



File: 236410 February 23, 2018

To: Interior Executive Directors

From: Honourable Doug Donaldson, Minister, Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Re: **Amendment No. 2 to the Interior Appraisal Manual (IAM)**

The following sections have been amended:

### **Camps Specified Operation**

The criteria for inclusion of a Camp specified operation cost estimate in an appraisal has changed. The change will allow licensees who manage tenures for other licence holders the ability to include a camp cost estimate in an appraisal when they incur the camp costs.

### **Enhance Silviculture**

Several new Biogeoclimatic zones have been added to the list of zones eligible for an enhanced silviculture cost estimate in an appraisal. The zones are specifically added for cutting authority areas within the Interior Douglas-fir zone and affected by wildfire.

In addition, a new changed circumstance provision is added. A licensee must submit a reappraisal if enhanced silviculture is indicated in an appraisal but never carried out; or vice-versa.

### **Forest Enhancement Society**

Woodlot and Community Forest tenure holders have been given the ability to submit a full appraisal for a cutting authority issued with projects funded by the Forest Enhancement Society.

In addition, a number of housekeeping amendments have been made.

This amendment will come into force on March 1, 2018. Copies of the amendment and the amended IAM are available at the following link:

<http://www2.gov.bc.ca/gov/content/industry/forestry/competitive-forest-industry/timber-pricing/interior-timber-pricing/interior-appraisal-manual>

Further amendments or revisions to this manual require my approval.

Doug Donaldson  
Minister

Interior Executive Directors

pc Chris Stagg, Assistant Deputy Minister, Timber Operations, Pricing and First Nations  
Vera Sit, Executive Director, Timber Pricing and Softwood Lumber  
Allan Bennett, Director, Timber Pricing Branch  
Bruce Sullivan, Revenue Officer, Regional Operations Division - South Area  
Darius Low, Revenue Team Lead - North Area, Regional Operations Division - North Area

# TIMBER PRICING BRANCH

## Interior Appraisal Manual

Effective October 1, 2017

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Cost Base of: 2015

### Includes Amendments

Amendment 1

Amendment 2

### Effective Date

November 1, 2017

March 1, 2018



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- “**GAS**” means the ministry’s General Appraisal System;
- “**Harvest Method**” means ground skidding, overhead cable, helicopter or horse;
- “**Harvest Method Volume**” means the net merchantable volume reported for the harvest method in the appraisal summary report;
- “**Hogged Tree Material**” means tree residues or by-products that have been shredded into smaller fragments by mechanical action;
- “**Interior Area**” means the North and South Areas;
- “**Licensee**” means the holder of a cutting authority;
- “**Long-Term Arrangement**” for the purposes of camp specified operations, means for a period of one or more years;
- “**Manual**” means *Interior Appraisal Manual*;
- “**Mature Timber**” means, exclusively for the purposes of section 30 of the Wildfire Regulation of the Wildfire Act, in respect of Crown timber that was cut, damaged or destroyed without authorization contrary to section 52(1) of the Forest and Range Practices Act, or damaged or destroyed within the meaning of sections 25(1)(b) and 27(1)(c) of the Wildfire Act, timber meeting the Interior Timber Merchantability Specifications described in Table 1-2 in this manual.
- “**Minister**” means Minister of Forests, Lands, Natural Resource Operations and Rural Development;
- “**Ministry**” means Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD);
- “**Net Merchantable Area**” means the net area for all treatment units reported in the appraisal summary report;
- “**New Construction**” means the following construction phases: subgrade construction, placement of additional stabilizing material and the construction and installation of drainage and other pertinent structures;
- “**North Area**” means Northeast, Omineca, and Skeena Regions excluding that portion that lies geographically within the North Coast Timber Supply Area;
- “**Original Appraisal**” means the appraisal data submission effective on the effective date of the cutting authority;
- “**Partially Harvested Timber**” means timber that has been felled and/or bucked and not yet forwarded to roadside;
- “**Prescribed Minimum Stumpage Rate**” means the minimum stumpage rate prescribed by the *Minimum Stumpage Rate Regulation* (BC Regulation 354/87);
- “**Primary Harvesting Activities**” means the cutting and removal of timber from a cutting authority area;

