

1 THOMAS L. SANSONETTI
Assistant Attorney General
2 BRIAN C. TOTH
Trial Attorney
3 United States Department of Justice
Environment & Natural Resources Division
4 P.O. Box 663
Washington, DC 20044-0663
5 Telephone: (202) 305-0639
Facsimile: (202) 305-0506
6

7 McGREGOR W. SCOTT
United States Attorney
EDMUND F. BRENNAN
8 Assistant United States Attorney
501 I Street, Suite 10-100
9 Sacramento, CA 95814
Telephone: (916) 554-2766
10 Facsimile: (916) 554-2900

11 Attorneys for Federal Defendants

12
13 IN THE UNITED STATES DISTRICT COURT
14 FOR THE EASTERN DISTRICT OF CALIFORNIA
15 SACRAMENTO DIVISION

16 SIERRA NEVADA FOREST PROTECTION)
17 CAMPAIGN, PLUMAS FOREST PROJECT)
18 EARTH ISLAND INSTITUTE; and CENTER)
FOR BIOLOGICAL DIVERSITY, non-profit)
organizations,)

19 Plaintiffs,

20 v.

21 UNITED STATES FOREST SERVICE;)
22 JACK BLACKWELL, in his official capacity)
as Regional Forester, Region 5, United States)
23 Forest Service; and JAMES M. PENA,)

24 Federal Defendants,

25 and

26 QUINCY LIBRARY GROUP, an)
unincorporated citizens group; and)
27 PLUMAS COUNTY,)

28 Defendant-Intervenors.

Case No. S-04-CV-2023 LKK/PAN

**DECLARATION OF
PETER H. HOCHREIN**

1 I, PETER H. HOCHREIN, in accordance with the provisions of 28 U.S.C. section 1746 declare:
2

3 1. I am a Civil Engineer with the Forest Service, U.S. Department of Agriculture. I
4 have worked for the Forest Service for the past 29 years. I earned my Bachelors degree in
5 Forestry from the University of California at Berkeley (1978). I earned my Master of Forestry
6 degree in Forest Engineering at Oregon State University (1986). My current position is
7 Transportation Planner for the Plumas National Forest. I have been in this position for the past 7
8 years. Prior to my current job, I was the project group leader providing leadership and guidance
9 in transportation planning, road survey and design, contract administration and logging systems
10 analysis for the Plumas National Forest. Prior to that job, I was the logging engineer for the
11 Greenville and Milford Ranger Districts on the Plumas National Forest.

12 2. I have been the Plumas National Forest Economist for the past ten years. I
13 developed a spreadsheet using the State of California Yield Tax methodology to evaluate timber
14 sales to show their value and costs, and to evaluate forest-thinning contracts.. The spreadsheet
15 has been very accurate in determining selling value for timber sales and contract cost for service
16 contracts. I complete all the economic analyses for EAs and EISs on the Plumas National Forest.
17 I have been the lead in this area for the past 10 years. I prepared the economic analysis for the
18 Meadow Valley EA. See 14 AR 5001-02.

19 3. The economic analysis for the Meadow Valley project shows, among other things,
20 the total value, total cost, net value, and total non-harvest cost for actions alternatives analyzed
21 (in this case, Alternatives A and C). Each of these items is marked in capital letters on the
22 spreadsheets included in the record. See 14 AR 5001-02. The total value represents the amount a
23 logger would receive when selling the harvested timber to a mill or other purchaser, minus
24 standard logging and hauling costs. The total cost represents the amount it would cost a logger,
25 in addition to standard logging and hauling expenses, to harvest the timber and deliver it to a mill
26 or other producer. The net value is the difference between the two, and represents the
27 approximate amount a logger would pay the Forest Service to harvest the trees (i.e., stumpage).
28 The total non-harvest cost represents costs associated with action not directly tied to the harvest
and selling of timber, but which nonetheless must be done as part of completing the project.

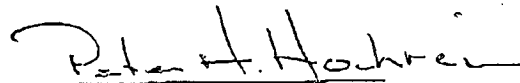
1 4. The economic analysis for alternative C shows a total value of \$6,069,766.00, a
2 total cost of \$4,814,046 and a net value of \$1,255,720. See 14 AR 5002; Attachment 1.

3 5. In order to determine the various costs and values of Alternative C without the
4 group selection component, I ran the original spreadsheet and subtracted out the timber associated
5 with the group selection harvest. See Attachment 2. This spreadsheet represents implementing
6 the Meadow Valley DFPZ with a DBH limit of 20-30" (depending on location), as set out in
7 Alternative C in the EA, and not implementing the groups. When this scenario is run, the total
8 value declines to \$2,582,082, the total cost declines to \$3,860,656, and the net value becomes
9 *negative* \$1,278,574. Id.

