

Woodland PEI

Newsletter of the PEI Woodlot Owners Association



*What are
carbon credits?*

*Find out on
page 3*

Featured in this Issue:

- Report from the Chair - p. 2
- PEI Woodlots and the Carbon Economy - p. 3-6
- Small Scale Traditional Sawing Still Going Strong - p. 7-8

Report of the Chair



EDITORIAL: In these most interesting times, we scramble to find meaning to prepare for an uncertain future. Observation, science and knowledge of past practices and communities provide some certainty and the inspiration we need to embrace change. The articles featured in this issue by two of our talented and dedicated Board members honour both past and future: Doug Millington's well-researched article on carbon credits (p.3) is timely and worthy of your study; Barry Murray's story about a working sawmill on a family farm in Hamilton, Prince County (p.7) reminds us that small-scale operations that have been very suitable in the PEI context in the past should not be forgotten or overlooked as we move forward.

-- Kathy Stuart

BOARD OF DIRECTORS

Since the AGM in April, the Board of Directors met each month at members' homes around the Province to carry out work of the Association. Our delegation met with Environment Minister Steven Myers and his staff on two occasions to discuss: a) concerns over provincial forestry programming; 2) expanding National Building Code limits within provincial parameters for local lumber use; 3) access to lumber grading on PEI, and other issues. We have also explored structural and organizational issues affecting PEI forestry and the relationship between PEIWOA and the proposed startup of the Sustainable Forestry Alliance (SFA) in eastern PEI, which we support on our way to zero-carbon.

Thanks so much to all who responded to our request for acreages to determine the aggregate amount of woodland owned by members. For our 91 paid-up members, the response rate of 47% is amazing. It is only a rough ballpark estimate, but by extrapolating from the aggregate acreage of 7,780 acres for 43 members up to the full membership, we may have around 16,500 wooded acres in PEIWOA, averaging about 182 acres per member. About half of the respondents reported an acreage between 50 and 200 acres; the rest are split equally above or below that size range.

Lastly, a huge thanks to our wonderful Board of Directors, all volunteers who make this work possible on behalf of you, the members.

--Kathy Stuart, Chair, Board of Directors, PEIWOA

PEIWOA BOARD MEMBERS (2021-22)

Kings County: John Keuper (*Treasurer*), John J. Rowe, Kathy Stuart (*Chair*)

Queens County: Jesse Argent, Thomas Baglole, Doug Millington (*Secretary*)

Prince County: Marcel Arsenault, Bruce Craig, Barry Murray, John Arthur Ramsay (*Vice Chair*)

Representing PEIWOA: Thomas Baglole (CFFO) and John Rowe (PEIFA)



Doug Millington, Board member and intrepid investigative journalist, tackles the complex issue of carbon credits to alert woodlot owners about new market opportunities.

PEI Woodlots and the Carbon Economy

by Doug Millington

With much of the world gradually achieving some measure of pandemic control, the international community is re-focusing its collective attention on the colossal challenge of climate change. November's COP26 Conference in Glasgow is the most recent example of the international effort that will be needed to prevent the world's climate from warming to catastrophic levels. Plans are being made on PEI to play a part in that effort, and those plans may involve new revenue sources for Island woodlot owners.

COP ("Conference of the Parties") events are part of the exhaustive series of international studies and meetings sponsored by the UN's Intergovernmental Panel on Climate Change (IPCC).

Since 1988, the IPCC, marshalling the resources of thousands of scientists worldwide, has produced an alarming array of authoritative reports summarizing the perilous state of our climate. The latest IPCC report, titled "The Physical Science Basis" and weighing in at nearly four thousand pages, concludes that it is an unequivocal fact that human-induced climate change is here now and its influence has already warmed the climate at a rate unprecedented in at least the last two thousand years. A further UN Emissions Gap report warns that the world is nowhere near to meeting greenhouse gas (GHG) targets needed to even limit global warming.

With the appearance of such repeated and irrefutable warnings, many governments are searching desperately for **ways to prevent carbon from entering the atmosphere.** As a result, carbon sinks, natural systems that store carbon dioxide from the atmosphere, are in high demand. That high demand is fueling a new marketplace regulated by a complex web of agencies, brokers, quotas and regulations defining standards by which carbon can be measured, priced, captured and/or 'sequestered' from the atmosphere.

