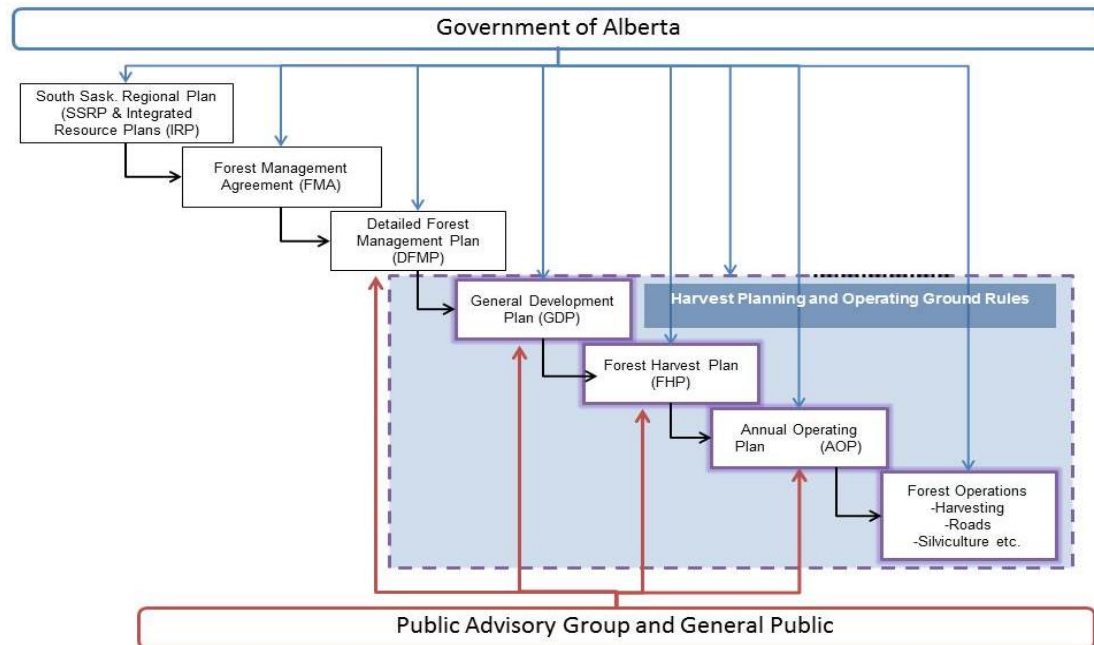


Forest Management Plan – Value and Objective Development

Spray Lake Sawmills is initiating the process of renewing our forest management plan, commonly referred to as a detailed forest management plan (DFMP) (see list of useful acronyms on page 5). This is a strategic level plan that guides forest management for the next ten years. The plan covers when, where and how harvesting and forest management is to be undertaken and how our company can operate sustainably on the Crown land that has been designated for forest management. Figure 1-1 illustrates the series of plans required for forest operations; boxes with a purple outline are items that flow out of the detailed forest management plan.

Figure 1-1: Forest Management Planning Hierarchy



Development of the forest management plan is a dynamic process, incorporating knowledge from research, policies and legislation that regulate the forest industry, and ongoing review of performance from previous plans and operations. One of the first steps we are undertaking is the development and renewal of Values and Objectives. This is an opportunity to develop the plan with recognition of local values and objectives that will serve as a foundation for DFMP development.

Forest management plans fit into a defined scope. They must abide by higher level plans and processes that have been developed in order to sustainably operate on Crown land.

Managing Alberta's Timber Resources

Timber resources in Alberta are allocated through the forest tenure system. This provides a mechanism to manage timber resources in the Province, but land and resource ownership is retained by the Crown (public land model). Spray Lake Sawmills is a forest tenure holder in the Province of Alberta through our Forest Management Agreement (see map on page 4).

