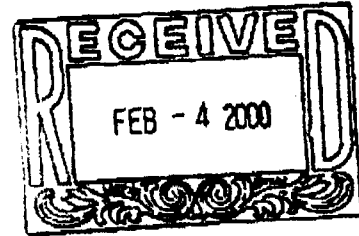


APPENDIX IV

Statement of Management Objectives, Options and Procedures



File: 19710-30/TFL 55/MP 3

FEB 1 - 2000

Bernie Heuvelman, RPF, TFL Superintendent
Evans Forest Products
A Division of Louisiana-Pacific Canada Engineered Wood Products Ltd.
General Delivery
Lybarger Road
Malakwa, British Columbia
V0E 2J0

Dear Bernie Heuvelman:

My staff in the Regional Office and in the Columbia District have reviewed your letter of December 16, 1999 clarifying some issues in the Statement of Management Objectives, Options, and Procedures (SMOOP) for Management Plan 3 of Tree Farm Licence 55. You have addressed the concerns raised in my letter of November 24, 1999 about your earlier draft of the SMOOP.



I am therefore approving the SMOOP effective today. I look forward to seeing the results of the Timber Supply Analysis and the draft text of the new Management and Working Plan in the coming months.

Yours truly,

Ross R. Tozer,
Regional Manager
Nelson Forest Region

pc: Dave Raven, District Manager, Columbia Forest District
Charlie Klasen, Timber Tenure Forester, Resource Tenures and Engineering Branch,
3rd Floor 1450 Government St, Victoria BC V8W 3E7
Ian Graeme, Decision Support Forester, Timber Supply Analysis Branch,
3rd Floor 595 Pandora Avenue, Victoria BC V9W 9C3

Ministry of
Forests

NELSON FOREST REGION

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EVANS

**STATEMENT OF MANAGEMENT OBJECTIVES,
OPTIONS & PROCEDURES**

**MANAGEMENT PLAN 3
SELKIRK TREE FARM LICENCE 55**

October 1999

**Evans Forest Products Limited
Eagle River Division**

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
	1.1 Background.....	1
	1.2 Commitments.....	4
2.0	MANAGEMENT OBJECTIVES	5
3.0	RESOURCE INVENTORIES	7
4.0	MANAGEMENT ISSUES & OPPORTUNITIES.....	10
5.0	PLANNING PROCEDURE	15
	5.1 Timber Supply Analysis.....	15
	5.2 20 Year Plan	16
	5.3 Range Analysis	17
	5.4 Recreation Analysis	17
	5.5 Public Consultation.....	17
	5.6 Schedule.....	17
6.0	OBJECTIVES FOR EMPLOYMENT & ECONOMIC OPPORTUNITIES.....	19

APPENDICES

- Appendix I Advertising
- Appendix II Public Comments on SMOOP and EEO

1.0 INTRODUCTION

Evans Forest Products Limited (Evans) initiated the planning process for preparing the next management plan (MP 3) for TFL 55 by a public notice in the local newspapers in November 1998. It will replace the existing management plan (MP 2) which expires May 1, 2001. The company intends to have MP 3 approved by the provincial Chief Forester and to take effect by January 1, 2001.

This Statement of Management Objectives, Options (SMOOP) is a planning definition document that will guide the preparation of MP 3 over the next 18 months. It contains the draft resource management objectives; describes the significant issues and opportunities to be addressed by the plan; and sets out a time frame for its completion. The SMOOP provides the public, stakeholders, the Ministry of Forests (MoF), Ministry of Environment Lands & Parks, and Parks Canada with an understanding of the key tasks to be covered. The content follows the suggested outline in the MoF *TFL Management Plan Preparation* guide.

