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This amendment will come into force on May 30, 2008. Further amendments or revisions to this manual require my approval.



Dep. Minister

Rich Coleman
Minister

Attachment

pc: Murray Stech, Director, Revenue Branch



Ministry of
Forests
and Range



MANUAL REVISION TRANSMITTAL

<p>FOR FURTHER INFORMATION OR IF YOU HAVE A CHANGE OF ADDRESS, PLEASE CONTACT:</p> <p>Bob Bull Senior Timber Pricing Forester (Interior) Revenue Branch Ministry of Forests 6th Floor - 727 Fisgard Street Victoria, BC V8W 1R8 Phone: 356-7709 PROFS userid: Bob.Bull@gov.bc.ca FAX: 387-5670</p>	MANUAL TITLE	
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Please make the following changes to your copy of the above Ministry manual.

ACTION	(VOL.) CHAPTER-SECTION-SUBJECT	PAGE(S)	COMMENTS
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Introduction

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1.1 Definitions

In this manual:

“**Act**” means *Forest Act*,

“**Agreement**” means a form of agreement granting rights to harvest crown timber referred to in section 12 of the *Act*, or a pulpwood agreement,

“**Applicable Volume**” means:

- a. Except as provided in section 2.2.1(d), and subject to paragraph (b) of this definition, where the harvesting is authorized on a cutting authority area under an agreement other than a BCTS licence, applicable volume means the total net coniferous volume,
- b. Where the cutting authority or the agreement under which the cutting authority is issued requires harvesting in deciduous stands and the deciduous timber has not been reserved, applicable volume means the sum of the total net coniferous volume and the total net deciduous volume.
- c. Where the harvesting is authorized on a cutting authority area under a BCTS licence, applicable volume means the sum of the total net coniferous volume and the total net deciduous volume.

“**Appraisal Data Submission (ADS)**” means the information required by the person who determines the stumpage rate to determine that rate including the appraisal map, appraisal summary report, cruise compilation and any other information required by the regional manager or district manager, in the form required by the director, signed by a registered professional forester (RPF) or registered forest technologist (RFT), registered with the Association of British Columbia Forest Professionals,

“**BCTS**” means British Columbia Timber Sales.

“**BCTS licence**” means:

- a. a timber sale licence entered into under Section 20 or 21 of the *Forest Act*, or
- b. a forestry licence to cut entered into under Section 47.6(3) of the *Forest Act*,

“**Billing history record**” means a record of log scale data derived from a record kept by the Revenue Branch of log scale data reported on stumpage invoices issued by the Revenue Branch for timber scaled under section 94 of the *Act*;

“**Coniferous cruise volume**” means that part of the total net cruise volume which is coniferous timber,

“Cutting Authority” means:

1. A cutting permit issued under:
 - a. a forest licence,
 - b. a timber sale licence that provides for the issuance of cutting permits,
 - c. a tree farm licence,
 - d. a community forest agreement,
 - e. a woodlot licence,
 - f. a timber licence,
 - g. a community salvage licence,
 - h. a master licence to cut, or
 - i. a forestry licence to cut.
2. A timber sale licence under which cutting permits have not or will not be issued.
3. All other licences to cut.
4. A road permit.

“Cutting Authority Area” means the area where timber may be harvested under a cutting authority, which has a unique timber mark,

“Deciduous timber” means timber that is not of a coniferous species,

“Director” means director of Revenue Branch Ministry of Forests and Range,

“District Manager” means:

- a. Except as provided in paragraph (b) of this definition, the district manager or district manager’s designate.
- b. Where the cutting authority area being appraised or reappraised is located in a controlled recreation area designated under the *Resort Timber Administration Act*, (RTAA) then district manager means an employee of the Ministry of Tourism, Sports and the Arts to whom the minister of that ministry has delegated the minister’s powers and duties under section 2 of the RTAA.

