

**Forest Management Plan Amendment
Approval Decision**

**Forest Management Unit G15
Canadian Forest Products Ltd.
Grande Prairie, Alberta**

**Forest Management Agreement
#9900037**

Date: January 22, 2010

Effective: May 1, 2009

Approved by: *Original Signed*
**Robert W. Stokes, RPF
Acting Executive Director
Forest Management Branch
Forestry Division**

Executive Summary

The Canadian Forest Products Ltd. Forest Management Plan Mountain Pine Beetle (MPB) amendment dated April 30, 2009 is approved subject to the satisfactory completion of the Approval Conditions contained in this document.

The MPB amendment has been validated¹ by a Regulated Forestry Professional (RFP). The Department recognizes RFP-validated work as complete, accurate and prepared with professional due diligence. The MPB amendment has been reviewed and approved by government RFPs.

Approved Annual Allowable Cuts

The total Approved Annual Allowable Cut (AAC) for the Forest Management Agreement area is 1,167,529 m³/year. The coniferous AAC is 715,000 m³/year and the deciduous AAC is 452,529 m³/year.

Refer to Tables 1 and 6 for the Historical Allocations, Tables 2 and 7 for the Approved Annual Allowable Cuts and Tables 3 and 8 for the Quadrant Allowable Cuts.

Authorization

The Spatial Harvest Sequence (SHS) contained in this MPB amendment replaces the SHS contained in the Forest Management Plan approved November 3, 2003.

The SHS contained in this MPB amendment is effective beginning May 1, 2007.

The annual allowable cuts are effective beginning May 1, 2009.

The next Forest Management Plan is due by April 30, 2012.

¹ Refer to the Alberta Forest Management Planning Standard, Annex 2 for professional validation requirements.

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1.0 Introduction

Alberta is continuing to experience a significant outbreak of mountain pine beetle (MPB) and is implementing control strategies with respect to this outbreak and strategies to prevent future outbreaks². Alberta is also implementing initiatives that will mitigate the impacts of the current outbreak on future timber supplies and forest-dependent communities. Canadian Forest Products Ltd.'s (Canfor) addendum to its approved Forest Management Plan (FMP) meets the requirements established by Alberta for such amendments³. This decision documents the rationale for approval and direction for ongoing work.

It is important to note the implementation of this plan is not intended to control the current MPB outbreak, but rather to take actions over the next twenty years to create a forest that is more resistant to such outbreaks by dramatically reducing the overall susceptibility of the pine forest (Pine Strategy). This is a prudent and necessary strategy to avoid the types of catastrophic changes being seen in British Columbia's pine forests. However, if the current outbreak in Alberta expands as rapidly as the British Columbia outbreak, the strategies in this plan will have to be modified to address that reality.

Alberta has directed⁴ that the key outcomes of three scenarios (the current management plan or status quo, the Pine Strategy and a MPB outbreak) be presented. I believe given the MPB outbreak in Alberta, the current management plans do not present likely scenarios and considering today's circumstances, comparison of the Pine Strategy and the MPB outbreak scenarios are the pertinent analyses.

Alberta's goal is to mitigate the effects of MPB on the social, environmental, and economic values of Alberta's forests. To achieve this goal, Alberta must make trade-offs which involve achieving a desired result, generally at the complete or partial expense of something else. Stakeholders are often interested in only one value and are not prepared to consider trade-offs, whereas Alberta must make trade-off decisions in order to reasonably meet its goal for the overall benefit of Albertans.

2.0 Forest Management Planning Area

The area under consideration is Forest Management Agreement (FMA) #9900037 allocated to Canfor via legislative Order-in-Council (O.C. 198/99) dated May 5, 1999.

The FMA (Forest Management Unit G15) is located in west-central Alberta. The Lower Foothills, Upper Foothills, Central Mixedwood, Dry Mixedwood and to a lesser extent, Subalpine and Peace River Parkland Natural Sub-Regions cover the FMA. The Canfor FMA is geographically separated into three areas: the Main block, Peace block and Puskwaskau block. The Main block forms the bulk of Canfor's FMA and the Peace and Puskwaskau blocks are located to the northwest and northeast of the Main block, respectively.

