

Village of Hines Creek Council Request for Decision (RFD)

Meeting:	Regular Council Meeting
Meeting Date:	October 08, 2019
Originated By:	Karen Young – Executive Assistant
Title:	Delegation – Mercer International General Development Plan 2019
File:	0123

BACKGROUND/PROPOSAL:

Representatives Trina Tosh and Grant Anderson from Mercer International will be presenting Mercers General Development Plan for 2019
Time: 7:15 pm.

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES

COSTS/SOURCE OF FUNDING (if applicable)

RECOMMENDED ACTION:

That this Council receives Mercers International General Development Plan for 2019 as information.

Initials show support- Reviewed by:	Manager: <i>KY</i>	C.A.O.
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MERCER

peace river

2019 General Development Plan

August 2019

Who is Mercer

Mercer International

- Our operations consist of five large-scale, modern pulp mills – Rosenthal, Stendal, Celgar, Peace River and Cariboo Pulp & Paper⁽¹⁾ along with one of the largest sawmills in Germany, Friesau⁽²⁾.
- The Rosenthal, Friesau and Stendal mills are located in eastern Germany. Rosenthal and Friesau are both approximately 300 kilometers south of Berlin, while Stendal is 130 kilometers west of Berlin. Our Celgar mill is located in southeastern British Columbia, Canada, approximately 600 kilometers east of Vancouver, while the Cariboo Pulp & Paper mill is located approximately 650 kilometers north of Vancouver. Finally, the Peace River mill is located approximately 500 kilometers northwest of Edmonton in Alberta, Canada.
 - Quality
 - Efficiency
 - Human Capital

Mercer's mission is to provide sustainably sourced fibers, renewable energy and chemicals for essential human needs.

1) Cariboo Pulp & Paper is owned 50/50 with West Fraser through a joint venture

2) Friesau is one of the largest sawmills in Germany

Mercer Peace River

- MPR employs approximately 300 people at the Peace River mill site, and are proud to manufacture products as efficiently as possible to ensure that our business enhances the social goals and welfare of the communities and environments in which we operate.
- We spend a significant amount of time and resources to ensure the safety of our employees while minimizing our impact on the environment.
- We regularly engage with our stakeholders on a variety of topics, as well as give back to the communities in which we operate. We believe this work is critical to our long-term success.

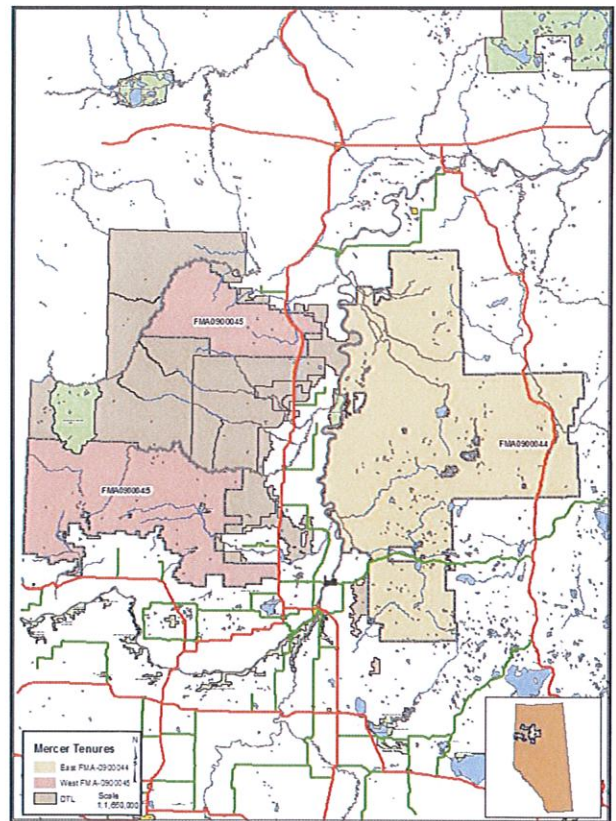
Where Mercer Peace River Operates

Forest Management Agreement Areas

Forest Management Agreements provide the company with harvesting rights and responsibility to reforest trees on Crown land. The company must ensure activities are carried out in a sustainable manner, through the development of long term Forest Management Plans.

Deciduous Timber Allocation

Known as a deciduous timber quota. Quotas are defined an allocation by volume.



GDP Components

The General Development plan consists of :

