



Tree Farm Licence and Forest Licence Subdivision and Consolidation

Administrative Guide

Forest Tenures Branch

October 26, 2023

Version 2.0

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Document Change Control

Version	Date	Description of Change
1.0	March 2008	Original
2.0	October 2023	Overall update

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Part A: Purpose and Background

1.0 Purpose

The purpose of the Subdivision and Consolidation Guide (Guide) is to provide ministry staff and holders of agreements guidelines for subdividing and/or consolidating timber harvesting agreements entered under the *Forest Act* (the Act).

The Act provides for the subdivision and consolidation of tree farm licences (TFLs), forest licences (FLs), pulpwood agreements (PAs) and woodlot licences (WLs). This Guide only deals with the subdivision and consolidation of TFLs and FLs.

- Most PAs have expired or will expire within the next few years. It is highly unlikely that the ministry would consider a request to subdivide or consolidate a PA.
- Consolidating WLs are dealt with under a different document, see [Woodlot Licence Consolidation Guidelines](#).
- A timber licence (TL) can only be subdivided under the overall objective of consolidating two or more TLs. Those interested in the consolidation of TLs should contact the Forest Tenures Branch.

Subdivision and/or consolidation of licences are often requested in advance of a subsequent transfer of one or more of the newly subdivided or consolidated licences. Information and guidance for agreement transfers can be found on the [Timber Tenure Transfer website](#).

2.0 Background

The ability to subdivide and consolidate an agreement was established under the Act with the objectives of:

1. Facilitating the diversification of the size and number of agreements.
2. Establishing a market for smaller forest agreements.
3. Providing administrative efficiencies for the ministry and licensees.

Section 19 and 39 of the Act specify the requirements associated with the subdivision and consolidation of FLs and TFLs, respectively.

Initiation:

A subdivision or consolidation is usually initiated by the licensee holding the agreement. The Act also provides the ability for the minister to initiate the subdivision or consolidation of an agreement. In these cases, the minister requires consent of the holder of the licence.

Requirements:

- Each form of tenure can only be subdivided or consolidated either with or into the same form of agreement.
- The combined allowable annual cut (AAC) attributable to the post-subdivided or consolidated licences is the same as the pre-subdivided or consolidated licences.
- New or amended agreements must not expire later than the earliest expiry date of the licences being subdivided or consolidated.
- All monies owed to government must be paid.
- All private land included in a TFL must remain in the TFL.
- FLs being consolidated must be in the same timber supply area (TSA).

Decision Making and Approval

A request by a licensee to subdivide or consolidate a licence may only be refused if it is determined that the subdivision or consolidation would compromise forest management or if it would result in an unjustifiable infringement to Aboriginal rights or title that cannot be accommodated.

The authority for to approve or deny the subdivision or consolidation of TFLs and FLs has been delegated through the ministry’s [Delegation Matrix](#).

Part B: Procedures

The following procedures are to be used in conjunction with the business map for subdividing or consolidating a TFLs and FLs. See Appendix A for the business map.

3.0 Steps for a Subdivision or Consolidation

Table 1: Steps for a subdivision or consolidation

<i>Step</i>	<i>Task</i>	<i>Responsibility</i>
1	Request to Subdivide or Consolidate an Agreement	Licensee
2	First Nations Consultation	Ministry
3	Review of Request	Ministry
4	Decision Package Preparation	Ministry
5	Decision	Ministry
6	Decision Notification	Ministry
7	Licence Administration	Ministry

3.1 Request to Subdivide or Consolidate

A request to subdivide or consolidate a TFL or FL must be prepared by the licensee and submitted to the Ministry of Forests. A request should include the following information:

