



The Best Place on Earth

File: 19460-25 K1A

February 25, 2011

Dawn Stronstad, R.P.F.
General Manager
Burns Lake Community Forest
P.O. Box 788
Burns Lake, British Columbia
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Dear Dawn Stronstad:

Pursuant to the authority delegated to me by Bill Warner, Regional Executive Director, under Section 8(7) of the *Forest Act*, I hereby determine that effective the date of this letter, the allowable annual cut for the Burns Lake Community Forest Agreement is 260,000 cubic metres per year. This allowable annual cut is subject to the following partition:

- a maximum of 52,000 cubic metres attributable to non-pine conifer

This allowable annual cut shall be in effect until December 31, 2013 after which it shall be reduced to 100,000 cubic metres per year unless otherwise determined by an authorized statutory authority.

In making this determination I have made several observations as follows:

Delegation Authority – the delegation noted is subject to the determination being made in accordance with any directions of the Chief Forester. The Chief Forester has suggested that I be guided by the economic and social objectives of the Crown as expressed by the Minister of Forests and Range in two letters to the Chief Forester dated July 4, 2006 and October 27, 2010. As a result of this suggestion, I find I am most guided by three considerations: a balancing of objectives for all forest values both timber and non-timber, maximizing the recovery of dead timber from the Mountain Pine Beetle infestation and mitigation of mid-term timber supply shortfalls.

First Nations – there are no identified issues as per the consultation summary and pre-assessment.

Public Input – no public input was received.



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Partition – It is necessary to focus the current harvest on dead pine to ensure that the impact on the mid-term supply is minimized. I have consulted with both the Community Forest and District staffs and find that the historical levels have been and projected levels of dead pine harvest will continue to be in excess of 80% of the harvest. As such, the non-pine component of the allowable annual cut is partitioned at 52,000 cubic metres per year.

Grade 4 Pine - grade 4 pine was not included in the base case analysis. With a subsequent analysis submission, it is clear that there is a need to elevate the cut above the level requested. This approach will encourage the recovery of dead pine prior to the end of the shelf life which is estimated in the base case at 19 years from the date of attack in 2005. The submission projects a range of 60,000 to 90,000 cubic metres per year of grade 4 pine to be available. As such, grade 4 volumes contribute significantly to this allowable cut. I am also aware that there may be a grade 4 cut control credit process available to CFA holders. If this credit is applied, there is potential to overcut on higher grade timber volumes. For this reason, should the grade 4 credit be utilized, the non-pine partition is continued and the allowable annual cut is established at 125,000 cubic metres per year (which reflects the level of historical average conifer harvest exclusive of grade 4).

Former Woodlot W0953 (Peebles) – it is noted that this 600 hectare area was not included in the analysis and as such would add an upward pressure to the timber supply of approximately 1,200 to 1,800 cubic metres per year.

Bioenergy profile – as described by community forest representatives, I understand that this profile will come from non-merchantable stands. As such, they are outside the base case analysis and should be considered as an opportunity both now and in the mid-term. However, some of this profile may be graded as cut accountable and this will need to be balanced with dead pine salvage. It is noted that some of the best stands for this profile are established in the northwest portion of the forest on sites with a clay hardpan which is causing growth stagnation.

Recreation – I note that the Bear Dens and Guyishton Lake recreation trails are legally established with objectives and are modelled in the analysis. However there are numerous other recreation trails managed on the community forest that will likely have an effect on supply. This is a small, but unquantified, downward pressure.

Spruce Bark Beetle – I am mindful of the current small infestation of spruce bark beetle in the vicinity of Maxan Lake and appreciate your active approach to sanitation of the area. It will be critical to mid-term timber supplies that this outbreak is minimized and encourage you to continue to attempt to eradicate this pest. This may result in a downward pressure on mid-term timber supply and should be carefully considered in the next determination.

Deciduous – deciduous volumes have been excluded from the analysis and there is currently no market or forest health imperative to consider harvest in these stands at this time. However, as there are approximately 5,743 hectares of deciduous forest there may be an opportunity for mid-term mitigation by incorporating these areas in the future.

Immature Pine Mortality – there is some concern that the level of mortality applied to age class two and three stands under-represents the impact of the pine beetle. This is not an issue

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for the cut level in this determination but is critical for the mid-term supply and long term supply. It is recommended that actual levels of mortality are sampled in the field to better inform the next determination.

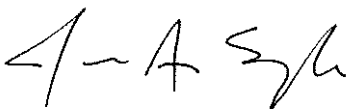
Existing Overcuts – I note that in 2010, the cut level was set at 86,000 m³ and the actual total harvest was 187,238 m³, an overage of approximately 100,000 cubic metres. It should be noted that the overharvest/cut was on average 83% dead pine. It is my interest to set an effective AAC (and in this context, to maximize the recovery of dead pine) and as such I have accounted for this volume by increasing the requested cut by 25,000 m³/yr.

Non-Timber Values in Salvage – I am aware that there is some difference of opinion between staff of the Ministry of Natural Resource Operations and the Burns Lake Community Forest as to how to approach cover constraints in a salvage situation. Timber supply modelling used in support of the base case allows for salvage to be prioritized over non-timber values particularly the visual resource. I am satisfied that there are legal options to exceed cover constraints in an epidemic and encourage the staffs to work together to understand effective approaches to this issue that maximize recovery of dead pine while conserving forest values and the mid-term supply. I further recognize that there will be some downward pressure on the base case due to the realities of managing the visual resource on the land.

I encourage you to continue your excellent reforestation performance and to achieve the high percentages of pine salvage in your harvest profile. Maximized dead pine percentages in your harvest profile will reduce live conifer harvest which is essential to the mid-term harvest level. Due to the uncertainty in dead pine shelf life, the spruce beetle infestation and sensitivity to mid-term supplies from current practices, it will be necessary to complete a new timber supply analysis and allowable annual cut determination to implement January 1, 2014.

On a special note, I would like to recognize the good relationship you share with the District staff and give my appreciation to you and the District staff on the professional approach taken on this analysis.

Yours truly,



James A. Sayle
Resource Manager

pc: Jim Snetsinger, Chief Forester
Bill Warner, Omineca Regional Executive Director
Eamon O'Donoghue, Skeena Regional Executive Director
John Illes, Resource Manager, Nadina District
Agathe Bernard, Stewardship Officer, Nadina District