“Fully Appraised” means stand data (site specific or borrowed) has been used by the general appraisal system to calculate an indicated stumpage rate or an upset stumpage rate,

“**Licensee**” means the holder of a cutting authority,

“**Manual**” means *Interior Appraisal Manual*,

“**Minister**” means Minister of Forests and Range,

“**Ministry**” means Ministry of Forests and Range,

“**Total Net Cruise Volume**” means the sum of the species net cruise volumes reported in the appraisal summary report from the cruise compilation for the cutting authority area,

“**New Construction**” means the following construction phases: subgrade construction, placement of additional stabilizing material and the construction and installation of drainage and other pertinent structures,

“**Reconstruction and Replacement**” means replacement or structural repair of a major drainage structure (e.g., replacing stringers, cross ties, or cribbing), or major resurfacing, which means resurfacing sections of more than 0.3 km in length that were initially surfaced but have deteriorated due to long term wear and tear, where stabilizing material was not previously used, or major reconstruction, which means restoring at least 0.1 km of road (per occurrence) that requires complete rebuilding of the subgrade,

“**Regional Manager**” means regional executive director or regional executive director’s designate,

“**Regulations**” means regulations under the *Act*,

“**Remedial Fences and Wing Fences**” means fencing that is required to remedy, reduce or manage the impact of timber harvesting activities on range management,

“**Revenue Branch**” means the Revenue Branch of the Ministry,

“**Skidder Swing**” means situations where two of the different harvest methods as listed in section 4.4.1 are required to move timber to an existing road or landing where it can be loaded onto a haul truck. Where skidder swing is included in an appraisal the harvest method that moves the felled timber first is the method that is indicated in the appraisal data submission,

“**Salvage**” except as provided in section 6.4, means a cutting authority area where greater than one-third of the net coniferous cruise volume is attacked by mountain pine beetle or other pests,

“**Species Net Volume**” is the species net volume reported in the appraisal summary report from the cruise compilation for the cutting authority area,

“**Stud Log Percent**” means the net volume of 5 m logs with top diameters under 20 cm expressed as a percentage of the total net cruise volume. The stud log percent is rounded to the nearest whole percentage point,

“Timber Sales Manager” means the Timber Sales Manager or the Timber Sales Manager’s designate,

“Total Net Coniferous Volume” is the total of the species net volumes for all coniferous species on the cutting authority area,

“Total Net Deciduous Volume” is the total of the species net volumes for all deciduous species on the cutting authority area,

“Tributary Cutting Authority Area” means a cutting authority area from which timber must be transported over the road that is developed, or a cutting authority area to which bulk fuels, supplies, equipment and harvesting crews necessary to carry out the day-to-day harvesting activities on that area must be taken on a regular basis over the road that is developed,

1.2 Terms of Reference

1. Pursuant to section 105 of the *Forest Act* the provisions of this manual are policies and procedures to be used in the determination, redetermination and variance of stumpage rates in the Northern Interior Forest Region and in the Southern Interior Forest Region and Manning Park.

1.2.1 Responsibility for Stumpage Determination

1. The following employees of the ministry are authorized to determine, redetermine and vary rates of stumpage:
 - a. regional managers, regional timber pricing co-ordinators, and employees of the regional revenue sections, and
 - b. director and employees of Revenue Branch.

2. The point of appraisal that when used in the calculation of the operating cost estimate produces the least cost total development, harvesting and transportation determination of the operating cost estimate unless:
 - a. five years have passed from the date that a milling facility was permanently rendered incapable of producing lumber and chips, and
 - b. it was the only milling facility associated with that point of appraisal.
3. Where a point of appraisal cannot be selected under subsection (2) of this section because of the conditions of paragraphs (a) and (b) of that subsection, the point of appraisal that produces the next lowest total development, harvesting and transportation estimate must be used in the determination of the operating cost estimate in accordance with the requirements of subsection (2) of this section.
4. The process in subsection (3) of this section is continued until a point of appraisal can be selected without being excluded by the conditions of paragraphs (2)(a) and (b).
5. For the purposes of determining the least cost total harvesting, development and transportation estimate, the locations that were used in measurement of cycle time for each point of appraisal in Table 4-1 as of October 1, 2003 will be used.
6. The manufacturing costs and average market values for the selling price zone in Table 4-1 for the least cost point of appraisal selected under paragraphs 2, 3 or 4 must be used in the appraisal.

