



Province of British Columbia

Water Act

ORDER **SECTION 34**

File No. 7001428

WHEREAS Pope & Talbot Ltd. ("Pope & Talbot") is the holder of Conditional Water Licence 117357 which authorizes the diversion and use of water from the Parsnip River (Williston Reservoir) for industrial purpose at its pulp mill facility in MacKenzie, BC; and

WHEREAS the works authorized under Conditional Water Licence 117357 are accessible to Slocan Forest Products Ltd. ("Slocan") for use at its sawmill facility located within Lot C of District Lot 12478, Cariboo District, Plan PGP42628 (the "sawmill"); and

WHEREAS the sawmill is outside the boundaries of the land to which Conditional Water Licence 117357 is appurtenant; and

WHEREAS the former owners of the pulp mill (Fletcher Challenge Canada Ltd.) and the former owners of the sawmill (TimberNorth Forest Ltd.) entered into an agreement for supply of water to the sawmill, effective January 19, 1996 (the "Services Agreement"); and

WHEREAS effective December 31, 2001, the Services Agreement was assigned to the current owners of the pulp mill (Pope & Talbot), and consented to by the current owners of the sawmill (Slocan), for the continued supply of water to the sawmill; and

WHEREAS I am satisfied that no other supply of water is available at reasonable cost to the sawmill.

I HEREBY ORDER that Pope & Talbot is authorized to supply water under Conditional Water Licence 117357 to the sawmill, in accordance with the terms of the Services Agreement.

This authorization shall remain in effect so long as the Services Agreement between Pope & Talbot and Slocan, or their successors, remains in effect.

Dated at Victoria, British Columbia, this 6th day of November, 2002.

Glen Davidson, P. Eng.
Deputy Comptroller of Water Rights