- “Reconstruction or Replacement”** means replacement or structural repair of a major drainage structure (e.g. replacing stringers, cross ties, or cribbing), or major resurfacing, which means resurfacing sections of more than 0.3 km in length that were initially surfaced but have deteriorated due to long term wear and tear, where stabilizing material was not previously used, or major reconstruction, which means restoring at least 0.1 km of road (per occurrence) that requires complete rebuilding of the subgrade;
- “Regional Manager”** means a regional executive director of the Ministry or except for section 1.2.1(1)(b), the regional executive director’s designate;
- “Regulations”** means regulations under the *Act*;
- “Remedial Fence and Wing Fence”** means a fence that is required to remedy, reduce or manage the impact of timber harvesting activities on range management;
- “Road Permit”** means road permit or road timber mark;
- “Scale Based”** means the stumpage payable is based on a scale of the timber harvested from the cutting authority area in accordance with part 6 of the *Act*;
- “Single Unit”** means a cutblock has one continuous boundary and it is not made up of two or more pieces separated by timber that is not within the gross area of the cutblock from the cruise compilation;
- “Skyline System”** means a cable logging system used to fully suspend logs for protection of the soil, for crossing streams without damage, or to yard logs for long distances. Skyline systems may use intermediate supports to reduce the sag in long cables;
- “South Area”** means Cariboo, Kootenay-Boundary and Thompson-Okanagan Regions;
- “Species Net Volume”** means the species net merchantable volume reported in the appraisal summary report;
- “Stand as a Whole (SAAW) Pricing”** means that one stumpage rate is determined for all of the Total Net Coniferous Volume of timber on the cutting authority area. In a cruise based cutting authority, the single stumpage rate applies to the Total Net Cruise Volume;
- “Timber Harvesting”** means the felling or removal of timber other than on road rights-of-way or landings on a cutblock;
- “Timber Pricing Branch”** means the Timber Pricing Branch of the Ministry;
- “Timber Sales Manager”** means the Timber Sales Manager or the Timber Sales Manager’s designate;
- “Total Net Coniferous Volume”** means the sum of all the coniferous species net volumes reported in the appraisal summary report;

## 2.2 Reappraisals

1. This section applies to fully appraised cutting authorities effective on or after April 1, 2017 (for fully appraised cutting authorities effective prior to this date use section 2.2 as it was prior to April 1, 2017).
2. Where the policies and procedures in this manual require a reappraisal, the stumpage rate must be determined 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.
3. A reappraisal is a complete reassessment of the cutting authority on the effective date of the reappraisal, with the exception of a reappraisal directed by the Minister (section 2.2.4), an insect damage reappraisal (section 2.2.5), or a compilation version reappraisal (section 2.2.6).
4. A reappraisal may not be used to change the appraisal from a full appraisal to a tabular stumpage rate (chapter 6) or vice versa.
5. If a cutting authority is reappraised, any bonus bid or bonus offer in existence does not change and remains in effect.

### 2.2.1 Reappraisal Data Submissions

1. If a reappraisal is required, a licensee representative must submit an ADS to the district manager, and the appraisal data submission process (section 2.1.1 (b) to (g)) must be followed.
2. A changed circumstances reappraisal must only be submitted after the completion of primary harvesting activities.

### 2.2.2 Changed Circumstances

1. This section applies to all fully appraised adjustable rate cutting authorities.
2. A changed circumstance means a circumstance where:
  - a. the operations used or carried out on a cutting authority area are different from what was identified in the original appraisal. These changes in operations include:
    - i. a change in **Point of Appraisal** due to a shorter transportation route (or in the case of section 1.4.4 (2) a lower cost transportation route) becoming available with development projects submitted in another appraisal data submission by the same licensee, prior to the completion of primary harvesting activities; or

- ii. a change in **harvest method(s)** that exceeds the greater of 1000 m<sup>3</sup> or 10% of the total net cruise volume. If the change is to a higher cost harvest method, the licensee submitter must include a rationale to explain why the change is required; or
  - iii. a change in **development** that exceeds the greater of \$5,000 or 3% of the total development cost estimate in the original appraisal recalculated under chapter 4, on the basis of the development work actually carried out, to the extent this development is in accordance with chapter 4; or
    - aa. a licensee representative may choose to submit a changed circumstance reappraisal in paragraph (iii) to re-estimate only the development costs in the original appraisal if it does not meet the minimum change requirement; or
  - iv. a change in the **camp or special transportation** specified operation; or
  - v. a change in the **root disease** control treatment area that exceeds the greater of 3 hectares or 3% of the total treatment area, or
  - vi. a change in the **skyline harvest area** that exceeds the greater of 3 hectares or 3% of the total skyline harvest area; or
  - vii. a change in the appraised **water transportation route** because a change in the water level rendered a log dump unfeasible; or
  - viii. a change in the appraised enhanced silviculture treatment area; or
- b. the cutting authority harvest area is different from what was used in the original appraisal. These changes include:
- i. an absolute<sup>1</sup> change in **harvest area** that exceeds the greater of 5 hectares or 5% from an original appraisal for a **scale based** cutting authority; or
  - ii. an absolute<sup>1</sup> change in **harvest area** that exceeds 3 hectares from an original appraisal for a **cruise based** cutting authority.