In December 2008, the Alberta Land Use Framework was released, establishing a formal regional planning system to implement provincial policy, set land use management objectives and determine land use trade-offs. Seven planning regions were identified and the Canfor FMA is located within the Upper Peace Region.

² See the *Mountain Pine Beetle Action Plan for Alberta* (AP) and the *Interpretive Bulletin - Planning Mountain Pine Beetle Response Operations* (IP) on the department of Sustainable Resource Development (SRD) website.

³ See the *Interpretive Bulletin - Planning Mountain Beetle Response Operations* on SRD website.

⁴ See IP.

3.0 Forest Management Plans (FMP) and Priority of MPB Control Strategies

The approved FMP amendment results in a new spatial harvest sequence and timber supply. Commitments in the balance of the existing FMP remain in effect until they are replaced by a new FMP. The status of the MPB outbreak will be apparent in time for the preparation of the new FMP which will then be able to better address the trade-offs between key outcomes.

The number of trees under attack by MPB in north central Alberta is higher than in recent years, likely as a result of good over-winter survival in 2009 and in-flights from other regions. The Grande Prairie, Peace River, Slave Lake and Whitecourt regions are the most heavily impacted. This latest dispersal will not change Alberta's strategy for managing MPB infestations. Alberta's priorities continue to be to limit the spread of MPB infestations along the eastern slopes of the Rocky Mountains and to prevent MPB from spreading eastward into the boreal forest. However, there are many MPB infested trees in Canfor's FMA and the potential for successful MPB mitigation in many areas is unlikely. Therefore, it is crucial to take all appropriate steps to salvage MPB killed trees, while maintaining non-pine stands as a mid-term timber supply. These salvage activities may take priority over the spatial harvest sequence in this amendment. I expect activities over the next few years to be a combination of control (Level 1 and 2) where possible, prevention (Pine Strategy) and salvage. This combination of actions will promote successful forest renewal on Canfor's FMA. The operational changes necessary to accomplish these activities will be handled through annual operating plans.

4.0 First Nations Consultation

Canfor is required to consult with First Nations potentially affected by forest management activities on the FMA. I believe Canfor's efforts to consult with the Sturgeon Lake Cree Nation and the Aseniwuche Winewak Nation on this FMP amendment were adequate. However, further consultation is required with the Horse Lake First Nation.

The following is required:

Approval Condition 4.1 – First Nations Consultation

- i. Canfor shall conduct on-going consultation with identified groups during operational plan development.**
- ii. Canfor shall adhere to *Alberta's First Nations Consultation Guidelines on Land Management and Resource Development* for operational plan development and approvals.**
- iii. Canfor shall document consultation efforts and activities, issues raised, and company responses. This documentation shall be made available to SRD upon request.**

5.0 Habitat for Species of Special Concern (Woodland Caribou)

I commend the Company and Department staff for working together to reasonably resolve the management of MPB and caribou habitat on the FMA. Canfor's agreement to defer harvesting in the Caribou Primary Intactness Area for 15 years and in compartments DS-2-North, DS-3-North and DS-3-South for two years

implements an effective MPB control strategy that maintains suitable habitat conditions for caribou. I recognize this is a short-term solution, but one that allows future options to be exercised once provincial caribou habitat management guidelines are released by the Department. I expect the Company to work with the Department to further refine the work started in this plan regarding caribou habitat, forest health and timber production in the next FMP. Once provincial caribou habitat management guidelines are released, any strategies developed shall be revised to align with those guidelines.

6.0 Access

Alberta's Grizzly Bear Recovery Plan (GBRP) has been accepted by the Minister of Sustainable Resource Development. The GBRP recognizes that reduced grizzly bear survival and reproductive success are linked to human activity in core and secondary habitats. Access development increases human activity.

