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September 30, 2013

To: Interior Executive Directors

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

**Re: Amendment No. 1 to the July 1, 2013 Interior Appraisal Manual (IAM)**

I hereby approve Amendment No. 1 to the *IAM*. The following sections have been amended:

**Section 1.4** Changes have been made as a consequence of changes made to section 3.1.

**Section 2.2** Clarification has been added to indicate the appraisal method (full appraisal or tabular) may not be changed by a reappraisal.

**Section 3.1** The section title has changed and a procedure for applying the highest stumpage principle has been added.

**Section 3.5.2** A procedure for choosing the point of appraisal has been added and an expiry date has been added for the Hazelton point of appraisal.

**Section 5.3** The section number has been changed from 5.2.4.

**Table 6-6** Clarification has been added for Christmas trees.

This amendment will come into force on September 30, 2013. Copies of the amendment and the amended *IAM* are available at the following link:

<http://www.for.gov.bc.ca/hva/manuals/interior.htm>.

Further amendments or revisions to this manual require my approval.

Steve Thomson  
Minister

pc: Murray Stech, Director, Timber Pricing Branch  
Grant Loeb, Manager Timber Pricing, Timber Pricing Branch  
Len Marsh, Forest Revenue Manager, Thompson Okanagan Region  
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**MANUAL REVISION  
TRANSMITTAL**

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	<i>Interior Appraisal Manual</i>	
	<b>AMENDMENT</b>	<b>ISSUE DATE</b>
	Amendment No. 1	September 30, 2013
<b>MANUAL CO-ORDINATOR</b>		
Ashley Sasaki Publication/Administrative Co-ordinator		
<b>AUTHORIZATION</b>		
Murray Stech Director, Timber Pricing Branch		

Please make the following changes to your copy of the above Ministry manual.

ACTION (Remove/Insert)	(VOL.) CHAPTER-SECTION-SUBJECT  TABLE OF CONTENTS	PAGE(S)	COMMENTS
Remove Insert	Table of Contents	i-ii	After Table of Contents Tab
Remove Insert	Chapter 1	9-10	After Chapter 1 Tab
Remove Insert	Chapter 2	3-4	After Chapter 2 Tab
Remove Insert	Chapter 3	1-2 11-14	After Chapter 3 Tab
Remove Insert	Chapter 5	5-6	After Chapter 5 Tab
Remove Insert	Chapter 6	3-6 13-16	After Chapter 6 Tab
Insert	Memorandum from Minister and Transmittal Sheet		After Amendments Tab



# Table of Contents

## 1 Introduction

1.1	Definitions.....	1-2
1.2	Terms of Reference.....	1-7
1.2.1	Responsibility for Stumpage Determination.....	1-7
1.2.2	Stumpage Appraisal Parameters .....	1-7
1.2.3	Minimum Stumpage Rate .....	1-7
1.3	Numbering and Calculation Conventions.....	1-8
1.4	Cutblocks within a Cutting Authority Area.....	1-9
1.5	Appraisal Data Submission Requirements.....	1-10
1.5.1	Cruise Information .....	1-10
1.5.1.1	Comparative Cruise Data.....	1-11
1.5.2	Appraisal Data Forms .....	1-12
1.5.3	Appraisal Map.....	1-12

## 2 Appraisals, Reappraisals and Stumpage Adjustments

2.1	Appraisal Process.....	2-2
2.2	Reappraisals .....	2-4
2.2.1	Changed Circumstances.....	2-4
2.2.1.1	Changed Circumstance Reappraisal Procedure .....	2-7
2.2.1.2	Effective Date of a Changed Circumstance Reappraisal .....	2-8
2.2.2	Minister's Direction .....	2-8
2.2.2.1	Minister's Direction Procedure.....	2-8
2.2.3	Reappraisals Due to Insect Damage .....	2-9
2.2.3.1	Insect Damage Reappraisal Procedure.....	2-9
2.2.3.2	Effective Date of an Insect Damage Reappraisal .....	2-9
2.3	Stumpage Adjustments .....	2-10
2.4	Correctable Errors.....	2-11
2.5	Redetermination of Stumpage Rate by Agreement .....	2-13

## 3 Final Estimated Winning Bid

3.1	Highest Stumpage .....	3-2
3.2	MPS Lumber Selling Prices.....	3-3
3.2.1	Lumber AMVs.....	3-3
3.2.2	Calculation of the Real Stand Selling Price (RSP).....	3-3
3.3	Estimated Winning Bid Variables .....	3-5
3.4	Estimated Winning Bid Equation .....	3-9
3.5	Log Transportation.....	3-10

