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Date: April 14, 2020

To: Interior Executive Directors

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

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

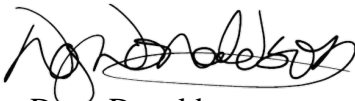
The following is a summary of the changes:

- The regular semi-annual update of tabular stumpage rates.

This amendment will come into force on May 1, 2020. 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

pc Allan Bennett, Director, Timber Pricing Branch
Len Marsh, Director, Pricing and Tenures, Regional Operations Division, South Area
Jim Sayle, Director, Regional Operations Divisions, North Area
Darius Low, Revenue Team Lead, Regional Operations Division, North Area
Bruce Sullivan, Revenue Officer, Regional Operations Division, South Area

TIMBER PRICING BRANCH

Interior Appraisal Manual

Effective July 1, 2019

Cost Base of: 2017

Includes Amendments

Amendment No. 1

Amendment No. 2

Effective Date

November 1, 2019

May 1, 2020



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6 Miscellaneous Policies

6.1 Coniferous Average Sawlog Stumpage Rates by Forest Zone and Species

1. Each of the following forest zones referred to in Tables 6-1, 6-2, 6-4, 6-4a, 6-5 and 6-6 is made up of the following forest districts and or geographic units:
 - a. North Central Zone - Mackenzie, Nadina, Prince George (less Robson Valley TSA), Quesnel and Stuart Nechako.
 - b. North East Zone - Fort Nelson and Peace.
 - c. North West Zone - Coast Mountain (excluding that portion that lies geographically within the North Coast Timber Supply Area), Skeena Stikine.
 - d. South Central Zone – Williams Lake TSA Blocks A, B, C, D, E & I.
 - e. South East Zone - Okanagan Shuswap, Rocky Mountain, Selkirk, and Thompson Rivers (plus Robson Valley TSA).
 - f. South West Zone - 100 Mile House, Cascades, and Williams Lake TSA Blocks F, G, H, and J to N.
2. Where a species of coniferous timber is not listed in Table 6-1, 6-2, 6-4, 6-4a and 6-5, the rate that must be used for that species of timber is the rate listed in the column headed as OTHER.

Table 6-1: Coniferous Average Sawlog Stumpage Rates in \$/m³

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	W. PINE	Y. PINE	OTHER ¹
North Central	29.67	-	45.07	20.15	-	28.31	32.51	-	-	31.99
North East	16.59	-	-	-	-	18.84	16.30	-	-	16.66
North West	11.93	9.60	-	5.14	-	28.11	25.05	-	-	13.70
South Central	8.70	-	4.07	-	-	6.16	5.71	-	-	5.15
South East	34.61	30.47	30.56	28.12	29.39	32.95	33.22	30.98	27.65	31.52
South West	35.80	40.41	30.58	41.51	42.92	33.85	37.91	33.72	-	33.72

¹ Average for the Forest Zone

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 \$/m³

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	W. PINE	Y. PINE	OTHER ¹
North Central	4.45	-	6.76	3.02	-	4.25	4.88	-	-	4.80
North East	2.49	-	-	-	-	2.83	2.45	-	-	2.50
North West	1.79	1.44	-	0.77	-	4.22	3.76	-	-	2.06
South Central	1.31	-	0.61	-	-	0.92	0.86	-	-	0.77
South East	5.19	4.57	4.58	4.22	4.41	4.94	4.98	4.65	4.15	4.73
South West	5.37	6.06	4.59	6.23	6.44	5.08	5.69	5.06	-	5.06

¹ 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.

