

Statement to Co-op members

As many of you know, Harrop-Procter Forest Products (HPFP) has entered into an exclusive contract with Harrop Creek Firewood (HCF), sending all of the slab waste produced at the mill to this new start-up business. The managers of HPFP see this as the best possible way to deal with the ever-increasing problem of waste management where few viable options exist.

In the past we were able to give away slab bundles and burn the leftover waste materials. We are no longer able to burn wood waste - as dictated by new environmental regulations - and the sheer number of slab bundles being produced is such that we cannot rely on the public to haul them all away.

We have explored alternative options for managing the slab waste: using it to fuel a bio-mass generator; chipping and shipping it for hog fuel; sorting and selling appropriate pieces for fencing or siding projects; and of course offering it for firewood. Unfortunately, the logistics and prohibitive costs are such that none of these options are viable at this time.

HPFP produces between 2-3 bundles of slab waste every day. This works out to around 500 bundles per year at our current capacity. Our experience has been that there is high demand for slabs in the spring and fall, with little demand the rest of the year. Furthermore, analysis indicates a limited number of customers were local; many were coming from Nelson and beyond.

The end result is excessive numbers of bundles to store over the long term while having to work around the stored material. All this negatively impacts the fulfillment of our mandate. Prior to the agreement with HCF, we had an ever-growing pile of slab waste we were unable to deal with effectively.

As this waste inventory grew, we were left with less space to work with within the mill yard - affecting our ability as a business to serve our customer base effectively. Efficiency and the quality of our product suffered as a result of not being able to store saleable finished product properly due to lack of space.

If changes had not been made, the waste material would soon have reached an overwhelming amount - to the point where we would no longer be able to operate due to lack of space. This would ultimately result in a shutdown of the business and the loss of employment for 8-10 local people.

By entering into an agreement with HCF, HPFP alleviates the need to store bundles of slab waste in any capacity. It also greatly reduces liability risks assumed by HPFP regarding wood waste removal.

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In the estimation of the mill managers this is the best, and only, solution - at this point in time. While the agreement might not sit well with some cooperative members, it is a necessary step to ensure the long-term viability of HPFP in its current iteration.

There is flexibility built into the agreement, and we will re-evaluate the situation at the appropriate time as dictated in the agreement.

Cooperative members should keep in mind that they are permitted, and encouraged, to access fallen and "standing dead" timber within the community forest tenure for their firewood needs to a maximum of five cords annually.

Finally, HPFP - as part of the agreement - will retain a minimal number of bundles for cooperative and community members that have a pressing need for waste wood. These will be available on an "as needed" basis for those unable to access fallen or standing dead timber from the tenure.

The decision to enter into the agreement with HCF is necessitated by limited storage space and the daily output of the mill. It is exacerbated by our inability to burn ANY wood waste as dictated by the new Ministry of Environment & Climate Change Strategy regulations.

Your understanding and comprehension regarding the difficulty of dealing with wood waste - and HPFP's solution to the issue - is appreciated.

Thank you.

Harrop-Procter Forest Products Managers
Harrop-Procter Community Cooperative Board of Directors

