



**Regional District of Bulkley-Nechako  
Committee of the Whole  
AGENDA  
Thursday, November 9, 2023**

<b><u>PAGE NO.</u></b>		<b><u>ACTION</u></b>
	<b><u>First Nations Acknowledgement</u></b>	
	<b><u>AGENDA - November 9, 2023</u></b>	<b>Approve</b>
	<b><u>Supplementary Agenda</u></b>	<b>Receive</b>
	<b><u>MINUTES</u></b>	
<b>2-8</b>	<b>Committee of the Whole Meeting Minutes - October 12, 2023</b>	<b>Approve</b>
	<b><u>REPORTS</u></b>	
<b>9</b>	<b>Nellie Davis, Manager of Regional Economic Development - UBCM Community Emergency Preparedness Fund - Indigenous Cultural Safety Application</b>	<b>Recommendation</b>
<b>10-24</b>	<b>John Illes, Chief Financial Officer - Summary of Timber Supply Area Apportionment Decisions in the Regional District</b>	<b>Receive</b>
	<b><u>SUPPLEMENTARY AGENDA</u></b>	
	<b><u>NEW BUSINESS</u></b>	
	<b><u>ADJOURNMENT</u></b>	

**REGIONAL DISTRICT OF BULKLEY-NECHAKO****COMMITTEE OF THE WHOLE MEETING****Thursday, October 12, 2023**

<b>PRESENT:</b>	Chair	Mark Parker
	Directors	Gladys Atrill – left at 12:52 p.m. Shane Brienen – arrived at 11:21 a.m. Martin Elphee Judy Greenaway Clint Lambert Linda McGuire Shirley Moon Kevin Moutray Chris Newell Michael Riis-Christianson Stoney Stoltenberg Sarrah Storey Henry Wiebe
	Director Absent	Leroy Dekens, Village of Telkwa
	Alternate Director	Annette Morgan, Village of Telkwa – via Zoom
	Staff	Curtis Helgesen, Chief Administrative Officer Cheryl Anderson, Director of Corporate Services Nellie Davis, Manager of Regional Economic Development – arrived at 12:42 p.m., left at 1:00 p.m. John Illes, Chief Financial Officer Deborah Jones-Middleton, Director of Protective Services – arrived at 12:03 p.m., left at 12:42 p.m. Jason Llewellyn, Director of Planning Wendy Wainwright, Deputy Director of Corporate Services
	Others	David deWit, Natural Resources Manager, Office of the Wet’sutwet’en – via Zoom 12:00 pm Ryan Holmes, Director, Resource Stewardship Operations, Ministry of Water, Land and Resource Stewardship – via Zoom 12:00 p.m. Justin Schroff, P.Geo., Regional Director, NW Region, Ministry of Energy, Mines and Low Carbon Innovation – via Zoom 11:00 a.m., left at 11:33 a.m.
	Media	Saddman Zaman, LD News

**CALL TO ORDER**

Chair Parker called the meeting to order at 11:00 a.m.

## **FIRST NATIONS ACKNOWLEDGEMENT**

**AGENDA & SUPPLEMENTARY AGENDA** Moved by Director McGuire  
 Seconded by Director Newell

C.W.2023-7-1 "That the Agenda of the Committee of the Whole meeting of October 12, 2023 be approved; and further, that the Supplementary Agenda be dealt with at this meeting."

(All/Directors/Majority) CARRIED UNANIMOUSLY

## **MINUTES**

Committee of the Whole Minutes – September 7, 2023 Moved by Director Stoltenberg  
 Seconded by Director Greenaway

C.W.2023-7-2 "That the Committee of the Whole Meeting Minutes of September 7, 2023 be approved."

(All/Directors/Majority) CARRIED UNANIMOUSLY

## **DELEGATIONS**

### **MINISTRY OF ENERGY, MINES AND LOW CARBON INNOVATION – Justin Schroff, P.Geo., Regional Director, NW Region RE: Gravel Extraction and Processing – via Zoom**

Chair Parker welcomed Justin Schroff, P.Geo., Regional Director, NW Region, Ministry of Energy, Mines and Low Carbon Innovation (MoEMLCI).

Mr. Schroff provided a PowerPoint presentation.

### **Notice of Work Applications**

- Is it a Mine?
- Generalized NOW process flow
- Intake – don't worry too much about this!
- Review, referral and consultation
- Referrals to Regional Districts
- Permit decisions
- Reclamation Security
- Other Agency decisions.

