

Forest Management Plan Approval Decision



**Spray Lake Sawmills (1980) Ltd.
Cochrane, Alberta**

**Forest Management Agreement
0100038**

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Date: July 30, 2007

Effective: May 1, 2007

Approved by:

Original Signed by

Dan Wilkinson, RPF

for:

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

Executive Summary

The Spray Lake Sawmills (1980) Ltd. (SLS) Forest Management Agreement (FMA) is west of the City of Calgary, and an increasingly urbanized region of Alberta. The demand by all sectors for access to Alberta's Crown lands is growing; increasing the potential for conflict between resource users.

Albertans are interested in a variety of values inherent in the area. Forest management must be technically sophisticated to address these issues, and, be conducted with meaningful public involvement to provide a sustainable flow of resources and values.

This Approval Decision evaluates the Company's achievements regarding the April 28, 2005 Decision and documents the approval rationale, and conditions for the revised SLS Forest Management Plan (FMP) dated December 15, 2006. It establishes requirements for implementing the revised FMP and sets expectations for subsequent FMP amendments and updates.

The Conditions herein are consistent with the terms of the FMA and failure by SLS to fulfill the direction provided in this Approval Decision will place the Company in default of its Forest Management Agreement.

The FMP 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 FMP has been reviewed and approved by government RFPs.

Approval Decision Conditions

Approval Condition 6.1 – Public and First Nations Consultation

- i. SLS shall renew its consultation efforts with the First Nations in Treaty 7 (Kainaiwa (Blood), Piikani, Siksika, Tsuu T'ina, Stoney) and follow the Alberta First Nations Consultation Guidelines on Land Management and Resource Development. The FMP consultation shall begin immediately and be completed by April 30, 2008 to the satisfaction of the Executive Director of Forest Management Branch.*
- ii. By September 30, 2007, SLS shall assess and complete a summary report for the FMP identifying potential adverse impacts to First Nations treaty rights and traditional uses. The report will be used to focus and guide the consultation discussions with the First Nations. Copies of the report shall be provided to the First Nations, Southern Rockies Area Manager, and the Senior Manager, Forest Planning Section.*
- iii. SLS shall keep written documentation of all issues and comments provided to SLS by each First Nation. SLS will provide regular updates to the Area Manager and the Senior Manager, Forest Planning Section of the issues and its actions to address them.*

Approval Condition 7.1 – Timber Supply Analysis

- i. By September 1, 2007, SLS will provide the polygon/shape file (spatial file) for 75 years of forecasted harvest that reflects the tabular summary provided, and describe in detail the relationships and linkages between this file and the net land base file. The information shall be acceptable to the Senior Manager, Forest Planning Section.*
- ii. By October 1, 2007, SLS shall complete an analysis and report that assesses the impact of the approved spatial harvest sequence on the long-term timber supply. The analysis and report shall be acceptable to the Senior Manager, Forest Planning Section.*

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

Approval Condition 8.1 – Net Land Base

- i. *Prior to completing an FMP amendment for MPB Pine Strategy Planning, SLS shall revise its net land base to ensure accuracy of information and compliance with department standards.*
- ii. *SLS shall monitor and report variances from the SHS consistent with its ground rules (to be developed) and department standards.*

Approval Condition 11.1 - Forest Health

- i. *By May 1, 2009, SLS shall have an approved MPB Pine Strategy Plan that meets the requirements of the Mountain Pine Beetle Action Plan for Alberta and the Interpretive Bulletin - Planning Mountain Pine Beetle Response Operations.*

Approval Condition 13.1 – FireSmart Community Zones

- i. *SLS shall participate in the FireSmart planning process and cooperate with the Southern Rockies Area to ensure successful completion and implementation of the Waiparous Village and West Bragg Creek FireSmart plans.*
- ii. *SLS shall amend its SHS to incorporate the revisions necessary to implement the completed FireSmart plans.*
- iii. *The work and revisions (i and ii) shall be acceptable to the Area Manager, Southern Rockies Area and the Senior Manager, Forest Planning Section.*

Approval Condition 14.1 - Future Forest Habitat Supply

- i. *By November 1, 2007, SLS shall complete a grizzly bear habitat assessment on the preferred forest management scenario using the RSF projection model from the Foothills Model Forest Grizzly Bear Project.*
- ii. *SLS shall adjust where necessary any objectives, strategies, indicators and targets to meet the habitat requirements of this species.*
- iii. *SLS shall refine the work completed on the permanent road network to determine separately the density of forestry roads, and all roads, to serve as indicators of access density. Current densities shall be reported and, when available, the thresholds determined by the Grizzly Bear Recovery Plan shall be used as targets to be achieved.*

