

Prince George SFMP PAG Meeting

5:30 – 9:00 PM, January 12, 2010

Civic Center, Prince George, BC

MINUTES

In Attendance:

<p><u><i>Public & First Nations:</i></u> Chris Andreschefski – Private Land Owners Gerald Bird – Métis Mark Clark – Small Timber Tenures Jo Graber – Cultural Conservation Melanie Karjala – Research & Education Virginia Karr – Natural Conservation Sandra Kinsley- Naturalist Anne Migvar – Ranching & Farming Jeff Mohr - Recreation, non-commercial, Motorized (Alternate) Esther Perry- Ranching & Farming (Alternate) Ken Pickering – Commercial Wildlife Interests Lee Sexsmith – Recreation, non-commercial, Motorized Len Shankel – Commercial Wildlife Interests</p>	<p><u><i>Steering Committee:</i></u> Chair: Tim Sproule – BCTS Alena Charlston – Carrier Lumber Sara Fletcher – Canfor Lee Evans - BCTS</p>
<p><u><i>Facilitator & Scribe:</i></u> Dwight Scott Wolfe (Tesera Systems Inc.) Loni Spletzer</p>	<p><u><i>Advisors & Observers:</i></u> Darrell Regimbald –Canfor (Ft. St. John) Dave Bebb – KPMG auditor Ray Hourie – Resident, Sinclair Mills Michelle Hourie – Resident, Sinclair Mills Jason Neumeyer- Canfor (Quesnel) Kim Menounos- City of PG Don Wilkins- Trapper Doug Beckett – TFL30 PAG</p>

1. Welcome & Introductions – Tim Sproule
 - a) A number of observers were in attendance:
 - Darrell Regimbald –Canfor (Ft. St. John)
 - Dave Bebb – KPMG auditor
 - Ray Hourie – Resident, Sinclair Mills

- Michelle Hourie – Resident, Sinclair Mills
 - Jason Neumeyer- Canfor (Quesnel)
 - Kim Menounos- City of PG
 - Don Wilkins- Trapper
 - Doug Beckett – TFL30 PAG
- b) Mark Clark is now the new President of the BC Woodlot Association (BCWA). He introduced a new coffee table book published by the BCWA entitled “Forest Life”.
- c) The PAG offered condolences to Len Shankel and Anne Migvar for the recent loss of loved ones.
- d) Dave King sends regrets for not attending PAG meeting. He is currently in Argentina.
2. Reviewed Agenda – accepted as written
3. Reviewed Minutes June 18, 2009
- 8 a) third bullet point: pertaining to Lakeland Mills and Winton Global changing from registration with CSA to SFI. There was a question if there is an omission at end of sentence such as “and no public input is required”. PAG discussed with licensees and it will be left as is since it is referenced in first bullet point that registration with SFI “still requires public input, but not in the form of PAG meetings”.
 - Minutes accepted as written
4. Reviewed the June 18, 2009 Meeting Evaluation Results
- All targets were met.
 - Comments:
 - Meetings
 - Would still like to preview the minutes a few days to a week after meeting rather than right before next meeting.
 - Meeting Logistics
 - Excellent as always
 - General Comments
 - Too bad Cecil is leaving. Cecil was just starting to become comfortable with everyone.
 - Sorry to see financial difficulties resulting in loss of input and reporting back for and through PAG re Lakeland and Winton operations.)

5. Licensee Certification (Audit) Updates

a) CANFOR: Sara Fletcher gave an update on recent internal and external audits.

- Type of Audit/Result: Canfor surveillance audit results for CSA Z809-02 (SFM) and ISO 14001 (EMS) Canfor is recommended for re-registration to the PEFC Annex 4 Chain of Custody standard.
- Internal Audit:
 - 3 Minor Non-Conformances
 - Some locally developed documentation did not conform to ISO standard.
 - Operational controls for reducing siltation at stream crossings have not been consistently followed.
 - A review of several Site Plans and associated field maps revealed missing or conflicting information in the text.
 - Several Good Practices were noted throughout the audit.
 - Opportunities for Improvement:
 - Not all staff were aware that they had access to the online services provided by Quickscribe (legislation & registration bulletins).
 - Planting Contractor knowledge around the Canfor Environmental Policy is weak.
- External Audit:
 - 2 Minor Non-Conformances:
 - Contractor worksite – Large mobile fuel truck with no evidence of testing or certification. Inadequate spill kit and fire extinguisher had been discharged.
 - Standard Operating Procedures outlining transfer of certification credits are not clearly documented, nor are purchase contracts identifying if certified credits are being transferred with the purchase.
 - 1 major Non-Conformance (Chain of Custody, Corporate)
 - Tracking of chip sales to external customers

b) CARRIER LUMBER: Alena Charlston gave an update on a recent external audit.