The linear feature assessment presented in Canfor's MPB amendment indicates a linear feature density range of approximately 0.35 km/ km² to 0.65 km/ km² in the three parcels comprising Canfor's FMA. The Grizzly Bear Recovery Plan has target linear feature densities of 0.6 km/ km² for core habitat and 1.2 km/ km² for secondary grizzly bear habitat as the densities that should limit human-caused mortality to bears. Canfor has committed to strive to maintain open road densities at or below current levels. I believe this plan is reasonable and implements the Pine Strategy efficiently, with consideration for grizzly bear habitat. Once the Department finalizes an implementation plan for the GBRP, the Company shall address the requirements in its operational plans and in the next Forest Management Plan.

7.0 Water Yield

Canfor assessed the impact of the Pine Strategy amendment on watersheds across the FMA. Of the 296 watersheds identified, four are forecast to have water yield increases greater than 15% at the end of 15 years. The implementation of the Pine Strategy is imperative to the management of MPB in the Grande Prairie region. The alternative MPB disaster scenario would be much less desirable than the potential impacts to watersheds from the Pine Strategy. I am aware that approximately half the identified watersheds support bull trout populations and acknowledge that Canfor has committed to exploring mitigation options in watersheds with bull trout when Equivalent Clearcut Area (ECA) above the H60 line⁵ is projected to be greater than 35%.

8.0 Long Term Fibre Sustainability

The MPB amendment increases the sustainable harvest level for coniferous timber while deciduous harvest levels remain unchanged. Both harvest levels are acceptable for the Forest Management Unit. An increase in coniferous harvest to 715,000 m³ per year until 2022 is planned, followed by a reduction to 670,000 m³ per year for the remainder of the planning horizon. This increased coniferous harvest level reduces the area of MPB susceptible pine in the FMA by accelerating the harvest of susceptible stands. The deciduous harvest level is projected to remain at 452,529 m³ per year.

The Department recognizes the need to reduce the susceptibility of the forest to MPB infestations, so an immediate increase in harvest level is approved. In the next FMP, Canfor is expected to provide even-flow harvest level estimates as part of the final submission.

⁵ The H60 line is the contour line above which 60% of the watershed area is contained.

9.0 Pine Strategy Implementation

The mountain pine beetle is present in the Grande Prairie region and is well distributed throughout the FMA. The Company has developed a rational and feasible FMP amendment that achieves a 77% reduction in the amount of area contained in the two highest harvest priority ranking categories in the management area. On-going and timely communication with local government staff is essential to manage the issues identified, and those yet to be identified. Canfor is encouraged to continue its efforts to keep the public and stakeholders advised of its operational plans and accomplishments in addressing the MPB situation.

The implementation of the Pine Strategy does not guarantee the prevention of future outbreaks in the near term; however, it will create a forest that is more resistant to such outbreaks in the future. In the Grande Prairie area, on-going monitoring will determine the priority and timing of timber salvage operations. Alberta will work with the Company to ensure the strategies address the outbreak and minimize the socio-economic and environmental impacts.

10.0 Embedded Timber Operators

Canfor has reached general agreement with the embedded timber operators and the Department regarding operational sequencing and annual allowable cut (AAC) sharing. Tables 2 and 7 present the approved AACs for the forest management unit and each operator. When preparing the next FMP, the Department requires that the embedded quota holders be meaningfully consulted⁶ and afforded the opportunity to be full members of the Plan Development Team.

11.0 Spatial Harvest Sequence

The spatial (mapped) harvest sequence (SHS) is the most important output of the FMP amendment as it implements the strategies the Companies must follow to achieve the predicted future forest condition. While dependent on many factors, the future forest condition is strongly influenced by harvest patterns, intensity and schedules. It presents spatially and temporally how the integration of environmental, economic and social values will be achieved on the FMA. Adherence to a properly planned harvest sequence is imperative to achieving the predicted future forest. Canfor commits to following the SHS and tracking variance.

