



MILLAR WESTERN 2017-2027 DFMP for FMA9700034



12/15/2014

Terms of Reference

Contents

List of Figures and Tables	4
1.0 BACKGROUND	5
1.1 Company Overview	5
1.2 About the Terms of Reference	5
1.3 Policy Statement.....	6
1.3.1 Certification.....	6
1.4 Description of DFMP Development Process.....	7
2.0 GOALS	7
3.0 DFMP CONTENT.....	8
3.1 Overview	8
3.2 Administrative Boundaries.....	8
3.3 Defined Forest Area.....	8
3.4 Regulatory, Certification and Other Considerations.....	9
3.4.1 Forests Act (Forest Management Agreements)	9
3.4.2 Sustainable Forest Management	9
3.4.3 Current Wood-flow Commitments.....	10
3.5 Forest Resource Management Issues	11
3.5.1 W11 Conifer Surge Cut.....	11
3.5.2 Windfall Burn.....	11
3.5.3 Land Base Withdrawals.....	11
3.5.4 Regional Land-use Plans	12
3.5.5 Mountain Pine Beetle	12
3.5.6 Incidental Conifer Replacement.....	12
3.5.7 AVI	12
3.5.8 Volume Sampling	12
3.5.9 Standing Timber Yields	13
3.5.10 Regenerated Yields	13
4.0 MILESTONES, TIMELINES & RISK MANAGEMENT	13
4.1 Milestones.....	13
4.2 Risk Management.....	14
5.0 COMMUNICATION AND CONSULTATION	15
5.1 Overview	15
5.2 Internal Communications	15
5.3 External Communications	16
6.0 ABORIGINAL CONSULTATION PLAN	16
7.0 SUBMISSION REQUIREMENTS.....	17

8.0	ROLES, RESPONSIBILITIES & OBLIGATIONS	17
8.1	Plan Development Team.....	17
8.1.1	PDT Objectives.....	18
8.1.2	Methods.....	19
8.2	Roles and Responsibilities of Related Committees	19
8.2.1	Environmental Co-Stewardship Committee (ECSC).....	19
8.2.2	Public Advisory Committee (PAC)	19
8.3	Other Government Responsibilities	20
8.3.1	Biodiversity and Wildlife.....	20
8.3.2	Watershed Assessments	20
8.3.3	Fire Behavior Potential/Wildfire Threat Assessment	20
9.0	CONFLICT OF INTEREST	20
10.0	DECISION-MAKING METHODS	21
10.1	Progressive Review	21
10.2	Consensus Building	21
11.0	AUTHORITY FOR DECISIONS	22
12.0	ACCESS TO INFORMATION	23
12.1	Internal Data Requests	23
12.2	Government Data Requests	23
12.3	Public Access to Information.....	23
13.0	PARTICIPATION OF EXPERTS, OTHER INTERESTS AND GOVERNMENT	24
14.0	DISPUTE RESOLUTION MECHANISM	24
15.0	OPERATING GROUND RULES (OGRS)	25
16.0	STEWARDSHIP REPORT	25
	REFERENCES	26

List of Figures and Tables

Figure 1 Location of Millar Western’s W13 and W11 FMUs and FMA boundary (June 2004 boundaries)..... 9

Table 1. GOA-approved net AACs for FMU W13 and W1110

Table 2. Project Milestones 14

Table 3. Plan Development Team Roles and Responsibilities..... 17

Table 4. Table of Authority for Decisions.....22

1.0 BACKGROUND

1.1 Company Overview

Millar Western is a family-owned, diversified forest products company that has been active in Alberta's forest sector since the 1920s. Headquartered in Edmonton, the company operates three sawmills in Whitecourt, Boyle and Fox Creek, and a bleached chemi-thermo-mechanical pulp (BCTMP) mill in Whitecourt. Fibre requirements for these operations are met through an area-based tenure, FMA9700034, and several volume-based tenures, with the balance satisfied through fibre-exchange agreements with other companies and open-market purchases. Having been in operation for close to a century, Millar Western understands the importance of managing forests in a sustainable manner and is strongly committed to responsible resource management.



Millar Western's original Forest Management Agreement (FMA) with the Government of Alberta (GoA) was signed on May 14, 1997, and was amended on June 25, 2002, to include Forest Management Unit (FMU) W11. Negotiations to renew the agreement were completed in 2013, with the new FMA taking effect May 1, 2014. Pertinent changes to the agreement will be reflected in subsequent planning and operations.

1.2 About the Terms of Reference

FMA holders in Alberta are required to submit detailed forest management plans (DFMP) to the Alberta government at 10-year intervals. The DFMP is the highest-level plan produced in a hierarchy of management and operational plans that differ in spatial and temporal scale and resolution. At the FMA level and at a time scale of two hundred years, the DFMP reflects all relevant legislation and higher-order plans and sets the strategic framework under which forestry operations will be carried out. As well as describing the preferred forest management scenario (PFMS) and implementation plan, it includes a forest description and resource analysis, and identifies the values, objectives, indicators and targets (VOITs) that will guide management on the FMA area. Furthermore, it establishes linkages to lower-level management and operational plans and explains the company's approach to performance monitoring.

