Cruised Based Billing Procedures

The following procedures describe the process that will be followed to complete the billing for a cruise base cutting authority within the Ministry of Forests Harvest Billing System (HBS).

Cruise Based cutting authorities are authorized under Section 106 of the Forest Act. They differ from scale based cutting authorities in that the stumpage payable is calculated using the volume estimated by a cruise of the timber rather than volumes derived from the scale of logs. In order to appraise the timber of all cutting authorities before they are awarded, the timber is "cruised". Typically, this means that a statistical sample of the standing trees is completed to determine the quality and volume of the timber on the Cutting Authority area.

For the purpose of this section, the term "cruise based" refers to the method of billing. Cruise based billing data is submitted either directly online in HBS or on the paper Volume Estimate - Cruise form (FS 699) for keyed data entry. Instructions for keying start on page 7 of this document.

Any relevant comments that need to appear on the invoice should be entered into the Notations Field on the FS 699 or on the Notations Screen (*P058)* for the online method. It is recommended that the last billing for the sale have a Notation of 'Sale Completed' so it's clear when the billing is complete for the cutblock/timber mark.

Transition Strategy:

•   Effective May 1, 2016 for Timber Sale Licence (TSL) holders and January 1, 2017 for major licensees, the monthly reporting for area "felled" will be replaced by the requirement to report timber "harvested" for that month. For Cutting Authorities where accumulations of timber volume on site had been previously billed by area felled reporting, licence holders will report the proportion of the cutting authority area from which only unbilled timber has been cut and removed (harvested).

•   Major Licensees will continue to report monthly, by area felled, for billing purposes up to including December 31, 2016.

The following table outlines the type of cruise based cutting authorities available July 1, 2010:

Appraisal Type	Licence Types		Cutting Authority Types*	Description	Billing Codes
INTERIOR	Majors	1	MPB stand-as-a-whole.	See Cruising Manual (Section 2.4.3) Mountain Pine Beetle Cruise Based Cutting Authorities	7, 8
		2	MPB stand-as-a-whole with small-wood.	See Cruising Manual (Section 2.4.3) and the Cutting Authority Licence documents.	7, 8
		3	Regular CB with non-stand-as-a-whole.	See Cruising Manual (Section 2.4.2) General Cruise Based Cutting Authorities	7, 8
		4	Regular CB with non-stand-as-a-whole with small-wood.	See Cruising Manual (Section 2.4.2) General Cruise Based Cutting Authorities and the Cutting Authority licence documents	7, 8
		5	NRFL with Bonus Bid	If bonus bid is on sawlog volume, it will be prorated by an estimated sawlog volume component	7, 8
	BCTS	6	TSL Lump Sum (i.e.- 'regular' or 'standard').	See Cruising Manual (Section 2.4.2) General Cruise Based Cutting Authorities	7, 8
		6a	TSL Lump Sum MPB	35 to 70% red/grey attack PL. Cruise derived grades 7 and 8.	7, 8
		6b	TSL Lump Sum MPB	Greater than 70% red/grey attack PL. Minimum - professional estimate of grades 7 and 8.	7, 8
		6c	TSL Lump Sum ITSL	Minimum - professional estimate of grades 7, 8 or cruise derived if a cruise is available.	7, 8
COAST	Majors	1	Regular CB – Mature.	See Cruising Manual (Section 2.4.2) General Cruise Based Cutting Authorities).	Grade D through Grade Y
		2	Regular CB – Second. Growth.	See Cruising Manual (Section 2.4.2) General Cruise Based Cutting Authorities).	Grade D through Grade Y
	BCTS	3	Lump Sum.	See Cruising Manual (Section 2.4.2) General Cruise Based Cutting Authorities	Grade D through Grade Y
		4	Lump Sum – ITSL.	Minimum - professional estimate of grades or cruise derived if a cruise is available.	Grade D through Grade Y

Note* **Other Cruise Based Cutting Authority Types include Forestry Licenses to Cut, Woodlots and Community Forest Agreements.**

Billng Code 7 = the cruise net live species volumes, which includes tree classes 1, 2, 5 and 8.
Billing Code 8 = the cruise net dead potential species volumes, which includes tree classes 3, 7 and 9.