1.1 Background

TFL 55 covers an area of Crown forest land totalling 92,227 hectares. As shown in the overview map the licence is situated north of Revelstoke in the Selkirk Mountains between the Goldstream River and Mica Creek. It shares a common boundary along the Goldstream River with TFL 56, held by the Revelstoke Community Forest Corporation. Occurring in what is referred to locally as the interior wet-belt, the forests are mainly mixed stands of hemlock/cedar and spruce/balsam.

The present allowable annual cut is 100,000 m³/year. Evans is allocated 88,325 m³/year, while 11,675 m³/year is allocated to the MoF small business program. MP 2 took effect May 1, 1996.

A number of government forest initiatives have taken place since that time:

- The province's Forest Practices Code was enacted in July 1995.
- A crown corporation, Forest Renewal BC, was established to reinvest a portion of increased stumpage revenues in the forestry sector and on public forest land.
- A Land Use Plan for the Kootenay-Boundary region, directed by CORE, was completed in 1995. Subsequently, the Minister's Advisory Committee (MAC) has continued with a separate land use implementation planning exercise for the Revelstoke Forest District. This is ongoing.

At the time of writing this document the first three years of the current planning term (1996-1998) had been completed. Good progress has been made to date in meeting the commitments made in MP 2. These are described in the next section.

Placeholder for overview map

1.2 COMMITMENTS

The present licence commitments are those listed in MP 2 and in the Chief Forester's approval letter of April 18, 1996. The company has fulfilled all requirements agreed to in the TFL document. As at July 1999, fulfillment of the commitments made in MP2 is proceeding on schedule. A brief accounting of progress made with respect to these relevant commitments for the first three years of the MP 2 period is itemized below:

PLANNING

- Timber inventory is updated to December 1998.
- The current timber inventory has been assessed and an inventory audit was completed by the MoF in 1998.
- A preliminary review of site index and productivity estimates has been completed.
- Fish and fish habitat inventories have been completed for main and secondary stream reaches throughout the TFL.
- Terrain stability assessments (TSIL level D) have been completed for most of the operable area.
- Operability mapping is in progress and will be completed by October 1999.
- Evans has participated in the MAC committee deliberations.
- MAC derived caribou management zones, ungulate winter range, and landscape unit biodiversity emphasis maps have been entered into the resource inventory database.

HARVESTING (1996-98)

- Harvesting was 92% of the AAC.
- Harvesting from above the OCL line was 286% of target.
- Problem forest type area harvested comprised 50% of the total volume harvested.
- Harvesting from steep slopes was 212% of target.

BASIC SILVICULTURE (1996-98)

- Planted 964,724 seedlings on 665 Ha's.
- Average regen delay of 2.5 years
- The Forest Renewal Initiative started by Westar Timber to reforest all backlog NSR areas has been completed.
- Brushing of all not free growing backlog regeneration has been completed.
- Cone collections have increased the seed inventory to a 10 year supply for all species.

2.0 MANAGEMENT OBJECTIVES

Tentative management objectives outlined below are similar to those adopted for MP 2. They should be regarded as draft objectives that will be examined more closely and revised before they are included in MP3.

Corporate

To produce competitive high quality solid wood products with a strong commitment to:

- High standards of forest management.
- The environment.
- A safe and healthy workplace.
- Stable employment.
- Community well-being.
- Achieving an acceptable rate of return to the shareholders.

To maintain an open working relationship with local first nations bands

Land Use

We are committed to responsible forest stewardship of the tree farm licence and will manage the landbase by practising environmentally sound, balanced resource use principles within the context of the applicable laws, regulations and approved higher level plans.

We will implement sustainable forest management strategies that maintain the inherent biological diversity of the ecosystems, wildlife and aquatic habitats and landscape values.

Public Consultation

Be open and accessible to the public concerning management of the TFL and provide regular opportunities for them to comment on operational plans.

Timber

Harvest the AAC using logging techniques that comply with applicable utilization standards while accommodating non-timber resource values

Adopt harvest and reforestation strategies to sustain the long-term timber supply and productivity of the working forest.

