



PUBLIC ADVISORY COMMITTEE (PAC) MEETING PAC18-3
Wednesday, June 20th, 2018 – 5:00-8:30 p.m. (includes catered light supper)
Chateau Nova Inn (10010-74th Street, Peace River)
Caribou Meeting Room

Meeting Minutes

Facilitator	Terry Kosabeck
Recorder	Jeannine Goehing
DMI Staff Team	Gord Whitmore, Robb Stavne, Trina Tosh, Lee Rueb
PAC Members	Laval Bergeron, Ken Buchinski, Norm Duval, Peter Frixel, Kirk Hawthorn, Robert Heyde, Paul Hvenegaard, Harry Krawchuk, Dave Larsen, Arie Loogman, Andrew Loosley, Becky Devaleriola, Stephen Vinnedge, Byron Schamehorn, Darren Wald, Dwight Weeks, Melonie Zaichowsky, Julie Willoughen, Darryl Calliou, Michael Calliou, Tina Cloutier, George Laliberte
Guests	Dennis Lozinsky,
Regrets	Catherine Brown, Kris Kennedy, Ashley Zavisha, Al Benson, George Duffy, Rick Keillor, Kevin Kembell, Mark Ladd, Mark Owens, Jason Parker, John Thunder

Welcome & Introductions *Terry Kosabeck, Facilitator* 5:05 pm
Roundtable to introduce all current and new PAC members. Terry introduced Jeannine who is recording minutes tonight.

New / Old Business *Terry Kosabeck, Facilitator* 5:08 pm
April 17th Meeting Notes
Terry asked for any errors or edits to previous meeting notes. No additions or edits. Motion to accept minutes as presented. Motion carried.

Review of Action Items
Robb summarized that all items are completed except for 8-2-2 (DMI to forward arctic grayling stocking idea to AEP) which will be addressed in due time.

Robb added one item to tonight's agenda: Julie from NAIT's Boreal Research Institute will update the group on upcoming events at the public speaker series 'Boreal Nature Series'.

Area Sawmills Update *Westside & Eastside Mills* 5:10 pm
Canfor – Melonie and Dwight:
Market is doing really good; very positive. Planting program started and is 3 weeks in the process. Planting connector road. Harvesting hasn't started yet – sometime in July/August.

Q Arie: What do you do with low quality pine?
A: Get lower grade or lower lumber recovery. But with the market as it is we can do some 2 X 4 which is doing really good and which can be produced with MPB wood.

Zavisha Sawmills Ltd.:
Not present

Boucher Bros Lumber Ltd.:
Not present

Update NAIT:

Boreal Nature Series (BNS) link added to the PAC website. Next BNS event will be held on Aug 8 at 7 pm at Northern Lakes College. Presenter will be Justine Karst; Assistant Professor at the University of Alberta and NSERC Industrial Research Chair in Terrestrial Restoration Ecology. Title of her presentation ‘Indirect effects of mountain pine beetle on the next generation of pine forests’.

Terry welcomed two more participants from Lubicon Band (Darryl and Michael Calliou) who just joined the group.

Alberta Government Update

Kirk Hawthorn

5:12 pm

Kirk introduces himself – he is the area forester in the Peace River office. Planning for season - reviewing and approving harvest plans. Number of people work on plan for DMI. Mostly status quo – mostly regulatory items.

Terry announces a 15 minute break for dinner

Terry Kosabeck, Facilitator

5:15 pm

Terry updates group that meeting in August is cancelled. Next scheduled meeting will be October 17th. Terry asks Robb to start his presentation on Values, Objectives, Indicators and Targets (VOITs).

Forest Management Planning

Robb Stavne

5:30 pm

Translating Values into reportable VOITs; process update, continued development with PAC

At last meeting the PAC group was asked what people value about the forest. Approximately 100 responses were compiled and categorized into different categories:

- GoA Policy - AAF Jurisdiction (out of scope for VOITS)
- GoA Policy – AEP Jurisdiction (out of scope for VOITS)
- Forest Industry (discretionary business decisions; out of scope for VOITS)
- Operating Ground Rules (operational details; out of scope for VOITS)
- *Forest Management Plan VOITs (strategic) – focus of attention for PAC*

Tonight’s discussion concerns decision making process for accepting or modifying **Indicators** within VOITs:

Q Paul: Will you be posting how statements are grouped?

A Robb: I’ll be showing them in a minute. We received about 100 statements and made an interpretation as to how they are grouped. Some statements cannot be addressed, such as perceptions of foreign interest in Canadian practices.

