Fort St. John Results Based Pilot Project Public Advisory Group Meeting # 49 Thursday, March 17, 2015 from 5:30 to 9:30 Fort St. John Quality Inn, Northern Grand Meeting Room

A) Meeting Attendance:

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|----|-------|-----|------|
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| Name | Interest | Phone | Email |
|-------------------|-----------------------|----------------|------------------------------|
| Walter Fister | BC Timber Sales | (250) 262-3328 | Walter.Fister@gov.bc.ca |
| Darrell Regimbald | Canfor | (250) 787-3651 | darrell.regimbald@canfor.com |
| Dawn Griffin | Canfor | (250) 787-3607 | dawn.griffin@canfor.com |
| Stephanie Smith | B.C. Timber Sales | (250) 784-1209 | Stephanie.Smith@gov.bc.ca |
| Larry McFadden | BC Timber Sales | (250) 262-3324 | Lawrence.McFadden@gov.bc.ca |
| Ashley Bunker | Canfor | (250) 787-3695 | Ashley.Bunker@canfor.com |
| Sara Hyslop | Canfor | (250) 787-3696 | sara.hyslop@canfor.com |
| Evan Hauk | Canfor | (250) 787-3693 | evan.hauk@canfor.com |
| Mark Fonda | LP | (250) 782-3802 | Mark.Fonda@LPcorp.com |
| Andrew Moore | Cameron River Logging | (250) 789-3621 | admoore@cameronriver.ca |

PAG Interest Representatives and Alternates

| Name | Interest | Phone | Email |
|------------------|---------------------------|----------------|------------------------------|
| | | | |
| Fred Jarvis | Rural Communities | (250) 262-2913 | fredjarvis@shaw.ca |
| Jim McKnight | Environment | (250) 262-1673 | jimk01@telus.net |
| Dave Harris | Range-alternate | (250) 827-3503 | dharris@pris.ca |
| Les Christianson | Outdoor Recreation - alt | (778) 256-4541 | lchristianson@live.ca |
| Roy Lube | Outdoor Recreation | (250) 787-7619 | rlube@telus.net |
| Budd Phillips | Non-commercial Recreation | (250) 785-1283 | Budd.Phillips@worksafebc.com |
| Andy Ackerman | Urban Communities | (250) 787-8458 | ackerman@telus.net |
| Ray Ensz | Trapping | (250) 793-2825 | rbensz@shaw.ca |

| Advisors | Interest | Phone | Email |
|--------------------|-------------------------------|----------------|-----------------------------|
| Name | | | |
| Elizabeth Hunt | F.L.N.R.O. | (250) 784-1237 | Elizabeth.Hunt@gov.bc.ca |
| Megan Watters | F.L.N.R.O presenter | (250) 787-3507 | Megan.Watters@gov.bc.ca |
| Chris Pasztor | M. of Environment - presenter | (250) 356-7905 | Chris.Pasztor@gov.bc.ca |
| | | | |
| Other | Interest | Phone | Email |
| Name | | | |
| Gail Wallin | Facilitator | (250) 305-9161 | gwallin@wlake.com |
| Dave Menzies | Observer | (250) 787-7877 | dmenzies@pris.ca |
| Mary Viszlai-Beele | Observer | (250) 774-5517 | Mary.ViszlaiBeele@gov.bc.ca |
| Katharina Keuth | Observer | (250) 827-3305 | N/A |
| Gord Haines | Observer | | outdoorgord@hotmail.com |

B) Meeting Agenda & Summary

Agenda

- 1. Welcome and Introductions Gail Wallin
- 2. Review of Meeting Agenda Gail Wallin
- 3. Review of Meeting #48 draft summary Gail Wallin
- 4. Review of Outstanding Actions Darrell Regimbald
- 5. Update from Participants Dawn Griffin/Walter Fister/Andrew Moore
 - Canfor, BCTS, Cameron River Logging
- 6. Review of 2015 Meeting Schedule-Darrell Regimbald
- 7. Revisions of Indicator Matrix Walter Fister
- 8. Revisions of landscape level strategies Darrell Regimbald
- 9. Presentation re: Caribou Megan Watters
- 10. Preparations Summer Field Trip Evan Hauk
- 11. Completion of annual PAG Public Participation Process Satisfaction Survey–Ashley Bunker
- 12. Feedback on Meeting

1) Welcome and Introductions

- Roundtable introductions from PAG, participants, members, and observers.
- Participation in the meeting was extended to all present.

