

REPORT Forest Certification



2010 SFI Surveillance Audit BCTS Peace-Liard Business Area – Dawson Creek TSA

In February and July 2010, an audit team from KPMG carried out an SFI surveillance audit of the British Columbia Timber Sales (BCTS) Peace-Liard Business Area woodlands operations within the Dawson Creek Timber Supply Area, against the requirements of the 2005 - 2009 edition of the Sustainable Forestry Initiative® standard. This Summary Report provides an overview of the process and KPMG's findings.

Description of BCTS Peace-Liard's Crown Land Forest Operations within the Dawson Creek TSA

The Dawson Creek Timber Supply Area (TSA) is approximately 2.28 million hectares in size. Aspen and cottonwood are considered merchantable species within the Dawson Creek TSA and there are two large processing facilities, a pulp mill and an oriented strand board (OSB) plant, dedicated to their use. Conifer is also harvested and there are currently two major sawmills within the Timber Supply Area that rely on the harvesting of conifer tree species.

The current AAC for the Dawson Creek TSA is 1,860,000 m³ per year, of which BCTS received an apportionment from this AAC which is currently set at 320,000 m³ per year for conifer species and 81,000 m³ per year for deciduous species.

Scope of Certification

BCTS sustainable forest management planning and practices in the Dawson Creek Timber Supply Area (TSA).

Audit Scope

The audit was conducted against the requirements of the 2005-2009 edition of the SFI standard, and incorporated a limited scope assessment against the SFI program objectives for:

- Water quality and riparian protection;
- Wildlife habitat and conservation of biological diversity;
- Legal and regulatory compliance; and
- Management review and continual improvement.

In addition, the audit assessed progress in implementing the SFI 2010-2014 standard. The scope of the 2010 SFI surveillance audit included all of BCTS Peace-Liard's woodlands operations within the Dawson Creek TSA. (Fibre procurement activities were not included in the scope of the certification as BCTS does not purchase fibre.)



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History of BCTS Peace-Liard’s SFI Certifications

BCTS Peace-Liard Business Area has had SFI sustainable forest management (SFM) certification for its operations in the Dawson Creek TSA since 2009. In addition, BCTS Peace-Liard first achieved ISO 14001 certification of its entire Business Area in 2005 and has since, along with the other 11 Business Areas in BC, received Corporate ISO 14001 certification under a multi-site certificate in 2010.

The Audit

- **Surveillance Audit Approach** – Surveillance audits are designed to provide evidence of continuing implementation of SFI requirements and require a full assessment of performance against selected applicable elements of the standard.
- **Audit Team** – The surveillance audit was conducted by a two person audit team comprising a registered professional forester and a professional geologist. The lead auditor on the engagement, Craig Roessler, was a Certified Environmental Auditor and an Environmental Management System (EMS) Lead Auditor.
- **SFI Program Representative** – Jason Pederson, the BCTS Peace-Liard Certification Standards Officer served as BCTS Peace-Liard’s SFI program representative during the audit.
- **2010 SFI Surveillance Audit** – The 2010 SFI surveillance audit involved both an off-site SFM system documentation and record review and an on-site assessment of BCTS’s SFM system’s and forestry operations’ conformance to the requirements of the SFI standard. The on-site field audit portion of the audit occurred July 26 – 27, 2010.
- **Audit Focus Areas** – In addition to assessing actions taken with respect to previously identified opportunities for improvement and actions to maintain SFI conformance against selected elements sampled during this audit, the 2010 audit assessed the operation’s progress in implementing the incremental requirements of the SFI 2010-2014 standard.
- **Audit Sample** – The on-site portion involved inspections of roads, harvesting practices and regeneration strategies on 8 sites.

Use of Substitute Indicators

The audit was based on the indicators included in the 2005-2009 version of the SFI standard. No substitute indicators were used during the 2010 surveillance audit.

Audit Objectives

The objective of the audit was to evaluate the SFM system at BC Timber Sales – Peace-Liard Business Area, Dawson Creek TSA, its implementation, effectiveness and conformance with the requirements of SFI.

Audit Conclusions

The audit found that the BCTS Peace-Liard SFM system:

Audit Results	
Open non-conformities from previous audits	0
New major nonconformities	0
New minor nonconformities	0
New opportunities for improvement	0

Types of audit findings

Major non-conformances:

Are pervasive or critical to the achievement of the SFM Objectives.

Major non-conformances must be addressed immediately or certification cannot be achieved / maintained.

Minor non-conformances:

Are isolated incidents that are non-critical to the achievement of SFM Objectives.

