



**Forest
Practices
Board**

Audit of Range Planning and Practices

*Range Agreements RAN073562, RAN074611,
RAN076681 and RAN073605
100 Mile House Resource District*

FPB/ARC/177

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Audit Results

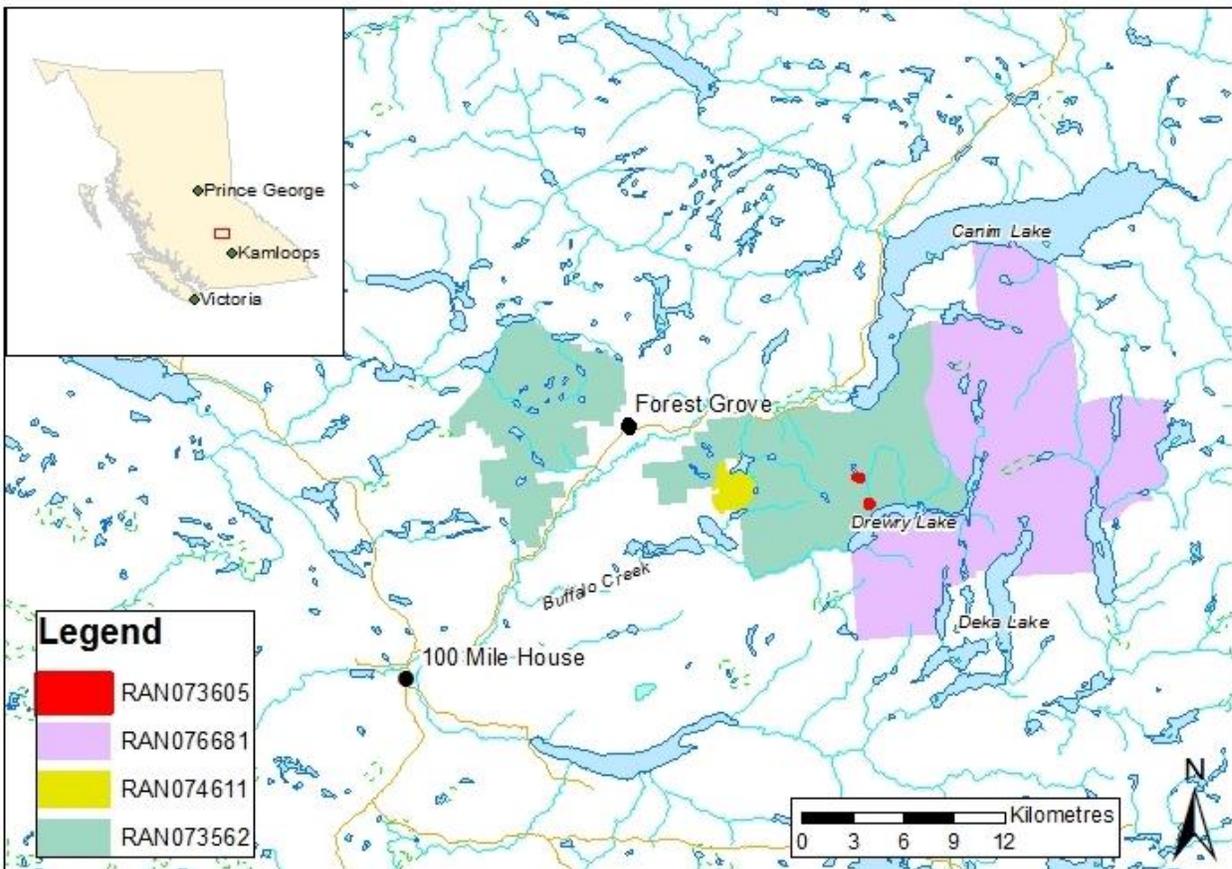
Background

The Forest Practices Board is the public's watchdog for sound forest and range practices in British Columbia. One of the Board's roles is to audit the planning and practices of range agreement holders to ensure compliance with the *Forest and Range Practices Act* (FRPA).

As part of the Forest Practices Board's 2014 compliance audit program, the Board randomly selected the 100 Mile House Resource District as the location for a full scope compliance audit. Within the district, the Board selected an area-based woodlands licenceⁱ and the four range agreements that substantially overlap the woodlands licence for audit. The range agreements include three range tenures for grazing (RAN073562, RAN074611, RAN076681) and one for hay cutting (RAN073605).