Currently operating under its 2007-2016 DFMP, Millar Western intends to submit its 2017-2027 DFMP for FMA9700034 to the GoA on or before May 14, 2017. The Terms of Reference (ToR) for Millar Western's 2017-2027 DFMP will guide the project, establishing a

structure for the process; describing the schedule for plan development, review, and approval; and specifying the range of considerations and issues to be addressed during the process.

The DFMP development processes will be structured to follow *the Alberta Forest Management Planning Standard Version 4.1, April 2006 (planning standard) (SRD 2006)*.

1.3 Policy Statement

Millar Western's corporate environmental policy is to:

- meet or surpass the requirements of all environmental laws and regulations that pertain to our operations, and comply with all other environmental standards to which we have committed;
- continually improve our understanding of the natural environment and our performance in managing environmental matters through investments in research, training and technology;
- work diligently to achieve sustainable use of natural resources, and to reduce waste, convert wood residuals to high-value end uses, abate emissions, and minimize adverse effects on the environment; and
- consider relevant environmental issues in all corporate and operational planning, regularly evaluate our environmental performance, and update our corporate and operational environmental policies to ensure they reflect changes inside and outside the company that affect them.

1.3.1 Certification

To assure stakeholders of its commitment to responsible management of forest resources, Millar Western has achieved certification under several internationally recognized, independently audited standards. Having previously held CSA-Z809 SFM certification, the company voluntarily shifted to the Sustainable Forest Initiative (SFI) program in 2009, due to SFI's recognition of both land- and volume-based tenures and its greater recognition in the international marketplace. With the certification of Boyle's volume-based tenures in 2011, all of Millar Western's tenures are now certified to the SFI system.

Millar Western also holds two chain-of-custody certifications – Programme for the Endorsement of Forest Certification (PEFC) and Forest Stewardship Council (FSC) – which ensure that illegal or otherwise controversial timber does not enter the supply chain.

1.4 Description of DFMP Development Process

The 2017-2027 DFMP development process began in 2011, with the initiation of a new Alberta Vegetation Inventory (AVI) for the FMA area, which provides a current and credible asset inventory upon which to build a solid forest management system for the term of the DFMP and beyond. In the summer of 2012, work began on a preliminary draft of the ToR, to be submitted and approved by the end of 2014. Additionally, volume sampling programs have been developed by the company, with sampling initiated as of September 2014.

The ToR outlines a defined process, components of which are listed below, that will help the company meet its DFMP planning objectives:

- Complete a new AVI
- Develop and complete a volume sampling program
- Develop and implement a communication/consultation plan
- Assemble a plan development team (PDT)
- Develop a new netted down land base
- Develop new timber yield curves
- Review and update values, objectives, indicators and targets (VOITs)
- Develop a new preferred forest management strategy (PFMS)
- Submit the forest management plan (FMP) to GoA
- Implement the forest management plan (FMP)
- Review existing Operating Ground Rules (OGRs) and update where required
- Stewardship reporting
- Development of ToR for the 2027-2037 DFMP

2.0 GOALS

The overall goal for the 2017-2027 DFMP ToR is to outline a clear and effective process for developing, within approved timelines, a technically sound, comprehensive, high quality DFMP that not only meets or exceeds regulatory and certification requirements but that also inspires confidence in the company's ability to serve as a capable and responsible steward of Alberta's forest resources.

Serving as a guidance document to the Plan Development Team (PDT), the ToR will:

- Identify the PDT members and their roles and responsibilities
- Define the content of the DFMP
- Describe the multiple factors influencing the development of the DFMP

- Describe the coordination of activities associated with developing the DFMP
- Describe overarching public consultation and communication strategies
- Describe overarching aboriginal consultation strategies
- Identify main tasks and associated timelines for completion.

A general description of the public participation and communication plan and aboriginal consultation plan are presented in Sections 5 and 6, respectively, and timelines for the development of the DFMP are presented in Section 4. The Public Advisory Committee (PAC) is described in Section 8.2.2.

3.0 DFMP CONTENT

3.1 Overview

This section describes the information that Millar Western intends to include in the 2017-2027 DFMP. Most of the content will be driven by the planning standard and, therefore, will include a description of the FMA area and current wood-flow commitments, as well as a discussion of forest management issues. Millar Western will, where necessary, supplement basic content requirements with additional information that it considers relevant to the development of a comprehensive and high quality DFMP.

