MID-TERM TIMBER SUPPLY PROJECT

Terms of Reference for Technical Working Groups in the Lakes, Prince George, Quesnel and Williams Lake Timber Supply Areas (TSAs)

January 20, 2011

Background

Timber supply analyses have shown significant mid-term timber supply shortfalls associated with the current mountain pine beetle infestation. Licensees and BCTS continue to focus harvest in dead pine stands but, considering merchantability and current economic limitations, are now in the later portion of the salvage stage and are nearing the transition to these lower harvest levels. There are expectations of significant economic and social ramifications to the forest industry and forestrydependent rural communities associated with this predicted timber supply fall down. Fall downs are particularly exacerbated when compared with current uplifted harvest levels.

Ministry of Forests, Lands and Mines (MFML) Forest Analysis and Inventory Branch (FAIB) preliminary timber supply analysis for the four TSAs completed in the fall of 2010, has identified opportunities to potentially mitigate some of the timber supply impacts. These mitigation opportunities fall under two main themes:

- 1. Forest sector management practices and administration: These include such things as regeneration/reforestation practices, fertilization, licensee operating areas (including BCTS operating areas) and stand merchantability/economics
- 2. Relaxation or deferral of objectives for other forest values: These include such things as visual quality objectives, biodiversity and wildlife habitat.

The significant negative social and economic impacts to forest-dependent rural communities may be reduced through review and potential modification of existing forest management regimes.

Objectives

Examine the effect of mitigation strategies to short- and mid-term timber supply and assemble a package of benefit/cost options for government consideration relative to future forest management regimes and implications to forest-dependent communities. This work will be carried out in collaboration with various experts in the areas of timber supply, economics, forest management and land use to apply varying degrees of modification to forest management practices and land values to determine scale of impact and benefit.

Scope

In each of the four TSAs a Technical Working Group will examine various options for timber supply mitigation unique to that timber supply area. Mitigation opportunities and their related risks and benefits will be documented and presented to the Provincial Mid-term Timber Supply Technical Oversight Committee. The Executive Sponsors for this project, the MFML ADM Stewardship/Chief Forester and the ADM Regional Operations South, Ministry of Natural Resource Operations, will present findings and recommendations to the Natural Resource Sector Board of Directors and appropriate ministers.

The technical working groups will examine the inter-relationships and opportunities between the unconstrained and the constrained pine stands as well as the unconstrained and constrained non-pine stands.

The project will assess/review and report on the following:

1. Timber availability:

- Volume/area changes from a base case that represents current practice.
- Location of increased timber supply (geographic/logging system (cable, conventional))
- Species (pine/non-pine) of increased timber supply
- Time period (if appropriate) of increased timber supply availability
- Economics of increased timber supply (may include delivered log cost assessment)
- Analysis assumptions/limitations to analysis

- 2. Non-timber resources/values (i.e., recreation, visual quality, wildlife, old growth, etc.):
 - Resources affected
 - Impact/degree of change
 - Time period (if appropriate) of changed state
 - Ecological, economic, social implications of impact
 - Analysis assumptions/limitations to analysis
- **3. Administrative changes** required including an assessment of the measure of difficulty:
 - Legal amendments
 - Policy choices/changes
 - Consultation requirements (First Nations and public)
- 4. Work with external experts to provide input to assess implications of changes to:
 - Sector economics
 - Forest dependent (rural resource based) communities(i.e. First Nation and Non- First Nation)

Following completion of the technical working groups' reports, government will be in a position to consider next steps and may proceed to a consultation phase if changes to established land use values are being contemplated. This subsequent phase would solicit broader community, public and First Nations comments on proposed trade-offs particularly with respect to the impact to communities, the environment and social values.

Timeline

• Formation of TSA Technical Working Groups(TWG) January 31, 2011
• Progress update by TWGs to Oversight Committee February 15, 2011
• Progress update by TWGs to Oversight Committee March 31, 2011
• Progress update by TWGs to Oversight Committee April 29, 2011
• Final Report from TWGs to Oversight Committee June 1, 2011
• Recommendations from Oversight Committee to Executive Sponsors . June 15, 2011

• Findings and recommendations by Executive Sponsors to NRS BOD.....July 15, 2011

TWG Membership

The District Managers will establish and oversee the technical working groups. Membership will consist of a small, focused, technical group of 4 to 10 representatives from the:

- Ministry of Natural Resource Operations Including previous Integrated Land Management Bureau staff, and
- Ministry of Forests, Mines and Lands (Forest Analysis and Inventory Branch)

The technical working groups may enlist further expertise as required but these shall not be considered to be members on this technical team. Technical working groups will solicit licensee expert advice through established District Manager Advisory Committees or TSA Steering committees. Technical working groups are encouraged to share information with working groups from other TSAs in this project.

Principles

This project will adopt the most recent provincial timber supply review base case, analysis assumptions and data as a starting point for analysis. This base case may be updated to reflect current forest management as required. Various scenarios will examine changes to forest management assumptions and report impacts on short- and mid-term timber supply.

Communications

Communication materials regarding this project are being developed by the sponsors with help from staff in the Public Affairs Bureau.