Alberta requires companies to prepare a 20-year spatial harvest sequence, with stands identified by operator for the first 10 years. Canfor produced a 15-year spatial harvest sequence, rather than a 10-year sequence. In order to align with the *Alberta Forest Management Planning Standard* and given Canfor's agreement to defer harvesting in three compartments to maintain suitable caribou habitat, an updated sequence is required.

The SHS submitted with this mountain pine beetle amendment incorporates land-use updates to 2007. The SHS is effective beginning May 1, 2007.

The following is required:

Approval Condition 11.1 – Spatial Harvest Sequence

- i. **Canfor shall develop a 10-year spatial harvest sequence by May 31, 2010. Timber operators must be identified for all stands scheduled for harvest in this spatial harvest sequence.**

⁶ Refer to *Alberta Forest Management Planning Standard*

- ii. **The 10 year spatial harvest sequence shall reflect the agreement to defer harvesting in the Caribou Primary Intactness Area for 15 years and in compartments DS-2-North, DS-3-North and DS-3-South for two years.**
- iii. **Canfor shall follow the mapped 10-year harvest sequence.**
- iv. **To address operational planning concerns, all timber disposition holders are authorized to modify the SHS by deleting no more than 20% of the total sequenced area in each compartment by decade, while harvesting no more than 100% of the total area within the SHS by compartment, by decade.**
 - a. **When replacing deleted stands (from iv above), preference should be given to other stands identified in the approved net landbase of the FMP. Priority should be given to pine stands that are ranked highly susceptible to MPB infestations.**
- v. **Where timber operators exceed the variance described in (iv), the Area Manager, Smoky Area may require the completion of a Compartment Assessment and the Senior Manager, Forest Planning Section may recommend the adjustment of the approved annual allowable cut (AAC) to reflect the impact of the variance.**
- vi. **The Department requires the variance from the SHS to be reported annually and in the 5-year Stewardship Report to analyze the variance from the SHS.**
- vii. **The Department will generally not request a modification of the approved harvest sequence for the first 15 years of the planning period unless required by a change in legislation or a policy approved by the Minister.**

12.0 Performance Monitoring and Reporting

The effective implementation of the Pine Strategy throughout Alberta is very important, and timely information is vital to ensuring the best decisions are made and the most appropriate management strategies are developed. Considering this, the Department will require Pine Strategy progress reports to be prepared to keep the Department, other agencies and the public knowledgeable and current on the work completed. The Department will publish these requirements at a later date.

13.0 Deciduous Operating Area Agreement

Allocation of operating areas within a Forest Management Unit is a complex and difficult task. There must be a balance of disposition holders' opportunities, recognition of the history of their acquisition and operations and an over-riding principle of sound forest management.

Tolko Industries Ltd. and Ainsworth Lumber Company Ltd. currently have an agreement in place that identifies operating areas within Canfor's FMA until May 1, 2015. The Companies are expected to have a new agreement in place by April 30, 2015.

The Department will honour this agreement until 2015 unless the Companies agree to modifications for the 2012 FMP. Any changes to the operating area agreement shall be discussed with the Plan Development Team.

14.0 Authorization

The Spatial Harvest Sequence (SHS) contained in this MPB amendment replaces the SHS contained in the Forest Management Plan approved November 3, 2003.

The SHS contained in this MPB amendment is effective beginning May 1, 2007.

The annual allowable cuts are effective beginning May 1, 2009.

The next Forest Management Plan is due by April 30, 2012.

