

Interfor Corporation Proposed Tenure Disposition in the Sunshine Coast Timber Supply Area

Purpose of this Document

This document provides detail on several tenure dispositions proposed by Interfor Corporation (Interfor) in the Sunshine Coast timber supply area (TSA). The dispositions include the sub-division of a replaceable Forest Licence (RFL) and the transfer of several RFLs to new tenure holders. These tenure dispositions require the approval of decision makers in the Ministry of Forests (the "Ministry"). Details on the legal requirements for these approvals and the process the ministry will employ to determine if the dispositions should be approved, can be found in the document titled "Interfor Corporation Proposed Tenure Disposition in Coast British Columbia". The document is available on the Forest Tenures Branch website at: https://www2.gov.bc.ca/gov/content/industry/forest-tenure-transfer-disposition.

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 has received applications from Interfor to complete the following tenure changes in the Sunshine Coast TSA:

- The subdivision of RFL A19220 with an allowable annual cut (AAC) of 181,031 m³ into an amended A19220 with an AAC of 81,031 m³, the creation of a new RFL A98741 with an AAC of 18,550 m³. And the creation of another new RFL A98809 with an AAC of 81,450 m³.
- 2. The transfer of the amended A19220 to the Klahoose Forestry Limited Partnership.
- 3. The subsequent transfer of the A98741 to the Klahoose First Nation.
- 4. The subsequent transfer of A98809 with an AAC of 81,450 m³ to the Klahoose Forestry Limited Partnership.
- 5. The transfer of A19224 with an AAC of 81,450 m³ to the Tsain-Ko Forestry Development Partnership (Shishalh First Nation).
- 6. The transfer of A98515 with an AAC of 40,000 m³ to the Tsain-Ko Forestry Development Partnership (Shishalh 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 subdivided and/or transferred follow:

RFL	Current Term	Replacement Date
A19220	2018-10-30 to 2033-10-29	2028-10-30
A19224	2018-11-02 to 2033-11-01	2028-11-02
A98515	2022-08-02 to 2033-10-29	2032-08-03



The new A98741 and A98809 will have terms where the replacement and expiry aligns with the dates in the original A19220.

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 will be transferred in whole or in part to the new tenure holders. In addition, some Special Use Permits (SUP) and Licences of Occupation (LOO) will be assigned to the new tenure holders or surrendered and the new tenure holder will apply for new SUPs or a Licence of Occupation under the *Land Act*.

Details on the permits and licences that may be transferred or assigned in whole or in part to the tenure holders follows:

Associated Tenure	Permit #	New Associated Tenure	Operating Area
A19220	R01707	A98741 / A98809	Pryce, Quatam Bay
A19220	R04457	A98741 / A98809	Ramsey Arm
A19220	R07552	A98741 / A98809	Toba Inlet (Brem, Chusan, Nor)
A19220	R12049	A98741 / A98809	Toba Inlet (Ramsey. Raza)
A19220	R13983	A98741 / A98809	Redonda Island
A19220	R14673	A98741 / A98809	Homfray
A19224 / A98515	R01608	A19224 / A98515	Hunaechin (Lausman, Slane, Smanit)
A19224 / A98515	R01682	A19224 / A98515	Narrows (East of Tzoonie Narrows)
A19224 / A98515	R01686	A19224 / A98515	Jackson, Nine Mile
A19224 / A98515	R01689	A19224 / A98515	Cloholm
A19224 / A98515	R01693	A19224 / A98515	Narrows (South of Tzoonie Narrows)
A19224 / A98515	R02541	A19224 / A98515	Jervis Inlet (Treat, Perketts)
A19224 / A98515	R04538	A19224 / A98515	Hunaechin
A19224 / A98515	R07492	A19224 / A98515	Vancouver Bay
A19224 / A98515	R10316	A19224 / A98515	Jervis Inlet (Stakawus, Britain, Glacial)

Road Permits

Special Use Permits

Permit #	Expiry	Use	New Holder	Location
S01454	2033-02-20	Logging Camp	Transfer to Tsain-ko Forestry	Jervis Inlet
			Development Corporation	
S02695	2033-04-03	Camp	Transfer to Tsain-ko Forestry	Narrows Inlet
			Development Corporation	
S04877	2025-05-05	Camp	Transfer to Klahoose Forestry Limite	Quantum Bay
			Partnership	
S07110	2032-10-31	Dryland Sort Transfer to Tsain-ko Forestry Sechelt In		Sechelt Inlet
			Development Corporation	
S08334	2033-03-21	Disposal	Transfer to Tsain-ko Forestry	Sechelt Inlet
			Development Corporation	
S10160	2029-08-25	Repeater	Transfer to Tsain-ko Forestry	Squamish
			Development Corporation	