10 6. In order to determine the various costs and values of the DFPZ with a diameter
11 limit of 12"; I ran the original spreadsheet and subtracted out the timber associated with the group
12 selection harvest as well as the timber in the DFPZ from 12-30" DBH. See Attachment 3. When
13 this scenario is run, the total value declines to \$1,670,918, the total cost declines to \$3,437,619,
14 and the net value becomes *negative* \$1,766,701. Id.

15 7. Attachment 4 shows a summary of the calculations noted above, as well as data
16 that was used in making the calculations.

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18
19
20 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and
21 correct. Executed this 27th day of January 2005.

22
23
24
25 

26 PETER H. HOCHREIN

27 Forest Transportation Planner
28 159 Lawrence St.
Quincy, CA 95971
(530) 283-7718

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on January 28, 2005, I electronically filed the foregoing Federal
3 Defendants' DECLARATION OF PETER H. HOCHREIN, with the Clerk of the Court using the
4 CM/ECF system, which will send notification of such filing to the following:

5 Michael R. Sherwood
6 msherwood@earthjustice.org

7 Michael B. Jackson
8 mjatty@sbcglobal.net

9 I further certify that I caused to be served a copy of Federal Defendants' DECLARATION OF
10 PETER H. HOCHREIN, by Federal Express overnight delivery, upon the following individual:

11 RACHEL M. FAZIO
12 John Muir Project
13 15267 Meadow Valley
14 Grass Valley, CA 95945

15 /s/ Brian C. Toth
16 Attorney for Federal Defendants
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Attachment 1

Alternative C	ECONOMIC ANALYSIS						01/25/05
	Meadow Valley Proposed Action						13:40:29
VALUE	Total Acres =	4203	acres	Low mbf/	\$0	mbf/ac	
PP 23"-29.9" sawtimber *	1550	mbf X (	\$380	/mbf +	\$0	/mbf)	\$589,000
SP 23"-29.9" sawtimber *	388	mbf X (	\$380	/mbf +	\$0	/mbf)	\$147,250
WF 23"-29.9" sawtimber *	4650	mbf X (	\$190	/mbf +	\$0	/mbf)	\$883,500
DF 23"-29.9" sawtimber *	775	mbf X (	\$370	/mbf +	\$0	/mbf)	\$286,750
IC 23"-29.9" sawtimber *	388	mbf X (	\$420	/mbf +	\$0	/mbf)	\$162,750
ALL 10"-22.9" sawtimber **	28250	mbf X (	\$90	/mbf +	\$0	/mbf)	\$2,542,500
Biomass Value when Removed	5025	acres X	25.2	tons/acre X	\$11.50	/ton =	\$1,458,016
TOTAL VALUE	36000	mbf	8.6	mbf/acre			\$6,069,766
	7750		126784				
COSTS	(Assumes Harvesting Sawtimber and Biomass in One Operation)						
Add sawtimber skyline cost	0	mbf X	\$69	/mbf =			\$0
Additional Cost	0	mbf X	\$180.0	/mbf			\$0
Additional Cost	0	acres X	\$0	/acre			\$0
	Average Unit Size =	148	acres			\$15	/acre
	Contract Length =	2	years			(\$30)	/acre
	Months Operation =	5	months			\$0	/acre