- Type of Audit/Result: Carrier surveillance audit results for CSA Z809-02 (SFM) and ISO 14001 (EMS). Carrier is recommended for re-registration to the PEFC Annex 4 Chain of Custody standard.
- Carrier has switched external auditors from QMI to KPMG during the summer of 2009. All licensees under the Prince George SFMP now use KPMG.

- External Audit:
 - 2 Minor Non-Conformances
 - The Chain of Custody tracking system for the total batch output of products produced by Carrier (which includes the sum of outputs for chips, hog, sawdust, shavings and lumber) was missing the output from rough lumber sold (which does not go through Carrier's planer).
 - Carrier requires all contractors and their staff to be trained in and aware of their Environmental Management System (EMS) and SFM requirements relevant to their positions and must maintain records of this training. A contractor was not able to provide training records for the staff during the audit.
 - Several Good Practices were noted throughout the audit

6. Question and Answer session with KPMG auditor (Dave Bebb)

- BC Timber Sales - Prince George Business Area is being audited this week.
- PAG members were open to having licensees present for the Question and Answer session.
- Dave Bebb introduced himself and gave some background on KPMG's certification work with CSA standards. KPMG is now the certifier for all three licensees signed on to the PG SFMP. This is felt to be advantageous for consistency and calibration through the certification process.
- BCTS – some sections of its business will be audited (surveillance audits) with varying scopes over the three year timeframe of their certificate.
- PAG member noted that “times are changing” particularly in the area of reforestation and it is not what it used to be. Dave said that this is legislative, not within the scope of recertification, however he encouraged PAG to keep companies accountable to the targets/indicators related to reforestation.
- PAG member concerned that nothing is happening at the uppermost levels. He feels that we are “monitoring a dying system” and “auditing a necrotic process”. SFMP indicators are dissected, analyzed etc, but nothing is moving at the highest levels to affect real changes at lower levels. There are no indicators to monitor overall effectiveness. Dave replied that perhaps an Effectiveness Monitoring Plan is necessary.
- PAG member discussed issue of companies using the term “business decision” of late – are these “business decisions” monitored? Would PAG have any impact in this area? If PAG is unhappy with companies who make “business decisions” and the resulting impact, can the auditor influence these decisions? PAG member expressed frustration that “at the end of the day, the company is making the final decisions”. Dave stated it does not minimize the value of the feedback received from the public.
- PAG member voiced issues around Allowable Annual Cut (AAC). He predicts that there will be no sustainability in light of the Mountain Pine Beetle epidemic. When determining the AAC, the Chief Forester is faced with social impact, economic factors, and political considerations. Dave Bebb said that the SFM Plan should not be a static

plan.

- PAG member asked for clarification on the intent of the new Innovative Timber Sale License (ITSL). Tim Sproule informed the PAG that BCTS is testing ways to improve efficiency, utilization, and minimize the waste of timber through a new innovative Timber Sale Licence. This lump sum form of TSL relies on the combination of cruise-based billing and a bonus offer instead of the more common scale-based/bonus bid format. Through these licences, BCTS will market mountain pine beetle-attacked, pulp and other timber throughout the province. More details are available on the following website: <http://www.for.gov.bc.ca/BCTS/bulletins/ab20090323.pdf>
- PAG member stated that BCTS has control Does CSA monitor? Audits seem to be process-oriented. How much of audit deals with outcomes – looking at site plans, etc? Dave’s response was that full-scale audits do address outcomes to a degree especially those indicators which look at landscape/stand level practices.
- PAG member expressed concerned with the fate of cedar and hemlock stands in the eastern part of the Prince George Forest District. Once Mountain Pine Beetle is dealt with, how are companies who are involved with eco-tourism (in areas like Crescent Spur, Penny etc) kept informed about licensee accountability for maintaining these old growth forests? Also, the PAG member stated that if harvesting is necessary in these areas, there must be very careful, customized approaches to working in these areas. Don’t like “once size fits all” approach to forestry of late. Logging in elevations above the ICH ecosystem can mess up the subsurface hydrology that feeds the ICH.
- PAG member asked how many CSA certifications has KPMG not approved? Dave explained that recommendation for certification involves a process based on the identification and resolution of major, and minor non-conformances. The company being audited has a 90 day window of time to correct any major non-conformances identified during the certification audit. If these are not corrected in the appropriate time frame, they are not granted certification.
- PAG member asked how independent is the KPMG audit? Who pays the bill for an audit? The company who requires the audit pays the bill. Dave explained that there are significant processes involved with KPMG in order to maintain independence when auditing. There is an accreditation body in Canada with which KPMG must maintain their own accreditation. In fact, the auditors are audited annually by each accreditation organization, For example, the Standards Council of Canada is the “watchdog” for CSA and in the United States, auditors must pass an annual review by the American National Accreditation Board.
- PAG member asked about how field audits address wind throw impact/potential. Dave replied that this is addressed at indicator level.
- Contact info for Dave Bebb - DBebb@kpmg.ca or KPMG Performance Registrar Inc. – www.kpmg.ca

