

WOODLANDS

2015 Annual Operating Plan

FMA8800025





Edson & Hinton Woodlands Phone: 756 Switzer Dr. Hinton, Alberta T7V 0A2

780-865-8113 780-865-8165

Fax:

31 March 2015

Graham Legaarden Senior Forester Upper Athabasca Region Alberta Environment and Sustainable Resource Development 3rd floor Civic Centre 131 Civic Centre Road Hinton, AB T7V 2E6

Re: 2015 Annual Operating Plan FMA8800025

Enclosed for Alberta review and approval is the 2015 Annual Operating Plan (AOP), consistent with the protocols established in the 2011 Operating Ground Rules.

The column titled "FHP Stage" in the AOP Schedule (Appendix 2) includes only blocks that have received FHP approval. To meet business needs, it is expected that additional blocks will be designed or redesigned and amended into this AOP as required.

Operations under the current AOP are still in progress and are expected to continue until approximately April 30th of this year.

Approval of this AOP by April 30, 2015 would allow us to make arrangements for ongoing operations as of May 1st. It is anticipated that processing and haul activities will continue through the change in timber year and that harvest operations will commence in June.

Please contact me at 780-865-8181 if you have any questions.

Sincerely,

Pat Golec Forestry Manager

Bruce Alexander CC: Richard Briand Diane Renaud Mark Cookson Shane Sadoway



Woodlands

2015 Annual Operating Plan

FMA 8800025

For the Period May 1, 2015 to April 30, 2016

This Annual Operating Plan includes all harvest activity proposed for the stated Timber year. The Silviculture Schedule will be submitted separately.

Pat Golec Forestry Manager

Bruce Alexander Woodlands Manager

March 31, 2015



INTRODUCTION

The Annual Operating Plan (AOP) describes when and where operations will be implemented on the Hinton Wood Products (HWP) Forest Management Agreement (FMA) area. This AOP schedules harvest operations including timber harvest, road construction, road use, and reclamation planned for the 2015 Timber Year (May 1, 2015 – April 30, 2016) within Forest Management Agreement 8800025 (Order in Council 565/2007 effective May 1, 2008) managed by Hinton Wood Products, a Division of West Fraser Mills Ltd. Approval of the AOP provides the authority to undertake harvest and road activities according to the schedules listed within this document. This document also contains a listing of all cutblocks that have Final Harvest Plan (FHP) approval and may be harvested in the current Timber Year.

The majority of the coniferous volume harvested from the FMA will be delivered to Hinton for use by Hinton Wood Products (sawmill), 99 West River Road, Hinton, AB, T7V 1Y7. Approximately 300,000 m³ of coniferous volume will be harvested from the FMA and delivered to Blue Ridge for use by Blue Ridge Lumber, Box 87, Blue Ridge, AB, T0E 0B0. Smaller amounts of coniferous volume will be delivered to outside companies, including Edson Forest Products in Edson, Sundre Forest Products in Sundre and the Brisco Wood Preservers Ltd. production facility in Peers, AB. Deciduous volume harvested from the FMA will be delivered to the Weyerhaeuser Canada OSB mill in Edson.

Following direction from Alberta, on May 1, 2006, HWP implemented a program to target pine stands susceptible to Mountain Pine Beetle (MPB) attack. A 5-year Mountain Pine Beetle (MPB) Strategy developed as part of the 2007 General Development Plan was updated and incorporated into the approved MPB FMP Amendment. The MPB FMP Amendment contains a 10-year Spatial Harvest Sequence (SHS) that became effective May 1, 2010. The SHS was updated as part of the 2014 DFMP and continues to target pine stands susceptible to MPB as well as deciduous stands to meet contract sales needs. This AOP includes blocks that were designed from the outset to meet MPB stand criteria.

This report was produced using data from the HWP spatial database management system, CengeaForest™TheForestManager.

HARVEST PLANNING

Harvest design and management tactics for individual blocks are defined and approved through the SHS and FHP process. Higher-level environmental concerns and other resource values are addressed at the SHS planning stage and more site-specific values are addressed at the FHP planning stage. Final Harvest Plans are approved for five consecutive Operating Years following the year of approval. During this time, blocks listed in the FHP may be scheduled for harvest in the AOP. All blocks listed in this AOP are part of an approved FHP. If discrepancies exist between the block information provided in the AOP and in the FHP, the information in the FHP is deemed to be correct.