Table 6-3: Coniferous Average Sawlog Stumpage Rates by Smallest Geographic Unit

Smallest Geographic Unit	\$/m ³	Smallest Geographic Unit	\$/m ³
North Area	25.63	South Area	31.81
Northeast Region	16.66	Cariboo Region	31.09
Fort Nelson District	15.17	100 Mile House District	24.57
Fort Nelson TSA	15.17	100 Mile House TSA	24.57
Peace District	16.66	Cariboo-Chilcotin District	32.89
Fort St. John TSA	15.17	Chilcotin (29 F,G,H,J,K,L,M,N)	37.54
Dawson Creek TSA	17.41	Central Cariboo (29 A,B,C,D,E,I)	5.15
Omineca Region	33.92	Quesnel District	32.00
Mackenzie District	22.09	Quesnel TSA	32.00
Mackenzie TSA	22.09	Cascadia Blocks 5,6,7,8	32.00
Prince George District	36.27	Kootenay/Boundary Region	29.76
Robson Valley TSA	16.30	Rocky Mountain District	30.95
Prince George (24 E,F,G,H,I)	36.95	Invermere TSA	28.04
Stuart Nechako District	35.90	Cranbrook TSA	33.46
Fort St James (24 A,B,C)	38.50	Selkirk District	29.22
Vanderhoof (24D)	27.93	Arrow TSA	28.82
Skeena Region	17.60	Boundary TSA	29.85
Coast Mountains District	0.83	Golden TSA	27.09
Nass TSA	1.02	Revelstoke TSA	16.01
Kalum TSA	0.50	Cascadia Blocks 1,2,3	28.82
Pacific TSA	0.25	Cascadia Block 4	16.01
Cascadia Blocks 9,10,11	0.50	Kootenay Lake TSA	37.02
Nadina District	23.95	Thompson/Okanagan Region	33.66
Morice TSA	24.38	Cascades District	33.77
Lakes TSA	21.80	Merritt TSA	38.66
Skeena Stikine District	23.80	Lillooet TSA	4.75
Bulkley TSA	29.79	Okanagan Shuswap District	35.28
Kispiox TSA	15.86	Okanagan TSA	35.28
Cassiar TSA	1.02	Thompson Rivers District	31.30
		Kamloops TSA	31.30

6.4 Salvage Timber Stumpage Rates

6.4.1 Post-Harvest Material or Damaged Timber

1. This section applies to cutting authorities issued under licences which do not have an allowable annual cut.
2. Post-Harvest Material is defined as:
 - a. wooden culverts and bridges, or
 - b. post logging residue.
3. Damaged Timber is defined as:
 - a. Trees that are dead or damaged as a result of wind, fire, snow press, drought, landslide, flooding; or
 - b. Trees as a result of the effects of forest pests or disease that are dead; or
 - c. Trees that require management and control of insect infestation or will die within one year (sanitation timber salvage), as determined by the district manager.
4. Except as provided in section 6.2.1(1)(c)(ii), the criteria and methodology for the calculation of salvaged timber stumpage rates are:
 - a. Post-harvest material may not be combined in the same cutting authority area with damaged timber.
 - b. Except where damage to adjacent or contiguous timber occurs after harvesting is completed on the adjacent primary logging cutting permit area and the harvesting equipment has been demobilized from the area, damaged timber salvage cutting authority areas must be scattered, and not be adjacent to or contiguous with an existing cutting authority area.
 - c. Cut block(s) must be less than or equal to 5 hectares in size; (unless the silviculture system used on the cut block is other than clear cutting, and at the completion of harvest the trees retained on the harvested area conform to the specifications in the Chief Forester's Reference Guide for Forest Development Plan Stocking Standards for the applicable silviculture system).
 - d. Salvage logging stumpage rates may only be determined for a cutting authority where more than one-third of the total estimated volume of coniferous timber to be harvested in the cutting authority area is damaged timber.
 - e. Post-Harvest Material salvage may only occur after primary logging has been satisfactorily completed and residue and waste assessments have been submitted to and accepted by the Ministry.

- f. Salvage cannot occur on a road right-of-way which has an active timber mark associated with it.
- g. Except for a minister directed reappraisal (as provided in section 2.2.4), a stumpage rate determined under this section is fixed for the term of the cutting authority and all extensions.
5. a. The Damaged Timber sawlog stumpage rate for each species of coniferous timber is the rate in Table 6-4 or 6-4a for the Forest Zone in which the cutting authority area is located. The stumpage rates in Table 6-4a may be used when the:
- estimated total net coniferous volume of timber on each cutblock is comprised of 80% or more Burnt Timber¹ (Burnt timber means any trees that meet the definition of Fire Codes A, B or C as per the Cruising Manual), and
 - the burnt timber is evenly distributed throughout the cutblock(s).
- 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.
- c. Notwithstanding paragraph (a), the stumpage rate for Damaged Timber may be determined through a full appraisal in accordance with chapters 1, 2, 3, 4 and 5.
6. The Post-Harvest Material sawlog stumpage rate for each species of coniferous timber is the rate in Table 6-5 for the forest zone in which the cutting authority area is located.