1. Overview of the proposed subdivision or consolidation.
2. Rationale for the proposed subdivision or consolidation.
3. Any implications to forest management.
4. Implications to approved plans, operating areas, and outstanding obligations (e.g., silviculture, roads, hazard abatement, and others).
5. Propose AACs for the licences involved identifying any uplifts, partitions, reserves, or any other relevant associated information. See Sections 4.3 (subdivision) and Section 5.2 (consolidation) of this Guide for further information.
6. Cut Control:
 - (a) For a subdivision, identify the harvested volumes attributed to each licence for cut control purposes. See Section 6.1 of this Guide.
 - (b) For a consolidation, identify any cut control implications in terms of undercut and excess harvest/penalty billing. See Section 7.1 of this Guide.
7. Identification and management of road permits (RPs) entered in association with the licences involved. See Section 6.2 (subdivision) and Section 7.2 (consolidation) of this Guide.
8. Details regarding the management of cutting permits (CPs) issued under the agreement(s). See Section 6.3 (subdivision) and Section 7.3 (consolidation) of this Guide.
9. Management of security deposits, annual rent, or silviculture deposits. See Section 6.4 (subdivision) and Section 7.4 (consolidation) of this Guide.
10. Identify any special clauses currently in any of the licences involved in the subdivision or consolidation (i.e., timber processing requirements and partitions).
11. Licence Areas:
 - a) For TFLs, include supporting maps to the scale and standard required by the lead agency.
 - b) If a non-replaceable FL (NRFL) has a specified licence area, implications for licence boundaries and proposed amended area(s).
12. Implications to replaceable contracts are subject to the Timber Harvesting Contract and Subcontract Regulation associated with any of the licences involved.
13. The name, position, and phone number of contact person for the proposed subdivision or consolidation.

3.2 Consultation

The province has a duty to consult with and, where appropriate, accommodate First Nations whenever it proposes a decision or activity that could potentially impact treaty rights or Aboriginal rights (including title) – claimed or proven. The duty stems from court decisions and is consistent with the province’s commitment to implement the United Nations Declaration on the Rights of Indigenous Peoples.

Provincial decision-makers with authority to make decisions about provincial land or resources are responsible for ensuring adequate consultation with potentially affected First Nations is carried out and accommodations provided when warranted.

Proponents seeking decisions from the province such as a transfer are encouraged to engage with the appropriate First Nations as early as possible in the process. In some cases, the province may request that the proponents engage in information sharing with First Nations, as they are often in an advantageous position to use existing relationships and can directly respond to requests for additional detail and to modify their arrangements to mitigate concerns.

The Ministry of Indigenous Relations and Reconciliation has provided guidance to government agencies and proponents on how to approach consultations with First Nations. In many cases, the province has established agreements and protocols that must be followed that include the requirements and process for consultation associated with a transfer.

3.3 Review

The Ministry of Forests will review the subdivision or consolidation request to:

1. Confirm the licence is eligible for subdivision or consolidation.
2. Identify any implications to existing plans (e.g., forest stewardship plan, TFL management plan and other higher-level plans).
3. Confirm the proposed transfer of existing CPs to a new licence(s) is correct. See Section 6.3 (subdivision) and Section 7.3 (consolidation) of this Guide.
4. Confirm the AACs proposed by the licensee comply with the legislation and regulation. See Sections 4.3 (subdivision) and Section 5.2 (consolidation) of this Guide for further information.
5. Confirm cut control implications identified in the licensee’s request. See Section 6.1 (subdivision) and Section 7.1 (consolidation) of this Guide.
6. For TFLs, the licence areas proposed by the licensee are accurate and meet the required mapping standards.
7. Review of the licence to identify any special conditions or requirements that may be unique to that licence and how those conditions would be carried forward.

8. Confirm proposed plans for security deposits, annual rent, and silviculture deposit. See Section 6.5 (subdivision) or Section 7.5 (consolidation) of this Guide.
9. Assess if the proposed transaction(s) would compromise forest management.

Compromising Forest Management

The minister (or delegate) may refuse to subdivide or consolidate a TFL or FL if they consider that the subdivision or consolidation would compromise forest management.

At the time of writing this Guide, factors specify what is to be considered to determine if forest management would be compromised by a subdivision or consolidation application were not identified. This determination is solely within the purview of the decision maker and is unique to the individual subdivision or consolidation application being considered. Several considerations of what may potentially compromise forest management (but not limited to these considerations) are as follows:

1. The term “forest management” is very broad and could include biological factors as well as the legislative management tools and any requirements regarding harvesting rights and obligations that accrue to the holder of the licence (i.e., will the decision result in free growing requirements not being met by tenure holder; road deactivation requirements not being fully met, etc.).
2. The decision results in changes to the category(s) of licence(s) as defined in the Act. This may affect how the licence(s) is/are managed with the possibility of negatively impacting some other aspect of the licence as originally intended.