2) Review of Meeting Agenda

• Agenda was accepted. No changes were made.

3) Review of Meeting # 48 draft Summary

Meeting #48 summary was accepted as circulated by PAG. No changes were made.

4) Review of Outstanding Actions – Darrell Regimbald

PAG Meeting #48 Action Item #1: Participants to investigate if there is a statute of limitations for the investigation of contraventions such as trespasses.

Completed – Completed. The following response was provided by the MFLNRO: "According to Section 86(1) of FRPA, the time limit for laying an information respecting an offence under the Acts is 3 years after the date on which the facts that led to the laying of the information first came to the knowledge of an official (once it becomes known). Under FRPA, we have three years from the date that facts of a contravention becomes known to us. During those three years, a Delegated decision maker may find a contravention and levy an administrative penalty."

PAG Meeting #48 Action Item #2: Jennifer McCracken will provide PAG member the amount of area harvested due to mountain pine beetle infestation in 2013/14.

Completed - The requested information was provided to the PAG member and has been included in the meeting summary:

"At the PAG meeting last week, you asked a question regarding the amount of pine that we have harvested in the last year. I have done a little searching and found that from May 1, 2013 to May 1, 2014, Canfor delivered approximately 356,000 m³. This equates to 35% of the total conifer volume delivered in that period and wouldn't include any oil and gas volume. There are many reasons that pine% seems low despite our focus being on pine stands. Most of which you can probably determine yourself given your intimate knowledge of our business, but here they are:

Despite our focus being on pine leading stands, there is almost always a • component of spruce or aspen in our blocks.

- When we harvest deciduous stands, there is almost always incidental conifer in the stand, which is typically spruce.
- The mill targets for 2013 were 65% green meaning we must harvest a certain amount of green while still managing the beetle infested stands.

The Participates will identify in each SFM annual report the amount of pine volume harvested and the proportion of total conifer harvested.

No further questions from PAG members.

5) Update from Participants - Dawn Griffin (Canfor)/Walter Fister (BCTS)/Andrew Moore (CRL)/Mark Fonda (LP)

Cameron River Logging:

-Recently reached peak target level in log yard of 75,000 m³.

-only a few blocks with some coniferous volume yet to be brought in.

-will be working on shipping that volume to mills in the central interior.

Question: Have you any information on railcars that are not designed for log transportation, being transformed into log transport cars? (Due to the shortage of rail cars).

Answer: The availability of railcars is poor, the existing cars are old and are primarily used for the transportation of pulp. If a new railcar was ordered to day, it might be delivered in 2017. Short term, there is some availability of local pulp cars, which may help.

Question: How many extra cars would you need?

Answer: Right now, we have 40 in the system, at least 40 or another 60 to 80 cars.

Canfor:

- North American lumber markets are better, however the China market is slowing as their economy has slowed.
- Housing market lumber demand in the United States is expected to increase in the coming year.
- Fort St John sawmill has a third shift in place, approximately 300+ people working...fully staffed at this time.
- Job application process for Canfor sawmill has moved to an on-line procedure.

- Pellet plants update: Chetwynd plant construction is almost done, at the Fort St John site the foundation for the plant is now done. Chetwynd plant startup should be in October 2015 while the Fort St. John plant startup is expected to be in December 2015. Should employ 30-35 full time positions between both plants.
- Currently we are struggling with log deliveries, under target on timber volume deliveries due to last year's fire season and wet, rainy fall curtailing the number of days we could work in the bush. This has been compounded by the early spring breakup. Hoping to close the FSJ sawmill at 70% of the planned volume target (end of March, 450,000 m³ is the target, will close at approximately 330,000 m³). Peace Valley OSB has a better outlook, expecting to close at 90% of the planned volume target (290,000 m³).

Question: What wood will pellet plants utilize, wood left on the block or yard wood? Answer: The plants are designed to utilize wood residue left over at the mill. The quality of wood needs to be good.