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Be open and accessible to the public concerning management of the TFL and provide regular opportunities for them to comment on operational plans.

Timber

Harvest the AAC using logging techniques that comply with applicable utilization standards while accommodating non-timber resource values

Adopt harvest and reforestation strategies to sustain the long-term timber supply and productivity of the working forest.

3.0 RESOURCE INVENTORIES

This section describes the present status of resource inventories. A summary is set out in table 1. These inventories are available for use in the timber supply analysis.

- a) Timber
The present forest inventory was completed in 1989 to MoF inventory standards at that time. It has been updated to December 1998.
- b) Terrain
Terrain stability hazard mapping (Level D) covering much of the operable, productive landbase was completed in 1998.
- c) Environmentally Sensitive Areas
ESA mapping covering the entire TFL was completed in 1989. The ESA classification was to MoF standard inventory standards at that time.
- d) Fisheries
Stream classification of main and secondary streams was completed in 1998. Remaining unclassified streams are generally greater than 20% gradient.
- e) Wildlife
Complete coverage of caribou habitat and ungulate winter range maps has been provided by the MAC.
- f) Visual Landscape Management
Since no scenic areas have been designated within the TFL under the MAC land use plan a visual landscape inventory is not required.
- g) Recreation
The existing recreation inventory is being updated to reflect the change in the recreation opportunity spectrum during the past five years and recreation features
- h) Cultural/Heritage
No cultural or heritage features have been identified within the TFL at this time. Mapping of archaeological sites was done within the Columbia River basin but many of these sites were later flooded by the creation of the Mica reservoir.
- i) Range

There is no significant range use within TFL 55. Monashee Outfitting hold a permit allowing grazing by a small number of horses within the TFL.

Table 1: Status of Resource Inventories

RESOURCE	COVERAGE	STATUS	STANDARD/STATUS
Timber	Complete coverage	Updated to 1998	Standard MoF forest cover
Terrain	Coverage of much of the operable, productive area	Completed 1998	Level D terrain stability hazard
Environmental sensitivity	Complete coverage	Completed 1986	Standard MoF classification
Fisheries	Most main and secondary streams < 20% gradient	Completed 1998	FPC stream classification
Wildlife	Complete coverage	1999 version	MAC caribou habitat
	Complete coverage	1999 version	MAC ungulate winter range
Visual landscape	Not applicable	-	-
Cultural/heritage	Not required	-	-
Range	Not applicable	-	-
Recreation	Complete	update in-progress	MoF standard

4.0 MANAGEMENT ISSUES/OPPORTUNITIES

The list of issues and opportunities described below will be used by Evans to guide the various tasks and actions required to be completed for MP 3. Some of these were identified in the regional manager's pre-SMOOP assessment letter of May 20, 1999.

1. FOREST INVENTORY

Topic: The present inventory was completed in 1989 to MoF inventory standards at that time. The suitability of this current forest inventory for use in the timber supply analysis has been raised based on MoF comments in 1995 concerning the reliability of the volumes.

Action: The inventory has been maintained and updated as at December, 1998 and will be used for MP 3. An inventory audit completed by the MoF in 1998 reports that the inventory volumes predicted are reliable. It also reported that it does not conform with the new Vegetative Resource Inventory Standard, in part, as non-forested high elevation areas are not classified. The MoF Columbia forest district has prepared a strategic plan for a VRI update of the entire district. Implementation is dependent on funding availability and has not been scheduled at this time.

Some doubt was raised on the site index assignment of immature polygons. A recent preliminary review by Evans showed this not to be an issue.

2. ENVIRONMENTALLY SENSITIVE AREAS

Topic: The regional manager has requested that sensitive soils (Es) be accounted for in the yield analysis for MP 3, as well as strategy for managing ESAs.

