

Concurrent Residual Harvest System (CRHS)

Purpose

The primary purpose of the Concurrent Residual Harvest System (CRHS) is to provide an alternative method of scale for low quality timber harvested in the Interior as per Section 5 (1) (c) (iii) of the *Scaling Regulation*. This process is designed to be revenue and cut control neutral. It will reduce the administrative burden associated with timber delivered to secondary manufacturing facilities¹, in order to improve utilization of forest resources. This system will not apply to BC Timber Sales licenses. Material bound for sawmills or plywood/veneer/OSB plants is not eligible for this process.

Requirements

This process is voluntary and must have a business to business agreement between the primary harvester and the secondary manufacturer in place. Material shipped under this process must not be resorted or resold after transport to the destination site. Concurrent with normal block harvesting activities, residual material will be transported to an authorized weight scale, where it will be weighed into a specific stratum designed for the product for which the material is intended. The Load Description Slip (LDS), required to accompany the load must clearly state CRHS and the type of secondary manufacturing the material is intended for, i.e. pellets, post and rail, firewood, cants or pulp.

Fixed Ratio Tables

The tables have been designed so that each type of product produced by a secondary facility will utilize a specific volume to weight ratio in a fixed ratio stratum. The ratio and grade profile will be in place for an initial 3 month period beginning on April 1, 2019 and may be adjusted on a quarterly basis. Additional strata may be added at that time. The ratio is based on an average of similar average volume/weight ratios in the HBS database, local field assessments, and/or other methods. The table for chips and hog fuel (Processed Deliveries) contains ratios for onsite chipping or grinding brought to the weigh scale in a processed form for the use of a secondary facility.

Grade Tables and Species

Average weighted grade profiles have been calculated using HBS and observed data. The attached tables (Appendix 1) must be used when entering the fixed ratio strata for each product type into HBS. Strata for pulp have been separated by species and ratio. These ratios and grade profiles are the weighted averages of 2017 HBS data. A separate regional population will be used for CRHS strata. The applicable *Species Profile* will be determined by Area/District staff for each *type of secondary facility* stratum. Industry will be consulted and local knowledge of the species profile of the specific facility will be used in setting up the strata in HBS. See an example of HBS strata setup in Appendix 2. The rate used for billing will be timbermark specific.

Weighing Process

All CRHS material must be weighed at an authorized weigh scale. If weighed at a scale other than the receiving secondary facility, the HBS Weighing Event Type must be Primary Departure as each load must be sent to the secondary facility after weighing. A generic district destination code may be used if the facility does not have an authorized scale site. Timber weighers at the scale site will be required to stratify loads according to the materials that can be seen. If a load destined for CRHS doesn't meet the stratum description as set out in the CRHS tables then the timber weigher will be required to stratify the load into a different population/stratum or *Red Tag* the load, meaning the load will be taken out of the weight billing process and *Piece Scaled*.

Authorization

The Director, Timber Pricing Branch has authorized the CRHS alternate methods of scale under *Scaling Regulation S 5 (1) (c) (iii)*. District Managers may authorize this process to be used under a CRHS Authorization, signed by the District Manager of the District in which the timber originates. A copy of each authorization will be maintained by Timber Pricing Branch for tracking purposes. A Waste assessment of the block will be required as per the *Forest Act* and the *Provincial Logging Residue and Waste Measurements Procedure Manual*. This program may be cancelled with 6 months' notice.

¹A secondary manufacturing facility is defined as a processing mill that does not produce commodity lumber or plywood/veneer.

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Appendix 1

Volume/Weight Ratio and Grade Profile Tables

| Stratum Description | <i>Vol/Wt Ratio</i> | <i>Grade 1 %</i> | <i>Grade 2 %</i> | <i>Grade 4 %</i> | <i>Grade 6 %</i> | <i>Grade 7 %</i> |
|---|---------------------|------------------|------------------|------------------|------------------|------------------|
| Green HE Pulp <20% (G1&2) >70% Green | 0.99 | 1.02 | 8.73 | 88.84 | 0.13 | 1.28 |
| Green FI/LA Pulp < 20% (G1&2) >70% Green | 1.26 | 1.28 | 14.13 | 76.11 | 5.18 | 4.14 |
| Green Whitewood Pulp < 20% (G1&2)>70% Green | 1.31 | 0.51 | 9.04 | 83.46 | 1.67 | 5.32 |
| Dry Pulp < 20% (G1&2) >50% Dry | 1.51 | 1.35 | 6.21 | 90.29 | 0.54 | 1.62 |

Pulp strata descriptions in HBS will include the proportion of green or dry timber for the strata used. Green pulp strata will be described as having >70% green material on the load and dry strata will be described as having >50% dry material in the load.

