

Honourable Katrine Conroy Minister of Forests, Lands, Natural Resource Operations and Rural Development Parliament Buildings Victoria, British Columbia V8V 1X4

February 22, 2021

RE: Proposed transfer of Replaceable Forest License A17007 in the Fort Nelson Timber Supply Area from Canadian Forest Products Ltd. (Canfor) to Peak Fort Nelson Properties Ltd.

Dear Minister Conroy,

CC: Nathan Cullen, Minister of State for Lands and Natural Resource Operations; Roly Russell, Parliamentary Secretary for Rural Development; George Heyman, Minister of Environment and Climate Change

Before we discuss the problems with the license transfer itself, we strongly urge you to extend the public comment period by a minimum of two months past the current deadline of February 26th, 2021. We are a group of concerned citizens in northern British Columbia, and this opportunity to voice our opinion has only become known to us in the last few days. A tenure transfer of this size is significant and will drastically change the way forests are managed in northeastern BC. The Minister's office ought to seek meaningful public engagement on this issue, not hide the fact that this transfer is being considered.

A decision to allow this transfer and pellet mill to go ahead would be in direct opposition to your Ministry's mandate to "lead the transition of our forestry sector from high-volume to high-value production". Pellets are a very low-value use of forests; their production involves minimal processing of trees and produces very few jobs. The Peak Renewables pellet mill would require somewhere between 20,000 and 24,000 cubic metres of wood to sustain just one full-time job at its plant. Contrast this number with the current provincial average, which requires 1,000 cubic metres of wood to sustain one full time forest industry job.

The wood pellet mill proposed by Peak Renewables would be the first in the province specifically designed to consume whole, live, standing primary forests rather than 'waste' from logging operations. It would also be the largest in the province and would produce more pellets than any mill in the country. The latest science tells us that Earth only has about 18% of its original primary (never logged) forest cover left. Industrially harvesting BC's share of natural forest to be ground into pellets and burned is the lowest and worst imaginable use of them. The idea of turning primary forest into pellets is so distasteful that on February 16th, 2021 Gordon Murray of the Wood Pellet Association of Canada stated at a conference that his organization does not support the harvest of forests specifically for wood pellets.

Wood pellets derived from primary forests are not a renewable source of energy. By definition, primary forests are forests that have never been disturbed by industrial or other human activity, and consequently are irreplaceable. They are ecologically important, they store more carbon and harbour more



biodiversity than plantations or second-growth stands of the same forest type, and they mitigate flood risk simply by existing.

The increased use of wood pellets as an energy source in international markets has been driven by significant government subsidies. This has enabled a broadening of the range of forest types that can now be economically logged in BC. It has been estimated that in addition to the approximately 1.2 million cubic metres of aspen that Peak Renewables would require annually in order to operate their mill, they would also log 800,000 cubic metres of spruce trees. The fate of these spruce trees is unclear, as Peak Renewables refuses to share their plans with the public. However it seems likely that these trees would be trucked to mills much further south - many of which are owned by Canfor.

If our goal as a province is to create a forest industry that maintains the ecological integrity of our forests and creates economic benefit for British Columbians, allowing this licence transfer is a giant leap in the wrong direction. It is not in the best interest of the public.

In light of the extraordinary circumstances surrounding the licence transfer, we ask that you deny the licence transfer at this time, and extend the public comment period until May 2021.

Sincerely,

Michelle Connolly

Director, Conservation North

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