Approval Condition 15.1 – Spatial Harvest Sequence

- i. *SLS must follow the mapped 15-year harvest sequence (2001 – 2016) as presented in the FMP (subject to revisions addressing FireSmart and MPB strategies).*
- ii. *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. *Preference should be given to selecting stands from the second 10-year period of the SHS (years 2017-2026) when replacing deleted stands (from ii above). Where this is not feasible, replacements may be from any other stands identified in the approved net land base of the FMP, with priority to pine stands that are ranked highly susceptible to MPB infestations.*
- iii. *Where timber operators exceed the variance described in (ii), the Area Manager, 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.

- iv. The department requires the variance from the SHS to be reported annually, and the 5-year Stewardship Report to analyze the variance from the SHS.*
- v. Following the achievement of Approval Conditions 11.0 and 13.0 (MPB Plans and FireSmart), 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.*

Approval Condition 17.1 – Resource Management Objectives and Strategies

- i. By November 1, 2007, SLS shall develop acceptable to the Senior Manager, Forest Planning Section;*
 - a. measurable objectives and strategies, and*
 - b. a monitoring and stewardship reporting system.*

Approval Condition 21.1 - Forest Inventory

- i. SLS shall submit annual updates of the disturbance layer (FMA land areas that were harvested during the previous year) for the management area in a format acceptable to the Senior Manager, Forest Planning Section.*

Approval Condition 22.1 – Performance Monitoring and Reporting

- i. SLS shall submit Annual Reports and Stewardship Reports that document the operational performance of the Company's activities in implementing the FMP. Where variances from the planned outcomes exist, an analysis shall discuss the reason for the variance and the Company's corrective action taken or proposed.*
- ii. A Stewardship Report acceptable to the Senior Manager, Forest Planning Section shall be submitted by September 1, 2012.*

23.0 Approved Annual Allowable Cuts

Refer to Table 1 (FMU B09) and Table 2 (FMU B10): Approved Annual Allowable Cuts

24.0 Authorization

This FMP replaces the approved SLS Preliminary Forest Management Plan and this Approval Decision replaces the department's Decision dated April 28, 2005.

The Detailed Forest Management Plan 2001 – 2026 for the Spray Lake Sawmills FMA area dated December 15, 2006 is approved subject to the Approval Conditions and the Annual Allowable Cuts presented in this Approval Decision.

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

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1.0 Introduction

The Spray Lake Sawmills (1980) Ltd. (SLS) Forest Management Agreement (FMA) west of the City of Calgary, and an increasingly urbanized region of Alberta. The demand by all sectors for access to Alberta's Crown lands is growing; increasing the potential for conflict between resource users.

In keeping with the principles of sustainable forest management and integrated land use, the Company's primary use of the area for forest management does not imply exclusive use. Albertans are interested in a variety of values inherent in the area. Forest management must be technically sophisticated to address these issues, and, be conducted with meaningful public involvement to provide a sustainable flow of resources and values. Therefore, forest management plans must mitigate, in ways practical and feasible, the impacts of forestry operations on these other values.

This Approval Decision evaluates the Company's achievements regarding the April 28, 2005 Decision and documents the approval rationale, and conditions for the revised SLS Forest Management Plan (FMP) dated December 15, 2006. It establishes requirements for implementing the revised FMP and sets expectations for subsequent FMP amendments and updates.

The Conditions herein are consistent with the terms of the FMA and failure by SLS to fulfill the direction provided in this Approval Decision will place the Company in default of its Forest Management Agreement. The Conditions contained herein are non-negotiable.

The FMP has been validated² 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.

2.0 Forest Management Planning Area

The area under consideration is the Forest Management Agreement area of SLS FMA #0100038 allocated to SLS via legislative Order-in-Council (O.C. 284/2001), dated September 5, 2001.

The FMA is located in the southwest portion of the province and is contained entirely within Alberta's Rocky Mountain Forest Reserve. The FMA includes four Natural Sub-regions, Upper Foothills, Lower Foothills, Sub-alpine, Montane and Foothills Parkland. It spans two Forest Management Units (FMU) B09 and B10. FMU B09 consists of FMA and non-FMA (quota) tenure areas. FMU B10 is entirely contained within the FMA tenure.

