

Beetle Infestation and Fibre Access Update

Residue Wood Conference
Vancouver, BC



Jim Snetsinger
Assistant Deputy Minister and Chief Forester
Ministry of Forests, Lands and Natural Resource Operations
October 27th, 2011

Beetle Management Update

Presentation Outline

- Infestation update.
- Recent MPB AAC decisions and shelf-life.
- Licensee performance in pine.
- Current stewardship initiatives.
- Types of fibre.
- Ways to secure fibre.
- Non-sawlog fibre tenures.
- Conclusion.

Infestation Update

- Ministry annually updates outbreak projections using computer model.
- Outlook has changed significantly.
- Projected Provincial pine kill has decreased each of the last six years:
 - 2006 model – 80% kill by 2013
 - 2007 model – 77% kill by 2014
 - 2008 model – 76% kill by 2015
 - 2009 model – 70% kill by 2017
 - 2010 model – 67% kill by 2020
 - 2011 model – 61% kill by 2021

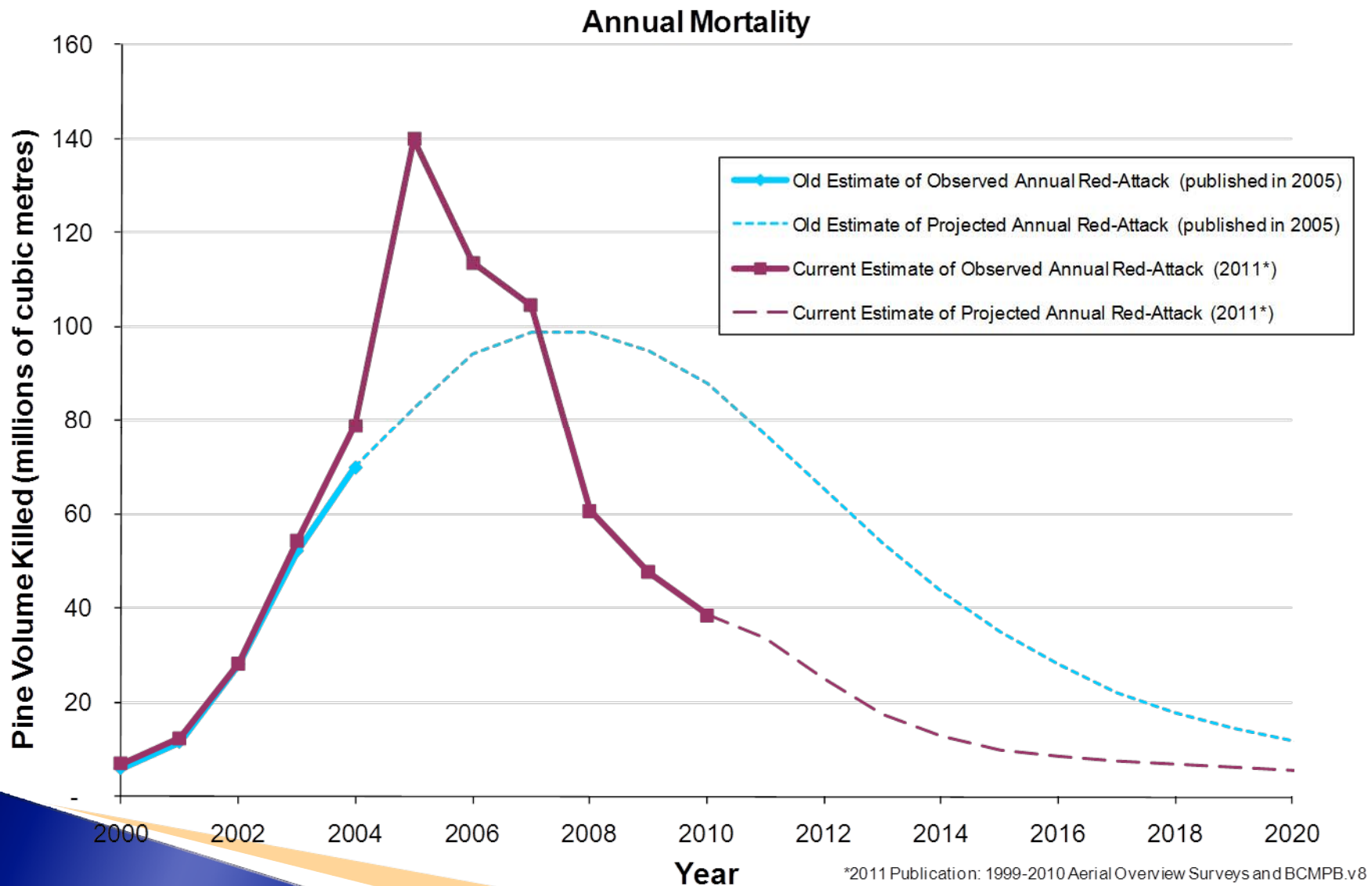


Infestation Update

- 51% of merchantable pine has been killed as of 2010:
 - Equates to 692 million cubic metres.
- Worst year of infestation was 2004:
 - 140 million m³ killed that year alone.
- Annual kill declined rapidly since then:
 - Down to 39 million m³ in 2010.
- Projected to continue to decline:
 - Less than 5 million m³ will be killed annually by 2021.

