



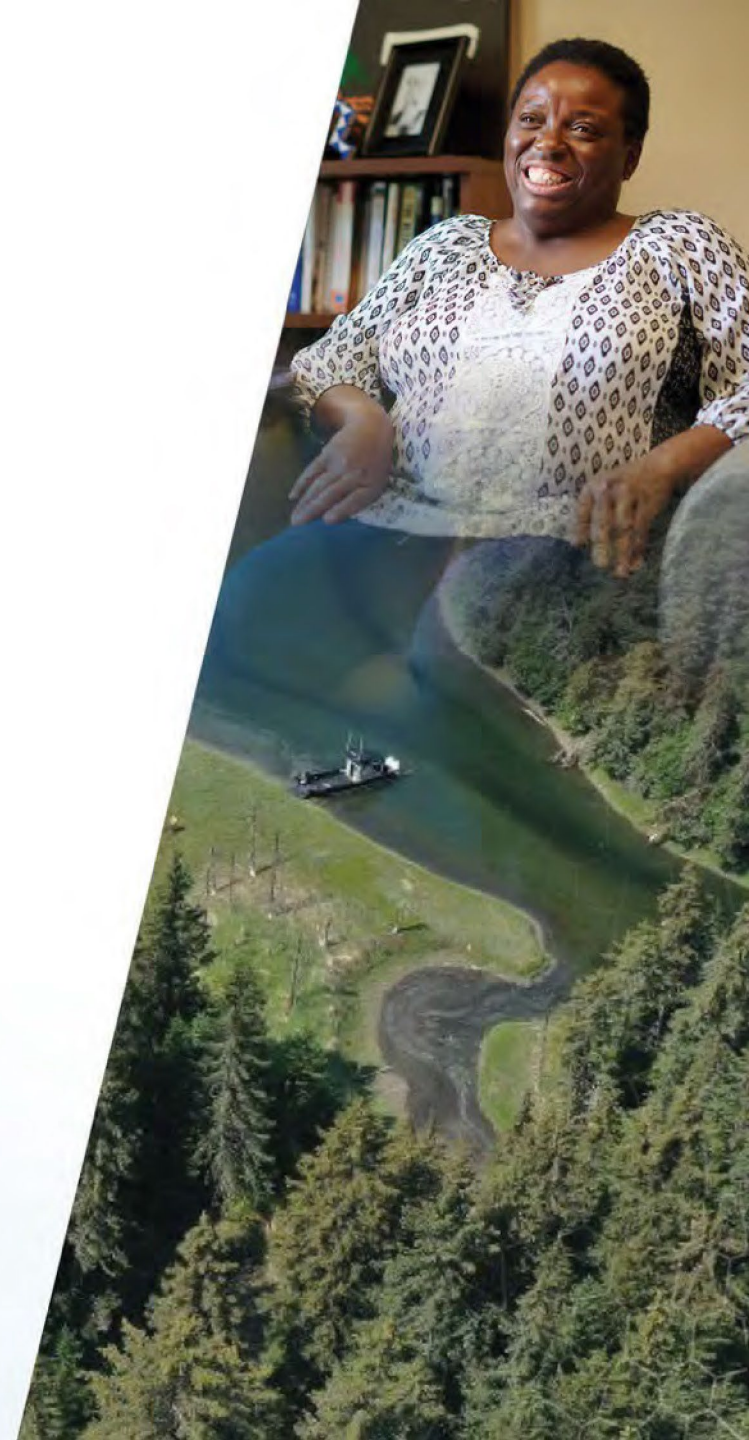
Trust  
Land Office

# TLO Timber Program 2023



# Timber Program manager

- Jeff Hermanns







# Trust Lands Timber Assets

- Approximately 250,000 of timber statewide.
  - 60,000 southeast
  - 60,000 southcentral
  - 100,000 plus in interior
- The timber lands are currently being mapped statewide for the carbon market.



# Timber Sales from 1995 to present have Generated over \$60 Million in revenue

- This was nearly entirely from the old growth forest of southeast Alaska.
- There is very little current traditional market value in the forest of southcentral and interior timber on Trust lands.

# • Alaska Mental Health Trust Land Exchange Act of 2017

- **January 2019 Phase 1 Completed**
  - 2,508 Trust acres in Ketchikan
  - 2,425 Federal acres in Naukati
- **April 2020 Phase 2A Completed**
  - 3,200 Trust acres near Ketchikan
  - 1,513 Federal acres in Naukati
- **August 2021 Phase 2B Completed**
  - 12,262 Trust acres in Ketchikan, Petersburg, Wrangell, No Name Bay, Meyers Chuck, Sitka, Juneau
  - 14,555 Federal acres in Naukati, Hollis, and Shelter Cove
- **January 2022 Access Easements**
  - Total of 17,980.19 acres of previously Trust land in FS ownership and 18,491.96 acres of previously Federal land in Trust ownership.

# We have completed 90% of all the old growth timber harvest

- Naukati - Contract signed with Viking March 2017
- This sale will likely be completed 2025.
- Shelter Cove contract signed with Alcan 2022. This sale will likely be completed in 2026 - 27.





