



File: 06289-F02-04
06289-010

July 15, 2013

Mr. Greg Branton, RPF
Manager, Forest Resources
ANC Timber Ltd.
P.O. Bag 9000
Whitecourt, Alberta T7S 1P9

Dear Mr. Branton:

Subject: APPROVAL – ANC TIMBER LTD. FOREST MANAGEMENT PLAN

I am pleased to advise you that the ANC Timber Ltd. (ANC) Forest Management Plan is approved.

The following documents are attached:

1. Approval Decision documenting the rationale and conditions of the approval.
2. Acknowledgment of the July 12, 2013 Supplement to ANC Timber Ltd.'s Detailed Forest Management Plan submitted August 2, 2011.

I wish you every success in implementing the plan and look forward to the completion of the approval conditions.

If you have any questions or require further information, please contact Jamie Bruha, Acting Senior Manager, Forest Planning Section at (780) 415-8561.

Sincerely,

Original Signed by:
Darren Tapp, MBA, MF, RPF
Executive Director

Enclosures (2)

c: Kevin Quintilio, Acting Forestry Program Manager, Woodlands Area



ANC Timber Ltd.

July 12, 2013

Mr. D. Tapp
Executive Director
Forest Management Branch
Environment and Sustainable Resource Development
7th fl Great West Life Building
9920 - 108 Street
Edmonton, AB
T5K 2M4

Dear Darren:

Re: Supplement to ANC Timber Ltd.'s Detailed Forest Management Plan submitted August 2, 2011

Supplemental to ANC Timber's Detailed Forest Management Plan submitted to the Department on August 2, 2011 and further to discussions with the Department:

1. ANC is agreeable to not harvest within areas of woodland caribou habitat (as outlined on the attached map) from the date hereof up to August 1, 2014. This commitment is exclusive to the Little Smoky population range.
2. ANC is agreeing on the foregoing on the understanding that ANC and ESRD will engage in a bilateral consultation process intended to finalize the Little Smoky range plan starting immediately.
3. The Forest Management Agreement is not being altered or amended in any way as a result of ANC agreeing to the foregoing.
4. This supplemental Letter forms part of the ESRD Forest Management Plan Approval Decision.

In the event that ESRD would like to discuss any of the contents of this letter further, ANC is committed to meeting with the same ESRD representatives forthwith to identify and resolve any outstanding matters.

Yours truly,

ALBERTA NEWSPRINT COMPANY

Per:

Received this 12 day of JULY 2013.

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA

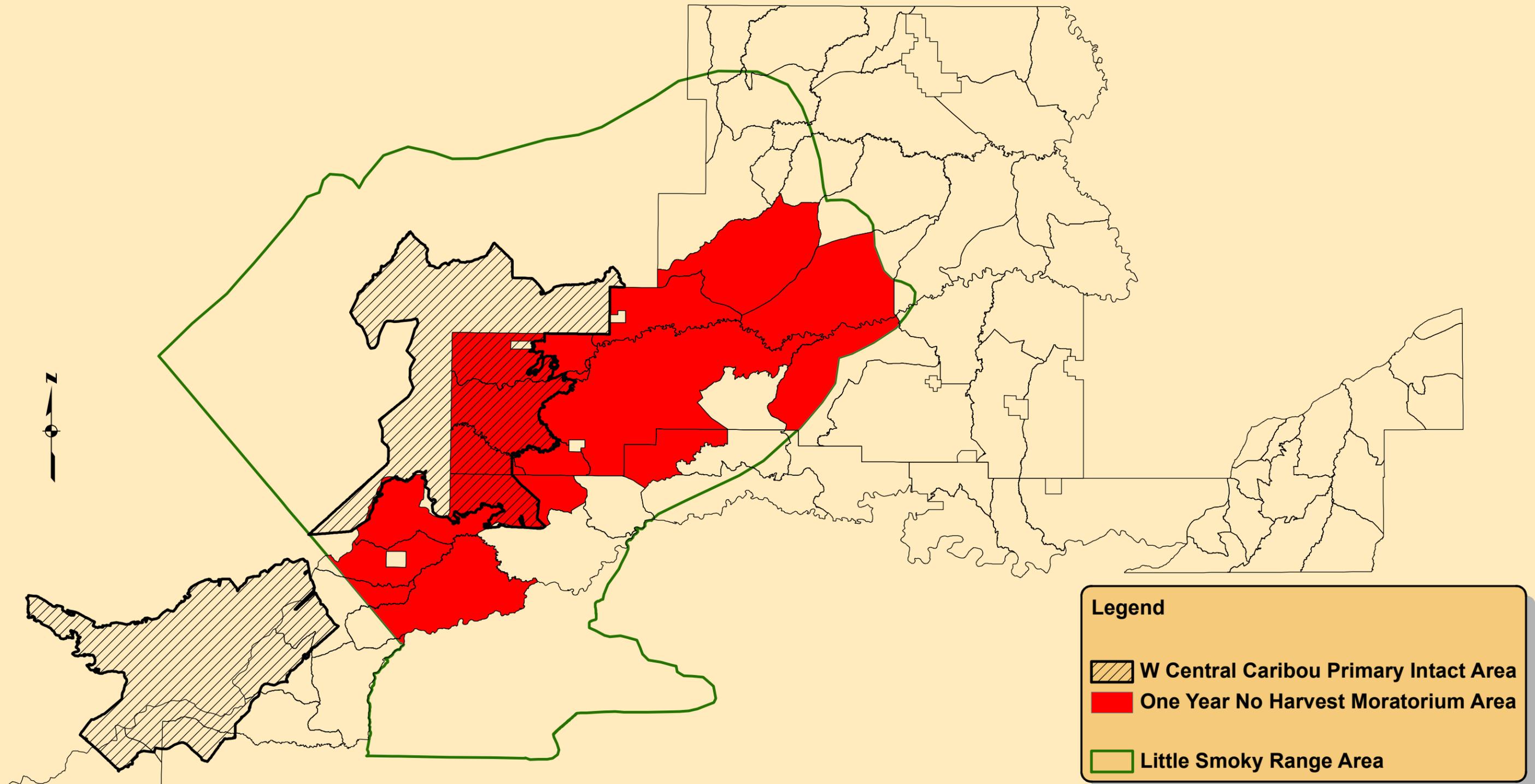
Original Signed by:

Diana McQueen 15 July 2013

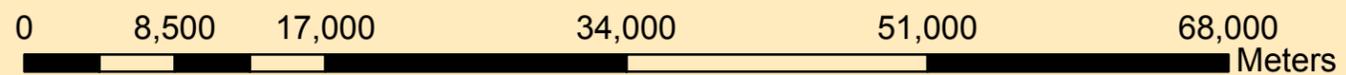
Environment and Sustainable Resource Development

**CC: Minister McQueen
Deputy Minister Woodworth
Assistant Deputy Minister Mayer
Assistant Deputy Minister Yee**

Little Smoky Harvest Moratorium Area



Note: Areas previously approved in Final Harvest Plans and/or Annual Operating Plans are excluded from the Moratorium





Environment and Sustainable
Resource Development

**Forest Management Plan
Approval Decision**

Forest Management Unit W15

ANC Timber Ltd.

Whitecourt, Alberta

**Forest Management Agreement
#8900026**

**Date: July 15, 2013
Effective: May 1, 2012**

Approved by: Original signed
**Darren Tapp, MBA, MF, RPF
Executive Director
Forest Management Branch**

Executive Summary

The ANC Timber Ltd. (ANC) Forest Management Plan (FMP) dated August 2, 2011 is approved subject to the satisfactory completion of the Approval Conditions contained in this document.

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

The FMP is signed by a Regulated Forestry Professional (RFP) and validated checklists were received after the department's follow-up request to ANC. The department recognizes RFP-validated work per the Alberta Forest Management Planning Standard, Annex 2 and complete and accurate checklists document the accountable professional's oversight and agreement with the work. The FMP has been reviewed and approved by Alberta Government RFPs.

Approval Decision Conditions

<i>Approval Condition</i>	<i>Page</i>	<i>Requirement</i>	<i>Approval Authority</i>	<i>Date</i>
<i>6.1 i</i>	<i>2</i>	<i>Public Consultation</i>	<i>Integrated Approvals Manager, Upper Athabasca Region</i>	<i>Ongoing</i>
<i>6.2 i</i>	<i>3</i>	<i>First Nations Consultation</i>	<i>Integrated Approvals Manager, Upper Athabasca Region</i>	<i>Ongoing</i>
<i>7.1 i</i>	<i>3</i>	<i>Mountain Pine Beetle</i>	<i>Integrated Approvals Manager, Upper Athabasca Region</i>	<i>Ongoing</i>
<i>8.1 i</i>	<i>4</i>	<i>Watershed Management</i>	<i>Senior Manager, Forest Planning</i>	<i>Ongoing</i>
<i>10.1</i>	<i>4</i>	<i>Spatial Harvest Sequence</i>	<i>Senior Manager, Forest Planning Integrated Approvals Manager, Upper Athabasca Region</i>	<i>Ongoing</i>
<i>11.2 i</i>	<i>5</i>	<i>Grizzly Bear</i>	<i>Senior Manager, Forest Planning</i>	<i>Ongoing</i>
<i>12.1</i>	<i>6</i>	<i>Stand Level Structure Retention</i>	<i>Senior Manager, Forest Planning</i>	<i>Ongoing</i>
<i>12.1 iv</i>	<i>6</i>	<i>Structure Retention Strategy</i>	<i>Senior Manager, Forest Planning</i>	<i>November 1, 2013</i>
<i>13.1 i</i>	<i>6</i>	<i>Silviculture Strategies</i>	<i>Senior Manager, Reforestation</i>	<i>October 1, 2013</i>
<i>13.1 ii</i>	<i>6</i>	<i>Seed Sufficiency</i>	<i>Senior Manager, Reforestation</i>	<i>October 1, 2013</i>
<i>13.1 iii</i>	<i>7</i>	<i>Culmination Mean Annual Increment Standards</i>	<i>Senior Manager, Reforestation</i>	<i>October 1, 2013</i>
<i>14.1 i</i>	<i>7</i>	<i>Regenerating Landbase – ARIS Records Validation</i>	<i>Senior Manager, Reforestation</i>	<i>October 1, 2013</i>
<i>15.1 i</i>	<i>7</i>	<i>Growth and Yield Plan Status Report</i>	<i>Senior Manager, Resource Analysis Senior Manager, Reforestation</i>	<i>December 1, 2013</i>
<i>15.1 ii</i>	<i>7</i>	<i>Updated Growth and Yield Plan</i>	<i>Senior Manager, Resource Analysis Senior Manager, Reforestation</i>	<i>February 15, 2014</i>