Table 4-1 Points of Appraisal

Northern Interior (Zone 5, 15, 25 & 35)			
Bear Lake	Fort St. James	Mackenzie	Smithers
Burns Lake	Fraser Lake	Prince George	Strathnaver
Clear Lake	Houston	Quesnel	Upper Fraser
Engen	Isle Pierre		Vanderhoof
Skeena (Zone 6, 16, 25 & 36)			
Terrace	Carnaby	Hazelton	Kitwanga

Southern Interior (Zone 7, 17, 25 & 37)					
Adams Lake	Galloway	Merritt	Thrums		
Armstrong	Grand Forks	Midway	Valemount		
Canal Flats	Kamloops	Okanagan Falls	Vavenby		
Canoe	Kelowna	Park Siding	Westbank		
Castlegar	Lavington	Princeton	Ymir		
Craigellachie	Louis Creek	Radium			
Creston	Lumby	Revelstoke			
Elko	McBride	Slocan			
South Cariboo (Zone 8, 18, 25 & 38)					
100 Mile House	Chasm	Lytton	Squamish	Williams Lake	Boston Bar
Fort Nelson - Peace (Zone 9, 19 & 25)					
Chetwynd	Fort Nelson	Fort St. John	Taylor		

7. The following Points of Appraisal will expire on the dates indicated: Upper Fraser (June 30, 2008), Taylor (July 31, 2008), Louis Creek (**July 31, 2008**), Carnaby (February 24, 2010), Boston Bar (**June 30, 2009**).

Miscellaneous Timber Pricing Policies

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6.1 Average Stumpage Rates by Forest Zone and Species

1. Each of the following forest zones referred to in Tables 6-1, 6-2 and 6-3 is made up of the corresponding forest district areas:
 - a. North Central Zone - Fort St. James, Mackenzie, Nadina, Prince George, Quesnel and Vanderhoof Forest Districts.
 - b. North West Zone - Kalum and Skeena Stikine Forest Districts.
 - c. North East Zone - Fort Nelson and Peace Forest Districts.
 - d. South East Zone - Arrow Boundary, Columbia, Headwaters, Kamloops, Kootenay Lake, Okanagan Shuswap and Rocky Mountain Forest Districts.
 - e. South West Zone - 100 Mile House, Cascades, Central Cariboo and Chilcotin Forest Districts.

Where a species of timber is not listed in Table 6-1, the rate that shall be used for that species of timber is the rate listed in the column headed as OTHER.

Table 6-1 Average Sawlog Stumpage Rates by Forest Zone and Species

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	Y. PINE	OTHER
North Central	16.45	24.13	17.18	18.39	-	15.05	17.20	-	15.72
North East	4.91	-	-	-	-	6.92	9.21	-	7.83
North West	2.87	5.84	-	4.49	-	5.57	4.27	-	4.09
South East	16.61	20.39	16.67	14.67	15.45	16.50	17.55	8.80	16.87
South West	14.62	8.51	14.48	11.70	20.15	12.47	15.02	-	13.27

2.
 - a. The sawlog stumpage rate for each species of coniferous timber harvested under a community forest agreement entered into under the *Forest Act* or an associated road permit, will be 15 percent of the sawlog stumpage rate for that species in Table 6-1.
 - b. The stumpage rate determined under paragraph (a) of this subsection shall be redetermined on August 1 of each year in accordance with this subsection.
3. Sections 6.1.1 through 6.5 do not apply to community forest agreements and associated road permits.

3. Each upset stumpage rate determined under subsection (2) of this section shall not be less than the district's variable cost per cubic meter to prepare the timber for sale calculated by the district manager.
4. Except as provided in section 2.2.1(1)(d) or 2.2.2, where the upset stumpage rate is determined under subsections 1 and 2 of this section, the total stumpage rate is fixed for the term of the cutting authority and all extensions.
5. a. Notwithstanding subsections (1) or (2) of this section, where the total coniferous volume to be harvested on a cutting authority area is 5 000 m³ or less, the stumpage rate may be determined:
 - i. for a cutting authority other than a BCTS licence by an appraisal in accordance with chapters 2, 3, 4, 5, and
 - ii. for a BCTS licence by an appraisal in accordance with chapter 7.
- b. Where the stumpage rate is determined in accordance with this subsection:
 - 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 sections 2.3(5) and 7.2.1(2) the total stumpage rate is adjustable for the term of the cutting authority and all extensions.