Table 6-4: Coniferous Average Sawlog Stumpage Rates for Salvage of Damaged Timber in \$/m³

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	W. PINE	Y. PINE	OTHER ¹
North Central	17.80	-	40.56	12.09	-	21.24	29.26	-	-	26.08
North East	9.96	-	-	-	-	14.13	14.67	-	-	14.19
North West	7.16	8.64	-	3.08	-	21.08	22.54	-	-	10.17
South Central	5.22	-	3.66	-	-	4.62	5.14	-	-	4.43
South East	20.77	27.42	27.51	16.87	26.45	24.72	29.90	23.23	20.74	26.28
South West	21.48	36.37	27.52	24.90	38.63	25.39	34.12	28.20	-	28.20

¹ Average for the Forest Zone

¹ Eighty (80) percent or more of the estimated total net coniferous volume defined as burnt timber in each cutblock, based on a professional estimate by a forest professional registered with the Association of BC Forest Professionals. The professional estimate must include a description and supporting information of how the estimate was generated.

Table 6-4a: Coniferous Average Sawlog Stumpage Rates for Salvage of Fire Damaged Timber in \$/m³

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	W. PINE	Y. PINE	OTHER ¹
North Central	15.14	-	29.39	6.72	-	14.31	17.77	-	-	17.32
North East	5.45	-	-	-	-	6.70	5.70	-	-	5.81
North West	5.83	4.41	-	1.26	-	14.22	13.07	-	-	6.50
South Central	0.99	-	1.12	-	-	1.39	1.27	-	-	1.21
South East	19.40	16.71	16.15	14.56	14.83	18.11	18.48	16.09	12.76	17.03
South West	21.48	24.62	17.34	24.90	27.52	20.22	23.55	20.03	-	20.03

¹ Average for the Forest Zone

Table 6-5: Coniferous Average Sawlog Stumpage Rates for Salvage of Post-Harvest Material in \$/m³

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	W. PINE	Y. PINE	OTHER ¹
North Central	7.42	-	22.53	5.04	-	14.16	16.26	-	-	13.99
North East	4.15	-	-	-	-	9.42	8.15	-	-	7.97
North West	2.98	7.68	-	1.28	-	14.06	12.52	-	-	5.52
South Central	2.18	-	2.03	-	-	3.08	2.86	-	-	2.50
South East	8.65	24.38	15.28	7.03	14.70	16.48	16.61	15.49	13.83	15.35
South West	8.95	32.33	15.29	10.38	21.46	16.92	18.95	16.22	-	16.22

¹ Average for the Forest Zone

6.4.2 Blanket Salvage Cutting Authorities

1. This section may apply to cutting authorities issued under licences with an allowable annual cut or maximum harvest volume; excluding Community Forest Agreements in section 6.1.1, Woodlots Licences in section 6.1.2, BCTS or any timber in the Research Forests noted in Table 6-7.
2. Cutblocks amended into blanket salvage cutting authorities prior to February 15, 2016, must use section 6.4.2 of this manual as it was prior to February 15, 2016.
3. Cutblocks amended into blanket salvage cutting authorities on or after February 15, 2016 must be consistent with the Deputy Minister Memo: *Harvesting under a Blanket Salvage Permit (For Interior Regions)* signed January 29, 2016, where the cutblocks must be:
 - a. less than or equal to 15 hectares in size and 5000 m³ in volume; (unless the silviculture system used on the cut block is other than clear cutting, and at the completion of harvest the trees retained on the harvested area conform to the stocking standards specified in an approved Forest Stewardship Plan); and
 - b. issued for purposes of harvesting damaged timber as defined in section 6.4.1 (3); and
 - c. consistent with *District Guidelines for Blanket Salvage Cutting Authorities*.