Approval Decision Conditions Continued

<i>Approval Condition</i>	<i>Page</i>	<i>Requirement</i>	<i>Approval Authority</i>	<i>Date</i>
<i>16.1 i</i>	<i>8</i>	<i>Alberta Vegetation Inventory Update Plan</i>	<i>Senior Manager, Resource Analysis</i>	<i>September 1, 2013</i>
<i>17.1 i</i>	<i>8</i>	<i>Industrial Timber Salvage</i>	<i>Senior Manager, Timber Production, Auditing and Revenue</i>	<i>December 1, 2013</i>
<i>18.1 i</i>	<i>8</i>	<i>Delivered Timber Volume Monitoring Program</i>	<i>Senior Manager, Timber Production, Auditing and Revenue</i>	<i>December 1, 2013</i>
<i>20.1 i</i>	<i>9</i>	<i>Road Corridor Plan</i>	<i>Senior Manager, Forest Planning</i>	<i>November 15, 2013</i>
<i>21.1 i</i>	<i>9</i>	<i>Timber Harvest Planning and Operating Ground Rules</i>	<i>Senior Manager, Forest Planning</i>	<i>November 15, 2013</i>
<i>22.1 ii</i>	<i>10</i>	<i>Stewardship Report</i>	<i>Senior Manager, Forest Planning</i>	<i>December 1, 2016</i>
<i>23.1 i</i>	<i>10</i>	<i>Future Forest Management Plan</i>	<i>Senior Manager, Forest Planning</i>	<i>April 30, 2021</i>
<i>24.1 i</i>	<i>11</i>	<i>Approved Annual Allowable Cuts</i>	<i>Senior Manager, Forest Planning</i>	<i>May 1, 2013</i>

Approved Annual Allowable Cuts

The Approved Annual Allowable Cuts (AAC) for the period (May 1, 2012 – April 30, 2017) are as follows:

- Primary coniferous AAC: 1,098,500 m³ per year.*
- Primary deciduous AAC: 121,200 m³ per year.*

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

The Periodic Allowable Cut for the FMA has been brought into alignment with other operators to demonstrate forest sustainability.

The harvest level is calculated as a single landbase. There are no secondary species AACs.

In the event Approval Condition 14.1 i Regenerating Landbase – Alberta Regeneration Information System (ARIS) Records Validation is not satisfied, the AACs shall be reduced by 10% effective May 1, 2013 as follows:

- Primary coniferous AAC: 988,700 m³ per year.*
- Primary deciduous AAC: 109,100 m³ per year.*

Authorization

The FMP for Forest Management Unit (FMU) W15 dated August 2, 2011 is approved subject to the Approval Conditions and AACs (Tables 2 and 7) presented in this Approval Decision.

This FMP replaces the FMP approved March 30, 2007.

The AACs are effective beginning May 1, 2012.

The SHS contained in this FMP is effective beginning May 1, 2011.

The next FMP is due by April 30, 2021.

Table of Contents

<i>Executive Summary</i>	i
Table of Contents	1
1.0 Introduction	1
2.0 Forest Management Planning Area	1
3.0 Background.....	1
4.0 Approval Decision Scope	2
5.0 Forest Management Plan	2
6.0 Public and First Nations Consultation.....	2
7.0 Mountain Pine Beetle	3
8.0 Watershed Management	4
9.0 Forest Management Plan Update.....	4
10.0 Spatial Harvest Sequence	4
11.0 Habitat for Species of Special Concern (Woodland Caribou and Grizzly Bear)	5
12.0 Stand Level Structure Retention.....	6
13.0 Silviculture Strategies.....	6
14.0 Regenerating Landbase - Alberta Regeneration Information System Records Validation	7
15.0 Growth and Yield	7
16.0 Alberta Vegetation Inventory Update	7
17.0 Industrial Timber Salvage	8
18.0 Delivered Timber Volume Monitoring Program.....	8
19.0 Long Term Fibre Sustainability.....	9
20.0 Road Corridor Plan.....	9
21.0 Timber Harvest Planning and Operating Ground Rules.....	9
22.0 Performance Monitoring and Reporting.....	10
23.0 Future Forest Management Plan.....	10
24.0 Approved Annual Allowable Cuts	10
25.0 Authorization	11

List of Tables

Table 1. Historical Coniferous Allocations and Annual Allowable Cuts	12
Table 2. Approved Coniferous Allocations and Annual Allowable Cuts	13
Table 3. Coniferous Periodic Allowable and Quadrant Authorized Allowable Cuts.....	14
Table 4. ANC Timber Ltd. FMA Coniferous Chargeability	15
Table 5. ANC Timber Ltd. FMA Coniferous Utilization.....	16
Table 6. Historical Deciduous Allocations and Annual Allowable Cuts	17
Table 7. Approved Deciduous Allocations and Annual Allowable Cuts.....	18
Table 8. Deciduous Periodic Allowable and Quadrant Authorized Allowable Cuts	19
Table 9. ANC Timber Ltd. FMA Deciduous Chargeability.....	20
Table 10. ANC Timber Ltd. FMA Deciduous Utilization	21
Table 11. Fibre Transfer Agreements within the ANC Timber Ltd. FMA Area	22

1.0 Introduction

Forest Management Plans (FMP) are prepared by forest industry companies to meet Forest Management General Provisions of Forest Management Agreements (FMA). Acceptable FMPs are approved by the Executive Director, Forest Management Branch (FMB), Forestry Division, Department of Environment and Sustainable Resource Development (department). This Approval Decision presents the rationale and establishes Conditions of approval for the ANC Timber Ltd (ANC) FMP dated August 2, 2011.

The Conditions herein are consistent with the terms of the FMA and failure by ANC to fulfill the direction provided in this Approval Decision will place the company in default of its FMA. The Conditions are non-negotiable.

The FMP is signed by a Regulated Forestry Professional (RFP) and validated checklists were received after the department's follow-up request to ANC. The department recognizes RFP-validated work per the *Alberta Forest Management Planning Standard, Annex 2* and complete and accurate checklists document the accountable professional's oversight and agreement with the work. The FMP has been reviewed and approved by Alberta Government RFPs.

