

Ministry of Forests

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August 16, 2022

BY EMAIL

To: Regional Executive Directors

From: Allan Bennett, Director, Timber Pricing Branch

Re: Errata - *Provincial Logging Residue and Waste Measurement Procedures Manual* - *Coast Version*

This is to advise you that Sections 1.2.6 and 7.4.1.2 of the *Provincial Logging Residue and Waste Measurement Procedures Manual – Coast Version* contain an error. Please replace pages 1-5, 1-6, 7-10 and 7-11 with the attached copies. A copy of the revised manual is available at:

The manual can be found at:

Provincial Logging Residue and Waste Measurements Procedure Manual - Coast, Woodlot Licenses and Community Forest Agreements

We apologize for any inconvenience.

Allan W. Bennett, RPF Director Timber Pricing Branch

pc: Melissa Sanderson, Assistant Deputy Minister, Timber, Range, Economics and Policy Division,
 Patrick Asante, Manager, Timber Pricing Jason Smith, Provincial Waste Specialist Michael Wedel, Cruising Policy Forester

iv. To determine if an area of interest falls within a Fibre Recovery Zone, please refer to the <u>WHSE_ADMIN_BOUNDARIES.FADM_FIBRE_RECOVERY_ZONES_S</u><u>P layer</u> located in the BC Geographic Warehouse.

"**Merchantable timber**" means timber that meets or exceeds the timber merchantability specifications that are described in Table 1-1. Timber that is graded dry Y or Z is not merchantable.

"**Timber Merchantability Specifications**" means stump height and diameter, log top diameter, slab thickness and log length described in this manual for the Coast.

"Unavoidable waste" means waste that:

- i. is inaccessible or physically obstructed;
- ii. could not be felled, bucked or removed due to safety or environmental reasons.

"Waste" means timber, except timber reserved from cutting, whether standing or felled, which meets or exceeds the timber merchantability specifications described for the Coast and the Interior in this manual that was not removed from the cutting authority area.

"Waste assessment" means an assessment conducted in accordance with the procedures set out in the *Provincial Logging Residue and Waste Measurement Procedures Manual* for determining the volumes of merchantable timber and waste left on a harvested area following completion of primary logging.

"Waste benchmark" means the volume of avoidable waste, expressed in cubic metres per hectare, that can be left on a harvested area without being subject to a monetary waste assessment.

1.2.6 Monetary Billing

Subject to the waste benchmarks described in Appendix 5, avoidable waste volumes are billed as follows.

1.2.6.1 Coniferous Sawlog Billing

Avoidable coniferous waste volumes for hemlock and balsam that are Grade J or better, and for all other species, grade U or better, are billed at rates determined in section 7.4.1 of this manual. The minimum rate for coniferous sawlog grades is:

- i) \$0.25 per m³ when originating from timber located outside a Fibre Recovery Zone or when the FRZ adjustment factor is 1, or
- ii) \$2.00 per m³ when originating from timber located inside a Fibre Recovery Zone and the FRZ adjustment factor is greater than 1.

1.2.6.2 Coniferous Low Grade Billing

The avoidable conifer grade X, Y and grade U hemlock and balsam waste volumes are billed at:

- i) \$0.25 per m³ when originating from timber located outside a Fibre Recovery Zone or when the FRZ adjustment factor is 1, or
- ii) \$2.00 per m³ when originating from timber located inside a Fibre Recovery Zone and the FRZ adjustment factor is greater than 1.

Dead/dry grade Y timber not removed from the harvested area is not measured in waste assessments.

1.2.6.3 Deciduous Billing

Deciduous timber within the merchantability specifications that is not harvested is measured as waste.

The avoidable sawlog volumes for deciduous species are billed at:

- i. the fixed rate for the species as specified in the *Coast Appraisal Manual*, plus any bonus and levies where applicable when the source of the timber is located outside of a Fibre Recovery Zone, or when the FRZ adjustment factor is 1, or
- ii. \$2.00 per m3 when the source of the timber is located inside a Fibre Recovery Zone and the FRZ adjustment factor is greater than 1.

The avoidable volumes of grades other than sawlog are billed at:

- i. the rates established as per *Coast Appraisal Manual* when the source of the timber is located outside a Fibre Recovery Zone, or when the FRZ adjustment factor is 1, or
- ii. \$2.00 per m3 when the source of the timber is located inside a Fibre Recovery Zone and the FRZ adjustment factor is greater than 1.

1.2.8 Amount Payable

For merchantable Crown timber that is not cut and removed, the amount payable is calculated by multiplying:

- a. the volumes of avoidable waste reported in a waste assessment after deducting the waste benchmark volume allowed under Appendix 5, by
- b. the applicable rates specified in section 1.2.6.

2. Fibre Recovery Zone Waste Rate Calculation

The following rates will apply to waste from timber originating in Fibre Recovery Zones (except timber excluded from FRZ, described above):

- i. The avoidable conifer grade X, Y and grade U hemlock and balsam waste volumes will be billed at the rates applicable under section 1.2.6.
- ii. Deciduous species within a Fibre Recovery Zone will be subject to the waste rate applicable under section 1.2.6.
- iii. The waste rate for coniferous sawlog species/grade combinations not listed in (i) for:
 - major licensees,
 - community forest agreements,
 - woodlot licenses,
 - road permits, and
 - forestry licences to cut with stumpage rates not determined under Chapter 7 of the *Coast Appraisal Manual*,

will be the waste rate calculated for each species and grade under section 7.4.1.1 multiplied by the FRZ adjustment factor. Where this rate is less than the minimum rate described in section 1.2.6, the minimum rate is applied.

The FRZ adjustment factor is determined as follows; where:

- a. The harvest start date is before April 1, 2019; the FRZ adjustment factor is not applicable. (Enter as FRZ = "No" in waste system.)
- b. The harvest start date is on or after April 1, 2019 and the PLC date was before April 1, 2021; the FRZ adjustment factor is 3;
- c. The harvest start date is April 1, 2019 to July 31, 2022, and the PLC date was on or after April 1, 2021; the FRZ adjustment factor is 1; and
- d. The harvest start date is on or after August 1, 2022; the FRZ adjustment factor is 3.
- iv. The FRZ adjustment factor for BCTS timber sale licences is 3. The waste rate for BCTS timber sale licenses for coniferous species/grade combinations not listed in (i) will be the greater of:
 - \$2.00 per m3, or
 - (Stumpage rate obligation adjustment) multiplied by the FRZ adjustment factor.

Where:

Stumpage rate = the total of the upset stumpage rate plus the bonus bid that must be paid by the licensee as per the *Coast Appraisal Manual* expressed in \$/m3

Obligation Adjustment = the obligation adjustment \$/m3 for the district under Table 7-3 Timber Sales Licence Fibre Recovery Zone TOA adjustment values by district

District Obligation Adjustment \$/m3 33.74 DCK DCR 27.36 33.29 DHG DKM 33.29 DNI 31.12 DSC 25.90 DSI 25.88 DSQ 34.55

Table 7-1 BCTS Obligation Adjustment Values