Volume/Weight Facility Type Ratio and Grade Profile Tables

| Facility Type | <i>Vol/Wt Ratio</i> | <i>Grade 1 %</i> | <i>Grade 2 %</i> | <i>Grade 4 %</i> | <i>Grade 6 %</i> | <i>Grade 7 %</i> |
|--------------------|---------------------|------------------|------------------|------------------|------------------|------------------|
| Firewood | 1.47 | 0.3 | 10.4 | 88.6 | 0.5 | 0.2 |
| Cants | 1.57 | 0 | 15.3 | 84.7 | 0 | 0 |
| Post and Rail | 1.28 | 0 | 42.46 | 20.65 | 18.72 | 18.18 |
| Pellets/Bio-Energy | 1.23 | 0.2 | 2.7 | 85.7 | 0.01 | 11.4 |

Processed Material Delivery Table

| Facility Type | <i>Vol/Wt Ratio</i> | <i>Grade 1 %</i> | <i>Grade 2 %</i> | <i>Grade 4 %</i> | <i>Grade 6 %</i> | <i>Grade 7 %</i> |
|---------------|---------------------|------------------|------------------|------------------|------------------|------------------|
| Hog Fuel | 1.65 | 0 | 3.12 | 77.86 | 6.27 | 12.75 |
| Chips | 1.45 | 2.26 | 19.32 | 68.57 | 3.80 | 5.55 |

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Appendix 2

Licensees electing to scale under the CRHS process must advise the Area staff in order to have strata designed for their use. At the time of entering the fixed ratio CRHS strata into the Harvest Billing System Ministry staff will consult with the Licensee on the species profile of the material and will enter the species as a percentage ratio of the total vol/weight ratio for the stratum.

Example: Stratum Species/Grade Ratio Breakdown:

| Facility Type | Volume/Weight Ratio | | Ratio Table for Stratum 09 | | | | |
|---------------|---------------------|---------------|----------------------------|----------|-----------|----------|------------|
| HE Pulp | 0.99 | | | | | | |
| | | Grade Profile | G1-1.02% | G2-8.73% | G4-88.84% | G6-0.13% | GZ - 1.28% |
| Species % | BA | 10 | 0.00102 | 0.00773 | 0.08784 | 0.00001 | 0.00124 |
| | CE | 10 | 0.00102 | 0.00773 | 0.08784 | 0.00001 | 0.00124 |
| | HE | 80 | 0.00816 | 0.06984 | 0.71072 | 0.00010 | 0.01024 |

This Species/Grade and Ratio information will be entered into HBS by Area staff as:

| Stratum | Stratum Name | Grade Schedule | Product Schedule |
|---------|--------------|-----------------|------------------|
| 09 | HE Pulp | Interior Grades | Logs |

| Species | Grade | Ratio | Fraction |
|---------------|-------|----------------|----------|
| Balsam | 1 | 0.00102 | 0.1% |
| Balsam | 2 | 0.00773 | 0.78% |
| Balsam | 4 | 0.08784 | 8.83% |
| Balsam | 6 | 0.00001 | 0.0% |
| Balsam | Z | 0.00124 | 0.12% |
| Cedar | 1 | 0.00102 | 0.1% |
| Cedar | 2 | 0.00773 | 0.78% |
| Cedar | 4 | 0.08784 | 8.83% |
| Cedar | 6 | 0.00001 | 0.0% |
| Cedar | Z | 0.00124 | 0.12% |
| Hemlock | 1 | 0.00816 | 0.82% |
| Hemlock | 2 | 0.06984 | 7.02% |
| Hemlock | 4 | 0.71072 | 71.45% |
| Hemlock | 6 | 0.00010 | 0.01% |
| Hemlock | Z | 0.01024 | 1.03% |
| Totals | | 0.99474 | |