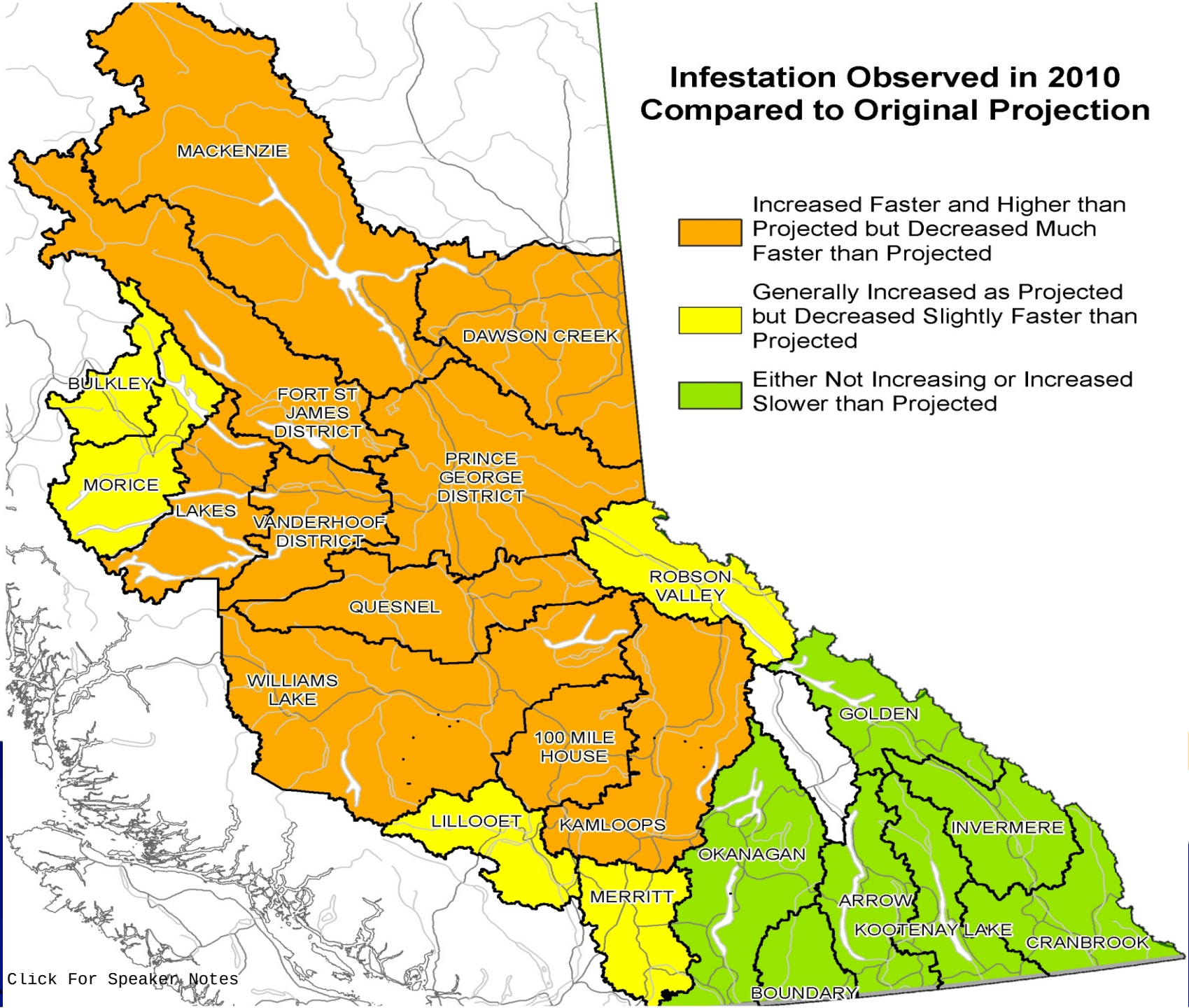


Projected and Observed Impacts

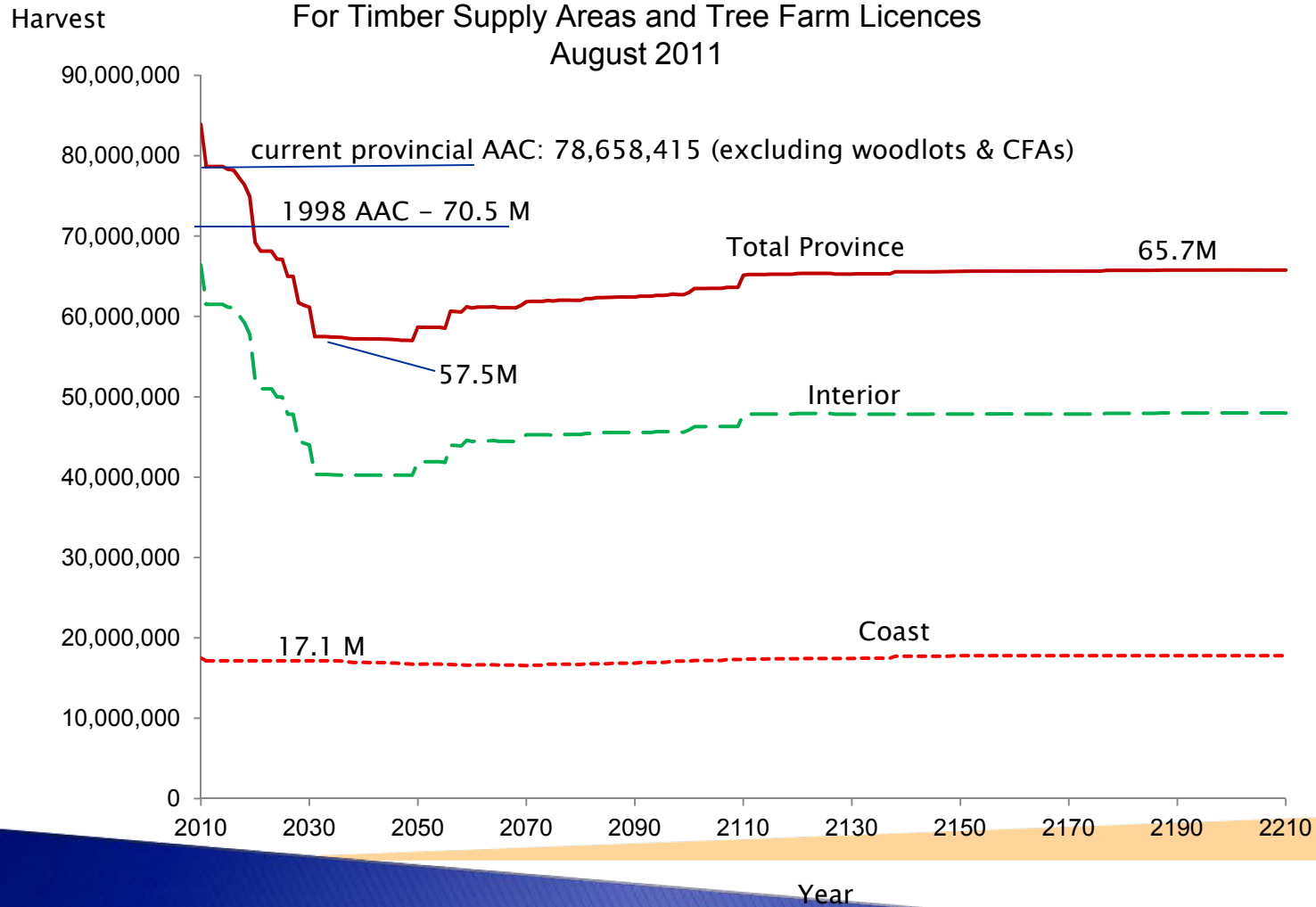


Infestation Observed in 2010 Compared to Original Projection

- Increased Faster and Higher than Projected but Decreased Much Faster than Projected