This emerging '**carbon economy**' has doubled in value every year for the past five years. It is coming to a woodlot near you, along with the potential for new revenue sources for owners who choose to manage their woodlots as carbon sinks.

The world's biggest carbon sinks are soils, oceans and plants. Trees, earth's biggest plants, are thus important potential carbon sinks. With the accelerating advent of climate change, there is considerable pressure to find ways to **maximize the carbon sink capacity of forests, including private woodlots here on PEI.**

PEI Woodlots and the Carbon Economy ... (cont'd)

The currency of the new carbon market is the **carbon credit**, each credit representing one tonne of atmospheric CO₂ (or the equivalent amount of other greenhouse gases-GHG) that has been reduced by whichever nation, province, corporation or person is claiming the credit.



Carbon credits are now a well-established commodity in high demand, especially by companies and governments trying to offset their own excess GHG emissions. There are licensed carbon credit brokers who could monitor the activities of PEI woodlot owners, dispensing (and buying) carbon credits based on the tonnage of CO₂ (or CO₂ equivalent GHGs) avoided or sequestered.

Eagerly monitoring these developments is Jon Schurman, Forestry Coordinator in the newly formed “Office of Net-Zero” and the PEI government’s leading advocate for climate-smart forestry in the hunt for woodland carbon sequestration.

A professional forest scientist with several years of international silviculture experience, Schurman says for PEI’s overall goal of Net-Zero emissions to be achieved, forest carbon sequestration will need to offset about 30% of current GHG emissions. If forests continue to be managed the way they are today, including current deforestation trends, that target will not be met.

Schurman recently attended the COP26 conference in Glasgow. Prior to departure he laid out his analysis of how the emerging carbon economy might benefit PEI where so many woodlots have limited opportunity for a short-term return, other than conversion to farmland.

He says there are three clear woodlot management options to improve PEI’s forestry situation:

a) reforestation, b) avoided deforestation, and c) improved forest management. All of these approaches provide potential access to carbon-based revenue derived from one simple principle: “All mechanisms to make money off of forest carbon credits must be generated through an increase in standing wood volume.”

The **first option**, the most direct way to benefit from carbon credits, is to reforest abandoned pastures and other vacant, un-forested land. That’s a hard sell to woodlot owners because it’s a strategy requiring a long-term commitment. Still, reforestation carbon credits could theoretically return as much as 50% of the original value of the real estate. Schurman estimates that carbon credit payments would be up to \$50/acre per year, so a reforested acre could generate a dividend of \$1,000 worth of carbon credits over a 20-year period. For the patient landowner, this would be a dividend above and beyond the increase in the market value of their unharvested, verdant forest.

When considering the **second option**, avoiding deforestation, job number one is to limit clearcutting, especially when the result of the clearcut is permanent deforestation. “Clearcutting is not the silvicultural practice we should be applying in many cases on PEI, but if trees are allowed to regrow on a property, then that is not such a devastating loss. Clearcutting, then pulling out all stumps and dead wood, followed by tilling for potatoes or seeding grass for cottage country, is a serious loss. A hectare of woodlot will accumulate several tons of CO₂ a year. If we deforest even a degraded woodlot, that’s 50 tons out the gate right there. It takes 25 hectares of forest growth to balance one hectare of deforestation.”

By avoiding deforestation, especially conversion clearcuts, PEI woodlot owners may be able to profit by simply allowing their standing woods to keep standing and amassing carbon credits.

“It’s possible that there may be cash up front for owners who don’t want to see their woodlot deforested now or ever. So, someone who is proud of their woodlot and doesn’t want it harvested, signs up and gets cash annually to keep it unharvested, but commits to paying the money back if harvesting eventually goes ahead. This would be a voluntary, private market paying for the protection of that forest over time. The deal would go with the property if it changed hands. The new owner would need to buy the deal from whatever carbon credit broker the carbon credits were offered from. Such an arrangement has been deployed in other places including South America, Maine, and even smaller projects in New Brunswick.”