3.0 Background

The SLS Preliminary Forest Management Plan (PFMP) was approved on October 3, 2003 with conditions to be met in the FMP. SLS submitted its FMP on November 10, 2004 for department review. The department issued a Decision on April 28, 2005 prescribing Conditions to be addressed. SLS submitted its revised FMP on December 15, 2006 following several Condition date extensions. Upon receipt, the

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

department initiated a formal appraisal and this Approval Decision represents the culmination of the department's appraisal process.

4.0 Approval Decision Scope

This Approval Decision relates to the SLS FMP dated December 15, 2006. All timber operators within the FMA area (FMU B09 and B10) and non-FMA B09 quota area shall conduct their activities in accordance with the approved FMP and the Conditions of this Approval Decision.

SLS shall meet the requirements (dates and content) of the Approval Decision Conditions unless the Executive Director, Forest Management Branch, agrees to alternate requirements in writing.

In this Approval Decision **bolded text** identifies specific timelines, requirements and the department 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, the Approval Decision and existing, new or revised legislation or regulation, the legislation or regulation shall apply.

5.0 Forest Management Plan

The Approval Conditions contained herein direct SLS to complete additional work to fill some information and communication gaps and to heighten its level of activity regarding Pine Strategy planning for mountain pine beetle management. At the completion of this work, the FMP shall be amended to reflect all changes and additions.

The department posts approved FMPs on its website for enhanced public access to the plans. This does not release SLS from its obligations for making the FMP available to the public.

6.0 Public and First Nations Consultation

The SLS Forest Management Agreement Sections 10(1) and 10(2) require that the Company conduct a cost effective and meaningful public involvement process. The 2005 Decision required SLS to ensure that those public and First Nations who were interested and/or affected by its FMP had an opportunity to be involved. Specifically, they were informed of the planned activities, given an opportunity to express their concerns, and received explanations of how their concerns were addressed, or if not addressed, why they weren't.

SLS describes its consultation work in Chapter 4 of the FMP. SLS gathered public information through open houses, questionnaires, ad hoc meetings, and presentations. SLS also met with its Public Advisory Group (PAG) to discuss the FMP and general forest management principles and practices. I believe SLS completed reasonable on-going public and stakeholder consultation and addressed the issues to the extent possible given the limited scope of the FMP. It is common practice to make portions of the FMP available for review as each is completed. This is acceptable, but reviewers also need to review the complete

document to fully understand the FMP. Without this step reviewers may end up being poorly informed or misinformed.

The recent issues raised by the public regarding forestry activity in Kananaskis Country cannot be resolved by the Company and are clearly beyond the scope of a FMP. The *Introduction* of this Approval Decision effectively captures the essence of the issue; “*The demand by all sectors for access to Alberta’s Crown lands is growing; increasing the potential for conflict between resource users.*” The on-going public debate regarding appropriate land use in Kananaskis Country, is not one that the forest industry is able to address, and resides with the Government to resolve.

SLS was directed to ensure opportunities were available for consultation with aboriginal forest users and communities. Little guidance on acceptable procedures to pursue was offered, but the department’s Southern Rockies Area assisted the consultation process by notifying First Nations communities of the planning work that was being done and to contact SLS to discuss their interests. Area staff also offered guidance for developing a consultation process when Alberta’s First Nations Consultation Policy and Guidelines were published.

It is my opinion that an enhanced effort to consult with First Nations is necessary to make meaningful strides to understand and address the issues. Consequently, the following is required.

Approval Condition 6.1 – Public and First Nations Consultation

- i. SLS shall renew its consultation efforts with the First Nations in Treaty 7 (Kainaiwa (Blood), Piikani, Siksika, Tsuu T’ina, Stoney) and follow the *Alberta First Nations Consultation Guidelines on Land Management and Resource Development*. The FMP consultation shall begin immediately and be completed by April 30, 2008 to the satisfaction of the Executive Director of Forest Management Branch.**
- ii. By September 30, 2007, SLS shall assess and complete a summary report for the FMP identifying potential impacts to First Nations treaty rights and traditional uses. The report will be used to focus and guide the consultation discussions with the First Nations. Copies of the report shall be provided to the First Nations, Southern Rockies Area Manager, and the Senior Manager, Forest Planning Section.**
- iii. SLS shall keep written documentation of all issues and comments provided to SLS by each First Nation. SLS will provide regular updates to the Area Manager and the Senior Manager, Forest Planning Section of the issues and its actions to address them.**

7.0 Timber Supply Analysis

SLS proposes an accelerated harvest of 318,602 m³ of coniferous timber for the first 25 years (2001 to 2025) of the planning horizon that addresses Rank 1 & Rank 2 mountain pine beetle (MPB) susceptible stands. In year 26 (2026) the harvest level steps-down to 289,815 m³ for the remaining 180 years (2203)³.