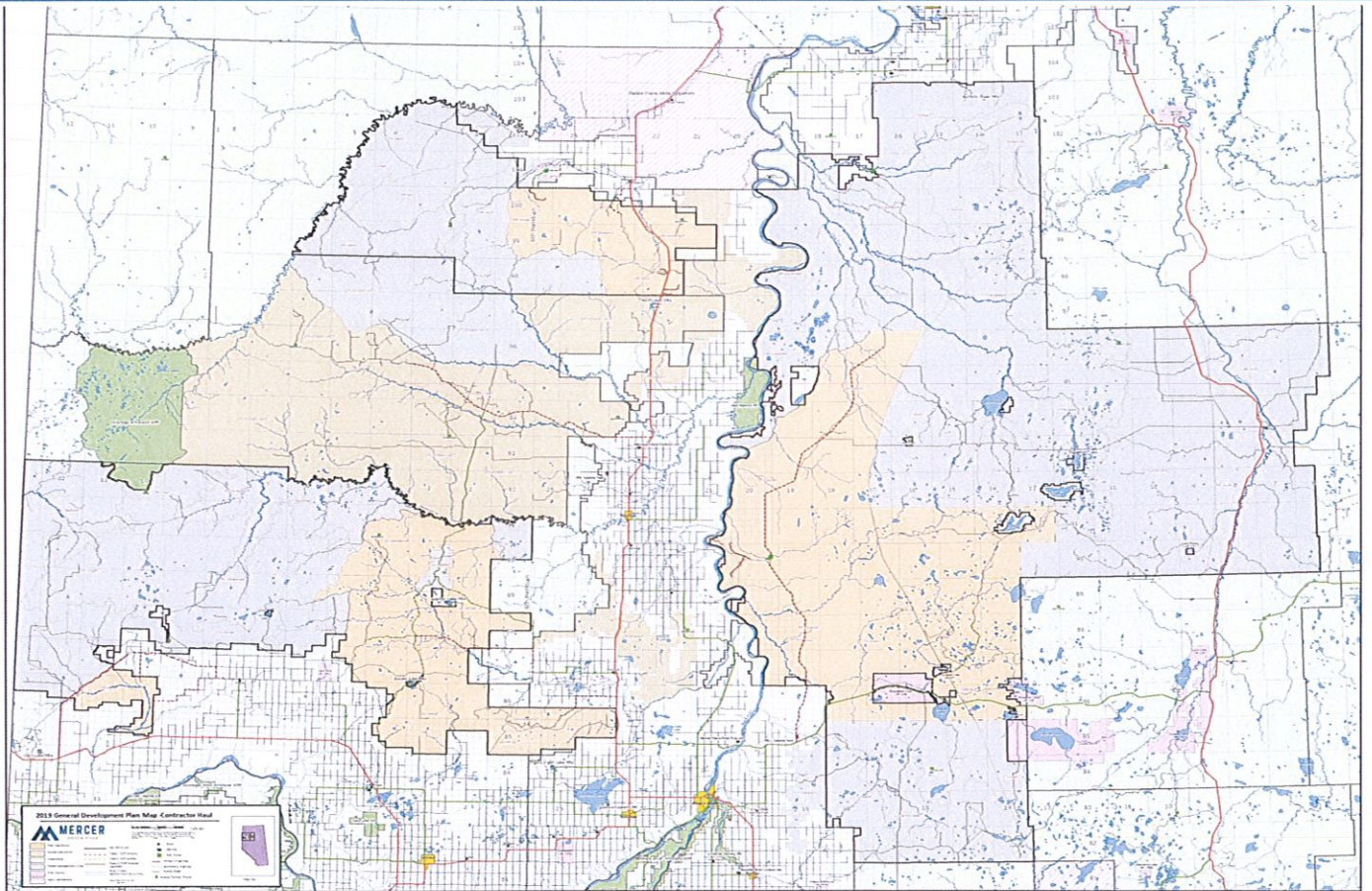
- Cut control tables (identifying the annual allowable cut versus the actual volume harvested by year)
- Plans of areas to be harvested in the next 3 years.
- Information of areas cut in the previous year (i.e. roads, cut blocks, etc.) along with any outstanding actions to be completed from the previous timber year (i.e. volume to haul, roads to reclaim etc.)
- Indigenous consultation program.

2019 Operations

- Chip trucks (B-train)
- Satellite yard volume delivered to the yards by log trucks

Disposition	M ³	Approximate Number of Loads	Towns Trucks go Through
KR-Vesta Creek	65,000	1,085	Manning
KE-Hawkhills Tower	145,000	2,500	Manning
DTLP550001-Carcajou	50,000	833	Manning
DTLP200001-WC02	250,000	4,167	Manning
DTLP200001-WC05	120,000	2,000	Manning
CR-Clear River	130,000	2,167	Worsley
EP-Cache Creek	80,000	1,333	None
EP-Keppler Creek	30,000	500	None
CL-Simon Lakes	300,000	5,000	None

2019 General Development Plan Map



Satellite Yards

- MPR has investigated different procurement methods to optimize the movement of timber volume to the mill site.
- Direct bush chipping will continue, along with a log haul to satellite yards.
 - Logs will be delivered to the yards during frozen conditions. Direct bush chipping will occur during the winter months and move to the satellite yards after break up occurs.
- There are 2 yards being operated at this time. One is located on the East FMA and the other is in the Notikewin area just north of Manning.
- MPR anticipates the need for two additional yards and will be working with government agencies and counties to meet legislative requirements.

Silviculture

Activity (Hectares)	2019 (Actual)	2020 (Planned)
Site Preparation	0	50
Decompaction (roads)	45	50
Planting	350	500
Leave For Natural	2989	3327
Surveys (Establishment & Performance)	2950	5306



Harvesting

- Direct bush chipping will occur primarily during frozen ground conditions and move into satellite yards after break up.
- Tree length log haul (from Mercer Peace River operations along with incidental deciduous from conifer harvesting operations) will occur during frozen ground conditions.



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