3.5.1 Cycle Time Variables .....	3-10
3.5.1.1 Primary Cycle Time (CT): .....	3-10
3.5.1.2 Haul Method .....	3-11
3.5.1.3 Secondary Haul .....	3-12
3.5.2 Point of Appraisal (POA) .....	3-12
3.6 Specified Operations .....	3-14
3.6.1 Water Transportation .....	3-14
3.6.2 Special Transportation Systems .....	3-14
3.6.3 Camp Costs .....	3-16
3.6.4 Skyline and Intermediate Support Skyline .....	3-17
3.6.5 Helicopter Logging .....	3-18
3.6.6. Horse Logging .....	3-18
3.6.7. High Development Cost .....	3-18
3.7 Final Estimated Winning Bid .....	3-19

## 4 Tenure Obligation Adjustments

4.1 Tenure Obligation Adjustment (TOA) .....	4-2
4.2 Administration Costs .....	4-3
4.2.1 Forest Management Administration (FMA) .....	4-3
4.2.2 Final Forest Management Administration (FFMA) .....	4-3
4.3 Development .....	4-4
4.3.1 Development Cost Allocation .....	4-6
4.3.1.1 Development Cost Estimates on Crown Lands .....	4-6
4.3.1.2 Development Cost Estimates on Private Land .....	4-7
4.3.1.3 Existing Roads and Structures .....	4-7
4.3.1.4 Amortization Agreements .....	4-8
4.3.2 Tabular Cost Estimates .....	4-9
4.3.2.1 Subgrade Construction .....	4-9
4.3.2.2 Subgrade Construction Variables .....	4-9
4.3.2.3 Subgrade Cost Estimate .....	4-12
4.3.2.4 Drainage Structures .....	4-14
4.3.2.5 Additional Stabilizing Material .....	4-16
4.3.2.6 Cattle Guards, Fencing and Pipeline Crossings .....	4-17
4.3.3 Detailed Engineering Cost Estimates (ECE) .....	4-18
4.3.3.1 Trending of Detailed Engineering Costs .....	4-22
4.4 Road Management .....	4-24
4.4.1 Road and Land Use Charges .....	4-27
4.4.2 Final Road Management (FRM) .....	4-28
4.5 Basic Silviculture Cost Estimate .....	4-29
4.5.1 Root Disease Control .....	4-31
4.5.2 Total Silviculture Cost Estimate .....	4-31
4.6 Low Grade Percent Adjustment .....	4-35

## 1.4 Cutblocks within a Cutting Authority Area

1. Cutblocks within a cutting authority area must:
  - a. Each be a single unit,
  - b. **Each** be within the same forest district,
  - c. **Collectively** be tributary to **the same** common point of appraisal **as chosen in accordance with section 3.5.2** (unless **they are to be** included in a blanket salvage permit), **and**
  - d. **Each not** exceed a maximum distance of ten kilometres between the furthest boundaries of the furthest cutblocks, except when **included in a blanket salvage permit**.
2. A cutting authority shall not include both a cutblock where 35% or more of the **Total Net Coniferous Volume** is red and grey mountain beetle attacked Lodgepole pine and an authorisation to harvest on a cutblock that does not have those same characteristics.

## 1.5 Appraisal Data Submission Requirements

### 1.5.1 Cruise Information

1. Unless otherwise specified by the director, cruise data must be gathered and compiled according to the approved interior standard timber merchantability specifications in Table 1-1 below and in accordance with the following Ministry publications:
  - a. *Cruising Manual* at the following web site:  
<http://www.for.gov.bc.ca/hva/manuals/cruising.htm>
  - b. *Cruise Compilation Manual* at the following web site:  
<http://www.for.gov.bc.ca/hva/manuals/cruisecompilation.htm>
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 Report, and
  - b. The ASCII data files (if applicable, also the percent reduction ASCII file).
  - 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 must be supplied by the licensee.

**Table 1-1 Interior Timber Merchantability Specifications**

<b>Description</b>	
The following standard timber merchantability specifications must be used for all appraisals.	
Stumps (Measured on the side of the stump adjacent to the highest ground.)	
no higher than	30.0 cm
Diameter (outside bark) at stump height	
lodgepole pine: all timber that meets or exceeds	15.0 cm
all other species: all timber that meets or exceeds	20.0 cm
Top diameter (inside bark or slab thickness)	
for all species and ages, except cedar older than 141 years, all timber that meets or exceeds	10.0 cm
Top diameter (inside bark or slab thickness)	
for cedar older than 141 years, all timber that meets or exceeds	15.0 cm
Minimum length	
log or slab	3.0 m



10. Once Regional revenue staff determines the upset, BCTS will be advised by email from GAS of the upset determination.
11. a. Once Regional revenue staff determines the stumpage rate, Timber Pricing Branch's GAS will advise those licensees who have submitted an email address that the stumpage determination has been made.
- b. The details of the licensee's stumpage determination will be made available in GAS accessed through Timber Pricing Branch's website.