## **DELEGATIONS**

### **MINISTRY OF ENERGY, MINES AND LOW CARBON INNOVATION – Justin Schroff, P.Geo., Regional Director, NW Region RE: Gravel Extraction and Processing – via Zoom (Cont'd)**

Discussion took place regarding the following:

- Values
  - Official Community Plans (OCP) are in response to existing interests and goals for community
  - MoEMLCI recognizes the OCP but the *Mines Act* doesn't recognize the *Local Government Act* or local authorities
  - MoEMLCI allows the ability to develop framework to review community and OCP values e.g. tourism
  - Referral process can be lengthy managing all interests
  - Dialogue is the best possible way to manage interests
  - Limited volume of advocating for interests in northern communities vs. lower mainland communities
  - Referral Process
    - Ideally engaging directly with stakeholders in the area to discuss values
    - Assistance from local governments and municipalities
    - Working to refine a community process
    - Inspector of Mines can provide notification using newspapers or the BC Gazette
    - Working on a community engagement portal to allow for more engagement
    - Beneficial to have follow-up discussion
  - Compliance
    - Relies heavily on the referral process
    - Compliance framework only as long as permits
    - Permits need to be robust to manage because the Inspector of Mines also relies on them when going to a site
    - Attempt to inspect gravel pits every 1 to 2 years.

Chair Parker thanked Mr. Schroff for attending the meeting.

**Break for lunch at 11:33 a.m.**

**Reconvened at 12:03 p.m.**

## **DELEGATIONS (CONT'D)**

### **MINISTRY OF WATER, LAND AND RESOURCE STEWARDSHIP AND OFFICE OF THE WET'SUWET'EN - David deWit, Natural Resources Manager, Office of the Wet'sutwet'en and Ryan Holmes, Director, Resource Stewardship Operations, Ministry of Water, Land and Resource Stewardship – RE: Widzin Kwah Water Sustainability Project – via Zoom**

Chair Parker welcomed David deWit, Natural Resources Manager, Office of the Wet'sutwet'en and Ryan Holmes, Director, Resource Stewardship Operations, Ministry of Water, Land and Resource Stewardship.

Messrs. Holmes and deWit provided a PowerPoint Presentation.

#### **Widzin Kwah Water Sustainability Project**

- Agenda
- Purpose
- Background
- WWSP Governance Structure
- Project Area
- Project Phases
- Water Working Group Purpose
- What watershed values and uses have been identified by the project team?
- Watershed Objectives
- Engagement.

The following was discussed:

- Water Working Group
  - o RDBN representation
    - Elected representatives and staff
      - Importance of reporting to the Board
      - Primary representative and alternate
  - o Time commitment
    - Virtual, in-person and hybrid meetings
- Ecosystems - relationships between water and other plant systems –water that will reach the river and other systems reliant on the river
  - o Healthy ecosystems in the watershed that interlinks values
  - o Connection to the land and wildfire resiliency
    - Conceptual framework – triggers, usages, objective values
  - o Future realities of climate – create and design ecosystems more resilient to climate
- Information sharing
- Will bring forward at a future Board meeting to determine RDBN participation and representation.

Chair Parker thanked Messrs. deWit and Holmes for attending the meeting.

## **DEVELOPMENT SERVICES**

### **Referral**

Mines Referral No.  
161384335 – Electoral  
Area A (Smithers/Telkwa Rural)

Moved by Director Stoltenberg  
 Seconded by Director Storey

C.W.2023-7-3

1. "That the Committee receive the additional information on the Supplementary Agenda.

2. That the comment sheet be provided to the Province as the Regional District's comments on Mines Referral No. 161384335."

(All/Directors/Majority)

**CARRIED UNANIMOUSLY**

Discussion took place regarding:

- Follow-up and RDBN request to receive and time to consider additional information regarding the application
- Staff followed up with the Province and there is no decision pending prior to the October 28<sup>th</sup> Board meeting
- Staff will forward information to the Town of Smithers.

### **REPORTS**

Gravel Extraction and  
Processing

Moved by Director Stoltenberg  
 Seconded by Director Greenaway

C.W.2023-7-4

"That the Committee receive the Director of Planning's Gravel Extraction and Processing memorandum."

(All/Directors/Majority)

**CARRIED UNANIMOUSLY**

Bursary Policy Revision

Moved by Director Riis-Christianson  
 Seconded by Director Stoltenberg

C.W.2023-7-5

"That the Committee recommend that the Board approve the RDBN Bursary Policy."

(All/Directors/Majority)

**DEFEATED**

## **REPORTS (CONT'D)**

### Letter of Support Request -District of Houston

Moved by Director McGuire  
 Seconded by Director Stoltenberg

### C.W.2023-7-6

"That the Committee recommend that the Board approve the District of Houston's request for a Letter of Support for a Rural Economic Development Infrastructure Program application for the Bymac Park and Campground Revitalization project."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

### Letter of Support Request -Town of Smithers

Moved by Director Brienens  
 Seconded by Director Greenaway

### C.W.2023-7-7

"That the Committee recommend that the Board approve the Town of Smithers request for a Letter of Support for a BC Active Transportation Grant application for the Smithers Cycle 16 Connector Trail project."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

## **DISCUSSION**

### **Bulkley Nechako Regional Transit - Follow-up - Meeting with the Honourable Rob Fleming, Minister of Transportation and Infrastructure**

The following was discussed:

- Follow-up with MoTI staff
- Minister Fleming indicated he will provide a letter confirming MoTI's commitment to Bulkley Nechako Regional Transit
- Allocation amount for buses
  - o Funding gaps to provide sufficient service levels to accommodate ridership
- Increasing bus capacity to accommodate ridership
  - o Advocating for larger buses
  - o Using a number of smaller buses and adjusting timelines to provide different schedules
- Parking for those travelling to bus stops
- Northern Development Initiative Trust reviewing booking system.

