

March 12, 2018

Lyle Dinn  
Director Forest Management Branch  
Box 2703 (K-918)  
Whitehorse YT  
Y1A 2C6

**Re: 2017/18 Funding Agreement Report**

Dear Lyle,

Please accept this letter as our activities report as per our funding agreement for the fiscal year ending March 31/2018. Yukon Wood Products Association has been busy promoting and supporting the industry in the Yukon. The support of the Forest Management Branch has been a significant and positive contribution for our work as an association. This year has seen some significant progress with regard to the capacity of the wood products industry to continue growing and maturing.

The wood products association has experienced an interesting shift in membership over the past couple of years and in particular this past fiscal year. The shift has been in the direction away from small scale wood cutters to those selling biomass systems or engineering them. The current membership list is attached for your review.

During the past few months the YWPA and FMB have been discussing an expanded role for the association in the process of developing Timber Harvesting Plans with particular interest in the Haines Junction area. The association is interested in pursuing this and is willing to participate however, it must be noted that this role could increase time commitments for the executive director and associated members. This will require increased financial commitments to either contract additional support for this function or increase the contract value of the current executive director. This increase is not reflected in the budget for the coming year which has remained capped at approximately \$40,000.00. In the event that this work is added to our current workplan we request that the budget commitment be increased to \$50,000.00 per annum.

The association has recently learned that our website provider Elvio Web Design is going to shut down due to retirement. We are not clear at this time what impact this will have on our financial commitments to the site and will be seeking a new manager to provide the maintenance and upkeep of our website. More information will be available by the end of March 2018.

The past fiscal year has been a busy year for the association and the list below provides an outline of highlights:

- Specific to the Forest Management Branch the executive director has participated in a number of issues including; silviculture policy, timber processing regulation, scaling course, THP development, Whitehorse southern lakes FRMP and timber supply analysis meetings. we also hosted a staff tour of Bear Creek Loggings operation for FMB staff in Haines Junction
- YWPA is an active member of the Yukon Chamber of Commerce energy committee representing the interests of the wood products industry.
- YWPA is an active member of the Low Carbon Committee formulated by YCC on behalf of the Government to provide advice with regard to how the funds received will be dispersed. YWPA is interested in ensuring the funds do not get absorbed into general revenue accounts. Our objective is to see the collected funds reinvested in a way that promotes private sector investments that will reduce carbon emissions while promoting private sector economic development.
- The executive director attended Local Area Plan meetings in Haines Junction and hosted a delegation of Finnish biomass experts in October in Haines Junction and Teslin.
- Attended the CCFM meeting in Ottawa this September.
- Met with a number of governments officials regarding biomass heating opportunities. Most notably, met with City of Whitehorse engineers and were successful in having them install a junction in the hydronic heat system for the new administration building on two mile hill. This junction will facilitate a future biomass heating system being installed post construction.
- Fielded a wide range of inquiries from the public and members regarding biomass, logging and firewood production. This has included the contractors working on the Selkirk First Nations biomass heat evaluation.
- Submitted comments on YESAB submissions encouraging full utilization of land clearing operations and requesting recognition of the economic contributions of the industry.
- Formed an unofficial coalition with the Yukon Conservation Society and Yukoners Concerned to work on issues of mutual concern. Most notably the issue of landscape fuel management planning and the linkage to biomass. This has involved a number of meetings including FMB, Wildland Fire Branch, City of Whitehorse Fire Chief, Yukon Association of Municipalities, Minister of EMR and DM Stephen Mills. This coalition brought Ed Struzik to Whitehorse in early March to present his book Fire Storm and raise profile of the risk that Whitehorse faces with regard to a catastrophic fire.
- The executive director was a presenter at the Clean Technology conference hosted by the Cold Climate Innovation group. This was well attended and the economic potential of the biomass based forest industry was emphasized. As part of the

Yukon Chamber of Commerce the executive director will be moderating a panel at the Yukon Chamber of Commerce Business Continuity workshop on the 15<sup>th</sup> of March. This conference is focused on how to prepare and protect your business in the face of a significant natural disaster.

- Our website photo gallery has been updated recently. The photo's highlight the capacity of our members to grow the biomass heating market.
- YWPA held its AGM in May 2017 and an all members meeting in January 2018.

Copies of the 2017 AGM and January 2018 members meeting are available on our website at:

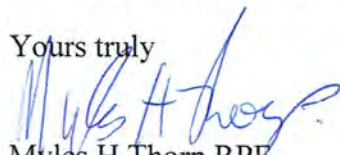
<http://www.yukonwoodproducts.org/index.html>

Enclosed with this letter is a proposed budget for 2017/18 fiscal year and signed copy of the work plan for the coming fiscal year. In early April 2018 the final bank balance, receipts and tracking ledger will be forwarded in order to close out this fiscal years reporting requirements.

The YWPA is looking forward to working with you and the Forest Management Branch in the coming year. Our aim is to be the voice of the industry and we will continue to support that work as well as the work of the Forest Management Branch.

Your support is greatly appreciated, please feel free to share this report with appropriate staff in your organization. If you have any questions please do not hesitate to call.

Yours truly



Myles H Thorp RPF

Executive Director

867-335-1914