Gord: As comments came up they were noted. But not all statements have a place in the FMA plan. We’re not going to get rid of it; it’s something that was identified and noted.

Robb: We made interpretations of the statements as best we could and aligned within the 6 CCFM criteria identified in the Forest Planning Standards e.g. **Main Criteria:** Conservation of Biological Diversity, **Sub Criteria:** Ecosystem Diversity, **FMP Value 1.1.1:** Landscape scale biodiversity, **FMP Objective 1.1.1.2, FMP Indicator** (DMI / PDT to create) , **FMP Target** (DMI / PDT to create).

Paul: The comments that Mark Ladd has made on harvest practice is dropped?

Gord comments: The value that we’ve been managing for is ecosystem-based management, e.g. EMEND research; 17 years of research on how to manage forests on the landscape. Ecosystems based approach is using a large scale landscape approach and using different retention levels.

Robb: Speaking to Paul’s concern that decisions are being made outside of this group: We need to work through the many statements efficiently. We’re tracking these decisions and are getting back to the group for feedback. The process takes a lot of time. Trying to be efficient but also transparent. This presentation is going to be posted on the website. Grouping is indicated there as well. Intention is to make this as clear of a process as possible.

Q: DMI has more flexibility to do forest management practices?

A Gord: Yes and no: West FMA – fire suppression actually led to old growth forest through natural succession (conifer dominated) while on the east side there is a lot younger forest (deciduous dominated)
Forest management is dependent on the type of the forest.

Robb: We might be able to provide a map where harvest has been made. This is proposed to the group. Robb asks for feedback.

Comment: The big concern is concentrated economic zone, e.g. Hines creek. And then if you go further out its less but it's quite a big area (100 km).

Gord: Yes; another issue is MPB. That's totally random where they land.

Q: I'm wondering why you don't do more harvest on the east side?

Gord. We have two separate FMAs.

Robb: We will be presenting our interpretation of indicators, as a result of the sorting process, in alignment with the Forest Management Planning Standard. Can we achieve consensus on accepting Indicators as they are presented individually?

Terry: are you looking for a vote?

Robb: Not sure if that's required at this point, but we can bring it to vote if necessary.

Terry: Are we asking everyone to look at the DMI indicators and get some indication on every single one and get some feedback.

Robb: Yes we want to get some clarification on each Indicator as to their relevance and worth.

Paul Comment: This is difficult because we don't see the individual row items.

Gord: It's a fairly large number of items. It gets unmanageable. Everything is on the website.

Terry: Do we want to give the group an opportunity to ask questions. If none come up then we assume that all is accepted.

Comment: I agree with what Paul said. When I think of this I go in a linear fashion. When I get to the indicator I want to see the target to be able to approve on the indicator.

Robb: We're actually trying to go in a linear and logical fashion from Values & Objectives to Indicators and then to Targets. Last meeting we talked about the values. We would like to present all indicators tonight to get some feedback and clarity for inclusion. Once we've cast away some of the easy decisions then we can go to the more difficult ones.

Gord comment: And it's really about identifying if there are any gaps.

Robb: There will be a point in time where we will have to submit each indicator with their targets with the PAC group having accepted them. There will be an opportunity to relate Indicators to Targets, once we have reviewed and evaluated their inclusion.

Terry: So we have heard some concerns and a little bit of resistance of how to do this. With that in mind can we decide to live with it and move on? Concerns have been recorded.

Paul: It's a challenge to see this for the first time. It's hard to do this, to consent.

Gord: We have been working with these for a long time (past DFMP approval).

Terry: This is an opportunity to look at the indicators. Raise your concerns. This will be recorded. Then you will have another opportunity to discuss concerns. But we will have to make progress.

Robb: If you could consider this as a first overview. So what we're trying to do is to present the first iteration. You will have the chance to look over this and will have ample time to look over this.

Terry: The targets are documented and they are available on the website.

Gord: I can email a copy of the indicators that were put together from 2009 to all. This is the process we've taken to get to these. Our course of action is to use existing indicators, so as not to reinvent the wheel, and then add new ones as required. **Action: DMI to email a copy of VOITS from last DFMP process to group.**

Comment Harry: This is just a benchmark to get started.

Terry: Look at the indicators and if you have questions raise your hand and we can address questions and concerns.

Section 1: Conservation of Biological Diversity

Q: What is C1 Indicator: Minimize access to help landscape scale biodiversity – open all-weather road by subunit.