## 2.2 Reappraisals

1. Where **the** policies and procedures **in this manual** require a reappraisal the stumpage rate must be redetermined in accordance with the policies and procedures that are or were in effect as the case may be on the effective date of the reappraisal except for the subsection of section 2.2.1 under which **a** changed circumstance occurred.
2. Except as **otherwise** provided in **this section, or in sections 2.2.3 or 2.2.2.1**, a reappraisal is a complete reassessment of the cutting authority area at the time of the reappraisal by the person who determines the stumpage rate taking into account:
  - a. A revised appraisal data submission submitted by the licensee in accordance with this manual, and/or
  - b. Information available to the person who determines the stumpage rate.
3. **A reappraisal may not be used to change the appraisal from a full appraisal to a stumpage rate determined under chapter 6 or vice versa.**
4. At the time of a reappraisal, **except as directed under section 2.2.2 or 2.2.3**, initial detailed engineering cost estimates may be re-estimated once after construction in accordance with section 4.3.3(4).
5. Where a reappraisal under sections 2.2.1.2(2) or 2.2.2 is warranted but there isn't any timber remaining on the cutting authority area to apply the redetermined stumpage rate to, then the reappraisal is redundant and not required.

### 2.2.1 Changed Circumstances

1. In this manual a changed circumstance means a circumstance where:
  - a.
    - i. the licensee or a contractor working on the licensee's behalf has harvested or will harvest at least 15% of the Total Net Cruise Volume of timber on the cutting authority area using a harvest method that is different from the harvest method used in the most recent appraisal or reappraisal of the cutting authority area, and
    - ii. the different harvest method when taken into account in a changed circumstance reappraisal will produce the highest stumpage rate within the meaning of section 3.1.
  - b. The licensee or a contractor working on the licensee's behalf carries out or will carry out development on the cutting authority area such that there will be a difference of at least 15% between:
    - i. the total appraised development cost estimate if it is recalculated under chapter 4 on the basis of the development actually carried out, to the extent this development is in accordance with chapter 4, and

# **Final Estimated Winning Bid**

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**3**

### 3.1 Highest Stumpage

1. Except as provided in section 5.1 and chapter 6 of this manual the licensee must submit an appraisal data submission that is capable of being used by the person who determines the stumpage rate that will produce the highest stumpage rate once the point of appraisal has been determined in accordance with section 3.5.2.
2. If the harvest method or transportation route has been deemed unsuitable under paragraph three of this section then the combination of harvest method, development and cycle time that produces the next highest stumpage rate is used.
3. Regardless of the harvest method or transportation route that the licensee uses or intends to use for the cutting authority area, or any other fact or law pertaining to those phases, the district manager when deciding whether a harvest method or transportation route is unsuitable may only consider the following:
  - a. the physical features and terrain stability of the cutting authority area and the areas through which access to the cutting authority area may be gained,
  - b. the physical features of the areas outside of the cutting authority area that may be affected by the harvesting in or the transportation of the timber from the cutting authority area,
  - c. visual quality objectives,
  - d. the licensee's written rationale in the appraisal data submission that describes why a harvest method or transportation route should be considered unsuitable.

- b. from the junction in subparagraph (a), determine the cycle time to the nearest point over which all appraised timber on the cutting authority area must travel on the way to the POA. This will be the common junction.
  - c. weight the cycle time from the junction for each cutblock by the Total Net Cruise Volume for the cutblock to determine the average weighted cycle time to the common junction.
  - d. Determine the cycle time from the common junction to:
    - i. the point of appraisal as per section 3.5.2,
    - ii. the appraisal place of unloading,
    - iii. if the conditions under section 3.5.1.1 (3)(c) are met, then the place that would have been the point of appraisal if the timber had been harvested in the area from which the current cutting rights are transferred from.
5. Unavoidable delays are periods when the truck is on the job but not operating due to unpredictable delays such as; tightening binder chains, minor repairs made by driver, checking and adjusting brakes, minor delays prior to loading and unloading, refuelling, etc. Unavoidable delay time does not include any breakdown which requires shop repair, the services of a skilled mechanic, or a spilled load of logs. The time for load, unload and unavoidable delay is set at 75 minutes for cable yarding systems and 60 minutes for all other systems.
6. Total CT is the sum of the times calculated under subsections 4(c), 4(d) and 5.