Acres of 6"-9.9" biomass-tractor	0	acres X (	\$302	/acre +	(\$15)	/acre)	\$0
Acres of 3"-9.9" biomass-tractor	5025	acres X (	\$352	/acre +	(\$15)	/acre)	\$1,694,965
Acres of 6"-9.9" biomass-skyline	0	acres X (	\$1,500	/acre +	(\$15)	/acre)	\$0
Acres of 3"-9.9" biomass-skyline	0	acres X (	\$2,000	/acre +	(\$15)	/acre)	\$0
	5025	Biomass Acres					
# of sawtimber loads	36000.0	mbf /			4	mbf/truck =	9000
Additional Haul Cost (4 hr avg)	0	hours/trip X	\$50	/hour X	9000	trips	\$0
# of biomass loads	5025	acres X	25.2	tons/acre /	25	tons/truck =	5071
Haul Cost Biomass	4	hours/trip X	\$50	/hour X	5071	trips	\$1,014,200
Surface Replacement-sawtimber	36000	mbf X			\$4.00	/mbf =	\$144,000
Surface Replacement-biomass	5025	acres X	25.2	tons/acre X	\$0.67	/ton =	\$84,945
Subsoiling Costs	200	acres X	\$230	/acre			\$46,000
BD Costs	36000	mbf X	\$1.00	/mbf			\$36,000
Road Construction	75.0	miles X	5,000	/mile			\$375,000
Advertised Rate-sawtimber	36000	mbf X			\$13.50	/mbf	\$486,000
Advertised Rate-biomass	5025	acres X	25.2	tons/acre X	\$0.20	/ton	\$25,357
Yield Tax	\$6,069,766	X	2.9%				\$176,023
Scaling Sawtimber	9000	trips	\$60	/trip			\$540,000
Scaling Biomass	5071	trips	\$35	/trip			\$177,485
TOTAL COST							\$4,814,046
NET VALUE							\$1,255,720
				PERCENT ABOVE VALUE			21%
Groups:				Acre/job		Full Time Jobs	
Reforestation Costs	335	acres X	\$275	/acre	110	7	\$92,125
Grapple Pile	223	acres X	\$250	/acre	120	4	\$55,750
Hand line and Underburn	256	acres X	\$450	/acre	400	1	\$115,200
Road Decommissioning	40	miles X	\$5000	/mile	40	2	\$198,500
DFPZ:							
Grapple Pile	1023	acres X	\$250	/acre	120	19	\$255,750
Hand Pile and Burn	828	acres X	\$500	/acre	120	15	\$414,000
Hand line and Underburn	3099	acres X	\$150	/acre	400	17	\$464,850
Mastication	105	acres X	\$400	/acre	120	2	\$42,000
TOTAL NON-HARVEST COST							\$1,638,175
Harvest/Biomass						616	
TOTAL FULL TIME JOBS							683
TOTAL EMPLOYEE-RELATED INCOME							\$29,377,557
Assumptions:							
* Harvest Value Schedules, CA State Board of Equalization, Table 4, Area 7, Tractor, 23"-29.9" dbh							
** Harvest Value Schedules, CA State Board of Equalization, Misc. Harvest Values, Small Sawlogs, 14"-22.9" dbh							
*** Timber Values for 10"-13.9" are \$25.00/mbf							
Deduction if average volume per acre under 5mbf/ac -\$25, under 2mbf/ac -\$50							
Skyline Yarding \$30/mbf for 23"-29.9"(25% of Volume) \$80/mbf for 14"-22.9"(75% of Volume)							
Cost/ac for unit size increases 0% for 400 ac to 20% for 5 ac							
Cost/ac for contract length decreases 10% every year after one year							
Cost/ac for months of operation decreases 10% for 10 months or more and increases 10% for 4 months or less							