2.0 Forest Management Planning Area

The forest management planning area under consideration is FMA #8900026, allocated to ANC through legislative Order-in-Council (O.C. 218/2009) dated May 1, 2009.

The ANC FMA area (Forest Management Unit W15) is located in west-central Alberta and spans the Central Mixedwood, Rocky Mountain Subalpine, Upper Foothills and Lower Foothills Sub-regions.

In December 2008, the Alberta Land-Use Framework was released, establishing the regional planning system to implement provincial land-use policy, set management objectives and determine integrated land-use priorities. Seven planning regions were created. The ANC FMA is located within the Upper Peace and Upper Athabasca Land-Use Framework planning regions.

3.0 Background

The ANC FMP was approved March 22, 2002 and updated on March 30, 2007 as an approved FMP mountain pine beetle (MPB) amendment. The August 2, 2011 FMP is prepared according to the *Alberta Forest Management Planning Standard (version 4.1 - April 2006)*. The approved FMP replaces the previous plans and amendments; and introduces new information for planning, implementing and monitoring forestry operations on the FMA.

The publication of this Approval Decision concludes the department's FMP appraisal of ANC's FMP.

4.0 Approval Decision Scope

This Approval Decision relates to the ANC FMP dated August 2, 2011. All companies within the FMA area (Forest Management Unit W15) shall conduct their activities in accordance with the approved FMP and the Conditions of this Approval Decision.

ANC shall meet the requirements (dates and content) of the Approval Decision Conditions unless the Executive Director, FMB, agrees to alternate requirements in writing.

In this document, **bolded text** identifies specific timelines, requirements and the department senior manager accountable for the review. Non-bolded text presents the rationale for the Condition and specific considerations to be addressed to meet 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

ANC is directed by Approval Condition to complete additional work to enhance the information presented in the FMP. Approved FMPs are made available on the department website for enhanced public access to plans. ANC remains obligated to make the approved FMP available to the public.

6.0 Public and First Nations Consultation

Alberta, through the FMA Order-in-Council and the *First Nations Consultation Guidelines on Land Management and Resource Development* delegates the responsibility for public and First Nations consultation on proposed FMPs to the FMA holder. Following meaningful consultations, the company is required to address the results of these consultations in the FMP.

ANC completed adequate First Nations consultation on strategic-level planning decisions. It also made reasonable and ongoing efforts for public and stakeholder consultation to address the issues raised to the extent possible given the limited scope of the FMP. ANC is encouraged to maintain its efforts to conduct meaningful public and First Nations consultation throughout FMP implementation.

Approval Condition 6.1 – Public Consultation

- i. **All companies shall keep written documentation of the issues and comments raised by the public during operational plan consultation, as well as responses and actions to address the concerns.**

Approval Condition 6.2 – First Nations Consultation

- i. All companies shall adhere to the Alberta *First Nations Consultation Guidelines on Land Management and Resource Development* for the following:**
 - a. All companies shall continue to consult with First Nations (*as identified by the department*) during operational plan development.**
 - b. All companies shall make specific enquiries during First Nations consultation (per i above) to identify how and where planned forest management activities may affect;**
 - treaty rights to hunt, trap and fish for food; and**
 - traditional use of the FMA area.**
 - c. All companies shall document consultation efforts and activities, issues raised and company responses. This documentation shall be made available to the department upon request.**

7.0 Mountain Pine Beetle

In 2011, the number of trees attacked by MPB in west central Alberta increased. However, the risk of spread from British Columbia (B.C.) continues to decrease due to significantly reduced inventories of susceptible pine in B.C.

The MPB infestation extends into the ANC FMA and the potential for successful MPB mitigation in some areas is unlikely. All companies must therefore optimize the recovery of merchantable coniferous fibre from dead, infested and MPB susceptible pine timber. ANC shall maintain non-pine stands and practice prompt forest renewal to help sustain at risk mid-term timber supplies.

Annual forest management activities will be based on priority and efficacy and will include the department's Level I, and the companies' Level II control programs. Operational changes necessary to accomplish these activities will be addressed in annual operating plans.

Ongoing and timely communication with local department staff is essential to manage the MPB infestation. ANC is encouraged to continue its efforts to keep the public and stakeholders advised of its operational plans and accomplishments in addressing the MPB infestation.

Approval Condition 7.1 – Mountain Pine Beetle

- i. All companies shall discuss priorities and coordinate efforts for MPB control, timber salvage and forest renewal activities with the Integrated Approvals Manager, Upper Athabasca Region.**

8.0 Watershed Management

The department completed the assessment of impacts to watershed values using the proposed seventy-year SHS. The planned harvesting creates conditions where twelve watersheds have a high risk of impact, twenty-two are moderate and one is low. Where the planned SHS is completed, without the influence of other disturbances, all but three of the watersheds are forecasted to be fully recovered by year fifty. Given existing regulations, operating ground rules, landscape and watershed characteristics of the FMA, these results are not unexpected and are acceptable outcomes from the planned operations.

Approval Condition 8.1 – Watershed Management

- i. All companies shall ensure watersheds with high and medium risk of impact are planned and operated using best management practices.**

9.0 Forest Management Plan Update

As per Paragraph 12 (1) of the ANC FMA, the Company may be required to update the FMP as a result of new direction provided by the Little Smoky and A La Pêche Caribou Range Plans.

10.0 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 forecasted future forest condition. While dependent on many factors, the future 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.