#### 3.5.1.2 Haul Method

Cost estimates do not recognize different types of logging trucks. The estimate is based upon the possible haul method, either highway or off-highway and not specifically on the licensee's particular method.

Highway hauling is assumed when loaded logging trucks must travel in part over roads administered under the *Highway Act*, without truck-to-truck transfer, to the point of appraisal, or on roads administered under the *Industrial Roads Act* and Forest Service Roads as defined in *Forest Act* where prolonged known road restrictions prevent the use of oversize loads.

Off-highway hauling is assumed when loaded logging trucks can travel over roads administered under the *Industrial Roads Act* and Forest Service Roads as defined in *Forest Act* to the point of appraisal, or to a recognized reload. Where prolonged known restrictions (e.g., bridge load limit, narrow road, through rock cut, Regulations under the *Workers Compensation Act*, etc.) prevent the use of oversize loads, highway haul is assumed.

### 3.5.1.3 Secondary Haul

Secondary haul is when logs must be truck hauled between the dewater and reload site and the point of appraisal.

### 3.5.2 Point of Appraisal (POA)

1. The POAs that may be considered for use in the appraisal are set out in Table 3-4 unless:
  - a. five years have passed from the date that a milling facility was permanently rendered incapable of producing lumber and chips, and
  - b. it was the only milling facility associated with that POA, or
  - c. The appraisal effective date is past the expiry date for that POA indicated in Table 3-4.
2. The POA chosen for the appraisal must:
  - a. Not be excluded by the conditions in subsection 1 of this section,
  - b. Be based on transportation routes that have not been deemed unsuitable by the district manager, and
  - c. Be the POA with the lowest transportation and development cost (TRDEV) using the following calculation:

$$\text{TRDEV Cost } (\$/\text{m}^3) = (\text{CYCLE} * 1.31 * \text{CPIF}) + [(\text{SO's} + \text{DC}) * (\text{CPI}/135.8)]$$

Where:

CYCLE = the cycle time as defined in section 3.3 and measured in accordance with section 3.5.1.1 and 3.5.1.3.

CPIF = as defined in section 3.3.

SO's = the sum of the transportation specified operations that apply to the transportation route from sections 3.6.1 and 3.6.2.

DC = Total Development Cost in the appraisal.

CPI = as defined in section 3.3.

3. Except as provided in Table 3-3, the selling price zone indicated in Table 3-4 for the point of appraisal determined under this section must be used in the appraisal.

**Table 3-4 Points of Appraisal**

Northern Interior (Zone 5)			
Bear Lake	Fort St. James	Mackenzie	Smithers
Burns Lake	Fraser Lake	Prince George	Strathnaver
Clear Lake	Houston	Quesnel	Vanderhoof
Engen	Isle Pierre		

Skeena (Zone 6)		
Terrace	Hazelton	Kitwanga

Southern Interior (Zone 7)			
Adams Lake	Galloway	Merritt	Thrums
Armstrong	Grand Forks	Midway	Valemount
Canal Flats	Kelowna	Princeton	Vavenby
Canoe	Lavington	Radium	Westbank
Castlegar	Lumby	Revelstoke	Ymir
Craigellachie	McBride	Slocan	
Creston			
Elko			

South Cariboo (Zone 8)				
100 Mile House	Chasm	Lytton	Squamish	Williams Lake

Fort Nelson - Peace (Zone 9)	
Chetwynd	Fort St. John

4. The following Points of Appraisal will expire on the date indicated: Clear Lake (April 30, 2016), Hazelton (October 31, 2014).

### 3.6 Specified Operations

1. Only the specified operations described in sections 3.6.1 to 3.6.7 may be considered in an appraisal or reappraisal.
2. Where appropriate, specified operations are weighted according to the applicable net cruise volume.
3. Before a specified operation is used in an appraisal it must be approved by the person who determines the stumpage rate and the supporting information must be made available upon request.

#### 3.6.1 Water Transportation

Water transportation occurs when logs must be transported by water between the cutting authority and the point of appraisal or reload. This includes all costs of dumping, booming, developing and operating dumping and booming grounds, and towing. The specified operation for reservoir lakes applies to all marine appraisals and to Arrow, Kinbasket, Ootsa, Revelstoke and Williston Lakes. All other lakes receive the natural lake specified operation.