Attachment 2

Alterative C without Groups <30"		ECONOMIC ANALYSIS					01/25/05
		Meadow Valley Proposed Action					13:40:29
VALUE	Total Acres =	3492	acres	Low mbf,	(\$25)	mbf/ac	
PP 23"-29.9" sawtimber *	166	mbf X (	\$380	/mbf +	(\$25)/mbf)	\$59,104
SP 23"-29.9" sawtimber *	42	mbf X (	\$380	/mbf +	(\$25)/mbf)	\$14,776
WF 23"-29.9" sawtimber *	499	mbf X (	\$190	/mbf +	(\$25)/mbf)	\$82,413
DF 23"-29.9" sawtimber *	83	mbf X (	\$370	/mbf +	(\$25)/mbf)	\$28,720
IC 23"-29.9" sawtimber *	42	mbf X (	\$420	/mbf +	(\$25)/mbf)	\$16,441
ALL 10"-22.9" sawtimber **	14194	mbf X (	\$90	/mbf +	(\$25)/mbf)	\$922,613
Biomass Value when Removed	4876	acres X	26.0	tons/acre X	\$11.50 /ton =	\$1,458,016	
TOTAL VALUE	15027	mbf	4.3	mbf/acre		\$2,582,082	
	832.45		126784				
COSTS	(Assumes Harvesting Sawtimber and Biomass in One Operation)						
Add sawtimber skyline cost	0	mbf X	\$77	/mbf =		\$0	
Additional Cost	0	mbf X	\$180.0	/mbf		\$0	
Additional Cost	0	acres X	\$0	/acre		\$0	
	Average Unit Size =	143	acres		\$15 /acre		
	Contract Length =	2	years		(\$31) /acre		
	Months Operation =	5	months		\$0 /acre		
Acres of 6"-9.9" biomass-tractor	0	acres X (	\$308	/acre +	(\$15) /acre)	\$0
Acres of 3"-9.9" biomass-tractor	4876	acres X (	\$360	/acre +	(\$15) /acre)	\$1,682,300
Acres of 6"-9.9" biomass-skyline	0	acres X (	\$1,500	/acre +	(\$15) /acre)	\$0
Acres of 3"-9.9" biomass-skyline	0	acres X (	\$2,000	/acre +	(\$15) /acre)	\$0
	4876	Biomass Acres					
# of sawtimber loads	15026.5	mbf /			4 mbf/truck =	3757	
Additional Haul Cost (4 hr avg)	0	hours/trip X	\$50	/hour X	3757 trips	\$0	
# of biomass loads	4876	acres X	26.0	tons/acre /	25 tons/truck =	5071	
Haul Cost Biomass	4	hours/trip X	\$50	/hour X	5071 trips	\$1,014,200	
Surface Replacement-sawtimber	15027	mbf X			\$4.00 /mbf =	\$60,106	
Surface Replacement-biomass	4876	acres X	26.0	tons/acre X	\$0.67 /ton =	\$84,945	
Subsoiling Costs	175	acres X	\$230	/acre		\$40,250	
BD Costs	15027	mbf X	\$1.00	/mbf		\$15,027	
Road Construction	49.8	miles X	5,000	/mile		\$249,000	
Advertised Rate-sawtimber	15027	mbf X			\$13.50 /mbf	\$202,858	
Advertised Rate-biomass	4876	acres X	26.0	tons/acre X	\$0.20 /ton	\$25,357	
Yield Tax	\$2,582,082	X	2.9%			\$74,880	
Scaling Sawtimber	3757	trips	\$60	/trip		\$225,420	
Scaling Biomass	5071	trips	\$35	/trip		\$177,485	
TOTAL COST						\$3,860,656	
NET VALUE						(\$1,278,574)	
				PERCENT ABOVE VALUE		-50%	
Groups:				Acre/job	Full Time Jobs		
Reforestation Costs	0	acres X	\$275	/acre	110	0 \$0	
Grapple Pile	0	acres X	\$250	/acre	120	0 \$0	
Hand line and Underburn	0	acres X	\$450	/acre	400	0 \$0	
Road Decommissioning	40	miles X	\$5000	/mile	40	2 \$198,500	
DFPZ:							
Grapple Pile	1023	acres X	\$250	/acre	120	19 \$255,750	
Hand Pile and Burn	828	acres X	\$500	/acre	120	15 \$414,000	
Hand line and Underburn	3099	acres X	\$150	/acre	400	17 \$464,850	
Mastication	105	acres X	\$400	/acre	120	2 \$42,000	
TOTAL NON-HARVEST COST						\$1,375,100	
Harvest/Biomass					343		
TOTAL FULL TIME JOBS						398	
TOTAL EMPLOYEE-RELATED INCOME						\$17,128,928	
Assumptions:							
* Harvest Value Schedules, CA State Board of Equalization, Table 4, Area 7, Tractor, 23"-29.9" dbh							
** Harvest Value Schedules, CA State Board of Equalization, Misc. Harvest Values, Small Sawlogs, 14"-22.9" dbh							
*** Timber Values for 10"-13.9" are \$25.00/mbf							
Deduction if average volume per acre under 5mbf/ac -\$25, under 2mbf/ac -\$50							
Skyline Yarding \$30/mbf for 23"-29.9"(25% of Volume) \$80/mbf for 14"-22.9"(75% of Volume)							
Cost/ac for unit size increases 0% for 400 ac to 20% for 5 ac							
Cost/ac for contract length decreases 10% every year after one year							
Cost/ac for months of operation decreases 10% for 10 months or more and increases 10% for 4 months or less							

