total timbershed sawtimber supply in 2010 by source scenario (MMBF).

Alternative	Anticipated Harvest		Anticipated Harvest		Desired Budget Level Harvest	
	Routt NF	State/Private/ Other	Medicine Bow NF	All Sources	Medicine Bow NF	All Sources
A	18	10	10.7	38.7	29.0	57.0
B	18	10	12.6	40.6	27.3	55.3
C	18	10	10.7	38.7	25.9	53.9
D DEIS	18	10	10.5	38.5	24.3	52.3
D FEIS	18	10	10.5	38.5	22.9	50.9
E	18	10	7.9	35.9	20.8	48.8
F	18	10	1.9	29.9	3.0	31.0

Timber markets have changed dramatically in recent years, and especially since the Forest Plan was first approved. Changes in the industry now come more quickly than in years past. There are three large sawmills around the forest, two of which recently changed ownership or management. Given the complexity and volatility of today's timber industry, it is difficult to forecast future production at any of these facilities. Several scenarios were developed to aid in estimating industry consequences of the alternatives.

Anticipated sawtimber volumes from the MBNF, if experienced budget levels continue throughout the first decade, may add sufficient supplies to satisfy modest industry processing capacity – either 1-shift operations at most mills, including the one at Saratoga, or greater than 1-shift operations at most mills excluding the mill at Saratoga. Because total timbershed volume would fall short of fully utilizing all local industry one-shift capacity, not all mills may be equally viable. Since Alternatives A, C, D DEIS, and D FEIS fall short by 9 MMBF of a combined 1-shift production at all mills, it is uncertain whether all mills would continue operation, some choosing to operate at less than 1-shift, or whether one mill would close. Should budgets and

other factors not limit sawtimber volume, then slightly more than half of the maximum industry capacity would be utilized. (FEIS, Chapter 3, Timber and Appendix B.)

C. Recreation Opportunities

Recreation management means providing a range of recreation opportunities to meet the needs of users and local communities in balance with protection of forest resources. All forest management alternatives provide for continued recreation management, but vary the mix of recreation opportunities.

Recreation use is expected to increase as fast as the population or by approximately 51% by 2050. Most of the increase will occur in pleasure driving, viewing scenery, all winter activities, hiking and walking, and all traditional forest activities (Bowker, et. al. 1999). Use will increase regardless of the Alternative chosen.

The Recreation Opportunity Spectrum (ROS) is a systematic approach to determining the range of opportunities based on access, setting, number of people (density) in one area, and the degree of management an area receives. Management Area prescriptions set the direction for ROS. The following two tables show how summer and winter ROS classes vary by alternative. The higher use areas are classified as Roaded Natural (RN), Rural (RL) and Rural Modified (RM). Semi-primitive non-motorized (SPNM) and semi-primitive motorized (SPM) areas represent less interaction among users than the previous classes.

1. Summer Recreation Opportunity Spectrum

The following table displays the summer ROS for each alternative. Alternative F emphasizes the semi-primitive end of the spectrum, while Alternative B emphasizes the roaded and developed end of the spectrum.

ROD-Table 10. Summer ROS class (acres by alternative).

ROS Class	A	B	C	D DEIS	D FEIS	E	F
SPNM	213,928	181,932	239,463	316,919	286,266	265,054	433,331
SPM	264,189	210,322	216,268	199,855	223,056	254,595	302,892
RN	277,661	272,074	250,461	244,707	257,205	249,466	171,865
RM	292,491	371,934	331,590	278,166	274,388	269,853	134,397
RL	36,445	48,351	45,344	44,967	43,475	45,647	42,129

2. Winter Recreation Opportunity Spectrum

The following table displays semi-primitive motorized (SPM) and non-motorized (SPNM) ROS classes in the winter. The winter ROS assumes low densities of users in most areas outside roads, staging areas, and inside the developed ski area. For the most part, roaded natural, rural and non-use (Sheep Mtn) remain the same for all alternatives in the winter ROS.

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Timber Resources

Introduction – The Medicine Bow National Forest contains valuable timber resources. They are important for providing habitat for plants and animals, and important to the people who use or are employed because of wood products. These products include construction lumber, fuelwood, transplants and Christmas trees, posts and poles, and wood for carving. Primary species include lodgepole pine in the lower elevations, cottonwoods found along riparian zones, mixed conifer stands and aspen stands at middle elevations, and stands of spruce and fir that dominate the higher elevations of the forest.