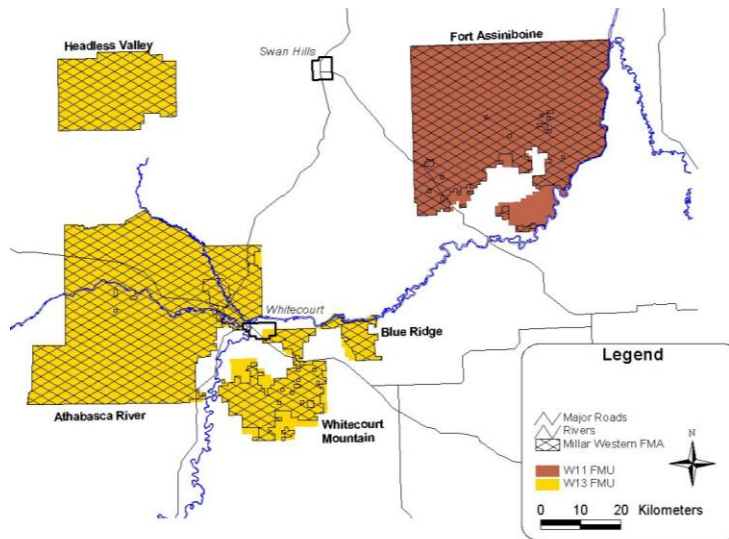
3.2 Administrative Boundaries

The 2017-2027 DFMP addresses Millar Western's FMA area, which comprises Forest Management Units (FMUs) W13 and W11, as shown in Figure 1. The FMA lies approximately 120 kilometers northwest of Edmonton, Alberta, in close proximity to the communities of Whitecourt, Fox Creek, Swan Hills and Fort Assiniboine. The total size of the FMA area is 510,941 hectares (May 2003). It encompasses the Lower Foothills, Upper Foothills and Central Mixed-wood Natural Sub-regions. The FMA is divided into five separate blocks: Headless Valley, Athabasca River, Whitecourt Mountain, Blue Ridge and Fort Assiniboine.

3.3 Defined Forest Area

The Millar Western 2017-2027 DFMP will apply to the Defined Forest Area (DFA), which comprises the FMA proper and portions of FMUs W13 and W11 that lie outside the FMA boundary but are eligible for harvest as timber tenure areas (i.e., grazing leases), as illustrated in Figure 1. Obligations to volume-based tenure holders within the Millar Western FMA are described in Table 1.

FIGURE 1 LOCATION OF MILLAR WESTERN'S W13 AND W11 FMUS AND FMA BOUNDARY (JUNE 2004 BOUNDARIES)



3.4 Regulatory, Certification and Other Considerations

DFMPs are influenced by a range of considerations, some related to its regulatory framework, as described below, and some to social and physical land-base factors. Moreover, they are created in a dynamic environment, underscoring the need for the PDT to be aware of and responsive to relevant emerging issues throughout the DFMP development process, to ensure the resulting plans are as current and forward looking as possible. This section describes some of the major factors the team will consider during the plan development process, some of which are specific to Millar Western's FMA.

3.4.1 Forests Act (Forest Management Agreements)

Under the *Alberta Forests Act*, FMA holders are enabled "to enter on forest land for the purpose of establishing, growing and harvesting timber in a manner designed to provide a yield consistent with sustainable forest management principles and practices" (Province of Alberta, Forests Act). Millar Western's DFMP will uphold this policy objective, which is strongly supported by the company.

3.4.2 Sustainable Forest Management

Sustainable Forest Management (SFM) seeks "to maintain and enhance the long-term health of forest ecosystems, while providing ecological, economic, social and cultural opportunities for the benefit of present and future generations" (Natural Resources

Canada 2002). Millar Western will incorporate these requirements into its 2017-2027 DFMP.

3.4.3 Current Wood-flow Commitments

Timber harvested in the FMA is allocated both to Millar Western operations and to other regional forest products companies. The available fibre, as defined by the current GoA-approved annual allowable cut (AAC), is outlined in the following table.

NOTE: the AACs provided in this table are related to the current DFMP. New cut levels for the period 2017-2027 will be determined through the DFMP development process.

TABLE 1. GOA-APPROVED NET AACs FOR FMU W13 AND W11

Company Name	Disposition Number or FMA Ref.	FMA/ FMU/ Grazing	Deciduous AAC (%)	Deciduous AAC (m ³ /yr)	Coniferous AAC (%)	Coniferous AAC (m ³ /yr)
W13						
MTU	[8(2)(d)(i)]	FMA				30,000
Weyerhaeuser	DTAW130001	FMU		45,000		
MWFP (FMA)	FMA970034	FMA		157,960 *		396,189
MWFP	CTQW130001	Grazing				9,655
MWFP	DTAW130002	Grazing		6,452		
Total				209,412		435,844
W11						
MWFP	FMA970034	FMA		103,520		
MWFP	FMA970034	FMA		42,000 **		
Fort Assiniboine Lumber	CTQW110004	FMU			6.26	5,941
Spruceland Millworks Inc.	CTQW110006	FMU			93.74	88,962
MWFP	DTAW110002	Grazing		2,529		
Total				148,049		94,903
FMA						
Area Residents	[8(2)(a)(i)]			1,000***		