Licence holders should be prepared to provide additional information or to make modifications to the subdivision or consolidation requests to address concerns identified during the technical review.

3.4 Decision

Decision to Approve a Request

If the review identifies that forest management would not be compromised, and other requirements have been met, then a decision package is prepared for the decision maker.

Decision to Reject a Request

If the review identifies concerns that staff believe would make the subdivision or consolidation ineligible or would compromise forest management, the licensee should be provided an opportunity to meet with the ministry staff to discuss the concerns, and where applicable, make adjustments to their application.

If a decision is made to reject a proposed subdivision or consolidation, a notice will be sent to the tenure holder under the decision-maker’s signature and include a rationale supporting the decision.

PART C: Licence Documentation

If an application for subdivision or consolidation is approved, the ministry will prepare the instruments, amendments, and new licences according to the information provided in this section.

4.0 Subdivision

Definitions:

Parent Licence:	Original licence that is being subdivided or consolidated.
Amended Licence:	Amended parent licence if it is being retained.
New Licence:	New licence(s) being entered into because of the subdivision.

For subdivisions, the parent licence will be maintained with the appropriate sections being amended (amended licence) along with creating a new licence. All the necessary amendments to be made to the parent licence will be completed by executing an FS 3 for FLs and an instrument for TFLs.

The current template in use for the type of licence must be used for the new licence. The new licence will include the same terms and conditions that are included in the parent licence. The “Whereas” paragraph of the new licence will state that it was entered into because of a subdivision and have a reference to the parent licence.

Depending upon the date when the parent licence was entered, the amended licence may be updated to reflect the clauses in the current template wording for that form of agreement.

4.1 Licence Effective (Beginning) Date

The effective (beginning) date for the amended licence will be the same as the parent licence. For the new licence, there is some flexibility as to the selection of the effective date. The effective date selected should fall on or after the date the subdivision request was approved.

4.2 Expiry Date

The expiry date for the new licence must not be later than the expiry date of the parent licence but can expire before the parent licence.

4.3 Allowable Annual Cut

Tree Farm Licences

The Act specifies that as a result of a TFL subdivision, the AAC for the amended and new TFL is set by the Annual Allowable Cut Administration Regulation. The regulation uses a timber harvesting land base approach to set the AACs. The Act, Section 8 (2) resets the timelines for a Section 8 (1) AAC determination for TFLs made by the chief forester so that a new determination is not required for up to ten years.

Forest Licences

For FLs, the amended licence will be amended to reduce the AAC allocated to the new licence.

4.4 Timber Reservations

Most TFLs and some FLs (BC Timber Sales allocation for a specified time period) identify an amount of the AAC that is reserved and not available to the licensee. This volume is usually reserved for BC Timber Sales, WLs and other purposes. Discussions should occur between the ministry and licensee to determine the appropriate allocation of reserved timber between the amended and new licences.

4.5 Special Conditions and Requirements

Any special condition or requirement specified in the parent licence must also be included in the amended and new licence. (Examples include, but are not restricted to restricted FL, bioenergy, and mountain pine beetle NRFLs.)

4.6 Contracting Requirements

TFLs require and FLs may require that a percentage of the volume of timber harvested be done through replaceable timber harvesting contracts that are subject to the Timber Harvesting Contract and Subcontract Regulation. The percentage included in the amended licence, and a new licence, should be the same as the requirement specified in the original licence.

4.7 Licence Area

For TFLs, the Schedule A (description of private land and TLs) and/or Schedule B described in the licence documents must be amended accordingly.

For NRFLs, with a specific licence area, the boundaries of the amended and new licence must be specified.

4.8 Great Bear Rainforest

The provisions of the Act regarding agreement subdivision still apply. An amendment to the Great Bear Rainforest (Forest Management) Regulation is required to set the AAC for the amended and new TFLs.

5.0 Consolidation

Definitions for this section:

Original Licences:	Licences that are being consolidated.
Amended Licence:	Original licence being retained.
New Licence:	New licence being entered into combining one or more original licences.

Several options exist when consolidating TFLs or FLs. An original licence can be amended to include the other licence(s) or a new licence can be entered that includes the TFLs or FLs being consolidated, and then cancelling the original licence. In most cases, it is recommended to amend one of the original licences to include the other original licence(s).

