

Forest Fibre Action Plan

Public Version

February 17, 2016



FLNRO Contacts

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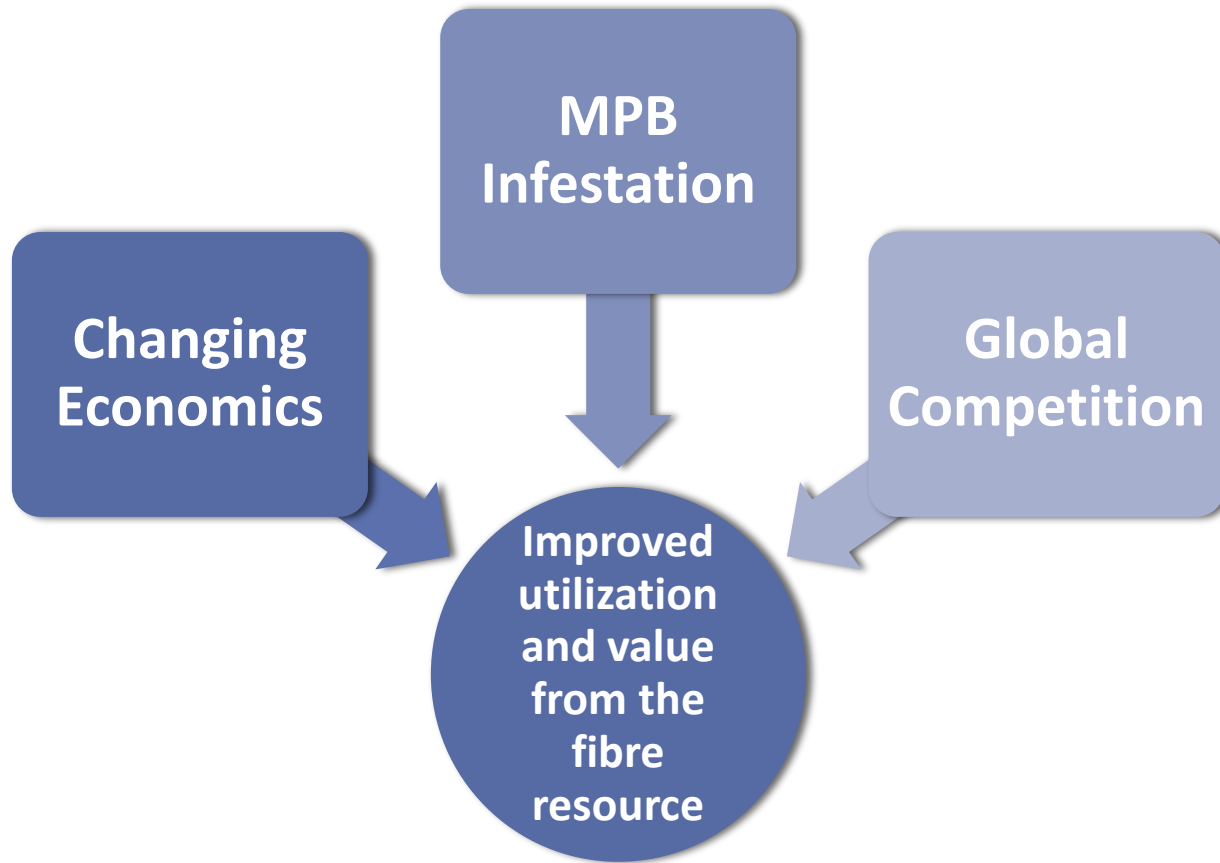
Doug Stewart, Director Forest Tenures Branch

Objective of Slide Deck

- Communications
- Update of ongoing policy work
- Implementation & feedback



The Issue



Background

Linkages

- Forest Sector Competitiveness Strategy
- Mountain Pine Beetle Response

2014 & 2015 Minister Thomson Mandate letter item on fibre utilization

*“examine ways to enhance security of fibre
supply for secondary and non-lumber users”*

Background

2014 & 2015 Forestry and Fibre Working Group (FFWG)

- Representation from primary harvesters, secondary users, FPInnovations, FLNRO
- Took on task of making recommendations to enhance fibre security for secondary users and improve fibre utilization across the sector.

Summer 2015 – Report to Minister Thompson on Fibre Utilization

- Provided 13 recommendations
- Collaborative solutions from FFWG and assessment of implementation

Background

Forestry Fibre Action Plan

Announced September 16, 2015

“These technical policy adjustments will help ensure the secure supply of fibre for secondary manufacturers. The fibre action plan is one component of the Forest Sector Competitiveness Strategy to ensure that BC’s forest sector remains world-leading and source of employment for British Columbians.”

Minister Thomson

Summary of Action Plan

#	Forest Fibre Action Plan	Status/Timing
1	Implement the Fibre Recovery Process for situations where residual supply and demand exist.	Implemented / Dec 2015
2	Develop and Implement "Biomass Handling Guidelines" - FPIInnovations under contract	Initiated / Mar 2016
3	Update and Maintain Timber Tenure Summary Information #3a Report	Implemented / Sept 2015
4	Monitor and Amend the Fibre Recovery Tenures (Road and Landing Tenures)	Ongoing / Sept. 2015
5	FLNRO to advertise and enter into Supplemental Forest Licence where appropriate. - First Licence awarded in Prince George Timber Supply Area	Ongoing / Sept. 2015
6	Review the proposal to expand the use of Cruise-based billing.	Initiated / Spring 2016
7	Grade 4 Cut accountability and Sustainable Cut Control Credit	Implemented / Sept. 2015
8	Fibre Utilization Baseline - Linked to actions #11 and #12	Initiated / Spring 2016
9	Operational Initiatives	Ongoing / Sept. 2015
10	Review the Pricing of Lower Quality Fibre - Linked with actions #11, #13	Initiated / Mid- 2016
11	Review of Waste Benchmarks - Short term action of extending waste benchmarks completed Sept 2015 - Linked with actions #10 , #13	Ongoing / Mid 2016
12	Conduct a review of the policies and procedures of Measuring Waste including the use of the dry grades in waste measurement	Initiated / Mid – end 2016
13	Review the proposal to move Waste Measurements Offsite to Secondary Uses Scale site.	Final stages / Early 2016