Table 1. Historical Coniferous Allocations and Annual Allowable Cuts

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Coniferous AAC (m³) 15+/10/30 cm	Total Approved AAC (m³)
<i>G15</i>	<i>Canadian Forest Products Ltd.</i>	<i>FMA9900037</i>	<i>Single Combined</i>	<i>FMA-Only</i>	<i>C, CD, DC, D</i>	<i>626,850</i>	<i>626,850</i>
<i>G15</i>		<i>Local Use</i>	<i>Single Combined</i>	<i>FMA-Only</i>	<i>C, CD, DC, D</i>	<i>3,150</i>	<i>3,150</i>
G15	FMA AAC Subtotal	FMA9900037	Single Combined	FMA-Only	C, CD, DC, D	630,000	630,000
G15	CTPP	CTPP	Single Combined	FMA-Only	C, CD, DC, D	10,000	10,000
FMU G15 Total						640,000	640,000

Notes:
Previous effective date: May 1, 2003

Table 2. Approved Coniferous Allocations and Annual Allowable Cuts

Effective Date: May 1, 2009

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Coniferous AAC (m ³) 15+/10/30 cm	Secondary Coniferous AAC (m ³) 15+/10/30 cm	Total Approved AAC (m ³)
G15	Canadian Forest Products Ltd.	FMA9900037	Single Combined	FMA-Only	C, CD, DC, D - all species	680,374	21,101	701,475
G15		Local Use	Single Combined	FMA-Only	C, CD, DC, D - all species	3,419	106	3,525
G15	FMA AAC Subtotal	FMA9900037	Single Combined	FMA-Only	C, CD, DC, D - all species	683,793	21,207	705,000
G15	CTPP	CTPP	Single Combined	FMA-Only	C, CD, DC, D - all species	9,699	301	10,000
FMU G15 Total						693,492	21,508	715,000

Table 3. Coniferous Periodic Allowable and Quadrant Authorized Allowable Cuts

3.1	G15	Canadian Forest Products Ltd.	Disposition: FMA9900037						
	Period Start: 5-May-09		Period End: 4-May-14						
	Period Segment Start Date	Period Segment End Date	Years in Period Segment	Primary Approved Harvest Level (m³/yr)	Secondary Approved Harvest Level (m³/yr)	Primary PAC Contribution (m³)	Secondary PAC Contribution (m³)	Total PAC Contribution (m³)	Notes
	5-May-09	4-May-14	5.0000000000	683,793	21,207	3,418,965.0000	106,035.0000	3,525,000.0000	
	Periodic Reconciliation Volume (m3)					0	0	0	
PAC Total					3,418,965	106,035	3,525,000		
3.2	G15	CTPP	Disposition: CTPP						
	Quadrant Start: 1-May-09		Quadrant End: 30-Apr-14						
	Quadrant Segment Start Date	Quadrant Segment End Date	Years in Quadrant Segment	Primary Approved Harvest Level (m³/yr)	Secondary Approved Harvest Level (m³/yr)	Primary Quadrant Contribution (m³)	Secondary Quadrant Contribution (m³)	Total Quadrant Contribution (m³)	Notes
	1-May-09	30-Apr-14	5.0000000000	9,699	301	48,495.0000	1,505.0000	50,000.0000	
	Quadrant Reconciliation Volume (m3)					0	0	0	
QAAC Total					48,495	1,505	50,000		

Table 4. Canadian Forest Products Ltd. FMA Coniferous Chargeability
 Effective Date: May 1, 2009

FMU	Company Name	Disposition Number	Coniferous Species Used in AAC	Species NOT Chargeable to AAC	Rights to Species NOT Chargeable to AAC	Structure Retention (%)	Structure Retention (%) Accounted for in AAC	Net Landbase Deletions and Deferrals	Net Landbase Deletions and Deferrals: Rights to Timber	Industrial Salvage Chargeability Strategy
All dispositions and FMUs (unless otherwise noted)			All	N/A	N/A	1	Structure retention is AAC chargeable	Refer to Table 1 (Page 7) in Resource and Timber Supply Analysis document	Canadian Forest Products Ltd. FMA document	All industrial salvage volumes are AAC chargeable

Table 5. Canadian Forest Products Ltd. FMA Coniferous Utilization
Effective Date: May 1, 2009