Question: What is the target market?

Answer: For European markets.

Question: Will future plans be for cleaning up debris piles left on the blocks? Trappers may have concerns that the coarse woody debris targets may not be met if woody debris is hauled from the blocks to the pellet plant.

Answer: I would need to follow up with the manager who developed the proposal for the pellet plant.

Participant Statement: We understand the primary objective is to utilize residue from the mills, the costs in transporting debris piles from the bush would be high and therefore not economical for a long time. Our understanding is that the pellet plant capacity has been designed to utilize the wood residue generated at the mill site. Question: Why not use the waste for energizing the mill?

Answer: We are doing that currently. Wood waste is also being utilized to generate the energy to heat the drying kilns.

Action Item #1: The current plan for the pellet plants, is to utilize residue from the mills, but to clarify at a future meeting what the future plans are for the source of wood fibre for the pellet plants.

LP:

- The oriented strand board plant in Dawson Creek will have a fourth shift added by end of May 2015.

- Dawson Creek log yard inventory is low, due to contractor availability issues and early break up.

- LP manages Chetwynd Mechanical Pulp's (CMP) fiber supply under a timber tenure management agreement, similar to Canfor's agreement with LP for the Peace Valley OSB plant. CMP's Chetwynd pulp plant should be starting up in May or June 2015.

Question: Is the CMP plant to consume all deciduous?

Answer: They plan on utilizing primarily deciduous with some conifer fibre.

BC Timber Sales:

- BCTS's mandate changed last year (from offering volume to selling volume – resulting from the John Allen Commission) coincidentally in 2014 BCTS sold all 15 timber sales that were offered (one TSL was offered twice). BCTS sales targets were met and have very little Standing Timber Inventory (STI).

- BCTS (through the Dawson Creek Field Team) will be salvaging some of the Red Deer Creek fire damaged timber.

- The Fort St. John field team has two more staff retirements expected this spring and another person will be transferring to another business area. Total staff will be 5, down from 11 in 2007. BCTS will be advertising to attract applicants for these positions.

- BCTS loggers have been very busy this past year.

Question: With the new mandate for BCTS, what is the best approach for forest management? The old or new model?

Answer: BCTS hold 23% of AAC, which is significant. Given the joint management of the SFMP and FOS with Canfor on behalf of the Pilot project participants the approach to forest management has not changed.

Comment: Staff retention could become a problem if recruitment to fill vacancies is not successful because of the volume of work they are expected to complete. The people who are left may be tempted to leave if the vacancies are not filled and if they see better opportunities elsewhere.

Question: How are Timber Sales going to manage with Site C coming?

Answer: BC Timber Sales will not likely be a part of the timber harvesting of the Site C development area.

6) Overview of 2015 Meeting Schedule – Darrell Regimbald

- Noted that we are in the process of developing a new Sustainable Forest Management Plan. Transitioning from SFMP #2 to SFMP #3. This will entail minor revisions of SFMP #2, many of which we will discuss tonight.

- Noted we potentially will have another PAG meeting in late summer with the focus being review of Draft SFMP #3. Participants will seek an extension to the approval for current SFMP for an additional two years.

- The 2014-15 SFM annual report will be presented to the PAGG in October 2015. Will include results from audits.

- We also would like to have a summer field trip with the PAG.

Question: Can we have an update on the Timber Supply Review?

Answer: Yes, the current status is the Chief Forester must by law make a determination of the amount of timber available by Timber Supply Area every 10 years. The FSJ TSR started last summer. The data package has been assembled and should be available for public review in a month or so. After the public consultation on the analysis has been completed, it could be another 6 months before the Chief Forester can make an AAC determination.

Question: Can anyone get a copy of the draft report?

Answer: Yes.

Question: Is there material available that will explain the data simply? Not all members will understand the details.

Answer: Yes, there is a "Backgrounder" available that may answer some questions people have.

Action Item #2: Licensees to notify Public Advisory Group when the Timber Supply Review data package is available.