Changes Between Draft and Final

- Descriptions of age and size class were changed to utilize Habitat Structural Stages rather than size class. This allows more consistency for comparison with other chapters in the FEIS.
- The Supply and Demand section was updated to reflect recent changes in the local timber industry.
- A summary of growing stock by alternative was added.
- Timber suitability was updated for Alternative D FEIS to reflect new wetland information from the Fish and Wildlife Service and to correct riparian buffer distances which were inadvertently left out in the DEIS. These changes are summarized in Appendix B of the FEIS.
- The SPECTRUM model was reviewed and updated by an expert independent analyst. Several errors in constraints and tracking variables were identified and corrected. Key changes are summarized in Appendix B of the FEIS.

Legal and Administrative Framework

The National Forest Management Act of 1976 – this act sets forth the requirements for Land and Resource Management Plans for the National Forest System. 36 CFR 219 regulations require the Forest Service to identify areas suitable and available for timber harvest and the allowable sale quantity (ASQ) from those lands. In addition, regulations require us to analyze the supply and demand for resource commodities.

The Multiple-Use Sustained Yield Act of 1960 – “It is the policy of the Congress that the national forests are established and shall be administered for outdoor recreation, range, timber, watershed and wildlife and fish purposes...The Secretary of Agriculture is authorized and directed to develop and administer the renewable surface resources of the national forests for multiple-use and sustained yield of several products and services obtained therefrom...the achievement and maintenance in perpetuity of a high-level annual or regular periodic output of the various

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renewable resources of the national forests without impairment of the productivity of the land.”

Organic Administration Act of 1897- Forests are established “to improve and protect the forest within the boundaries, or for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessities of citizens of the United States

Key Indicators

- ♦ Acres suitable for timber production
- ♦ Timber production (ASQ and TSPQ)
- ♦ Acres by harvest type
- ♦ Age class distribution (Habitat Structural Stage)

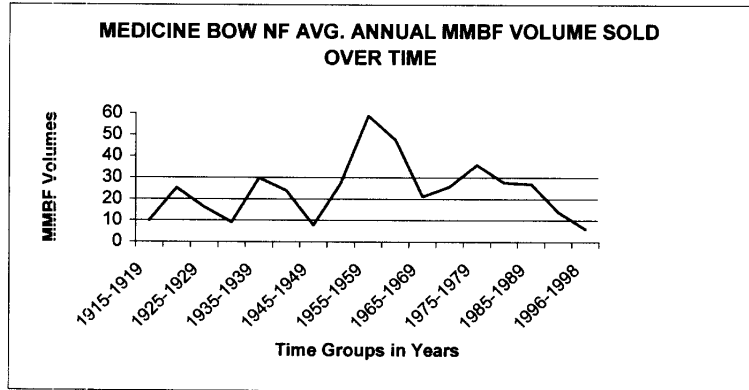
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Timber Production

Historical documentation shows that specific areas of the forest were used for harvesting wood products. The history of cutting on the Medicine Bow National Forest dates back to before the turn of the century. One of the earliest documented uses of what would become the Medicine Bow National Forest was for the building of the transcontinental telegraph in 1861. One of the earliest government uses of the forests were for timber reserves. These wooded areas were set aside by the federal government to provide fuel and building materials for government installations. The most extensive early lumbering operations within the present forest occurred during the construction of the transcontinental railroad across Wyoming. At least three companies contracted with the Union Pacific Railroad in 1867 to cut ties in the Laramie Mountains. According to Mullison, three million ties were cut from the Medicine Bow from 1867-1870 (Mullison 1909). As late as 1938, the Wyoming Timber Company drove 300,000 ties down Douglas Creek to Ft. Steele. Records from reports from 1915 to 2000 indicate approximately 24 Million Board Feet (MMBF) was removed annually from the Forest (USDA Forest Service 2001b). Annual harvest volumes from 1861 to 2002 ranged from less than 1 MMBF to 127 MMBF.

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Figure 3-6. Historic timber harvest volume.



The highest volumes occurred during the 1950s and early 1960s. Many National Forests across the West experienced the same increase in harvesting after World War II to meet the demands of a rapidly growing economy.

In 1986, the 1985 Land and Resource Management Plan for the forest was implemented. This Plan established an Allowable Sale Quantity (ASQ) of 28.4 MMBF/yr. Actual harvest since the late 1980s has decreased steadily. This reduction is due to a variety of factors including the need to meet other ecological and social needs on the forest.

The following table shows the volume sold from 1986 through 2001. These figures are for conifer sawtimber or ASQ. The average volume sold during that period was 12.5 million board feet (MMBF).