- Generally Increased as Projected but Decreased Slightly Faster than Projected
- Either Not Increasing or Increased Slower than Projected



Provincial Timber Supply Forecasts



Recent and Pending MPB AAC Decisions

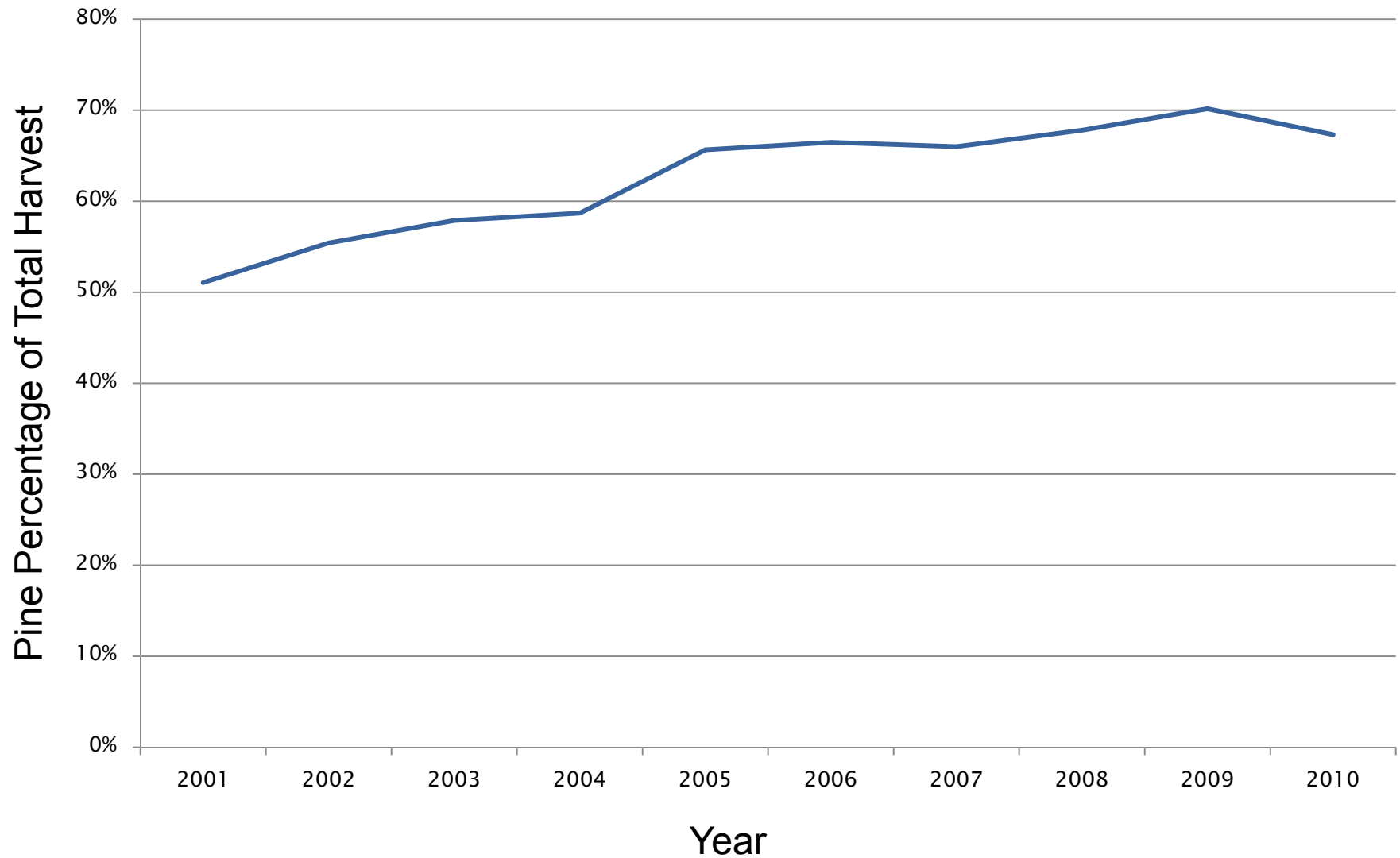
- Recent Beetle Unit AACs:
 - Prince George
2010 12.5 million m³ (16% decrease)
 3.683 million non-pine
 - Quesnel
2010 4.0 million m³ (24% decrease)
 0.650 million non-pine
 - Lakes
2011 2.0 million m³ (38% decrease)
 0.350 million non-pine
- Upcoming Beetle Unit Determinations:
 - Williams Lake, 100 Mile House and Mackenzie TSAs.