Themes

1. Support integrated harvesting
2. Provide tenure opportunities if a secondary user needs to independently access fibre
3. Improve waste measurements to better reconcile to inventory/timber supply, including measuring dry grade 4 in the interior
4. Continued support for various initiatives province wide



Theme One: Support Integrated Harvesting

Supporting Integrated Harvesting

to Increase Fibre Delivery to Secondary Facilities

- Fibre Recovery Process - DONE
 - *Facilitate the development of business to business relationships and information sharing between primary harvesters and secondary users.*
- Biomass Handling Guide - UNDERWAY
 - *Operationally oriented*
 - *Provide planners and machine operators with guidelines on best practices on the ground that support integrated planning and harvest of the full range of timber and fibre.*

Theme One: Support Integrated Harvesting

Supporting Integrated Harvesting to Increase Fibre Delivery to Secondary Facilities

- Pre-harvest Waste Assessment Process (scale based)
 - *Facilitate delivery of fibre to a primary harvester and secondary user at the same time (one pass).*



- Special Forest Products rates
 - *Defined rates for chips, hog fuel and other products*
- Waste benchmark extension
 - *Volume of avoidable waste, that can be left on a harvested area without being subject to a monetary waste assessment*

Theme One: Support Integrated Harvesting

Supporting Integrated Harvesting

to Increase Fibre Delivery to Secondary Facilities

- Grade 4 Sustainable Cut Control Credits
 - *Grade 4 fibre does not count towards cut control when delivered to a non-sawlog facility*
- Review proposal to expand cruise-based billing (future)
 - *Cruise based billing does not require waste assessments*

Theme Two: Provide Tenure Opportunities

Providing Tenure Opportunities in the Event

that a Secondary User Needs to Independently Access Fibre

The *Forest Act* currently provides a number of opportunities for secondary users to access fibre

- Fibre Recovery Tenures
 - *Allow for the rights to residual fibre left on roads and landings to be granted to secondary users where the primary harvester has given up the rights to the fibre*
 - *Fibre Supply Licence to Cut, Permits, Residual Forestry Licence to Cut*
 - *2 new Fibre Supply Licence to Cuts issued in North Area*

Theme Two: Provide Tenure Opportunities

Providing Tenure Opportunities in the Event that a Secondary User Needs to Independently Access Fibre

- Supplemental Forest Licence
 - *Can provide access to timber on a short-term basis to continue operations in the event of a disruption to the supply*
 - *When a fibre supply is longer available, we want to minimize the impact on secondary users by diversifying the supply options*
 - *Recognized as not the least cost option*
 - *1 – new Supplemental Forest Licence Issued in North Area*

Theme Two: Provide Tenure Opportunities

Providing Tenure Opportunities in the Event that a Secondary User Needs to Independently Access Fibre

- Restricted Forest Licence
 - *Where fibre is required on a constant basis and competition is restricted*
- Forests For Tomorrow
 - *Program supports fibre recovery in areas to be rehabilitated following MPB or wildfires*
- Forest Enhancement
 - *Focus on fire management treatments*
 - *More info coming after budget 2016*



Theme Three: Review Policies and Procedures

Review of the policies and procedures for measuring residue including the use of the dry grades in residue measurement

- Evidence has told us there is room for improvement in how residue is measured and it is time to review this
- Joint government and industry technical working group
 - *Representation from primary harvesters, secondary users and government*
- Review is targeted to be complete by mid 2016
 - *Strategic direction will be required in late 2016 on whether dry grades should be cut accountable and/or billed.*

Theme Three: Review Policies and Procedures

Review of the policies and procedures for measuring residue including the use of the dry grades in residue measurement

- Fibre Utilization Baseline – supported by Forest Innovation Investment
 - *develop metrics to measure and track utilization trends overtime*



Theme Four: Support for Initiatives

Continue support for various ongoing and new initiatives across the province to increase fibre utilization

- Prince George Pilot project
- Coast Problem Forest Stand Pilot
- Analysis of fibre left at roadside (Cariboo Chilcotin);
- Enhanced waste assessments (100 Mile House);
- Deconstructing waste piles (Thompson Rivers);
- Utilization and pricing of decadent hemlock (Thompson Rivers);

Theme Four: Support for Initiatives

Continue support for various ongoing and new initiatives across the province to increase fibre utilization

- Enabling chipping of post-harvest debris on active cut blocks (Chilliwack);
- Examining Land Use plans that constrain timber access (Selkirk);
- Joint pellet industry/government bi-annual meetings (Prince George);
- Advertising secondary tenures and licences where demand is robust and business to business relationships not working (various districts);
- FPI Forest Inventory Pilots
- and more...

Communication Needs

- Communication strategy being developed with primary and secondary users to ensure operations staff know when and how to use various tools and approaches
- Monitoring
 - Need staff to provide feedback on what's working and what isn't
 - Need staff to know who to contact about what
 - Early indications are that business to business is improving.

Information & Feedback

- Policy alignment issues?
 - Government, industry & public awareness of the plan?
 - Any other products or support required?
 - Specific challenges and opportunities?
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- More information can be found on the following website
 - <https://www.for.gov.bc.ca/hth/timber-tenures/fibre-recovery.htm>

Please e-mail feedback to Patrick.Russell@gov.bc.ca