A Robb: It's a measure of roads – if there are more permanent roads on the landscape or less roads.

Terry asks group again for any questions. No questions.

Robb moves on to next point - another set of indicators. There will be some overlaps. Again, have a good look at the indicators. Robb is asking the group if there are any questions.

Q Harry: C3 indicator: Could you give us an example of an uncommon plant community?

A Robb: You want to make sure that native species of the forest are present on the landscape.

Canfor comment: ABMI is providing input in that - list of uncommon species.

Robb is moving on to the next set of indicators.

Q: What is the thinking around temporary crossings?

Robb: Protection of the habitats associated with the water. But there is also another section that is about water quality.

Dave comment: Looking at things raise the code of practice. Are we going to make it better? Using different material?

Darren: We've moved away from using this particular style of cloth. Now using jute which is biodegradable. Lay it out properly. It's not going to be perfect. But what other options are there? You still going to have a disturbance there.

Dave comment: There is material that can do this. So what I'm saying this is that can we raise the bar?

Gord comment: What you will find is that DMI is already raising the bar quite high.

Gord: We have a 100-page manual on how we do crossings, what type of material we're using, all of the different types of different streams require different crossings. We really embraced wet areas mapping to the point that they have the system on the feller bunchers. This is used to minimize crossings and is a major step forward. And then we have an internal and external audit on an annual basis. There's a lot of checks on that were doing things right.

Dave comment: Yes, and I'm just saying there is probably better ways.

Q Paul: When you're talking about the manual - are those minimum standards? Rather than just applying just the minimum you can go above and beyond to raise the bar.

Gord: We're meeting the standard of provincial, federal governments and municipalities.

Paul Q. Give us an example of areas of identified HCVF features by type (high conservation value forest)

Robb: It's a work in progress. Looking at composite values to evaluate 'high conservation value forest' which will include overlapping of different factors. For example, Parks and protected areas, Grizzly Bear range, Caribou Range, nesting sites, Industrial Research Sites, Wet Areas mapping, all form overlapping layers within the FMAs

Robb moves on to the next set of indicators:

There's a few new indicators including 5 indicators that speak to grizzly bears and caribou and speaking to new government standards. So we will have to speak more appropriately to these objectives; we are looking at evaluating caribou habitat, as well as disturbance within grizzly bear habitat.

We are looking to get rid of #15 'habitat suitability index' (it has not been developed yet so we cannot report on that) but we can report on habitat measures and targets. So there are a couple new ones that better speak to management. There are a few new species that are considered as well, e.g. marten. Also looking at song birds (looking at patch size). All of these speak to habitat biodiversity.

Gord comment: DMI developed indicators and added to model each scenario that we test will have indications on the impacts on all individual species. So that is quite a step forward. That will allow us to see what is going to happen while developing the plans - not waiting anymore for analysis of government.

Laval: So what you're saying is that the government send DMI a list of all endangered species?

Gord: The new process is allowing us to see how much habitat there is on the landscape.

Robb and Gord: #13 area of CRN (continuous reserve network = areas that DMI is not operating on, pretty much 50% of the landscape, wetlands, riparian area...) and #16 (annual percentage of native species regeneration by company.) – making the proposal to drop them. Again we don't need a final answer tonight.

Q: What does reserve mean?

Gord: Specification of area that we're not operating.

Terry: Perhaps change the wording. What people seem to understand is that it's the area to be saved which is misleading.

Gord: CRN includes things such as riparian buffers - that's a requirement from government.

Harry: So if you delete it does that allow some smart guys to go in there to harvest?

Gord: We have the whole land base and we have the net land base. First you identify riparian areas etc. that we cannot operate. Then you decide about areas that you don't want to go operationally (because of soil issues and productivity issues, so we voluntarily stay out of areas), and so on...swan nesting sites...etc. it adds up. These are removed from the net landbase.

Terry: CRN - some of this is legislated and some is voluntary choices by DMI and quota holders.

Gord. Moving on to #16. We're not using non-native species. It's a government requirement. Gord asks if that is okay to take that out.

Group ok.

Consensus: Decision to remove indicators 15 and 16, but leave #13 (area of continuous reserve network) in.

Q: Why attention on Canadian marten?

Gord: Decent indicator species for good fur-bearing species habitat. One of the more important species for trappers. Indicator of old growth habitat.

Terry announces short break

7:23 pm

Robb: We're almost through section 1. That the good news. There's 6 sections. Next set of indicators: protection of historic sites. There's is potential for overlap with statements within biological diversity. And there is opportunity to move the statements around.