*Includes 861 m³ previously allocated to MTU, as per change to FMA

**42,000 m³/year from 2007 to 2027 reconciliation volume: 840,000 m³ over 20 years

***Conifer/deciduous (birch) not accounted in calculations

Current wood-flow commitments are based on forest inventory and resource issues that surfaced in the planning period for the 2007-2016 DFMP. The FMA provides timber to three Millar Western operations: the Whitecourt bleached chemi-thermal-mechanical pulp (BCTMP) mill, the Whitecourt sawmill and the Fox Creek sawmill. The facilities' fibre requirements are met by the company's timber tenures (FMA and volume-based quotas), as well as by logs obtained through fibre-exchange agreements with other producers and the purchase of salvage logs and logs from private lands.

As well as supplying its own operations, Millar Western's FMA provides timber to other companies:

- **W11:** Spruceland Millworks Inc. and Fort Assiniboine Lumber Ltd. have quotas and share the coniferous AAC in W11. Also, Millar Western maintains an agreement with local 'arm's length' contractors, to provide opportunities to harvest the deciduous AAC, for use by Millar Western.
- **W13:** Weyerhaeuser Company Ltd. operates under a deciduous timber allocation (DTA). Through the local Miscellaneous Timber User (MTU) program, Millar Western shares a portion of its AAC with local operators.

In keeping with its intention to operate according to a combined land-base approach in its FMA area, Millar Western will endeavor to satisfy the fibre needs of its operations while honoring its commitments to other parties who have been granted quotas and timber harvesting rights in W11 and W13.

3.5 Forest Resource Management Issues

Millar Western has compiled an initial list of issues that will be considered in the development of the 2017-27 DFMP. In a separate letter, the GoA will identify other issues that Millar Western will be expected to also address during the process.

3.5.1 W11 Conifer Surge Cut

Beginning in the 2003-04 timber year, a 15-year conifer surge cut was approved for W11. This surge cut was requested by the quota holders, to mitigate an immediate reduction in conifer harvest volumes from previously calculated levels, due to updated TSA assumptions used in the AAC calculation. The 2007-2016 DFMP maintained this surge level, with a reduction to take place at the start of the next plan (May 1, 2017). The reduction in coniferous AAC is anticipated to be approximately 40%.

3.5.2 Windfall Burn

Portions of the 1956 Windfall burn area regenerated to higher-density repressed-growth stands. In previous DFMPs, identifying the extent of the problem was difficult. It is anticipated that the new AVI will assist in quantifying dense repressed stands.

3.5.3 Land Base Withdrawals

Land-base withdrawals and grazing license approvals represent an ongoing management issue in the FMA area. The FMA land base is continually being eroded due to the cumulative effects of extraction of multiple resources, disposition removals, disposition overlays and Crown removals.

3.5.4 Regional Land-use Plans

Alberta is developing high-level regional land-management plans that will direct all activities on Crown lands across the province. These plans are expected to have consequences for timber operators. While a plan has not yet been approved for the regions encompassing the FMA area (the Upper Athabasca and Upper Peace regions), it is understood that such plans, when completed, could have an impact on DFMP development.

3.5.5 Mountain Pine Beetle

Mountain pine beetle (MPB) has been present in the FMA since 2006, and the 2007-2016 DFMP contained strategies to address the MPB infestation. The infestation continues to this day, and new strategies will be required for the 2017-2027 DFMP.

3.5.6 Incidental Conifer Replacement

An incidental conifer replacement program was part of the November 1, 2004, approval conditions for the W11 preliminary forest management plan and remained a requirement of the 2007-2016 DFMP. This program requires a portion of all harvested deciduous stands to be regenerated to pure coniferous.

For the 2017-2027 DFMP, Millar Western proposes to replace this program with a comprehensive initiative consisting of modeling, development of reforestation targets derived from new AVI, construction of yield curves using GYPSY and collection of data from regenerated stands under the Reforestation Standard of Alberta (RSA) program. This approach will link actual reforestation performance, including incidental volume components, with strategic objectives for the long-term sustainability of coniferous and deciduous harvest volumes.

3.5.7 AVI

Millar Western has developed a new AVI for the FMA, conducted in accordance to the specifications described in GoA's AVI 2.1.1 manual. The new AVI was submitted to GoA in April 2014 and July 2014 for audit and approval. Digital imagery was taken for the majority of the FMA in the summer of 2011, while digital leaf-off imagery was acquired for the remaining area in the springs of 2012 and 2013. Coniferous understory in deciduous stands will be identified for selected portions of W13.

3.5.8 Volume Sampling

An approved volume sampling program for W13 (agreement-in-principle letter August 13, 2014) to characterize timber volumes related to the new AVI classification is underway, with a volume sampling plan for W11 forthcoming. This program is being undertaken to assist in the development of timber-volume yield curves for the DMFP.