5.1 Effective (Beginning) Date, Expiry Date and Term

If a new licence is created, the expiry date must be the earliest expiry date of the original licences being consolidated, with the beginning date and term remaining the same.

If the licence with the earliest expiry date is selected to be the amended licence, then the effective date and term of the amended licence will remain the same as the original licence.

If the amended licence does not have the earliest expiry date, the effective date of the licence may remain the same. However, the term of the licence must be amended to ensure that the licence will expire prior to or on the earliest expiry date of any of the original licences.

5.2 Annual Allowable Cut

For FLs, Section 19 (5) of the Act specifies that the AAC of the amended or new licence must be increased by the volume equal to the reductions applied to the original licences. Section 19 (6) requires that the AAC, after a consolidation, remains the same as the sum of the original licences.

For TFLs, Section 9 of the Allowable Annual Cut Administration Regulation specifies the AAC requirements when consolidating a TFL.

5.3 Timber Reservations (Tree Farm Licences)

Most TFLs, and some FLs (BC Timber Sales volume for a specified period) identify a certain amount of the AAC that is reserved and not available to the licensee. This volume is usually reserved for BC Timber Sales, WLs, and other purposes. This reserved volume for the amended or new licence should equal the total volume of the original licence.

If a specific area has been identified with the reservation, that reservation must be identified appropriately in the amended or new licence.

5.4 Contracting Requirements

TFLs require and FLs may require that a percentage of the volume of timber harvested be done through replaceable timber harvesting contracts that are subject to the Timber Harvesting Contract and Subcontract Regulation. The contracting requirements for all the licences being consolidated must be reviewed for this contracting requirement. If all the original licences have the same requirements, this is to be reflected in the amended or new licence. If any of the original licences has a different contracting requirement, then the percentage to be included in the amended or new licence must be prorated based on the AAC of the licences being consolidated.

5.5 Other Special Conditions and Requirements

All licences being consolidated must be reviewed for any special conditions that are included and form part of the licences. Any such conditions must be carried forward in the amended or new licence. These conditions include but are not limited to:

1. Timber processing requirements (i.e., restricted FLs).
2. Complying with another agreement (i.e., directly awarded FLs under the Act, Section 47.3).
3. Harvesting restricted to certain species or terrain.

5.6 Licence Area

For all licences with a specified licence area, the licence area must be amended to include all areas specified in the original licences.

For TFLs, the Schedule A (description of private land and TLs) and/or Schedule B must be amended accordingly.

For NRFLs, with a specific licence area, the boundaries of the amended or new licence must be specified.

5.7 Great Bear Rainforest

The provisions of the Act regarding agreement consolidation still apply. An amendment to the Great Bear Rainforest (Forest Management) Regulation is required to set the AAC for the amended and/or new TFLs.

PART D: Licence Administration

Once a subdivision or consolidation has been completed, the following administrative tasks associated with the licences must be addressed:

6.0 Subdivision

6.1 Cut Control

Cut control for licences that are subdivided is specified under Section 75.6 (2) of the Act as well as the Cut Control Regulation.

A subdivision does not affect the cut control position or the cut control period (CCP) of the affected licences. The volume of timber harvested is split between the licences as required under Section 75.6 (3) of the Act. The new licence or licences have the same CCP as the original licence that was subdivided. The cut control position of each licence is ultimately determined upon termination of its individual CCP. A subdivision does not affect the cut control rules with respect to undercuts or overcuts (see Appendix B).

If any of the licences involved have been subject to an AAC partition order, then the requirements regarding cut control are specified in Section 75.04 of the Act.

Licensees should fully understand the implications for cut control to affected licences. Poorly timed subdivision requests could lead to inadvertent cut control penalties and loss of access to harvesting rights in subsequent CCPs. Please see the subdivision example in Appendix D.

6.2 Road Permits

RPs are stand-alone agreements that are issued to access timber rights held under various agreements entered under the Act. RPs are associated to a licence, which is identified under Part 1.01 of the RP. Any RPs that are to be associated with a new licence must be amended accordingly.

Harvesting data from RPs and their associated agreement is used in calculation of stumpage rates for RPs and BSPs.