**ADJOURNMENT**

Moved by Director Lambert  
Seconded by Director Newell

C.W.2023-7-8

“That the meeting be adjourned at 1:10 p.m.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

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Mark Parker, Chair

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Wendy Wainwright, Deputy Director of  
Corporate Services





## Regional District of Bulkley-Nechako Committee of the Whole

**To:** Chair and Committee  
**From:** Nellie Davis, Manager of Regional Economic Development  
**Date:** November 9, 2023  
**Subject:** **UBCM Community Emergency Preparedness Fund – Indigenous Cultural Safety Application**

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**RECOMMENDATION:** **(all/directors/majority)**

That the Committee recommend that the Board approve the RDBN's application to UBCM's Community Emergency Preparedness Fund – Indigenous Cultural Safety Program for a Cultural Competence in Emergency Response project and agree to provide overall grant management for the project.

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**BACKGROUND**

Staff are submitting an application to UBCM's Community Emergency Preparedness Fund – Indigenous Cultural Safety Program for an in-person, facilitated training session to increase local government staff's cultural competency in relation to emergency response activities.

The session will focus on developing intercultural competency skills, identification and recognition of personal cultural biases, and strategies for communication with diverse teams.

RDBN and member municipality staff who participate in emergency response will be invited to attend. This will include permanent Emergency Management staff, as well as staff who fill roles in an Emergency Operations Center during an active event.

The grant application will be for \$30,000 and will cover 100% of the costs of the event. An RDBN Board resolution is required for the application to be approved.



## Regional District of Bulkley-Nechako Committee of the Whole

**To:** Chair and Committee  
**From:** John Illes, Chief Financial Officer  
**Date:** November 9, 2023  
**Subject:** **Summary of Timber Supply Area Apportionment Decisions in the Regional District**

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**RECOMMENDATION:** (all/directors/majority)

Receipt

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### BACKGROUND

With respect to forest management, the province is broken down into a number of timber supply areas (TSA). The Regional District includes the Bulkley TSA (around Smithers, Telkwa and the western portion of Babine Lake), the Morice TSA (around Houston, Granisle and the western portion of the Ootsa reservoir and the mid portion of Babine Lake), the Lakes TSA (around Burns Lake, Francois Lake, the centre portion of the Ootsa reservoir, and the Eastern portion of Babine Lake), and a western portion of the very large Prince George TSA.

The Chief Forester of British Columbia, an appointed civil servant that must be a registered professional forester (RPF), determines the allowable annual cut (AAC) for each TSA. The process of determining the AAC is called the Timber Supply Review. Many factors enter the decision made by the Chief Forester. One of the major pieces of information that is considered is the results of timber supply models that show possible timber harvest amounts based on various scenarios. These models include harvesting constraints such as old growth requirements, the growth of different species of trees under various climatic conditions and include estimates of (lumber) loss from future fires and insects. The setting of the AAC should be considered a professional independent decision.

The Minister of Forests decides upon the Apportionment for each TSA after an AAC is determined. The apportionment decision involves the “splitting up” of all the harvest rights in the TSA between different timber tenure types (the most common being forest licenses), as well as adjusting the timber volume assigned to each tenure holder to ensure the total apportioned timber matches the AAC. This decision should be considered as a political decision. The Chief Forester determines how much harvesting there will be and then the Minister determines to who and how the “harvesting pie” will be split up.

## CURRENT LAKES TSA DECISION

The Minister last set the apportionment in the Lakes TSA in 2013 and most recently on August 21, 2023. The 2013 decision was made, in part, to provide volume in non-replacement forest license volume to recover harvestable lumber from mountain pine beetle killed forests. In 2023 with the new AAC dropping nearly a million cubic metres per year the apportionment was set to transition the harvest levels to “an after beetle” level. The volume associated with non-replaceable forest licenses was eliminated as the salvageable volume associated with the mountain pine beetle timber is considered economically exhausted. The volume associated with community forest agreements and First Nation woodland licenses is not reduced or lost but is now no longer part of the total AAC. First Nations Woodland Licences and Community Forest Agreements areas are removed from the TSA after they are issued and their AAC is determined separately apart from the AAC of the TSA.

For example, the 150,000 cubic metres in the Community Forest Agreement was issued to Chinook Community Forest and Chinook Community Forest AAC is now in addition to the AAC of the TSA.

The volumes associated with harvest levels “outside the TSA” in the table below are estimates based on current information published by the province attributed to Resource Districts.