Note: for cruise based billing purposes in subsection (2)(b)(ii) the harvest area must only be changed to reflect the new harvest area when the harvest area has decreased and the cutting authority has been amended, or the harvest area has increased.

- iii. Notwithstanding subsection 2.2 (1) and (2), any cutting authority amended for a Timber Damaging Event may include non-tributary development project costs in a reappraisal if construction of the projects started prior to the event, and they were projects included in the original appraisal.

A Timber Damaging Event is defined as an event where trees are damaged as a result of a major wind or ice (>20 ha), wildfire or landslide.

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<sup>1</sup>Measured as the absolute change, e.g. an addition of 5 hectares and the subtraction of 5 different hectares is a 10-hectare change for the purposes of this section.



### 3.3.3 Camps

1. A camp specified operation may be included in an appraisal if all of the criteria in this section are met for the cutting authority area being appraised.
2. Workers who work on the cutting authority area must reside in the camp and travel each day of work during timber harvesting and hauling operations from the camp to the cutting authority area.
3. The licensee **or the managing licensee** submitting the appraisal must incur the following:
  - a. Costs to establish the camp either through capital expenditure or through long-term lease arrangements, and
  - b. Costs to operate and maintain the camp.

**A managing licensee means a licensee who has entered into a long-term forest management arrangement with the holder of the cutting authority and bears the camp costs in (a) and (b) and all the harvesting, transportation and tenure obligations costs relating to the cutting authority.**

4. The camp must:
  - a. Be comprised of buildings or structures of a permanent or semi-permanent nature,
  - b. Have a cookhouse(s) and a bunkhouse(s),
  - c. Have full time camp staff, and
  - d. Be located outside **the municipal boundary** of a support centre listed in Table 3-5.
5. The camp specified operation cost estimate is:
  - a. For a camp with rail access only = \$4.11/m<sup>3</sup>
  - b. For a remote camp = \$3.53/m<sup>3</sup>

Where a remote camp is defined by a loaded one-way log truck haul greater than:

- i. Five (5) hours to a support centre, or
- ii. Three (3) hours to a support centre and the primary log haul is to either a log dump for water transportation and/or a rail siding for a rail transportation specified operation.
- c. For a non-remote camp  $\$/m^3 = 227.37 * CAMPV^{-0.3886}$

Where CAMPV is the average volume for the specified camp in the list of camps maintained by Timber Pricing Branch.

- i. If the equation yields a cost estimate more than \$2.93/m<sup>3</sup>, then use \$2.93/m<sup>3</sup>.
- ii. If the equation yields a cost estimate less than \$1.29/m<sup>3</sup>, then use \$1.29/m<sup>3</sup>.
- iii. For camps without an average volume on the list maintained by the Timber Pricing Branch, the cost estimate is \$1.74/m<sup>3</sup>.

6. a. A licensee must submit camp cost information in the 2015 and future Interior Log Cost Report (ILCR) to be eligible for a camp cost estimate in a cutting authority issued on or after July 2, 2016.
- b. If a camp is shared by more than one licence/or licensee, the total volume harvested and total costs must be reported in the 2017 and future ILCR. In the case of more than one licensee (or a managing licensee), there must be a written agreement between the licensees documenting the cost sharing arrangement and identifying one licensee responsible for submitting the total volume harvested and total costs of the camp in the ILCR.