Attachment 3

Alterative C without Groups < 12"		ECONOMIC ANALYSIS				01/25/05	
		Meadow Valley Proposed Action				13:40:29	
VALUE	Total Acres =	4203 acres	Low mbf/	(\$25)	mbf/ac		
PP 23"-29.9" sawtimber *	0 mbf X (	\$380 /mbf +	(\$25) /mbf)			\$0	
SP 23"-29.9" sawtimber *	0 mbf X (	\$380 /mbf +	(\$25) /mbf)			\$0	
WF 23"-29.9" sawtimber *	0 mbf X (	\$190 /mbf +	(\$25) /mbf)			\$0	
DF 23"-29.9" sawtimber *	0 mbf X (	\$370 /mbf +	(\$25) /mbf)			\$0	
IC 23"-29.9" sawtimber *	0 mbf X (	\$420 /mbf +	(\$25) /mbf)			\$0	
ALL 10"-22.9" sawtimber **	3275 mbf X (	\$90 /mbf +	(\$25) /mbf)			\$212,902	
Biomass Value when Removed	4876 acres X	26.0 tons/acre X	\$11.50 /ton =			\$1,458,016	
TOTAL VALUE	3275 mbf	0.8 mbf/acre				\$1,670,918	
	0	126784					
COSTS	(Assumes Harvesting Sawtimber and Biomass in One Operation)						
Add sawtimber skyline cost	0 mbf X	\$80 /mbf =				\$0	
Additional Cost	0 mbf X	\$180.0 /mbf				\$0	
Additional Cost	0 acres X	\$0 /acre				\$0	
	Average Unit Size =	143 acres			\$15 /acre		
	Contract Length =	2 years			(\$31) /acre		
	Months Operation =	5 months			\$0 /acre		
Acres of 6"-9.9" biomass-tractor	0 acres X (	\$308 /acre +	(\$15) /acre)			\$0	
Acres of 3"-9.9" biomass-tractor	4876 acres X (	\$360 /acre +	(\$15) /acre)			\$1,682,300	
Acres of 6"-9.9" biomass-skyline	0 acres X (	\$1,500 /acre +	(\$15) /acre)			\$0	
Acres of 3"-9.9" biomass-skyline	0 acres X (	\$2,000 /acre +	(\$15) /acre)			\$0	
	4876 Biomass Acres						
# of sawtimber loads	3275.4 mbf /			4 mbf/truck =		819	
Additional Haul Cost (4 hr avg)	0 hours/trip X	\$50 /hour X		819 trips		\$0	
# of biomass loads	4876 acres X	26.0 tons/acre /		25 tons/truck =		5071	
Haul Cost Biomass	4 hours/trip X	\$50 /hour X		5071 trips		\$1,014,200	
Surface Replacement-sawtimber	3275 mbf X			\$4.00 /mbf =		\$13,102	
Surface Replacement-biomass	4876 acres X	26.0 tons/acre X	\$0.67 /ton =			\$84,945	
Subsoiling Costs	175 acres X	\$230 /acre				\$40,250	
BD Costs	3275 mbf X	\$1.00 /mbf				\$3,275	
Road Construction	49.8 miles X	5,000 /mile				\$249,000	
Advertised Rate-sawtimber	3275 mbf X			\$13.50 /mbf		\$44,218	
Advertised Rate-biomass	4876 acres X	26.0 tons/acre X	\$0.20 /ton			\$25,357	
Yield Tax	\$1,670,918 X	2.9%				\$48,457	
Scaling Sawtimber	819 trips	\$60 /trip				\$49,140	
Scaling Biomass	5071 trips	\$35 /trip				\$177,485	
TOTAL COST						\$3,437,619	
NET VALUE						(\$1,766,701)	
				PERCENT ABOVE VALUE		-106%	
Groups:				Acre/job	Full Time Jobs		
Reforestation Costs	0 acres X	\$275 /acre		110	0	\$0	
Grapple Pile	0 acres X	\$250 /acre		120	0	\$0	
Hand line and Underburn	0 acres X	\$450 /acre		400	0	\$0	
Road Decommissioning	40 miles X	\$5000 /mile		40	2	\$198,500	
DFPZ:							
Grapple Pile	1023 acres X	\$250 /acre		120	19	\$255,750	
Hand Pile and Burn	828 acres X	\$500 /acre		120	15	\$414,000	
Hand line and Underburn	3099 acres X	\$150 /acre		400	17	\$464,850	
Mastication	105 acres X	\$400 /acre		120	2	\$42,000	
TOTAL NON-HARVEST COST						\$1,375,100	
Harvest/Biomass					190		
TOTAL FULL TIME JOBS						246	
TOTAL EMPLOYEE-RELATED INCOME						\$10,560,074	
Assumptions:							
* Harvest Value Schedules, CA State Board of Equalization, Table 4, Area 7, Tractor, 23"-29.9" dbh							
** Harvest Value Schedules, CA State Board of Equalization, Misc. Harvest Values, Small Sawlogs, 14"-22.9" dbh							
*** Timber Values for 10"-13.9" are \$25.00/mbf							
Deduction if average volume per acre under 5mbf/ac -\$25, under 2mbf/ac -\$50							
Skyline Yarding \$30/mbf for 23"-29.9"(25% of Volume) \$80/mbf for 14"-22.9"(75% of Volume)							
Cost/ac for unit size increases 0% for 400 ac to 20% for 5 ac							
Cost/ac for contract length decreases 10% every year after one year							
Cost/ac for months of operation decreases 10% for 10 months or more and increases 10% for 4 months or less							

Attachment 4