Action: ESAs were classified in the 1989 reinventory update. Es areas totalled 14497 hectares, some 15% of the gross area, mainly occurring on steep inoperable slopes. The company completed terrain sensitivity mapping in 1998. A comparison will be made of these two types of classification to help decide on the netdown strategy to use in the yield analysis. Wildlife, fish habitat and water will be covered through the Code rules for riparian classification and the MAC wildlife habitat mapping.

3. OPERABILITY MAPPING

Topic: The operability outline (OCL) has become outdated. Development planning and harvesting outside and above the OCL has increased considerably in the past years.

Action: Revised operability mapping is presently being undertaken for MP 3. This will be completed in co-operation with Columbia Forest District staff.

4. PARTITIONED AAC

Topic: The present AAC is partitioned, requiring 10,000 m to be harvested from outside the OCL. Actual performance during MP 2 will be a consideration in reviewing whether a partitioned AAC is needed for MP 3.

Action: Harvesting performance in the non-conventional operability area for the first three years is 286% of target and is projected to be 261% after 5 years. Most of this volume has been harvested using conventional ground and cable logging techniques. The revised operability mapping will increase the conventional operability area reflecting current practices. This may obviate the need for a partitioned AAC.

5. PROBLEM FOREST TYPES

Topic: Presently with the exception of high elevation balsam stands, most timber types are considered merchantable in the timber supply analysis. This strategy needs to be reviewed taking into account current merchantability criteria and reforestation constraints.

Action: The company will review its definition of unmerchantable stands and problem forest types. The current TSA strategy will be taken into consideration.

6. NON-RECOVERABLE LOSSES

Topic: Unsalvaged losses, primarily from fire, insects and disease were estimated in MP 2 to be about 3,400 m³/year. As there is considerable uncertainty with the estimate it needs to be reviewed for MP 3.

Action: The company will assess losses experienced during the past five years and examine the approach used for the 1998 timber supply analysis of the Revelstoke TSA.

7. HARVEST PROFILE

Topic: The MoF has a perception that western red cedar leading stands and higher volume sites may be over-represented in the harvest, when compared to the harvest profile available.

Action: A harvest profile analysis that incorporates data back to 1994 will be undertaken to determine species type group and inventory age classes harvested as well as the volume scaled by species. The actual harvest profile will be stipulated in a timber supply analysis scenario to test the impact on the long-term harvest level projected.

8. SPECIES CONVERSION

Topic: The MoF have requested the species choice for reforestation be examined. There is a perception that species conversion may have AAC and habitat impacts.

Action: The benchmark for assessing reforested species needs to be at free growing rather than at the time of planting. Successful stocking results from a combination of planting and natural seeding. A change in reforestation strategy was made approximately five years ago with the abandonment of broadcast burning in favour of direct raw planting. This approach emphasises recruitment of natural regeneration (eg Hw, Cw, Bl) and mixed species planting (eg Sx, Cw, Fdi, Pw). It is expected that this will result in regenerated stands of approximately the same species types as the undisturbed forest. The preliminary results of species diversity being achieved will be presented in the management plan

9. REDUCED AAC

Topic: How will a change or reduction in AAC affect the TFL viability and what would be the implications of change in species profile harvested on the viability of the Malakwa sawmill?

Action: TFL 55 supplies approximately 25% of the Malakwa sawmill's annual throughput of 210,000 m³. The implications of a reduced AAC will

be addressed in the text of MP 3 if necessary as a consideration in the rationale for the proposed AAC. Towards the end of the planning period late in 2000, the likelihood of an AAC reduction and/or a change in species profile will be clarified or become apparent.

10. SMALL BUSINESS OPERATING AREA

Topic: The MoF have estimated that the available first pass volume in the SBFEP operating area in Stitt Creek will have been depleted within two years.

Action: Evans will review the remaining harvest opportunities within the Still Creek area with the Columbia Forest District. Work will begin on a strategy and schedule for the allocation of a new SBFEP operating area, if required.

11. FOREST HEALTH

Topic: A forest health strategy is necessary to cover the major forest health agents on the TFL.