Spray Lake Sawmills' key roles and responsibilities (obligations) as a tenure holder are reflected in documents such as the *Forests Act*, regulations issued pursuant to the *Forests Act*, (including Timber Management Regulation and Scaling Regulation), forest tenure documents, forest policy directives, forest management plans and timber harvesting and operating ground rules. Pursuant to these agreements and dispositions, operational forest management activities undertaken become the responsibility of tenure holders but the Government of Alberta (GoA) retains control of these activities through review and approval of Forest Management Plans and Annual Operation

Plans. An FMA is still subject to following higher level Acts, Regulations and Plans for the region, the Province and the Country (see useful links and key Acts on page 5).

Forest Management Agreements provide the right to establish, grow, harvest and remove timber (FMA clause 2(1)) in the DFA. An FMA does not provide authority over other companies or non-timber resource users nor does an FMA provide authority to set cumulative impacts for the area; rather that is the responsibility of higher level plans (such as the South Saskatchewan Regional Plan) and/or Integrated Resources Plans. The level of authority provided through an FMA are specifically prohibited from restricting access or constraining Alberta's right to manage other resources or allocate land for other industrial uses. The FMA and the Forest Management Plan manage forest vegetation only and mitigate the impact of forest operations on other values and uses. Generally, it is a course filter approach with fine filter checks.

Within Spray Lake's Forest Management Agreement is the requirement to establish a forest management plan. Forest management plans operate in the scope of owing to the rights granted in the FMA holder. Our forest management plan is a twenty year plan, which is renewed every ten years, and guides our operation and activities for the duration.

Value and Objective Development

Values and the successive objectives form a large component of how timber resources are to be managed and evaluated with in the forest management agreement area. These are a component of achieving approval, both from the Alberta Government and the public at large, and focus on the requirement that decisions are made through informed, inclusive and fair consultation. There is a need to balance existing commitments with community needs and adapt in a way that builds more effective organizations. Increasingly organizational performance depends upon community support.

Values and objectives are the first two components in the overall structure of developing VOITs (values, objectives, indications and targets). The goal is to develop quantitative targets in consultation with stakeholders and rationalize the VOIT based on social acceptance, sound science, credible analysis techniques and clearly stated value trade-offs. Below is the definition of what constitutes a VOIT according to the current Alberta Forest Management Planning Standard.

- Value – A DFA characteristic, component or quality considered by an interested party to be important in relation to a CSA SFM element or other locally identified element (see list of useful acronyms on page 5)
- Objective – a broad statement describing a desired future state or condition of values
- Indicator – a variable that measures or describes the state of condition of a value
- Target – a specific statement describing a desired future state of condition of an indicator. Targets should be clearly defined, time-limited, and quantified, if possible.

Values and objectives represent broad landscape level items, with indicators and targets being a specific variable to monitor and measure. Spray Lake's intent at the initial stages of plan development is to ensure that all values and objectives, for which we are able to manage for, are properly captured.

Additional, it is recognized through the planning standard that several targets are not entirely under the control of the forest manager. For example, considerable emphasis is placed on access limitations, but the amount of access is largely affected by other users (both industry and public). In these instances, the VOITs suggest reporting on the results with the view that the forest manager can be responsible for reporting on the targets, but it's not exclusively accountable for addressing the results.

Progression from the last Detailed Forest Management Plan

Spray Lake Sawmills' previous forest management plan, which was completed in 2006 and approved in 2007, identified 20 Issues/Values, see Table 1-1.

Table 1-1: Issue/Value – Previous DFMP

1. Access management	11. Integration of Other Values and Non-Commercial Uses.
2. Adaptive management and Research	12. Integration with Other Commercial Users
3. Aesthetic Values	13. Protected Areas
4. Biodiversity and Wildlife	14. Public Involvement
5. Community Timber Program	15. Public Safety
6. Soil Conservation	16. Reforestation
7. Forest Health (forest pest management)	17. Sustainable Timber Supply
8. Forest Land Base	18. Water Quality and Quantity and Fisheries Resources.
9. Forest Protection (fire)	19. Trans-boundary issues
10. Historical Resources and Unique Areas.	20. Carbon Sequestration

The previously identified items served as a starting point for VOIT development. The 20 items were taken to Spray Lake Sawmills' Public Advisory group for feedback and input on importance and relevance. Feedback from the PAC was completed by March 18th and now serves as the starting point for public input into Value/Objective development.