Approval Condition 10.1 - Spatial Harvest Sequence

- i. All companies shall follow the mapped twenty-year harvest sequence as presented in the FMP.**
- ii. To address operational planning concerns, all timber disposition holders are authorized to modify the SHS by deleting and replacing from the net landbase, no more than 20% of the total sequenced area in each compartment per decade, while harvesting no more than 100% of the total area within the SHS by compartment, by decade.**
 - a. Preference shall be given to selecting stands from the second ten-year period of the SHS (years 2021-2030) when replacing deleted stands (from ii above). Where this is not feasible, replacements may be from any other stands identified in the approved net landbase of the FMP, with priority given to pine stands that are ranked highly susceptible to MPB infestations.**

- iii. **Should companies exceed the variance described in (ii), the Integrated Approvals Manager, Upper Athabasca Region may require the completion of a Compartment Assessment and the Senior Manager, Forest Planning may recommend the adjustment of the approved AAC to reflect the impact of the variance.**
- iv. **The department requires the variance from the SHS to be reported annually and for the five-year Stewardship Report to analyze the cumulative variance from the SHS and describe the potential impacts of the actual variance on the forecasts made in the FMP.**
- v. **The department will generally not request a modification to the approved harvest sequence unless required by a change in legislation or a policy approved by the Minister.**

11.0 Habitat for Species of Special Concern (Woodland Caribou and Grizzly Bear)

11.1 Woodland Caribou

The ANC FMA falls within the range of the Little Smoky caribou herd. To accommodate this herd's preference for mature forest, harvesting is limited within caribou management zones. I expect the companies to continue working with the department to further refine the work started in this plan regarding caribou habitat and timber production.

The Range Plan for the Little Smoky herd area was under development at the time this Approval Condition was issued. In the event the Range Plan for the Little Smoky herd area is published, the FMP and operational plans shall be revised to align with the Range Plan.

11.2 Grizzly Bear

Planned forest management activities were assessed for their impact on grizzly bear habitat in the ANC FMA. Mortality risk in core grizzly bear habitat units G38 (+25.4%) and G46 (+13.4%) and secondary grizzly bear habitat units G40 (+31%) and G37 (+11%) increased to a level where mitigation options should be considered. Operational planning can mitigate many of the impacts of timber harvesting. All companies can act to make roads impassable and to quickly reclaim access into completed compartments. Ongoing communication with the forest area should address these issues in annual operational planning. Achieving the structure retention target will contribute to mitigating the effects of timber harvesting on grizzly bear habitat. All companies are further encouraged to enhance its practice of integrated land management. *Alberta's Grizzly Bear Recovery Plan (GBRP)* has been accepted by the department.

Approval Condition 11.2 - Grizzly Bear

- i. **Alberta's GBRP has been accepted by the department. In the event an implementation plan for the GBRP is published, the FMP and operational plans shall be revised to align with the guidelines.**

12.0 Stand Level Structure Retention

Throughout the province, the forest industry practices green tree retention within harvested areas to create residual stand structure. A variety of approaches and retention targets have been approved in FMPs with the view that the result will be a range of forest conditions that, when assessed, will enable a refinement of future targets.

Approval Condition 12.1 – Stand Level Structure Retention

- i. A retention target of 1% merchantable timber (within harvested areas) is required across the FMA and shall be representative of the species composition and timber profile of the original stand.**
- ii. All companies on the FMA shall plan and carry out their operations to achieve the FMP structure retention target.**
- iii. Merchantable volume retained for structure is chargeable as AAC production and shall be monitored and reported annually. This volume shall be reported every five-years in a Stewardship Report and will be audited by the department at the end of each cut control period.**
- iv. By November 1, 2013 ANC shall in consultation with other embedded quota holders, develop a Structure Retention Strategy. The strategy shall include processes for measurement, monitoring and reporting and must be acceptable to the Senior Manager, Forest Planning Section.**

13.0 Silviculture Strategies

Defining appropriate silviculture practices that will be used to establish managed stands for the local range of conditions is important. FMPs must describe the reforestation strategies that will be implemented to achieve the projected timber yield and species composition from managed stands.

The department requires well defined silviculture strategies with specific implementation activities identified to meet reforestation targets. The silviculture strategies presented by ANC do not adequately address the *Reforestation Standard of Alberta*.

Approval Condition 13.1 – Silviculture Strategies

- i. By October 1, 2013 ANC shall update and further define the silviculture strategies. Strategies specific to each regenerated yield strata, road reclamation, log processing and log decking areas shall be included. Revised silviculture strategies must be acceptable to the Senior Manager, Reforestation.**
- ii. By October 1, 2013 ANC shall demonstrate all companies have sufficient seed for each seed zone to adequately reforest all areas scheduled for harvest in the first ten-years of the SHS. Where insufficient seed supply exists, a seed collection plan shall be submitted to the Senior Manager, Reforestation to ensure seed supply sufficiency.**

- iii. **By October 1, 2013 ANC shall prepare culmination mean annual increment standards consistent with those used in the TSA. The standards must be received by and acceptable to the Senior Manager, Reforestation.**

14.0 Regenerating Landbase - Alberta Regeneration Information System Records Validation

Making reliable forecasts during forest management planning is contingent on using complete and accurate source data. Therefore, the department requires all timber disposition holders demonstrate the data used in the regenerating landbase is complete, accurate and consistent with the Alberta Regeneration Information System (ARIS) records.