“within the TSA”	<b>2013</b>	<b>2023</b>
Forest License	868,604	716,983
Non-replaceable Forest License	589,466	
First Nation Woodland License	79,163	
Timber Sales	284,506	194,000
Community Forest Agreement	150,000	
Forest Service Reserve	3,261	3,261
New First Nations Opportunities		55,756
<b>Total TSA AAC</b>	<b>1,975,000</b>	<b>970,000</b>
“Outside the TSA”		
Community Forests Agreements	267,263	332,623
First Nations Woodland Tenures (est)		74,152
WOODLOTS (APPROXIMATE)	40,000	40,000
<b>Total “Area” AAC</b>	<b>2,282,263</b>	<b>1,416,775</b>

There is approximately 400,000 additional cubic metres of harvest in the Lakes TSA on top of the 970,000 cubic metres listed in the apportionment from Community Forest

Agreements, Woodlots and First Nations Woodland Tenures. The specifics of these amounts are detailed in the appendix.

The additional 39,010 cubic metres allocated to First Nations tenures as part of this new apportionment decision has directly caused an additional 39,010 cubic metre decrease in the available harvest levels for other tenures (forest licenses and timber sale agreements) over and above the impact that would otherwise be expected because of the Chief Forester's allowable annual cut decision. These tenures are yet to be issued and the volume associated with these tenures are currently considered part of the Lakes TSA's AAC.

**Attachments:            Timber Supply Area maps (4)**  
**Lakes Timber Supply Area Apportionment Decision**

## APPENDIX

### Allowable Annual Cut Summary Table

	AAC	Determination Date	Apportionment Date
<b>Bulkey</b>	<b>840,331</b>	<b>01-Apr-19</b>	<b>09-Dec-15</b>
<b>Morice</b>	<b>1,576,043</b>	<b>08-Sep-16</b>	<b>16-May-16</b>
<b>Lakes</b>	<b>970,000</b>	<b>21-Nov-19</b>	<b>21-Aug-23</b>
<b>Prince George</b>	<b>6,935,023</b>	<b>11-Oct-17</b>	<b>18-May-21</b>

#### Notes for Summary Table:

The restrictions on the AAC are listed below for each TSA.

The Allowable Annual Cut's for Community Forest Agreements and First Nations Woodland Licences are in addition to the AAC listed in the above table. The allowable Annual Cut for Woodlot licenses are also in addition to the AAC listed above but these small tenures are not presented in detail below, but an approximate total volume is included. Woodlots range in size between 400 Ha and 1200 Ha.

#### **Bulkey:**

1. A maximum of 502 700 cubic metres are attributable to sawlog stands.

#### **Community Forests and First Nations Woodland Licenses within the Bulkey TSA**

WETZIN'KWA COMMUNITY FOREST CORPORATION	30,304
LAKE BABINE NATION FORESTRY LTD. (FNWL)	17,650
WOODLOTS (APPROXIMATE)	40,000

#### **Morice:**

No special conditions

#### **Community Forests and First Nations Woodland Licenses within the Morice TSA**

DUNGATE COMMUNITY FOREST LIMITED PARTNERSHIP	29,000
BABINE LAKE COMMUNITY FOREST SOCIETY	11,000
WOODLOTS (APPROXIMATE)	40,000

#### **Lakes:**

The AAC includes three partitions:

1. a maximum of 400,000 cubic metres per year is attributable to live coniferous volume;
2. a maximum of 20,000 cubic metres per year is attributable to live deciduous volume; and
3. a maximum of 550,000 cubic metres per year is attributable to dead volume.