S14004	2032-10-31	Dryland Sort	Transfer to Tsain-ko Forestry Development Corporation	Clowham Lake
S17199	2025-09-19	Logging Camp	Transfer to Klahoose Forestry Limited Partnership	Toba Inlet
S17764	2032-05-14	Log Dump	Transfer to Tsain-ko Forestry Development Corporation	Jervis Inlet
S20344	2031-06-01	Dryland Sort	Transfer to Tsain-ko Forestry Development Corporation	Clowhorn Lake
S23033	2032-11-25	Dryland Sort	Transfer to Tsain-ko Forestry Development Corporation	Vancouver Bay
S23387	2033-06-30	Dryland Sort	Transfer to Tsain-ko Forestry Development Corporation	Jervis Inlet

Licences

File #	Expiry	Use	New Holder	Location
2402447	2032/02/11	Log handling, storage	Transfer to Tsain-ko Forestry	Queen's reach
			Development Corporation	
0168201	2029/11/12	Lease - Log dump, storage,	Transfer to Tsain-ko Forestry	Jervis Inlet
		booming	Development Corporation	
2409078	2021/08/01*	Log Dump	Transfer to Tsain-ko Forestry	Jervis Inlet
			Development Corporation	
2411784	2026/11/28	Log dump, storage, float,	Transfer to Tsain-ko Forestry	Perketts
		wharf	Development Corporation	
2411988	2028/05/31	Log handling and storage	Transfer to Tsain-ko Forestry	Seshal
			Development Corporation	
2406806	2031/09/05	Log handling	Transfer to Tsain-ko Forestry	Stakawus
			Development Corporation	
2407113	2022/10/04*	Log handling, storage	Transfer to Tsain-ko Forestry	Stakawus
			Development Corporation	
0268033	2021/06/30*	Foreshore, storage	Transfer to Tsain-ko Forestry	Narrows
			Development Corporation	
2412516	Pending	Log Dump Narrows	Transfer to Tsain-ko Forestry	Lawlors
		North Site 2	Development Corporation	
2412573	In Progress	Log Dump Kunechin Point	Transfer to Tsain-ko Forestry	Storm Bay
			Development Corporation	
0326271	2024/05/22	Foreshore, storage	Transfer to Tsain-ko Forestry	Clowhom
			Development Corporation	
0211007	2027/09/16	Foreshore, storage	Transfer to Tsain-ko Forestry	Clowhom
			Development Corporation	
2404885	2031/07/30	Foreshore/Storage,	Transfer to Klahoose Forestry	Brem River
		Log dump, booming,	Limited Partnership	
		storage and float camp		
2407908	Pending	Log dumping, storage,	Transfer to Klahoose Forestry	Frances Bay
		handling and camp tie-up	Limited Partnership	
2408536	2024/06/24	Log handling and storage	Transfer to Klahoose Forestry	Pryce Channel
			Limited Partnership	



0205804	2051/10/12	Lease - Log booming water l	Transfer to Klahoose Forestry Limited Partnership	Quatam
2407390	Pending	Log Handling and Storage	Transfer to Klahoose Forestry Limited Partnership	Ramsay Arm
2407389	2051/09/01	Log dump, booming and storage	Transfer to Klahoose Forestry Limited Partnership	Raza Island
2409687	2031/12/20	Log handling and storage - Heli drop zones	Transfer to Klahoose Forestry Limited Partnership	Raza Island
2408498	2024/07/01	Log handling and storage	Transfer to Klahoose Forestry Limited Partnership	Redonda Island
2406753	2032/01/09	Float camp, heli landing, log storage and handling	Transfer to Klahoose Forestry Limited Partnership	
2409950	2030/08/01	Log handling and storage	Transfer to Klahoose Forestry Limited Partnership	Chusan, Mack, Mitt and Nor Creeks
2410146	2031/09/17	Foreshore/Storage, Log handling, Dump, Boom, Storage	Transfer to Klahoose Forestry Limited Partnership	Tahumming
2410634	2051/10/31	Log handling and storage	Transfer to Klahoose Forestry Limited Partnership	Colliery Creek
2410954	2025/07/18	Log dump	Transfer to Klahoose Forestry Limited Partnership	Mitt Creek

*Replacement pending completion of consultation.

Further details on these permits and licences are available on request.