Recent AAC Decisions and Shelf-Life

- Moving away from trying to predict an economic shelf-life of pine as it is unique to each operator.
- Now using a biophysical shelf-life (15 years) that reflects the length of time we expect trees to remain standing (on average).
- The use of a biological shelf-life combined with partitions (non-pine) leaves the dead pine opportunity for existing or emerging opportunities.
- Mid-term timber supply is protected by the partition (pine harvest cannot be directed into non-pine).



Licensee Performance in Pine



Click For Speaker Notes

Current Stewardship Initiatives

- Mid-term Timber Supply Project.
- Exploring more fibre inclusive AACs.
- Projecting the amount of MPB impacted area that will ultimately require treatment under different scenarios.

Types of Fibre

- Mountain Pine Beetle (MPB) stands.
- Mill residue – hog fuel, chips, ground wood, sawdust and shavings.
- Roadside accumulations – piles of residual or waste wood.
- Healthy stands of timber.



Ways to Secure Fibre

- **Licence acquisition** – purchase a forest tenure from existing tenure holder.
 - **Partnership Agreement** – partner with existing tenure holder in venture(i.e. Industry and FN).
 - **Fibre Supply Agreement (B2B)** – Establish an agreement that specifies the terms upon which the parties agree to supply and purchase wood fibre from each other.
 - **New Licence Offerings** – Licence opportunities are offer competitively (i.e. NRFL, restricted NRFL).
- 

Non-Sawlog Fibre Tenures

- Forest Licence (NRFL).
- Direct Award NRFL for Bioenergy Supply Contracts.
- Restricted Forest Licence (aka Receiving Licence).
- Landing and Roadside Tenures (Not Yet in Force):
 - o Fibre Supply Licence to Cut.
 - o Residue Forestry Licence to Cut.
- Timber Sales Licence (TSL or ITSL) – through BCTS.



Conclusions

- It appears that the ultimate impact of the infestation will be less than initially forecast.
- The infestation has progressed differently relative to initial projections in different parts of the province.
- I have started to bring AACs down in my latest determinations.
- Latest determinations use a biological shelf-life combined with partitions to keep dead pine available and protect mid-term timber supplies.
- There are a number of fibre types and ways to secure access.
- New tenure forms are available to facilitate fibre utilization.



Questions?

