



Remarks on Wildfire in the West: Harris Sherman Western Governors' Association • Winter Meeting 2012

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Gov. Butch Otter, Idaho – Harris, you've been available to the Western Governors. I can think of three meetings that you've been available and instructive and offered constructive opinions to us. Thank you for being here. Do you have any ideas from what you've heard?

Harris Sherman – I do. Great to be here and I want to thank you. I remember very fondly a great discussion in 2011 on wildland fire. We have a terrific relationship with the WGA. We share a lot of information and share ideas and put ideas to practice. Thank you, Ann Walker. Ann Walker has been terrific to work with. And thank you to each of the governors.

We've had a rough summer. This partnership that we are building and expanding with the states is hugely important. And we simply have to work together as these issues come up. I thought it would be helpful to. I have some thoughts about how to address the challenge. I want to amplify what you've said, Governor Otter.

9.1 million acres of wildland fire in the United States...a near record. We are seeing the fire season today lasting approximately two months longer than it did a couple decades ago. We are seeing the snow pack disappearing much quicker. All of us in the West know the importance of snow pack. We are seeing far larger, more intense fires, more catastrophic fires, the type that bakes the soil that you were mentioning. This year we had 14 fires in the U.S., almost all in the West that were over 100,000 acres. I think that is an unprecedented figure I had not seen before. In Colorado, New Mexico, and Arizona in the last two years, they've had record fires. And in Idaho, I don't know if your fires this summer were equal to or greater than the big burn, but 1.7 million acres was a huge amount of land that was consumed. We are seeing this change in the intensity and ferocity of these fires and we're also seeing as in drought conditions and red flag conditions -- red flag conditions being high wind, very low moisture, low humidity, extraordinarily high temperatures -- we are seeing far greater numbers of red flag days as we have seen in the past. We're seeing the phenomena continue to develop in the wildland urban interface. Since 1990, approximately 40% of new housing starts in this country have been in the WUI. That has certain implications when you look at fire and look at protecting human life and property going forward, which all of us have a responsibility to address. The USFS has 193 million acres in our jurisdiction. Of the 193 million, 65-82 million acres are in need of restoration, and we are concerned about the possibility of catastrophic fire. This includes huge swathes of land. Some of these are bark beetle lands, but not all of them. While we face these challenges -- by the way of going in and doing work on the land -- I agree with Governor Herbert that managing this land is important. It costs approximately \$2000 an

acre to do mechanized work on the land. Or, if you do prescribed fire, it's still a couple hundred dollars per acre. So you use those figures against the 65 - 82 million acres of land and you begin to understand the magnitude of the challenge ahead of us. This comes at a time when your budgets and the federal budgets are flat or declining. This year - 2012 - the US Forest Service fire budget was approximately \$950 million for suppression. This year we spent \$1.45 billion dollars in suppression. We were approximately half a billion dollars over our budget. When that happens, we either have to go back and draw from the very funds that we would do the restoration or petition congress to see if they will give us a supplemental. So these challenges are enormous, and the cost of these fires, as Governor Otter says, are not just during the fire, it's after the fire. Governor Hickenlooper, you had representatives from Colorado Springs who saw me the other day and they showed me a picture of their backup water pipeline that goes from their mountain reservoir to the city. They had a two year rain event, not a 100 year rain event, but a two year rain event. Instead of 100 cfs (cubic feet per second) coming down this creek, they had 800 cfs coming because there was nothing on the mountain to hold that water. And as a result, the entire pipeline got wiped out. And they will probably be spending 5-10 million dollars dealing with the aftermath. Post fire costs are very great!

What do we do about this? The Forest Service is focusing on how we can accelerate the restoration. By the way when we do this restoration -- I think Governor Herbert said it, but let me say it again -- this involves jobs. This is a way of employing people in rural communities and we're going to have to be very, very strategic in how we do this. Part of this will be doing more with less, the other part is finding out ways to expand the partnerships we have.

Let me offer half dozen ideas here that I hope will resonate with you. One thing the federal government is doing is with restoration. We're going to pursue larger projects for restoration. Historically, we might have dealt with 500 acres here and 1000 acres there. We are now focusing on projects, such as the Black Hills, where we're looking at 350,000 acres, or in Arizona in the Four Forest area, we're looking at 750,000 acres. Much, much larger landscapes. As we do the NEPA work for those projects, we're going to do NEPA on a much broader scale where we can because that will save a lot of time and a lot of money.

Secondly, we are very much encouraging, where we can, the use of wood. Marc talked about this. We want to see a situation where wood is used more, not just for homes, but for offices and commercial buildings. It is a green building material that we need to encourage, not only within the federal government, but outside the federal government. We need to make sure that our local mills are kept intact, because without those local mills, you cannot do restoration; you need local mills for restoration. Very importantly, we are looking to wood to energy projects because wood-to-energy projects could be the key, in my mind, this is potentially a game changer in what could potentially happen.