This preferred forest management strategy⁴ (TSA Runs Scenario 4/10) maintains the harvest levels previously approved in the April 28, 2005 Decision.

³ Chapter 8 – Timber Supply Analysis Addendum, Table 7, pg 20

⁴ Spray Lake Sawmills Forest Management Plan 2001-2026, TSA Runs Scenario 4/Run 10

There are some technical details and omissions that limit the department's ability to query the data for future strategic planning purposes. Although limiting, there is no measurable impact on forest sustainability. For completeness, some additional technical data and descriptions are required.

Approval Condition 7.1 – Timber Supply Analysis

- i. By September 1, 2007, SLS will provide the polygon/shape file (spatial file) for 75 years of forecasted harvest that reflects the tabular summary provided, and describe in detail the relationships and linkages between this file and the net land base file. The information shall be acceptable to the Senior Manager, Forest Planning Section.**
- ii. By October 1, 2007, SLS shall complete an analysis and report that assesses the impact of the approved spatial harvest sequence on the long-term timber supply. The analysis and report shall be acceptable to the Senior Manager, Forest Planning Section.**

8.0 Net Land Base

The accurate determination of the managed forest land base (net land base) is a fundamental component of the FMP. Valid timber supply estimates and operationally feasible harvest sequencing is predicated on this work.

The department review was complicated by the net land base file not being fully documented. This fact precluded the full review of the information. Also identified were inconsistencies between the land base and timber supply analysis documentation. Although the workmanship is inconsistent and at times incomplete, the net result to the sustainable timber supply is negligible and the result is ultimately reasonable. The Company may discover these issues add costs or restrict its ability to assess forest conditions and prepare plans for future MPB threat reduction.

Tracking, assessing and reporting variances in the managed stand layer as a result of these net land base discrepancies is required during implementation of the FMP.

Approval Condition 8.1 – Net Land Base

- i. Prior to completing an FMP amendment for MPB Pine Strategy Planning, SLS shall revise its net land base to ensure accuracy of information and compliance with department standards.**
- ii. SLS shall monitor and report variances from the SHS consistent with its ground rules (to be developed) and department standards.**

9.0 Productive Land Base Losses

SLS describes in Chapter 10, Section 10.5 its methodology to gather data and assess the success of reforestation on roads and timber decking areas. The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 9.3.1.

10.0 Stand Level Structure Retention

SLS has developed stand level structure retention strategies and a credible monitoring process as described in Chapter 5, Section 5.4.1.1 of the revised FMP. I believe a reasonable set of strategies for landscape and stand level structure retention and a monitoring process to account for retained volume as production against the periodic allowable cut has been achieved.

The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 9.4.1.

11.0 Forest Health

Mountain Pine Beetle and Dwarf Mistletoe are noted as the most important forest health issues on the FMA area. Recent MPB winter mortality data and population estimates indicate the eastern slopes of the Rocky Mountains will experience expansion of MPB infestations beginning in 2007.

Chapter 2 (Section 2.19), and Chapter 5 (Section 5.7) outline the forest health strategies that SLS will follow. SLS has re-sequenced the four MPB priority areas to target MPB Rank 1 and Rank 2 stands. The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 9.5.1.

This work was under development when the *MPB Action Plan for Alberta* and the *Interpretative Bulletin* were published. As such, the FMP does not incorporate the updated requirements for Pine Strategy Plans to address the age-class structure of the forest and its current and future susceptibility to MPB infestations. Therefore, additional work is necessary to fully address the situation.

The following is required:

Approval Condition 11.1 - Forest Health

- i. By May 1, 2009, SLS shall have an approved MPB Pine Strategy Plan that meets the requirements of the *Mountain Pine Beetle Action Plan for Alberta* and the *Interpretive Bulletin - Planning Mountain Pine Beetle Response Operations*.**

12.0 Silviculture Strategy

Forest management plans must describe the reforestation strategies to be used to achieve the projected timber yields from the regenerated stands. The knowledge, expertise and experience of forestry professionals are relied on for selecting silviculture practices appropriate for the local range of conditions.