Block Availability for Harvest

Upon approval of the AOP, all blocks scheduled in this Timber Year are available for harvest at HWP's discretion (Appendix 2 Operating Schedule). Blocks will be selected based on ground conditions and mill needs to produce coniferous and deciduous volume to the amount specified in the Volumes section on page 3. Appendix 1 includes a description of the fields included on the Operating Schedule.

This year, the AOP and Silviculture Schedule are being submitted separately. To bridge the two documents, approval is requested to undertake site preparation on all approved blocks.

Changes to the proposed harvest schedule may become necessary because of mountain pine beetle activity, weather, log profile requirements, facility downtime, purchase wood fluctuations and opportunities, business and market conditions, government requests, changes in logging methods, forest fire, or other unforeseen circumstances affecting the assumptions under which this plan was created. Requests to harvest blocks not included in this AOP will be made through a letter of amendment request to Alberta. Approval of a letter of amendment provides the authority to carry out harvest operations in the blocks under the terms and conditions of the FHP approval.

Contingency Blocks

Contingency blocks are all-weather blocks situated adjacent to all-weather Class 2 or 3 roads. In the event that unforeseen circumstances or operating conditions prevent accessing the blocks listed for this Timber Year, a list of contingency blocks has been provided (Appendix 4 – Contingency Wood). Contingency blocks have been included in this plan for AOP approval so that they are readily available for harvest. Volumes and blocks are also shown in the Operating Schedule.

Re-scheduled Blocks

Harvest operations for the 2014 Timber Year were not completed prior to the submission of this AOP, so all blocks approved under the 2014 AOP that were not commenced as of March 15, 2015 or were commenced but not haul cleared as of March 15, 2015 have been carried forward to this AOP. A separate letter will be provided by June 15th to describe the status and plans to complete open blocks that existed as of May 1, 2014 and May 1, 2015.

Compartment Assessment

Compartment Assessments are a component of the planning process that may be requested by Alberta, as described in the 2011 OGR. At present, there are no Compartment Assessments for the FMA.

Final Harvest Plan

HWP must apply for FHP re-approval for all remaining blocks that were not harvested within the five year window. The approved FHP associated with each block is included as part of Appendix 2: Operating Schedule. For plans less than 5 years old, un-harvested blocks that meet pine management criteria are either included in the AOP or may be proposed for harvest through the AOP amendment process. All blocks that do not meet pine management criteria have either been deleted or the block information was archived for future reference.

Cutover

Cutover reconciliation for the 2013 Operating Year was submitted in December 2014. Cutover reconciliation for the 2014 Operating Year will be submitted prior to December 31, 2015.

Maps for compartments with approved blocks are included in this AOP submission. Compartment maps that have only un-reconciled cutover history were not included.

ANNUAL ALLOWABLE CUT AND UTILIZATION

Operating practices will be consistent with utilization specifications defined in the Operating Ground Rules and the amendments described below. The annual allowable cut was determined using the following utilization standards:

<u>Conifer</u>

- 15.0 cm stump height
- minimum 15.0 cm diameter outside bark at stump height
- minimum 11.0 cm top diameter inside bark
- minimum log length of 3.76 m.

<u>Deciduous</u>

- 15.0 cm stump height
- minimum 15.0 cm diameter outside bark at stump height
- minimum 10.0 cm top diameter inside bark
- cut-to-length with a target length of 2.56 m

Under these utilization specifications, HWP is not obliged to produce and utilize pulpwood from the FMA. In the event that pulpwood is utilized, it is not charged against the AAC. There are no current plans to utilize pulpwood from the FMA in this Timber Year.

The approved Annual Allowable Cuts for the FMA are as follows:

- Conifer: 1,766,576 m³/yr
- Deciduous: 249,832 m³/yr

The approved coniferous and deciduous reconciliation volumes have been harvested. The remaining QAC volumes will be logged over the remaining 3 years of the quadrant.

The current operating ground rules for the Hinton FMA became effective on October 1, 2011.

VOLUMES

The block volumes and subsequent volume summaries contained within this document are derived from the Hinton Wood Products Detailed Volume Tables (DVT) and based on tree length volumes.

Appendix 3 – Volume Summary summarizes the total volume available for the current Operating Year. HWP currently intends to harvest one third of the remaining softwood and hardwood QAC volumes, 2,067,553 m³ conifer and 334,146 m³ deciduous. These amounts include industrial salvage volume. Additional wood utilization opportunities are being investigated.

Although this AOP represents current harvest plans, ongoing changes related to the MPB strategy may make it necessary to not harvest some approved blocks and add additional volume, which will be amended into the AOP as new FHP blocks are approved.