7) Revisions of Indicator Matrix – Walter Fister

Walter presented and reviewed with the PAG a handout describing the proposed changes to the indicator matrix. Of the Sixty eight indicators in the SFMP, seven need revisions, mostly housekeeping/date changes. These revisions will be incorporated into

SFMP # 3 and will be effective for the 2016 reporting year. Following is a description of the proposed revisions.

- Ind # 6 - Coarse Woody Debris (CWD) Volume: This indicator is set on an eight year schedule while the SFMP is on a six year schedule, this is the only indicator set to report by 2024 and not 2022. Proposed revision is a new measurement period from 2016 to 2024.

- Ind # 19 - Graham Merchantable Area Harvested: Period 2 has a target of 6569 hectares to be harvested; Period 3 has a target of 9355 hectares to be harvested;
Proposed revision is a new measurement period - Period 4 (ending April 2022, with 10,858 hectares to be harvested).

Note: Harvesting has not been done in this area in several years.

- Ind # 26 - Salvage: Proposed revision is a new measurement period from 2016 to 2022.

- Ind # 52 - Timber Profile-Conifer: Proposed revision is a new measurement period from 2016 to 2022.

- Ind # 53 - Cut Control: Proposed revision is a new measurement period from 2016 to 2021.

- Ind # 66 - Deletions to Forest Area: Proposed revision is a new measurement period – during the term of SFMP #3.

-Ind # 49 - Forest Heath Forest Operations Schedule Planning: Participants are proposing to revise the target for proportion of new planned conifer leading blocks that are pine blocks to 50% from the current target of 60%. This is reflective of the decline in the mountain pine beetle epidemic and of the limited shelf life of the dead pine. Dead pine timber quality will begin to decline sharply therefore the mills will need to utilize more spruce As the pine quality deteriorates.

Question: Why is the CWD period different than the other indicators (2024 rather than 2022 as with the others)?

Answer: The initial period for this indicator goes back to SFMP #1, which used an 8 year period rather than a 6 year period. We could consider reducing this period to match the others.

Action Item# 3: Move the time frame for Coarse Woody Debris to a six year time frame rather than the present eight year period.

All other date time periods were accepted by PAG members. Note that the PAG accepted the proposed revisions suggested to the Indicators, and suggested that the Participants consider a different time period for Indicator # 6.

Question: Are we keeping ahead of MPB and fire risk, assuming the fire risk is going to get worse with more dead pine, does this indicator consider this risk? Answer: We have additional strategies and indicators within the SFM Plan that address

this concern, such as the salvage and forest health indicators.

Action Item #4: To consider for a future meeting, a potential topic around forest fire risk.

Question: Is it still the aim to maximum the utilization of mountain pine beetle killed wood?

Answer: Yes, as long as the beetle killed wood is still merchantable and provided that we can continue to achieve our customer targets for a proportion of non beetle killed wood, we will continue to focus our harvesting efforts on beetle killed wood.

8) Revisions to Landscape Level Strategies – Darrell Regimbald

Darrell presented and reviewed with the PAG a handout describing the proposal to add to the SFMP a new strategy: Number 4.6.4 Planning Strategy to Reduce Forest Health Impacts from Climate Change. The strategy entails managing for climate change where practical by implementing the flexibility in the seed transfer standards specified in the Chief Foresters Standard for Seed Use (CFSSU). Based on the results monitoring of various seedlot trials established throughout B.C. and the Yukon, it is anticipated that the MFLNRO will build some flexibility around the elevation and latitudinal transfer limits for seed. The Participants will stay abreast of those changes made to the CFSSU and proposed to use existing indicator 6.13 Seed Use, which refers to the participant's compliance to the CFSSU requirements, to monitor performance under the strategy. Question: There was a recent article in the Vancouver Sun about fungus killing poplars, should we changing the forest landscape?

Answer: Our aspen is naturally regenerated, there are trials prorogating aspen mostly in Alberta. There is a component in the SFMP in the forest health strategy that speaks for silviculture obligation that requires us to identify potential forest health issues within

our harvested blocks and prioritize those that have a significant impact on our forest resources.

The PAG accepted the proposal to add Forest Health Strategy 4.6.4, as presented to SFMP# 3.