1. Dump and Boom:

Reservoir Lakes and Marine: = \$1.61/m<sup>3</sup>

Natural Lakes: = \$1.61/m<sup>3</sup>

2. Tow:

All = \$1.40/m<sup>3</sup>

3. Dewater and Reload:

All = \$1.42/m<sup>3</sup>

Only considered if the mill infeed is not located on the same lake, or a dam transfer is required.

#### 3.6.2 Special Transportation Systems

A special transportation system specified operation may be used in the appraisal where geographic conditions dictate its use.

The cost estimates include all costs associated with servicing the appropriate cutting authorities, (excluding all on-site costs of owning and operating a camp facility) and operation of bubble systems where applicable.



## 5.2 Stumpage Rate Determination for a Cutting Authority Other than a Cutting Authority Entered into Under a BCTS Licence, or a Cutting Authority for Which a Stumpage Rate is Determined Under Chapter 6

Sections 5.2.1 through 5.2.3 are the policies and procedures for determining a stumpage rate for a cutting authority other than a cutting authority entered into under a BCTS licence or a cutting authority for which a stumpage rate is determined under chapter 6.

### 5.2.1 Indicated Rate (IR)

1. The IR is the difference between the final estimated winning bid (FEWB) calculated for the cutting authority under section 3.7 and the tenure obligation adjustment (TOA) calculated under section 4.9.
2. Expressed as an equation:

$$\text{IR} = \text{FEWB} - \text{FTOA}$$

### 5.2.2 Reserve Stumpage

The reserve stumpage for a cutting authority is determined by selecting:

1. The greater of:
  - a. the indicated rate, or
  - b. the minimum stumpage rate.
2. The greater of:
  - c. the upset stumpage rate or value, or
  - d. the minimum stumpage rate or equivalent value.

### 5.2.3 Stumpage Rate

1. Unless otherwise provided in subsection 2 of this section, the total stumpage is the sum of the reserve stumpage plus any administration and silviculture levies which may apply under section 5.3.
2. If the cutting authority is awarded on the basis of competition, the total stumpage is:
  - a. the sum of the reserve stumpage plus the bonus bid, or
  - b. the sum of the reserve stumpage plus the bonus offer.

### **5.3 Levies**

1. Where the Crown is responsible for basic silviculture on a cutting authority, a silviculture levy may be added to the stumpage rate or the reserve stumpage rate for any or all species and grades.
2. The levy is equal to the district manager's or timber sales manager's cost estimate of silviculture costs to be incurred by the Crown.
3. Development/Administration Levy
  - a. A development levy may be added to the reserve stumpage rate. The development levy is equal to the appraisal cost estimate of road construction provided by the Crown as approved by the regional manager.
  - b. An administration levy may be added to the reserve stumpage rate. The administration levy is equal to the district manager's cost estimate of administration provided by the Crown for preparing a Forestry Licence to Cut for salvage timber. An administration cost estimate is made for every cutting authority where the district office has to prepare all details of a Forestry Licence to Cut for salvage. No levy is applicable to professional applications.
4. The amount of any levy may be re-determined at reappraisal only.

### **6.1.1 Community Forest Agreements**

1. The sawlog stumpage rate for each species of coniferous timber harvested under any cutting authority issued under a Community Forest Agreement is the rate prescribed in Table 6-2 for the forest zone in which the cutting authority area is located.
2. Sections 1.4(1)(d), sections 6.1.2 through 6.5 and section 6.7 through 6.9 of this chapter do not apply to Community Forest Agreement cutting authorities.
3. The stumpage rate determined under this section is redetermined on August 1 of each year in accordance with this section.

### **6.1.2 Woodlot Licences**

1. Except as provided in subsection (2) of this section, the sawlog stumpage rate for each species of coniferous timber harvested under a cutting permit issued for a woodlot licence with an effective date after November 30, 2008 is the rate prescribed in Table 6-2 for the forest zone in which the cutting authority area is located.
2. Where a woodlot licence cutting permit has been issued with an effective date after November 30, 2008 for the purpose of using amounts from an eligible extended road amortization agreement in an appraisal, then the stumpage rate will be determined using the procedures in this manual excluding this section.
3. Except as provided in subsection (4) of this section, the sawlog stumpage rate for coniferous timber harvested under a road permit issued for a woodlot licence is the rate prescribed in Table 6-2 for the forest zone in which the timber mark applies.
4. Where a woodlot has an eligible extended road amortization agreement before December 1, 2008 the sawlog stumpage rate for a road permit with an effective date on or after December 1, 2008 is calculated using the procedures in section 6.3.
5. The sawlog stumpage rate for each species of coniferous timber harvested under a blanket salvage permit issued for a woodlot licence is the rate prescribed in Table 6-2 for the forest zone in which the blanket salvage permit applies.
6. The stumpage rate determined under subsections (1), (3) and (5) of this section is redetermined on August 1, each year in accordance with this section.
7. Except as provided in subsections (2) and (4) of this section, sections 1.4(1)(d), 6.1.1, 6.1.3 through 6.5, 6.7 and 6.8 do not apply to woodlot licences.