Robb: DMI indicators for these particular VOITs are new: 1.4.1 and 1.4.2.

Q Paul: Why are biological values not included?

A Robb: It is included - forgot to add it when preparing the slides.

Action Item Robb: add biological values

Section 2: Maintenance and Enhancement of Forest Ecosystem Condition and Productivity

Integrated land management:

DMI indicator #20: Number of opportunities for adjacent stakeholders to voice input

DMI indicator #24: Opportunities for other industries to consult on footprint issues (ILM activity)

Robb comment: There might be some value in dropping one of these 2 indicators.

Terry asks group is there is any opposition for deleting #24? No concerns.

Robb: Several statements spoke to ecosystem health. There's a few indicators that we can look at that speak to these values: 23, 25, and C7.

Dave: How to control non-native species (C7)?

Robb: There are weed control program. And that is an area that speaks to chemicals on the landscape.

Gord: C7 is one of the government provided indicators. Back in 2009 we were audited externally and auditor concluded said that this indicator is not useful because the target is not valid (target is to have weed plan).

Terry: Non-native = unwanted?

Kirk: Not all non-native species are treated the same.

Gord: We do have to have the indicator there because it's a government indicator. We are not CSA certified anymore.

Arie: Can you elaborate why you are not CSA certified?

Gord: We switched from CSA to SFI. Up until 2012 we were CSA certified and are now SFI certified. Very similar certifications.

Robb: There are sections on the landscape that you don't want to promote biodiversity and that's how we want to keep it. We don't want to ramp up biodiversity unnaturally if the landscape from a historic perspective is not diverse. You yourself don't want to alter the biodiversity. We want to maintain it as diverse it should be.

Section 3: Conservation of Soil and Water

Value soil productivity – DMI indicator #31: Deactivation of roads. The other indicator that fits within here is rutting.

Q Harry: When you deactivate a road do you plant on that road?

Gord: Sometimes yes sometimes no. There's always a little bit of softwood trees in the stands. Aspen comes back no problem as long as you manage it properly. Not so much the conifers. So roads were planted with conifers. But what research found over the years is that conifers would seed in naturally on the roads.

Next statements speak to group tag: Clean water

Robb reads out the statements; 2 indicators #33 and #36: Stream crossings

Proposing to remove 36 (SCQI) which is an internal DMI system. We're not saying to get rid of the system because we would use that to demonstrate to government that we are meeting indicator # 33. Removing because this indicator with SCQI in it is assuming that everyone is using SCQI which is not necessarily the case.

Kirk: SCQI is using a set of criteria – then gets scores – it spits out an index (which reflects high, low risk)

Comment: Canfor and Boucher have different monitoring programs. Not every single crossing can be checked every year.

Gord: were not getting rid of it. We're just not forcing everyone to use DMI's internal. All these different monitoring programs are accepted by the government.

Paul: The target is 100%?

Gord: Yes this wouldn't change.

Paul: You were talking about a subset of crossings? So you don't capture a 100%

Gord: That's why we use the program. It tells us which areas are at high risk which are then checked. If we find issues we fix it and monitor annually at least for 2 years. An operator who didn't put a system together will need to come up with their own sampling system or will be required to check every crossing.

Terry: We are approaching 8 pm.

Paul: Just a comment to Robb. We were talking about water quantity and quality, and we seem to have not dealt with water quality outside of crossings. Some of these statements are not flushed out into water quality.

A Robb: We have spoken to some of this in some other areas, but will require additional clarity. Water quality will need to be addressed as an indicator, in a capacity that we can control.

Gord: Coming to agreement on VOITS is not a simple task. We also want to make sure this is not a 2-year process. Preferably within the next 6 months. For the next meeting in October there will be a good summary.

Robb: DMI ground rules can be found on the website.

Healthy landscapes, #39 - take out the reference to PFRA, as it is no longer functioning. PFRA had originally identified large watersheds, but we have used LIDAR to refine these watersheds to smaller areas; this is where we will be doing the monitoring.

Q: What are reportable spills #32?

Gord: There are 2 types of spills: recordable and everything else.

Robb Erosion control is next set of VOITs. Any concerns that we are not meeting the erosion concern?

No concerns raised.

Robb: We will discuss the rest in October.

Forest Products Certification

Lee Rueb

8:07 pm

Lee Rueb introduces Dennis Lozinsky, DMIs Internal Auditor. Lee is handing out surveys asking everyone to fill them out after the presentation. Surveys will be submitted to the 3rd party auditor.