The range agreements (hereafter referred to as range tenures) are located about 20 kilometres northeast of 100 Mile House, and are mostly bounded by Canim Lake to the north and Drewry Lake and Buffalo Creek to the south (see map below).

Map of Range Tenures Audited



Audit Approach and Scope

The audit examined range planning and practices for compliance with FRPA and the *Range Planning and Practices Regulation* (RPPR). This included an examination of:

- the content of range use plans, maps and amendments;
- records maintained by range users (if applicable); and,
- compliance with both the range use plan¹ and range practice requirements on the range tenures, with a focus on riparian and upland condition.

(Note: the range tenures are located within the Cariboo-Chilcotin Land Use Plan area. However, the *Land Act* order, which implements parts of the plan, does not include requirements that apply to range planning or practices).

The audit was conducted in accordance with the Forest Practices Board's *Compliance Audit Reference Manual, Version 7.0, September 2012*. Audit assurance related to field practices was obtained by examining the majority of activities undertaken within the two-year audit period of September 1, 2012, to October 2, 2014.

The field portion of the audit was undertaken between September 29 and October 2, 2014.

Planning and Practices Examined

RAN073562 (grazing)

Description of the grazing tenure

RAN073562, held by Pincott Ranches Ltd., has an area of 12 241 hectares with 1 815 animal unit months (AUMs) authorized for grazing. Pincott Ranches Ltd. has held this licence since the late 1950s. The tenure is divided into two separate units—Lily Lake and Drewry Lake—of approximately equal size, located about 16 kilometres apart. The Lily Lake unit is directly west of the community of Forest Grove and is surrounded almost entirely by private land. The Drewry Lake unit is located immediately south of Canim Lake and is bordered by RAN074611 on its west side and RAN076681 on the east. The grazing period on the tenure extends from May 15 to October 31 of each year.

What is an 'animal unit month'?

An animal unit month (AUM) is the quantity of forage consumed by a 450-kilogram cow (with or without calf) in a 30-day period. Because bulls consume more forage than cows, they account for 1.5 AUMs for each 30-day period of grazing.

On the Lily Lake unit, Pincott Ranches Ltd. employs a rotational grazing strategy centred on three, mostly fenced, pastures. This strategy also alternates on odd and even years, and provides an opportunity for grasses to recover after grazing.

¹ Auditors did not assess compliance with range readiness criteria specified in range use plans. The criteria are meant to be applied for deciding when to start cattle grazing. The audit took place near the end of the grazing season.

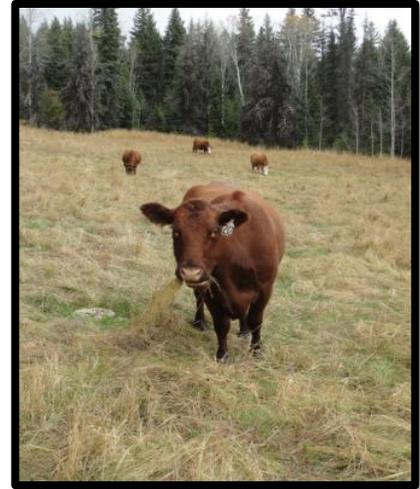


Figure 1. Cattle grazing in a pasture.

Required content of the range use plan

The approved range use plan and map are valid for the period of January 17, 2011, to December 31, 2015, and include all required content.

Compliance with the range use plan and practice requirements

Auditors found Pincott Ranches Ltd. met requirements in its plan for minimum stubble heights and maximum browse utilization.

Auditors did identify a minor discrepancy between the grazing schedule in the range plan and the actual rotation of livestock on the tenure. During the period of August 1 to October 31, 148 cow/calf pairs and 10 bulls were to be in the Wilcox/Spring Lake pasture of the Lily Lake unit. Instead, livestock were moved to the other two pastures. This change in use was done to facilitate construction of a new fence required to keep livestock away from an adjacent subdivision. Auditors confirmed Pincott Ranches Ltd. made the Ministry of Forests, Lands and Natural Resource Operations (FLNR) aware of this change in use and FLNR had approved construction of the fence.

Auditors found that Pincott Ranches Ltd. complied with all applicable range practice requirements. Protection of water quality, licensed waterworks, riparian areas (see Figure 2), fish habitat and upland areas was achieved. All range developments were functional and maintained (see Figure 3).



Figure 2. For RAN073562 and RAN074611, auditors found little evidence of cattle use in sensitive riparian areas, including this large wetland.