Chapter 5.15 and Table 5.2 describe silviculture strategies that are mutually acceptable to the department and SLS. The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 9.6.1.

13.0 FireSmart Community Zones

FireSmart Community Zone Plans for Waiparous Village and West Bragg Creek are being lead by the department's Forest Protection Branch and are still under development. Therefore, the information was not available to SLS to incorporate into its TSA and spatial harvest sequence. The FireSmart strategies in the 2004 FMP are therefore being followed until such time as the FireSmart Plans are completed. SLS is participating in the FireSmart Planning process and is conducting its operations by focusing its harvest in mature stands.

The Company's work is acceptable to date and meets the requirements of the April 28, 2005 Decision Condition 10.1. As the FireSmart Plans are completed, revisions to the approved SHS shall be made to accommodate the plans.

Approval Condition 13.1 – FireSmart Community Zones

- i. SLS shall participate in the FireSmart planning process and cooperate with the Southern Rockies Area to ensure successful completion and implementation of the Waiparous Village and West Bragg Creek FireSmart plans.**
- ii. SLS shall amend its SHS to incorporate the revisions necessary to implement the completed FireSmart plans.**
- iii. The work and revisions (i and ii) shall be acceptable to the Area Manager, Southern Rockies Area and the Senior Manager, Forest Planning Section.**

14.0 Future Forest Habitat Supply

SLS uses the coarse-filter approach to manage broad ecosystem functions and pattern based on a wildfire dominated natural disturbance regime. The adaptive management cycle (Chapter 1, page 4) will be used to monitor and evaluate its activities.

Chapter 8 describes the future forest that results from the various TSA runs and habitat projections for TSA runs 2 and 4/10 (preferred scenario with Mountain Pine Beetle Addendum). Also included in Chapter 8 is the URSUS report "*Projecting Effects of Timber Harvesting Scenarios in Vegetation and Wildlife Habitat*" which provides projections of several key forest cover attributes (e.g., cover group, age class, patch size) and habitat quality for 18 wildlife indicator species (fine filter) to evaluate the future forest condition.

The seral stage summary projections indicate that old growth forest is generally maintained, but is reduced at the end of the 200 year planning horizon. This condition is not unusual as the timber supply moves toward full regulation. I believe it is important to address this situation to ensure an adequate supply of mature forest is available to meet the habitat and ecological values that currently exist. The passive land base contributes and will continue to represent a large component of the older seral stage forests on the management area. However, the current threat from MPB necessitates reducing the area of older age forests for the long-term benefit of society and the forest industry. The current projections are acceptable but should be reviewed for their appropriateness at each FMP revision.

My expectation was for SLS to use the grizzly bear Resource Selection Function (RSF) model to assess the impacts the preferred strategy had on grizzly bear habitat for 2006 -2026 period. SLS did not complete the assessment with the reasoning that the RSF model was not in a format that could readily be used. I consider this a weak rationale for not accomplishing this task. Further work in this area is required.

In part, the Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 11.1(i). Future work is necessary to achieve the expectations of Decision Condition 11.1(ii).

The following is required:

Approval Condition 14.1 - Future Forest Habitat Supply

- i. By November 1, 2007, SLS shall complete a grizzly bear habitat assessment on the preferred forest management scenario using the RSF projection model from the Foothills Model Forest Grizzly Bear Project.**
- ii. SLS shall adjust where necessary any objectives, strategies, indicators and targets to meet the habitat requirements of this species.**
- iii. SLS shall refine the work completed on the permanent road network to determine separately the density of forestry roads, and all roads, to serve as indicators of access density. Current densities shall be reported and, when available, the thresholds determined by the Grizzly Bear Recovery Plan shall be used as targets to be achieved.**

15.0 Spatial Harvest Sequence

The spatial (mapped) harvest sequence (SHS) is the most important output of the FMP 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 forecasted future forest. The department recognizes that changes to the SHS will be required to manage future mountain pine beetle (MPB) infestations as they are found.