The state of California about two months ago passed a statute signed by the governor where the state is going to require each year 50 megawatts of wood-to-energy projects in the state in the WUI areas. That one act -- and that is a very insignificant amount of energy for California -- but

that one statute will result every year in 30,000 acres of restoration in California and 30,000 acres of mechanized restoration is approximately one-sixth of what we are doing nationally in terms of mechanized restoration.

Very, very important are projects, and just last week I announced in Colorado two stewardship contracts which resulted in a plant in Gypsum, Colorado. A wall board plant, which will produce electricity and heat for the plant, will put electricity into the grid that is going to restore 10 to 20,000 acres a year of forest in Colorado. We have a pellet plant in Colorado -- the same thing -- it's going to be very, very helpful to use small diameter or dead timber pine beetle timber, so we need to start thinking more about how we can do this.

This is really an area where the states are in the driver's seat -- state governments, the public utility commissions, depending on what your policies are there -- I think you can drive a lot of this activity and quite frankly, from our end, we can be helpful providing the wood technical expertise. This year, USDA provided somewhere around 35 million dollars in grants and 498 million dollars in loan guarantees for wood to energy plants in various parts of the United States. This is an opportunity that I think could jump start accelerated restoration in the Western states, so I hope you will give careful consideration of that.

Another area where I would call it a game changer is to expand our partnerships between the Forest Service, you and the beneficiaries in the National Forest. For example, with water providers this last year - 2012 - there were many water systems that came close to being taken out for cities and towns around the West, and I think communities that have gone through this experience know how critical it is. In the case of Denver, Governor Hickenlooper appointed me to the Denver Water Board about 10 years ago. We had two catastrophic fires that took out, it didn't take out one of Denver's main reservoirs, but Denver had an enormous amount of erosion water pollution that went into that reservoir, and the city spent tens of millions of dollars dredging the reservoir.

Well, Denver came forward and they offered a partnership with the Forest Service, which the Forest Service matched, which put up approximately 17.5 million dollars each, and now there is 40,000 acres of land in five drainage basins that are being restored and reclaimed. The adjacent cities of Aurora, Pueblo and Colorado Springs have now joined in that effort.

Flagstaff, just two weeks ago in their election, approved a 10 million dollar bond issue which will allow Flagstaff to protect their water supply systems in partnership with the Forest Service. We think these water partnerships are incredibly important -- with us and with you -- and I'd love to see a way that we could further an exploration of how to do this in each and every one of your states going forward.

By the way, at the federal level, I have reached out to the Bureau of Reclamation and the Department of Interior and I've said to them -- what about your reservoirs? How can we partner with you to protect your reservoirs? We are now looking at five pilot projects around

the country to do that. So between these partnerships --let me just mention also with the electric utility industry -- we are having some fascinating discussions.

We convened a meeting two months ago in California with four of the largest utilities in the western part of the country, and two chairmen of public utility commissions -- one from Colorado and one from California-- and we talked about how the electric utility industry could partner with us to do restoration. And why are they interested? Well it relates to the reliability of their lines, and they are worried that fire is going to take out their lines, and in fact, this summer, a lot of lines were taken out by fire. So instead of worrying about a tree falling on a line, we are now talking about looking at restoration -- perhaps $\frac{1}{4}$ of a mile or $\frac{1}{2}$ mile on each side of the line -- or looking to a valley that comes up to a ridge where a line is, where a good restoration could take place. I think the utilities are very interested in this and they are very concerned about it. Again, if they work in partnership with the public utility commissions, I think they would have a comfort level that they could do something really significant in this area. I would urge you to look at that.

Insurance companies -- the insurance industry -- are spending billions of dollars paying claims on these fires. What about doing something proactively on the front end -- what about looking at some sort of incentive in their insurance policy for those homeowners or those communities that are getting ahead of the curve and doing the firewise defensible space things that Governor Hickenlooper was just talking about.

Collaboration continues to be unbelievably important. The best way to avoid litigation I have found is by reaching out on these collaborative efforts. Our appeals are going down, and the number of decisions we are making are being litigated less. I think that is a result of good collaboration. It's not going to eliminate lawsuits, but collaboration, if we can all get together on what to do, that can ultimately help expedite things and prevent litigation.

Prescribed fire is another tool that we need to use more, but we need to be extremely careful about it. It has to be used under the right circumstances. It can't be used under the wrong circumstances, but that is an effective way of doing significant restoration.

Last, but not least, we are going to have to work very, very intensely on prioritizing our efforts. We obviously need to protect human life. Property we need to protect -- infrastructure for water (and) other types of infrastructure first and foremost. Those are the things the Forest Service now is laser focused on. They are extremely important. We are working very hard at this, and I'm hopeful you are going to see some accelerated restoration in the future. Thank you.