Table 3-179. Sawtimber volume sold since 1985.

Year	Million Board Feet (MMBF)
1986	7.5
1987	33.8
1988	34.7
1989	21.4
1990	18.4
1991	18.4
1992	6.8
1993	18.4
1994	7.4

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Year	Million Board Feet (MMBF)
1995	0.08
1996	5.6
1997	7.5
1998	4.7
1999	1.2
2000	2.0
2001	3.7

Timber Suitability

The total acres treated by timber harvest from 1986 to 2001 include 4% of forested lands or approximately 47,000 acres. The 1985 plan identified 636,048 acres of tentatively suitable for timber production. From that tentatively suitable land base, 447,555 acres of the Forest were determined to be suitable and scheduled for timber harvest. A complete description of timber suitability is found in Appendix B of the FEIS. On the ground suitable acres may vary over time as new inventory data is obtained, stand boundaries are remapped and use of computerized geographic information systems occurs. At this time, the 1985 Forest Plan shows 474,828 acres of suitable timberlands.

Harvest Methods

Spruce-fir forests are harvested by single tree and group selection silvicultural treatments under the uneven-aged regeneration system, and two or three-step shelterwood systems under the even-aged regeneration system. Pre-commercial thinning is used primarily to reduce stocking of subalpine fir or lodgepole pine regeneration in the openings created by selection harvests or in the understory following shelterwood harvest. Pre-commercial thinning reduces competition for moisture and nutrients concentrating growth on the more desirable individuals in the regenerating patches or stands, providing healthier, more vigorous trees, and maintaining spruce as a significant component of the regenerated stands. Relatively little pre-commercial thinning is done in spruce-fir on the Medicine Bow National Forest. Commercial thinning or stocking control is used to remove trees recently dead or at risk of dying due to competition, insects and disease or to maintain overall stand vigor.

Lodgepole pine forests are usually managed under the even-aged regeneration method using clearcutting. Occasionally seed tree or shelterwood systems are used. Lodgepole pine regenerates very well with these methods due to its ecological niche as a seral species that is a prolific seed producer that germinates and grows best in full sunlight. Seedling stocking rates often are over 1000 seedlings per acre and can range over 100,000 seedlings per acre (Lotan and Perry 1983). Pre-commercial

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thinning is a cost-effective method of insuring a commercial product from heavily stocked lodgepole pine stands. Pre-commercial thinning also provides the opportunity to retain other species in the thinned stand and maintain the trees' ability to respond to future thinning with increased growth (Johnstone 1985). The majority of pre-commercial thinning on the Medicine Bow National Forest is done in lodgepole pine. Commercial thinning helps maintain healthy, vigorous trees which increases resistance to mountain pine beetle infestations in larger diameter stands as well as to provide openings for additional regeneration.

The following table shows the acres treated by silvicultural cutting method. The total treatment acreage shown in this table is 127,855 acres, or approximately 12% of forest. The actual acres receiving treatment is slightly smaller because some areas have been entered more than once to complete a multiple stage silvicultural treatment.

Table 3-180. Acres of past harvest treatments by decade since the 1950s.

Period	Clear Cut	Other Regeneration Harvests	Shelterwood Harvests	Intermediate Harvests	Salvage	Total
1950-1959	15,710	37	0	1,211	1,386	18,344
1960-1969	19,350	0	1,820	449	953	22,572
1970-1979	16,810	58	5,524	1,663	2,286	26,341
1980-1989	15,641	308	16,195	1,260	3,783	37,187
1990-1999	8,731	1,801	11,372	586	921	23,411
Totals	76,242	2,204	34,911	5,169	9,329	127,855

The National Forest Management Act of 1976 directs the Forest Service to use the clearcut harvest system only when "...it is determined to be the optimum method to meet the objectives and requirements of the relevant land management plan". Congress enacted NFMA in part to ensure that careful consideration and systematic analyses would be performed prior to harvest activities being implemented on a forested site.

Clearcutting is an effective method for managing lodgepole pine ecosystems in a variety of conditions. These may include control of pathogens such as dwarf mistletoe, regeneration of shade intolerant plant species, and providing openings which are useful to some species of wildlife. Determination of harvest methods must be analyzed in a site-specific manner to identify the characteristics which define the optimum harvest method to achieve the desired management objectives.

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Clearcutting on the Medicine Bow has been reduced from 64% of total harvest acres during the 1950s through 1980s, to 37% for the 1990s.