Approval Condition 14.1 – Regenerating Landbase – ARIS Records Validation

- i. **By October 1, 2013 ARIS records and the FMP regenerating landbase data found to be inconsistent with the requirements of the December 2, 2009 document “*Regenerating landbase – ARIS records validation procedures,*” shall be resolved and ARIS records updated to the satisfaction of the Senior Manager, Reforestation.**

15.0 Growth and Yield

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

Approval Condition 15.1 – Growth and Yield Plan

- i. **By December 1, 2013, ANC shall provide to the Senior Managers, Resource Analysis and Reforestation, a status report on the implementation of the Growth and Yield plan to date.**
- ii. **By February 15, 2014, as determined by the Senior Managers, Resource Analysis and Reforestation, a revised Growth and Yield plan shall be prepared that includes sufficient and relevant data and analysis to validate natural and regenerated stand yields.**

16.0 Alberta Vegetation Inventory Update

The forested landscape in the Whitecourt region is undergoing rapid change due to anthropogenic development and natural disturbances. Therefore, maintaining current forest inventory information is critical to making reliable forecasts during forest management planning. The Alberta Vegetation Inventory (AVI) for the ANC FMA must be updated and approved by the department prior to commencing work on the next FMP.

Approval Condition 16.1 – AVI Update Plan

- i. **By September 1, 2013, ANC shall prepare an AVI update plan for the FMA acceptable to the Senior Manager, Resource Analysis. The plan shall outline the procedures the companies will use to update forest cover and anthropogenic disturbance information and schedule for completion. The AVI update plan and associated procedures shall be approved by Alberta prior to any “update” work commencing.**

17.0 Industrial Timber Salvage

Accounting for all sources of timber volume drain is integral to ensuring the approved AACs are sustainable. In Alberta, non-forestry industrial operations on productive forest lands contribute to this drain and must be included as production. The FMP does not forecast timber drain from non-forestry industrial operations and therefore must be addressed as it occurs.

Approval Condition 17.1 – Industrial Timber Salvage

- i. **By December 1, 2013, ANC shall in consultation with embedded quota holders develop an Industrial Timber Salvage Plan. This plan must be acceptable to the Senior Manager, Timber Production, Auditing and Revenue.**
- ii. **All timber depleted (salvaged and non-salvaged merchantable timber) by non-forestry operations shall be monitored and reported for production control purposes. The exception is for low impact seismic programs where the average line width is less than 2.5 metres and Timber Damage Assessment (TDA) compensation is not requested.**
- iii. **The volumes used shall be those published in the TDA tables or as otherwise agreed by the Senior Manager, Timber Production, Auditing and Revenue.**

18.0 Delivered Timber Volume Monitoring Program

Delivered timber volumes must be monitored and reported to allow comparisons of forecasted volumes with harvested volumes. Collection and analysis of this information will be used in conjunction with Permanent Sample Plot data to adjust yield forecasts.

Approval Condition 18.1 – Delivered Timber Volume Monitoring Program

- i. **By December 1, 2013, ANC shall develop a program that compares delivered timber volumes to harvested area yield forecasts. This program must be acceptable to the Senior Manager, Timber Production, Auditing and Revenue.**

19.0 Long Term Fibre Sustainability

The fibre flow proposed in the Preferred Forest Management Scenario is acceptable for the Forest Management Unit (FMU). An immediate reduction in volume from the previous MPB amendment coniferous AAC of 1,170,000 m³ per year to 1,098,565 m³ per year is forecasted for years one to twenty. The sustainable harvest level of 432,365 m³ is forecast for years twenty-one to two hundred based on a non-spatial analysis.

This is a significant reduction in fibre flow with economic and social implications for local communities and businesses. ANC managed and mitigated the AAC reduction to the extent possible in this plan. It is of primary importance to the department to maintain the sustainable flow of goods and services from this FMA to Albertans. Every effort must be made to manage this situation into the future.

Continued tree improvement testing and development by ANC will help support the sustainability of the mid to long term timber supply for the benefit of future generations. ANC is encouraged to maintain tree improvement activities despite the lack of use of tree improvement gain in the current FMP.

20.0 Road Corridor Plan

The work completed by the Foothills Landscape Management Forum's Berland Smoky Regional Access Development Plan (RAD) is acceptable for the portion of the FMA it addresses. Further work is required for the FMA area not referenced in the plan.

Approval Condition 20.1 - Road Corridor Plan

- i. By November 15, 2013, ANC shall provide a Road Corridor Plan for the FMA area outside the Berland Smoky RAD. The plan must be acceptable to the Senior Manager, Forest Planning.**

21.0 Timber Harvest Planning and Operating Ground Rules

Approval Condition 21.1 – Timber Harvest Planning and Operating Ground Rules

- i. By November 15, 2013, ANC and the department shall complete negotiations to update the ANC Timber Harvest Planning and Operating Ground Rules.**

22.0 Performance Monitoring and Reporting

ANC has identified values, objectives, indicators and targets (VOITs) for the FMP, but the critical step of reporting performance accomplishments for each is not included. In their absence, the department will determine ANC's reporting requirements that will compare the planned versus actual success of this FMP. Annual Reports and five-year Stewardship Reports will be used to monitor the successful implementation of this FMP.

Approval Condition 22.1 – Performance Monitoring

- i. ANC shall prepare Annual Reports and Stewardship Reports that document the operational performance of each timber operator's activities implementing the FMP. Where variances from the planned outcomes exist, analyses shall discuss the reasons for the variances and describe each timber operator's corrective action taken or proposed.**
- ii. By December 1, 2016, a Stewardship Report shall be submitted current to May 1, 2016 and be acceptable to the Senior Manager, Forest Planning.**

23.0 Future Forest Management Plan

In accordance with the FMA, ANC shall prepare an updated FMP for department review in 2021, unless otherwise approved by the Minister.

