

Sakâw Askiy Public Advisory Group Meeting

August 21, 2018

Prince Albert, MNP Boardroom, Forest Center

Participants:

In Person	
John Teer	RM of Big River, Reeve
Fred Bradshaw	MLA Carrot River Valley, Leg. Secretary to Minister of Envir. (Forest Management)
Sarah Schmid	Prince Albert Model Forest, Manager
Valerie Manten	Resort Village of Candle Lake, Councillor
April Lesko	Ministry of Environment Forest Service, FMA Forest Licensing Specialist
Jeremy Knodel	Saskatchewan Snowmobile Association, Director. Prince Albert Trail Riders
Dave Knight	Town of Shellbrook, Councillor
Perry Vermette	Third Party Operator - Vermette Wood Preservers, President
Brian Clavier	Third Party Operator - Vermette Wood Preservers, Research Director
Ed Kwiatkowski	Sakâw Shareholder - Carrier Forest Products, Woodlands Manager
Chad Wilkinson	Sakâw Shareholder - Tolko Meadow Lake OSB, Planner
Doug Braybrook	Sakâw Shareholder - Edgewood Forest Products, Woodlands Manager
Robert Follett	Sakâw Shareholder - NorSask Forest Products
John D. Stauffer	District of Lakeland #521, Councillor
Gord Vaadeland	Canadian Parks and Wilderness Society (CPAWS), Executive Director of SK Chapter
Don Cody	City of Prince Albert, Councillor for Ward 4
Ashley Charles	Lac La Ronge Indian Band, Liaison Coordinator
Naomi Carriere	Lac La Ronge Indian Band, Lands and Resources Coordinator
Nadine Penny	Ministry of Environment Forest Service, Forest Management Planning Analyst
Diane Roddy	Sakâw Askiy Management Inc., General Manager
By Phone	
Cam Brown	Forsite Consulting Inc., Resource Analyst
Heather Scott	Resort Village of Candle Lake, Chief Administrative Officer
Vye Bouvier	Athabasca Constituency Office, NDP Caucus

Meeting Convened 10:30 a.m.

Meeting Objective

To discuss a draft of *Amendment #1 – Operational Realities* to the 20-year Forest Management Plan (FMP) for the Prince Albert Forest Management Agreement (PA FMA) area.

The Addendum is being written to address current operational realities that were not sufficiently addressed in the FMP itself. Those realities are related to not harvesting products for which there is a limited market and harvesting softwood sawlogs to a 12.5 top size.

Welcome and Introductions

Diane Roddy welcomed everyone to the meeting as Chair, and thanked participants for attending. This Public Advisory Group (PAG) was formed at the start of a process to develop a new Forest Management Plan (FMP) for the PA FMA area, which Sakâw holds the licence to, and has been involved throughout that process. The group acts as a forum for information exchange between Sakâw and stakeholders who provide input, advice and recommendations to Sakâw in the management of this forest area. The last time this group met was for a field tour in the fall of 2017. Email has been used since then to provide updates on the FMP submission and approval.

Participants on the phone and around the room introduced themselves.

Purpose of This Meeting

This meeting was convened to discuss a draft of *Amendment #1 – Operational Realities* to the FMP for the PA FMA area.

Participants raised two additional items, not related to the FMP, that will be followed up on in another forum:

- Wood allocations, and specifically sawlogs going past the Big River mill headed for mills that are farther away. (John Teer)
- Dues and fees paid by Third Party Operators who are using the small, least profitable wood (Perry Vermette).

Presentation on FMP Amendment #1 – Operational Realities – Cam Brown, Forsite Consultants

The presentation started with some background about Sakâw and Sakâw shareholders, and how wood allocations are managed by using Operating Zones within which shareholder have allocations for softwood or hardwood timber.

The operational realities being addressed in FMP Amendment #1 – Operational Realities, are:

Pulp supply exceeds demand. Although some pulpwood is used by the pulpmill in The Pas MB, Third Party Operators and a bioenergy plant, most of it goes unutilized.

