



c/o Tweedsmuir Forest Ltd.
3003 Riverview Road, Prince George, BC V2K 4Y5
Phone: (250) 564-1518 Fax: (250) 562-1518
Email: venturefc@telus.net

October 4, 2006

Bill Warner, RPF
Regional Executive Director
Northern Interior Forest Region
BC Ministry of Forests
1011 – 4th Avenue
Prince George, BC V2L 3H9

Re: Request for an Allowable Annual Cut Increase in the Morice Timber Supply Area

Dear Bill;

The holders of Innovative Forest Management Agreements in the Morice Timber Supply Area request an increase of 500,000 cubic metres to the Allowable Annual Cut in the management unit subsequent to Section 59.1 (7) of the *Forest Act*.

This request is in recognition of the government objective of maintaining the BC Timber Sales program at twenty percent of the provincial harvest, of government commitments to First Nations under new relationship initiatives and of the expectation of community forest and woodlot holders to participate in the MPB salvage harvest. The request also recognizes that forest stewardship plans, cutting authorities and related administrative requirements can be promptly addressed by major forest license holders and that immediate implementation is essential to minimize non recoverable losses of economically valuable timber. Furthermore, the request recognizes the commitment of license holders to minimize risk to other resources by conducting accelerated operations within the framework of the Morice SFM Plan. The Morice SFM Plan incorporates Morice LRMP objectives along with those developed during the CSA certification process.

There are two components to this request; one is based upon long term management commitments to sustain timber supply, and a second is based upon effective implementation of a harvest strategy to optimize the salvage of beetle killed timber. The magnitude of these requests is the outcome of extensive analyses of timber and other resource values in the TSA, and of discussions with the Nadina Forest District Manager and the BC Timber Sales Babine Business Unit Manager.

The analysis work done for the IFPA participants indicates that a one million cubic metre AAC uplift provides a reasonable balance between minimizing non recoverable losses, minimizing the midterm fall down in timber supply, and maintaining environmental values.

The first component of the request is for a permanent 210,000 cubic metre quota apportionment to IFPA holders. This is based upon timber management provisions described in the Innovative Forest Practices Regulation, as summarized in elements 1 through 5 in table 1.

The second component of the request is for a temporary 290,000 cubic metre quota apportionment for a decade, the anticipated term for the accelerated pine beetle salvage cut uplift. This request is predicated upon a number of factors, summarized in elements 6 and 7 of Table 1, including;

- Implementing an innovative and effective harvest rule that limits non recoverable losses and regenerates the most productive sites on a priority basis – IFPA Regulation 2(a) & 2(d);
- Monitoring implementation of the harvest rule – IFPA Regulation 2(a);
- Maintaining environmental values by conducting an accelerated harvest within the framework of a monitored SFM Plan – IFPA Regulation 2(f); and
- A demonstrated ability to rapidly mobilize administrative and operational aspects of an accelerated salvage program–IFPA Regulation 2(f).

Commitments to support this request are described in the enclosed Forestry Plan. The plan will be advertised for public review for the required term and resubmitted, if necessary, for your approval subsequent to that process. This letter, the Forestry Plan and the accompanying reference materials constitute this request. Of particular interest is the analysis report that describes mitigation activities and their forecast effect upon harvest levels. The elements of the analyses that mitigate timber supply impacts and their respective impacts are summarized in Table 1.

Table 1. Morice IFPA AAC Elements and the Associated Volume Contributions

| Element | AAC Uplift Request Legislation Reference | Planning Horizon | | |
|---|--|--|---|--|
| | | Harvest for Periods 2 & 3 (2007-2017) | Harvest for Periods 4-20 (2018-2102) | Harvest for Periods 21-35 (2103-2252) |
| 1. Reduced Operational Adjustment Factor (OAF) 1 | IFPA Regulation. Paragraph 2e | 0% | 0.48% 648,090 m ³ 7,625 m ³ /yr | 0.31% 793,644 m ³ 5,291 m ³ /yr |
| 2. Volumes based on Site Index generated from PEM/SIBEC data rather than the Forest Inventory Site Index. | IFPA Regulation. Paragraph 2e | 0% | 4.82% 6,558,763 m ³ 77,162 m ³ /yr | 8.81% 22,268,723 m ³ 148,458 m ³ /yr |
| 3. Increased Utilization | IFPA Regulation. Paragraph 2a, 2e | 2% 600,000 m ³ 60,000 m ³ /yr | 2% 2,720,000 m ³ 32,000 m ³ /yr | 2% 5,054,000 m ³ 33,693 m ³ /yr |
| 4. Increase the percentage of spruce planted in future plantations | IFPA Regulation. Paragraph 2a | 0% | 0% | 5.25% 13,262,804 m ³ 88,418 m ³ /yr |
| 5. Use genetically improved stock as per BC Forest Genetics Council species plans | IFPA Regulation. Paragraph 2a | 0% | 6.25% 8,500,000 m ³ 100,000 m ³ /yr | 9.55% 24,128,571 m ³ 160,857 m ³ /yr |
| Subtotal independent of harvest rule | | 60,000 | 216,787 | 436,717 |
| 6. Implement MPB Mitigation Harvest Rule | IFPA Regulation. Paragraph 2a, 2e | 34.6% 10,338,830 m ³ 1,038,883 m ³ /yr | 0% | 0% |
| 7. Manage risk to environmental values from accelerated harvest using SFM Framework | IFPA Regulation. Paragraph 2f | Supports 1,098,883 m ³ /yr | Supports 216,787 m ³ /yr | Supports 436,717 m ³ /yr |
| Uplift Totals with harvest rule & SFM | | 1,098,883 | 216,787 | 436,717 |
| IFPA requested apportionment of uplift | | 500,000 * | 210,000 | 210,000 |

* (290,000 Temporary uplift + 210,000 permanent uplift)

Note: The numbers in the above table indicate the expected increases over the status quo due to each proposed table element. The percentages are based on increased growing stock levels for each sensitivity over the current status scenario analysis. The volumes refer to the cumulative incremental growing stock available over the time periods identified in column headings. The volumes per year are the incremental AAC contributions for each period that are forecast for the respective mitigation element.

Three hardcopies of the submission have been prepared and include this letter, Forestry Plan, Timber Supply Analysis Report and Information Package. The submission has also been provided in digital format on 3 enclosed CDs for distribution to the appropriate personnel for evaluation. The submission documents can also be downloaded from the Morice & Lakes IFPA website (<http://www.moricelakes-ifpa.com/publications/index.html>)

Please contact me if you have any further questions.

Sincerely,
Morice and Lakes IFPA

A handwritten signature in blue ink that reads "Jim McCormack". The signature is written in a cursive style with a large initial "J" and "M".

Jim McCormack, RFT

for Jim Burbee, RPF
Morice & Lakes IFPA General Manager