

File: 195-30/IAM

December 9, 2011

BY EMAIL

To: Interior Regional Managers

Re: Market Pricing System - Interior

On July 1, 2010 significant policy changes took effect and the MVI, base rate and twelve month AMVs are no longer required. The AMP and the FNA will be required to ensure neutrality for the two year duration of the transition.

The following stumpage appraisal parameter values are effective January 1, 2012.

Interior Average Market Price (AMP)	2.42
Final Neutrality Adjustment (FNA)	0.57

The three month lumber average market values, consumer price index and United States dollar exchange rate for calculating the average market price and for BC Timber Sales stumpage rates effective January 1, 2012 are attached.

These parameters can also be found on the Timber Pricing Branch home page on the Internet at: <http://www.for.gov.bc.ca/hva/timberp/parameters/interior/index.htm>

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Murray Stech
Director
Timber Pricing Branch

Attachments

pc: Mike Falkiner, Executive Director, BC Timber Sales
Merva Lyons, Revenue Manager, Thompson Okanagan
Heather Cullen, Director, Omineca
Jim Schafthuizen, Director, Thompson Okanagan
Jennifer Erlendson, A/ Timber Pricing Officer, Timber Pricing Branch
Shawn Rice, Revenue Manager, Omineca
Tom Casey, Senior Timber Pricing Accountant (Interior), Timber Pricing Branch
Bob Bull, Senior Timber Pricing Forester, Timber Pricing Branch
Steve Fletcher, Senior Timber Pricing Forester, Systems, Timber Pricing Branch
Sabina Ghazarian, Timber Pricing Forester, Systems, Timber Pricing Branch
Jo-Anne White, Timber Pricing Technical Assistant, Timber Pricing Branch
Carolyn Young, Timber Pricing Accountant (Interior), Timber Pricing Branch
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Mailing Address: P.O. Box 9459 Stn Prov Govt, Victoria, BC, V8W 9V7
Telephone at: (250) 356-0843
Fax Number: (250) 356-0846

MARKET PRICING SYSTEM LUMBER VALUES (\$/MBM)
 FOR THE THREE MONTHS ENDED OCTOBER 31, 2011

FOR MARKET PRICING STUMPAGE CALCULATIONS BETWEEN JANUARY 1-31, 2012

AMV ZONE	BALSAM	CEDAR	FIR / LARCH	HEMLOCK	LODGE-POLE PINE	WHITE PINE	YELLOW PINE	SPRUCE
5	203	508	253	213	203	203		203
6	213	508		213	203			203
7	257	508	238	213	257	257	257	257
8	203	508	253	213	203	203	203	203
9	216				216			216

B.C. Consumer Price Index (1992 = 100) effective for this period: *	138.4
Bank of Canada - US Exchange Rate US\$/C\$ (3 month Average)	0.9985

* Note: 1.1787 factor has already been applied in order to restate CPI to 1992 base year.

For Appraisals Effective January 1, 1999
 Zone 5: Northern Interior & Quesnel
 Zone 6: Skeena
 Zone 7: Southern Interior
 Zone 8: Southern Cariboo
 Zone 9: Fort Nelson - Peace

Verified By: 

Prepared by Timber Pricing Branch; Ministry of Forests, Lands and Natural Resource Operations

INTERIOR BASIC SILVICULTURE COSTS BY SPECIES
EFFECTIVE January 1, 2012

Basic Silviculture Costs (\$/m³)

Region	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	LODGEPOLE PINE	SPRUCE	WHITE PINE	YELLOW PINE
Northern Interior	2.33	1.72	3.52	1.59		3.34	3.33		
Southern Interior	3.75	4.65	4.53	4.38	5.54	3.64	3.62	4.48	4.18

SBF

Revenue Branch

Verified by: _____