### **Community Forests and First Nations Woodland Licenses within the Lakes TSA**

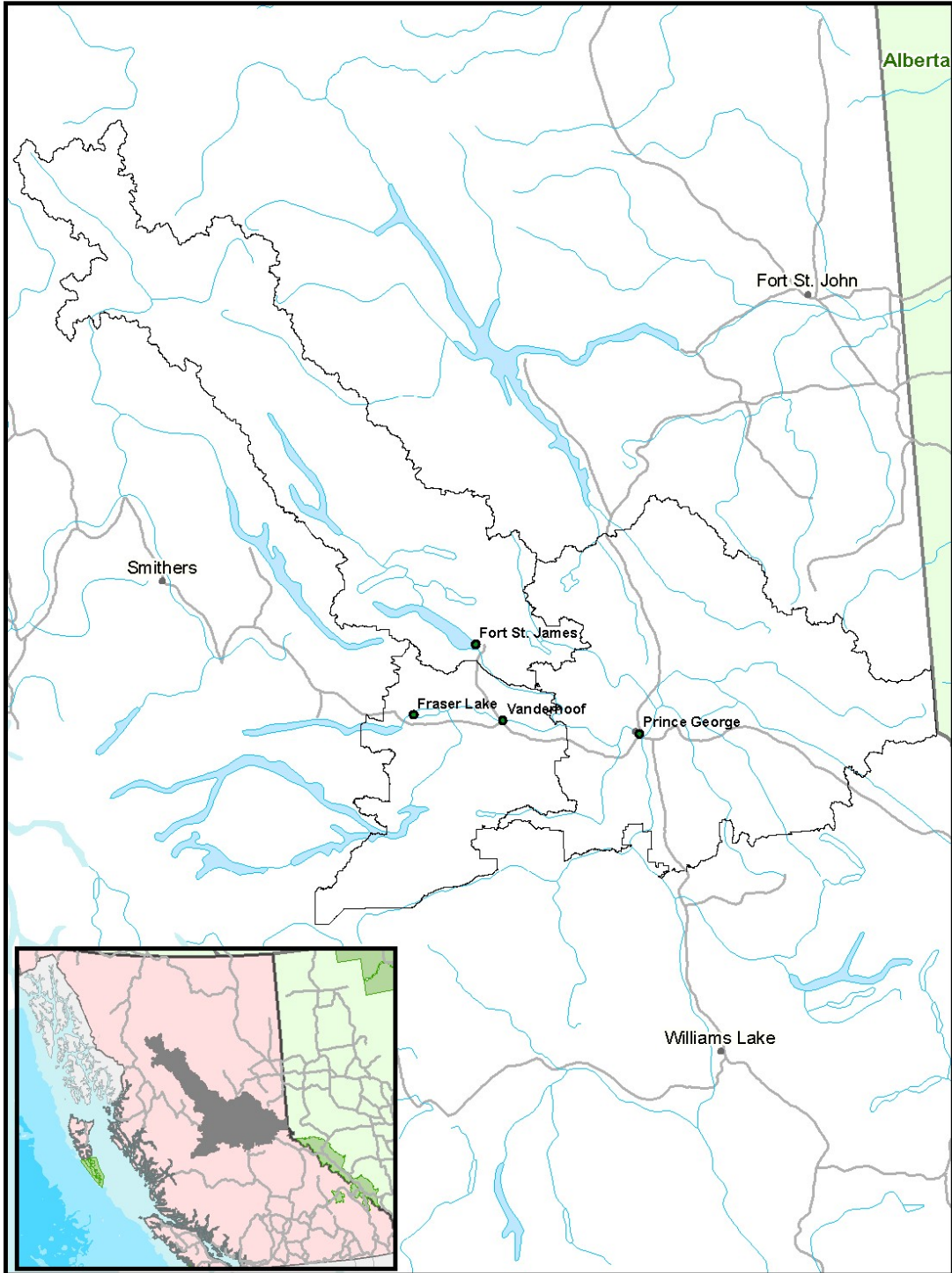
BURNS LAKE COMMUNITY FOREST LTD.	194,226
CHESLATTA CARRIER NATION (CFA)	73,397
CHINOOK COMFOR LIMITED	65,000
LAKE BABINE NATION FORESTRY LTD. (FNWL)	74,152 **Also part in Morice
WOODLOTS (APPROXIMATE)	40,000

### **Prince George:**

1. A maximum of 1.5 million cubic metres per year is attributed to supply blocks A and B.
2. A maximum of 5.1 million cubic metres per year is attributed to the remaining supply of which 62,000 cubic metres per year is attributed to deciduous-leading stands.
3. A maximum of 750,000 cubic metres per year is attributed to bioenergy stands.

### **Community Forests and First Nations Woodland Licenses within the Prince George TSA (and within the RDBN)**

VILLAGE OF FRASER LAKE (CFA)	85,930
DISTRICT OF VANDERHOOF (CFA)	30,000
DISTRICT OF FORT ST. JAMES CFA)	33,115
TANIZUL TIMBER LTD. (CFA)	154,112
NAK'AZDLI WHUT'EN (FNWL)	80,250
TANIZUL TIMBER LTD. (FNWL)	80,000
YEKOOCHÉ FIRST NATION (FNWL)	40,000
STELLAT'EN DUCHUN FORESTRY INC. (FNWL)	32,500
WOODLOTS (APPROXIMATE)	80,000