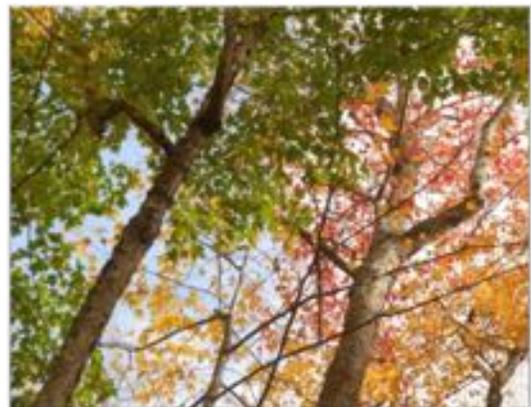
The **third option**, improved forest management, could generate a carbon credit even in the event of woodlot harvesting, provided owners choose to leave some wood on site. Doing so would also further incentivize selection or shelterwood treatments. On PEI, this approach would likely involve negotiation between a carbon credit broker and a forestry consultant operating on behalf of a woodlot owner, assuming there are logging contractors willing and able to carry out the harvesting operation.

Unfortunately, given the small acreage of most PEI woodlots, a typical owner choosing option 3 might have precarious access to the carbon market because, on most PEI sites, there’s just not that much wood that can be left for a carbon credit dividend. However, the fragmented, small-scale ownership of PEI’s forest resources could possibly incentivize collective action and the establishment of forest co-ops.

Woodlot owners having access to a forest co-op, a cooperative of other woodlot owners, would enlarge the pool of forest land that could be harvested at the same time by one contractor. This would increase the woodlot owners’ leverage to argue for more wood to be left on site.

In Jon Schurman’s view, “in light of increasing bio-energy opportunities, there’s a good opportunity for a maneuverable biomass salvage company that can go east to west over a coordinated (co-op administered) area, if a bio-energy market can motivate that type of activity. If we’re going to have a ‘hundred-year storm’ every ten years, those types of salvage operations will be critical.” As well, in a co-op setting, the administrative overhead expense of carbon-credit auditing would be distributed over more land, so it would cut into less of the individual woodlot owner’s carbon dividend.

In fact, a **woodlot owners’ co-op is in the process of being formed on PEI**. Island forester Dan Dupont is spearheading the creation the Sustainable Forest Alliance (SFA), an owner’s co-op focused on sustainable forest harvesting and management. The SFA aims to bring at least fifty thousand acres of PEI’s forested lands under the umbrella of one managerial co-op and expects to make a public announcement about an official launch before year’s end.



PEI Woodlots and the Carbon Economy ... (cont'd)

Among other services, the new co-op plans to make use of carbon markets to offer carbon credit dividends to woodlot owners. Founder Dan Dupont sees the carbon market as an international movement with prices going “in the right direction”, so the SFA is hoping to play a key role in the provincial government’s stated goal of achieving net-zero on PEI by 2030.

According to Jon Schurman, there are also other Maritime interests aiming to access forest carbon credit markets via a forest co-op. Medway Community Forest Cooperative is a crown forestry co-op in Nova Scotia operating on crown land and integrating community feedback into their management plan. They want to use carbon credits to expand their domain into sizeable woodlot owners who want some sort of easement over their property which guarantees the land will continue to be a managed forest after they sell it. Acting as a form of a nature trust, this co-op hopes to oversee implementation of the easement and use the money from the land’s carbon credits to cover the cost of doing so.



IPCC, COP, GHG, CO₂ equivalents, standing wood volume, biomass salvaging and forestry co-ops: these are just a few of the new variables to be considered as PEI woodlot owners engage with the rapidly emerging carbon economy and its associated sinks, exchanges, brokers, auditing and hopefully, dividends.

--Doug Millington



The PEI Woodlot Owners Association represents your interests through its Board of Directors (who are all unpaid volunteers). It seeks resources for you to manage your woodlot sustainably. PEIWOA’s goals are aligned with education, sustainability and promotion of locally produced, value-added forest products and services.

Do not hesitate to contact us.