Action: In MP 2 Evans had proposed a district-wide forest health plan be prepared so that there would be a common approach to management strategies and control options. In its absence the company continues to focus its forest health efforts on stand level detection and control actions.

12. MAC LAND USE PLAN

Topic: The MAC continues to work on management implementation guidelines of the Kootenay-Boundary Land Use Plan for the Revelstoke area. The final recommendations are expected to be completed in late 1999. Present indications from this committee's deliberations are that there likely will be a timber supply reduction for TFL 55.

Action: The role of the MAC guidelines and its impact on the management of TFL 55 will be examined and discussed in MP 3. Management strategies in the MAC that must be followed will be analyzed in the timber supply analysis and any downward pressure on the timber supply will be presented and discussed.

Other topics that will be covered but not limited to in preparing the new management plan include:

- Logging systems to be used. It will cover the use of helicopter and multi-span systems when conditions are economic.
- Proposed Standing Timber Inventory goal.
- Forest fire risk reduction strategy.
- Status of any outstanding backlog NSR.
- Recreation opportunities and interaction with back-country lodge operators.
- Consultation process with non-timber tenure holders.
- Strategies for managing wildlife and fish habitat, including biodiversity and mountain caribou.
- Socio-economic impacts.

5.0 PLANNING PROCEDURES

5.1 TIMBER SUPPLY ANALYSIS

A forest landbase can produce many different harvest levels depending on the management assumptions chosen and the net operable landbase used. A timber supply analysis will be undertaken for TFL 55 to determine potential harvest level options and to prepare a rationale for the AAC that will be proposed to the provincial Chief Forester for approval in MP 3.

The forest estate model TREE FARM will be used. This is a simulation model and has been approved by MoF Timber Supply Branch for use in timber supply projections for Crown forest land.

A number of resource management options will be modelled and analyzed. The analysis will provide a range of harvest flow levels depending on the combination of management assumptions and landbase options used in each. Preliminary analysis results will be assessed from the management assumptions that make up the planned management strategy. Sensitivity analysis and additional scenarios may be done to assess which factors affect the analysis results and to provide a reasonableness check on the AAC to be proposed. For example differences between MAC management strategies and Chief Forester direction may warrant separate scenarios or could be examined by sensitivity analysis.

The analysis will include:

1. **Gross Operable Landbase** - determines the theoretical biological harvest level for the productive forest area, un-constrained by non-timber resource factors.
2. **Current Management** - determines the harvest level with an integrated resource management emphasis. It will be based on the current management of TFL 55, modelling the resource emphasis direction provided by the MAC Implementation Strategies, (if they have become legally enforceable) as well as Forest Practices Code requirements. The landbase will be the updated redefined operable area.
3. **Planned Management** - if the planned management strategies for the next five years differ from current management as well as assumptions that will affect the management of the licence for the next 20 years, this option will determine the projected harvest level.

The technical procedures for the yield analysis will be outlined in a Data Information Package. This will be completed in the format required by MoF Timber

Supply Branch and submitted for their review and approval. It will include (but is not limited to) the following information:

- A timber supply options and assumptions.
- Inventory database.
- Description of management zones.
- Definition of analysis units.
- Landbase netdowns.
- Volume assignments and yield tables.
- Resource management rules and assumptions.

The regional manager in his pre-SMOOP assessment letter (May 20 1999) has also requested that some specific topics be covered in the analysis scenarios and modelling assumptions:

Seral stage/Resource emphasis objectives. The analysis strategy will depend on what elements of the MAC implementation plan are accepted or whether Chief Forester direction will apply. Data impacts and assumptions that need to be considered include:

- Ungulate winter ranges as defined by MAC.
- Mountain caribou range as defined by MAC.
- Chief Forester's BEO 10/45/45 versus MAC deployment.
- Reduce old seral requirements to 1/3 in low BEO.
- Non-proportional (Chief Forester direction) and proportional (MAC) rules for seral stages.
- Model old (Chief Forester rules) versus mature plus old (MAC rules).

