

# **Forest Management Plan Approval Decision**



## **Millar Western Forest Products Ltd. Forest Management Agreement #9700034**

Date: April 16, 2008  
Effective: May 1, 2007

Approved by:

*Original Signed by:*

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D. (Doug) A. Sklar, RPF  
Executive Director  
Forest Management Branch  
Forestry Division

## ***Executive Summary***

*The forest management plan dated November 15, 2007 is approved subject to the satisfactory completion of the approval conditions.*

## ***Approval Conditions Timelines Summary***

<b><i>Condition</i></b>	<b><i>Submission document or Requirement</i></b>	<b><i>Approval Authority</i></b>	<b><i>Date</i></b>
8.1 (i)	<i>Refined Spatial harvest Sequence</i>	<i>Senior Manager, Forest Planning Section</i>	<i>May 1, 2008</i>
9.1 (ii)	<i>Mountain Pine Beetle Outbreak Scenario</i>	<i>Senior Manager, Forest Planning Section</i>	<i>July 1, 2008</i>
10.1 (ii)	<i>Bap Analysis On Revised sequence</i>	<i>Senior Manager, Forest Planning Section</i>	<i>November 30, 2008</i>
11.1(ii)	<i>Protocols for Monitoring, Measuring, and Reporting of Structure Retention</i>	<i>Senior Manager, Forest Planning Section</i>	<i>September 1, 2008</i>
12.1(i)	<i>Silviculture Strategy Tables</i>	<i>Senior Manager, Reforestation Section</i>	<i>July 1, 2008</i>
12.1 (ii)	<i>Vegetation Management Strategy</i>	<i>Senior Manager, Reforestation Section</i>	<i>July 1, 2008</i>
13.1 (iii)	<i>Industrial Timber Salvage Tracking and Reporting System</i>	<i>Senior Manager, Timber Production, Auditing and Revenue Section</i>	<i>October 31, 2008</i>
14.1 (i)	<i>Alternative Regeneration Standards</i>	<i>Senior Manager, Reforestation Section</i>	<i>May 1, 2010</i>
16.1 (i)	<i>Growth and Yield Plan</i>	<i>Senior Manager, Forest Planning Section</i>	<i>September 1, 2008</i>
18.1 (i)	<i>Grizzly Bear Habitat Assessment</i>	<i>Senior Manager, Forest Planning Section</i>	<i>September 1, 2008</i>
19.1 (i)	<i>Watershed Assessment Discussion and Documentation</i>	<i>Senior Manager, Forest Planning Section</i>	<i>September 1, 2008</i>
20.1(i)	<i>Resubmission of Forest management Plan</i>	<i>Executive Director, Forest Management Branch</i>	<i>January 1, 2009</i>
20.1 (ii)	<i>Next Forest Management Plan</i>	<i>Executive Director, Forest Management Branch</i>	<i>May 14, 2017</i>
21.1 (i)	<i>Stewardship Report</i>	<i>Senior Manager, Forest Planning Section</i>	<i>December 1, 2012</i>

## ***Authorization***

*The Forest Management Plan for the Millar Western FMA area dated November 15, 2007 is approved subject to the Approval Conditions being met. The approved Annual Allowable Cuts are presented in this Approval Decision.*

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## 1.0 Introduction

The approval of forest management plans is the mandate of the Executive Director of the Forest Management Branch (FMB), Forestry Division of the Department of Sustainable Resource Development (department). This Approval Decision documents the rationale, and conditions of approval for the Millar Western Forest Products Ltd. (MWFP) Detailed Forest Management Plan (FMP) dated November 15, 2007. This approval provides direction for the successful and efficient implementation of the FMP.

The FMP has been validated by a Regulated Forestry Professional (RFP). The department recognizes RFP-validated work as complete, accurate, and prepared with professional due diligence. The FMP has been reviewed and approved by government RFPs (see Table 1).

I commend MWFP and those people who have contributed to the FMP for their efforts to address the complex issues of forest management.

The conditions in this Approval Decision are consistent with the terms of the Forest Management Agreement (FMA) and failure by MWFP to fulfill the direction provided in this Approval Decision shall place the Company in default of its FMA.

## 2.0 Government of Alberta Participants: Forest Management Plan Appraisal

The following Government of Alberta staff participated in the appraisal of the MWFP FMP. Their comments and recommendations are addressed in this Approval Decision. I extend my thanks to the staff for their personal and professional commitment to the task.