Hardwood supply exceeds demand. Hardwood mills with allocations in the PA FMA area are located in Meadow Lake, and the farthest, highest cost hardwood (east side of FMA area) goes under utilized

Harvesting Softwood Sawlogs to a 12.5 cm Top Size. The sawlog profile in Saskatchewan includes small, crooked trees (difficult to saw boards from). Markets for the small tops (pulpwood) vary depending on the location of a sawmill. Sawlog utilization to a 12.5cm top significantly improves mill performance, lumber recovery.

Leaving excess hardwood standing in areas harvested for softwood on the east side of the FMA area, and the ability for sawlog operators to use sawlogs to either a 10 cm or 12.5 cm top size in a given year, are proposed in the Amendment.

Cam provided an overview of the results from several scenarios for which the impacts of these current realities on the long-term wood supply were modeled. Scenarios such as retaining excess hardwood or harvesting sawlogs to a 12.5 cm top were assumed to last for the next 200 years (which is unlikely). And

exception is that for the last scenario it was assumed that a combination of leaving excess hardwood standing and harvesting sawlogs to a 12.5 cm top would last for the next 20 years only (the term of the FMP), after which the wood in each stand harvested would be fully utilized.

Scenarios Modeled:

- New FMP benchmark scenario
- No Pulp Objective scenario (included in all further scenarios)
- Hardwood Retention scenario
- 12.5cm Top Utilization scenario
- Combined scenario 1 – 12.5cm + Hwd Retention (hardwood harvest at levels likely in 2018)
- Combined scenario 2 – 12.5cm + Hwd Retention Zone 1 (more hardwood harvest occurs)
- Combined scenario 3 – 12.5cm + Hwd Retention 20 years (after which all hardwood is used)

Operational controls, to ensure hardwood retention and a 12.5 cm top size are carried out and accounted for in the manner proposed, include setting targets for how much wood from a given area and type of stand can be harvested in a particular area. This will ensure the harvest is distributed by area, and by stand types.

Several questions of clarification about the information presented were addressed.

Graphs show a drop in the sustainable wood supply in roughly 20-60 years, after which the wood supply remains relatively stable into the future. This occurs because the forest today is older than what is intended for the future. The goal is to have a younger forest in the future that is closer in age to the forests that have occurred historically under natural fire disturbance. There is currently a surplus of older wood, and once that has been harvested, the harvest levels will be lower in the longer-term.

Discussion

Hardwood supply currently exceeds demand in the FMA area. This leads to limited markets for higher cost hardwood logs, typically those located on the east side of the FMA area. In this Amendment it is proposed that excess hardwood be left in softwood leading areas being harvested for sawlogs. The sawlogs in hardwood leading areas would be unavailable, reducing the sawlog supply. Discussion occurred about the economics of one company impacting the economics of other companies, verses forcing a company to harvest something they don't want. The solution proposed in the Amendment is intended to provide flexibility and fairness in dealing with the current utilization issues for the industry operating in the PA FMA area, in a manner that is ecologically appropriate. Although sawlog operators would not have access to sawlogs in hardwood leading areas, they would be able to access the sawlogs in softwood leading areas.

No other concerns specific to leaving excess hardwood standing, or harvesting to a 12.5 cm top size, were raised.

A concern was raised about overharvesting close to the mills, and what is going to happen when all the close wood is gone. Under the new FMP that came into effect April 1, 2018, targets (that will be reported on annually) have been set for distributing the harvest across the FMA area, and by forest type. This will help prevent overharvesting in any particular area.

It was suggested that the PAG meet "in camera" without Sakâw shareholders present, to address the concern raised about wood allocations and sawlogs headed for more distant mills bypassing the Big

River mill. A commitment was made at the start of this meeting to follow up on that (and another concern raised). Forest Service representatives can help with discussions about allocations, dues and fees.

Feedback was sought from the group on the suggestion that PAG meetings be chaired and notes taken by a facilitator.

The meeting had gone over time by half an hour, so was concluded with information about how to provide any further comments on the FMP Amendment:

Public Comment Period

Deadline for comments: **September 21, 2018.**

Download Amendment #1 at www.Sakaw.ca (“What’s new...”)

Please provide comments to Diane Roddy, R.P.F., at gm@Sakaw.ca

Meeting adjourned 12:30 p.m.

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