PUBLIC INVOLVEMENT

The HWP public consultation program promotes dialogue between the public and the Woodlands Department. The objectives are:

- 1. Provide opportunities for the public to express their interests and concerns about planning and operations on the FMA area.
- 2. Use public input as a basis for making informed decisions in operational planning.
- 3. Keep the public informed on developments in operational planning and implementation.
- 4. Provide increased communication between the Woodlands Department and the public.
- 5. Promote increased awareness by the public about forest resource management.

The main elements of the public involvement program are:

- 1. An advisory committee consisting of local interests (Forest Resources Advisory Group).
- 2. Public notification of the initiation of harvest plans with a request for input.
- 3. Annual open houses in local communities.
- 4. A toll-free number (1-800-293-6955) for questions and comments from the public.
- 5. A West Fraser website (<u>www.westfraser.com</u>), which contains Woodlands Department information. This includes a copy of the AOP and the Sustainable Forest Management Plan. The site has an email address that the public can use to provide feedback to HWP.
- 6. An AOP Summary Document that shows the proposed compartments that harvesting will occur in addition to proposed chemical and mechanical tending blocks. The current Summary Document formed the basis for our GDP public and Aboriginal Consultation processes.

Other opportunities are provided to involve the public in the planning process. Periodic open houses are scheduled to address specific compartment operating plans. During these open houses, feedback and comments on the plan are solicited from the public. In addition, the Forest Resources Advisory Group sometimes takes on "ad-hoc" member(s) to participate for specific issues.

Notifications

Communications about block design with Registered Fur Management Area holders were completed for all AOP blocks and part of the harvest planning process. Notification of pending operations will be completed prior to harvest as per the Operating Ground Rules.

There are no planned operations overlapping with grazing disposition holders in this year.

ABORIGINAL ENGAGEMENT

There is no provincial requirement for forest companies to refer the AOP to Aboriginal communities for consultation. Aboriginal engagement, as outlined in the Alberta First Nations Consultation Guidelines on Land Management and Resource Development is to take place at the General Development Plan (GDP) and Forest Management Plan (FMP) level.

Aboriginal communities that HWP is required to consult with have had the opportunity to provide input on all areas to be harvested under this AOP as part of the GDP Aboriginal engagement process. Any compartments amended into this AOP that have not already gone through the GDP referral process will first go through a separate process. A summary of Aboriginal feedback, issues, and any mitigation measures related to the GDP will be included with the GDP submission.

HISTORICAL RESOURCES

All AOP blocks have either already been cleared for compliance with the Historical Resources Act or will be cleared prior to commencement of operations.

HARVEST SYSTEMS

HWP currently uses a roadside cut-to-length processing system. In this system, trees are felled by fellerbunchers and skidded to roadside for processing, where they are cut into bolts and sorted for various products. The sorted bolts are loaded onto trucks and hauled to the appropriate manufacturing facility. Limbs and tops from roadside systems are piled for future burning.

Loading and Hauling

Contractors load and haul all harvested wood. Logs are loaded onto log trucks using either a loader or self-loading picker trucks. When road conditions are soft, reduced loads are taken from spur roads and topped off on all weather roads.

Most wood from the FMA is hauled with off-highway trucks carrying 65-68 m³ per load. Remaining wood is hauled with on-highway trucks carrying smaller loads. Highway haul is mainly related to increased wood fibre business arrangements between HWP and other West Fraser Divisions and with other companies. Both highway and off-highway trucks, carrying loads between 25-36 green tonnes, are used to transport chips.

Each load is weighed at the scale of the mill accepting delivery of the fibre.

ROADS

The AOP road schedule (Appendix 5) includes the HWP road number, the road class, and whether the road will have construction (this includes crossing installation/removal), harvesting, haul, maintenance, and/or reclamation during the period covered by the AOP. Approval is requested to conduct AOP road operations on AOP roads in the schedule as needed. AOP amendment requests will be submitted for proposed operations on AOP roads that are not included on the schedule.

All AOP roads that will have operations related to the road (i.e. ROW harvest, construction, haul, deactivation, stream crossings work, and reclamation) are included in the AOP Road Schedule. Temporary class 5 and 6 roads will typically only be constructed when the associated block is to be harvested. Crossings of channelled watercourses associated with an AOP road will typically be operated in conjunction with the associated road. The status of all AOP roads on the FMA is tracked as part of the monthly block status submission.

All future class 2, 3 and 4 roads will be applied for under DLO. The location of Class 5 roads are approved through the respective FHP.