Table 1: Government of Alberta Participants

<b>Government Reviewers</b>	<b>Title</b>	<b>Registration</b>	<b>FMP Component</b>
Darren Aitkin, RPF	Growth & Yield Forester	CAPF # 662	Growth & Yield
Hugh Wollis	Area Wildlife Biologist	-	All Chapters
Curtis Stambaugh	Senior Wildlife Biologist	-	All Chapters
Jamie Bruha, RPF	Senior Operations Forester	CAPF # 419	Ground Rules
Brian Wallach, RPF	FMA Forester	CAPF # 130	All Chapters
Seena Handel	Forest Health Officer	CAPF #711	Chapter 5
Kevin Quintilio, RPF	Wildfire Prevention Officer	CAPF # 881	Chapter 5
Marty O'Byrne, RPF	Provincial Silviculture Specialist	CAPF # 118	Chapter 5 & Appendices 7-9
Jan Schilf, RPF	Tenure Forester	CAPF # 240	Quadrant/Periodic Cuts
Nadine Pederson, RPF	Senior Timber Supply Analyst	CAPF #496	Chapter 5 & Appendix 6
Stephen Wills	Forest Management Planning Forester	CAPF#628	All Chapters
John Stadt	Ecosystem Specialist	ASPB #1086	Chapter 5 & Appendices 10-13, 24-25
Dr. Barry White, RPF	Forest Management Specialist	CAPF #657	All chapters
Dr. John Diwu	Forest Hydrology Specialist	P. ENG, #M86766	Chapter 5 & Appendix 14
Robert W. Stokes, RPF	Senior Manager, Forest Planning Section	CAPF#500	All Chapters

CAPF – College of Alberta Professional Foresters

CAPFT – College of Alberta Professional Forest Technologists

ASPB – Alberta Society of Professional Biologists

P. ENG – Association of Professional Engineers, Geologists and Geophysicists

### **3.0 Forest Management Area**

The area under consideration is the Forest Management Agreement area of Millar Western, FMA9700034 allocated to the Company through Order-in-Council 194/97, dated May 28, 1997. The FMA area is within Forest Management Units (FMU) W11 and W13.

The FMA lies within the Central Mixedwood Natural Subregion of the Boreal Natural Region and the Lower Foothills and Upper Foothills Natural Subregions of the Foothills Natural Region. For more information on the planning area, see Chapter 2 of the FMP, the Comprehensive Description of the DFA.

### **4.0 FMP Background**

To meet the FMA requirements MWFP was to submit a Forest Management Plan by May 14, 2007. During plan development, the threat of an influx of Mountain Pine Beetle (MPB) from neighboring British Columbia prompted the Alberta Government to develop the MPB Action Plan and the related policy entitled *Interpretive Bulletin: Planning Mountain Pine Beetle Response Operations*. Due to required changes to the FMP to meet the MPB “Healthy Pine Strategy” policy objectives, MWFP requested and was subsequently granted an extension for plan submission.

MWFP submitted its FMP in December 2007. During Alberta’s review of the FMP a number of items were identified to be addressed during FMP implementation. These comprise the discussion and Approval Conditions contained herein.

### **5.0 Public Involvement**

FMA Sections 10(1) and 10(2) require MWFP to conduct an acceptable public consultation process. Appendices 2, 3, 4 and 5 of the FMP document public involvement efforts in this regard. To solicit feedback and facilitate public awareness of its forest management activities, MWFP has included a wide range of stakeholders and department staff.

While efforts have been good, MWFP is encouraged to maintain its effort to conduct meaningful public involvement throughout the FMP implementation. Meaningful consultation is characterized by sincere efforts to help stakeholders understand the implications of the plans, sincere efforts to make the plans available at a time and in a manner sufficient for stakeholders to read and study them, and sincere and accurate explanations of how the interests and concerns of the stakeholders have been addressed.

MWFP must also ensure that First Nations consultation, as directed by provincial policy, is incorporated into its operational planning and subsequent FMP development processes.

## 6.0 Research

MWFP's leadership and participation in forestry research is exemplary. The **Biodiversity Assessment Project** and the **Forest Watershed and Riparian Disturbance (FORWARD) Project** are not just locally recognized but have established collaborative relationships at a nationally.

The use of the "Oldgrowthness" concept is a novel and innovative approach to characterizing this element of sustainable forest management. Though further discussion is warranted on the levels set within the FMP the department supports the concept.

Also noteworthy is the examination and discussion of the cumulative impacts of forestry, wildfire, oil & gas activity, population growth, and climate change into the FMP. This is interesting but well beyond the current scope of forest management planning in Alberta.