The following table displays the acres by silvicultural harvest system on the Medicine Bow National Forest since the 1985 Forest Plan was implemented.

Table 3-181. Comparison of planned and actual timber harvest by silvicultural harvest system 1986-2001.

Silvicultural System	10 year projection from 1985 Plan	Actual Acres 1986- 2001
Clearcut	21,255	17,705
Shelterwoods		
Preparation cut	10,892	15,983
Seed cut	6,750	2,045
Removal cut	2,282	3,803
Selection		
Individual	5,249	488
Group	11,637	546
Sanitation/Salvage	0	1,515
Total	58,065	42,085

Source: Rocky Mountain Resource Information System (RMRIS) database

This table indicates that 72% of the planned decadal harvest treatment level was accomplished during a 15-year period. This reduced rate of accomplishment is a result of appeals and litigation (12 of 13 timber sales were appealed from 1998 through 2000), updated inventories and site specific conditions resulting in on-the-ground situations that differed from the conditions modeled in the 1985 Plan, and changes in public values since the 1985 Plan was approved. In addition, new Forest Service handbook direction such as the updated Watershed Conservation Practices Handbook (FSH 2509.25) has provided additional resource protection measures that were not incorporated into the 1985 Forest Plan.

Reforestation

The Forest Service is required by regulation 36 CFR 219.27(c)(3), "When trees are cut to achieve timber production objectives, the cuttings shall be made in such a way as to assure that the technology and knowledge exists to adequately restock the lands within five years after final harvest".

This requirement allows for exceptions when harvesting occurs for other than timber production objectives.

Reforestation is the process of reestablishing forest cover on disturbed areas. Reforestation can occur naturally from existing seed sources in the disturbed area or

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from adjacent live trees. Reforestation can also occur artificially from planting or seeding of disturbed areas. These methods generally ensure the reestablishment of trees within five years.

Regeneration harvest treatments on the Medicine Bow National Forest are restocked predominantly by natural methods. A review of the last 15 years of monitoring reports indicates that 95% of all regeneration harvests have been restocked within 5 years. Where regeneration is not expected to occur naturally, hand seeding has been the preferred method for reforestation. Since 1985, the Forest has seeded 1,274 acres or an average of 84 acres a year. Less prevalent because of its high cost is hand planting of live seedlings. Since 1985, the Forest has hand planted 169 acres.

Elevation, soils, cover type, post harvest treatments, and climate all play a role in successful regeneration. Naturally harsh environments such as those that occur above 10,000 feet in elevation, combined with unexpected climatic conditions such as drought, can result in regeneration failures. For this reason, spruce fir stands above 10,000 feet are not considered suitable lands for timber production. A site-specific silvicultural review is conducted prior to a final harvest and the harvest will not proceed unless there is a strong indication that the area to be harvested will regenerate within the 5-year period after harvest.

Timber Supply and Demand

Timber markets have changed dramatically in recent years, and especially since the Forest Plan was first approved. This is true at all scales -- international, national, regional, and local. Recent assessments of timber markets in Wyoming have been prepared. *Wyoming Timber Market Analysis: The New Western Timber Economy* was prepared by Dr. Douglas Rideout and Dr. Hayley Hesseln in 2000. Because of more recent significant changes in the local timber industry, an assessment by Charles Keegan, Todd Morgan, and Timothy Spoelma was obtained in 2003. These assessments, along with public comment on the DEIS and discussions with local timber industry provide the basis for this section.

In decades past, each national forest typically had timber purchasers that were locally situated. Timber was rarely sold to purchasers located beyond a few hours drive from the forest. These mills were very dependent upon timber coming from one or two national forests. Competition was limited to a few firms within this circle.

Like other industries throughout the U.S., timber processors have consolidated and repositioned themselves to better compete in today's markets. Several years ago lumber prices were significantly higher than they are today. When prices were high, firms could reach out hundreds of miles for timber from a variety of sources. In response to international competition and changing supplies with generally smaller logs, corporations made large investments to achieve very efficient mills using modern technologies. Today prices are about 70% of their high six years ago.

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From 1997 to mid-2003, eleven firms have purchased timber from the Medicine Bow National Forest. Louisiana-Pacific Corporation, with a mill in Saratoga, WY, purchased 50% of all sold timber; Big Horn Lumber, with a mill in Laramie, WY purchased 38% of all sold timber; and 44 Lumber, with a mill in Encampment, WY purchased 4%. The remaining eight firms bought a single timber sale each for a combined total of about 8%.