**Table 3-5: Support Centres**

North Area			
Burns Lake Houston Kitimat Chetwynd Vanderhoof	Kitwanga New Hazelton Fort St. James Fort Nelson McBride	Smithers Stewart Fraser Lake Mackenzie Valemount	Terrace Prince George Fort St. John Dawson Creek

South Area			
Boston Bar Clearwater Hope Canal Flats Castlegar Cranbrook Williams Lake	Kamloops Kelowna Lillooet Creston Ferne Golden	Merritt Pemberton Penticton Grand Forks Greenwood Invermere Princeton	Salmon Arm Vernon Nakusp Nelson Revelstoke 100 Mile House Quesnel

**3.3.4 Skyline and Intermediate Support Skyline**

1. Except as provided in paragraph 4 of this section, a skyline specified operation cost estimate may be included in an appraisal for each cut block where the average yarding distance (slope) is greater than 300 metres, or intermediate supports are used.
2. The average yarding distance is determined by:
  - a. Drawing a series of transects (minimum four) with their origin at a tower landing, being equi-angle apart and measured to the back-line. This is done for each block; blocks will not be amalgamated for the purpose of average yarding distance calculation.
  - b. Yarding distance will be measured as slope distance from the centre of the tower landing to the falling boundary.
  - c. The sum of transect lengths divided by the number of transects equals the average yarding distance.

Where a partial cut is comprised of openings of less than 1 hectare in size, the PCUT percent is based on the cumulative volume of these openings divided by the volume of the block area surrounding them.

$$\text{PCUT} = \frac{\text{Total Net Cruise Volume required to be removed using a partial cut system}}{\text{Total Net Cruise Volume on the area where Partial Cutting is required}} * 100$$

(except if partial cut percent  $\geq 90\%$ , then PCUT = 0)

CAPCUT = Cutting Authority (CA) partial cut %. If CAPCUT%  $> 80\%$   
CAPCUT% = 80, otherwise:

$$\text{CAPCUT\%} = (\text{CA TNCRV} / \text{CA Gross TNCRV}) * 100$$

$$\text{CA Gross TNCRV (m}^3\text{)} = v\text{GS(C)} + (v\text{GS(P)} / \text{GS(PCUT/100)}) + v\text{OC(C)} + (v\text{OC(P)} / \text{OC(PCUT/100)}) + v\text{SK(C)} + v\text{Horse(C)} + v\text{Heli(C)} + (v\text{Heli(P)} / \text{Heli(PCUT/100)})$$

Where:

PCUT	=	Logging method PCUT (%)
CAPCUT	=	Cutting Authority (CA) partial cut percent
V	=	Harvest Method Volume (m <sup>3</sup> ) required to be logged by each system
Heli (C)	=	helicopter logging (clear cut)
Heli (P)	=	helicopter logging (partial cut)
Horse(C)	=	horse logging (clear cut)
GS (C)	=	ground skidding (clear cut)
GS (P)	=	ground skidding (partial cut)
OC(C)	=	overhead cable logging (clear cut)
OC(P)	=	overhead cable logging (partial cut)
SK(C)	=	skyline logging (clear cut)

#### 4.5.1 Enhanced Silviculture

1. Costs for enhanced silviculture may be included in the calculation of the silviculture cost estimate for BEC units with an enhanced silviculture cost estimate in Table 4-7.
2. To qualify for the enhanced silviculture cost estimate, a management unit plan that includes management objectives and the associated silviculture regimes required to achieve those objectives must be in place and endorsed by the District Manager. There are a number of ways the endorsed management unit plan requirement can be satisfied:

- a. District Manager endorsed Type 4 or Integrated Silviculture Strategies that include (or have been revised to include) increased establishment densities.
  - b. Approved TFL Management plans that include increased establishment densities in the timber supply assumptions.
  - c. District Manager endorsed silviculture strategies or stocking standards.
  - d. District Manager endorsed forest health strategies.
3. To qualify for the enhanced silviculture cost estimate, the cutting authority area must be included in a Forest Stewardship Plan (FSP) that contains enhanced stocking standards. The FSP must specify the minimum planting density to be achieved for each applicable BEC unit.
  4. Management unit plans must include regeneration dates that are reflective of artificial regeneration, and a high minimum density of planted seedlings. The enhanced silviculture cost does not apply where natural regeneration or direct seeding is used to restock the harvest area.
  5. Costs in Table 4-7 for enhanced silviculture and in the Interior Douglas-fir BEC zones dk1, dk3, dk4, xh2 and xm may only be included in the calculation of the silviculture cost estimate if the area is being managed to an even-aged stand as a result of damage caused by the 2017 wildfires.

**4.5.2 Root Disease Control**

1. Costs for root disease control may only be included in the calculation of the TOA when the treatment is based on a field assessment and signed by a qualified professional.
2. The cost estimates are determined on the basis of information at hand using the procedures approved by the region or Timber Pricing Branch.