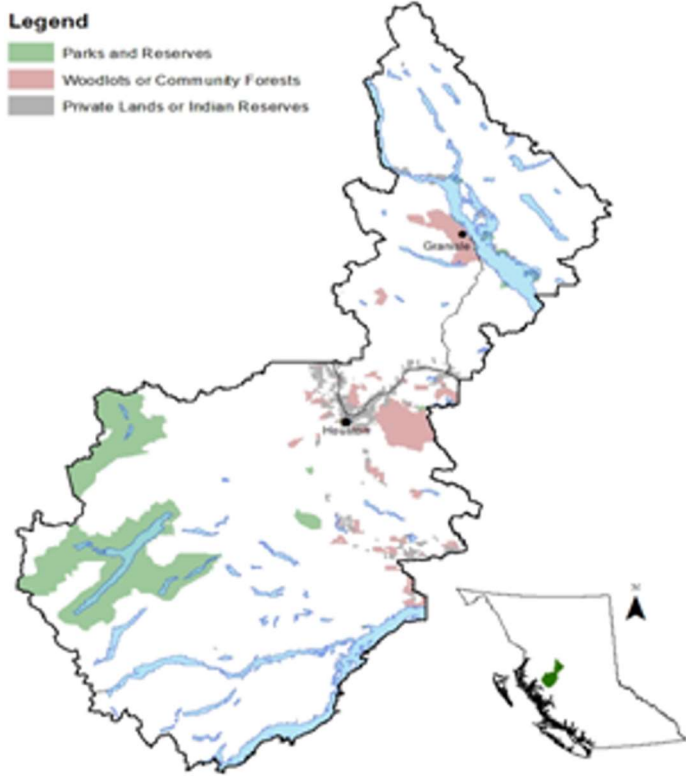


**MAP 1: Prince George TSA**

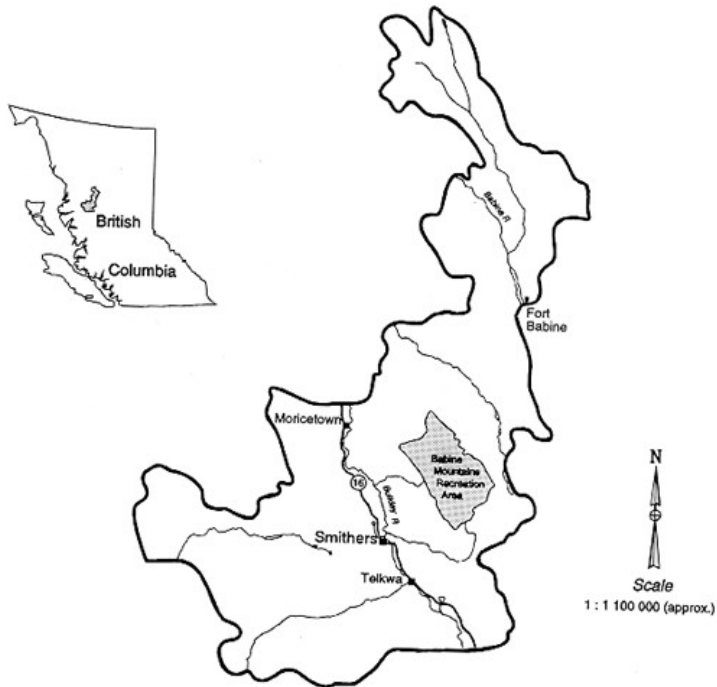


MAP 2 Lakes TSA





**Map 3 Morice TSA**



**MAP 4 Bulkley TSA**



## DECISION RATIONALE FOR LAKES TIMBER SUPPLY AREA

Date: August 21, 2023

Dear Local Governments and Stakeholders of the Lakes Timber Supply Area,

I thank you for your engagement in the Lakes Timber Supply Area (TSA) apportionment decision. I am writing to inform you of my decision and to provide my rationale as the Minister of Forests.

### **Statutory Framework**

Apportionment of the allowable annual cut (AAC) is a discretionary decision of the Minister under Section 10 of the *Forest Act* that typically occurs following the determination by the Chief Forester of a new AAC for a given TSA. However, the Minister can exercise this authority anytime. Apportionments specify the AAC available for granting under various forms of licence agreements referred to in Section 12 of the *Forest Act*.

### **The Evolving Nature of Apportionment Decisions**

The timeline for my decision on the Lakes TSA apportionment has spanned several key government decisions since the first engagement session in December of 2019. Each of these decisions has influenced my thinking, as well as First Nations, licence holders, stakeholders and local governments approaches to the engagement and consultative processes that supports an apportionment decision. This has resulted in a lengthy but robust engagement process. Most notably, the following elements were incorporated into consultative efforts, engagements sessions and material supporting my decision:

- In 2019, the *Declaration of the Rights of Indigenous Peoples Act* ('Declaration Act') was brought into force. The Declaration Act establishes the United Nations Declaration on the Rights of Indigenous Peoples ('UN Declaration') as the Province's framework for reconciliation and aims to create a path forward that respects the human rights of Indigenous peoples while introducing better transparency and predictability in the work we do together. The Province is taking steps to implement the Declaration Act in the context of its constitutional obligations under section 35 of the *Canadian Constitution Act, 1982* so that Indigenous peoples may exercise and have full enjoyment of their rights to own, use, develop and control lands and resources within their territories.
- On June 1, 2021, the Province set out its vision for the forest sector in the "Modernizing Forest Policy in British Columbia" intentions paper. The intentions paper is part of a

road map to guide the creation of new laws that help to advance the Province's interests in forest sector transformation and reconciliation by creating new tools to enable Indigenous peoples to meaningfully participate in the forest sector.

- November 2021, the *Forest Amendment Act* ('Bill 28') received Royal Assent. Bill 28 enables the taking and compensation of forest tenure for a variety of purposes, including reconciliation. This tool is part of advancing the goal of increasing First Nation held forest tenure on an incremental and integrated basis through government-to-government agreements and through partnerships with companies. Moving more tenure into First Nations hands represents a shift towards approaching tenure from a reconciliation perspective and in the short term we will be prioritizing tenure opportunities and capacity reflecting that commitment.