Patch size distribution - investigate and analyze the impact of different strategies for patch size distribution. A 2 metre green-up standard, agreed to in Columbia Forest District should be used.

Harvesting Low Sites - actual performance needs to be reviewed. The results should be reflected in the netdown strategy.

5.2 20 YEAR PLAN

A twenty-year plan will be prepared to verify the proposed AAC level determined by the timber supply analysis. It is a strategic level plan that shows a spatial projection on potential openings applying the same constraints and assumptions as the yield analysis.

A terms of reference for preparing the twenty year plan will be submitted to the Columbia Forest District Manager prior to its preparation.

5.3 RANGE ANALYSIS

Not required as there is no significant range use. Note, Monashee Outfitters have a grazing permit for their packhorses.

5.4 RECREATION ANALYSIS

A recreation analysis report was prepared for MP 2, drawing on the information in the updated recreation features inventory. At present recreation use and demand has continued at approximately the same level since that time. The results of this recreation analysis are still applicable to MP 3 although the recreation inventory is being updated. The current recreation objectives and strategy will continue.

5.5 PUBLIC CONSULTATION

A review strategy for public consultation was approved by the regional manager on May 20, 1999. (Appendix I). It outlines the key stages at which Evans will be inviting input into the preparation of MP 3:

- Initiation of the planning process.
- Review of the draft SMOOP.
- Open-house viewing of MP 3.

5.6 SCHEDULE

Evans is obligated to prepare the MP 3 to the satisfaction of the provincial Chief Forester. Timely responses to submissions made during the course of preparing the plan are needed from MoF staff to enable completion on schedule.

A tentative schedule is attached in a Gantt chart. This identifies the activities and milestones that need to be completed. The key milestones in this schedule are:

Advertising initiation of planning process.....	November 1998
Regional Manager approval of SMOOP.....	November 1999
Completion of 20 year plan.....	April 2000
Completion of timber supply analysis.....	June 2000
Public open-house of management plan.....	August 2000
Chief forester approval.....	December 2000

Placeholder for Gantt Chart

6.0 OBJECTIVES FOR EMPLOYMENT AND ECONOMIC OPPORTUNITIES

Evans is a major employer in the Revelstoke and Golden region. It is committed to stable employment and community well being provided by its business activities.

Its business generates employment opportunities in manufacturing and woodlands operations. The company operates the Eagle River sawmill at Malakwa. It is a speciality mill cutting red cedar. Woodlands operations for TFL 55 are managed by the company's Eagle River Division. Evans has laminated veneer lumber (LVL), plywood and veneer plants at Golden. An electricity co-generation plant is operated in association with the Golden plant.

The TFL is an important source of logs for these plants. It supplies about 8% of the log requirements for the Eagle River Sawmill. Another 17% is provided indirectly through log trades. About 5% of the logs used in the Golden plant come from the TFL.

New employment positions in the company's operations are generated primarily through worker turnover. Evans prefers to employ local residents whenever a vacancy arises, provided applicants have the required skill set. Local forestry consultants are used except when specialized services are required. Presently four first nations people are employed in road construction and logging.

A total of 544 people are directly employed by Evans in manufacturing and TFL 55 woodlands operations (Table 2).

Table 2: Employment

Job Category	Permanent	Contractors/ Consultants
Golden plant	321	2
Malakwa		
Eagle River sawmill	156	2
Construction, logging & hauling	0	36
Forest management	3	5
Silviculture	1	18
Subtotal	160	61
TOTAL	481	63

APPENDIX I

Copies of Advertising

APPENDIX II
PUBLIC COMMENTS RECEIVED

**Summary
Letters**

APPENDIX I

**Copies of Advertising
Pre-SMOOP letter**
(bcc. for SEG and EFP copies)