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Ministry of Forests and
Range

Office of the Minister

MEMORANDUM

File: 280-20

January 12, 2007

To: Interior Regional Managers

From: The Honourable Rich Coleman
Minister of Forests and Range

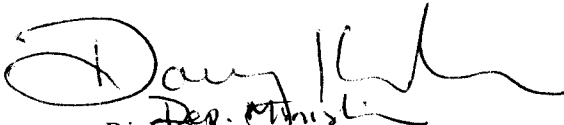
Re: Amendment No. 18 to the *Interior Appraisal Manual*

I hereby approve Amendment No. 18 to the Interior Appraisal Manual and attach a copy for your use. The following section has been amended.

Section 6.3.1 To facilitate the harvest of bark beetle killed timber from Woodlot Licences this winter, the procedure to determine the stumpage rates for salvage cutting permits is changed. The procedure expires on April 15, 2007.



This amendment will come into force on January 12, 2007. Further amendments or revisions to this manual require my approval.


Rich Coleman
Minister

Attachment

pc: Bill Howard, Director, Revenue Branch



FOR FURTHER INFORMATION CONTACT:

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MANUAL TITLE

Interior Appraisal Manual

REVISION No.

Amendment No. 18

ISSUE DATE

January 12, 2007

MANUAL CO-ORDINATOR

Judy Laton
Revenue Branch

AUTHORIZATION (Name, Title)

W. Howard
Director, Revenue Branch

Please make the following changes to your copy of the above Ministry manual. Please insert the following specified pages and **file this notice** immediately after the Amendments Tab.

ACTION (Remove/Insert)	(VOL.) CHAPTER-SECTION-SUBJECT TABLE OF CONTENTS	PAGE(S)	COMMENTS
REMOVE	Chapter 6	7 - 8	After Chapter 6 Tab
INSERT		7 - 8	
INSERT	Minister's Letter and Manual Revision Transmittal		After Amendments Tab

5. Except as provided in Appendix VI, the stumpage rate for a road permit shall be redetermined on June 1 of each year in accordance with the procedure in this section.
6. The costs of roads constructed under road permits are eligible for inclusion as development cost estimates under section 4.3 in the appraisal of the first tributary cutting authority. These roads will not be considered as existing roads under section 4.3.1.1.4 (2).

6.3.1 Blanket Salvage Cutting Permits

1. **Except as provided in subsection 4 of this section** the stumpage rate for a blanket salvage cutting permit shall be the weighted average sawlog stumpage rate for:
 - a. All the cutting authorities other than blanket salvage cutting permits, that are located in the same forest district as is the land to which the blanket salvage cutting permit applies, and that have been issued under the same licence, or,
 - b. if there are no records from which the weighted average sawlog stumpage rate may be determined under paragraph (a) and the licence under which the blanket salvage cutting permit has been issued has an allowable annual cut of 3 000 m³ or more then: all the cutting authorities, other than blanket salvage cutting permits for areas of land located in the same forest district that the area to which the blanket salvage cutting permit applies, or
 - c. if there are no records from which the weighted average sawlog stumpage rate may be determined under paragraph (a) and the licence under which the blanket salvage cutting permit is issued has an allowable annual cut of less than 3 000 m³ per year, then all the cutting authorities, other than blanket salvage cutting permits, which have been issued under licences that have allowable annual cuts less than 3 000 m³ in the same forest district as the area to which the blanket salvage cutting permit applies.
2. In each of paragraph (a) of subsection (1) of this section, the weighted average sawlog stumpage rate that is in effect for the period between August 1 of one year (the first year) and July 31 of the following year is determined as follows:

$$\$/\text{m}^3 = \frac{(\text{sum of Grade 3 value billed} \times 0.95)^* + (\text{sum of Grade Blank value billed})^*}{(\text{sum of Grade 3 volume billed} \times 0.95)^* + (\text{sum of Grade Blank volume billed})^*}$$

*From the billing records of Revenue Branch for coniferous sawlogs during the 12-month billing period ending March 31 in the first year where the volume of those coniferous sawlogs is greater than 500 cubic metres.

3. In paragraphs (b) and (c) of subsection (1) of this section, the weighted average sawlog stumpage rate that is in effect for the period between August 1 of one year (the first year) and July 31 of the following year is determined as follows:

$$\$/\text{m}^3 = \frac{(\text{sum of Grade 3 value billed} \times 0.95)^* + (\text{sum of Grade Blank value billed})^*}{(\text{sum of Grade 3 volume billed} \times 0.95)^* + (\text{sum of Grade Blank volume billed})^*}$$

*From the billing records of Revenue Branch for coniferous sawlogs during the 12 -month billing period ending March 31 in the first year.

4. The sawlog stumpage rate for each species of timber harvested under a woodlot blanket salvage permit will be 35.0 percent of the sawlog stumpage rate in Table 6-1 for that species. The stumpage rate must not be lower than the prescribed minimum stumpage rate.

This subsection will expire on April 15, 2007.

5. Except as provided in Appendix VI, the stumpage rate for a blanket salvage cutting permit shall be redetermined on August 1 each year in accordance with the procedure in this section.