Timing of the plan and the finalization of the net landbase did not permit MWFP to fully utilize the wet areas mapping work that was undertaken by Dr. Paul Arp in the FMP, but I am sure that the information will be invaluable for the operational planning of harvest areas and access.

I strongly encourage the Company to maintain excellence in this area, to continue collaborating with the scientific community, and to continue efforts to ensure that there is a strong linkage between research and operational practices.

## 7.0 Approval Scope

This Approval Decision relates to the Millar Western FMP dated November 15, 2007. All coniferous and deciduous operators within the Millar Western FMA shall conduct their activities in accordance with the FMP and the Approval Conditions.

MWFP shall meet the requirements (dates and content) of the Approval Conditions unless the Executive Director, Forest Management Branch, agrees to alternate requirements in writing. Prior to identified submission dates, MWFP will execute meaningful dialogue with the designated department decision-maker during the development so "agreement-in-principle" can be reached prior to formal submission by the Condition date.

In the Approval Decision **bold text** identifies specific timelines, requirements and the department Senior Manager responsible for the review. Non-bolded text provides the rationale for the condition and specific considerations to be addressed in meeting the condition.

In the event of an inconsistency between the FMP and existing, new, or revised legislation or regulation, the legislation or regulation shall apply.

## **APPROVAL CONDITIONS**

### **8.0 Spatial Harvest Sequence**

The spatial harvest sequence is an important part of the FMP. It represents spatially the actions taken to balance the economic, ecological, and social needs that make up the preferred forest management strategy. Adherence to the spatial harvest sequence is also fundamental to timely approval of annual operating plans. MWFP proposes to refine the harvest sequence post-approval by including harvest areas operated after the effective date of the landbase. The Company also commits to meeting the requirements to apportion the 20 year harvest sequence amongst the individual operators through the DFA Harvest Planning Committee.

Therefore the following condition applies:

#### ***Approval Condition 8.1 - Spatial Harvest Sequence (SHS)***

- i. By May 1, 2008, MWFP and the companies shall refine the SHS to include areas harvested during the 2004/05 to the 2006/07 seasons. The SHS shall be further refined to identify stands to be harvested by individual operators. The refined sequence must meet the approval of the Senior Manager, Forest Planning Section.
- ii. The companies shall adhere to the SHS in the FMP, and when approved shall adhere to the refined sequence, within the following protocols:
  - a. For operational flexibility, up to 20% of the area of stands may be deleted from the SHS and replaced with an equivalent area (ha) of stands from the net landbase.
  - b. The harvest area (ha) must not exceed 110% of the approved SHS/SDT area (ha) by yield stratum and compartment, and shall not exceed 100% of the yield stratum area (ha) by decade unless otherwise approved by Alberta. (i.e. no single stratum harvest area shall exceed 100%).

### **9.0 Mountain Pine Beetle**

MWFP has developed a rational and feasible FMP that achieves a reduction in MPB susceptible pine on its management area. On-going and timely communication with local government staff is essential to manage the issues identified, and those yet to be identified. MWFP is encouraged to continue its efforts to keep the public and stakeholders advised of their operational plans and accomplishments in addressing the MPB situation.

The implementation of the Pine Strategy does not guarantee the prevention of an outbreak in the near future, but in twenty years, will create a forest that is very resistant to such outbreaks. Should it occur, salvage strategies will address the outbreak to minimize the socio-economic and environmental impacts.

In the event of an outbreak in the FMA, it will be crucial to take all appropriate steps to control the infestation by executing control activities (Level 1 and Level 2) which will take priority over the spatial sequence in this plan. I expect activities over the next few years to be a combination of control (Level 1 and Level 2) and prevention (Pine Strategy), and operational changes necessary to accomplish both will be handled through annual operating plans.

Therefore the following condition applies:

**Approval Condition 9.1 – Mountain Pine Beetle**

- i. When requested, MWFP shall report its achievements regarding the reduction in MPB susceptible (Pine Strategy) stands and infested (Beetle Strategy) stands, and MPB salvage amounts and areas in a format acceptable to the Senior Manger, Forest Planning Section.
- ii. By July 1, 2008, MWFP shall submit a MPB Outbreak scenario as required by the policy entitled *Interpretive Bulletin, Planning Mountain Pine Beetle Response Operations* that meets the approval of the Senior Manager, Forest Planning Section.

**10.0 Desired Future Forest**

The Forecasting chapter of the FMP contains a description of the future forest using charts, tables and maps. MWFP uses a coarse filter approach that benchmarks against that which might occur under a natural disturbance regime. Fine-filter assessments of selected species were also completed for the FMP. Overall the approach is an acceptable method of setting targets or assessing operational impacts from forest operations.