Lee starts his presentation by acknowledging the traditional territories of the people of the Treaty 8 region. For the purpose of this presentation Lee will focus on the Fibre Supply Area within which 16 communities are consulted by DMI.

The forest stewardship council (FSC) is an international standards setting organization and certification recognized by consumers looking for forest products that define responsible forest management. Standards are established for:

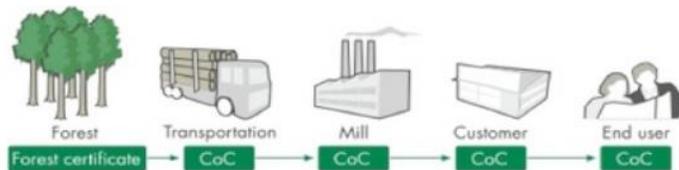
1. Forest Management – how we manage the forest
2. Chain of Custody – traceability of origin to end product controlled Wood – assures wood is responsibly sourced

Forest certification is not a government requirement but a company choice. DMI is certified through FSC Controlled Wood (CW) and Chain of Custody (CoC), Sustainable Forestry Initiative (SFI), Forest Management (FM) and Fibre Sourcing (FS), Programme for the Endorsement of Forest Certification (PEFC), and CoC.

Why maintain certification? It demonstrates to customers that FSC-labelled products are coming from a forest and supply chain that is managed responsible.

Corporate social responsibility (CSR) is a business approach that contributes to sustainable development by delivering economic, social, and environmental benefits for all stakeholders. CSR is a driver to stakeholder consultation such as PAC. Stakeholder consultation is a key component of several of DMI initiatives such as the FMP process.

What is a chain of custody? It is essentially an accounting process that tracks fibre from the forest through each stage of pulp manufacturing and distribution processes to the eventual customer. All PRPD fibre is certified to controlled wood and chain of custody.



Controlled Wood (CW) avoids the following 5 categories:

1. Illegally harvested wood
2. Wood harvested in violation of traditional and civil rights
3. Wood harvested in forests where high conservation values are threatened by management activities (e.g. species at risk)
4. Wood harvested in forests being converted to plantations or non-forest use
5. Wood from forests in which genetically modified trees are planted

What is Controlled Wood (CW)? Material that can be mixed with FSC certified material for products that carry the FSC Mix label. Companies were significantly challenged to have 100% pure FSC-certified material, particularly chip and fiber products such as paper. The necessary separation of FSC material from non-FSC material in many production streams was not physically possible. The solution was CW – allowing responsibly sourced fibre to be mixed with 100% FSC fibre. Not everything can be mixed and material cannot come from unacceptable resources.

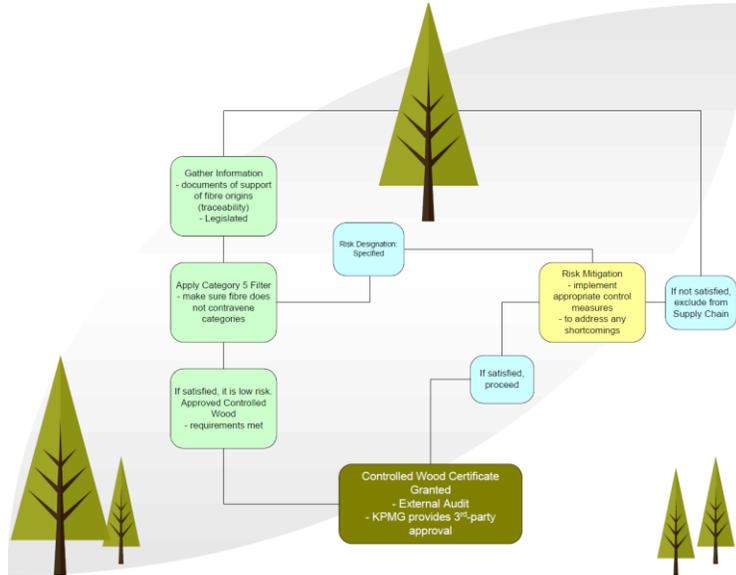
Due diligence system required for FSC Controlled Wood. Method to evaluate and control potential risk of 100% of PRPD's fibre origin. It is a documented process that tracks where the fibre comes from and proofs actions. Information obtained include (1) ID of tree species, (2) geographical origin of fibre, and can also include (3) supplier declarations, shape files, and audits.

What are the risk designations?

