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State of Vermont General Assembly Legislative Reports 115 State Street Montpelier, VT 05633-5301

Representative Sheldon and Senator Cummings:

As directed in Act 155 of 2022, I'm writing to provide you with an update on the Agency's review of the Memorandum of Understanding (MOU) of the harvesting policy for the Ryegate Power Station wood procurement to promote sustainable and healthy forests and forest economy in the region.

On December 11, 1992, Ryegate Associates (Ryegate) filed a copy of an MOU regarding the wood harvesting policy with the Public Service Board (now the Public Utilities Commission). The MOU memorializes the agreement of Ryegate, the Agency of Natural Resources (ANR), and the Department of Public Service (DPS) with the "Harvesting Policy for Whole Tree Chipping and Roundwood Harvesting Operations in Vermont." The MOU has not been updated since.

The MOU establishes the Ryegate Power Station wood fuel harvesting policy within Vermont and outlines the criteria of "good forestry practice" within the policy. The policy includes consideration of water quality, aesthetics, habitat for wildlife and fisheries, archeological sites, timber harvesting, and contract requirements for all harvesting operations from which Ryegate sources wood in Vermont. It requires Ryegate forester(s) to periodically inspect harvesting operations for compliance with the policy. In the event of unresolved violations, Ryegate must terminate the purchase of wood fuel from the responsible party. In addition, the MOU stipulates that Ryegate foresters are required to prepare and submit a "Whole Tree Chip/Roundwood Harvest Notification" to the Fish and Wildlife Department (VT F&W) for comprehensive review and subsequent approval for all harvesting operations conducted in Vermont. VT F&W review ensures the harvest plan protects deer wintering areas, wetlands, and the habitat of threatened or endangered species.

While the MOU continues to serve as a robust foundation for promoting sustainable and healthy forests, as well as fostering a strong forest economy in the region, like many agreements of its age, there exists an opportunity for modernization. As such, ANR will work with Ryegate and the Public Utility Commission to update and enhance the MOU to better align with current regulations and the evolution of how "good forestry practices" are defined. Specifically, the modernization process will focus on revisions to the MOU that help ensure that forest management practices, which contribute to the wood supply for Ryegate, are consistent with the



objective of maintaining healthy and sustainably managed forests capable of providing a wide range of benefits.

These revisions may entail incorporating forester licensure requirements in Vermont, an increased emphasis on climate adaptation and forest resilience strategies, as well as clarification of roles and processes. We anticipate that completing this endeavor will take approximately six months.

We appreciate your commitment to renewable energy and healthy, resilient, and sustainably managed forests.

Sincerely,

Julia S. Moore, P.E.

Secretary, Agency of Natural Resources