6.3 Cutting Permits

All issued and existing CPs to be made part of a new licence must be amended accordingly. CPs are to be treated as a whole and cannot be split to the block level.

Tree Farm Licences

For subdivision of TFLs, CPs located within the geographic area of the original TFL will remain unaltered.

CPs in the new TFL area will be dealt with as follows:

- All pending issuance (PI) and issued (HI) are amended as issued under the new TFL.
- All other CPs [logging complete (LC) or closed (HC)] remain with the original TFL.

Forest Licences

For the subdivision of FLs, CPs that have been proposed by the licensee for transfer, and confirmed during the technical review as being appropriate, must be amended as being issued under the new licence.

Data from blanket salvage permits (BSPs) is used in calculation of average stumpage rates for RPs and BSPs, and changing the licence association of CPs may affect these average stumpage rates. There may also be implications to cost estimates in appraisals. Regional revenue staff should be notified of any proposed and completed amendments.

6.4 Licence and Silviculture Security Deposits

Instructions should be forwarded to the Ministry of Small Business and Provincial Revenue, who manage the deposits under the *Financial Administration Act*.

a) Licence Security Deposits

A TFL or FL security deposit is required to be placed with government and is calculated according to the Advertising Deposits and Disposition Regulation.

If the tenure holder already has a deposit with government, then the security amount can be adjusted to reflect the total amount required to be held as security.

If the holder of the original licence will no longer hold tenure in British Columbia, and there are outstanding obligations resulting from harvesting under the licence, then the ministry can request and retain a silviculture security deposit from the licence holder.

b) Silviculture Security Deposits (Non-Replaceable Forest Licences Only)

The silviculture security deposit is collected at the CP or licence-level by the district manager. The amount is determined on a licence-by-licence basis and may fluctuate as the risk to the

Crown changes. This may have to be adjusted according to which licence assumes the old obligations.

Further guidance on this can be found in the following document: [Policy – Silviculture Security Requirement for Major Non-Replaceable Licences](#).

6.5 Annual Rent

If licences are consolidated or subdivided, the holder of the new licences is billed annual rent at the next anniversary date based on the new licence(s) AAC volume or geographic area. Annual rent adjustments should be made consistent with Section 7.5 of the “[Annual Rent Billing Procedures](#)”.

6.6 Outstanding Obligations (for cases where the parent licence is being cancelled)

As per the Act, Section 79, despite the expiry, surrender, suspension or cancellation of a licence, the holder is liable to:

- to pay the rent, fees, costs, and penalties owing to the government in respect of the agreement;
- to perform all other obligations under the agreement;
- to perform all other obligations imposed under the Act, the *Forest and Range Practices Act*, the *Forest Practices Code of British Columbia Act*, or the *Wildfire Act* with respect to the agreement; and
- to pay to the government all other money required under the Act to be paid to the government in respect of the agreement incurred before its expiry, surrender, suspension, or cancellation.

It is important to keep track of the status and responsibility for outstanding obligations accruing to the holder of a current licence or one that has been cancelled. This is done mainly through the Reporting Silviculture Updates and Land Status Tracking System (RESULTS).

Free growing obligations accrue to the holder of an agreement who harvested timber under that agreement. If an agreement is subdivided, the obligations remain with the holder of the agreement and do not automatically become associated with the new licence. For example, once subdivided, outstanding obligations within the licence area of the new TFL still exist, but they are not associated with the new TFL. If the new TFL is subsequently transferred, the new holder will not be liable for those obligations that exist in the licence area of the new licence, but accrued under the original licence.

If it is intended that any existing obligations associated with the original licence are to be transferred to the holder of the new licence, this must be accomplished through a formal transfer of obligation to establish a free growing stand under Section 29.1 of the *Forest and*

Range Practices Act. In this case, any obligations that are transferred under Section 29.1 are deemed to be obligations under the new licence.

6.7 Management Plans (Tree Farm Licences only)

The management plan for a parent licence is deemed the approved management plan for the new TFL and the timelines for the submission and approval of a new management plan will be set by the chief forester.

7.0 Consolidation

7.1 Cut Control

Cut control for licences that are subdivided is specified under Section 75.6 (4) of the Act as well as the Cut Control Regulation.