**Table 6-2 Community Forest Agreements and Woodlot Licences:  
Coniferous Average Sawlog Stumpage Rates in \$/m<sup>3</sup>**

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	Y. PINE	OTHER <sup>1</sup>
North Central	1.34	-	1.97	-	-	1.04	1.66	-	1.48
North East	0.39	-	-	-	-	0.50	0.66	-	0.60
North West	0.67	0.55	-	0.56	-	1.05	0.62	-	0.74
South East	1.27	2.12	1.74	1.49	1.71	1.37	1.32	1.56	1.49
South West	1.48	-	1.68	1.48	-	1.69	1.45	-	1.60

<sup>1</sup> Average for the Forest Zone

### 6.1.3 Incidental Conifer in Deciduous Leading Stands

1. Except as provided in section 5.1.1(5), this section applies to coniferous timber in a cutting authority area where the total estimated volume of all deciduous species to be harvested is greater than 70% of the total estimated volume of all species to be harvested.
2.
  - a. The stumpage rate for each species of coniferous timber must be determined by using the stumpage rate prescribed in Table 6-1 for the forest zone in which the cutting authority area is located.
  - b. Where the Crown is responsible for basic silviculture on the cutting authority area, the stumpage rate for each species of coniferous timber shall be the sum of the rate determined under paragraph (a) of this subsection and the silviculture levy determined under section 5.3.
3. A stumpage rate determined under subsection 2 shall be redetermined on June 1, of each year in accordance with this section.
4. Notwithstanding subsection (2) in this section, the stumpage rate may be determined through a full appraisal in accordance with chapters 1, 2, 3, 4, and 5.

## 6.2 Cutting Authorities With 5 000 m<sup>3</sup> or Less Volume

1. Where the total estimated coniferous volume to be harvested in a cutting authority area is 2 000 m<sup>3</sup> or less, and where the agreement under which the cutting authority authorizing harvesting on the cutting authority area has been issued has a coniferous allowable annual cut of not more than 3 000 cubic metres, or no coniferous annual allowable cut:
  - a. The stumpage rate for each species of coniferous timber in the cutting authority area must be determined using the stumpage rate in Table 6-1 for the forest zone in which the cutting authority area is located, except that,
  - b. Where the agreement holder is not required to establish a free growing crop of trees on the cutting authority area, the stumpage rate for each species of timber shall be
    - i. the sum of the rate determined under paragraph (a) of this subsection and the basic silviculture cost for the species in the forest region, or
    - ii. where the Crown has the responsibility for silviculture, the sum of the rate determined under paragraph (a) of this subsection and the silviculture levy determined under section 5.3.
2. Except as provided in subsection 4 of this section or section 6.2.1, where the total estimated coniferous volume to be harvested on a cutting authority area is 5 000 m<sup>3</sup> or less, and the cutting authority authorizing harvesting on the cutting authority area is a competitively awarded forestry licence to cut, other than a BCTS licence:
  - a. Except as provided in paragraph (d) of this subsection, the upset stumpage rate for each species of coniferous timber in the cutting authority area will be 70 % of the stumpage rate for that species in Table 6-1 for the forest zone in which the cutting authority area is located, except that,
  - b. Where applications for a forestry licence to cut have been invited with upset stumpage rates determined under this subsection and no applications have been received, the upset stumpage rate for each species of coniferous timber shall be the rate requested by the district manager and approved by the regional manager.
  - c. Where the regional manager does not anticipate that applications for a forestry licence to cut will be received due to market conditions or timber profile, the upset stumpage rate for each species of coniferous timber shall be the rate requested by the district manager and approved by the regional manager.
  - d. Where the Crown is responsible for basic silviculture on the cutting authority area, the upset stumpage rate for each species of coniferous timber in the cutting authority area will be the sum of the stumpage rate determined under paragraphs (a), (b) or (c) of this subsection and the basic silviculture levy determined under section 5.3.