However, there were a few items that were of concern to the department during the review or to the scientific authorities that MWFP retained to assess their preferred forest management scenario. While it is agreed that the chosen scenario attempts to balance a number of bio-indicators and volume requirements (FMP-Chapter 5 and Appendix 10), it is incumbent upon the forest industry and forestry professionals to look for ways to improve management approaches.

Also, as discussed prior to submission, the BAP assessment was not run on the spatial harvest sequence submitted with the FMP. MWFP has committed to doing this post approval.

Therefore the following condition applies:

**Approval Condition 10.1 – Desired Future Forest**

- i. During the implementation of the 2007-2016 FMP, and in preparation for the next FMP, MWFP shall investigate and assess possible opportunities to address the following.
  - a. Loss of area in pure deciduous strata and age-classes
  - b. Loss of area in mixedwood strata and age-classes
  - c. Creation of patches 1000 ha and greater
- ii. MWFP shall run the BAP on the revised SHS (see condition 8.1) and discuss any substantial differences in results between the new run and those results submitted in the FMP. The revised BAP results shall be submitted by November 30, 2008 and be acceptable to the Senior Manager, Forest Planning Section.

**11.0 Structure Retention and Monitoring**

Forest managers practice green tree retention within harvested areas to create residual (post-harvest) stand structure. The department has approved FMPs with structure retention targets ranging from 1% to 15% of the merchantable volume. From this, a variety of forest conditions will result throughout the province, that when assessed, will allow useful comparisons and enable refinement of future targets. MWFP's strategy to maintain an average of 1% of merchantable volume within harvest areas falls



within the range and is acceptable, however MWFP and the embedded operators are encouraged to look for ways to enhance this target at a landscape level.

Therefore the following condition applies:

**Approval Condition 11.1 – Structure Retention and Monitoring**

- i. All operators in the MWFP FMA shall plan and carry out their operations to achieve an average landscape structure retention target minimum of 1% merchantable volume. All operators are further encouraged to assess stand structure at the operational phase for opportunities to further enhance retention at a landscape level. Structure retention shall be representative of the original stand conditions and shall be retained to achieve acceptable biodiversity results. Non-merchantable timber may also be used to augment merchantable retention.
- ii. By September 1, 2008, MWFP shall develop standard operating procedures for monitoring, measuring and reporting the retained structure (merchantable and non-merchantable) on harvested areas. The Company is expected to reach general agreement with embedded timber operators, and the result must be acceptable to the Senior Manager, Forest Planning Section.
- iii. Merchantable volumes retained shall be reported annually and in 5-year Stewardship Reports.

**12.0 Silviculture Strategy**

Defining the silviculture practices that will be used to establish managed stands and forecasted timber yields is important. FMPs must present the reforestation strategies to be used to achieve the timber yields from the regenerated stands. Silvicultural practices must be appropriate for the local range of conditions.

MWFP had begun early in the process to discuss silviculture practices and linkages to projected yields. During the FMP review a potential misalignment between sections of the plan was identified. In addition the FMP states that a Vegetation Management Strategy will be developed under this FMP, and that used with FMP Tables 1 and 2 of Appendix IX “will provide an integrated suite of silviculture practices....”, yet this item is absent in the commitment table presented in Chapter 6.

Therefore the following condition applies:

**Approval Condition 12.1 - Silviculture Strategy Table**

- i. By July 1, 2008 MWFP shall re-engage the silviculture sub-committee, renamed the Silviculture Committee for the purpose of discussion and agreement on the final Silviculture Strategy Table to be used by all operators. The Silviculture Strategy Table shall meet the Approval of the Senior Manager, Reforestation Section.
- ii. By July 1, 2008 MWFP shall use the Silviculture Committee to finalize the Vegetation Management Strategy.

### **13.0 Industrial Timber Salvage**

Accounting for all sources of timber volume drain is critical to ensuring the approved AACs are sustainable. In Alberta, non-forestry industrial operations contribute to this drain and must be included in the total. MWFP's proposal to recalculate the impact more often is innovative but seems impractical at a time when the forest industry is looking to minimize operating costs.

Therefore the following applies

#### **Approval Condition 13.1 – Industrial Timber Salvage**

- i. All timber depleted (salvaged and non-salvaged merchantable timber) by non-forestry operations shall be reported as production for cut control purposes, except for low impact seismic programs where the average line width is less than 2.5 metres and Timber Damage Assessment compensation for is not requested.
- ii. The volumes used shall be those from the published timber damage assessment tables or as otherwise agreed by the Senior Manager, Timber Production, Auditing and Revenue Section.
- iii. By October 31, 2008, MWFP shall develop and implement a salvage timber volume tracking and reporting system acceptable to the Senior Manager, Timber Production, Auditing and Revenue Section.