Your continued support as a member of our non-profit Association and a patron of PEI businesses and services is critical, enabling PEIWOA to grow and move forward.

Visit our website www.peiwoa.ca or e-mail peiwoodlotowners@gmail.com.

Small Scale Traditional Sawing Still Going Strong

By Barry Murray

James (Jimmy) Carruthers has lived on a dairy farm in Hamilton, PEI, for 50 years with his wife Elva. The dairy herd now belongs to their son, Michael, who milks 120 Holsteins and grows feed for the cows. Jimmy still helps out quite a bit around the farm, but he also has time and energy to pursue his many interests, including running a sawmill, shingle mill and planer, all dating back to the age of water mills and steam power.

All three antique pieces are in operating condition, due to the maintenance, repairs, and improvements that Jimmy has applied over the years. The **sawmill** once was in a community near O'Leary, dating back to the 1850's. In those early days of European settlement, a sawmill was often one of, if not the very first project to be constructed in a new community. The abundance of timber was gradually sawn into lumber, creating construction material as the land was cleared.



The sawmill Jimmy owns was moved from its original home in West Prince to Miscouche, where Donny Gillis operated it for several years. Jimmy purchased the mill from Donny, learned to operate it in Miscouche, and eventually moved a nearby building to his farm and installed the mill.



Once powered by water mills and steam, the mills and planer are now run by PTO and belt. A laser guide has been installed and a blower has been built to remove sawdust on the saw, but most of the original mill is intact.

The **shingle mill** came from East Baltic and dates from the same era.

The **planer** was once operated by Halls Manufacturing in Summerside where it was used to make the panels on threshing machines. It was moved by Rupert Simpson to Simpsons Mill near Cavendish, and then to Hamilton.

Small Scale Traditional Sawing Still Going Strong...(cont'd)

Jimmy and Michael own around 40 acres of woodlot, attached to their farm property. Jimmy cuts the wood himself, saws the lumber and makes shingles for the construction and maintenance of the buildings on the farm and for a few friends.

With the help of Mike Delaney, also an avid historical machinery buff, they have run Hamilton Days, where they invite members of the public to see the mills in action, along with a working threshing machine and other historical agricultural equipment.

“A lot I’ve had to learn the hard way, but eventually even a fool like me can make it all run”, chuckles Jimmy, a member of PEIWOA.

“I like to keep busy, and there is a need for small mills to handle small volumes of stud wood and timber. Our woodlots are improved with patch cuts and selective cutting, which is hard for some of the big forest operators to do and for the sawmills to handle. The relatively small amounts of logs are often of high quality, and I’m glad to be able to turn them into good lumber.”

“I definitely see a place for small mills, both stationary and mobile, for PEI’s woodlots. Small scale operations of all kinds work good on PEI. It’s kind of what we do best.”



What can we do to improve the future for our woodlots? “If we could access more trees for replanting, get more of the knowledge about growing trees out in the woodlots and working to improve them, we’ll be in better shape. Maybe we should encourage programs to plant trees in all areas which has been pasture land and is not suitable for cropping or pasture land any more. Be like Holland, make good use of every square inch of our land.”

Wise words from someone with life-long woodlot experience. --Barry Murray

Membership in PEIWOA

To join as a new member of PEIWOA, or simply renew if your current membership has expired, just do two things: (1) fill out our membership form online at www.peiwoa.ca, and (2) e-transfer from your bank to etransfer@peiwoa.ca where it will be auto-deposited securely into our account.

If you prefer, mail your cheque with your **current civic address, e-mail address** and **phone number** to: **PEI Woodlot Owners Association, 81 Prince Street, Charlottetown PE C1A 4R3**

2021-22 Membership Rates

One-year PEIWOA membership*, ending March 31, 2022	\$ 25.00
Two-year membership, ending March 31, 2023	40.00
50% discounted rate for members of PEIFA or NFU, ending March 31, 2023	20.00

*You will be asked for your number of acres (kept confidential) and the **County** where your woodlot is located to become an **Active** (voting) member. **Associate** (non-voting) members pay the same rates but are not required to own a woodlot. We appreciate your support.