SLS commits to following the SHS and tracking variance, but without sufficient detail to be useful. The following is required:

Approval Condition 15.1 – Spatial Harvest Sequence

- i. SLS must follow the mapped 15-year harvest sequence (2001 – 2016) as presented in the FMP (subject to revisions addressing FireSmart and MPB strategies).**
- ii. 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. **Preference should be given to selecting stands from the second 10-year period of the SHS (years 2017-2026) when replacing deleted stands (from ii above). Where this is not feasible, replacements may be from any other stands identified in the approved net land base of the FMP, with priority to pine stands that are ranked highly susceptible to MPB infestations.**

- iii. **Where timber operators exceed the variance described in (ii), the Area Manager, 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.**

- iv. **The department requires the variance from the SHS to be reported annually, and the 5-year Stewardship Report to analyze the variance from the SHS.**

- v. **Following the achievement of Approval Conditions 11.0 and 13.0 (MPB and FireSmart Plans), 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.**

16.0 Growth and Yield

A credible Growth and Yield Program gathers key information to use in future timber supply analyses and monitors and verifies FMP timber yield assumptions.

SLS's Growth and Yield Program is outlined in Chapter 9 of the revised FMP.

The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 13.1.

17.0 Resource Management Objectives and Strategies

The objectives and strategies in the FMP Chapter 5 have not changed from those stated in the 2004 version and were previously described as being too broad to be meaningful and measurable. Specific indicators and targets were required to be developed for each strategy to support the adaptive management cycle of checking and adjusting the management plan as necessary.

The 2005 Approval Decision required SLS to modify its objectives and strategies such that they provide clarity as to what will be measured and what quantifiable target and/or threshold will be attained. In addition the monitoring and stewardship reporting system was to be updated accordingly.

SLS did not address this Condition in its FMP submission. The following is required:

Approval Condition 17.1 – Resource Management Objectives and Strategies

- i. **By November 1, 2007, SLS shall develop acceptable to the Senior Manager, Forest Planning Section;**
 - a. **measurable objectives and strategies, and**

b. a monitoring and stewardship reporting system

18.0 Watershed Management

Water management and the provision of continuous supplies of high quality water is a priority for the Government of Alberta and a significant value for Albertans. Forest managers must assess the impacts their plans will have on water and mitigate the long-term impacts.

SLS completed a watershed assessment of the FMA and B09 quota area (FMU B09 and B10) using the Equivalent Clearcut Area (ECA) Alberta Model. The modeling results were subsequently evaluated by a forest hydrologist. Chapter 8, Section 8.4 provides the summary of the input data, the model results, and the expert's assessment and interpretation.

Further work on water quality and watershed impacts will be completed to include in the Pine Strategy Plan to be prepared by May 1, 2009.

The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 15.1.

19.0 Integration with Other Users

The management area contains many grazing dispositions making the effective management between the competing interests of the timber and grazing industries essential. The *Directive 2006-01 Integration of Grazing and Timber Activities* and the *Grazing and Timber Integration Manual* were published to guide the integration process. The policy is focused on improved communication and joint planning between both parties to minimize conflicts and attain mutual benefits.

Section 5.12 of the FMP indicates that SLS will follow the provincial policy.

The Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 16.1.

20.0 Long-Term Road Strategy

Access planning, development and management are critical components of sustainable forest management and key to the successful implementation of the spatial harvest sequence. In addition, access is planned to provide certainty for timber operations and to facilitate the cooperative integration of other industrial users on the management area.

Chapter 3 identifies potential mainline routes using the Tesera Linear Feature Projection Model (LFPM). SLS indicates it intends to use the road strategy to initiate discussions with other stakeholders to minimize the number and duplication of access routes on the landscape. This fulfills SLS obligation under Condition 17.1 (i),

The Company's work is acceptable and meets the requirements of the April 28, 2005

21.0 Forest Inventory

The 2005 Approval Decision (Condition 19.1) required SLS to commit to annual harvest area updates and a re-inventory to AVI standards and to have it completed in time for use in the next FMP. SLS was to also required to prepare a detailed schedule for AVI completion and to included it with the FMP.

Chapters 5.16 and 10.4 outlines the Company's commitment to re-inventory the FMA and B09 quota areas. I accept the information submitted in the above mentioned Chapters as meeting the intent of Condition 19.1(ii) and (iii).

In part, the Company's work is acceptable and meets the requirements of the April 28, 2005 Decision Condition 19.1(ii – iv). There is no reference to Decision Condition 19.1(i). Therefore the following is required:

Approval Condition 21.1 - Forest Inventory

- i. SLS shall submit annual updates of the disturbance layer (FMA land areas that were harvested during the previous year) for the management area in a format acceptable to the Senior Manager, Forest Planning Section.**

22.0 Performance Monitoring and Reporting

Annual reports and 5-year Stewardship reports are used to monitor the successful implementation of FMPs.

