



Spray Lake Sawmills

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April 1, 2010

Public Lands & Forest Division  
8660 Bearspaw Dam Road NW  
Calgary, Alberta  
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Attention: Rob Mueller

**Subject: 2010-11 General Development Plan (GDP)**

The package comprises the 2010-11 GDP & Five Year Access Plan submission. Package components include an original copy and a CD version of the following:

GDP Covering Letter;  
2008-2013 GDP Production Table with Reference Notes  
Five Year Access Plan Table; Reference Notes; and Maps  
(NOTE: the figures presented in the GDP table are un-audited)

Crowsnest Forest Products (CFP) relies on Spray Lake Sawmills (SLS) to deliver key components of plan development, operations and reporting. Work completed or submitted by Spray Lake Sawmills on behalf of Crowsnest Forest Products is synonymous with information prepared by Crowsnest Forest Products.

The 2010-11 harvest sequencing for the FMA and B9 Quota is based on the Quadrant Allowable Cut approved in the DFMP Decision letter and as stated in the July 12, 2006 SRD Production Audit for the 2001-2006 Quadrant. SLS will continue to balance the FMA and the B9 Quota volumes as per the Forest Management Agreement. SLS plans to harvest all available quadrant volume in an even flow over the duration of the 2006-2011 quadrant but has experience some reduced production due to poor market conditions. Even with the reduced cut SLS has continued to coordinate activities with SRD to prioritize critical mountain pine beetle areas. Also please note that production numbers for the 2009-10 season are only current to March 26, 2010 because some log haul activity is still ongoing for this season.

SLS will use compartment names within the FMA as identified in the DFMP as the key identifier for operating areas. SLS is transitioning to annual submissions of Final Harvest Plans which will track cut levels and variances in relation to the Spatial Harvest Sequence. The FMA has been submitted in the FHP and AOP format and the existing C5 quota plans have been re-submitted as TM118's as discussed with Blairemore SRD staff.



The incidence of Mountain Pine Beetle incursions into Alberta continues as a cause for concern. SLS recognizes there is a need for flexibility in harvest planning in order to address new outbreaks and compressed timelines to develop MPB control plans to address large infestations will be necessary. At the same time it is also necessary to continue with regular harvest sequencing and operational plan development. The current plans have incorporated the government MPB criticality ranking strategy.

Current QAC volumes within CTQ C050008 have indicate a new licence will be required for the 2011-12 season. SLS requests that SRD identify a new operating area within C5 where preliminary assessment work can commence. Early establishment of a new license will allow sufficient time for SLS to develop a comprehensive harvest plan, initiate stakeholder consultation and to co-ordinate the flow of timber from various sources. This new license request was addressed last season but was not completed due to reduced harvesting levels resulting from poor lumber market conditions.

New licenses are also requested for the CTQ C050009 quota area. The need for a new license has been identified in the GDP table for the 2012/13 season. SLS and SRD have initiated discussions regarding new license locations but areas need to be finalized. The Beaver Creek area is showing evidence of a Mountain Pine Beetle infestation and is being sequenced for the 2011/12 and 2012/13 seasons.

The license boundary for CTLC050003 (Race Horse) within CTQ C050009 has been amended and approved by SRD as per letter dated March 4, 2010. This plan will clean up the last spatial volume for this period accessed by the Atlas road. Due to the late amendment of the license boundary the harvest plan submission for this operating area will be delayed until June 1, 2010 with the intention to harvest during the 2010/11 season.

Please note that based on discussion and review with SRD and because all of the licenses submitted in C5 are resubmissions of past season plans, it was agreed that the TM118 AOP format and 1994 operating ground rules would apply for these license submissions.. This is considered a transition period and any new plans will follow the newly approved ground rules.

The Final Harvest Plan for the Burnt Timber compartment will be submitted by the end of April 2010. This compartment area has harvest volume sequenced for the 2010-11 operating season. The plan will be submitted late as a result of preparation delays due to SLS staff turnover and the need to review the planning layout in snow free conditions to ensure plan accuracy. An amended Annual Operating Plan will be submitted once the Burnt Timber FHP has been approved.

#### **2001-2006 QAC Carry Over**



SLS made a request for the 2001-2006 under production volume in both of the C5 Quotas and the FMA to be recognized as carry-over for the 2006-2012 quadrant 2. On February 7, 2008 SLS received carryover approval for CTQC050009 of 153,923m<sup>3</sup> and CTQC050008 of 65,477 m<sup>3</sup>. The under produced volume of 59,471 from FMA0100038 was approved November 3, 2006. These volumes have been incorporated into the attached GDP table.