FMU	Company Name	Disposition Number	AAC Type	Cover Group / Species	Utilization used to determine Harvest Level in PFMS				Operational Utilization				
					Top Diameter (cm)	Stump Diameter (cm)	Minimum Length (m)	Stump Height (cm)	Top Diameter (cm)	Stump Diameter (cm)	Minimum Length (m)	Stump Height (cm)	Coniferous Harvest Level (m ³ /yr) based on Operational Utilization
All dispositions, FMUs and AAC types (unless otherwise noted)			All	All	10	15	2.44	30	N/A	N/A	N/A	N/A	N/A

Table 6. Historical Deciduous Allocations and Annual Allowable Cuts

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Deciduous AAC (m³) 15+/10/30 cm	Total Approved AAC (m³)
G15	Tolko Industries Ltd.	DTAG150001	Single Combined	FMA-Only	C, CD, DC, D	114,712	114,712
G15	Tolko Industries Ltd.	DTAG150002	Single Combined	FMA-Only	C, CD, DC, D	169,000	169,000
G15	Ainsworth Lumber Co. Ltd.	DTAG150003	Single Combined	FMA-Only	C, CD, DC, D	170,000	170,000
FMU G15 Total						453,712	453,712

Notes:
Previous effective date: May 1, 2003

Table 7. Approved Deciduous Allocations and Annual Allowable Cuts

Effective Date: May 1, 2009

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Deciduous AAC (m ³) 15+/10/30 cm	Secondary Deciduous AAC (m ³) 15+/10/30 cm	Total Approved AAC (m ³)
G15	Tolko Industries Ltd.	DTAG150001	Single Combined	FMA-Only	C, CD, DC, D - all species	99,272	15,440	114,712
G15	Tolko Industries Ltd.	DTAG150002	Single Combined	FMA-Only	C, CD, DC, D - all species	146,253	21,564	167,817
G15	Ainsworth Lumber Co. Ltd.	DTAG150003	Single Combined	FMA-Only	C, CD, DC, D - Aw, Pb	147,119	22,881	170,000
FMU G15 Total						392,644	59,885	452,529

Table 8. Deciduous Periodic Allowable and Quadrant Authorized Allowable Cuts

8.1	G15	Tolko Industries Ltd.	Disposition: DTAG150001							
		Quadrant Start	1-May-08	Quadrant End	30-Apr-13					
		Quadrant Segment Start Date	Quadrant Segment End Date	Years in Quadrant Segment	Primary Approved Harvest Level (m ³ /yr)	Secondary Approved Harvest Level (m ³ /yr)	Primary Quadrant Contribution (m ³)	Secondary Quadrant Contribution (m ³)	Total Quadrant Contribution (m ³)	Notes
	1	1-May-08	30-Apr-09	1.0000000000	114,712	0	114,712.0000	0.0000	114,712.0000	
	2	01-May-09	30-Apr-13	4.0000000000	99,272	15,440	397,088.0000	61,760.0000	458,848.0000	
		Quadrant Reconciliation Volume (m3)					0	0	0	
		QAAC Total					511,800	61,760	573,560	
8.2	G15	Tolko Industries Ltd.	Disposition: DTAG150002							
		Quadrant Start	1-May-09	Quadrant End	30-Apr-14					
		Quadrant Segment Start Date	Quadrant Segment End Date	Years in Quadrant Segment	Primary Approved Harvest Level (m ³ /yr)	Secondary Approved Harvest Level (m ³ /yr)	Primary Quadrant Contribution (m ³)	Secondary Quadrant Contribution (m ³)	Total Quadrant Contribution (m ³)	Notes
	1	1-May-09	30-Apr-14	5.0000000000	146,253	21,564	731,265.0000	107,820.0000	839,085.0000	
		Quadrant Reconciliation Volume (m3)					0	0	0	
		QAAC Total					731,265	107,820	839,085	
8.3	G15	Ainsworth Lumber Co. Ltd.	Disposition: DTAG150003							
		Quadrant Start	1-May-05	Quadrant End	30-Apr-13					
		Quadrant Segment Start Date	Quadrant Segment End Date	Years in Quadrant Segment	Primary Approved Harvest Level (m ³ /yr)	Secondary Approved Harvest Level (m ³ /yr)	Primary Quadrant Contribution (m ³)	Secondary Quadrant Contribution (m ³)	Total Quadrant Contribution (m ³)	Notes
	1	1-May-05	30-Apr-09	4.0000000000	170,000	0	680,000.0000	0.0000	680,000.0000	
	2	01-May-09	30-Apr-13	4.0000000000	147,119	22,881	588,476.0000	91,524.0000	680,000.0000	
		Quadrant Reconciliation Volume (m3)					282,362	20,007	302,369	Total approved reconciliation volume of 302,369 m ³ equals 37,796 m ³ /year. For May 1, 2005 to April 30, 2009, reconciliation volume was considered to be composed entirely of primary volume, which equals 151,184 m ³ . For May 1, 2009 to April 30, 2013 reconciliation volume is split into primary (131,177 m3) and secondary (20,007 m3) volumes. Therefore, primary volume equals 151,184 + 131,177 = 282,362 m3 and secondary volume equals 20,007 m3.
		QAAC Total					1,550,838	111,531	1,662,369	