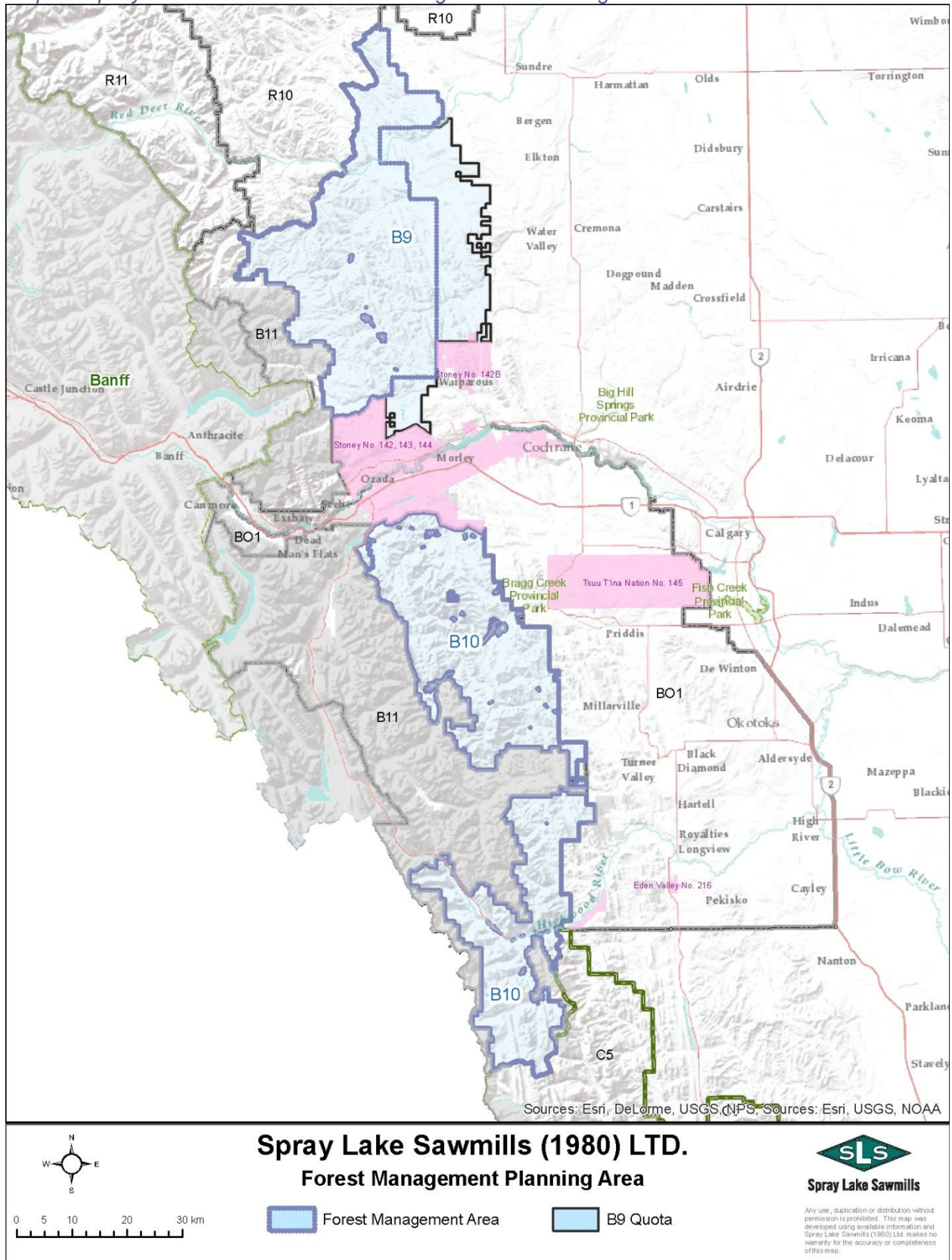
Table 1-2: Draft Values for new DFMP

1. Forest Health & Productivity (Soil productivity & Carbon sequestration was added to this)	9. Historical Resources & Unique Values
2. Protection & Maintenance of Fisheries Habitat	10. Forestry Research Science & Technology (Adaptive Management was added to this)
3. Protection & Maintenance of Water Resources	11. Conservation of Biodiversity
4. Sustainable Timber Supply	12. Integration with other commercial users
5. Public Safety	13. Access Management
6. Public Involvement	14. Community Timber Program
7. Protected Areas	15. Forest Protection (fire)
8. Managing of Visual Quality & Recreational benefits	16. Forest Landbase
	17. Integration of other Values and Non-commercial uses