### **14.0 Alternative Regeneration Standards**

The Regeneration Survey Manual establishes provincial reforestation performance standards (provincial survey standard) that are intended to create fully stocked natural stand yields. These standards shall be used until alternative regeneration performance standards are developed that relate to each yield projection used in the FMP. Incidental timber volumes are important and must be addressed.

Therefore the following condition applies:

#### **Approval Condition 14.1 – Alternative Regeneration Standards**

- i. By May 1, 2010 MWFP shall implement alternative regeneration performance standards acceptable to the Senior Manager, Reforestation Section. The ARS shall include standards for incidental species stocking to achieve replacement of incidental volumes.

### **15.0 Incidental Conifer Replacement**

The timber supply analysis projects the occurrence of incidental volumes in managed stands without articulated and quantified strategies to maintain these volumes. In the W11 PFMP approval the department prescribed a formula for replacing these volumes and required an alternative strategy to be developed with the embedded operators. The Company did not fulfill this requirement. Additionally, the incidental volumes in W13 are of concern as well. During the development of the FMP the Company refined the area (Ha) replacement value used in the previous formula, but did not commit to implementing it.

Therefore the following condition applies.

**Approval Condition 15.1 - Incidental Conifer Replacement**

- i. MWFP and the embedded operators are required to come to agreement on strategies to replace incidental volumes. Until such strategies are approved by the department, the following conditions shall apply.
- ii. Coniferous volumes from pure deciduous stands shall be replaced by converting area within the deciduous landbase to pure coniferous according to the formula in iii.
- iii.  $(\text{Annual incidental coniferous volume (scaled) m}^3) / (\text{m}^3/\text{ha of pure coniferous volume from fully stocked spruce yield curve at 80 years}) = (\text{ha of deciduous landbase to be converted})$  or 1 ha for every 137.8 m<sup>3</sup> of incidental coniferous volume.
- iv. The requirements may be reduced with acceptable documentation of the contributions from understorey coniferous management and coniferous stocking on pure deciduous block roads.

**16.0 Growth and Yield Plan**

A credible Growth and Yield Program gathers key information to use in future timber supply analyses and monitors and verifies FMP timber yield assumptions. MWFP has included a Growth and Yield plan in the FMP submission, however further discussion is necessary prior to the department granting approval.

Therefore the following condition applies:

**Approval Condition 16.1 - Growth and Yield Plan**

- i. By September 1, 2008 MWFP shall complete discussions with the department and submit a Growth and Yield Plan acceptable to the Senior Manager, Forest Planning Section.

**17.0 First Nations Consultation**

MWFP has made great efforts to work with the Alexis Nakota Sioux Nation and has developed a relationship intended to further both forest management involvement and economic development with the band. The main avenue for input into the FMP process for the Alexis Nakota Sioux Nation was through the creation of the Environmental Co-Stewardship Committee (ECSC). In September 2006, SRD advised that additional groups needed to be consulted in the development of the FMP. These addition groups included the Alexander First Nation, Lesser Slave Lake Indian Regional Council, and Sturgeon Lake Cree Nation. Appendix C of Appendix 3, “Communications Summary; 2007 – 2016 Detailed Forest Management Plan” provides copies of letters sent to these first nations to invite them to participate, however it appears that little input on the plan has been received. SRD realizes that the additional contacts were supplied later in the development process, however first nations consultation is vital to sustainable forest management planning.

Therefore the following condition applies:

***Approval Condition 17.1 – First Nations Consultation***

- i. MWFP shall adhere to the *Alberta’s First Nations Consultation Guidelines on Land Management and Resource Development, Forest Industry First Nations Consultation Guidelines 2007-2008* for operational plan development and approvals. Further consultation is necessary with the identified groups at operational plan development.
- ii. MWFP shall document consultation efforts and activities, issues raised, and company responses. This documentation shall be made available to SRD upon request.

**18.0 Grizzly Bear Conservation**

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 is linked to human activity in priority habitats. Access development increases this activity. The department is developing an implementation plan for the GBRP in the near term. When this is published the Company shall address these requirements in its operational plans.