Table 9. Canadian Forest Products Ltd. FMA Deciduous Chargeability
Effective Date: May 1, 2009

FMU	Company Name	Disposition Number	Deciduous Species Used in AAC	Species NOT Chargeable to AAC	Rights to Species NOT Chargeable to AAC	Structure Retention (%)	Structure Retention (%) Accounted for in AAC	Net Landbase Deletions and Deferrals	Net Landbase Deletions and Deferrals: Rights to Timber	Industrial Salvage Chargeability Strategy
G15	Tolko Industries Ltd.	DTAG150001	All	N/A	N/A	1	Structure retention is AAC chargeable	Refer to Table 1 (Page 7) in Resource and Timber Supply Analysis document	Canadian Forest Products Ltd. FMA document	All industrial salvage volumes are AAC chargeable
G15	Tolko Industries Ltd.	DTAG150002	All	N/A	N/A	1	Structure retention is AAC chargeable	Refer to Table 1 (Page 7) in Resource and Timber Supply Analysis document	Canadian Forest Products Ltd. FMA document	All industrial salvage volumes are AAC chargeable
G15	Ainsworth Lumber Co. Ltd.	DTAG150003	Aw, Pb	N/A	N/A	1	Structure retention is AAC chargeable	Refer to Table 1 (Page 7) in Resource and Timber Supply Analysis document	Canadian Forest Products Ltd. FMA document	All industrial salvage volumes are AAC chargeable

Table 10. Canadian Forest Products Ltd. FMA Deciduous Utilization
Effective Date: May 1, 2009

FMU	Company Name	Disposition Number	AAC Type	Cover Group / Species	Utilization used to determine Harvest Level in PFMS				Operational Utilization				
					Top Diameter (cm)	Stump Diameter (cm)	Minimum Length (m)	Stump Height (cm)	Top Diameter (cm)	Stump Diameter (cm)	Minimum Length (m)	Stump Height (cm)	Deciduous Harvest Level (m ³ /yr) based on Operational Utilization
All dispositions, FMUs And AAC Types(unless otherwise noted)			All	All	10	15	2.44	30	N/A	N/A	N/A	N/A	N/A

Table 11. Fiber Transfer Agreements within the Canadian Forest Products Ltd. FMA Area

Source Company	Source Dispositon Number	Transfer Type	Company Directed To	Species Group	Volume (m ³ /yr)	Comments
Canadian Forest Products Ltd.	FMA9900037	FMA	Local Use	Coniferous	3,525	FMA clause 8 (2) (d)
Canadian Forest Products Ltd.	FMA9900037	FMA	CTPP	Coniferous	10,000	FMA clause 8 (2) (e)