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October 6, 2009

BC Timber Sales Registrants

Dear BC Timber Sales Registrant:

Through this letter, I wish to inform you of the progress that BC Timber Sales (BCTS) has been making in the use of lump sum Timber Sale Licences (TSLs).

You may recall that, as per the attached September 2008 news release, BCTS has been piloting the use of lump sum TSLs (i.e., cruise-based TSLs that rely on a lump sum bonus offer instead of a per cubic metre bonus bid) throughout the province with the aim of:

- Exploring more effective and innovative ways of marketing timber; and,
- Complementing efforts by industry and other divisions of the Ministry of Forest and Range to address the Mountain Pine Beetle crisis by capturing residual fibre values, reducing urban fire interface impacts and returning affected areas to a productive growing forest.

Since the pilot began more than a year ago BCTS has advertised more than 50 lump sum TSLs many of which were sold and on which harvesting has commenced. Given the success of the initiative, I now expect that BCTS will employ lump sum TSLs in various forms more frequently throughout BCTS. As such, and in an effort to enhance your understanding of some of the key features of these types of TSLs, I have attached a Question and Answer document for your information.



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Ministry of Forests
and Range

BC Timber Sales

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BC Timber Sales Registrants

Should you have further questions regarding the lump sum TSLs, please contact your local timber sales office in one of the 12 locations around the province.

Yours truly,



Peter Jacobsen
Director, Business Operations
BC Timber Sales Headquarters

Enclosures:

1. September 2008 News Release.
2. September 30, 2009 Cruise-based/Lump Sum TSL Questions & Answers

pc: Dave Peterson, Assistant Deputy Minister, BC Timber Sales
Mike Falkiner, Director Operations, BC Timber Sales
Murray Stech, Director, Revenue Branch
Dianne Medves, Director, Forest Practices Branch
All Regional Executive Directors
All District Managers
All Timber Sales Managers
BCTS Headquarters Policy Department