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 Sunshine Coast 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 Sunshine TSA occupies a portion of the south coast of British Columbia about 100 km north of Vancouver. It is within the South Coast Natural Resource Region and is administered by the B.C. government's Sunshine Coast Natural Resource District office in Powell River. A map of the Sunshine Coast 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 tenure holders from overlapping operations 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 amended A19220, new A98741, new A98809, A19224, and A98515 will initially restrict their operations to the areas historically allocated to Interfor for each RFL, and any future operating area changes will be done through discussion with other tenure holders in the Sunshine Coast TSA.



What harvest rights have been provided in the Sunshine Coast TSA?

The Chief Forester set an AAC for the Sunshine Coast TSA of 1,204,808 m³ on August 22, 2013. The Minister subsequently allocated or apportioned the Sunshine Coast TSA AACs into Forest Licences and for use by BC Timber Sales on September 13, 2013 as follows:

Tenure Type	Coniferous	Deciduous	Apportionment by Licence
	Volume m ³	Volume m ³	
Replaceable Forest Licence	741,758		A19220 – Interfor Corporation – 181,031 m ³ A19224 – Interfor Corporation – 81,450 m ³ A19229 – A&A Trading Ltd. – 115,966 m ³ A77899 – H.S. Christensen Logging Ltd. – 2,936 m ³ A77899 – 1175401 B.C. Ltd. – 10,000 m ³ A77900 – 1175401 B.C. Ltd. – 7,675 m ³ A80590 – A&A Trading Ltd. – 26,700m ³ A86928 – Interfor Corporation – 124,000 m ³ A86929 – Interfor Corporation – 182,000 m ³ , sub-divided into amended A86929 – 42,000 m ³ , A98515 – 40,000 m ³ and A98514 m ³ – 100,000 m ³ A98167 – Tsain-Ko Forestry Development Corporation – 10,000 m ³
Non Replaceable Forest Licence	61,411	98,000	A84120 – Klahoose Forestry Limited Partnership – 8,571 m ³ A96117 - Tsain-Ko Forestry Limited Partnership – 60,001 m ³ A96117 Tsain-Ko Forestry Limited Partnership – 25,000 m ³ A96240 - Tsain-Ko Forestry Limited Partnership – 9,999 m ³ A96245 – Holmalco Jeh Jeh Tenure Management Limited Partnership – 19,359 m ³ (deciduous) A96246 – Holmalco Jeh Jeh Tenure Management Limited Partnership – 11,000 m ³ (deciduous) Klahoose Forestry Limited Partnership – 10,000 m ³
Non Replaceable Forest Licences – First Nations	75,923		
BC Timber Sales	209,361		

Information regarding volumes apportioned to other tenure types can be found here: <u>Sunshine Coast</u> <u>TSA Apportionment</u>



How is the Allowable Annual Cut set for the Sunshine Coast TSA?

The Forest Act requires the chief forester to review the timber supply for each TSA at least once every 10 years and in most cases determine a new AAC. For the Sunshine Coast TSA, work on determining a new AAC commenced in 2021 with the release of a data package (found here: <u>SunshineCoastDataPackage</u>). The data package contains information that will be used to determine the new AAC such as the forest management regime, applicable land use plans, and legal objectives established by the Forest and Range Practices Act. First Nations consultation and a public review has been conducted on the data package that will be considered by the chief forester in determining a new AAC for the Sunshine Coast TSA.

Once the new AAC is established, the minister may adjust the apportionment (allocation) of timber harvesting rights assigned to specific tenure types. In instances where the new AAC is lower than the current AAC, the minister may proportionately reduce the AAC assigned to RFLs in the TSA. No compensation is provided by government when an RFLs timber harvesting rights are reduced by proportionate reduction due to a lower AAC being set by the chief forester.

Are manufacturing facilities involved in the transaction?

There are no timber processing requirements with the license.

Is there contracting requirement associated with the RFLs?

There are four replaceable contractors with contracting rights on the RFLs. Information on contractor rights as a result of tenure sub-division and transfer can be found here: Information on Contractor Rights.

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 the future silviculture responsibilities.

The responsibility to meet the outstanding obligations associated with road permits and silviculture requirements are still being determined between Interfor and the proposed new RFL holders.

How will harvest operations be conducted?

Interfor has advised the Ministry that the new tenure holders Klahoose First Nation and Klahoose Forestry Limited Partnership will be added to Interfor's existing forest stewardship plan #20. This will require a major amendment under the Forest and Range Practices Act. Tsain-ko Forestry Development Corporation will amend their existing FSP to include additional areas.



Map of the Sunshine Coast TSA