SLS has under cut the annual allowable cut allowable over the past several seasons due to poor market conditions. Due to the reduced harvesting activity experienced SLS will be requesting the volume under-cut from the quadrant 2 will carry over to quadrant 3. SLS will formalize this request once the delivered volumes for the 2009/10 and 2010/11 seasons have been finalized.

### **Access Plan**

The GDP Production Table identifies areas to be harvested over the next 5 year period. At this time no Class I, II and III road developments are planned for the 5 year planning horizon.

The submitted GDP map shows the existing forest operator roads and non reclaimed LOC roads. All of the roads have been built to class IV standards. Information regarding use and development of short-term roads is included in the Annual Operating Plans.

The road maintenance and abandonment plans for all SLS operations have been included with the Annual Operating Plan in Tables 2, 3 and 4.

### **The Facilities**

SLS has achieved virtually 100% utilization of the timber delivered to the mill in Cochrane. We continue to pursue maximization of product value and fibre use through the continued application of technology for improved recovery and grade.

The company continues to identify and pursue niche markets for high quality by-products and to assess other value added options. SLS's commodities include both treated and untreated dimensional lumber and fence posts, shavings, post peelings, sawdust, and wood chips. Bark mulch and other landscaping products have been successfully developed and marketed by our Top Spray division.

### **Wood Supply Table**

The volume figures used in the GDP table are based on the "15/11" utilization standard for coniferous timber. Spray Lake Sawmills will continue operating with the utilization standard of 15/11 cm for the 2010/11 season and will not exercise the approved amendment received last year to move to 15/12 cm at this time.



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## **Planning Considerations**

### Issues and Understanding

SLS recognizes that our activities and our understanding of general situations and issues can have an influence on other forest resource values and users. Understanding can be improved through effective communication.

Under section 3.3.5 of the ground rules it states that the GDP is to contain a brief description of potential issues arising from the proposed harvest activities identified within the plan. The issues we have chosen to highlight are those that will require a change to an approved plan, something that may require ground rules changes or deviations, a change in sequencing or an issue that will require SRD engagement. The current list of potential issues includes the following:

The CTLC050007 (Oldman) licence contains a number of harvest blocks that SLS was verbally asked to defer last season so SRD would have time to address a Bull Trout spawning issue located in close proximity to the harvest area. SLS will not be able to defer this harvest plan another season.

Obtaining a road use agreement from the Municipality of Crowsnest Pass to access parts of the CTLC050016 license has proven to be difficult and may result in sequencing changes, AOP amendments and volume adjustments.

The Atlas road is a multiple use corridor that has a number of crossing structures that require attention and possible removal because of potential failure. Removal of these crossing structures will raise public concern for recreational users of this road. SLS will also have difficulty in accessing these locations as a result of the previous mentioned issue.

The CTLC050003 license area planned in the Spoon Valley has some immature and mature White Bark Pine that will be impacted by access to this harvest area. SLS is waiting for direction from the recovery team regarding this issue.

The Bragg Creek Fire Smart planned area has been identified for harvest next year and is part of the spatial harvest sequence. These plans are getting a lot of attention now that layout activity has started and the public starts seeing ribbons in the bush.

The CTLC050015 (Beaver Mines) area has been identified for harvest next year and is part of the Government spatial harvest sequence. This plan is getting a lot of attention for the public, Castle Crown Wilderness Coalition, Sierra Club etc. now that layout activity has started and the people start seeing ribbons in the bush.

### Public Input

SLS provides opportunities to review plans and invites regular input. These opportunities are provided at various stages of plan development. Identified



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stakeholders are consulted on explicit issues or items of concern. SLS reviews all input and will adapt plans where appropriate. SLS will be conducting two open house plan reviews this season. The Cochrane open house is schedule for May 5th, 2010 and the Blairmore open house scheduled for May 6th, 2010.

SLS is currently working with a number of advisory groups during the planning phase of our operation and is actively working with a Public advisory group (PAG) from the Cochrane area and a newly developed PAG in the Crowsnest pass area.

#### Access

When the company sequences harvest volumes within identified wildlife zones we will attempt to sequence early operations and early completion of these areas. Exceptions to this will be where early access is not possible due to road access issues, ground operating condition and other stakeholder timing constraints.

Where possible, SLS will investigate opportunities for joint use of access and/or road use agreements.

Silviculture activities will follow operations as closely as possible and roads will be rolled back upon completion of planting activities.

#### Adaptive Management

SLS exercises an adaptive approach to forest management. Flexibility is essential when addressing multiple resource value issues. An adaptive approach encourages site specific planning and promotes the development of innovative processes and techniques.

SLS is committed to monitoring our operations. The development of adaptive approaches is often based on plan reviews and operational assessments. Regular monitoring can lead to the continuous improvement of plans and plan delivery.