Forests can be managed for MPB and meet the intent of the GBRP. Regenerating forests (8 to 42 years) support increased numbers of forage plants, depending on the silvicultural treatments used. Access, however, is difficult to restrict once routes are built and so the government must take a solid stance on this issue in priority habitats. The Company can act to make roads impassable and to quickly reclaim access into completed compartments. Operational planning can mitigate many of the impacts of timber harvest and the Company commits to working with the Area staff to this end.

It is anticipated that the department will identify priority “core” and “secondary” areas to which access density targets identified within the GBRP will be applied. The implementation of these targets through associated access management plans will be developed in consultation with affected stakeholders.

Given the raised awareness and policy developments to conserve grizzly bear populations, the following condition applies:

***Approval Condition 18.1 – Grizzly Bear Model***

- i. By September 1, 2008 MWFP shall assess the impact of the preferred forest management scenario on grizzly bear habitat using models and tools developed by the FMF Grizzly Bear Research Program (GBRP). SRD has developed draft protocols to guide the assessment. The assessment shall be acceptable to the Senior Manager, Forest Planning Section.
- ii. In addition to the net landbase information, this assessment shall include the revised harvest sequence and Compartment Road Network Access Plan as presented in FMP Appendix 18

**19.0 Watershed Assessment**

MWFP formed the Forest Watershed and Riparian Disturbance (FORWARD) group to develop tools and conduct research into forest harvesting activities and impacts on watersheds. Considerable resources were utilized in the project and the department is very impressed by the efforts to further the science. During the review of the submission, some questions were raised regarding conclusions and

rationale for the thresholds chosen for maximum increases in runoff coefficients. Further discussion is warranted.

Therefore the following condition applies:

***Approval Condition 19.1 – Watershed Impact***

- i. By September 1, 2008 MWFP shall meet with the Forest Hydrology Specialist of the Forest Planning Section, Forest Management Branch, SRD to resolve concerns and submit additional information to substantiate chosen thresholds and assumptions. Additional documentation required from the Company shall meet the approval of the Senior Manager, Forest Planning Section.

**20.0 Revisions and Future Forest Management Plans**

There is currently no further regulatory requirement for submission of a revised FMP. This requirement will come with the renegotiation of the current Forest Management Agreement, set to expire May 13, 2017. Current policy requires the Company to resubmit a plan in 10 years, barring significant events on the FMA, or changes in policy. Further, meeting the requirements of this approval documents requires additional informational and analysis.

Therefore the following condition applies:

***Approval Condition 20.1 – Revisions and Future Forest Management Plans***

- i. MWFP shall submit a revised FMP incorporating the outcome of the Approval Decision conditions by January 1, 2009.
- ii. MWFP shall prepare and submit a FMP that meets the forest management planning standards by the May 14, 2017, unless otherwise approved by the minister.

**21.0 Performance Monitoring**

Annual Reporting and 5-year Stewardship Reports are used to monitor the successful implementation of FMPs, and as a basis for adaptive management to inform subsequent planning activities.

Therefore the following condition applies:

***Approval Condition 21.1 – Performance Monitoring***

- i. MWFP shall meet annual reporting requirements and submit Stewardship Reports that report the achievement of each item as per Appendix 23 of the submitted FMP and where required by this Approval Decision. In the Stewardship Report, the company shall identify variances from the planned outcomes and shall assess and determine the reason for each variance and present the corrective action taken or proposed.
- ii. A Stewardship Report, current to May 1, 2011, shall be submitted by December 1, 2012 and in a format acceptable to the Senior Manager, Forest Planning Section.

## **22.0 Approved Annual Allowable Cuts**

Refer to Tables 1 and 2: Historical Allocations and Approved Annual Allowable Cuts.

Refer to Table 4: Quadrant and Periodic Allowable Cuts

## **23.0 Authorization**

The Detailed Forest Management Plan for the Millar Western FMA dated November 15, 2007 is approved subject to the Approval Conditions being met, and the Annual Allowable Cuts presented in this Approval Decision.

The Annual Allowable Cuts are effective beginning May 1, 2007.

## **24.0 Regulated Forestry Professional Validation of Allocation Tables**

The following regulated forestry professionals agree and validate that the following tables;

- i. Table 1: Historical Allocations
- ii. Table 2: Approved Annual Allowable Cuts and Timber Allocations
- iii. Table 4: Periodic and Quadrant Allowable Cuts

are complete and accurate and document the timber dispositions, allocations and approved harvest levels for FMUs W11 and W13.

