

**Chief Forester Order
Respecting the Volume-Based AAC Determination
for Tree Farm Licence 57**

Background:

On October 4, 2004, the Province of British Columbia entered into an Area-Based Allowable Annual Cut Trial Program Agreement for Tree Farm Licence (TFL) 57 with Iisaak Forest Resources Limited. Following this, the allowable annual cut (AAC) for TFL 57 was converted to an area-based AAC and set to 381 hectares (effective November 8, 2004). On May 27, 2016, Iisaak Forest Resources Limited changed its name to Ma-Mook Natural Resources Limited (Ma-Mook). Ma-Mook is a partnership of the Ahousaht, Hesquiaht, Tla-o-qui-aht, Toquaht and Yuułu?ił?ath (Ucluelet) First Nations and is held under the Ma-Mook Development Corporation. On September 14, 2016, after considering a detailed timber supply analysis that accounts for the watershed plan reserve networks, the Clayoquot Sound Land Use Decision and updated information about economic operability, silviculture, growth and yield, the Chief Forester determined the AAC for TFL 57 under Section 8 of the *Forest Act* to be 222 hectares.

On April 25, 2019, Ma-Mook wrote to the Minister of Forests, Lands, Natural Resource Operations and Rural Development (the Minister) asking that the Area-Based Allowable Annual Cut Trial Program Agreements for TFL 57 and TFL 54 be terminated, and that TFL54 and TFL57 be consolidated into one TFL.

Section 7 of the Tree Farm Licence Area-based Allowable Annual Cut Trial Program Regulation (“the Regulation”) sets out the procedures that must be undertaken to terminate a trial program agreement. Section 7(1) states that a least 30 days before the date the trial program for a trial management unit is terminated, the Chief Forester must determine, in accordance with subsection (3), a volume-based AAC for the trial management unit. Section 7(3) describes how the volume-based AAC must be determined; it states:

The chief forester must determine an allowable annual cut referred to in subsection (1) by starting with the applicable volume identified in Schedule B and making such increases or reductions to that volume as the chief forester considers appropriate to reflect the increases or reductions, if any, that were made to the allowable annual cut for the applicable trial management unit during the trial program.

Schedule B of the Regulation identifies the applicable volume for TFL 57 to be 123 800 cubic metres. This is the same AAC volume that was in place immediately prior to the initiation of the area-based trial.

Determining a volume-based AAC:

In making an assessment of all increases or reductions in the timber supply that have occurred during the trial program, I rely on my September 14, 2016, determination which set the area-based AAC to 222 hectares. In that determination, I considered all relevant factors and information to make a quantitative assessment of increases or reductions to the area-based timber supply since the inception of the trial program. Accepting that the determined area amount, 222 hectares, appropriately accounts for the net change in the available timber supply that has

occurred since the inception of the trial, I must determine the volume equivalent of that area.

To make this determination I have reviewed a memo dated June 17, 2019, by Forsite Consultants Ltd (Forsite) titled *TFL54 and TFL57 Volume Based AAC*. This memo presents alternative methods for quantifying the volume-based equivalent of the current AAC. These methods include several volume-based timber flow projections that were generated using a forest estate model. Two forecasts are reported in the memo, one that uses the economic operability assumptions from previous Management Plan #2 (MP #2) and one that uses a newer (2014) operability assumptions taken from the neighbouring Arrowsmith TSA. Of these, I see the forecast that uses the 2009 operability to be the most appropriate for this determination. I also note that this forecast applied the same assumption described in MP #2 for other factors with one exception. The exception is that the methods used to model in-block retention for partial cut systems was improved to more accurately describe current management in the TFL.

The forecast described in the Forsite memo is a declining harvest flow that initiates at 95 933 cubic metres per year, is sustained for one decade, and then declines to a mid and long-term rate of 85 750 cubic metres per year by the third decade. Forsite, in an email sent to Ministry staff on October 23, 2019, described a third forecast that applies the 2009 operability assumption but with a non-declining harvest flow. The harvest level in this forecast is 88 530 cubic metres per year in all decades.

After reviewing all forecasts and the Forsite memo, I have concluded that the non-declining harvest-flow, described in the October 23, 2019 email, best aligns with my 2014 AAC determination and appropriately accounts for all increases or reductions to the AAC during the trial program and is the preferred basis for my determination.

Consultation with First Nations:

TFL 57 overlaps the traditional territories of the following First Nation: Ahousaht First Nation, Hesquiaht First Nation, Tla-o-qui-aht First Nation and Maa nult' First Nations.

On July 10, 2019, the Ministry sent a letter to each of these First Nations which explained the process for terminating the trial, including my volume-based AAC determination. The letter indicated that the Province had assessed that terminating the trial would have a minor potential to adversely impact asserted Aboriginal Rights and Title (Aboriginal Interests) connected to biophysical, spatial, social, cultural, spiritual or experiential values within the TFL. This assessment was based on the view that terminating the trial and converting to a equivalent volume-based AAC would not change how decisions are made about where, how and when timber harvesting, and other forestry activities, would occur within the TFL.

Each First Nation was asked to provide additional information about Aboriginal Interests in the TFL area and to comment on how their Aboriginal Interests may be impacted by this decision (with 30-day comment period). No comments or concerns were received.

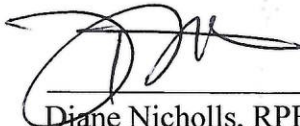
In reviewing the consultation record, I concluded that the Province has provided First Nations an adequate opportunity to communicate comments and concerns regarding the proposed decision and the consultation process undertaken was appropriate.

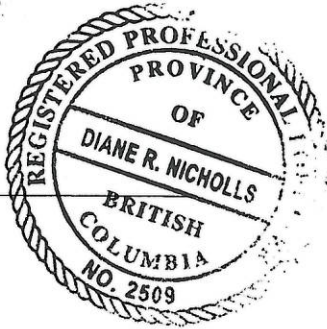
Determination:

I have reviewed the available information sources described above and have considered various alternative approaches for quantifying the volume-based timber supply for TFL 57. I have concluded that the non-declining harvest-flow of 88 530 cubic metres per year from TFL 57 appropriately accounts for all increases or reductions to the AAC during the area-based AAC trial and is an appropriate basis for my determination. Deducting this amount from the applicable AAC volume identified in Schedule B, which is 123 800 cubic metres, indicates that the TFL 57 timber supply has been reduced by 35 270 cubic metres during the trial.

It is my determination that a timber harvest level for TFL 57 that accommodates objectives for all forest resources and that reflects current management practices as well as the socio-economic objectives of the Crown, is 88 530 cubic metres.

This AAC is effective on the earlier of (a) the date Section 151.3 of the *Forest Act* is repealed under Subsection (4) of that section, or (b) the date the trial program for a trial management unit is terminated.


Diane Nicholls, RPF
ADM Chief Forester



Dec 2 / 2019
Date