3.5.9 Standing Timber Yields

Current and future timber volumes will be forecasted using GYPSY and based on a combination of existing and new volume sampling information.

3.5.10 Regenerated Yields

Regenerated stand yields will be predicted using GYPSY. The company has undertaken a juvenile sampling program in W13 to obtain data in older conifer leading regenerated stands, to support yield forecasting for this era.

4.0 MILESTONES, TIMELINES & RISK MANAGEMENT

4.1 Milestones

The anticipated timeline for the submission and review of plan components is provided in summary form in Table 2. The plan will undergo a progressive review, meaning that tasks and components will be reviewed and approved as they are completed rather than at project conclusion. This will improve the efficiency of the project, ensuring that team members are working from an approved body of work and common assumptions toward the accomplishment of a singular goal. As plan components are developed and approved, they will be submitted to the Alberta government for agreement-in-principle.

TABLE 2. PROJECT MILESTONES

DFMP COMPONENT	ANTICIPATED COMPLETION
Terms of Reference approval	December 2014
AVI approval	December 2014
Volume sampling plan approval	February 2015
Approval of external and aboriginal consultation plans	February 2015
VOIT agreement-in-principle	June 2015
Achieve yield curve and land base agreements-in-principle	May 2016
Complete SHS reviews	October 2016
Complete non-timber condition assessments	October 2016
PDT review of draft DFMP	November 2016
External review of draft DFMP	November 2016
Submission of draft DFMP	December 2016
DFMP approval	May 2017
Complete operating ground rules	TBA
Submit stewardship reports	TBA
Submit ToR for 2027 to 2037 DFMP	December 2024

4.2 Risk Management

The creation of complex plans such as DFMPs, with their multi-year development and approval timeframes, requires effective risk management to achieve stated objectives. Millar Western's risk management strategies for the 2017-2027 DFMP are as follows:

- Build stakeholder support by developing and implementing an effective communication plan that covers internal and external communication, and First Nations Consultation
- Generate consensus by fostering honest and respectful dialogue within the PDT

- Ensure orderly progression of the DFMP development process by putting into place effective mechanisms for document sharing and setting clear expectations with respect to reviews, discussions and decision-making
- Introduce tools and processes to track DFMP progress on milestones, settlement of issues and completion of tasks, to ensure that the project remains on track.

Early identification of potential sources of uncertainty can mitigate delays and keep the DFMP on schedule. Major sources of potential delay are:

- Woodland caribou range plans (Slave Lake herd in W11)
- Regional and other higher level planning processes (e.g. Land Use Framework).

5.0 COMMUNICATION AND CONSULTATION

5.1 Overview

Development of a DFMP is a complex task, involving the core development team, outside experts and varied interest groups. Effective communications and consultation, both within the PDT (internal) and with other stakeholders, including Millar Western staff (external) and aboriginal communities, are essential to ensuring that the DFMP development process is efficient and well-coordinated and that the final product reflects multiple viewpoints. Millar Western will therefore develop a DFMP Communications and Consultation Plan that will be divided into two sections: **Internal Communications** will describe how members of the PDT will communicate among themselves, and **External Communications and Consultation** will describe how the team will communicate and consult with external stakeholders.

Millar Western will also develop an Aboriginal Consultation Plan, which is described in Section 6.

5.2 Internal Communications

The objective of internal communications will be to promote an efficient and collaborative work environment for the plan development team. Millar Western will utilize a number of tactics, many successfully used during the development of its last DFMP, to ensure that all members of the team have access to necessary information, are regularly informed of developments relating to the progress of the DFMP, feel they have ample opportunity to contribute to decision making and are in support of the final submission.

5.3 External Communications

The external communications and consultation plan will seek to actively engage stakeholders in the DFMP's development process and keep interested stakeholders aware of its progress. The plan will be consistent with the requirements of Alberta Planning Standard and will be submitted to the GoA under separate cover. While the company will employ multiple tactics, a cornerstone of its strategy will be involvement of its Public Advisory Committee (PAC), formed as a commitment in the 2007-2016 DFMP. Millar Western has already begun to engage its PAC in the DFMP development process, asking them, as a preliminary exercise, to define their preferred level of participation. In accordance with PAC member wishes, as captured in meeting minutes, Millar Western will consult with PAC on the following matters:

- Provide advice on public engagement opportunities
- Review of the VOITs
- Review the spatial harvest sequence.

6.0 ABORIGINAL CONSULTATION PLAN

- a. MWFP will submit to ESRD written notice of intention to consult on the DFMP (pre-consultation assessment). A brief description of the type of plan with a map indicating the scope of the geographic area will be included.
- b. The GoA will provide to Millar Western a list of the bands requiring consultation and accompanying intensity level.
- c. Millar Western will undertake the development of an Aboriginal Consultation Plan, consistent with the requirements of the *Government of Alberta's Policy on Consultation with First Nations on Land and Natural Resource, 2013 (August 16, 2013)* and accompanying guidelines.
- d. When completed, the plan will be submitted to the GoA under separate cover for review and approval.
- e. DFMP-related consultation efforts will build on existing relationships with First Nations communities in and around the company's DFA.