RAN074611 (grazing)

Description of the grazing tenure

RAN074611 is also held by Pincott Ranches Ltd., and is referred to as the 'Chris Lake subunit.' It has an area of 494 hectares with 76 AUMs authorized for grazing. The tenure is mostly fenced and about 50 percent of the perimeter is surrounded by private land. Livestock graze for a period of 44 days between June 15 and July 27 each year. Pincott Ranches Ltd. has held this tenure for about 10 years and it's essentially managed as an extension of tenure RAN073562 (see above).

Required content of the range use plan

The approved range use plan included all required content. The plan is valid for the period January 17, 2011, to December 31, 2015.

Compliance with the range use plan and practice requirements

Auditors found that Pincott Ranches Ltd. met the requirements in its plan, including the grazing schedule, minimum stubble heights, maximum browse utilization and salt placement away from riparian areas. All practice requirements related to protection of water quality, licensed waterworks, riparian areas (see Figure 2), fish habitat and upland areas were achieved. Range developments were functional and well maintained (see Figure 3).



Figure 3. Each of the three grazing tenures audited had fences that have to be maintained by the range user. Despite the high number of mountain pine beetle affected trees that fall onto the fences, all fences were functional and well maintained.

RAN076681 (grazing)

Description of the grazing tenure

RAN076681 is located between Canim Lake to the north and Deka Lake to the south, and has been held by Monty & Darlene Furber (the Furbers) since the late 1980s. The tenure has an area of 18 597 hectares with 286 AUMs authorized for grazing. The Furbers use a rotational grazing strategy between four unfenced pastures. Grazing on the range commences on June 1 and livestock are required to be off the range by October 7 of each year.

Most of the range tenure is surrounded by Crown land and includes Donnelly Lake Provincial Park. Livestock grazing is permitted in the provincial park.²

Required content of the range use plan

The approved range use plan was in effect for the period from April 21, 2010, to December 31, 2014, and included all required content.

Compliance with the range use plan and practice requirements

The Furbers met requirements in the plan for minimum stubble heights and maximum browse utilization. Auditors found that livestock use at the time of the field audit complied with the grazing schedule in the plan.

Auditors found that the Furbers complied with all applicable range practice requirements. Protection of water quality, licensed waterworks, riparian areas (see Figure 4), fish habitat and upland areas was achieved as required. In two riparian areas, livestock use was in compliance, but these areas showed signs of heavier use by livestock. Therefore, care needs to be taken to ensure these riparian areas continue to be protected in the future.

² Donnelly Lake Provincial Park was established as part of the Cariboo-Chilcotin land use planning process and grazing was permitted to continue after the park was established.

All range developments were functional and maintained. There was no evidence of livestock use within or immediately adjacent to Donnelly Lake Provincial Park.



Figure 4. This photo shows evidence of light livestock use in a riparian area adjacent to a fish-bearing lake on tenure RAN076681.

RAN073605 (hay cutting)

Description of the hay cutting tenure

Peter Wells & Maureen Goyette have held RAN073605 since the early 1980s, and the Wells family had held the licence since the 1960s. This 5-hectare tenure lies within the area encompassed by RAN074611 and includes 2 separate hayfields located about 1.5 kilometers apart—1 hay field is 1 hectare in area and the other hayfield is 4 hectares (see Figure 5).

Required content of range use plan

The approved range use plan includes all required content. The plan was approved on May 22, 2008, and extended on April 15, 2013, for a 5-year period ending December 31, 2017.

Compliance with the range use plan and practice requirements

There was no indication of recent hay cutting and no issues were identified.



Figure 5. This photo shows the 4-hectare hay field, which has not been cut in several years.

Audit Opinion

In my opinion, the range planning and practices carried out under range agreements RAN073562 and RAN074611, held by Pincott Ranches Ltd.; RAN076681, held by Monty & Darlene Furber; and RAN073605, held by Peter Wells & Maureen Goyette, between September 1, 2012, and October 2, 2014, complied in all significant respects with the requirements of the *Forest and Range Practices Act* and the *Range Planning and Practices Regulation*, as of October 2014. No opinion is provided regarding range readiness criteria.

In reference to compliance, the term “in all significant respects” recognizes that there may be minor instances of non-compliance that either may not be detected by the audit, or that are detected but not considered worthy of inclusion in the audit report.

The *Audit Approach and Scope* and the *Audit Results* sections of this report describe the basis of the audit work performed in reaching the above conclusion. The audit was conducted in accordance with the auditing standards of the Forest Practices Board. Such an audit includes examining sufficient range planning and practices to support an overall evaluation of compliance with FRPA.



