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March 17, 2021

BY EMAIL

To: Coast Regional Executive Directors

From: Honourable Katrine Conroy, Minister,
Ministry of Forests, Lands, Natural Resource
Operations and Rural Development

Re: Amendment No. 2 to the *Coast Appraisal Manual* (CAM)

I hereby approve Amendment No. 2 to the *Coast Appraisal Manual*, to be effective on April 1, 2021.

The main purpose of Amendment No. 2 to the *Coast Appraisal Manual* (CAM), intended to be published April 1, 2021, is to support the development of the Fibre Recovery Zone Policy.

Copies of the amendment and the amended CAM are available at the following link:

<https://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/timber-pricing/coast-timber-pricing/coast-appraisal-manual-and-amendments>

Further amendments or revisions to this manual require my approval.

Katrine Conroy
Minister

Attachment – Amendment No. 2 – *Coast Appraisal Manual*, effective April 1, 2021

pc: Melissa Sanderson, Assistant Deputy Minister, Forest Policy and Indigenous Relations Division
Jim Schafthuizen, Executive Director, Forest Policy and Indigenous Relations Division
Allan Bennett, Director, Timber Pricing Branch, Forest Policy and Indigenous Relations
Division
Patrick Asante, Manager, Timber Pricing, Timber Pricing Branch, Forest Policy and Indigenous
Relations Division

TIMBER PRICING BRANCH

Coast Appraisal Manual

Effective December 15, 2020

Includes Amendments:

Amendment No. 1

Amendment No. 2

Effective Date:

March 1, 2021

April 1, 2021



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2.2 Numbering System

The following exemplifies the numbering system that is used in this manual.

1. = Chapter

1.1 or 1.1.1.1 - Section

1.1.1.1(2) = Section with subsection

1.1.1 (2)(a) = Section with subsection and paragraph

Table 4-2 = Table 2 within Chapter 4

2.2.1 Calculation Conventions

1. Every calculation required to be performed will be performed to the full capacity of a calculating machine with the results truncated at four places of decimals and rounded to two places.
2. A result from 5 to 9 will be rounded upward and a result from 1 to 4 will be rounded downward.
3. Each calculation of a tenure obligation adjustment or specified operation adjustment expressed in dollars per cubic metre will be rounded to the nearest cent.
4. Where a value is specified as a limit, for example a constraint or a requirement for an equation,
 - a. the value will be treated as an absolute value, and
 - b. an actual measurement or record will not be rounded before use unless otherwise specified in this manual.

2.2.2 Cutblocks within a Cutting Authority Area

1. Except as provided in subsections 1(c) and (2) and Section 2.2.4, all cutblocks within a cutting authority area must:
 - a. have each of their geographic centres within the same appraised point of origin area as identified in Section 4.2.5.2; and
 - b. be fully contained within the same timber supply block, or in the case of a cutting authority area under a tree farm licence, be contained within the same forest district.
 - c. For a cutting authority issued under Section 20 of the *Act* within the GBRN Timber Supply Area, all cutblocks within a cutting authority area must:
 - i. have each of their geographic centres within the same appraised point of origin area as identified in Section 4.2.5.2; and

- ii. be located and fully contained within only Timber Supply Blocks:
 - aa. 46A, 46B, 46C, 46D, 46E and or 46F; or
 - bb. 46G, 46H, 46I, 46J and or 46K.
2. The road right of way that provides access to and is sold as part of a BCTS licence, is exempt from the requirement to be located within the same timber supply block or tree farm licence as the BCTS licence.

2.2.3 Fibre Recovery Zones`

1. In this section:
 - a. “Fibre Recovery Zone” means fibre recovery zone as defined in the *Provincial Logging Residue and Waste Measurements Procedure Manual (the “Waste Manual”)*;
 - b. “BCTS disposition agreement” means BCTS disposition agreement as defined in Section 22.2 of the *Act*; and
 - c. “Reduced non-BCTS licence” means reduced non-BCTS licence as defined in Section 22.4 of the *Act*.
2. Subject to subsection (3) of this section, if a fibre recovery zone waste rate as identified in the *Waste Manual* is applicable to any portion of a cutting authority in a fibre recovery zone, then the entire cutting authority must be a scale-based billing cutting authority.
3. For an initial ADS, the fibre recovery zone boundaries effective on the effective date of the cutting authority, are used to estimate the initial FRZ fraction. **The FRZ fraction effective on or after April 1, 2021, must reflect the fibre recovery zone adjustment factor as described in Section 4.2.**
4. The following are exempt from the requirements of this section:
 - a. a timber sale licence that is:
 - i. disposed of under the terms of a BCTS disposition agreement,
 - ii. disposed of under the terms of a reduced non-BCTS licence; or
 - iii. a Stand as a Whole pricing timber sale licence for decked timber.

