



Reference: 258239

September 3, 2020

VIA EMAIL: [frank.varga@blcomfor.com](mailto:frank.varga@blcomfor.com)

Frank Varga, RPF, General Manager  
Burns Lake Community Forest  
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Dear Frank Varga:

I would like to thank you and the Community Forest Board of Directors for your continued support and the additional information provided for my consideration of the Burns Lake Community Forest's (BLCF) November 11, 2019, submission of K1A Management Plan (MP) # 4. I am encouraged by the innovative ideas and forward-looking management aspirations of BLCF. The resulting MP submission and allowable annual cut (AAC) proposal contain a degree of complexity which required a thorough technical review. I have now considered the information provided by the BLCF and reached a decision.

#### **New AAC Determination**

Pursuant to the authority delegated to me by the Minister, under section 43.3(1)(f) and section 8(7) of the *Forest Act*, I hereby approve the management plan and determine the AAC for the Burns Lake Community Forest Agreement (CFA) at 194 226 m<sup>3</sup>/year. The MP and AAC take effect on the date of this letter, subject to conditions.

The AAC is subject to the following species and timber profile partitions:

1. A maximum of 108 202 m<sup>3</sup>/year is attributed to live coniferous volume from stands greater than or equal to 140 m<sup>3</sup>/hectare (ha);
2. A maximum of 9 898 m<sup>3</sup>/year is attributed to live coniferous volume from stands less than 140 m<sup>3</sup>/ha; and
3. A maximum of 3 175 m<sup>3</sup>/year is attributed to deciduous species.

Subject to meeting the conditions of approval, this AAC will remain in effect for a ten-year term or until I request a new management plan as per CFA subparagraph 6.01.

## Approval Conditions

In accordance with CFA sub paragraph 6.03, I have attached the following conditions:

- The CFA for K1A dated for reference October 1, 2014, must be amended to account for management plan deviations from cut control provisions and utilization specifications.
- Reporting will be required in accordance with CFA paragraph 10.00. In agreement with the District Manager, the agreement holder will develop reporting requirements attesting to harvest practices, partitions and utilizations level. Further details are provided below.

My expectations regarding approval conditions are further described in the *AAC Implementation* section below.

## Factors Considered in the AAC Determination

In reaching my AAC determination, I have formed an understanding of the available timber supply through consideration of biophysical, social and economic information. In conjunction with the technical information presented in the timber supply analysis, my decision has been influenced by social and economic information presented as commitments within MP # 4. Additionally, I recognize that the BLCF area-based tenure includes a social responsibility and I am choosing to accept a higher AAC as deliberate expression of BLCF's management of this social element on behalf of the community.

In the following section I summarize the primary factors that I have considered.

**The BLCF timber supply analysis included several modelling assumptions that, when considered separately, indicated projected harvest levels were either greater or less than the actual timber supply. However, one factor has had direct bearing on my AAC determination.**

*Downward Adjustment for Partial Harvest Modelling:* The means by which partial harvesting was modelled in BLCF's analysis has been examined. Growth and yield specialists from Forest Analysis and Inventory Branch (FAIB) have advised that the yield tables used by BLCF are not intended for base case timber supply analysis. Partial cutting was modelled by BLCF using a commercial thinning approach based on yield tables generated by the Tree and Stand Simulator (TASS). These yield tables are intended to be used with Table Interpolation Program for Stand Yields to forecast regenerated stands. Applying TASS yield curves to mature stands results in forecasted volume increase that would not be realized after a partial cut entry. On review of this information I conclude that the partial harvest modelling within the "green only sensitivity analysis" overestimates timber supply and has resulted in an upward pressure. The implications of this factor have been quantified through the additional sensitivity analysis provided by BLCF and assessed. I have therefore made a 7% downward adjustment to the live coniferous AAC in my determination.

**I am aware of several additional factors which indicated the analysis potentially over or underestimates timber supply. While I acknowledge that these factors introduce risk or uncertainty, some risks cannot be quantified and are therefore addressed in general terms. For other factors, I consider the risks managed through partitions and reporting requirements applied through this determination.**

*Future Harvest Practices:* The analysis supporting BLCF's AAC proposal is predicated on future management practices rather than current practices. These future practices include altered merchantability and utilization standards and minimum harvesting criteria not currently observed. I recognize that the Community Forest MP is a unique document allowing BLCF to foster innovation

while also holding the BLCF accountable for implementation. With that in mind, I have considered, and accepted timber supply assumptions premised on future practice. However, BLCF also has an obligation to report and monitor to a verifiable standard, as discussed in the *Reporting Requirements* section.

