

Ref: 219389  
File: 21100-01

July 20, 2016

**BY EMAIL**

To: Greg Rawling, Regional Executive Director, Omineca Region  
Eamon O'Donoghue, Regional Executive Director, Skeena Region  
Karrilyn Vince, Regional Executive Director, Northeast Region  
Gerry MacDougall, Regional Executive Director, Thompson Okanagan Region  
Paul Rasmussen, Regional Executive Director, Kootenay Boundary Region  
Ray Crampton, District Manager, Thompson Okanagan Region

From: Steve Kozuki  
Director  
Timber Pricing Branch

**Re: Definition of Oriented Strand Board Chips Included Woodchip Type in the  
*Scaling Manual***

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The purpose of this memorandum is to clarify that in accordance with the Provincial *Scaling Manual* Special Forest Products (SPF) include woodchips used by Oriented Strand Board (OSB) facilities.

The *Provincial Logging Residue and Waste Measurement Procedures Manual* (Waste Manual) was amended on August 1, 2016 to include a Pre-Harvest Waste Assessment (PHWA) method, which is a pilot project being introduced in the interior to provide a mechanism to transport and manufacture SFP concurrent with primary harvesting in accordance with Section 94.1 of the *Forest Act*.

The pilot project provides a temporary waste reporting method with an effective date of August 1, 2016 and an expiry date of April 30, 2017. The intent of the project is to encourage increased utilization of lower quality timber by secondary manufacturing facilities while imposing limits on the volume of sawlog material that can be billed at the SFP rate. The process is voluntary and if used replaces the normal waste reporting methods outlined in the *Waste Manual*.

In support of this pilot project, executive directors may now consider wood chips, which are used by OSB facilities as a type of SFP. In doing so, an OSB facility will be able to apply for a PHWA SFP Authorization, which is required in order to allow SFPs to be transported to secondary manufacturing facility concurrent with primary harvesting.

If you would like to discuss this further, please contact Keith Tudor at (250) 387-8357.

*Steve Kozuki*

Steven F Kozuki  
Director  
Timber Pricing Branch