



File: 10765-01/2019
Cliff: 246943

March 18, 2019

All BC Timber Sales Registrants

Dear BC Timber Sales Registrant:

Over the next few months, the Ministry of Forests, Lands and Natural Resource Operations and Rural Development (FLNRORD) will be implementing a number of new policy initiatives that will affect BC Timber Sales Licensees. Please note that some of the policy changes will apply differently between the Coast and Interior.

A summary of the policy changes include:

1) Waste Benchmarks (Coast only – April 1, 2019)

New Coastal waste benchmarks will be in effect for all TSLs advertised on or after **April 1, 2019**.

The new waste benchmarks for mature¹ stands will be:

- Helicopter logging – 35 m³/ha;
- Cable logging – 25 m³/ha; and
- Ground base logging – 10 m³/ha.

For immature stands, the new waste benchmarks will be 10 m³/ha regardless of harvest method.

To fully understand the changes in the *Provincial Logging Residue and Waste Measurement Procedures Manual*, you are encouraged to reference a copy of the manual available via the webpage:

<https://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/timber-pricing/forest-residue-waste>

¹ Immature and mature are defined in the Cruising Manual

2) Fibre Recovery Zones (Coast only – April 1, 2019)

As part of the Coastal Forest Sector Revitalization policy, a fibre recovery zone has been established for the coast. The purposes of the fibre recovery zone includes:

- Improving the utilization of fibre that has traditionally been wasted;
- Get more value out of the fibre and create jobs; and
- Reducing carbon emissions through less need for slash burning of post-harvest waste.

As of April 1, 2019 all new harvesting authorities, including TSLs, within a fibre recovery zone that have avoidable waste and residue volume in excess of the waste benchmarks will be charged at the greater of:

- Total stumpage for the Licence less the average tenure obligation adjustments multiplied by three, or
- \$2.00/m³.

Where TSLs are located within a Fibre Recovery Zone, TSL holders will be encouraged to maximize fibre utilization and the TSL may also contain a clause requiring the TSL holder to deck residual fibre of specified dimensions for efficient removal from the TSL.

The Coast fibre recovery zone map and associated waste rates for non-utilization can be found in the *Provincial Logging Residue and Waste Measurement Procedures Manual*.

3) Waste and Residue Assessment (Interior only – April 1, 2019)

On April 1, 2019 a new *Interior Logging Residue and Waste Measurement Procedures Manual* will set out new standards for completing waste and residue assessments that will apply to all scale-based TSLs advertised in the interior of British Columbia on or after April 1, 2019. The Licensee will continue to be required to complete waste and residue assessments for scale-based TSLs. Some of the changes to the *Interior Logging Residue and Waste Measurement Procedures Manual* are:

- Requires waste estimates be determined using field sampling and measurements;
- Ocular assessments will no longer be accepted;
- Will require application of newly developed and efficient sampling designs, methods and reporting processes;
- Penalties for late waste and residue assessment reporting; and
- Will require application of a new sampling method for roadside pile accumulations.

Please see link to the *Interior Logging Residue and Waste Measurement Procedures Manual* under 1) Waste Benchmarks, above.

4) Information to Include with Security Deposits (April 1, 2019)

Effective April 1, 2019 the successful applicant for a TSL will be required to submit information in relation to the security deposit at the time of deposit submission or at notification of reliance on a standing deposit. The information provided will state the origin of the successful applicant's TSL deposit funds.

Information provided by the successful applicant will support the Ministry in the administration of TSL auctions and carrying out its responsibilities under the *Forest Act*.

Should you have questions regarding this information, please contact your local Timber Sales Office in one of the 12 locations around the province.

Sincerely,

A handwritten signature in black ink, appearing to be 'Allan Powelson', written in a cursive style.

Allan Powelson R.P.F.
A/Director, Sustainability and Forestry
BC Timber Sales Headquarters

pc: Ray Luchkow, A/Executive Director, BCTS
Rob Bigalke, Director, Business, BCTS
Timber Sales Leadership Team