### **Lakes Timber Supply Area Background**

In September 2016, following the expansion of the Burns Lake Community Forest, and the creation of the Chinook Community Forest, the Lake Babine First Nations Woodland Licence and the Nee Tahi Buhn Band First Nations Woodland Licence, the AAC was adjusted to 1,648,660 cubic metres (m<sup>3</sup>) per year.

Area based tenures in the Lakes TSA contribute to approximately one third of the crown AAC. This level of allocation to area-based tenures was achieved through tenure reductions under the *Forest Revitalization Act* of 2004 and the 2012 apportionment decision. Area based tenures include the Burns Lake Community Forest (CF), the Cheslatta CF, the Chinook CF, the Lake Babine Nation First Nations Woodlands Licence (FNWL) and the Nee Tahi Buhn Band FNWL, and numerous woodlots, together having a combined AAC equivalent to 495,452m<sup>3</sup> per year.

In November of 2019, the Chief Forester of BC determined the AAC for the Lakes TSA at 970,000 (m<sup>3</sup>) per year. In their determination, the Chief Forester reduced the AAC by 41.2 percent from the 2016 determination, and specified the live green volume attributed to that AAC to be 420,000 m<sup>3</sup> per year (43 percent of the AAC). The reasons for the determination by the Chief Forester are set out here:

<https://www2.gov.bc.ca/gov/content/industry/forestry/managing-our-forest-resources/timber-supply-review-and-allowable-annual-cut/allowable-annual-cut-timber-supply-areas/lakes-tsa>.

The 41 percent reduction from the previous Lakes TSA AAC to the current will have a significant impact on those who rely on the economic benefits derived from the forest industry. Overall, fibre supply is becoming increasingly constrained in the Lakes TSA. Effects from climate change related forest health impacts, wildfire frequency and severity, and early salvage efforts in response to the Mountain Pine Beetle epidemic have increased the cumulative effects on a

wide range of stewardship values. I am aware of the collaborative stewardship initiatives underway and First Nations' efforts to support our shared interests in adaptation over time.

### **Reconciliation Context in British Columbia**

At the same time, the province holds a central commitment to advance meaningful reconciliation with First Nations through new and innovative ways that can address outstanding Aboriginal title interests and ensure Indigenous peoples are meaningful partners in BC's forest sector. Implementation of the Declaration Act has set the stage for transformative shifts and signals BC's commitment to renew Crown-Indigenous relationships while introducing better transparency and predictability in the work we do together. Common law precedents have also highlighted the province's need to protect Aboriginal and treaty rights by improving the assessment and management of the cumulative impact of industrial development.

From the province's vantage, between the reconciliation imperative and the state of fibre supply, the best approach to navigate towards a better future for the BC forest sector will be for all parties to be working in partnership with First Nations. Collective efforts are necessary to manage for the shrinking fibre basket and shift the forest sector to one based on the utilization of lower volume while generating higher value. Done in partnership with First Nations, this will likely improve predictability and benefits from the use and management of forest resources.

It is my view that the greater the benefit to First Nations from the use and management of the forest resource, the greater level of predictability all parties will have with respect to the use of that resource. That said, I must also consider the specific circumstances in the Lakes TSA as to the status of economic dependency of the communities, efforts by companies as well as the other factors set out in this decision rationale.

## **Engagement outcomes**

Staff engaged with First Nations, forest licence holders, local governments, and other stakeholders in relation to the apportionment of the AAC for the Lakes TSA following the Chief Forester's determination. The outcomes of this engagement are summarized below.

### **First Nations**

First Nations in the Lakes TSA have expressed a strong interest in increasing their role in the management and transition of a forested land base heavily impacted by mountain pine beetle. First Nation partnerships in community forests, and the establishment of FNWLs have resulted in a multi-tenure land base where First Nations hold or control over 23 percent of the Crown AAC in the Lakes TSA.

First Nations with traditional territories in the Lakes TSA have established or are demonstrating an interest in establishing long-term and robust partnerships with forest companies and manufacturing facilities in the Lakes TSA. Such partnerships can create a strong foundation on which to build towards BC's goal of increasing the equity position of First Nations in the forest economy and utilizing forest tenure as one tool to address Aboriginal title interests. In BC's view, this can increase predictability for the sector, and in turn, community and local government stability.

### **Major Forest Companies**

In a coordinated submission provided by the major forest companies in the Lakes TSA regarding the scenarios for apportionment, companies proposed three options to achieve additional First Nations tenure opportunities:

1. For BC to utilize apportionment from BC Timber Sales (BCTS) to address First Nations tenure interests;
2. Companies would continue to establish partnerships with First Nations; and/or
3. BC or First Nations could acquire tenure from Licence holders at fair market value.

To achieve these outcomes, the licensees recommend the Minister adhere to the 2018 policy that would only apply reduction across licences to meet the AAC; and support partnership agreements including allocation of BCTS volume for First Nations partnerships.

This approach would minimize the implications of reductions in the AAC on forest licences and provide industry with more time to conclude business-to-business agreements with First Nations. The major forest companies proposed this approach as an alternative to apportioning a portion of the AAC directly to First Nations.