*Dead Volume Request:* The BLCF is required to reconcile cut control over a five-year cut control period. As such, the lump sum dead volume presented in the AAC proposal has been translated into a yearly AAC in the AAC determination. When the partitions are considered, this equates to 72,951 m<sup>3</sup>/year in dead coniferous volume. Additional dead volume can be harvested, provided the live conifer and deciduous partitions are not exceeded. I have noted your AAC proposal included a 20 percent dead volume contingency and recognize that *Forest Act* provisions allow for some overharvest to be carried forward to the next cut control period. Therefore, I am confident that expressing the dead volume in this manner will allow BLCF to implement their intended harvest program.

*Genetic Gain:* I note the analysis includes genetic gain for future managed stands. I find this assumption inconsistent with planting records and note the production of genetically improved pine stock is anticipated to be well below the demand for the next 10 years due to lack of actual performance. I note that modelling genetic gain has resulted in a small unquantifiable upward pressure on the harvest forecast however, no adjustments have been made to the AAC.

*Timber Harvesting Land Base (THLB) Definition:* The analysis report included 1 045 ha of THLB in stands that do not meet minimum harvestable criteria and do not contribute to harvest flows. This resulted in an overestimation of THLB. The analysis also included deciduous stands in the THLB though deciduous volume does not contribute to the coniferous harvest projection base case. This resulted in a 4 747 ha overestimation of the THLB. Moreover, the THLB was underestimated by 1 377 ha from incorporating non-legislative reductions for goshawk buffers and First Nation cultural areas. Overall, I find there is an overestimation of the THLB which may impact post-determination processes that rely on THLB proportions. The impact of THLB over-estimation on the harvest flows is considered negligible and no adjustments have been made to the AAC for this reason.

*Exploratory Management Objectives Requiring Additional Approvals:* The MP includes exploratory management directions indicating a desire to amend or deviate from the current legislation. These include redesigning the landscape connectivity matrix, revisiting the goals of the Lakes Land and Resource Management Plan, co-location of designated areas and exploring aspatial Old Growth Management Areas. Approval of the MP is not an endorsement to proceed with practices that are inconsistent with current forestry legislation. Legislative amendments must go through separate review and decision processes, independent of the MP approval process. I note that harvest forecasts used for the AAC proposal were not altered to incorporate these exploratory commitments in the MP.

*Forest Health:* Emerging work by regional forest health specialists is raising questions respecting the accuracy of current modelling of forest health and climate change impacts to long-term timber supply. Although further analysis and monitoring is required, there is potential that current modelling is underestimating the potential impact of forest health on long-term timber supply. I acknowledge the uncertainty of quantifying potential changes to forest health modelling, and therefore no adjustments have been made to the AAC for this reason. I provide comment here for your management consideration in the future.

For factors that have resulted in uncertainty, I intend to provide more specific direction to guide the development of subsequent MPs and expect future timber supply analysis will be adjusted to reduce these uncertainties.

**In addition, my approval of the MP has considered the following social input and observations:**

*First Nations Engagement:* Several First Nations have asserted territory within the CFA and I am satisfied that opportunities were provided to all First Nations to share their concerns related to specific aboriginal interests and rights that may be impacted by this decision. I have considered those aboriginal interests that were made known to me during consultation on this decision. I recognize that Tsil'Kaz Ko First Nation, Office of the Wet'suwet'en and Wet'suwet'en First Nation are on the Board and are actively involved in the BLCF. Moreover, I am satisfied that the MP outlines an Indigenous communication and engagement framework and incorporates First Nations stewardship goals. Ongoing engagement and consultation will be required for operational planning activities that are required to implement the MP and AAC.