A consolidation will change the cut control position and period of the affected licences. Affected licences' CCPs are deemed to be ended on December 31st immediately before consolidation and the first CCP for the amended or new licence begins on January 1st of consolidation.

If any of the licences involved have been subject to an AAC partition order, then the requirements dealing with cut control as specified in Section 75.04 of the Act must be followed.

If a licensee harvested five years' worth of AAC in the first and second year, consolidated in the following year, a significant overharvest penalty will ensue as the CCP is deemed to be ended on December 31st of the second year. Therefore, the licensee will only have two years' worth of AAC to cover that five years' worth of harvest (see Appendix A). Any overharvest volume is charged to the first CCP of the amended or new licence.

Licensees should fully understand the implications for cut control to the affected licences. Poorly timed consolidation requests could lead to inadvertent cut control penalties and loss of access to harvesting rights in subsequent CCPs. It is important to discuss the cut control implications with the licensee as soon as possible in the process.

7.2 Road Permits

Part 1.01 of the RPs associated with the licences being cancelled as part of a consolidation must be amended so that the reference is made to the amended or new licence.

Data from RPs and their associated agreement is used in calculation of average stumpage rates for RPs and BSPs. Regional revenue staff should be notified of any proposed and completed amendments.

7.3 Cutting Permits

Licensees will advise of the action to be taken on all affected CPs.

The first page of all the CPs issued under a licence that is being cancelled as part of a consolidation must be amended to make the reference to the amended or new licence.

For consolidation of TFLs or FLs, any CPs (PI) and (HI) should be moved to the amended or new licence. All other CPs (LC) or (HC) should stay with the licence to be cancelled.

Data from BSPs is used in calculation of average stumpage rates for RPs and BSPs, and changing the licence association of CPs may affect these average stumpage rates. There may also be implications to cost estimates in appraisals.

7.4 Licence and Silviculture Security Deposits

Instructions should be forwarded to the Ministry of Small Business and Provincial Revenue, who manage the deposits under the *Financial Administration Act*.

a) Licence Security Deposits

Deposits being held in association with the licences being cancelled will be held in association with the remaining licence.

b) Silviculture Security Deposits (Non-Replaceable Forest Licences only)

Deposits being held in association with the licences being cancelled will be added to the silviculture deposit of the remaining licence. The district manager may use this as an opportunity to review if the appropriate amount of silviculture deposit is being held.

7.5 Annual Rent

Refer to Section 6.5 of this Guide.

7.6 Outstanding Obligations

Refer to Section 6.6 of this Guide.

7.7 Management Plans (Tree Farm Licences only)

The management plan for the amended (retained) licence continues and will cover the area of the original licence that has been cancelled. The management plan for the cancelled TFL is no longer in effect (see Section 3 of the TFL Management Plan Regulation). The timeline for the submission and approval of a new management plan will be set by the chief forester.

PART E: Systems and File Updates

District staff are responsible for identifying the appropriate CPs in the Forest Tenure Administration System (FTAS) as determined under Section 7.3 of this Guide. The CPs will be relabelled (transferred) by district geomatics staff upon confirmation from the licensee.

Newly created licences must be entered into FTAS as well as closing out those licences which are cancelled. Any areas deleted from a TFL must be identified spatially to ensure information in the Land and Resource Data Warehouse (LRDW) is correct.

APPENDIX A Subdivision and Consolidation Cut Control Example

Subdivision is effective on April 1, 2022. AAC and volume of timber harvested are equally distributed for the first CCP. As the parent licence exceeded the cut control limit (over 110 percent) as a result of the subdivision, the licensee will be penalized as per Section 75.91 of the Act and overharvest volume will be carried forward to the next period. To avoid undesirable outcome, the licensee may submit an exemption (at risk because of wind, fire, insect), an attribution request prior to the subdivision or end the CCP before June 30th of the calendar year as per Section 75.4 (4) of the Act.