All non-conformances require the development of a corrective action plan within 30 days of the audit, which must be fully implemented by the operation within 3 months.

Opportunities for Improvement:

Are not non-conformances but are comments on specific areas of the SFM System where improvements can be made.

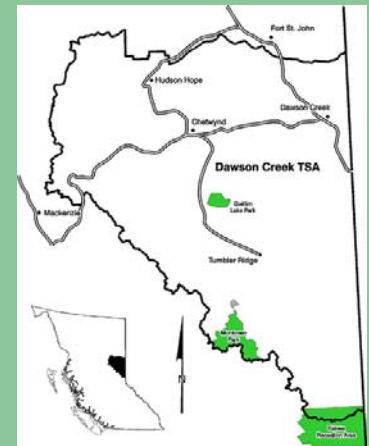
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- Was in full conformance with the requirements of the SFI requirements included within the scope of the audit;
- Continues to be effectively implemented, and;
- Is sufficient to systematically meet the commitments included within the organization’s SFI-SFM policy, provided that the system continues to be implemented and maintained as required.

As a result, a decision has been reached by KPMG to continue to certify the operations of BCTS Peace-Liard within the Dawson Creek TSA to the SFI standard.

Primary sources of evidence assessed to determine conformity with the SFI 2005-2009 standard are presented in the following table:

SFI Objective #	Key Evidence of Conformity
1 – Forest Management Planning	Not in scope during this surveillance audit.
2 – Forest Productivity	Not in scope during this surveillance audit.
3 – Protection and Maintenance of Water Resources	SFM Plan, SFI Implementation Matrix, Forest Stewardship Plan (FSP), EMS, sample of Site Plans (SPs), Harvest Plans (HPs) and inspections reviewed during the field audit
4 – Conservation of Biological Diversity	SFM Plan, SFI Implementation Matrix, FSP, Dawson Creek Land and Resource Management Plan (LRMP), Species at Risk Dawson Creek TSA SOP, Identification and Management of Species and Plant Communities at Risk in Northeastern BC (prepared for the operation by Timberline – June 2009), Pest Management Plan, EMS, sample of SPs, HPs and inspections reviewed during the field audit.
5 – Management of Visual Quality	Not in scope during this surveillance audit.
6 – Protection of Special Sites	Not in scope during this surveillance audit.
7 – Efficient Use of Forest Resources	Not in scope during this surveillance audit.
8 – Procurement	Not in scope during this surveillance audit.
9 – Forestry Research, Science and Technology	Not in scope during this surveillance audit.
10 – Training and Education	Not in scope during this surveillance audit.
11 – Legal and Regulatory Compliance	SFM Plan, inspection records, internal audit records, compliance tracking records, Ministry of Forests’ compliance and enforcement records, planting records, action plans, EMS, electronic subscription to laws and regulations, field inspections.
12 – Community Involvement & Outreach	Not in scope during this surveillance audit.
13 – Management Review and Continual Improvement	SFM Plan, SFI Implementation Matrix, EMS, SFI management review agenda/meeting minutes (Jan. 19 10); Internal audit report (Jan. 16 09); BCTS Provincial Internal Audit Program and Plan (2009 – 2012); Internal audit action plans



The Dawson Creek TSA (TSA 41) is located in north-east British Columbia. It resides within the Peace Forest District (which is part of the Northern Interior Forest Region) and is bounded by the Prince George (South), Mackenzie (West) and Fort St. John (North) TSAs and the Alberta Border to the East.

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Good Practices

A number of good practices were noted during the 2010 audit. The following list outlines some of the more notable examples observed by the audit team:

- Previously unidentified and unmapped wet areas containing immature trees were identified and protected by the licensee upon discovery and following consultation with BCTS.
- The operation exhibited due diligence in preventing against environmental damage by increasing its inspections and determining and implementing effective corrective action plans to address soil compaction and erosive soils in two harvest areas.

Follow-up on open non-conformities from previous audits

At the time of this assessment there were no open nonconformities for the Peace Liard Business Area, Dawson Creek TSA.

New Areas of Nonconformance

No new nonconformities were identified during the audit

New Opportunities for Improvement

No new opportunities for improvement were identified during the audit

Corrective Action Plans

As there were no nonconformities identified during the audit, there was no requirement for corrective action plans.



Tree planting occurs shortly after harvesting is completed, so that seedlings are established before competing brush can re-establish itself. All harvested stands are surveyed to determine stocking levels as well as the possible need for treatment of competing brush.



The 2010 audit included visits to a variety of active and recently completed road, harvesting and silviculture field sites to evaluate BCTS Peace-Liard's performance in relation to the requirements of the SFI standard.

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