

File: 224926

November 3, 2016

To: Robert Glassford, Regional Appraisal Coordinator, West Coast Region
Mary Mitchell, Revenue Business Analyst, West Coast Region

From: The Honourable Steve Thomson, Minister of Forests, Lands and
Natural Resource Operations

**RE: Forestry Licence to Cut A94386 – Procedures Relating to Log Grade Percentage
and Cutting Authority Configuration**

Through this memorandum the procedures under sections 2.2.2 (1), 4.2.2.2 and 4.2.2.3 of the *Coast Appraisal Manual* (CAM) for cutting authorities appraised or reappraised under Forestry Licence to Cut A94386 are replaced by the following:

1. Section 2.2.2 (1) of the CAM is replaced by:
 - (a) The geographic centre of all cutblocks within a cutting authority must be within the:
 - (i) Menzies-Sayward Forest;
 - (ii) Kelsey-Adam; or
 - (iii) Both (a)(i) and (ii) aboveappraised point of origin area(s) as applicable, as identified in Section 4.2.5.3 of the *Coast Appraisal Manual*; and
 - (b) Must be fully contained within either:
 - (i) Block 2 of Tree Farm Licence No. 39;
 - (ii) Pacific Timber Supply Area Block 18; or
 - (iii) Both (b)(i) and (ii) above.
2. Sections 4.2.2.2 and 4.2.2.3 of the CAM are replaced by Schedule A attached to this memorandum.

These procedures are authorized under Section 105(1) of the *Forest Act* and replace the procedures under Sections 2.2.2 (1), 4.2.2.2 and 4.2.2.3 of the CAM as noted above and as applicable, for purposes of appraisals and reappraisals of cutting authorities under Forestry Licence to Cut A94386 only. All other procedures and provisions of the CAM apply to the licence.



Steve Thomson
Minister
Attachment: Schedule A

pc: Mike Falkiner, Executive Director, BC Timber Sales
Steve Kozuki, Director, Timber Pricing Branch
Allan Bennett, Manager, Timber Pricing, Timber Pricing Branch
Sharon Hadway, Regional Executive Director, West Coast Region
Don Hudson, Timber Sales Manager, Strait of Georgia
Romona Blackwell, District Manager, Campbell River

Schedule A

Log Grade Percentage Criteria Applicable to Forestry Licence to Cut A94386

1. The log grade percentage is the percentage by volume that a log grade is of the total net cruise volume for the species of timber being considered.
2. The log grade percentages for a species of timber are derived from the billing history record.
3. Before a two-year billing history record for a species of timber can be used in an appraisal or reappraisal, the volume of that species of timber in that two year billing history record must be at least 25 percent of the net cruise volume of that species in the cutting authority area being appraised or reappraised, or 2 000 m³, whichever is greater.
4. Where the cutting authority area being appraised or reappraised is entirely within the geographic boundaries of: (i) TFL39 Block 2; (ii) Pacific TSA Block 18; or (iii) both (i) and (ii); the log grade percentages for the cutting authority area will be determined in the following manner:
 - a. Where at least eighty percent of the timber in the cutting authority area is second growth coniferous timber, or the entire net cruise volume of the cutting authority area being appraised or reappraised will be harvested using helicopter single standing stem selection, the log grade percentages for that cutting authority area will be determined in accordance with the requirements of CAM subsection 4.2.2.2(5).
 - b. Where at least eighty percent of the timber in the cutting authority area is not comprised of second growth coniferous timber, the person determining the stumpage rate will proceed to subsection (c) of this section.
 - c. Where the species being considered has a billing history record derived from cutting permits issued under Forestry Licence to Cut A94386 and associated road permits authorizing harvest and that billing history meets the criteria of section (3) above, then that billing history record will be the source of the log grade percentages for that species.
 - d. Where there is no billing history record under subsection (c), the person determining the stumpage rate will proceed to subsection (e) of this section.
 - e. Where the species being considered has a billing history record derived from cutting permits issued under (i) TFL39 and associated road permits authorizing harvest in that part of TFL39 that lies within the geographic boundaries of the Campbell River Forest District; and (ii) Forestry Licence to Cut A94386 and associated road permits authorizing harvest; and that billing history meets the criteria of section (3) above, then that billing history record will be the source of the log grade percentages for that species.
 - f. Where there is no billing history record under subsection (e), the person determining the stumpage rate will proceed to the CAM, beginning with

subsection 4.2.2.3.1(4), where the licence is TFL 39 within the Campbell River Forest District.