Billing Procedures

The cruise based billing process begins with the licensee or BCTS providing a cruise compilation, or other appropriate information to the local Ministry of Forests and Range district office. This information lists, among other data: species and volume per hectare for the cutting authority area. When a cruise based cutting authority has been issued, there will be an entry of the timber mark in the Forest Tenure Administration System (FTA) and the Cruise Based field (Y or N) will be set to Yes.

Once the cutting authority has been issued and felling has commenced, the licensee must submit a monthly progress report by cutblock to the MFR (District, Region or BCTS) office by the 7th working day of the following month. For the purposes of this document, "harvest" is referred to as cut and removal of timber from a cutting authority area. When no timber is harvested, a "nil" report must be submitted. All progress reports will list the:

> a. licensee's estimate of the area on which the timber has been harvested by block, and

> b. timber volume harvest, by species and billing code in the last month.

MFR staff will validate the area on which the timber has been felled and harvested. A Volume Estimate - Cruise (FS 699) form will then be prepared and entered into HBS. Copies of the package can be made and filed at the district or regional office.

MFR staff may request that the timber from the cruise based cutting authority be weight scaled and the weights recorded in a separate stratum. MFR personnel may also request that the licensee keep a ledger of these weights.

In the case of timber being voluntarily weight scaled by timber sale holders or licenses at authorized weight scale sites, the HBS Reference Guide, section 3.2, requires the submission of weight slip records with an event code of Primary Scale and the entry of these loads into a non-billable stratum in the population.

Cruise Based Billing Ledger

A cruise based billing ledger will be used by the district or region to track all types of cruise based monthly billings. The ledger will track the HBS Summary Document Number (SDN) from the completed FS 699. The ledger details the monthly progress of the area harvested by cutblock. Volume calculations from the cruise based assessment monthly progress report should also be tracked on this ledger after being reported to the HBS.

Completion of the Header Information for Volume Estimate – Cruise (FS 699)

Field Name	Description
Header	
HBS Document Number (SDN)	Summary Document Number that will be returned after the FS 699 is entered into HBS.
Scaler Number	Enter the Scaler Number used for cruise-based billing in each Region. See Table 2. Valid "S" type licenses are also acceptable.
Timber Mark	Enter the cruise-based timber mark.
Return Number	This field is used for consecutive Return Numbers.
Scale Site Number	Use the District cruise-based sites as per Table 1.
Scale Date	Date of reporting is in YYYYMMDD format and is the last day of the month being reported.
Log Count	Total number of segregated lines. HBS prevents a zero log count from billing.
Comment	Comments entered here will not appear on the invoice.
Notation	Clearly print and circle any notation that should appear on the invoice. For example: "_____ hectares harvested during _____ month and for the year". Or enter online in Notation Screen.
Details	
Species	Enter the Species Codes as per Chapter 3 of the *Scaling Manual* http://www.for.gov.bc.ca/hva/manuals/scaling.htm
Product	Leave Blank.
Grade	As of July 1, 2010, Interior cruise based appraisals will enter cruise based billing codes 7 and 8 as shown on the Billing Ledger.* Coastal cruise based appraisals will enter cruise algorithm derived grades as per the current process.
Pieces	Enter 1 for each line.
Volume	Enter the calculated volume. Example calculations are shown on the Volume Estimate – Cruise Form. These calculations will likely be done in the Progress Report.
Company Use	Enter any comments related to that line of data.

 * The Cruise Based Billing Ledger referred to in the procedures.

Table 1: District Cruise Based Sites by Region

Site Number	Client #	Location Code	Site Name	District
RNI				
2080	00030025	00	DKM CRUISE BASED SITE	Kalum District
2081	00030046	00	DMK CRUISE BASED SITE	Mackenzie District
2082	00133887	00	DNA CRUISE BASED SITE	Nadina District
2083	00030041	00	DPG CRUISE BASED SITE	Prince George District
2084	00030044	00	DVA CRUISE BASED SITE	Vanderhoof District
2085	00133888	00	DSS CRUISE BASED SITE	Skeena Stikine District
2086	00030049	00	DFN CRUISE BASED SITE	Fort Nelson District
2087	00030045	00	DJA CRUISE BASED SITE	Fort St. James District
2088	00133892	00	DPC CRUISE BASED SITE	Peace District
RSI				
2089	00132197	01	DQU CRUISE BASED SITE	Quesnel District
2090	00030032	00	DKA CRUISE BASED SITE	Kamloops District
2091	00030064	00	DMH CRUISE BASED SITE	100 Mile House District
2092	00133894	00	DAB CRUISE BASED SITE	Arrow Boundary District
2093	00133891	00	DCS CRUISE BASED SITE	Cascades District
2094	00133895	00	DCC CRUISE BASED SITE	Central Cariboo District
2095	00030065	00	DCH CRUISE BASED SITE	Chilcotin District
2100	00105201	00	DCO CRUISE BASED SITE	Columbia District
2120	00133889	00	DHW CRUISE BASED SITE	Headwaters District
2121	00030057	00	DKL CRUISE BASED SITE	Kootenay Lake District
2122	00133890	00	DOS CRUISE BASED SITE	Okanagan Shuswap District
2123	00133893	00	DRM CRUISE BASED SITE	Rocky Mountain District

