

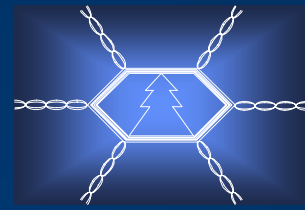
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*The Mountain Pine Beetle epidemic & the future of communities and ecosystems*

# Extracting value from the fibre

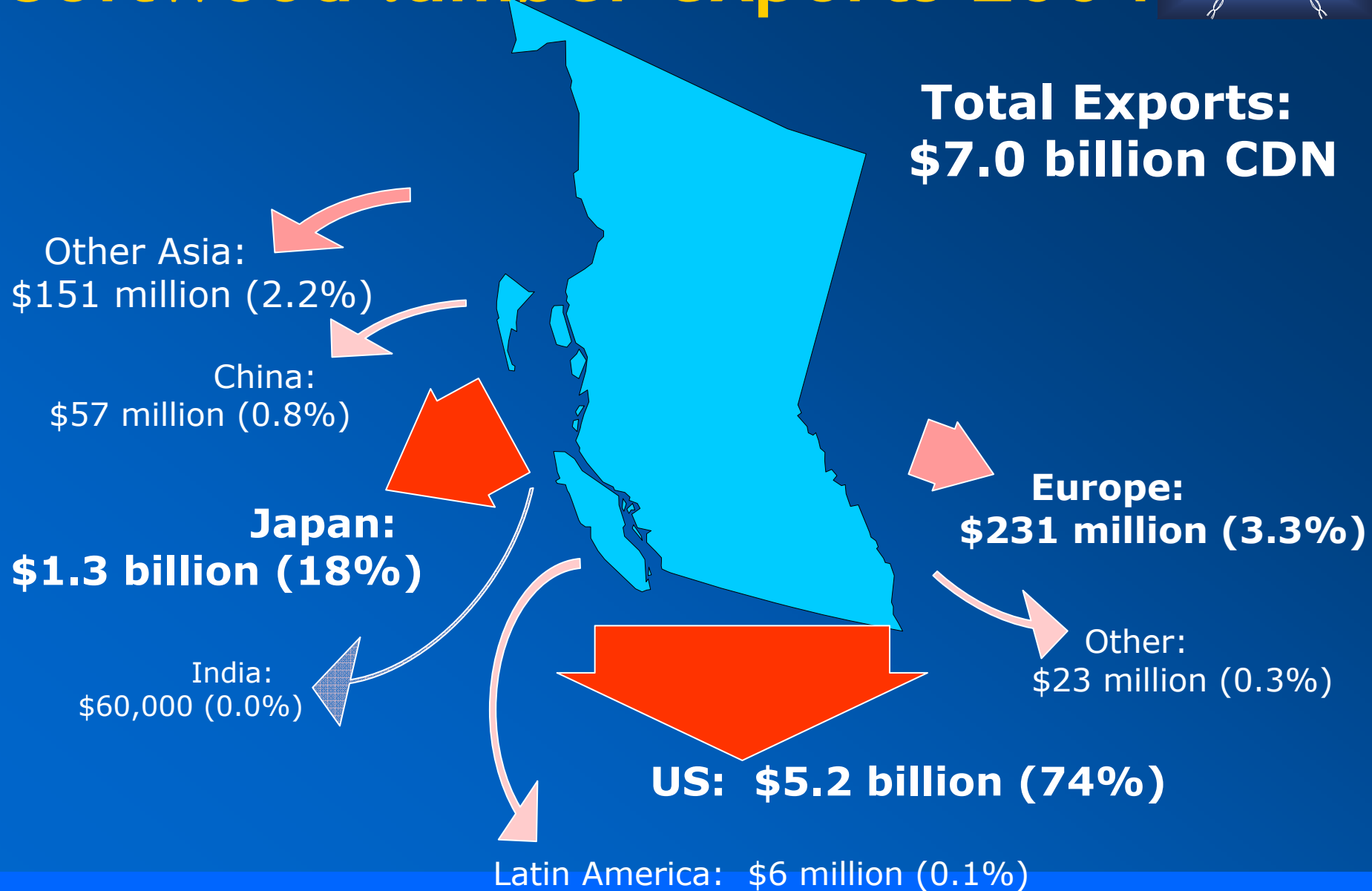
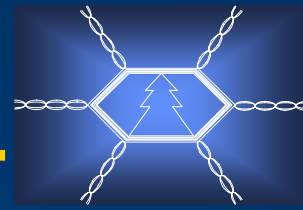
**Jack Saddler**

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November 7, 2005

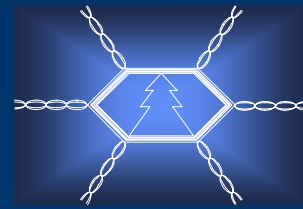
# 1. Options for wood products - Alan Potter

## Softwood lumber exports 2004



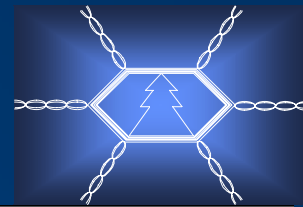
## 2. Pulp and Paper Issues - Mike Bradley

# Pulp & paper exports 2004



### 3. Options for Energy - Brad Stennes

# New wood pellet capacity



- ▶ 4 new wood pellet plants, to use 10.5 million m<sup>3</sup> of wood over 10 years
- ▶ 4.7 million m<sup>3</sup> increase in annual allowable cut for bioenergy
- ▶ ~23% increase in the AAC for the Prince George & Quesnel regions alone



BRITISH  
COLUMBIA

## NEWS RELEASE

For Immediate Release  
2005FOR0101-000945  
Oct. 19, 2005

Ministry of Forests and Range

### BEETLE-WOOD LICENCES AWARDED TO CH ANDERSON

VICTORIA – North Central Interior British Columbia will see significant long-term investment in mountain pine beetle timber processing with the award of four forest licences to CH Anderson and Partners, Forests and Range Minister Rich Coleman announced today.

“A key part of our Mountain Pine Beetle Action Plan is to recover as much economic value as possible from beetle-attacked forests,” said Coleman. “These forest licences will result in new mills being constructed, a more diverse industry and hundreds of new jobs and long-term investment for B.C.’s Interior.”

The 10-year licences for the Prince George and Quesnel timber supply areas are for 10.5 million cubic metres of timber and require CH Anderson to construct or significantly expand timber processing facilities that produce something other than dimensional softwood lumber.

CH Anderson and Partners intend to invest \$110 million in building four plants to manufacture industrial wood pellets for use as sustainable biofuels in European thermal power plants. The company estimates their plans could support up to 640 jobs in B.C.

“We’re looking forward to working with northern communities and First Nations as we develop this new business opportunity,” said CH Anderson and Partners CEO Gary Griffith. “Our investment will help offset the impact of the mountain pine beetle devastation by using as much damaged wood as possible and rehabilitating the forests.”

The new licences result from a 4.7-million cubic metre increase in the allowable annual cut for the salvage of beetle-infested pine in the Prince George and Quesnel timber supply areas. Two other 15-year forest licences, totalling 21 million cubic metres, are expected to be awarded in the near future.

The development of these forest licences is one part of the government’s comprehensive Mountain Pine Beetle Action Plan to help local communities diversify their forest economies. Government is also giving communities the tools to plan their own future through the \$185-million Northern Development Initiative and \$50-million Southern Interior Development Initiative trust funds and funding support to regional beetle action coalitions.

# Looking forward...