# Hollis Exchange Timber Sale

- Estimated 16 - 20 mmbf
- Proposed Negotiated Sale  
- Viking Lumber  
Company
- High Visibility

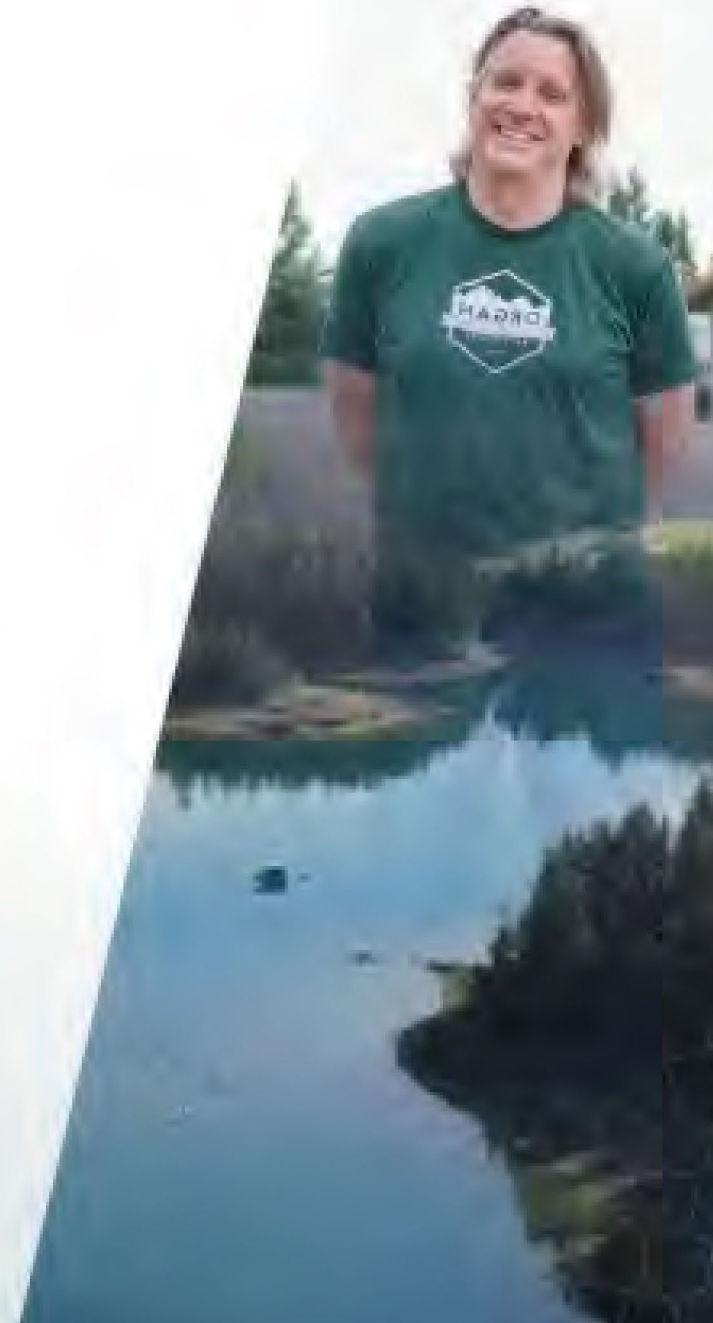




The Trust  
timber program  
has contributed  
millions to the  
economy of  
Southeast  
Alaska

# Responsible Timber Harvest

- **AK Forest Resources Practices Act (FRPA)**
  - Trust is private land
  - Protects Water Quality
  - Protects Anadromous Fish Habitat
  - DOF & ADF&G regular Inspections
  - BMP Best Management Practices



# Current and Near term Timber Sales

## Active Sales

- **Naukati Exchange Timber Sale**
- **Shelter Cove Timber Sale -**
- **Naukati Exchange YG Sale - 20 mmbf**
  - Under Contract but no harvesting to date
- **Hollis timber sale - 16 - 20 mmbf**
  - To begin within a couple of years
- **Tok School Hazardous Fuels Reduction and Biomass project.**
- **Gustavus Small Timber Sale**
- **Haines Small Timber Sales**
- **Numerous small sales interest**





Managing the Trust  
Forest for the future  
generations.



The Trust has 60,000 of highly productive forest in Southeast with varying aged stands of timber.



Timber stand that  
was never (PCT) pre-  
commercial thinned.




Overstocked and  
stagnant



PCT -  
Thinned  
by the  
USFS  
prior to  
our  
ownership







# Managing the Trust Forest for the future generations.

- Active management of the forest is essential to a responsible and profitable future.
- Pre commercial thinning of young regenerating stands of trees is essential to optimal growth and health.
- We are currently using the carbon marketing to map and inventory what stands will need to be pre commercial thinned.
- We believe there is at least 5000 - 7500 acres that need to be thinned.
- NRCS will possibly pay to complete this thinning if we have a native entity manage the thinning contracts.
- This could be worth millions of dollars to assist in thinning the forest stands.



# Carbon Market

What is the opportunity?

The Trust has at 60,000 acres in Southeast Alaska.

# Exploring the potential of the Voluntary Compliance Carbon Market

- Complete the mapping of the three regions of the state.
- Decide on what lands and forest to include in the carbon market.
- Inventory the forest lands to be considered for carbon.

Decide on a marketing approach for selling carbon.



The fast-changing  
carbon market.  
Rebuilding Trust in  
Carbon Offsets faces  
uphill battle – WSJ  
July 12, 2023

High integrity carbon  
program –



There was  
over 1.2  
million  
cruise ship  
passengers  
in SE this  
year.



Bloomberg August 10, 2023 Airlines travelers will pay trillions to cleanup carbon footprint of flying? Cleaning up flying is a mission of improbable scale: Neutralize the carbon emissions of about 25,000 planes in the world's commercial fleet that typically ferry some 4 billion people a year and burn close to 100 billion gallons of jet kerosene

Alaska Air uses 750,000,000 gallons a year.

What if we took a different approach to carbon marketing with our Trust Mission?



- What if the cruise industry included \$5 for 1 pound of carbon for each passenger that travels through Alaska for their carbon footprint for the Trust forest and its mission?
- What if Alaska Airlines included \$5 for 1 pound of carbon for each passenger for their carbon footprint for the Trust forest and its mission?