7.0 SUBMISSION REQUIREMENTS

Millar Western will submit the DFMP, all analyses, and annual and stewardship reports in a format acceptable to the government. Anticipated submissions to the GoA are as follows:

- i. DFMP: two paper copies and two digital (PDF) copies
- ii. Technical files: one digital copy
- iii. Supporting documentation: one digital (PDF) copy; and
- iv. RFP-validated checklists describing the extent of compliance with applicable standards: one paper copy and one digital (PDF) copy.

A digital (PDF) copy of the DMFP will also be provided to all quota holders on the DFA.

Digital copies will be provided to the recipient on a USB. If digital files are password protected, then passwords will be provided.

8.0 ROLES, RESPONSIBILITIES & OBLIGATIONS

8.1 Plan Development Team

The PDT is a multidisciplinary group that will be responsible for developing Millar Western's 2017-2027 DFMP. Potential team members, roles and responsibilities are summarized in Table 3.

TABLE 3. PLAN DEVELOPMENT TEAM ROLES AND RESPONSIBILITIES

ROLE	MEMBER	RESPONSIBILITIES
Chair	Bob Mason, MWFP	Oversee the DFMP development processes, Plan Author
Planning & Operations Coordinator	Ken Anderson, MWFP	Ensure DFMP meets operational requirements
Forest Renewal Coordinator	Tim McCreedy, MWFP	Provide input and ensure DFMP meets silviculture objectives
Communications &	Louise Riopel, MWFP	Develop and execute internal, external and aboriginal communications and

Consultation Coordinator		consultation plans and submit to GoA under separate cover for approval
GoA Planning Lead	Seena Handel	Represent GoA interests and provide one window access to GoA
GoA Area Forester	Alanda Skrzekowski	Monitor development of DFMP to ensure it is consistent with government requirements; advise on policy framework as required
GoA Area Wildlife Biologist	Fauve Blanchard (Backup: Curtis Stambaugh, Area Senior Biologist)	Monitor development of DFMP to ensure it is consistent with government requirements; advise on policy framework as required
Weyerhaeuser	Paul Scott	Company representative
Spruceland Millworks	Permanand Sieusahai	Company representative
Fort Assiniboine Lumber	Permanand Sieusahai	Company representative
Lead Consultant	Ted Gooding, Forcorp	Provide technical and non-technical advice regarding the committee processes; conduct tasks to accomplish group objectives
Forecasting	Bob Christian, Forcorp	Forecasting and timber supply support

8.1.1 PDT Objectives

- Define the direction and scope of the DFMP
- Guide the DFMP process
- Advise members on the suitability of different forest management practices in meeting company and government expectations, policies and legislation
- Identify and resolve issues
- Coordinate the actions and involvement of others
- Coordinate the gathering, interpretation and flow of information, both technical and non-technical, among team members
- Coordinate the progressive development and review of plan components and the agreement-in-principle recommendations

8.1.2 Methods

8.1.2.1 PDT MEETINGS

Regular meetings will be the principle method by which the PDT will move the project forward and meet objectives. These meetings will provide a forum for the PDT to discuss Millar Western's approaches to developing the DFMP, and for quota holder and government representatives to review components, provide feedback and make decisions. These meetings will ensure that Millar Western's direction for the DFMP is consistent with the government's protocols.

The main method for resolving issues and finalizing DFMP components will be through consensus. As they are developed, DFMP component documents will be distributed to team members, so they may be reviewed and discussed at meetings. Once consensus is reached, then the components can be finalized for submission.

Meeting notes will document discussions, action items and decisions. These notes will be distributed to all PDT members and reviewed at the following meeting. Meeting notes will also be posted on a shared drive for easy access.

8.2 Roles and Responsibilities of Related Committees

8.2.1 Environmental Co-Stewardship Committee (ECSC)

Millar Western entered into the Forestry and Economic Development Agreement (FEDA) with the Alexis Nakota Sioux Nation in 2004 and, out of this agreement, established the ECSC. The purpose of this committee is to review and guide Millar Western operations and to assess the cumulative impact of activities in the Traditional Territory. The committee will meet as required and provide advice to Millar Western, as deemed appropriate by all members of the committee.

8.2.2 Public Advisory Committee (PAC)

Millar Western's PAC includes representation from a number of public interest groups, including municipalities and counties, other industries, recreational groups, contractors and the public. As discussed in Section 5, PAC will review and provide input into the VOITS, advise on public communications and consultation and review the SHS.

8.3 Other Government Responsibilities

8.3.1 Biodiversity and Wildlife

In previous DFMPs, Millar Western undertook the research and modeling associated with the development of management strategies and the setting of biodiversity and wildlife targets. The GoA has since assumed responsibility for the development of these components of the DFMP and will, therefore, be responsible to provide for the biodiversity and wildlife components of the 2017-2027 DFMP.