Original validated by:

- Mr. Ray Hilts, RPFT #920005, Millar Western Forest Products
- Mr. Paul Scott, RPF # 308, Weyerhaeuser Company
- Mr. Permanand Sieusahai, RPF #435, Spruceland Millworks
- Mrs. Janet M.B. Schilf, RPF #240, Alberta Sustainable Resource Development

**Table 1: Historical Allocation**

Company Name	Disposition Number or FMA reference	FMA/ FMU/ Grazing	Effective Date of AAC	Deciduous AAC (%)	Deciduous AAC (m3/yr)	Coniferous AAC (%)	Coniferous AAC (m3/yr)
<b>W13</b>							
MTU	[8(2)(e)(i)]	FMA	2000				30,000
MTU*	[8(2)(e)(ii)]	FMA (VSA 1)	2000		628		
Weyerhaeuser	DTAW130001	FMU	2000		45,000		
Mostowich	CTQW130002	FMU	2000			4.42	15,388
Millar Western (FMA)	FMA9700034	FMA	2000		146,169		300,922
Millar Western (non-FMA)	CTQW130001	FMU	2000			0.46	1,824
Total					191,797		348,134
<b>W11</b>							
Millar Western	FMA9700034	FMA	2004		109,863		
OK Lumber	CTQW110005	FMU	2004			21.05	19,998
Fort Assiniboine Lumber	CTQW110004	FMU	2004			6.26	5,947
Spruceland Millworks Inc.	CTQW110006	FMU	2004			72.70	69,055
Total					109,863		95,000
<b>FMA</b>							
Area Residents	[8(2)(d)]					1000***	

\* Sourced from incidental deciduous volume

\*\*\* Total volume of coniferous/deciduous(birch); included in Millar Western FMA volume



**Table 2: Approved Allocations and AACs**

<b>Company Name</b>	<b>Disposition Number or FMA reference</b>	<b>FMA/ FMU/ Grazing</b>	<b>Deciduous AAC (%)</b>	<b>Deciduous AAC (m3/yr)</b>	<b>Coniferous AAC (%)</b>	<b>Coniferous AAC (m3/yr)</b>
<b>W13</b>						
MTU	[8(2)(e)(i)]	FMA				30,000
MTU*	[8(2)(e)(ii)]	FMA (VSA 1)		861		
Weyerhaeuser	DTAW130001	FMU		45,000		
Millar Western (QUOTA)	CTQW130002	FMU			4.42	19,264
Millar Western (FMA)	FMA9700034	FMA		157,099		376,925
Millar Western	CTQW130001	Grazing				9,655
Millar Western (Requested)**		Grazing		6,452		
<b>Total</b>				<b>209,412</b>		<b>435,844</b>
<b>W11</b>						
Millar Western	FMA9700034	FMA		103,520		
Vanderwell Contractors (1971) Ltd.	CTQW110005	FMU			21.05	19,977
Fort Assiniboine Lumber	CTQW110004	FMU			6.26	5,941
Spruceland Millworks Inc.	CTQW110006	FMU			72.69	68,985
Millar Western (Requested)**		Grazing		2,529		
<b>Total</b>				<b>106,049</b>		<b>94,903</b>
<b>FMA</b>						
Area Residents	[8(2)(d)]			1000***		

\* Sourced from incidental deciduous volumes within Whitecourt and Blue Ridge subunits

\*\* July 18, 2006 letter to D.A. Sklar, re: DTA's for unallocated deciduous volume

\*\*\* Total volume of coniferous/deciduous(birch); included in Millar Western FMA volume

**Table 3: Utilization and Operational Volume adjustments**

Utilization used to determine Harvest Level in PFMS							Operational Utilization					
Disposition Number	Company	Species	Top Diameter (cm)	Butt Diameter (cm)	Minimum Length (m)	Stump Height	Top Diameter (cm)	Butt Diameter (cm)	Minimum Length (m)	Stump Height (cm)	Deciduous AAC (m3) based on operational utilization	Coniferous AAC (m3) based on operational utilization
<b>W13</b>												
FMA9700034	Millar Western	Sw	10	15	4.88	30	12	15	4.88	30	N/A	354,686
FMA9700034	Millar Western	Non-Sw Conifer	10	15	4.88	20	12	15	4.88	20	N/A	
CTQW130002	Millar Western	Sw	10	15	4.88	30	12	15	4.88	30	N/A	18,127
CTQW130002	Millar Western	Non-Sw Conifer	10	15	4.88	20	12	15	4.88	20	N/A	
CTQW130001	Millar Western	Sw	10	15	4.88	30	12	15	4.88	30	N/A	9,085
CTQW130001	Millar Western	Non-Sw Conifer	10	15	4.88	20	12	15	4.88	20	N/A	
<b>W11</b>												
CTQ110006	Spruceland	conifer	10	15	4.88	30	12	15	4.88	30	N/A	63,673