Site Number	Client #	Location Code	Site Name	District

RCO				
2124	00030018	00	DCR CRUISE BASED SITE	Campbell River District
2125	00030011	00	DCK CRUISE BASED SITE	Chilliwack District
2126	00030002	00	DQC CRUISE BASED SITE	Haida Gwaii District
2127	00133883	00	DNI CRUISE BASED SITE	North Island District
2128	00105202	00	DSI CRUISE BASED SITE	South Island District
2129	00030013	00	DSQ CRUISE BASED SITE	Squamish District
2130	00030015	00	DSC CRUISE BASED SITE	Sunshine Coast District
2380	00030028	00	DNC CRUISE BASED SITE	North Coast District

Table 2: For Cruise Based Use – Scaler Licence Numbers by Region

K999 – Southern Interior Region
G000 – Northern Interior Region
A999 – Coast Region

Instructions for Online Entry of Cruise Data

HBS users must have the Industry Scaler (ISC), Ministry Scaling Administrator (MSA), Ministry Check Scaler (MSC) role, or have a valid Scaling License to enter the FS 699 online. District Cruise Based Scale Sites (Table 1) have been set up and all cruise based volume must be reported to the applicable District site. Regional Scaler License numbers (Table 2) have also been created for use when a valid scaler license is not available.

The Volume Estimate Return – Cruise is located on the Scale Returns tab of the HBS. Go to **Add a Scale Return** and choose: **Volume Estimate Return**: Cruise.

