

Chief Forester Order Respecting the AAC Determination for the Bulkley TSA

Section 8 (3.1) of the *Forest Act* stipulates in part that:

If... the chief forester considers that the allowable annual cut...is not likely to be changed significantly with a new determination, then...the chief forester by written order may postpone the next determination...to a date that is up to 10 years after the date of the relevant last determination, and must give written reasons for the postponement.

In November 2001, the former chief forester determined a new Allowable Annual Cut (AAC) for the Bulkley Timber Supply Area (TSA). The current AAC of 882,000 cubic metres came into effect on January 1, 2002 and excludes all volume issued to woodlot licences. The determination also includes a partition as follows:

- 520,000 cubic metres per year for sawlog stands;
- 362,000 cubic metres per year for marginal sawlog/pulpwood stands.

In considering whether to postpone the next AAC determination for the Bulkley TSA, I have reviewed:

- each of the factors potentially affecting timber supply on the TSA;
- the previous *Rationale for AAC Determination* dated November 2001;
- the *Bulkley Timber Supply Area Analysis Report* dated April 2001.

In reviewing each factor, I have also discussed current practice and the availability of new information with Ministry of Forests and Range (MOFR) district, regional and branch specialists.

I note the timber supply forecast reported in the 2001 analysis report indicated that an annual harvest level of 882,000 cubic metres could be maintained for one decade before declining by 10 percent per decade to the long term harvest level. I reviewed the 2001 rationale, in which the impact and interaction of key factors affecting timber supply in the short, medium and long terms were considered.

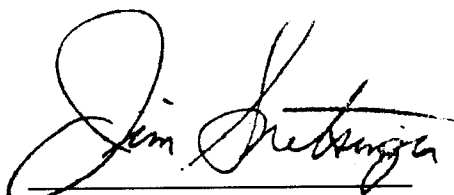
I am aware that because of market factors, there has been a significant undercut in the AAC during the past 3 years. The total undercut volume between 2001-2003 is almost 1.5M m³ or less than 60 percent of the total AAC during the corresponding period. The actual harvest to the end of 2003 only represents 1.3 years of AAC harvested into the timber supply forecast. In addition, 1,275,000 m³ of AAC have been transferred out of the Bulkley TSA for 2004 to 2006 to address mountain pine beetle in other TSAs. Because of the extent of infestation in these units, I anticipate this transfer to remain in effect for the foreseeable future.

In addition, I have also examined the "revised" base case analysis (referred to in the 2001 rationale) that incorporated better site productivity estimates as well as other adjustments associated with genetic gain, unsalvaged losses and low site balsam-leading stands. Although not reported in the 2001 analysis report, this additional analysis projected an initial harvest level and declining harvest flow similar to that of the base case. Projected harvest levels were slightly higher in the mid-term and significantly higher in the long term.

Using these revised assumptions and the original timber supply model, Forest Analysis and Inventory Branch staff generated an alternative harvest flow. The results showed that a harvest level of 850,000 cubic metres per year—virtually the same as the current AAC—can be maintained for almost 2 decades before declining to 580,000 over the following four decades. I note that inclusion of the old growth site index (OGSI) data used to adjust the site productivity estimates projects a harvest forecast with significantly greater stability than suggested by the original base case.

I have reviewed the First Nations consultation process undertaken by the MOFR with the following First Nations: Gitksan, Kitselas Band, Lake Babine Nation, Moricetown Band Council, and the Wet'suwet'en. I am aware that District staff sent a letter to the aforementioned First Nations providing them with information regarding the proposed AAC determination postponement and asking them for information relative to their aboriginal interests, and how a possible decision to postpone the AAC determination may impact these interests. Although no responses were received, I note that district staff continue to be available to meet and consult with First Nations on specific issues which can be addressed at the operational planning level.

Based on my review of the factors discussed in the 2001 rationale, the limited new data available, the limited harvesting performance and my knowledge of the timber supply dynamics of this unit, I have determined that the AAC for the Bulkley TSA would not likely change with a new determination made according to the existing schedule. Under my authority as outlined in Section 8(3.1) of the *Forest Act* I hereby postpone the next AAC determination to a date prior to November 26, 2009 which is 8 years since the last determination. If additional significant new information is made available to me or if major changes in management assumptions occur, then I am prepared to revisit the next determination at an earlier date.



Jim Snetsinger
Chief Forester

AUG 30 2005

Date