The Louisiana-Pacific mill in Saratoga has a 1-shift capacity of about 25 million board feet (log scale). In recent years, the mill processed about 35 million board feet annually by running 6 10-hour days per week. It can process a variety of log sizes and species to produce primarily 2x4 and 2x6 lumber products. At one time, the mill had an operating circle of about 100 miles – one that was common within the industry. This would limit timber supplied to mostly the Routt and Medicine Bow National Forests. Under better market conditions and weaker national forest timber supplies in the 1990s, logs were hauled from almost anywhere in Wyoming and Colorado. LP also purchased and hauled logs from Utah, Idaho, and New Mexico. While the composition of timber supplies can vary widely, state, private, Bureau of Land Management, and reservation ownerships have accounted for up to 50 percent of total volume in recent years.

The Big Horn mill in Laramie has a 1-shift capacity of about 15 million board feet (log scale), which has been their typical operation in recent years. This mill focuses on high quality 1x4, 1x6, and 1x8 lumber products. Compared with LP, Big Horn Lumber has retained a more traditional operating circle and has a greater reliance upon national forests – about 65% of its log supplies come from national forests in Wyoming and Colorado.

44 Lumber, incorporated in 2003, is operating the former Hammer mill in Encampment. The firm has plans to process small diameter logs with a annual 1-shift capacity of 8 million board feet (log scale), but can move to two shifts if markets and timber supplies permit. 44 Lumber desires to be very diversified by offering a wide variety of lumber products, including 1x4 and 1x6 boards, door stock, rough lumber, and houselogs. The Medicine Bow National Forest has been the primary source of timber supplies to date.

Changes in the industry now come more quickly than in years past. Despite recent investments in several technological upgrades, LP announced the permanent closure of its Saratoga mill in late 2002. Citing a very poor lumber market, low timber supplies from national forests, and high operational costs, the mill went up for sale. The future of the mill is uncertain. While there has been serious interest in acquiring the mill, at the time of this writing no agreement to purchase has been made. Even if the mill is acquired by another firm, there are no guarantees that the mill will remain in Saratoga or operate as it has historically.

In recent years, the Medicine Bow National Forest has provided local mills with less and less timber. Offer volumes have been low and the size of logs has been shrinking. As shown in the following table, the history of sawtimber sold and

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harvested on the Forest since the original plan was signed has shown a dramatic reduction. Budgets, appeals, litigation, market conditions, natural disasters, and changes in national policies (such as roadless) all have combined historically to reduce the harvest and processing of timber from MBNF lands. All of this has occurred while the allowable sale quantity (ASQ) of the original plan remained at 28.4 million board feet.

While national forest timber has been a relatively low share of total timber harvest in the market area, the balance of timber supplies has been provided by state, private, and other ownerships. It is generally recognized that recent volumes from state and private ownerships are not sustainable in the long run. Consequently, the future demand for and supply of timber from the Medicine Bow National Forest cannot be characterized by a simple projection of historic trends. Anticipated harvest and processing levels are discussed later in the Environmental Consequences portion of this section.

Table 3-182. Sawtimber volume sold and harvested, 1986-2002 (million board feet).

Year	Sold	Harvested	Offered and Not Sold
1986	7.5	23.8	*
1987	33.8	39.5	*
1988	34.7	44.6	*
1989	21.4	37.0	*
1990	18.4	28.2	*
1991	18.4	35.8	*
1992	6.8	29.6	*
1993	18.4	15.7	*
1994	7.4	13.2	*
1995	0.1	4.8	0.1
1996	5.6	3.1	0.1
1997	7.5	2.1	6.8
1998	4.7	9.7	0.3
1999	1.2	3.5	0.9
2000	2	2.5	1.2
2001	3.7	1.9	0
2002	0.0	5.5	0
Average	11.3	17.7	*

Source: TSPIRS, *Complete data not available

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The Forest Service strives to prepare sales that will be economical to both the purchaser and the Forest Service, but not every sale offered is sold. This situation can be due to a variety of factors including haul distances, product mix, or current market conditions. Because this situation is impossible to predict, this analysis assumes all sales offered will be harvested. Based on available data from the last eight years, 14 sales totaling 9.4 million board feet have been offered and not sold on the Medicine Bow NF since 1995. With one exception (White Swan Timber Sale in 1997), these sales consisted mostly of small trees designed to meet silvicultural objectives related to the management of small diameter trees.

Age Class Distribution

Age class information based on stand exam information is not available for the entire forest. Habitat structural stages can generally be correlated to age, although this will vary based on site conditions, and species. The following table displays the age and habitat structural distribution for the primary commercial timber species on tentatively suitable lands.