8.3.2 Watershed Assessments

The GoA has assumed responsibility for completing the watershed components of DFMPs and has developed products to support this task, including watershed boundaries, runoff modeling, and wet-area and stream mapping. The products developed by the GoA will be used in the development of the 2017-2027 DFMP.

8.3.3 Fire Behavior Potential/Wildfire Threat Assessment

The GoA has assumed responsibility for completing the modeling/analysis to support this task. Products developed by GoA will be used in the development of the 2017-2027 DFMP.

9.0 CONFLICT OF INTEREST

Parties are expected to represent only the organization that has appointed them. A conflict of interest may occur when a party has interest in a particular decision regarding the planning process for the purpose of self-gain. Millar Western does not want professional or technical judgement compromised for the purposes of self-gain.

All parties must make allegiances known at the outset of their involvement in the process. In the event that such an allegiance or conflict is announced, the PDT will decide, independent of that party, whether the conflict represents a conflict of interest. In the event that a party does not make conflicts known at the outset and these are discovered later, the PDT will confront that party, and provide them with the opportunity to address the conflict. If the party and the PDT cannot resolve the potential conflict, the dispute resolution mechanism may be invoked (Section 14.0).

10.0 DECISION-MAKING METHODS

10.1 Progressive Review

A progressive review of plan components will improve the efficacy of the planning process. There are two levels of review and acceptance. The first level will involve a progressive review and acceptance of DFMP components by the PDT. These components will be incorporated into the DFMP. For the major components of the DFMP, agreement-in-principle will be sought from the GoA. The dates for the submission, review and government approval (or agreement-in-principle) of the DFMP components are provided in Section 4.0. DFMP components will be considered approved once the DFMP is granted final approval in 2017.

10.2 Consensus Building

Consensus seeking will be the primary decision-making method that will be used by members of the PDT to reach agreement.

Most decision-making will occur at PDT meetings. The chairperson's (or designate's) responsibilities will be to ensure that the:

- Agenda is created and distributed
- Meeting follows the topics and timelines of the agenda
- Agenda is adjusted as necessary to reflect new or changing priorities or to meet timelines
- Participants are heard
- Tasks and decisions are clearly understood and recorded
- Meeting notes are taken and disseminated to all PDT members.

Following appropriate discussion and information sharing, participants should reach general agreement on suitable courses of action or strategic approaches. To facilitate fair and effective decision-making, the chairperson will interpret the views expressed by the participants and recognize when consensus has been achieved.

In the event that consensus cannot be achieved, the chairperson and meeting participants will follow the dispute resolution mechanisms outlined in Section 14.0.

11.0 AUTHORITY FOR DECISIONS

Final authority for decisions is dependent upon which component of the DMFP is being reviewed. GoA has final approval authority on the entire DMFP, including sampling procedures, inventories, net landbase, yield curves and timber supply analysis (Table 4).

All decisions must remain within the bounds of provincial and federal guidelines, and will be made with due consideration of known stakeholder and public values.

TABLE 4. TABLE OF AUTHORITY FOR DECISIONS

Plan Component	Approval Type	Review Days	Approving Manager
Terms of Reference	Approval	30	Manager, Forest Resource Management Section, FMB
First Nation Consultation Plan	Approval	30	Approvals Manager, UAR*
Public Consultation Plan	Approval	30	Approvals Manager, UAR
Values, Objectives, Indicators, Targets			
Net landbase			
Yield curves			
Preferred Forest Management Scenario	Agreement-in-principle	30	Manager, Forest Resource Management Section, FMB
Spatial Harvest Sequence			
Silviculture strategies (GER)			
Growth and yield program			
DFMP	Approval Decision	100	Executive Director, FMB

*Upper Athabasca Region

MECHANISMS TO ADJUST THE PROCESS

Developing the DMFP is a dynamic process. Millar Western acknowledges that it may need to accommodate emerging issues and that the planning process, as outlined in this document, may have to change to remain effective. As identified in Section 3.5 and 4.3, the Alberta government's Land Use Framework (LUF), or issues raised by PAC or aboriginal communities, are examples of developments that could force DFMP process adjustments.

The company will monitor and inform the PDT of emerging issues, such as progress under the LUF process. Should the need for a DFMP process adjustment arise, then it will be flagged with and discussed by the PDT, which will decide on a path forward. If consensus cannot be achieved, then the dispute settlement mechanism will be activated. Eventually, as the planning process proceeds to the more advanced stages (i.e. early 2016), changing the DFMP process will become more difficult, and agreement between the GoA and Millar Western will be required in order to make changes to the

process. Millar Western recognizes that changes in government legislation, regulations and policies, such as the introduction of plans under the LUF process, will supersede the FMP on conflicting items.