7. Final Annual Report Presentation – Tim Sproule

a) Some minor changes were noted to the *Prince George Sustainable Forest Management Plan 2008/2009 Annual Report*

- Indicator 1 - Old forest by Natural Disturbance Unit

- Table 4 has now been populated based on the 2009 analysis using the newest Vegetative Resource Inventory (VRI) data.
- When the PAG reviewed the draft Annual report in June, this work had not been completed.
- Status changed from “Pending” to “Met”
- Indicator 2 - Old interior forest
 - Table 2 has now been populated based on the 2009 analysis using the newest Vegetative Resource Inventory (VRI) data.
 - When the PAG reviewed the draft Annual report in June, this work had not been completed.
 - Status changed from “Pending” to “Met”
- b) PAG member noted that the reference date for data on page 6 (Indicator 3 - Young Patch Size Distribution) is from 2005. Licensee explained that this data is reported every 5 yrs so data will be updated for the 2009-2010 report. PAG member stated that in light of a recent Forest Practice Board Report (Biodiversity Conservation during Salvage Logging in the Central Interior of BC) there appears to be a disconnect between landscape-level and stand-level planning and implementation of increased retention of mature forest structure in harvested areas. The full report can be found here: <http://www.fpb.gov.bc.ca/publications.aspx?id=4940>

Action Item 1: PAG members to review final draft of Annual Report and forward comments to Facilitator by February 12, 2010.

8. Terms of Reference Review

a) PAG directed to Draft Terms of Reference 2010 (changes were highlighted in bright yellow)

b) Revisions to the Terms of Reference

- i. Cover page: Date changed
- ii. Cover page: **Delete** Lakeland Mills and Winton Global logos.
- iii. Section 1.2 PG SFMP Steering Committee: **Delete** references to Winton Global and Lakeland Mills.
- iv. Section 1.7 Progress to date: **Delete** historical information on the announcement of Lakeland and Winton Global resignation from the PG SFMP Steering Committee.
- v. Section 3 Annual Schedule – **Added** “as decided by the PAG” to Field Meetings
- vi. Section 4.1.a. “Distribution of PAG meeting minutes”: **Delete** “within one week of the previous meeting. **Add** “one week after the meeting”.

c) Discussion

- i. Winton Global and Lakeland Mills references removed since they are no longer part of the SFMP and CSA process.
- ii. PAG member asked for clarification on whether there will be issues reporting on

SFM Performance in the Defined Forest Area due to Lakeland Mills and Winton Global no longer supplying data. Licensee assured that they will still be providing data where relevant.

- iii. The last Field Tour was not well attended. Discussion by PAG/Licensees that the requirement for Field Tours could read “if requested”. Licensee concerned that if not specified, it may be viewed as a hard and fast requirement, when it is not. Suggested new wording “as decided by the PAG”. PAG questioned the purpose of field tours. Licensees responded that it was a way to show active field/nursery, bridge operations that relate to the indicators.

d) Terms of Reference accepted as revised

9. Performance Matrix Review

- a) Tim Sproule explained that a number of Indicators require minor revisions to targets or variances due to the fact that Lakeland Mills and Winton Global are no longer part of the SFMP and the CSA process.
- b) Indicator 23 - The Number of “Legally” Reportable Spills.
 - o Existing Indicator Statement: The Number of “Legally” Reportable Spills. Target: 0 annually, Variance: ≤ 5 annually.
 - o LSC Recommendation: The LSC proposes the following revision to this indicator: *The Number of “Legally” Reportable Spills. Target: 0 annually, Variance: ≤ 3 annually.*
 - o Discussion
 - The LSC Rationale on the change in variance is that there used to be 5 licensees involved in the SFMP now there are only 3 licensees so they want to change the variance to ≤ 3 .
 - PAG requested clarification on the definition of a “legally reportable spill. LSC referenced page 16 in the Annual Report which states: “The Spill Reporting Regulation of the BC Waste Management Act requires any spill in excess of the reportable level for that substance to be immediately reported by the person involved or an observer to the Provincial Emergency Program.”
 - o PAG consensus on the revised indicator statement: *The Number of “Legally” Reportable Spills. Target: 0 annually, Variance: ≤ 3 annually.*
- c) Indicator 34 - Number of hectares (area) damaged by accidental forestry related industrial fires.
 - o Existing Indicator Statement: Number of hectares (area) damaged by accidental forestry related industrial fires. Target: <100 ha. annually, Variance: 5 ha.