**4.5.3 Total Silviculture Cost Estimate**

Total Silviculture (\$/m<sup>3</sup>) =

$$\text{Silviculture (\$/m}^3\text{)} + \frac{\text{Root Disease Control (\$)}}{\text{ATNCV or TNCRV (m}^3\text{)}^1}$$

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<sup>1</sup> For scale based CAs, use ATNCV. For cruise based CAs use TNCRV.

**Table 4-7: BEC Silviculture Cost Estimates**

The dollar per hectare (\$/ha) cost estimates are net of overhead.

BEC Unit	Basic \$/ha	Enhanced \$/ha	BEC Unit	Basic \$/ha	Enhanced \$/ha
BWBS	1,167	na	ESSFmw	947	na
BWBSdk	765	na	ESSFvc	3,530	na
BWBSdk1	765	na	ESSFvv	1,640	na
BWBSdk2	764	na	ESSFwc1	1,849	na
BWBSmk	1,167	na	ESSFwc2	1,360	na
BWBSmw	1,280	na	ESSFwc3	1,509	na
BWBSmw1	1,231	na	ESSFwc4	1,570	na
BWBSmw2	1,242	na	ESSFwh1	1,849	na
BWBSvk	1,168	na	ESSFwh2	1,697	na
BWBSwk1	1,078	na	ESSFwh3	1,849	na
BWBSwk2	1,107	na	ESSFwk1	1,282	272
BWBSwk3	1,107	na	ESSFwk2	1,215	na
CWH	535	na	ESSFwm	1,697	na
CWHvh1	535	na	ESSFwm2	1,697	na
CWHvh2	535	na	ESSFwm3	1,570	na
CWHvm	535	na	ESSFwm4	1,091	na
CWHvm1	535	na	ESSFwv	1,091	na
CWHvm2	535	na	ESSFxc	984	na
CWHvm3	535	na	ESSFxc1	984	na
CWHwh1	535	na	ESSFxc3	984	193
CWHwh2	535	na	ESSF xv1	364	na
CWHwm	535	na	ESSF xv2	364	na
CWHws1	485	na	ICH	1,552	na
CWHws2	616	na	ICHdk	1,552	198
CWHxm1	535	na	ICHdm	1,552	na
CWHxm2	535	na	ICHdw	1,249	na
ESSF	1,091	na	ICHdw1	1,908	na
ESSFdc1	1,093	na	ICHdw2	1,642	na
ESSFdc2	1,072	na	ICHdw4	1,689	na
ESSFdk	1,026	na	ICHmc1	606	na
ESSFdk1	1,026	na	ICHmc2	606	na
ESSFdk4*	1,026	na	ICHmk1	1,103	na
ESSFdm	1,091	na	ICHmk2	1,088	na
ESSFdv	1,091	na	ICHmk3	1,174	288
ESSFdvp	1,091	na	ICHmm	1,552	na
ESSFmc	881	212	ICHmw1	1,647	na
ESSFmh	1,093	na	ICHmw2	1,689	na
ESSFmk	1,091	na	ICHmw3	1,523	242
ESSFmm1	1,091	na	ICHmw4	1,689	na
ESSFmm2	1,091	na	ICHmw5	1,689	na
ESSFmv1	684	317	ICHvc	1,552	na
ESSFmv2	1,013	na	ICHvk1	3,108	na
ESSFmv3	801	na	ICHvk2	2,893	165
ESSFmv4	834	na	ICHwc	3582	na

BEC Unit	Basic \$/ha	Enhanced \$/ha
ICHwc1	3582	na
ICHwc4	3582	na
ICHwk1	2,228	na
ICHwk2	1,209	328
ICHwk3	2,113	148
ICHwk4	2,113	148
ICHxw	1,552	na
IDF	849	na
IDFdc	849	na
IDFdk*	767	na
IDFdk1	1,108	617
IDFdk2	1,056	na
IDFdk3	606	1,006
IDFdk4	767	933
IDFdm1	1,097	na
IDFdm2	872	na
IDFdw	849	na
IDFmw1	1,552	na
IDFmw2	1,421	na
IDFww	849	na
IDFxh1	1,378	na
IDFxh2	1,411	434
IDFxh4	1,378	na
IDFxm	849	851
IDFxw	849	na
MH	1,578	na
MHm2	1,578	na
MS	752	na
MSdc1	1,370	na
MSdc2	1,423	na
MSdc3	1,423	na
MSdk	1,046	na
MSdk1	1,046	na
MSdk4*	1,046	na
MSdm1	859	na
MSdm2	981	na
MSdv	752	na
MSxk	762	na
MSxk1	768	na