Christopher R. Mosher CA, EP(CEA)
Director, Audits

Victoria, British Columbia
February 24, 2015

Appendix 1:

Forest Practices Board Compliance Audit Process

Background

The Forest Practices Board conducts audits of government and agreement-holders under the *Forest and Range Practices Act* (FRPA), section 122, and the *Wildfire Act* (WA). Compliance audits examine forest or range planning and practices to determine whether or not they meet FRPA and / or WA requirements.

Selection of Auditees

The Board conducts about eight or nine compliance audits annually. Most of these are audits of agreement holders. The Board also audits the government's BC Timber Sales Program (BCTS). This section describes the process for selecting agreement holders to audit.

To begin with, auditors randomly select an area of the Province, such as a district. Then the auditors review the forest resources, geographic features, operating conditions and other factors in the area selected. These are considered in conjunction with Board strategic priorities (updated annually), and the type of audit is determined. At this stage, we choose the auditee(s) that best suits the selected risk and priorities. The audit selections are not based on past performance.

For example, in 2010, the Board randomly selected the Mackenzie district as a location for an audit. After assessing the activities within that area, we discovered that a large licensee had recently closed operations due to financial problems. As the Board has expressed concern in the past about financially strapped companies failing to meet outstanding obligations, such as reforestation and road maintenance, and we knew that some of the licence area is very remote, the new licence holder was selected for audit.

For BCTS audits, a district within 1 of the 12 business areas within the province is selected randomly for audit.

Audit Standards

Audits by the Board are conducted in accordance with the auditing standards developed by the Board. These standards are consistent with Canadian generally accepted auditing standards. The standards for compliance audits are described in the Board's *Compliance Audit Reference Manual*.

Audit Process

Conducting the Audit

Once the Board randomly selects an area or district and determines the scope of audit to be conducted and the licensee(s) to be audited, all activities carried out during the period subject to audit are identified (such as harvesting or replanting, and road construction or deactivation activities). Items that make up each forest activity are referred to as a population. For example, all

sites harvested form the timber harvesting population and all road sections constructed form the road construction population.

A separate sample is then selected for each population (e.g., the cutblocks selected for auditing timber harvesting). Within each population, more audit effort (i.e., more audit sampling) is allocated to areas where the risk of non-compliance is greater.

Audit fieldwork includes assessments of features using helicopters and ground procedures, such as measuring specific features like riparian reserve zone width. The audit teams generally spend one week in the field.

Evaluating the Results

The Board recognizes that compliance with the many requirements of FRPA and WA, is more a matter of degree than absolute adherence. Determining compliance, and assessing the significance of non-compliance, requires the exercise of professional judgment within the direction provided by the Board.

The audit team, composed of professionals and technical experts, first determines whether forest practices comply with legislated requirements. For those practices considered to not be in compliance, the audit team then evaluates the significance of the non-compliance, based on a number of criteria, including the magnitude of the event, the frequency of its occurrence and the severity of the consequences.

Auditors categorize their findings into the following levels of compliance:

Compliance – where the auditor finds that practices meet FRPA and WA requirements.

Not significant non-compliance – where the auditor, upon reaching a non-compliance conclusion, determines that one or more non-compliance event(s) is not significant and not generally worthy of reporting. However, in certain circumstances, events that are considered not significant non-compliance may be reported as an area requiring improvement.

Significant non-compliance – where the auditor determines a non-compliance event(s) or condition(s) is or has the potential to be significant, and is considered worthy of reporting.

Significant breach – where the auditor finds that significant harm has occurred, or is beginning to occur, to persons or the environment as a result of one or many non-compliance events.

If it is determined that a significant breach has occurred, the auditor is required by the *Forest Practices Board Regulation* to immediately advise the Board, the party being audited, and the Minister of Forests, Lands and Natural Resource Operations.

Reporting

Based on the above evaluation, the auditor then prepares a draft audit report. The party being audited is given a draft of the report for review and comment before it is submitted to the Board.

Once the auditor submits the draft report, the Board reviews it and determines if the audit findings may adversely affect any party or person. If so, the party or person must be given an opportunity to make representations before the Board decides the matter and issues a final report. The representations allow parties that may potentially be adversely affected to present their views to the Board.

The Board then reviews the draft report from the auditor and the representations from parties that may potentially be adversely affected before preparing its final report. Once the representations have been completed, the report is finalized and released: first to the auditee and then to the public and government.

ⁱ [Audit of Forest Planning and Practices – Kenkeknem Forest Tenures Ltd. – First Nation Woodland Licence N11](#)



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