Table 3-183. Acres of age and habitat structural stage distribution of commercial tree species on tentatively suitable lands.

Species	HSS 1	HSS 2	HSS 3	HSS 4	HSS 5
Douglas-fir 6,119	0-5 yrs 95	6-30 yrs 0	31-80 yrs 864	81-200 yrs 4322	200+ yrs 838
Lodgepole Pine 434,634	0-5 yrs 13,005	6-30 yrs 40,833	31-110 yrs 180,020	110-150 yrs 163,894	150+ yrs 36,882
Ponderosa Pine 95,064	0-5 yrs 4,262	6-20 yrs 391	21-70 yrs 6,631	71-200 yrs 81,704	200+ yrs 2,076
Spruce-fir 139,881	0-5 yrs 3,665	6-20 yrs 8,324	21-70 yrs 23,895	71-200 yrs 65,832	200+ yrs 38,165
	3%	8%	31%	51%	13%
Total 675,698	21,027	49,548	211,410	315,752	77,961

Source: RIS Database

ENVIRONMENTAL CONSEQUENCES

General Effects

Timber Suitability

Identification of lands suitable for timber production is one of the key decisions made in a forest plan. The process to determine timber suitability is found in 36 CFR 219.14, and FSH 2409.13. It is described in detail in Appendix B of the FEIS.

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Table 3-184. Timber suitability.

	Alt A	Alt B	Alt C	Alt D DEIS	Alt D FEIS	Alt E	Alt F
Tentatively Suitable and Common to all Alternatives*	663,557	663,557	663,557	663,557	662,756	663,557	663,557
Suitable Acres	474,828	407,803	370,662	330,561	320,754	290,157	172,455

*Alternative D FEIS is different due to land status updates applied only to D FEIS. These were minor changes not affecting the ranking of alternative effects.

Source: GIS Data layers.

Lands identified as tentatively suitable and common to all alternatives are based on physical characteristics of the land as identified using current inventory and data layers in a GIS format. These factors include various physical and administrative factors such as slopes, soil characteristics, site productivity. Lands identified as suitable for timber production vary by alternative and are based on management area prescriptions. Alternative A has the highest level of suitable acres followed by Alternatives B through F respectively.

Only selected management area prescriptions are appropriate for timber production. The following table displays management areas that schedule timber harvest and contribute to the ASQ.

Table 3-185. Suitable acres by management area prescription contributing to ASQ.

MA	Alt A	Alt B	Alt C	Alt D DEIS	Alt D FEIS	Alt E	Alt F
3.32	14,741						
4.22	34,680						
4.31	35,232						
5.11		14,380	10,836	12,017		10,815	
5.13	230,695	329,031	193,342	91,431	102,259	74,610	
5.15		64,392	165,894	227,112	218,494	204,731	
5.21	24,453						
5.4	24,453						271,780
Total	474,828	407,803	370,072	330,560	320,753	290,157	271,780

Source: GIS Data

Acres identified as suitable for timber production are processed through the SPECTRUM timber modeling program. Based on land management constraints and growth and yield information, the model schedules acres that are suitable for harvest and combines them with yield tables to estimate harvest levels. As a result of resource protection and budget constraints, the acres scheduled for harvest in SPECTRUM are less than the initial suitable acres input into the model.

The following table displays the acres of suitable and scheduled for each alternative over a 200-year period. Alternatives A, B, and C have the highest levels of suitable and scheduled timber. It should be noted that Alternatives D and E include a large

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percentage of the suitable timberland in Management Area 5.15, which includes a variety of ecologically oriented standards and guidelines. Harvesting in these areas will include practices such as leaving large, unharvested islands within clearcuts to emulate uneven burn patterns, similar to those resulting from wildfires. The SPECTRUM model was programmed to account for these islands by reducing available acres by 20% to account for these management practices. Portions of these unharvested areas may blow down; however their utility is expected to continue by providing sources of downed wood in the forest. In addition, some of these inclusions may include mistletoe, which could potentially spread to the regenerated stand. Sale layout will be key in ensuring that these areas are located in areas less prone to windthrow and with reduced levels of mistletoe.

Table 3-186. Suitable and scheduled timberlands for 200-year period. (Acres)

Alt A	Alt B	Alt C	Alt D DEIS	Alt D FEIS	Alt E	Alt F
339,873	332,786	318,295	300,520	286,120	266,346	147,469

Source: SPECTRUM Model