



BCTS

BC Timber Sales

File: 10765-01

Advisory Bulletin No. 01/07/09

3-sale Limit determination: Definition of “Primary Timber Harvesting Operations”

This advisory bulletin provides information and guidance to customers and BC Timber Sales (BCTS) staff on interpreting “*primary timber harvesting operations*” as used in the BCTS Regulation, section 9(1)(b) – (the 3-sale limit determination). This bulletin also considers that waste surveys will be conducted by the TSL holder on those TSLs advertised on or after Sept. 1, 2008.

Primary Timber Harvesting Operations - Definition

For the purposes of the BCTS Regulation and determining bidding eligibility, “*primary timber harvesting operations*” is defined as:

Falling and yarding of timber to a central landing, roadside or drop area.

Note: Although the above definition is identical to the definition of “*primary logging*” as used in the *Provincial Logging and Waste Measurement Procedures Manual (Waste Manual)*, the purpose of this definition is distinctly different from, and should not be confused with that in the *Waste Manual*.

Differences:

A declaration by the Licence holder that it has completed “*primary timber harvesting operations*” triggers a review by BCTS to confirm whether the licence should be dropped from the licence count.

A declaration by the Licence holder that it has completed “*primary logging*” triggers a waste assessment survey to be conducted by BCTS (on pre-Sept 1 2008 licences).

Care must be taken to not confuse these declarations. A premature declaration that “*primary logging*” has been completed can lead to BCTS conducting waste assessments (on pre-Sept. 1, 2008 licences) while the Licensee still intends to remove more timber from the cutting authority area.

In most cases, completion of “*primary timber harvesting operations*” will precede completion of “*primary logging*”.

3 Sale Limit

The BCTS Regulation specifies that

“Where a (BCTS enterprise) holds 3 or more licences under which *primary timber harvesting operations* have not been completed,...the person is deemed not to be registered in that category until such time as the circumstances...do not apply to (the BCTS enterprise).”¹

A timber sale licence is removed from the BCTS enterprise’s licence count as soon as the timber sales manager (TSM) is satisfied that primary timber harvesting operations have been completed on that licence. When the licence count drops to two, the BCTS enterprise is once again eligible to bid for timber sale licences.

¹ BC Timber Sales Regulation, section 9(1)(b)

A key step in establishing whether a licence is included in the licence count is determining the status of primary timber harvesting operations. This step should be initiated by the Licence holder, through a written notice to the TSM declaring that it has completed primary timber harvesting operations, and specifically requesting that its licence counter be reduced by one. Before removing the licence from the licence count, the TSM should confirm that the licence holder has completed falling and yarding of all the timber that licence holder intends to fall and yard; otherwise, the licence could be removed from the licence count prematurely. The licence is removed from the licence count by changing the licence status under FTA to “logging complete” (LC).

The licence holder may submit the declaration without falling or yarding all timber on the licence area. The presumption is that the licence holder intends to leave the remaining standing or felled timber on the licence area. If, at the time the licence holder declares that primary timber harvesting operations are complete, significant volumes of standing or felled timber remain, the TSM should emphasize to the licence holder that recommencing falling or yarding will result in the licence being reinstated under the licence count immediately.

Pre-September 1, 2008 TSLs:

Waste assessment survey

On pre-Sept. 1, 2008 TSLs, the Licence holder is required, through a provision in the TSL, to serve notice to the TSM that it has completed *primary logging* on a cutblock, **and** to request that a waste assessment be conducted.

This ensures that waste assessment surveys are conducted at the appropriate time.

The declaration by the licence holder that primary logging is complete is akin to the licence holder declaring that it no longer wishes to exercise its timber rights under the licence. However, despite making that declaration, and if the licence has not expired or been terminated, the licence holder may enter onto the cutting authority area to remove timber after the waste assessment has been conducted. Any timber removed at that time will be billed stumpage, in addition to the waste billing.

3-sale Limit declaration

The licence holder is required under the licence to submit a notice of completion of primary logging (for waste assessment purposes). Similarly it is appropriate to insist that the licence holder submit a written notice of completion of primary timber harvesting operations (for 3-sale limit determinations).

By insisting that licence holders submit written notices, BCTS minimizes the risk of prematurely reducing the 3-sale limit counter or, more importantly, prematurely initiating waste assessment surveys. In this manner, the onus for proceeding with either action is clearly placed on the licence holder.

The Licence holder may submit both declarations at the same time, but they are separate and distinct steps and should not be confused.

The attached sample letters can be provided to the Licensee when the fully executed licence is given to the Licensee.

Attachments

Sample letters:

1. Declaration of completion of “*primary timber harvesting operations*”;
 2. Declaration of completion of “*primary logging*”.
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Post-September 1, 2008 TSLs:

On post-Sept.1, 2008 TSLs, the Licence holder is required, through a provision in the TSL, to conduct a waste survey in accordance with the *Provincial Logging Residue and Waste Measurement Procedures Manual*.

As with pre-Sept.1, 2008 licences, the licensee may invoke a reduction to the licence counter by serving written notice to the Timber Sales Manager signifying that *primary timber harvesting operations* have been completed. BCTS staff may wish to confirm this declaration.

Even though the licence counter may have been reduced, if the licensee fails to conduct the waste survey, thus breaching the licence conditions, the licensee is still subject to actions being taken pursuant to section 78 of the *Forest Act* (the rights under the licence may be suspended, the licence may be cancelled, and/or the licensee may be disqualified).

Contacts

For further information regarding this bulletin please contact your local BCTS office, or visit our website at <http://www.for.gov.bc.ca/bcts/>

3-SALE LIMIT DECLARATION

Return address
Address
Postal Code

Date:

(Name of TSM)
Timber Sales Manager
_____ BCTS Business Area
(Address)
(Address)
(Postal Code)

Dear *(Name of TSM)*:

Re: Timber Sale Licence A_____

I hereby declare, for the purposes of the three sale limit, that I have completed primary timber harvesting operations on this timber sale licence.

I hereby request that my licence count, for the purposes of the BC Timber Sales Regulation, be reduced by one licence.

Yours truly,

Name
(Licensee, or authorized signatory).

WASTE ASSESSMENT DECLARATION

(for use with Timber Sale Licences advertised before Sept.1, 2008)

Return address
Address
Postal Code

Date:

(Name of TSM)
Timber Sales Manager
_____ BCTS Business Area
(Address)
(Address)
(Postal Code)

Dear *(Name)*:

Re: Timber Sale Licence A_____

I hereby declare that I have completed primary logging on this timber sale licence and do not intend to remove any of the timber remaining on the licence area.

I hereby request that a waste assessment be conducted in accordance with the *Provincial Logging and Waste Measurement Procedures Manual*.

Yours truly,

Name
(Licensee, or authorized signatory).
