

Interfor Corporation Proposed Tenure Disposition in the North Island Timber Supply Area

Purpose of this Document

This document provides detail on two tenure dispositions proposed by Interfor Corporation (Interfor) in the North Island timber supply area (TSA). The dispositions include the transfer of replaceable forest licences (RFL) to new tenure holders. These tenure dispositions require the approval of decision makers in the Ministry of Forests (the Ministry). For details on the legal requirements for the approvals and the process the ministry will employ to determine if the dispositions should be approved, refer to the document titled "Interfor Corporation Proposed Tenure Disposition in Coast British Columbia". The document is available on the Forest Tenures Branch website at: Coast Disposition Background.

For further information on the proposed transaction please contact Emma Neill, Senior Timber Tenures Forester at 778-974-2439 or Matthew Feagan, Timber tenures Specialist at 250-739-8324 or by email at InterforDisposition2023@gov.bc.ca.

Details of the Disposition Requests

The Ministry of Forests has received applications from Interfor to complete the following tenure changes in the North Island TSA:

- 1. The subdivision of Forest Licence A94732 with an AAC of 63,495 m³ into A99518, A99519 and A99520, with 29,495 m³ remaining in A94732.
- 2. The transfer of A99518 with an AAC of 10,000 m³ to Cape Mudge Forestry Ltd, on behalf of the We Wai Kai First Nation.
- 3. The transfer of A99519 with an AAC of 12,000 m³ to Nuchatlaht First Nation.
- 4. The transfer of A99520 with an AAC of 12,000 m³ to Nuchatlaht First Nation.

What is a replaceable forest licence and what rights are being provided?

RFL's are a form of forest tenure that provides harvesting rights in a TSA. RFLs are replaced every 10 years with a new term of 15 years. Details of the RFLs being transferred follow:

RFL	Current Term	Replacement Date
A94732	2018-10-29 to 2033-10-28	2028-10-29

Are there other Tenures or Permits that will be transferred?

Interfor has indicated there will be no road permits (RP), cutting permits (CP), or licences of occupation transferred to the new tenure holders. No special use permits (SUP) will be assigned to the new tenure holders. Over time, these ancillary tenures will be surrendered or transferred to other tenure holders.



Where will the RFLs be allowed to operate?

The RFLs will provide the holder with the right to apply for CPs and RPs within the North Island TSA. The approval of the CPs and RPs will require consultation with First Nations and the approval of the District Manager to ensure they meet all legal requirements.

The North Island TSA is located on Northern Vancouver Island, which is administered by the Campbell River and North Island Central Coast Natural Resource District offices. A map of the North Island TSA is attached.

It is a common practice for tenure holders in a TSA to enter into an operating area agreement to restrict their operations to a certain area of the TSA. This arrangement avoids overlapping operations amongst tenure holders and helps to ensure orderly planning and operations in the TSA. These operating area arrangements are business to business arrangements by tenure holders and are not mandated by the ministry.

It is expected that the transferred A94732 and associated licences will initially restrict their operations to the areas negotiated in the North Island for the RFLs and any future operating area changes will be done through discussion with other tenure holders in the North Island TSA.

What harvest rights have been provided in the North Island TSA?

The AAC for the North TSA is 1,248,000 m³ as of January 1, 2017. The AAC of the North Island TSA is apportioned into forest licences and for use by BC Timber Sales as follows:

Tenure Type	Coniferous Volume m ³	Deciduous Volume m ³	Apportionment by Licence
Replaceable Forest Licence	794,872		Aat'uu Forestry Limited Partnership, A19236 – 55,445 cubic metres/year
			Aat'uu Forestry Limited Partnership, A90938 – 5,530 cubic metres/year
			A94730, Tiičma Forestry Inc – 104,689 cubic metres/year
			A94731, Interfor Corporation – 87,015 cubic metres/year
			A94732, Interfor Corporation – 63,495 cubic metres/year
			A94733, Interfor Corporation – 42,330 cubic metres/year
			A94734, Interfor Corporation – 36,047 cubic metres/year
			A94736, TimberWest Forest Corp. – 14,880 cubic metres/year
			A4737, Western Forest Products Inc., 5,443 cubic metres/year
			A74689, A&A Trading Ltd. – 10,336 cubic metres/year
			A19243, Richmond Plywood – 38,109 cubic metres/year
			A19231, Western Forest Products – 303,283 cubic metres/year



		A 75083, Lions Gate Forest Products Ltd 8,664 cubic metres/year A91958, 0898322 B.C. Ltd 8,250 cubic metres/year
Forest Licence (Replaceable) First Nations		A97152, Cape Mudge Forestry Ltd. – 13,984 cubic metres/year
Forest Licence Non- replaceable	46,632	A94321, Tlowitsis Tribe – 1,136 cubic metres (non AAC lump sum volume)
Non Replaceable Forest Licences – First Nations	17,984	A95361, Matchlee General Partnership Ltd. – 5,565 cubic metres/year
		A961163, WWK Forestry Partnership – 22,120 cubic metres (non-AAC lump sum volume)
		A977196, Nuchatlaht First Nation Community Logging Corporation – 4,000 cubic metres/year
BC Timber Sales	362,540	

Information regarding volumes apportioned to other tenure types can be found here: North Island TSA Apportionment

Are manufacturing facilities involved in the transaction?

There are no timber processing requirements with the licence.

Are there contracting requirements associated with the RFLs?

No, there are no contractor rights associated with A94732. Information regarding contractor rights as a result of a tenure sub-division and transfer can be found here: <u>Contractor Rights Information</u>.

What happens to existing licence obligations, such as silviculture?

The new RFL holders will assume any new obligations associated with the licence including paying stumpage, and future silviculture responsibilities. Existing obligations associated with silviculture are being retained by Interfor.

How will harvest operations be conducted?

Interfor has advised the Ministry that the new tenure holders may be added to Interfor's existing forest stewardship plan #675. This will require a major amendment under the *Forest and Range Practices Act.*



Map of the TSA



Ministry of Forests

North Island - Timber Supply Area