After its approval, it is not anticipated that the ToR will be revised and resubmitted, except under extraordinary circumstances. Timelines will be updated if warranted.

12.0 ACCESS TO INFORMATION

12.1 Internal Data Requests

The project will necessitate a large degree of data and information transfer. The following review process will be used for data requests within the team:

- Millar Western will oversee the storage of and access to all data and information
- Millar Western will review data and information requests and, insofar as they are bound by data sharing agreements and/or data sensitivity issues, will attempt to provide the requested data
- Members of the PDT will be provided on-line access of appropriate data and information.

12.2 Government Data Requests

Information specific to the timber supply analysis (TSA) will be made available to the government for review purposes.

12.3 Public Access to Information

Information transfer includes the distribution of background information, DFMP developments, and public notifications. In keeping with Alberta's Freedom of Information and Protection of Privacy Act, privacy will be maintained by protecting all information of a personal or proprietary nature, and by limiting access to such information only to Millar Western staff and the PDT. More detail will be provided in the external communications plan as to what type of information will be shared with these stakeholders.

13.0 PARTICIPATION OF EXPERTS, OTHER INTERESTS AND GOVERNMENT

When required, Millar Western will retain experts to provide discipline-specific expertise and advice needed for the development of the DFMP. This may include, among others, experts in ecology, fisheries and wildlife; wildfire behaviour; and growth and yield and forecasting. Their role will be to advise the PDT and provide support for decision making. Experts will not make planning decisions related to DFMP development.

Other interests that are not on represented on the PDT will be addressed through the company's communication and consultation plans. Communication and consultation will determine the appropriate level of involvement and input into DFMP development.

Government of Alberta participation in the development of the DFMP will be through the PDT, including input into and review of DFMP components, such as volume sampling plans. The GoA may refer parts of the DFMP to outside experts, for external review.

Federal and provincial legislation will be complied with, and government approvals will be sought, as necessary.

14.0 DISPUTE RESOLUTION MECHANISM

Disputes regarding the DFMP process that may arise within the plan development team, or between the team and stakeholders, aboriginal communities or members of the public, will be initially addressed by the Millar Western staff member or team member in closest association to the dispute. That person will encourage meaningful discussion and suggest a possible resolution prior to implementing the dispute resolution mechanism.

If the dispute still exists after discussion, the matter will be passed on to the PDT for discussion. The PDT may gather more information or recruit additional human resources in order to gain more knowledge on the issue. The PDT will suggest a suitable resolution.

In the event that the resolution proposed by the PDT is not agreed to, assistance will be requested from the provincial government. Representative parties in the dispute will be informed of this direction. The following steps will be used:

- Disputing parties will provide to the GoA a written submission of the issue that will consist of their view, supporting documentation, and a recommendation; the submission will be made within five business days from the date the parties decided to request provincial assistance.
- The GoA will acknowledge receipt of the submissions and review them.

- The GoA will, within 20 working days, provide the disputing parties with a written declaration outlining the Province's position in regards to the dispute.
- The GoA's decision is final and will be binding upon all participants

15.0 OPERATING GROUND RULES (OGRS)

The current set of OGRs (June 2008) will be used as a baseline document and will be updated to reflect operating procedures resulting from the new DFMP. This update process will begin within six months of the DFMP's approval and be developed and coordinated with the GoA; quota holders can elect to be involved, if they so desire.

16.0 STEWARDSHIP REPORT

A Stewardship Report for the 2007 to 2016 FMP was provided to GoA on February 8, 2014, covering the period May 1, 2007, to April 30, 2012, summarizing the first five years of performance and including plan elements that are only required to be reported on at five-year intervals. Millar Western will report its performance for the remainder of the 2007 to 2017 planning period in the 2017 to 2027 FMP, incorporating the information and data that is available and relevant at that time. Any reporting items not covered in the 2017 FMP due to lack of data or relevancy will be carried forward and reported on in the next stewardship report.

Millar Western proposes to submit its next stewardship report, with a summary of the first five years of the 2017 to 2027 FMP planning period (May 1, 2017, to April 30, 2022), by December 1, 2023, unless otherwise advised. It will include the information requirements as described in the *Alberta Forest Management Plan Stewardship Reporting Standard Directive*. Millar Western will report its performance for the remainder of the 2017 to 2027 planning period in the 2027 to 2037 FMP, incorporating the information and data that is available and relevant at that time.

REFERENCES

Natural Resources Canada. 2002. The State of Canada's Forests 2001/2002. Ottawa.

SRD. 2006. Alberta Forest Management Planning Standard. Alberta Sustainable Resource Development Public Lands and Forests Division, Forest Management Branch. Version 4.1. Edmonton, AB. April 2006. 112 pages.

Province of Alberta, Forests Act, Revised Statutes of Alberta 2000, Chapter F-22 (Current as of May 27, 2013)

The Government of Alberta's Policy on Consultation with First Nations on Land and Natural Resources Management, 2013