Parent Licence Before Subdivision

	2018	2019	2020	2021	2022
Allowable Annual Cut (m ³)	250,000	143,288	100,000	100,000	100,000
NP and W&R	40,000	500,000	10,000	30,000	78,288
Other Volume (Attributions, etc.)	5,000	5,000	5,000	0	0
Overcut Carried Forward from Previous CCP	20,000	0	0	0	0
Grand Total	65,000	505,000	15,000	30,000	78,288
Cumulative AAC To Year End	250,000	393,288	493,288	593,288	693,288
Cumulative Timber Harvested	65,000	570,000	585,000	615,000	693,288
Percent Harvest to Year End	26.00%	144.93%	118.59%	103.66%	100.00%
Percent Harvest of Cut Control Period	9.38%	82.22%	84.38%	88.71%	100.00%
Volume Remaining until 100%	628,288	123,288	108,288	78,288	0

Parent Licence After Subdivision

	2018	2019	2020	2021	2022
Allowable Annual Cut m³	125,000	71,644	50,000	50,000	50,000
NP and W&R	20,000	250,000	5,000	15,000	78,288
Other Volume (Attributions, etc.)	2,500	2,500	2,500	0	0
Overcut Carried Forward from Previous CCP	10,000				
Grand Total	32,500	252,500	7,500	15,000	78,288
Cumulative AAC To Year End	125,000	196,644	246,644	296,644	346,644
Cumulative Timber Harvested To Year End	32,500	285,000	292,500	307,500	385,788
Percent Harvest to Year End	26.00%	144.93%	118.59%	103.66%	111.29%
Percent Harvest of Cut Control Period	9.38%	82.22%	84.38%	88.71%	111.29%
Volume Remaining until 100%	314,144	61,644	54,144	39,144	-39,144

New Licence After Subdivision

	2018	2019	2020	2021	2022
Allowable Annual Cut (m ³)	125,000	71,644	50,000	50,000	50,000
NP	20,000	250,000	5,000	15,000	0
Other Volume (Attributions, etc.)	2,500	2,500	2,500	0	0
Overcut Carried Forward from Previous CCP	10,000				
Grand Total	32,500	252,500	7,500	15,000	0
Cumulative AAC To Year End	125,000	196,644	246,644	296,644	346,644
Cumulative Timber Harvested To Year End	32,500	285,000	292,500	307,500	307,500
Percent Harvest to Year End	26.00%	144.93%	118.59%	103.66%	88.71%
Percent Harvest of Cut Control Period	9.38%	82.22%	84.38%	88.71%	88.71%
Volume Remaining until 100%	314,144	61,644	54,144	39,144	39,144

Consolidation is effective on January 1st of 2020, and the affected licence’s CCP is deemed to be ended on December 31st, 2019. Therefore, the licensee will only have two years’ worth of AAC (2018 and 2019) to cover the volume harvested in 2018 and the overcut carried forward.

This creates massive non-compliance of 265.17 percent overharvest instead of 106.07 percent at the end of five-year CCP.

Affected Licence before the End of Cut Control Period

	2018	2019	2020	2021	2022
Allowable Annual Cut (m ³)	1,697	1,697	1,697	1,697	1,697
NP and W&R	8,000	0	0	0	0
Other Volume (Attributions, etc.)	1,000	0	0	0	0
Overcut Carried Forward from Previous CCP	0	0	0	0	0
Grand Total	9,000	0	0	0	0
Cumulative AAC To Year End	1,697	3,394	5,091	6,788	8,485
Cumulative Timber Harvested	9,000	9,000	9,000	9,000	9,000
Percent Harvest to Year End	530.35%	265.17%	176.78%	132.59%	106.07%
Percent Harvest of Cut Control Period	106.07%	106.07%	106.07%	106.07%	106.07%
Volume Remaining until 100%	-515	-515	-515	-515	-515

Affected Licence after the End of Cut Control Period

	2018	2019 (end) Final	2020	2021	2022
Allowable Annual Cut (m ³)	1,697	1,697	1,697	1,697	1,697
NP and W&R	8,000	300	0	0	0
Other Volume (Attributions, etc.)	0	0	0	0	0
Overcut Carried Forward from Previous CCP	0	0	0	0	0
Grand Total	8,000	300	0	0	0
Cumulative AAC To Year End	1,697	3,394	0	0	0
Cumulative Timber Harvested	9,000	9,000	0	0	0
Percent Harvest to Year End	530.35%	265.17%	0	0	0
Percent Harvest of Cut Control Period	265.17%	265.17%	0	0	0
Volume Remaining until 100%	-515	-515	0	0	0