3. Where the cutting authority authorizing harvesting is a competitively awarded licence to cut other than a BCTS licence, and
  - a. The Total Net Cruise Volume is 5000m<sup>3</sup> or less, and
  - b. The cutting authority has been approved as cruise based under section 106 of the *Act*,  
  
the upset shall be no less than the district's cost to prepare the timber for sale as calculated by the district manager and the total stumpage shall apply to all species of timber on the cutting authority area.
4. An upset stumpage rate determined under subsection (2) of this section shall not be less than the district's variable cost per cubic meter to prepare the timber for sale as calculated by the district manager.
5. Except as provided in section 2.2.2, where the upset stumpage rate is determined under this section, the total stumpage is fixed for the term of the cutting authority and all extensions.
6.
  - a. Notwithstanding subsections (1), (2) or (3) of this section, where the total coniferous volume to be harvested on a cutting authority area is 5 000 m<sup>3</sup> or less, the stumpage rate may be determined through a full appraisal in accordance with chapters 1, 2, 3, 4 and 5.
  - b. Where the stumpage rate is determined in accordance with this subsection the total stumpage rate is fixed for the term and all extensions.

### **6.2.1 Forestry Licences to Cut for Specific Purposes (No Volume Limit)**

1.
  - a. Where the cutting authority is a forestry licence to cut awarded to the highest bidder, other than a BCTS licence and it has been issued:
    - i. For the purpose of protecting a community from wildfire as prescribed under section 1 of the *Forestry Licence to Cut Regulation*, or
    - ii. For the purpose of removing damaged timber from natural stands or plantations where:
      - aa. at least 70% of the total estimated volume of all species on the cutting authority area is Pine that has been damaged by mountain pine beetle, and either
      - bb. at the time of death, the age of the damaged timber was not more than 60 years, or
      - cc. a field survey indicates that the average stems per hectare on the cutting authority area is greater than 2 000 with a minimum diameter at breast height of 5 centimeters, or

## 6.5 Decked and Partially Harvested Timber for a Cutting Authority Other than a Cutting Authority Entered Into Under a BCTS Licence

1. When decked timber only is advertised for sale to the highest bidder, the upset stumpage rate for the timber shall be the total of the silviculture levy determined under section 5.3 and:
  - a. The prescribed minimum stumpage rate if the timber has been decked for over three years, or
  - b. 70% of the stumpage rate from Table 6-4 for the applicable species and forest zone if the timber has been decked for three years or less.
2. When decked timber only is sold directly without the use of the competitive bidding process, the stumpage rate for the timber shall be the total of the silviculture levy determined under section 5.3 and:
  - a. The variable cost to prepare the timber for sale if the timber has been decked for over three years, or
  - b. The stumpage rate from Table 6-4 for the applicable species and forest zone if the timber has been decked for three years or less.
3. When partially harvested timber only is advertised for sale to the highest bidder the upset stumpage rate for the timber shall be the total of the silviculture levy determined under section 5.3 and:
  - a. The prescribed minimum stumpage rate, if three years or more have passed since the timber was felled, or
  - b. 70% of the stumpage rate for the applicable species and forest zone from Table 6-5 if less than three years have passed since the timber was felled.
4. When partially harvested timber only is sold directly without the use of the competitive bidding process, the stumpage rate for the timber shall be the total of the silviculture levy determined under section 5.3 and:
  - a. The variable cost to prepare the timber for sale if three years or more have passed since the timber was felled, or
  - b. The stumpage rate from Table 6-5 for the applicable species and forest zone if less than three years have passed since the timber was felled.

5. a. Where applications for decked timber or partially harvested timber being sold to the highest bidder have been invited with an upset stumpage rate determined under subsections 1(b), 3(b) or 6(a) of this section and no applications have been received, the upset stumpage rate shall be the rate approved by the Regional Manager.
- b. Where the regional manager does not anticipate that applications will be received for decked timber or partially harvested timber being sold to the highest bidder due to market conditions or timber profile, the upset stumpage rate determined under subsections 1(b), 3(b) and 6(a) of this section shall be the rate approved by the regional manager.
- c. An upset stumpage rate determined under paragraphs (a) or (b) of this subsection shall not be less than the district's variable cost to prepare the timber for sale.
6. a. Where applications for a forestry licence to cut that applies to both decked timber and partially harvested timber have been invited, the upset stumpage rate shall be the total of the rate determined using the procedures in subsection (1) of this section, as if the timber was all decked timber and the silviculture levy determined under section 5.3.
- b. Where a forestry licence to cut that applies to both decked timber and partially harvested timber is entered into directly without the use of the competitive bidding process the stumpage rate shall be the total of the rate determined using the procedure in subsection 2 of this section as if the timber was all decked timber and the silviculture levy determined under section 5.3.
7. Where the upset stumpage rate or the stumpage rate has been determined using this section the total stumpage rate shall be fixed for the term of the cutting authority and all extensions.
8. An upset stumpage rate calculated under this section must be calculated using the *Interior Appraisal Manual* in effect on the date that the rate is determined (appraisal effective date).