Changes from the previous management plan

- Deleted Trans boundary Issues
- Moved Adaptive Management
- Moved Carbon Sequestration
- Moved Soil Productivity

Map of Spray Lake Sawmills Forest Management Planning Area



ADDITIONAL USEFUL LINKS

South Saskatchewan Regional Plan and process

<https://www.landuse.alberta.ca/RegionalPlans/SouthSaskatchewanRegion/SSRPConsultation/Pages/default.aspx>

Spray Lake Sawmills Previous DFMP & 5 Year Stewardship Report

<http://www.spraylakesawmills.com/woodlands/forest-management-planning/detailed-forest-management-plan/>

Spray Lake Sawmills Operating Ground Rules & Revisions

<http://www.spraylakesawmills.com/woodlands/forest-management-planning/operating-ground-rules/>

ACTS

Provincial - All Provincial acts are available at the Queen's Printer - www.qp.alberta.ca

Forests and Prairie Protection Act – Establishes the provision of wildfire management activities, programs and wildfire-related enforcement

Forests Reserves Act and regulation – Provides for the establishment of Forest Reserve

Provincial Park legislation – (*Provincial Parks Act and Wilderness Areas, Ecological Reserve, Natural Areas and Heritage Rangelands Act*) – Plays an important role in protecting natural diversity and intact habitat for supporting biodiversity, in addition to ensuring a wide range of recreation opportunities and tourism experiences.

Public Lands Act and Public Lands Administration Regulation – Provides for the settling of land disturbance standards and land conservation tools in support of biodiversity management.

Water Act – Provides for the allocation and use of Alberta's water resources and the protection of rivers, streams, lakes, wetlands and aquifers.

Wildlife Act – Provides for the designation and recovery of species at risk.

Regulated Forestry Professionals Act – Outlines mandatory registration for forestry practitioners & the means to define a Code of Ethics as well as the ability to enforce it.

Federal

Species at Risk Act (SARA) – The Act designates a committee to report to the federal Minister of the Environment on threatened species and assess their conservation status as well as recommendations to recover threatened habitats.

Navigation Protection Act - Provides a schedule which clearly lists the major waterways for which regulatory approval is required prior to the placement of construction of a work.

Federal Fisheries Act – Protection of fish and fish habitat, through HADD (harmful alteration, disruption or destruction of fish habitat) and outlines when Fisheries and Oceans Canada (DFO) requires contact.

Migratory Birds Convention Act – Outlines the responsibility of Environment Canada to develop and implement policies and regulations to ensure the protection of migratory birds, their eggs and their nests.

STANDARDS

Alberta Forest Management Planning Standard *Version 4.1. – April 2006*

The Alberta Forest Management Planning Standard (the Standard) and its Annexes, interpretive bulletins and updates comprise the standard for preparing and implementing Forest Management Plans (FMPs) in Alberta.

Available at:

<http://esrd.alberta.ca/lands-forests/forest-management/forest-management-manuals-guidelines.aspx>

SSRP SUB-PLANS - to be developed as directed by the South Saskatchewan Regional Plan

Biodiversity management framework

Linear footprint management plan

Recreation Management plans

South Saskatchewan Regional Surface Water Quality Management Framework

USEFUL ACRONYMS

ALSA	Alberta Land Stewardship Act
ASRD	Alberta Sustainable Resource Development
CSA	Canadian Standards Association
DFA	Defined forest area
FMA	Forest Management Agreement
FMP	Forest Management Plan
GoA	Government of Alberta
SFM	Sustainable Forest Management
SLS	Spray Lake Sawmills
SSRP	South Saskatchewan Regional Plans
VOIT	Value Objective Indicators & Targets