

Ministry of Forests, Lands and Natural Resource Operations

Volume 1 - Resource Management
Chapter 8 - Tenure Administration

Policy 26 - Cutting Permit Extension and Surrender

Effective Date: 05-May-04

Responsible Branch: [Resource Tenures and Engineering Branch](#) and Revenue Branch

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Scope

This policy applies to cutting permits issued under a Woodlot Licence, Tree Farm Licence, Community Forest Pilot Agreement, Forest Licence, Timber Licence, Timber Sale Licence and Licence to Cut.

Policy

A cutting permit may be surrendered or the term may be extended upon application of the holder subject to the agreement, *Forest Act*; and as outlined below.

Definitions

"Agreement" means Woodlot Licence, Tree Farm Licence, Community Forest Pilot Agreement, Forest Licence, Timber Licence, Timber Sale Licence and Licence to Cut.

"Cut Control and Cut Control Charges" has the same meaning as "volume of timber harvested" as defined in Section 75.1 of the *Forest Act*.

"Expiry Date" means the date when the cutting permit is no longer in effect.

"Extension" means an amendment to the expiry date of the cutting permit.

"Forest Management Objectives" means, for purposes of this policy, the harvesting of timber that is at risk of being significantly reduced in value, damaged or destroyed or to carry out a forest health strategy.

"Timber Harvesting" means the felling or removal of timber other than on road rights-of-way or landings on a cut block.

"Timber Sales Manager" means a Timber Sales Manager acting in the capacity of a Deputy District Manager.

"Holder" means the licensee who has been issued a cutting permit.

"Term" means the period of time the cutting permit is in effect.

"Waste and Waste Billing" as per the requirements of the Provincial Logging Residue and Waste Measurement Procedures Manual.

Cutting Permits Issued Prior to November 4, 2003

Extensions: Upon application, a cutting permit will be extended with a term that expires on or before March 31, 2007. This includes cutting permits that expired on or after November 4, 2003, but prior to bringing into force Section 58.2(2)(b) of the *Forest Act* as amended.

A cutting permit will be extended, in increments of up to two years at a time, beyond March 31, 2007, unless the District or Timber Sales Manager determines that such an extension could compromise the achievement of the forest management objectives for the management unit.

The holder must apply to the District or Timber Sales Manager in accordance with the terms and conditions of their agreement or in the absence of terms and conditions in an agreement, no later than 30 days prior to the expiry date of the cutting permit.

The above cutting permit extensions will not be subject to extension fees.

Surrenders: A cutting permit may be surrendered upon notice to the District or Timber Sales Manager. Such notices, with the exception of Woodlots, must be submitted by June 1, 2004. For Woodlots, the notice must be submitted by July 1, 2004. The subject cutting permit(s) will be cancelled on May 31, 2005, unless an earlier cancellation date is mutually agreed.

Unamortized Costs: Unamortized development, constructed road and constructed structures costs will not be compensated nor considered in future appraisals where the cutting permit has expired or has been surrendered. Roads that have not been constructed will be eligible for inclusion in future cutting permits subject to the Coast and Interior Appraisal Manuals.

Charges: At the expiry of a cutting permit, waste billing and cut control charges will apply to all cut blocks in the cutting permit if timber harvesting has occurred on any cut block unless the cutting permit is surrendered. For a surrendered cutting permit, waste billing and cut control charges will apply to harvested or partially harvested cut blocks, but will not apply to cut blocks where no timber harvesting has occurred.

Amendments to Cutting Permits: Cutting permits that are extended or surrendered may only be amended to reflect minor changes that are a result of circumstances beyond the licensee's control or to meet forest management objectives. Cutting permits may not be amended to add or remove cut blocks.

Cutting Permits Issued after November 4, 2003

An extension to a cutting permit issued on or after November 4, 2003, must be in accordance with Section 58.1 of the *Forest Act*. A cutting permit may also be surrendered, however, all cut blocks in the cutting permit will be subject to the "take or pay" rules as described in the Provincial Logging Residue and Waste Measurement Procedures Manual and applicable cut control charges.

References

- *Forest Act*, ss. 58.1, 58.2, and 75.1
- Provincial Logging Residue and Waste Measurement Procedures Manual
- Waste Policy (Draft)