SALVAGE

Most non-HWP development on the FMA relates to the oil and gas industry and the coal industry. Subject to economic constraints, HWP requires salvage of all timber associated with dispositions from all companies conducting business on the FMA.

HWP periodically delivers firewood to supply HWP-managed recreation areas and other sites/organizations that HWP donates firewood to. Firewood may include deciduous, dead conifer, and non-merchantable conifer. The current list of sites that firewood may be supplied to is: Emerson Lakes PRA, Fairfax Lake PRA, Gregg Cabin Recreation Area, Hamlet of Brule, Little Sundance PRA, Elk River PRA, Kinky Lake PRA, Wildhorse Lake PRA, Brown Creek PRA, Brazeau PRA, Lovett River PRA, Obed PRA, McLeod River PRA, McLeod Group PRA, Pembina Forks, PRA, Petite Lake Recreation Area, Rock Lake PRA, Watson Creek PRA, Whitehorse Creek PRA, Willow/Wildhay Recreation Area, and Wildhay Group PRA.

ENDANGERED TIMBER

Endangered timber (blowdown, insect, disease, fire, etc.) will be evaluated for salvage opportunity as required. Approval will be requested separately for marginal coniferous saw timber dues for all timber salvaged. All volume proposed for salvage will be identified and approved in advance, and authority for harvest will be through AOP amendment. HWP intends to salvage all economically accessible MPB attacked timber. At present, harvesting any other salvage areas is not anticipated for this timber year.

DECIDUOUS TIMBER DUES – ORIENTED STRAND BOARD

The Schedule for Crown Timber Dues provides for a rate of 50% of the Timber Management Regulation Schedule 4 rate for timber used to produce Oriented Strand Board that is greater than 150 km haul distance from the point of production to Weyerhaeuser Company in Edson, as defined by the 2009 map that measures the 150 km distance on feasible haul routes.

This year, it is anticipated that some cutblocks with deciduous volume outside the 150 km distance will be harvested. Reduced dues approval will be requested prior to harvest commencement for these cutblocks.

RESEARCH

HWP will continue to be involved in the implementation, monitoring and protection of numerous on-going research projects being conducted by the Woodlands Department and other organizations including the Foothills Research Institute, FPInnovations, universities, and the Canadian Forest Service.

FIRE CONTROL PLAN

Forest Protection measures will be carried out in accordance with the Forest and Prairie Protection Act and Regulations Part I and II, Article 26 of the Forest Management Agreement (O.C. 560/2007), the Fire Control Agreement and the Fire Control Plan. Fire fighting equipment will be on hand and maintained as prescribed in the Forest and Prairie Protection Act and Regulations Part I and II, and the Fire Control Plan.

The Fire Control Plan process meets requirements in the Forest Management Agreement, which took effect on May 1, 2008. The Fire Control Plan for the current timber year was submitted to Alberta on 23 Feb 2015.



APPENDIX 1: OPERATING SCHEDULE REFERENCE

WORKING CIRCLE - Working Circle is one of five geographic areas subdividing the FMA area.

Working Circle Number	Working Circle Name		
1	Athabasca		
2	Marlboro		
3	Embarras		
4	McLeod		
5	Berland		

- **COMPARTMENT** the Compartment number within the specified working circle. The format is Working Circle – Compartment (e.g. 1-15 is Athabasca 15)
- LAST FHP# the name of the last approved FHP or BLR. This includes Block Layout Reports (BLR) approved under the old OGR. The format is Working Circle Compartment Year planning was initiated and plan subdivision (e.g. 3-09-93A is Embarras 9 1993 subdivision A).
- **BLOCK** the block number. The format is Working Circle Compartment Block Number (e.g. 3-09-0199 is Embarras 9 Block 199).
- **OPENING#** the unique block identifier (character string based on legal land description (ATS)) used to identify a block in reports and data submitted to Alberta.
- BLK AREA (ha)-the total operable area in hectares of the block.
- FHP# the Final Harvest Plan or BLR document name the block was approved under.
- **FHP STAGE** all blocks in the AOP Operating Schedule have received BLR or FHP approval. This column indicates blocks that have been approved (Approved) and no changes are planned at this time.

Tactic Identification	Reforestation Tactic Description			
LFN-R	Leave for natural reforestation (root suckering)			
LFN-S	Leave for natural reforestation (seed)			
NSP	Planting with no site preparation			
OTH	Other			
SFN	Scarify and leave for natural seed			
SFN-P	Scarify and leave for natural seed and plant			
SPP	Site preparation and planting			
SPS	Site preparation followed by artificial seeding			

SEASON – the general block ground condition derived from ecological overlays. The operating schedule report groups blocks in each compartment by Summer (S), Winter (W) and Marginal (M) categories.