BEC Unit	Basic \$/ha	Enhanced \$/ha
MSxk2	768	na
MSxv	364	218
PP	72	na
PPdh1	73	na
PPdh2	72	na
PPxh1	73	na
PPxh2	73	na
SBPS	491	na
SBPSdc	529	272
SBPSmc	469	308
SBPSmk	562	423
SBPSxc	286	315
SBS	881	na
SBSdh1	881	na
SBSdh2	882	na
SBSdk	987	300
SBSdw1	1,059	334
SBSdw2	757	373
SBSdw3	816	220
SBSmc1	984	281
SBSmc2	834	313
SBSmc3	648	319
SBSmh	881	294
SBSmk1	843	196
SBSmk2	805	na
SBSmm	890	261
SBSmw	993	241
SBSvk	1,416	391
SBSwk1	1,107	133
SBSwk2	1,072	na
SBSwk3	978	227
SWB	1,210	na
SWBdk	1,210	na
SWBdks	1,210	na
SWBmk	1,210	na
SWBmks	1,210	na
SWBvk	1,210	na
SWBvks	1,210	na

\* Indicates BEC units that have expired and are not to be included in appraisals submitted after October 31, 2016. Reference applicable Land Management Handbook crosswalk tables where necessary.

### 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. Section 1.4.2, sections 6.1.2 through 6.5, commercial thinning in section 6.6, and sections 6.7 through 6.9 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.
4. **Notwithstanding subsection (1), (2), and (3), when a cutting authority is issued for the specific purpose to include projects funded by the Forest Enhancement Society of BC, the stumpage rate must be determined through a full appraisal (“fully appraised”). Refer to section 6.11 for details regarding cutting authorities with FESBC funding.**

### 6.1.2 Woodlot Licences

1. Except as provided in subsection (2) **and (8)** 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 cutting authority issued for a woodlot licence is the rate prescribed in Table 6-2 for the forest zone in which the blanket salvage cutting authority 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 1.4.2, 6.1.1, 6.1.3 through 6.5, commercial thinning and Pre-harvest Waste Assessment in section 6.6, and sections 6.7 through 6.9 do not apply to Woodlot Licence cutting authorities.
8. **Notwithstanding subsection (1) through (7), when a cutting authority is issued for the specific purpose to include projects funded by the Forest Enhancement Society of BC, the stumpage rate must be determined through a full appraisal**

(“fully appraised”). Refer to section 6.11 for details regarding cutting authorities with FESBC funding.

**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	W. PINE	Y. PINE	OTHER <sup>1</sup>
North Central	3.27	-	4.83	3.55	-	2.99	3.70	-	-	3.54
North East	1.08	-	-	-	-	1.30	0.97	-	-	1.06
North West	0.50	0.44	-	0.25	-	2.23	1.31	-	-	0.87
South Central	1.91	-	1.44	-	-	1.44	1.85	-	-	1.74
South East	2.64	3.12	3.28	2.03	3.23	3.15	2.76	2.63	3.14	2.96
South West	3.31	3.10	4.15	2.98	3.28	3.81	3.55	3.88	-	3.80

<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(6), 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 coniferous timber is the rate prescribed in Table 6-3 for the smaller of the area of the forest district/district portion, timber supply area, region, or Area in which the entire cutting authority area for the tenure 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 must 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 must 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.
5.
  - a. In this section the area of a forest district or the area of a timber supply area does not include the area of a park located within that district or timber supply area.
  - b. In this section the area of a Tree Farm Licence will be included in the area of the district or timber supply area in which it is geographically located.



## **6.11 Forest Enhancement Society of BC (FESBC)**

1. Notwithstanding any other section of this chapter, a cutting authority issued with projects funded by the FESBC must have the stumpage rate determined by a full appraisal (“fully appraised”) in accordance with chapters 1, 2, 3, 4 and 5.
2. The person determining the stumpage rate must ensure all project costs incurred for development, harvesting, transportation or other tenure obligations costs funded by FESBC are excluded (or “backed out”) from the appraisal.
3. **The licensee representative must submit a detailed list of the projects and cost estimates approved for funding.**
4. Development project costs used in the FESBC economic test (to assess FESBC funding eligibility) for a cutting authority cannot be used **by the licensee** in an appraisal for another cutting authority.