This will begin the return process. Enter the header information as per the instructions for the FS 699 on page 2 of this document.
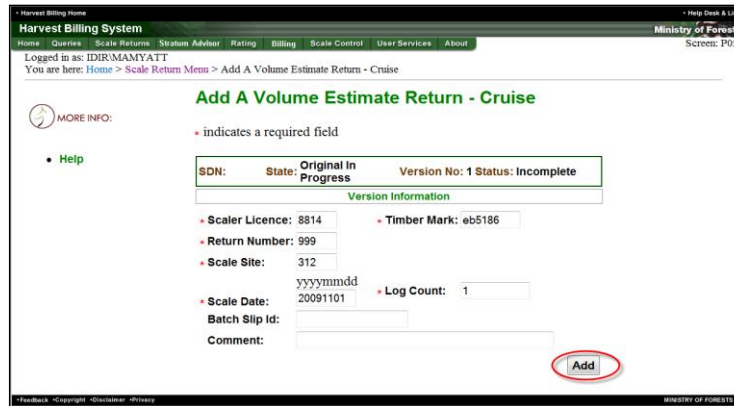
All required Header information must be completed and then the **Add** button is clicked. This will take the user to the **Update a Volume Estimate Return – Cruise** screen. Click **Segregations** to add billing data.
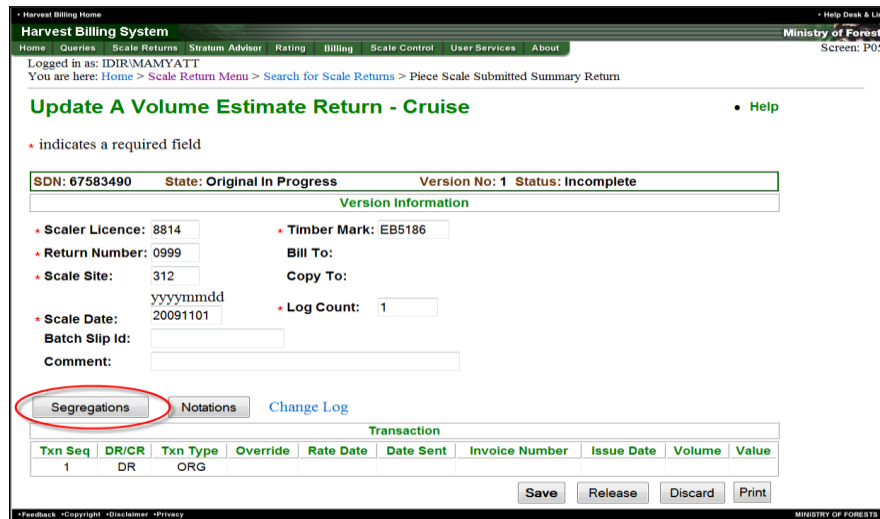
Click the **Save** button to enter
more lines of data on the **Segregation** screen. The Log Count Field in the header must match the lines of detail information (the segregations) or the return will go into error.
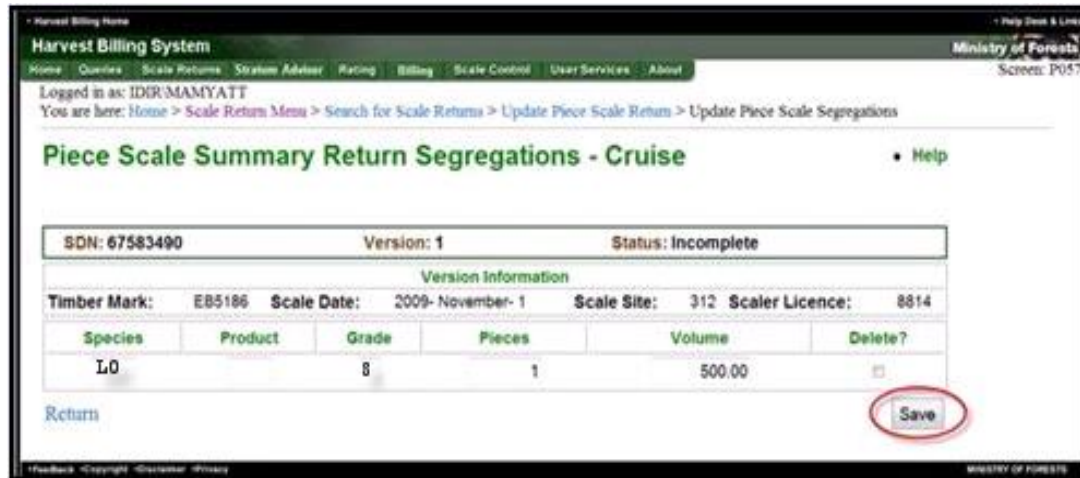
If Notations are required, click the Return button and then the Notations button from the Update screen. Always use the Return (blue) link to move from screen to screen in the return. Do not use the browser 'back arrow' on the menu bar at the top of the screen.

Click the **Save** button on the Update a Volume Estimate Return – Cruise screen once all of the data has been entered, then record the Summary Document Number (SDN) in the Ledger or Progress Report. Click the **Release** button as the last step and the return should go into Ready status as shown on the following page. If there are error messages, fix the problems and click the **Save** button again. Repeat until a Ready status is achieved.

Harvest Billing System   **Ministry of Forests**

| Home | Queries | Scale Returns | Stratum Advisor | Rating | Billing | Scale Control | User Services | About |

Screen: P053

Logged in as: IDIR\MAMYATT
You are here: Home > Scale Return Menu > Search for Scale Returns > Piece Scale Submitted Summary Return

Update A Volume Estimate Return - Cruise

● **Help**

★ indicates a required field

| SDN: 67583490 | State: Original In Progress | Version No: 1 Status: Incomplete |

Version Information

★ **Scaler Licence:** 8814   ★ **Timber Mark:** EB5186

★ **Return Number:** 0999   **Bill To:**

★ **Scale Site:** 312   **Copy To:**

yyyymmdd
★ **Scale Date:** 20091101   ★ **Log Count:** 1

Batch Slip Id:

Comment:

[Segregations]   [Notations]   Change Log

Transaction

Txn Seq	DR/CR	Txn Type	Override	Rate Date	Date Sent	Invoice Number	Issue Date	Volume	Value
1	DR	ORG							

[Save] [Release] [Discard] [Print]

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Final results that show the finished **Volume Estimate Return – Cruise** in Ready status awaiting billing.