- LSC Recommendation: The LSC proposes the following revision to this indicator: *Number of hectares (area) damaged by accidental forestry related industrial fires. Target: <60 ha. annually, Variance: 5 ha.*
 - Discussion
 - The LSC Rationale on the change in target is that there used to be 5 licensees involved in the SFMP now there are only 3 licensees. Reduce the target from 100 hectares to 60 hectares to reflect this change.
 - PAG consensus on the revised indicator statement: *Number of hectares (area) damaged by accidental forestry related industrial fires. Target: <60 ha. annually, Variance: 5 ha.*
- d) Indicator 36 - The number of first order wood products produced from trees harvested from the DFA.
- Existing Indicator Statement: The number of first order wood products produced from trees harvested from the DFA. Target: ≥ 12 types of products (Annually), Variance: -3.
 - LSC Recommendation: The LSC proposes the following revision to this indicator: *The number of first order wood products produced from trees harvested from the DFA. Target: ≥ 10 types of products (Annually), Variance: -3.*
 - Discussion
 - The LSC Rationale on the change in target is that there used to be 5 licensees involved in the SFMP now there are only 3 licensees. Reduce target from 12 to 10 types of products.
 - House logs and custom cut lumber were exclusive to Winton Global.
 - PAG members would like to see diversity in first order wood products continue so the PAG recommendation is to leave target at 12 with variance of 3 and track trends.
 - PAG member raised point that a log is not a forest product.
 - No change in the indicator statement.
- e) Indicator 38 - The number of opportunities given to the public and stakeholders to express forestry related concerns and be involved in our planning processes.
- Existing Indicator Statement: The number of opportunities given to the public and stakeholders to express forestry related concerns and be involved in our planning processes. Target: ≥ 15 (Annually), Variance: -3.

- LSC Recommendation: The LSC proposes the following revision to this indicator:
The number of opportunities given to the public and stakeholders to express forestry related concerns and be involved in our planning processes. Target: >= 10 (Annually), Variance: -3.
 - Discussion
 - The LSC Rationale on the change in target is that there used to be 5 licensees involved in the SFMP now there are only 3 licensees. There is a limited ability with the remaining three plan proponents to meet this target.
 - The LSC noted that, upon reviewing the figures in the 2008-09 annual report for this indicator there may be an addition error in the figures.
 - Further discussion on this indicator tabled to the next meeting. No change in the indicator statement.
10. Review Prince George SFMP Transition to the new CSA standard (CSA Z809-08) – SaraFletcher
- a) Sara Fletcher described the LSC strategy for transitioning the SFMP to the new CSA Standard.
 - b) The Standards Council of Canada is likely to approve to the Z809-08 CSA SFM Standard by end of March 2010. There is a three year timeline for all SFMP's to transition to the new standard. In practice, the new standard must be incorporated into the PG SFMP over the next 2 years in order to be auditable within the 3 year timeline).
 - c) The Licensees and BCTS support a condensed timeline to transition to the Z809/08 CSA SFM Standard in order to capitalize on FIA funding, focus the transition efforts for the PAG and Licensee Steering Committee, and to more quickly realize the synergies for the Core Indicators.
 - d) There is currently a FIA project underway to simplify and synchronize indicators within and between the 4 local SFMP's (PG, TFL30, Vanderhoof & Fort St. James), and develop core indicators. The final project report is deliverable by March 31, 2010. The Licensee Steering Committee will communicate a more detailed transition plan to the PG PAG in the spring of 2010.
 - e) PAG member asked about FSC certification for Canfor in future – it has been noted that Canfor has looked at it for some operations, but has not heard of any final decisions by upper management for the Northern Interior.
11. Evaluation Forms requested and collected
12. Next Meeting: **Tuesday March 23, 2010 Prince George Civic Centre 5:30-9:00 pm**

Actions

PRINCE GEORGE PAG				
ID#	ACTION	WHO	DEADLINE	STATUS
Nov 2 - 03	Provide updates on attempts to recruit representation for Non-Renewable Resource Extraction.	Steering Committee	Dec 2006	In progress: positive responses received from Enbridge, PMG, and BC Hydro.
June 18 - 01	Review the draft Annual Report and forward comments to the Facilitator.	PAG	July 2, 2009	Completed
Jan 12 - 01	Review the final Annual Report and forward comments to the Facilitator.	PAG	February 12, 2010	