#### Forest Insects and Diseases

SLS monitors forest insects and diseases as a standard operating procedure. SRD is notified regarding infestations or forest conditions of concern. Operating plans will be tailored to address known situations. Plans may need to be adjusted to address new information or occurrences. SLS will continue with regularly schedule meeting with SRD to review latest updates on SRD's mountain pine beetle management activities and commits to sharing relevant information with staff and contractors.

Increasing reports of Mountain Pine Beetle sites within Alberta are raising concerns for sustainable timber supplies and other forest resources. Incidence rates emphasize the very real threat to the C5 and the FMA wood supplies.

SLS will continue to work with the Alberta Strategic Directions Council to develop beetle control strategies. As harvest plans progress, the schedule of operations will



be amended to address mountain pine beetle infestations that threaten SLS's timber supply.

Regarding Spruce Budworm, although present, populations are very small and there is little risk of a serious outbreak in this portion of the province.

A strategy to address Dwarf Mistletoe is presented in the DFMP. The presence of Dwarf Mistletoe is a concern within both merchantable and unmerchantable stands. SLS will continue to assess mistletoe within current planning areas. Concerns relate to potential long-term volume losses in pine stands, infestations extending beyond sequenced stand boundaries, and issues related to the implementation of effective controls.

#### Species at Risk

The potential effect of the S.A.R.A. on A.A.C. and other management practices remains a concern. SLS will continue to monitor the development of regulations that could have implications for timber management plans and operations.

#### Department of Fisheries and Oceans

SLS will continue to inform the DFO of our plans. Operations will proceed as per the requirements of the DFO's Alberta Operational Statements.

#### Oil and Gas

Oil and gas activities continue to erode the productive forest landbase. SLS communicates regularly with the oil and gas sector regarding options to minimize their impacts on forest resources. Sharing of advance planning information, joint use of access corridors, and coordination of operations are a few approaches being promoted.

SLS is attempting to direct development proposals to alternate locations outside of cutblocks to minimize our investment losses, and appreciate SRD's support for this approach when considering development applications.

#### Weed Control

SLS's weed control policy includes reporting the location of weed infestations to the SRD weed coordinator. The policy also requires heavy equipment to be washed before moving it from one compartment or disposition to another.

As all our operating areas receive diverse commercial and recreational use, SLS will commit to participating in a Weed Management Cooperative. SLS is prepared to address weed control issues on a shared basis with SRD and other participating stakeholders.



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### Log Haul

Hauling is usually completed with seven axle configurations. Hayracks are an important component of the small stem log haul. Trucks have historically been only permitted for legal weights. SLS will assess the merits of hauling winter weights on an annual basis if satisfactory conditions are available. SLS will also continue with the use of picker trucks to move smaller concentrations of volume, beetle sorted wood and clean-up volumes.

SLS has provided notices that are routinely printed in the local newspapers advising of the initiation of log hauling from our various harvest locations. Timely safety bulletins pertaining to log haul and the safe use of haul roads have also provided to the local papers.

Haul routes and road classes within the timber dispositions are identified in the AOP submission. Roads outside the licence are either covered under road use agreements, LOCs, or permits obtained from either Alberta Transportation or the local M.D.s.

### Satellite Yards

Log storage capacity at the Cochrane Sawmill site will not accommodate the needed volume under the new AAC. To resolve this, satellite yards have been established and will continue to be used into the future. Current satellite yards include one located approx. 1km west of Longview on hwy 541 and another located in Columbia poles yard west of Sundre. . Both of these satellite yards have been identified on the attached map as per section 3.3.5 of the ground rules.

### Company Involvement

SLS appreciates being informed of the development or review of higher order plans and the opportunity to participate in the development of any plans that may impact our operations, such as FireSmart Plans, MPB Plans, in the company's first right of refusal area.

### First Nations Consultation

SLS's First Nation consultation of the GDP continues to follow the "Alberta's First Nation Consultation Guidelines on Land Management and Resources Development".

Spray Lake Sawmills (SLS) has initiated several meeting with impacted First Nation's bands. The consultation process is ongoing with the Stoney, Siksika, Tsuu T'ina, Blood and Pickani first nation's bands and has included a variety of correspondence methods that may include letter, e-mail, meetings, field tours etc. SLS has developed an internet based copy of the 2009/10 GDP on our web site and provided the First Nation bands with access privileges. This web site will be updated with a copy of the 2010/11 GDP once it has been approved. SLS will be contacting each of the bands to provide a personal review of the current plan. It is our hope



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that this consultation strategy that includes both personal contact and web based information sharing will make the plans more readily available to the First Nations bands and will also allow the bands more flexibility in their review process.

Yours truly,

Rob Berndt, RPF  
Woodland Operations Manager  
Spray Lake Sawmills