Over the past 24 months in the Lakes TSA some First Nations and forest companies have been in discussions to identify the necessary conditions required to form tenure partnerships and transfer. This is the approach that the Premier and I advocate for through the “Modernizing Forest Policy in British Columbia”, and I am mindful of the implications an apportionment decision may have on these emerging partnerships.

### **Local governments**

Local governments in the Lakes TSA expressed concern that because of the acuity of declining timber supply, an apportionment that changes the current tenure position of companies could impact the continuity of fibre flowing to existing manufacturing and thus, could negatively impact jobs and erode the local tax base if it resulted in mill closures or curtailments. Local governments encouraged an incremental approach to tenure control changes to allow for the potential volatility resulting from licence reductions in the Lakes TSA to be managed. I recognize forestry is the most important economic driver for both Indigenous and non-Indigenous communities in this area. I acknowledge that the economic dependence of the region on the forest sector requires careful and thoughtful consideration when the Province contemplates change.

### **Interior Logging Association**

The Interior Logging Association expressed concerns with any apportionment that would result in proportionally less AAC being held by companies with whom they have Bill 13 arrangements. It is the Interior Logging Association’s view that forest companies are best positioned to manage partnerships and employment certainty as the AAC declines.

### **Apportionment decision and rationale:**

This apportionment will determine the appropriate distribution of AAC amongst the different categories of agreement types and the nature of the AAC being distributed amongst those agreement types.

I have determined an apportionment for the Lakes TSA that I believe addresses the interests of reconciliation and the other issues I set out above.

One of my considerations in the Lakes TSA apportionment is the alignment with the rationale and approach taken in the Prince George TSA (PG TSA) May 2021 decision. That approach maintains replaceable forest licence holders at the same relative percentage through AAC reductions, considering the share of the historic AAC they held. The corresponding share is then considered for apportioning amongst the other provincial interests including First Nations and BCTS.

When these considerations are applied in the Lakes TSA, I have considered the fact that one third of the historic Crown AAC for the TSA has been converted into area-based tenures in recent years and First Nations hold or control over 23 percent of the Crown AAC. The significance of previous AAC withdrawals requires me to consider how they factor into determining the share of AAC held by replaceable forest licences.

In considering this decision, I recognize the importance of balancing the interests of the First Nations participation in the forest economy and reconciliation with the impacts to agreement holders through reductions to their AAC.

In my decision to determine the appropriate level of AAC to be held by the forest licence category in response to a 41 percent reduction in AAC determined by the Chief Forester, I have held the forest licences at the same relative share of the AAC, considered the distribution of the AAC in relation to the current commitments and have set BCTS to 20% of the AAC. My decision is as follows:

- a) the Forest Service Reserve will be maintained at 3,261 m<sup>3</sup> per year;
- b) the AAC available for First Nation direct award tenures, is set at 55,756 m<sup>3</sup> per year. This allocation includes 16,746m<sup>3</sup> of existing commitments for First Nations leaving 39,010m<sup>3</sup> available for new opportunities.
- c) the AAC held by Forest Licences will be reduced by 18.1 percent to 716,983 m<sup>3</sup> per year; and
- d) the AAC allocation to BCTS will be reduced by 31.8 percent to 194,000 m<sup>3</sup> per year

The new apportionment for the Lakes TSA is set out below in Table 1:

Table 1 – Apportionment for the Lakes TSA

<b>Forest Tenure Category</b>	<b>2023 Apportionment (m<sup>3</sup>/yr) and Percentage (%)</b>
Replaceable Forest Licences	716,983 (73.9%)
First Nations	55,756 (5.7%)
BCTS	194,000 (20%)
FSR	3,261 (0.3%)
CFA	0
<b>Total</b>	<b>970,000 m<sup>3</sup></b>

I provide the following direction to staff to guide the implementation of this new apportionment. BC will seek agreements with First Nations:

- that contribute to the resolution of aboriginal title interests;
- that improve operational conditions and maintain the continuity of fibre supply to mills in the near-term;
- who through working with their neighbouring First Nations, have resolved overlapping aboriginal rights and title interests to the extent that timber harvest can be supported by those neighbouring First Nations;

Section 63 licence reductions will be required to align harvesting rights to the AAC of the TSA. I will be providing notices regarding the grouping of licences for the purposes of section 63 (2)(b).

Again, thank you for your engagement and I encourage you all to continue to work closely with all parties on implementation.

Sincerely,



Bruce Ralston  
Minister

pc: Richard Manwaring RPF, Deputy Minister, Ministry of Forests  
Eamon O'Donoghue, Associate Deputy Minister, Ministry of Forests  
Mike Hykaway, Assistant Deputy Minister, North Area  
Justin Calof RPF, Chief Negotiator, Ministry of Forests  
Jevan Hanchard, Regional Executive Director, Skeena Natural Resource Region  
Beth Eagles RPF, District Manager, Nadina Natural Resource District  
Anthony Giannotti RPF, Director Pricing and Tenures, North Area