2.2.4 Great Bear Rainforest North (GBRN)

1. This section does not apply to:
 - a. cutting authorities entered into under Section 20 of the *Act*; and

- b. except for Section 7.10, to any cutting authority appraised in accordance with Chapter 7.
- 2. A cutblock(s) within a cutting authority area other than within a cutting authority described in subsection 1 above, for the purposes of the GBRN:
 - a. must be located and contained within the same forest district where the licensee is entitled to harvest under the licence that the cutting authority has been issued under; and
 - b. must be located and fully contained within only:
 - i. Timber Supply Blocks:
 - aa. 46A, 46B, 46C, 46D, 46E and or 46F; or
 - bb. 46G, 46H, 46I, 46J and or 46K; or
 - ii. that part of Tree Farm Licence No. 25 within the Coast Mountain and North Island-Central Coast Forest Districts; or
 - iii. within Forest Licence A91438; or
 - iv. within Forest Licence A94535.

2.3 Appraisal Data Submission Requirements

2.3.1 Cruise Information

1. Except as provided for under subsection 7, and unless otherwise specified by the director, cruise data must be gathered and compiled in accordance with the following Ministry publications and the coast timber merchantability specifications in Table 2- 1:
 - a. *Cruising Manual*, at the following website:
<http://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/timber-pricing/timber-cruising/timber-cruising-manual>,
 - b. *Cruise Compilation Manual* at the following website:
<http://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/timber-pricing/timber-cruising/cruise-compilation-manual>

Table 2-1: Coast Timber Merchantability Specifications

Description	Mature	Immature
The following coast timber merchantability specifications must be used in all appraisals.		
1. Maximum stump height (measured from the top of the stump down to the highest ground level adjacent to the stump)	30.0 cm	30.0 cm
2. Minimum slab thickness for cedar only	15.0 cm	10.0 cm
3. Minimum top diameter (inside of the bark)	15.0 cm	10.0 cm
4. Minimum length of a log or slab	3.0 m	3.0 m

2. When cruise information is submitted to the district manager or the regional manager in order to determine a stumpage rate or an upset stumpage rate, that information must include:
 - a. the cruise compilation reports, and
 - b. the ASCII data files (i.e. .dat).
 - c. the CSV (if applicable, also the percent reduction CSV file) for appraisals submitted on or after November 1, 2013, when the cruise was compiled using the 2013.00 version of the approved cruise compilation program.
3. When requested by the district manager, a copy of the original field data and traverse notes must be provided by the licensee.

LOCATION	The net cruise volume weighted average straight line distance based on a BC Albers projection measured in kilometres between the geographic centre of each cutblock of a cutting authority area and the BC Albers Coordinate listed in Table 4-1 (which lists the major centres) that is closest to that part of the cutting authority area.
ISOLATED	<p>As applicable, an isolated cutting authority area or individual cut block(s) is one where all parts of the cutting authority area or individual cut block(s) are not connected, or the service landings used to support the yarding of timber from a cutting authority area or individual cut block(s) by helicopter are not connected, by a road suitable for motor vehicles to the centre of the nearest community.</p> <p>The nearest community must be a city, district municipality, town or village and must have retail food and gasoline services located nearby. This includes all communities serviced by public ferry.</p> <p>ISOLATED will be the fraction that results from dividing the net cruise volume of the individual cut block(s) that is/are ISOLATED, by the net cruise volume of the cutting authority.</p>
LUMPSUM	<p>If the cutting authority is a cruise-based competitive timber sale with a stand-as-a-whole rate, then $LUMPSUM = 1$, otherwise $LUMPSUM = 0$</p>
NAJHS	Number of North American and Japanese Housing Starts, as published in the approved stumpage appraisal parameters.
EXPORTSHARE	Rolling 12-month average of non-BCTS export volume divided by the total exportable non-BCTS harvest volume, as published in the approved stumpage appraisal parameters.
TOTALHARVEST	Rolling 12-month total Coast harvest volume, as published in the approved stumpage appraisal parameters.
*CEDARCYPRESS	The fraction of the coniferous cruise volume that is cedar and cypress. CEDARCYPRESS is in decimal form, rounded to 2 decimal places.
DISTAVGNBID	The average number of bidders for the forest district within which the cutting authority area is located is listed in Table 4-2.
VOL	That part of the total net cruise volume in the cutting authority area that is coniferous timber except that where the cutting authority is a timber licence or is issued under a licence with an AAC greater than 10,000 m ³ , then $VOL = 27,200$. VOL is expressed in m ³ , rounded to the nearest whole number.

FRZ The fraction of the total waste assessed area in the cutting authority subject to fibre recovery zone waste billing rates, as described in the Provincial Logging Residue and Waste Measurements Procedure Manual (*the Waste Manual*).

FRZ=0 for cruise-based cutting authorities and for scale-based cutting authorities with a fibre recovery zone adjustment factor of 1 as described in the *Waste Manual*.

Table 4-1: BC Albers Coordinates

BC Albers		At or Near	Code
Northing	Easting		
555,923	1,053,751	Campbell River	CARV
471,591	1,297,829	Chilliwack	CHWK
1,042,589	957,885	Houston	HOUS
580,589	1,373,908	Merritt	MERR
463,314	1,149,638	Nanaimo	NANA
1,041,636	719,914	Prince Rupert	PRRU
1,060,362	832,121	Terrace	TERR
+476,584	1,211,198	Vancouver	VANC
381,554	1,196,533	Victoria	VICT