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Ministry of Forests  
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Office of the Minister

MEMORANDUM

File: 280-30

MAY 31 2007

To: Bill Warner Regional Manager Northern Interior Forest Region  
Phil Zacharatos Regional Manager Southern Interior Forest Region

From: The Honourable Rich Coleman, Minister of Forests and Range

Re: **Amendment No. 21 to the Interior Appraisal Manual (IAM)**

I hereby approve Amendment No. 21 to the *Interior Appraisal Manual* and attach a copy for your use. The following section has been amended:

Section 6.3: The formula to calculate road permit stumpage rates is changed to refer to the new interior log grades that were put in place on April 1, 2006.

This amendment will come into force on June 1, 2007. Further amendments or revisions to this manual require my approval.

Rich Coleman  
Minister

Attachments

pc: Bill Howard, Director, Revenue Branch







**FOR FURTHER INFORMATION CONTACT:**

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**MANUAL TITLE**

Interior Appraisal Manual

**REVISION No.**

Amendment No. 21

**ISSUE DATE**

June 1, 2007

**MANUAL CO-ORDINATOR**

Judy Laton  
Revenue Branch

**AUTHORIZATION (Name, Title)**

W. Howard  
Director, Revenue Branch

Please make the following changes to your copy of the above Ministry manual. Please insert the following specified pages and **file this notice** immediately after the Amendments Tab.

ACTION (Remove/Insert)	(VOL.) CHAPTER-SECTION-SUBJECT TABLE OF CONTENTS	PAGE(S)	COMMENTS
REMOVE	Chapter 6	5 - 6	After Chapter 6 Tab
INSERT		5 - 6	
INSERT	Minister's Letter and Manual Revision Transmittal		After Amendments Tab



- i. the cruise data that is used in the appraisal may be from the cruise of the cutting authority area or from the cruise of a comparable cutting authority that has similar stand and terrain characteristics,
- ii. the district manager may require the selection of a comparable cutting authority to be in accordance with procedures set out in section 2.1.2.2 of the *Cruising Manual*, and,
- iii. except as provided in section 2.6(2), 6.6(2) and 7.2.1(3) the total stumpage rate is adjustable for the term of the cutting authority and all extensions.

## 6.3 Road Permits

1. Except as provided in subsection 4 of this section, the stumpage rate for a road permit shall be the weighted average sawlog stumpage for:
  - a. all cutting authorities, other than road permits, that authorize the harvesting of timber in the same forest district as is the land to which the road permit applies, and that are issued under the licence that entitles the licensee to apply for the road permit, or
  - b. if there are no records from which the weighted average saw log stumpage rate may be determined under (a), and the licence permitting the granting of the road permit has an allowable annual cut of 3 000 m<sup>3</sup> or more per year, then all the cutting authorities, other than road permits, that authorize the harvesting of timber on land located in the same forest district as is the land to which the road permit applies, or
  - c. if there are no records from which the weighted average saw log stumpage rate may be determined under (a), and the licence permitting the granting of the road permit has an allowable annual cut of less than 3 000 m<sup>3</sup> per year, all the cutting authorities, other than road permits, that are for licences that have an allowable annual cut of less than 3 000 m<sup>3</sup> in the same forest district as the area to which the road permit applies.

2. In paragraph (a) of subsection (1) of this section, the weighted average sawlog stumpage rate that is in effect for the period between June 1 of one year **in this subsection hereinafter referred to as the first year**, and May 31 of the following year is determined as follows:

$$\$/\text{m}^3 = \frac{(\text{sum of Grade 1 value billed}) * + (\text{sum of Grade 2 value billed}) *}{(\text{sum of Grade 1 volume billed}) * + (\text{sum of Grade 2 volume billed}) *}$$

\*From the billing records of Revenue Branch for coniferous sawlogs during the 12 month billing period ending on March 31 in the first year, **if** the volume of those coniferous sawlogs is greater than 500 cubic metres.

3. In paragraphs (b) and (c) of subsection (1) of this section, the weighted average sawlog stumpage rate that is in effect for the period between June 1 of one year **in this subsection hereinafter referred to as the first year**, and May 31 of the following year is determined as follows:

$$\$/\text{m}^3 = \frac{(\text{sum of Grade 1 value billed}) * + (\text{sum of Grade 2 value billed}) *}{(\text{sum of Grade 1 volume billed}) * + (\text{sum of Grade 2 volume billed}) *}$$

\*From the billing records of Revenue Branch for coniferous sawlogs during the 12 month billing period ending on March 31 in the first year.

4. The stumpage rate for a road permit granted to the holder of a timber sale licence entered into under section 20 of the *Forest Act* will be the same as the stumpage rate for the timber sale licence which entitled the licensee to apply for the road permit.