Approval Condition 23.1 – Future Forest Management Plan

- i. By April 30, 2021 ANC shall prepare for department review an updated FMP that meets the forest management planning standards unless otherwise approved by the Minister.**

24.0 Approved Annual Allowable Cuts

The Approved Annual Allowable Cuts (AAC) for the period (May 1, 2012 – April 30, 2017) are as follows:

- Primary coniferous AAC: 1,098,500 m³ per year.
- Primary deciduous AAC: 121,200 m³ per year.

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

The Periodic Allowable Cut for the FMA has been brought into alignment with other operators to demonstrate forest sustainability.

The harvest level is calculated as a single landbase. There are no secondary species AACs.

Approval Condition 24.1 - Approved Annual Allowable Cuts

- i. In the event Approval Condition 14.1 i Regenerating Landbase – Alberta Regeneration Information System (ARIS) Records Validation is not satisfied, the AACs shall be reduced by 10% effective May 1, 2013 as follows:**
 - Primary coniferous AAC: 988,700 m³ per year.**
 - Primary deciduous AAC: 109,100 m³ per year.**

25.0 Authorization

The FMP for FMU W15 dated August 2, 2011 is approved subject to the Approval Conditions and AACs (Tables 2 and 7) presented in this Approval Decision.

This FMP replaces the FMP approved March 30, 2007.

The AACs are effective beginning May 1, 2012.

The SHS contained in this FMP is effective beginning May 1, 2011.

The next FMP is due by April 30, 2021.

Table 1. Historical Coniferous Allocations and Annual Allowable Cuts

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Disposition Allocation (%)	Primary Coniferous AAC (m³) 15+/10/30 cm	Total Approved AAC (m³)
W15	ANC Timber Ltd.	FMA8900026	Single Combined	FMA-Only	C, CD, DC, D		746,904	746,904
W15		Local Use	Single Combined	FMA-Only	C, CD, DC, D		7,543	7,543
W15	FMA AAC Subtotal	FMA8900026	Single Combined	FMA-Only	C, CD, DC, D		754,447	754,447
W15	Blue Ridge Lumber Inc.	CTQW150001	Single Combined	All-FMU	C, CD, DC, D	19.9600%	233,511	233,511
W15	Millar Western Forest Products Ltd.	CTQW150002	Single Combined	All-FMU	C, CD, DC, D	15.5600%	182,042	182,042
FMU W15 Total							1,170,000	1,170,000

Notes:

Effective date: May 1, 2006

Local use is 1% as per FMA8900026 Section 8(2)(a)(i).

Table 2. Approved Coniferous Allocations and Annual Allowable Cuts
Effective Date: May 1, 2012

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Disposition Allocation (%)	Primary Coniferous AAC (m ³) 15+/10/30 cm	Total Approved AAC (m ³)
W15	ANC Timber Ltd.	FMA8900026	Single Combined	FMA-Only	C, CD, DC, D		701,230	701,230
W15		Local Use	Single Combined	FMA-Only	C, CD, DC, D		7,083	7,083
W15	FMA AAC Subtotal	FMA8900026	Single Combined	FMA-Only	C, CD, DC, D		708,313	708,313
W15	Blue Ridge Lumber Inc.	CTQW150001	Single Combined	All-FMU	C, CD, DC, D	19.9600%	219,260	219,260
W15	Millar Western Forest Products Ltd.	CTQW150002	Single Combined	All-FMU	C, CD, DC, D	15.5600%	170,927	170,927
FMU W15 Total							1,098,500	1,098,500

Notes:

Local use is 1% as per FMA8900026 Section 8(2)(a)(i).

Forest Management Unit W15 coniferous annual allowable cut as stated in the ANC Timber Ltd. August 2, 2011 Forest Management Plan, is reduced to the nearest one hundred from 1,098,565 m³ to 1,098,500 m³.

Table 3. Coniferous Periodic Allowable and Quadrant Authorized Allowable Cuts

3.1	W15	ANC Timber Ltd.	Disposition: FMA8900026					
	Period Start: 1-May-09		Period End: 30-Apr-16					
	Period Segment Start Date	Period Segment End Date	Years in Period Segment	Primary Approved Harvest Level (m³/yr)	Primary PAC Contribution (m³)	Total PAC Contribution (m³)	Notes	
	1	1-May-09	30-Apr-12	3.0000000000	754,447	2,263,341.0000	2,263,341.0000	
	2	01-May-12	30-Apr-16	4.0000000000	708,313	2,833,252.0000	2,833,252.0000	
Periodic Reconciliation Volume (m ³)					834,463	834,463	Forest Management Agreement renewal, period volume adjustment to align with the timber year.	
PAC Total					5,931,056	5,931,056		
3.2	W15	Blue Ridge Lumber Inc.	Disposition: CTQW150001					
	Quadrant Start 1-May-11		Quadrant End 30-Apr-16					
	Quadrant Segment Start Date	Quadrant Segment End Date	Years in Quadrant Segment	Primary Approved Harvest Level (m³/yr)	Primary Quadrant Contribution (m³)	Total Quadrant Contribution (m³)	Notes	
	1	1-May-11	30-Apr-12	1.0000000000	233,511	233,511.0000	233,511.0000	
	2	01-May-12	30-Apr-16	4.0000000000	219,260	877,040.0000	877,040.0000	
Quadrant Reconciliation Volume (m ³)					531,989	531,989	Reconciliation volume of 531,989 m ³ was approved October 1, 2012. The volume must be utilized within the May 1, 2011 - April 30, 2016 quadrant.	
QAAC Total					1,642,540	1,642,540		
3.3	W15	Millar Western Forest Products Ltd.	Disposition: CTQW150002					
	Quadrant Start 1-May-11		Quadrant End 30-Apr-16					
	Quadrant Segment Start Date	Quadrant Segment End Date	Years in Quadrant Segment	Primary Approved Harvest Level (m³/yr)	Primary Quadrant Contribution (m³)	Total Quadrant Contribution (m³)	Notes	
	1	1-May-11	30-Apr-12	1.0000000000	182,042	182,042.0000	182,042.0000	
	2	01-May-12	30-Apr-16	4.0000000000	170,927	683,708.0000	683,708.0000	
Quadrant Reconciliation Volume (m ³)					456,485	456,485	Reconciliation volume of 456,485 m ³ was approved May 15, 2013. The volume must be utilized within the May 1, 2011 - April 30, 2016 quadrant.	
QAAC Total					1,322,235	1,322,235		