*Public Input:* I am aware that members of the public were given the opportunity to review and comment on the MP and proposed AAC. All notifications were advertised in the local paper, BLCF website, Facebook and community bulletin boards. There were letters of support from various interest groups within the community accompanying the MP. I am satisfied that the MP includes a community engagement framework that identifies strategies to solicit future input from the public along with reporting mechanisms to be utilized for management activities. I encourage the BLCF to continue their investment in public engagement and to provide summaries of feedback received as requested by the Ministry.

**AAC Implementation**

*Implementation of previous AACs:* I recognize that the previous AAC determination made May 16, 2016, and later amended on May 25, 2017, and September 24, 2018, included conditions directing harvest to salvage of dead pine. Harvest was restricted to THLB areas outside of landscape connectivity corridors, perseveration visual quality objectives, and moose, deer and grizzly bear habitat. Additionally, only high risk stands where at least 50% volume by cruise data was determined to be dead were to be harvested under the determination. I appreciate BLCF's efforts to meet the conditions of the previous determination and acknowledge there were challenges in executing these conditions. BLCF demonstrated effective harvesting of dead conifer volume by targeting the stand requirements placed within the previous AAC. It is my expectation that the collaborative nature of this AAC determination will eliminate the need for any further adjustments following this determination.

*Reporting Requirements:* BLCF has been provided a unique opportunity to realize innovative practice and it is the responsibility of BLCF to ensure that these practices are demonstrated, and subsequently reported, in a manner that can be monitored by the Ministry and evaluated by BLCF for future refinement if required to be desired outcomes. I expect the BLCF to provide the Ministry with measurable and verifiable results against which performance can be monitored to ensure that partitions are being utilized appropriately and harvest assumptions are substantiated. As such, this is a notice that the following reporting parameters have been set:

<b>Reporting Requirement</b>	<b>Required Timeframes</b>
Submit detailed methodologies describing partition and utilization monitoring practices.	Three months following the determination. (must be tracked from the date of determination)

Submit current harvest plans providing detailed harvest profiles within the partition.	Three months following the determination. (must be tracked from the date of determination)
Report on harvest performance within stands equal to or above 140 m <sup>3</sup> /ha	Plan versus Actual report provided every 6 and 12 months from determination
Report on harvest performance within stands below 140 m <sup>3</sup> /ha	Plan versus Actual report provided every 6 and 12 months from determination
Report on harvest performance within deciduous partition	Plan versus Actual report provided every 6 and 12 months from determination
Report on harvest performance using modified utilization specifications for spruce and balsam	Plan versus Actual report provided every 6 and 12 months from determination

I appreciate the work BLCF has done to provide District staff with potential monitoring plans and reporting structures. I recognize that some of the results and strategies presented to the Ministry do not yet provide the level of detail required to ensure confidence in reporting accuracy. It is my expectation that the BLCF work with the District Manager to develop reporting that includes methodologies acceptable to the Ministry. If BLCF cannot demonstrate the practices that were modelled in the AAC, I am prepared to request a new submission as per s6.01(b) of the CFA, in which I will specify the assumptions that should be used to support the analysis.

### **Required Amendments**

The MP also includes strategies inconsistent with the Agreement and forestry legislation. To rectify these discrepancies, the following amendments will be required.

*Forest Stewardship Plan (FSP) amendment:* I expect the FSP will be amended to set deciduous stocking standards for harvesting in deciduous leading stands. This must occur prior to realizing harvest of the deciduous partition set in the new AAC.

*Licence Document amendments:* I have attached a draft FS3 amendment to CFA K1A. These amendments address the new specifications for cut control, waste reporting and utilization standards. I am providing this FS3 for your review recognizing that further discussions between BLCF and the District Manager may be required. I expect these amendments to be finalized by October 1, 2020.

If you have any questions regarding AAC implementation, please contact Anthony Giannotti RPF, Tenures Team Leader, North Area at [Anthony.Giannotti@gov.bc.ca](mailto:Anthony.Giannotti@gov.bc.ca) or (778) 349 1274.

I wish you well with implementing this new management direction and look forward to your continued collaboration with District staff through the AAC Implementation process.

Sincerely,



Geoff Recknell  
Regional Executive Director

Frank Varga, General Manager, Burns Lake Community Forest

Attachment: FS3 Amendment Proposal

pc: Brent May, District Manager, District of Nadina  
Beth Eagles, Resource Manager, District of Nadina  
Jim Sayle, Director of Tenures and Pricing, North Area