



## 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 (RFLs) 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](mailto: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 transfer of the A94730 with an AAC of 104,689 m<sup>3</sup> to KCFN Forestry Ventures Limited Partnership, on behalf of KA:’YU:’K’T’H’/CHE:K’TLES7ET’H’ First Nations.
2. The transfer of A94731 with an AAC of 87,015 m<sup>3</sup> to Cape Mudge Forestry Ltd, on behalf of the We Wai Kai First Nation.
3. The transfer of A94733 with an AAC of 42,330 m<sup>3</sup> to Cape Mudge Forestry Ltd, on behalf of the We Wai Kai First Nation.
4. The transfer of A94734 with an AAC of 36,047 m<sup>3</sup> to Cape Mudge Forestry Ltd, on behalf of the We Wai Kai First Nation.
5. The transfer of A94732 with an AAC of 63,495 m<sup>3</sup> to the Quatsino 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
A94730	2018-10-19 to 2033-10-18	2028-10-19
A94731	2018-10-19 to 2033-10-18	2028-10-19
A94732	2018-10-29 to 2033-10-28	2028-10-29
A94733	2018-10-29 to 2033-10-28	2028-10-29
A94734	2018-10-29 to 2033-10-28	2028-10-29



## Are there other Tenures or Permits that will be transferred?

Interfor has indicated that some road permits (RP), cutting permits (CP), and licences of occupation may be transferred in whole or in part to the new tenure holders. In addition, some Special Use Permits (SUP) will be assigned to the new tenure holders or surrendered and the new tenure holder may apply for a new SUPs or a Licence of Occupation under the *Land Act*.

Details on the RPs, SUPs and licences that will be transferred or assigned in whole or part to the tenure holders follows:

### Road Permits

Associated Tenure	Permit #	New tenure holder	Operating Area and Location
A94730	R01659	KCFN Forestry Ventures	Chamiss Bay
A94730	R03531	KCFN Forestry Ventures	Chamiss Bay, Ououkinish
A94730	R06627	KCFN Forestry Ventures	Chamiss Bay, Kashutl, Kauwinch, Ououkinish, Werner Bay
A94730	R07303	KCFN Forestry Ventures	Chamiss Bay, Kashutl, Kauwinch, Ououkinish
A94730	R04434	KCFN Forestry Ventures <sup>1</sup>	Cachalot
A94732	R01700	Quatsino First Nation	Cleagh Creek
A94732	R09867	Quatsino First Nation	Cleagh Creek, Klaskino, Klaskish
A94731	R00046 R01694	Cape Mudge Forestry Ltd.	Elk Bay, Bear Lake
A94733	R00046 R01694	Cape Mudge Forestry Ltd.	Elk Bay, Bear Lake
A94734	R00046 R01694	Cape Mudge Forestry Ltd.	Elk Bay, Bear Lake

1 – Road permit that Interfor has previously agreed to transfer to the KCFN Forestry Ventures subject to them holding a forest tenure.

### Special Use Permits

Permit #	Issued	Expiry	Use	New Holder	Location
S08040	02/22/2019	2033/10/18	Logging camp	KFCN Forestry Ventures	Chamiss Bay
S08017	11/26/1978	2017/11/24 <sup>2</sup>	Campsite/ Shop	Quatsino First Nation	Cleagh Creek
S08538	12/30/1979	2021/12/29 <sup>3</sup>	Equipment Storage	Quatsino First Nation	Cleagh Creek

2 Request for renewal has been submitted to the Ministry.

3 Renewal is in progress



## Licences

File #	Expiry	Use	New Holder	Location
320847	2047/07/31	Lease - Log Dump, Boom, Storage, Boat/ Aircraft docking	KFCN Forestry Ventures	Chamiss Bay
1402862	2028/10/17	Logging Camp	KFCN Forestry Ventures	Chamiss Bay
1402917	2021/05/29 <sup>4</sup>	Log handling and storage	KFCN Forestry Ventures	Chamiss Bay
1406771	2027/07/31	Log dumping, booming, storage and barge ramp	KFCN Forestry Ventures	Kauwinch River
1408969	2030/06/30	Log handling	KFCN Forestry Ventures	Kashutl Inlet
1413500	2021/11/22 <sup>4</sup>	Log Handling	KFCN Forestry Ventures	Werner Bay
324742	2045/11/20	Lease - Storage. Dump. Boom & Aircraft Docking	Quatsino First Nation	Cleagh Creek
1402845	2026/01/01	Log Storage & Load Out	Quatsino First Nation	Kultus Cove
160038	2019/11/24 <sup>4</sup>	Log Dump & Boom	Cape Mudge Forestry Ltd.	Bear Lake
0122928	2051/02/28	Log Dumping and Boom	Cape Mudge Forestry Ltd.	Elk Bay

4 – Renewal is in progress

Further details on these permits and licences are available on request and maps (shapefiles) are available on the FTP site located at

<https://www.for.gov.bc.ca/ftp/HTH/external/!publish/Interfor%20Transfer/>.

## 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 A94730, A94731, A94732, A94733 and A94734 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 m<sup>3</sup> 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 <sup>3</sup>	Deciduous Volume m <sup>3</sup>	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, Interfor Corporation – 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 license.

### **Is there contracting requirements associated with the RFLs?**

No, there are no contractor rights associated with A94730, A94732, A94733 and A94734.

There is one replaceable contractor with contractor rights for full phase harvesting and contractor rights for road building for these A94731. Information on contractor rights as a result of a tenure sub-division and transfer can be found here: [Contractor Rights Information](#).

### **What happens to existing license obligations, such as silviculture?**

The new RFL holders will assume the new obligations associated with the licence including paying stumpage, and future silviculture responsibilities.

Existing obligations associated with road permits and silviculture are still being determined between Interfor and the new RFL holders.

### **How will harvest operations be conducted?**

Interfor has advised the Ministry that the new tenure holders will be added to Interfor's existing forest stewardship plan #62. This will require a major amendment under the *Forest and Range Practices Act*.

Map of the TSA