- **Low Risk:** No special controls or activities other than regular FSC requirements are needed to use materials as controlled wood.
- **Specified Risk:** Anything that is not a 'low' risk is a specified risk.

With DMI, specified risks are evaluated from detailed zones or areas over the Fibre Supply Area. This allows for in-depth analysis and solution-based remedies. Specified risk designations require a greater deal of information to verify that the CW intent is met, e.g. by drilling down to the specific geographic area analyzing the data/information and addressing the issue by implementing good control measures.

Overview of risk assessment process: Any fibre that does not ultimately end up with a low risk designation is excluded from the supply chain.



FSC controlled wood quality system supply requirements (inputs): All of DMI’s fibre inputs are evaluated through the DDS/Risk assessment process. When wood is sourced it requires a verification screening → done through due diligence system.

Conducting a risk assessment: All forest areas will be designated as either ‘low risk’ or ‘specified risk’. In areas of ‘low risk’, organizations may source controlled wood. In order to source controlled wood in ‘specified risk’ designated areas, organizations must implement a set of ‘control measures’ designed to mitigate the specific risks present and verify that they are effective.

Risk assessments are made available for the public. Risk assessment shall include (1) sources of information used, (2) clear risk designation (“low risk” or “specified risk”), and (3) clear and relevant justification for risk designation (why and on which basis). Risk assessment shall cover (1) all 5 categories and shall address all indicators, and (2) each district of origin (from where controlled materials are sourced). Any fibre that is still left with a specified risk designation must be excluded from the supply chain.

CW category 1 - Illegally harvested wood:

Overall, an area can be considered as low risk when illegal harvesting is not a threat to the forest, people and communities.

CW category 2 - Wood harvested in violation of traditional and civil rights:

A district can be classified low risk if:

- no UN Security Council ban on timber export, and;
- not designated as source of conflict timber, and;
- no evidence of child labor or violation of ILO fundamental principles rights, and;
- There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity.

CW category 3 – High conservation values are threatened:

A district can be classified low risk if

- the forest management activities do not threaten the high conservation values within the ecoregion; or
- there is a strong system in place for protecting the conservation values within the ecoregion

Intent of this category is to avoid wood coming from regions where there is a significant occurrence of deforestation of natural and semi-natural forests. For the risk assessment, the company shall first assess if there are any high

conservation values threatened at the ecoregion level. If this is the case, the company shall assess how forest management activities relate to these HCVs at a district level.

CW category 4 – Wood harvested in forests being converted:

A district can be classified as low risk if:

- There is no significant rate of loss (> 1% per year) of natural forests and other naturally wooded ecosystems.

CW category 5 – Wood from forests in which genetically modified trees are planted:

A district can be classified as low risk if:

- there is no commercial use of the species in the district, or
- licenses are prohibited for commercial use and no licenses have been issued, or
- There is no use of genetically modified trees in the country.

Determining global risk: Canada is a leader in the global context regarding risk management, low likelihood of corruption, and a strong system of protection by means of provincial and federal legislation.

In summary:

- FSC CW is an international standard – sets minimum requirements to be consistently applied across the globe.
- CW is intended to fill a market shortage but is recognized as a responsible fibre sourcing tool (3rd party verified).
- All 5 CW Categories must be assessed as low risk or implement appropriate control measures to mitigate specified risk.
- DMI's company Due Diligence System and Risk Assessment have concluded that the entire Fibre Supply Area is low risk; therefore, all inputs/outputs are deemed "*Controlled Wood*."

Most of the risk that DMI must address is already covered under the structure of Regulatory Compliance – Provincial & Federal Legislation (e.g. AB Forest Act, Timber Regulations, Environment Protection Enhancement Act, Federal Migratory Birds Convention Act, Fisheries Act, SARA). This compliance is recognized by organizations such as Transparency International, which compile and analyse data and produce a Corruption Perception Report – Canada is ranked in the top 10. Another parallel organization is the World Bank which produces a "Rule of Law" ranking in which Canada is also among the world leaders.

Q: Is risk assessment on public website?

A: Yes, it is on the website.

https://www.dmi.ca/wp-content/uploads/2018/06/DMI-CWRA-Rev-4-8_Approved.pdf
<http://fsc.force.com/servlet/servlet.FileDownload?file=00Pf300000p0MGYEA2>

Next scheduled meeting: October 17, 5:00pm at the Chateau Nova

There will be an RSVP sometime in October.

Motion to adjourn. Carried. Meeting adjourned 8:25 pm.