Approval Condition 22.1 – Performance Monitoring and Reporting

- i. SLS shall submit Annual Reports and Stewardship Reports that document the operational performance of the Company's activities in implementing the FMP. Where variances from the planned outcomes exist, an analysis shall discuss the reason for the variance and the Company's corrective action taken or proposed.**
- ii. A Stewardship Report acceptable to the Senior Manager, Forest Planning Section shall be submitted by September 1, 2012.**

23.0 Approved Annual Allowable Cuts

Refer to Table 1 (FMU B09) and Table 2 (FMU B10): Approved Annual Allowable Cuts.

24.0 Authorization

This FMP replaces the approved SLS Preliminary Forest Management Plan and this Approval Decision replaces the department's Decision dated April 28, 2005.

The Detailed Forest Management Plan 2001 – 2026 for the Spray Lake Sawmills FMA area dated December 15, 2006 is approved subject to the Approval Conditions and the Annual Allowable Cuts presented in this Approval Decision.

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

**Table 1. – Approved Annual Allowable Cuts
Forest Management Unit – B09**

AACs effective May 1, 2007

Company Name	Disposition # or Type of Allocation	Utilization Standard (30 cm Stump)	% Allocation (Coniferous Only)	Sustainable Coniferous AAC (m ³ /yr)	Quadrant Coniferous Volume (m ³) (May 1, 2006 to Apr. 30, 2011)	Sustainable Deciduous AAC (m ³ /yr)	Quadrant Deciduous Volume (m ³) (May 1, 2006 to Apr. 30, 2011)	Comments
Spray Lake Sawmills (1980) Ltd.	FMA0100038	15/11	67.76	117,243	586,215	17,715	88,575	Assuming 5 yrs at 117,243 m ³ coniferous (17,715 m ³ deciduous)
Sundre Forest Products Inc.	Volume Supply Agreement	15/11				15,000	75,000	Assuming 5 yrs at 15,000 m ³ deciduous
Spray Lake Sawmills (1980) Ltd.	CTQB090001/D TAB090001	15/11	22.14	38,313	191,565	20,462	102,310	Assuming 5 yrs at 38,313 m ³ coniferous (20,462 deciduous)
764698 Alberta Ltd.	CTQB090002 ¹	15/11	2.02	3,500	16,889			Assuming 5 yrs at 3,500 m ³ coniferous minus 611 m ³ overproduction from 2004 to 2006.
J.H. Neilson Forest Products Ltd.	CTQB090003 ¹	15/11	2.02	3,500	17,281			Assuming 5 yrs at 3,500 m ³ coniferous minus 219 m ³ overproduction from 2004 to 2006.
Red Rock Sawmills Ltd.	CTQB090004 ¹	15/11	2.02	3,500	17,088			Assuming 5 yrs at 3,500 m ³ coniferous minus 412 m ³ overproduction from 2004 to 2006.
1025849 Alberta Ltd.	CTQB090005 ¹	15/11	2.02	3,500	17,500			Assuming 5 yrs at 3,500 m ³ coniferous
Community Timber Permit Program	Permits ¹	15/11	2.02	3,500	17,500	500	2,500	Assuming 5 yrs at 3,500 m ³ coniferous (500 m ³ deciduous)
Total			100	173,056	864,038	53,677 ²	268,385	

¹ AAC volumes are fixed.

² Derived from the average of the Net Average Annual Deciduous Volume in FMP - Table 12, Chapter 8 page 31.

**Table 2. – Approved Annual Allowable Cuts
Forest Management Unit – B10**

AACs effective May 1, 2007

Company Name	Disposition # or Type of Allocation	Utilization Standard (30 cm Stump)	% Allocation	Sustainable Coniferous AAC (m³/yr)	Quadrant Coniferous Volume (m³) (May 1, 2006 to Apr. 30, 2011)
Spray Lake Sawmills (1980) Ltd.	FMA0100038	15/11	87.17	126,344	631,720
Bell Pole Company	CTQB100001 ¹	15/11	9.53	13,810	69,050
Community Timber Permit Program (B10)	Permits	15/11	3.3	4,790	23,950
Totals			100	144,944	724,720

¹ AAC volumes are fixed.