Table 4. ANC Timber Ltd. FMA Coniferous Chargeability
 Effective Date: May 1, 2012

FMU	Company Name	Disposition Number	Coniferous Species Used in AAC	Species NOT Chargeable to AAC	Rights to Species NOT Chargeable to AAC	Structure Retention (%)	Structure Retention (%) Accounted for in AAC	Net Landbase Deletions and Deferrals	Net Landbase Deletions and Deferrals: Rights to Timber	Industrial Salvage Chargeability Strategy
All dispositions and FMUs (unless otherwise noted)			All	None	None	1	Structure retention is not accounted for in the AAC.	N/A	N/A	All industrial salvage is AAC chargeable.

Table 5. ANC Timber Ltd. FMA Coniferous Utilization
Effective Date: May 1, 2012

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

Table 6. Historical Deciduous Allocations and Annual Allowable Cuts

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Deciduous AAC (m³) 15+/10/30 cm	Total Approved AAC (m³)
W15	ANC Timber Ltd.	FMA8900026	Single Combined	FMA-Only	C, CD, DC, D	96,525	96,525
W15		Local Use	Single Combined	FMA-Only	C, CD, DC, D	975	975
W15	FMA AAC Subtotal	FMA8900026	Single Combined	FMA-Only	C, CD, DC, D	97,500	97,500
FMU W15 Total						97,500	97,500

Notes:

Effective date: May 1, 2006

Local use is 1% as per FMA8900026 Section 8(2)(a)(i).

Table 7. Approved Deciduous Allocations and Annual Allowable Cuts
Effective Date: May 1, 2012

FMU	Company Name	Disposition Number	Landbase Management Type	Source	Cover Group / Species	Primary Deciduous AAC (m³) 15+/10/30 cm	Total Approved AAC (m³)
<i>W15</i>	<i>ANC Timber Ltd.</i>	<i>FMA8900026</i>	<i>Single Combined</i>	<i>FMA-Only</i>	<i>C, CD, DC, D</i>	<i>119,988</i>	<i>119,988</i>
<i>W15</i>		<i>Local Use</i>	<i>Single Combined</i>	<i>FMA-Only</i>	<i>C, CD, DC, D</i>	<i>1,212</i>	<i>1,212</i>
<i>W15</i>	<i>FMA AAC Subtotal</i>	<i>FMA8900026</i>	<i>Single Combined</i>	<i>FMA-Only</i>	<i>C, CD, DC, D</i>	<i>121,200</i>	<i>121,200</i>
FMU W15 Total						121,200	121,200

Notes:

Local Use is 1% as per FMA8900026 Section 8(2)(a)(i).

Forest Management Unit W15 deciduous annual allowable cut as stated in the ANC Timber Ltd. August 2, 2011 Forest Management Plan, is reduced to the nearest one hundred from 121,248 m³ to 121,200 m³.

Table 8. Deciduous Periodic Allowable and Quadrant Authorized Allowable Cuts

8.1	W15	ANC Timber Ltd.	Disposition: FMA8900026					
		Period Start: 1-May-09	Period End: 30-Apr-16					
		Period Segment Start Date	Period Segment End Date	Years in Period Segment	Primary Approved Harvest Level (m³/yr)	Primary PAC Contribution (m³)	Total PAC Contribution (m³)	Notes
1		1-May-09	30-Apr-12	3.0000000000	97,500	292,500.0000	292,500.0000	
2		01-May-12	30-Apr-16	4.0000000000	121,200	484,800.0000	484,800.0000	
		Periodic Reconciliation Volume (m ³)				76,665	76,665	Forest Management Agreement renewal, period volume adjustment to align with the timber year.
		PAC Total				853,965	853,965	

Table 9. ANC Timber Ltd. FMA Deciduous Chargeability

Effective Date: May 1, 2012

FMU	Company Name	Disposition Number	Deciduous Species Used in AAC	Species NOT Chargeable to AAC	Rights to Species NOT Chargeable to AAC	Structure Retention (%)	Structure Retention (%) Accounted for in AAC	Net Landbase Deletions and Deferrals	Net Landbase Deletions and Deferrals: Rights to Timber	Industrial Salvage Chargeability Strategy
		All dispositions and FMUs (unless otherwise noted)	All	None	None	1	Structure retention is not accounted for in the AAC.	N/A	N/A	All industrial salvage is AAC chargeable.

Table 10. ANC Timber Ltd. FMA Deciduous Utilization
Effective Date: May 1, 2012

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

Table 11. Fiber Transfer Agreements within the ANC Timber Ltd. FMA Area

Source Company	Source Dispositon Number	Transfer Type	Company Directed To	Species Group	Volume (m³/yr)	Comments
N/A	N/A	N/A	N/A	N/A	N/A	N/A