

File: 20670-15/CGNF

November 5, 2007

BY EMAIL

To: Jim Gowriluk
Regional Executive Director
Coast Forest Region

From: Bill Howard
Director
Revenue Branch

Re: **Call Grade Net Factor (CGNF) Implementation and *Cruising Manual* Amendment Update**



The purpose of this memo is to clarify the cruising and appraisal data submission requirements associated with the implementation of the new Coast CGNF cruising standards for the Coast Forest Region.

All cruise blocks cruised on or after January 1, 2007, must be completed to the current loss factor and the new ministry CGNF cruise standards.

The collection of dual data will be required for a period of at least one more year ending March 31, 2009. In the spring of 2009, the need for dual data will be reviewed. It is our intention to move cruising on the Coast to the CGNF standards for appraisals.

The CGNF cruise data will not be used for appraisals during the transition period; however, the data will be collected by Revenue Branch for further timber pricing analysis.

Cruise data collected to the CGNF standard during this period will be available for use in appraisals in subsequent years.

For cutting permit data submissions, licensees will continue to report and submit to ECAS the Coast appraisal summary as per Chapter 14 of the *Cruise Compilation Manual*. In the case where CGNF data has been collected, the licensee must also submit to ECAS an Excel file with the corresponding CGNF standard cut block cruise summary information. The template and instructions on data submission is available at the following website:

http://www.for.gov.bc.ca/hva/ecas/GNF_Grade_Table.xls

Cutting permits that have been cruised prior to January 1, 2007 using only the loss factor standard can be submitted for appraisal until further notice. Once dual collection of cruise

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data ends and CGNF becomes the only approved method of cruising, any cutting authority submitted for appraisal purposes will have to contain either all CGNF data or all loss factor data.

Please note that this information supersedes the memo sent on December 19, 2006, regarding CGNF cruising standards.

For more information on this initiative, please contact Jeff Monty, Manager, Scaling and Cruising at Jeff.Monty@gov.bc.ca or Grant Loeb, Manager, Timber Pricing at Grant.Loeb@gov.bc.ca

A handwritten signature in black ink that reads "Bill Howard". The signature is written in a cursive, slightly slanted style.

Bill Howard
Director
Revenue Branch