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 Caribou Presentations – Megan Watters, Ecosystems Biologist MFLNRO, Chris Pazstor, Project Manager, MFLNRO

Presentations were given regarding the province's Boreal Caribou Management Plan and on caribou related research in Northeast B.C.

10) Preparations Summer Field Trip – Evan Hauk

- Asked PAG member for suggestions regarding their interests for topics and sites to visit and dates. It was noted that typically early June has worked best for the majority of PAG members. It was noted that at least two PAG members would be required to make the field trip worthwhile to prepare and hold.

Ideas suggested for consideration:

-Climate Change planting trials;

-spring decking areas;

-very first plantation in area;

-silviculture activities;

-herbicide use;

-silviculture in relation to herbicide, alternatives to herbicide;

Early June was identified as the best time for PAG members. It was suggested to stay away from Fridays, Monday to Thursday being the preferable time of the week.

11) Completion of Annual PAG Public Participation Process Satisfaction Survey -

Ashley Bunker

- will be distributing the annual PAG Public Participation survey via email within the next few days. It will focus on the year 2014. It is for PAG member who attended either or both Meetings #48 and/or #49. Hard copies of the survey were made available at the meeting for those who preferred not to respond online.

12) Feedback on Meeting - Gail Wallin

- It was noted that MFLNRO are in process of conducting a review of the Pilot Project Regulation public engagement process and that input from this group could be provided.

Question to the PAG Members: Do you find this process is being effective for yourself? What keeps you coming to these meetings?

Answer: It has been successful. There has been good public input, a transparent process and has worked well. Have found in some of the past reviews conducted by

government that the people conducting the reviews were looking for reasons to cite that this process not successful, in order to build a case to end the Pilot Project.

Answer: With the number of people in this room it shows that this process has been successful. Rather than lowering the standard used here to go where everyone else is, we need to keep the standard high. This the FSJPP public participation process should be the standard used elsewhere. Suggest it would reduce protests and result in a better understanding between public and participants.

Answer: Good disbursement of information.

Answer: Provides chance to be heard.

Question: What have been the challenges to keep this group going and strong?

Answer: Keeping up with the terminology.

Answer: There is a glossary of terms/acronyms in the SFMP.

Question: What makes this process good or bad compared to other processes such the

LRMP (Land Resource Management Planning)?

Answer: Lack of confrontation. LRMP was a "them or us" mentality. Everyone had an axe to grind.

Answer: Having an opportunity to speak and listen.

Answer: Good facilitation! Kept on time.

PAG members who desired to provide more comments, were encouraged to forward an email to Darrell.

Meeting adjourned at 9:05 pm

Handouts for Meeting #49

- FSJ Results Based Pilot Project Public Advisory Group Meeting #48 Summary and actions.
- 2) Meeting #49 agenda.
- 3) Draft Landscape Level Strategy Revisions SFMP #3
- 4) Draft SFMP# 3 Indicator Revisions

Summary of Actions from Meeting #49

PAG Meeting #49 Action Item #1: The current plan for the pellet plants, is to utilize residue from the mills, but to clarify at a future meeting what the future plans are for the source for the pellet plants.

Presentation on the Pellet Plants will be provided at the October 2015 PAG mtg.

PAG Meeting #49 Action Item #2: Licensees to notify Public Advisory Group when the Timber Supply Review data package is available.

Completed - the PAG was forwarded an email from Elizabeth Hunt which noted the hyper links to the public Forest Analysis and Inventory Branch website where the Data Package Report can be found. The PAG were invited to send any comments respecting the data package report to Elizabeth. Will provide updates at subsequent PAG mtgs.

https://www.for.gov.bc.ca/hts/

https://www.for.gov.bc.ca/hts/tsa/tsa40/

PAG Meeting #49 Action Item #3: Move the time frame for Coarse Woody Debris to a six year time frame rather than the present eight year period. All other date time periods were accepted by PAG members.

Completed - the PAG suggested alternative measurement period of December 1, 2016 to November 30, 2022 was considered and accepted by the Participants. The revised measurement period has been incorporated into SFMP# 3. **PAG Meeting #49 Action Item #4**: To consider for a future meeting, a potential topic around forest fire risk.

Participants will provide a presentation on wildfire risk and SFMP management strategies that are linked to forest health and salvage.

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