Conversion Rate W13 = 5.9%

Conversion Rate W11 = 7.7%

These volumes were not used to calculate Quadrant or Periodic Allowable Cuts in Table 4

**Table 4: Periodic and Quadrant Allowable Cuts**

Company Name	Disposition Number	FMU	Periodic / Quadrant Cut Control Period	Approved Coniferous Reconciliation Volume (m <sup>3</sup> )	Approved Deciduous Reconciliation Volume (m <sup>3</sup> )	Coniferous Periodic/Quadrant Allowable Cut (m <sup>3</sup> )	Deciduous Periodic/Quadrant Allowable Cut (m <sup>3</sup> )	Comments
Millar Western Forest Products Ltd.	FMA9700034	W11	May 1, 2006 to April 30, 2011		168,000		691,943	Assume (1 year x 109,863 & 4yrs. x 103,520 m <sup>3</sup> /yr.) deciduous + 168,000 m <sup>3</sup> deciduous carry forward from 2001-2006.
Fort Assiniboine Lumber Ltd.	CTQW110004	W11	May 1, 2006 to April 30, 2011	0		29,711		Assume (1 yrs. x 5,947 m <sup>3</sup> /yr.) + (4 yrs. x 5,941 m <sup>3</sup> /yr.) coniferous.
Vanderwell Contractors Ltd.	CTQW110005	W11	May 1, 2006 to April 30, 2011	26,883		126,789		Assume ((1 yrs. x 19,998 m <sup>3</sup> /yr.) + (4 yrs. x 19,977 m <sup>3</sup> /yr.) coniferous) + 26,883 m <sup>3</sup> coniferous carry forward from 2001-2006.
Spruceland Millworks Ltd.	CTQW110006	W11	May 1, 2006 to April 30, 2011	-1,465		343,530		Assume ((1 yrs. x 69,055 m <sup>3</sup> /yr.) + (4 yrs. x 68,985 m <sup>3</sup> /yr.) coniferous) - 1,465 m <sup>3</sup> coniferous overproduction from 2001-2006.
Millar Western Forest Products Ltd.	DTAW1100??	W11	May 1, 2007 to April 30, 2011		0		10,116	Assume (4 yrs. x 2,529 m <sup>3</sup> /yr.) deciduous.
Millar Western Forest Products Ltd.	FMA9700034	W13	May 1, 2006 to April 30, 2011	48,789	6,347	1,857,411	780,912	Assume ((1 yrs. x 300,922 m <sup>3</sup> /yr.) + (4 yrs. x 376,925 m <sup>3</sup> /yr.) coniferous) + 48,789 m <sup>3</sup> carry forward from 2001-2006) and ((1 yrs. x 146,169 m <sup>3</sup> /yr & 4 yrs. x 157,099 m <sup>3</sup> /yr.) deciduous + 6,347 m <sup>3</sup> deciduous underproduction from 2001-2006).
Millar Western Forest Products Ltd.	CTQW130001	W13	May 1, 2006 to April 30, 2011	0		40,444		Assume (1 yrs. x 1,824m <sup>3</sup> /yr.) + (4 yrs. x 9,655 m <sup>3</sup> /yr.) coniferous.
Millar Western Forest Products Ltd.	CTQW130002	W13	May 1, 2006 to April 30, 2011	-3,862		88,582		Assume ((1 yrs. x 15,388 m <sup>3</sup> /yr.)+ (4 yrs. x 19,264 m <sup>3</sup> /yr.) coniferous) - 3,862 m <sup>3</sup> coniferous overproduction from 2001-2006.
Weyerhaeuser Canada Ltd.	DTAW130001	W13	May 1, 2006 to April 30, 2011	0	-5,045		219,955	Assume (5 yrs. x 45,000 m <sup>3</sup> /yr.) deciduous - 5,045 m <sup>3</sup> overproduction from 2001-2006.
Millar Western Forest Products Ltd.	DTAW1300??	W13	May 1, 2007 to April 30, 2011				25,808	Assume (4 yrs. x 6,452 m <sup>3</sup> /yr.) deciduous.
CTPP	CTPs	W13	May 1, 2006 to April 30, 2011	0	0	150,000	4,072	Assume ((5 yrs. x 30,000 m <sup>3</sup> /yr.) coniferous ) and ((1 yrs. x 628 m <sup>3</sup> /yr.) + (4 yrs. x 861 m <sup>3</sup> /yr.) deciduous).