## 6.6 Miscellaneous Stumpage Rates

1. Unless otherwise specified in this manual, the stumpage rates, at the time of scale for timber harvested for the purposes described, in the districts listed, in the forest district specific section of Table 6-6 are as prescribed in that table. This table does not apply to cruise based cutting authorities.

**Table 6-6 Miscellaneous Stumpage Rates**

*All Interior Forest Regions*

Species	Code <sup>1</sup>	Product	Reserve Stumpage Rate
All Species	SB	Shake & Shingle Bolts, Blocks and Blanks.	\$5.30/m <sup>3</sup>
All Species	SK	Shakes	\$6.00/m <sup>3</sup>
Cedar	PR	Posts & Rails (Split and Round)	\$3.00/m <sup>3</sup>
All other Species	PR	Posts & Rails (Split and Round)	\$1.20/m <sup>3</sup>
All Species	MT	Mining Timbers	\$3.00/m <sup>3</sup>
All Species	FW	Firewood	\$0.50/m <sup>3</sup>
Yew		All	\$0.25/m <sup>3</sup>
All Species	CH	Wood chips from post-harvest material where a waste assessment has been made <sup>2</sup>	\$0.25/m <sup>3</sup>
All Species	HF	Hogged tree material from post-harvest material where a waste assessment has been made <sup>2</sup>	\$0.25/m <sup>3</sup>
All Species		Grades 4 and 6, except where the upset stumpage rate is determined under section 6.2.1(1)(a) and (b) and 5.1.1(5)	\$0.25/m <sup>3</sup>
Deciduous Species		All, except grades 4 and 6 and except where the upset stumpage rate is calculated under section 6.2.1(1)(a) and (b) and 5.1.1(5)	\$0.50/m <sup>3</sup>
All Species	SS	Stakes & Sticks.	\$1.20/m <sup>3</sup>
All Species	XM	Christmas Tree <b>Length:</b> under 3m 3-5 m over 5 m	\$0.20/each \$1.00/each \$1.50/each
All Species		Logs salvaged below the high water levels of Reservoir Lakes and the Shuswap, Slocan, Kootenay, Mineral, Babine and Ootsa Lakes	\$0.25/m <sup>3</sup>
All Species		Marine Beachcomb	\$0.70/m <sup>3</sup>
All Coniferous		For logs harvested from the following Research Forests: Alex Fraser (UBC), Aleza Lake (UBC and UNBC), College of New Caledonia (CNC), and Fort St. James (UNBC)	\$0.25/m <sup>3</sup>
All Species		Firmwood Reject	NIL

<sup>1</sup> Special Forest Products as described in the Special Forest Products Regulation under the *Act*.

<sup>2</sup> Where the post harvest material is removed under a different tenure from the original cruise based cutting authority, a waste assessment is not required.

**District/TSA Specific**

Description of Activity	Forest District/TSA	Reserve Stumpage Rate
New Crown land area disturbed for mining exploration trails, seismic lines <sup>1</sup> , gas or oil well sites and right-of-way to well sites <sup>2</sup> , mine sites and rights of way to mine sites <sup>3</sup> , or, authorizations for investigative purposes issued under the <i>Land Act</i> .	Cassiar	\$ 872 /ha
	Ft. Nelson	\$ 836 /ha
	Mackenzie	\$ 558 /ha
	Peace	\$ 825 /ha
	Rocky Mountain	\$ 2062 /ha

<sup>1</sup> The corresponding district reserve stumpage rate from the above table is adjusted according to the category of line clearing as follows:

- Category 1 - no adjustment
- Category 2 - 1/2 of the reserve stumpage rate
- Category 3 - 1/3 of the reserve stumpage rate

The gross area for each category reported as new line on either; the Oil and Gas Commission's Geophysical Final Plan cover sheet or an As Cleared Plan is multiplied by the reserve stumpage rate as adjusted above (refer to Appendix V for category definitions).

<sup>2</sup> For pipe line rights-of-way a stumpage rate must be determined by using the above rates for cutting authorities containing 2 000 m<sup>3</sup> or less, of merchantable coniferous volume. For pipe line rights-of-way cutting authorities greater than 2 000 m<sup>3</sup> see section 6.7.

<sup>3</sup> Cassiar TSA only