

Forest Managers Report

August | 2013

Arborfield Forest Partnership

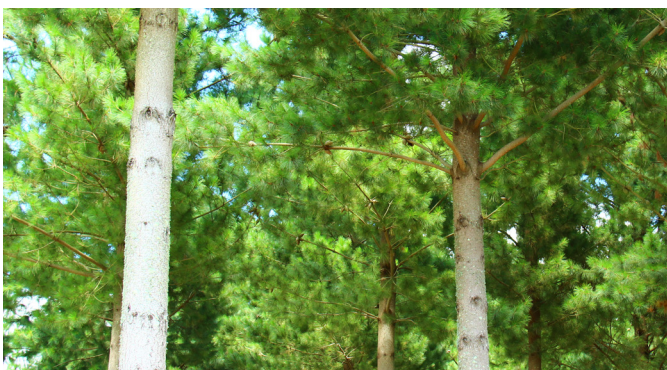
Spring has arrived early this year. The temperatures are warmer than usual for August and already, there are copious amounts of pollen blowing around the forest. The trees are showing few signs of having been affected by last summer's drought. Tree health is generally very good with no sign of red needle cast in the forest at present.

The tracks remain in good order with only one dropout between stands one and two and this can be negotiated by quad.

The neighbour who we reluctantly allowed to graze the forest with his cattle, has caused us no problems at all and has respected all of the conditions we imposed upon him. His cattle have made a good job of eating down the grass and have not caused too much pugging on the tracks.

Arborfield has been quite popular over the past weeks. Firstly we had duck shooting and the usual visitors to the ponds and then the local Orienteering Club trying hard not to get lost in the forest. It is good to see the forest being used for recreational purposes, particularly when everyone follows the rules and gets a permit before entering the property.

The fence on the northern boundary is scheduled for repairs this year and we are waiting for the neighbour to commence work. There has been little stock pressure on the fences recently as the forest has been well grazed out. There are some more sections of fence on the road boundary which are lying over due to the cattle pushing to get the grass on the road side of the fence. This fence has not been stock proof for a long time now.



We have now taken advantage of the NZU/ERU arbitrage opportunity. Arborfield Forest has been deregistered from the ETS, the NZUs previously allocated have been repaid with cheap ERUs and Arborfield has 61,745 liability free NZUs in their NZEUR account. It was fortunate we acted quickly as over the past few weeks, the ERU price has climbed steadily and is currently sitting at .67c. The partners are now in a position to decide what to do with the liability free NZUs. Should all or some of them be sold or should they be held until the price increases? An NZU is currently worth around \$2.60.

The Hastings District Council advise that the three yearly revaluation is currently being undertaken. The amended values should be available by mid October and it will be interesting to see what increase is applied to the land values across the district. Part of Arborfield is in Central Hawkes Bay District and their valuations are done on a different cycle.

We have been involved in the steering group discussions surrounding the future of the Napier/Gisborne rail. The most recent proposal is to operate a separately run, privately owned shortline rail service where the operator would lease the line and infrastructure from Kiwirail. The dialogue on how this would operate is underway with Kiwirail and the steering committee are hopeful there could be trains running again by Christmas. We hope this becomes a reality as it will provide some of our forests with an additional transport option for their trees at harvest.

Shortline rail initiatives have been a feature of the rail renaissance internationally, particularly in the United States. Its benefit is that it provides a flexible operating, low cost private or community owned service which can link into wider national networks.

Recently I was fortunate to be able to attend the Elmia wood expo in Sweden as well as participate in a steep terrain harvest field trip in Austria along with a group of 17 other NZ forest professionals.

Elmia, with its 2013 Innovation theme, set the scene to showcase some of the latest technologies available to the forest industry. During the steep terrain field trip we saw some of this technology working.

One of the many highlights was witnessing a Koller cable yarder being operated by only 3 personnel. The yarder uses a remote control system that utilises the engine to automatically return the carriage from the landing to the breakout location and vice versa. At each of their respective ends, the breaker out or the processor has full control of the carriage and chokes, this makes for greater efficiencies and provides a far safer workplace for the operators.



Koller 602 Cable Yarder, Austria

In its current design the Koller would be challenged by New Zealand conditions but with some alterations, this system could be adapted for use here. Currently a working group we are aligning ourselves with, are looking at bringing a yarder of this type to NZ in the near future.

Another highlight was the Fiberdrive Quick Coupler. This is an attachment that allows an excavator to quickly change from a processing head to a grapple in less than 20 seconds. This job would normally take at least 1 to 1.5 hours. The coupling rotates one and a quarter turns or 450 degrees and can handle a maximum attachment weight of 2.2 tonnes. This same technology could also be developed to quickly change to a bucket. This would be extremely useful on a harvest site meaning one machine can be changed quickly to do the job of two. It is a new innovation manufactured by Swedish company Fiberdrive AB.



Fiberdrive Quick Coupler

Given the huge volume of future wood in front of us and the ongoing safety issues the industry faces, we welcome the development and implementation of safer, more efficient systems.

A handwritten signature in black ink, appearing to read "Steve Bell".

Steve Bell
Forest Manager

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