STRATEGY – the silviculture system (ARIS opening type code) to be used to harvest the block.

Strategy Identification	Strategy/Silviculture System Description			
CC	Clearcut			
CM	Clearcut-Mountain pine beetle			
CW	Clearcut-Blowdown			
FS	Fire Smart-Forest protection objectives			
PC	Partial Cut (ieShelterwood)			
SG	SelectiveGroup Cut			
SL	Selective Single Tree Cut			
SM	Salvage cut after wildfire			
ST	Sanitation Cut			
TC	Commercial Thin			

CONIFER VOL (m³) - the gross conifer (softwood) volume (m³) contained within the block.

DECID VOL (m³) – the gross deciduous (hardwood) volume (m³) contained within the block.

APPENDIX 2: OPERATING SCHEDULE



APPENDIX 3: SOFTWOOD AND HARDWOOD VOLUME SUMMARY

Compart		Area (ha)	Summer		Marginal		Winter	
	Blocks		Conifer m ³	Decid m ³	Conifer m ³	Decid m ³	Conifer m ³	Decid m ³
1-001	28	1,412.9	33,955	3,322	35,366	3,063	175,468	15,779
1-015	4	58.2	10,378	1,075	641	65	-	-
1-021	1	199.8	-	-	-	-	41,682	13,426
1-022	1	9.8	-	-	-	-	2,768	290
1-026	1	5.4	1,193	124	-	-	-	-
1-027	3	63.1	14,279	1,169	-	-	-	-
1-028	5	81.6	8,371	565	13,339	2,542	-	-
1-029	14	311.3	43,247	4,675	18,329	2,127	23,249	2,556
1-030	18	194.0	32,353	5,091	9,885	993	-	-
1-031	11	224.9	46,437	6,787	-	-	9,966	1,404
1-035	5	138.7	12,277	1,937	-	-	10,862	1,476
2-002	15	325.7	45,692	5,882	20,671	2,666	23,081	2,602
2-004	5	151.6	-	-	13,033	1,301	26,164	2,535
2-005	1	15.9	-	-	-	-	4,830	402
2-009	2	73.1	-	-	-	-	18,184	2,129
2-012	1	39.3	-	-	-	-	10,320	1,436
2-013	50	913.2	83,542	109,388	3,404	7,980	28,777	60,953
2-016	12	281.9	15,436	39,937	3,618	8,923	4,484	12,154
2-017	8	68.7	15,879	3,930	-	-	-	-
2-021	4	163.3	-	-	26,884	2,609	17,774	1,607
2-022	2	85.5	-	-	-	-	22,853	1,893
3-006	75	1,665.4	228,904	23,367	34,805	3,401	16,233	1,398
3-007	9	525.7	44,673	9,258	34,628	13,914	38,609	4,795
3-009	17	260.6	75,053	8,381	-	-	-	-
3-010	27	492.5	64,821	7,260	16,355	2,789	26,423	12,613
3-012	35	964.4	160,486	15,605	34,993	3,319	-	-
3-020	32	2,338.2	232,562	25,135	48,467	5,886	9,973	1,313
4-003	37	1,613.4	268,463	24,189	-	-	-	-
4-008	7	254.1	5,679	490	3,393	782	36,313	3,295
4-013	3	92.1	7,239	16,029	-	-	-	-
4-019	8	112.1	17,426	1,674	-	-	9,041	926
4-020	8	112.5	14,430	1,415	6,159	600	5,648	515
4-023	14	565.2	12,851	1,255	16,392	1,625	90,772	9,502
4-024	12	796.8	117,081	11,176	-	-	-	-
4-027	5	94.3	24,101	2,338	-	-	-	-
5-009	3	39.8	8,879	865	-	-	-	-
5-023	8	653.7	59,522	6,078	64,637	6,099	-	-
5-025	12	114.2	8,644	1,053	4,815	508	15,519	1,853
5-026	7	221.4	48,232	4,364	-	-	-	-
5-027	12	211.4	28,211	2,755	14,330	1,511	-	_
Total	522	15,945.1	1,790,295	346,569	424,143	72,702	668,991	156,852

APPENDIX 4: CONTINGENCY WOOD REPORT



APPENDIX 5: AOP ROAD AND CROSSING SCHEDULE