6.3 Road Permits

1. In this section the area of a forest district or the area of a timber supply area does not include the area of a park located within that district or timber supply area.
2. Except as provided in subsections 3 and 6 of this section, the stumpage rate for a road permit shall be the weighted average sawlog stumpage rate for:
 - a. all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber in the same forest district in which the road permit cutting authority area is located, and that are issued under the licence that entitles the licensee to apply for the road permit, or
 - b. if the licence permitting the granting of the road permit has an allowable annual cut of 3 000 m³ or more per year, and there are no records from which the weighted average sawlog stumpage rate may be determined under:
 - i. paragraph (a), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the smaller of the area of the same forest district or the area of the same timber supply area in which the road permit cutting authority area is located, or
 - ii. paragraphs (a) or (b)(i), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the larger of the area of the same forest district or the area of the same timber supply area in which the road permit cutting authority area is located, or
 - c. if the licence permitting the granting of the road permit has an allowable annual cut of less than 3 000 m³ per year, and there are no records from which the weighted average sawlog stumpage rate may be determined under:
 - i. paragraph (a), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that are for licences that have an allowable annual cut of less than 3 000 m³ in the smaller of the area of the same forest district or the area of the same timber supply area in which the road permit cutting authority area is located, or
 - ii. paragraphs (a) or (c)(i), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that are for licences that have an allowable annual cut of less than 3 000 m³ in the larger of the area of the same forest district or the area of the same timber supply area in which the road permit cutting authority area is located, or
 - iii. paragraphs (a), (c)(i) or (c)(ii) then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the smaller of the area of the same forest district or the area of the same timber supply area

in which the road permit cutting authority area is located, or

- iv. paragraphs (a), (c)(i), (c)(ii), or (c)(iii) then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the larger of the area of the same forest district or the area of the same timber supply area in which the road permit cutting authority area is located.
3. If there are no records from which the weighted average sawlog stumpage rate may be determined under paragraphs (a), (b) or (c) of subsection (2) of this section, then the stumpage rate, **for each species of coniferous timber** subject to section 6.2(1)(b), is the rate in Table 6-1 for the forest zone in which the road permit cutting authority area is located.
4. a. In paragraph (a) of subsection (2) 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:

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

- b. **Subject to subsection (9) of this section**, volumes and values in the formula above are taken from the billing **history** records 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.
5. a. In paragraphs (b) and (c) of subsection (2) 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:

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

- b. **Subject to subsection (9) of this section**, volumes and values in the formula above are taken from the billing **history** records 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.
6. 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.
7. Except as provided in Appendix VI, the stumpage rate for a road permit shall be redetermined on June 1 of each year in accordance with the procedure in this section.

8. The costs of roads constructed under road permits are eligible for inclusion as development cost estimates under section 4.3 in the appraisal of the licensees' first fully appraised tributary cutting authority. These roads will not be considered as existing roads under section 4.3.1.1.3(2).
9. No information from a billing history record may be used in the determination of a weighted average sawlog stumpage rate under this section if the information on the record is in a horizontal line of information that contains a negative number.

6.3.1 Blanket Salvage Cutting Permits

1. In this section the area of a forest district or the area of a timber supply area does not include the area of a park located within that district or timber supply area.
2. Except as provided in subsection (3) or subsection (6) of this section the stumpage rate for a blanket salvage cutting permit shall be the weighted average sawlog stumpage rate for:
 - a. all cutting authorities **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber in the same forest district as is the land in which the blanket salvage permit cutting authority area is located, and that have been issued under the same licence, or
 - b. if the licence permitting the granting of the blanket salvage permit has an allowable annual cut of 3 000 m³ or more per year, and there are no records from which the weighted average sawlog stumpage rate may be determined under:
 - i. paragraph (a), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the smaller of the area of the same forest district or the area of the same timber supply area in which the blanket salvage permit cutting authority area is located, or
 - ii. paragraphs (a) or (b)(i), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the larger of the area of the same forest district or the area of the same timber supply area in which the blanket salvage permit cutting authority area is located, or
 - c. if the licence permitting the granting of the blanket salvage permit has an allowable annual cut of less than 3 000 m³ per year, and there are no records from which the weighted average sawlog stumpage rate may be determined under:
 - i. paragraph (a), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that are for licences that have an allowable annual cut of less than 3 000 m³ in the smaller of the area of the same forest district or the area of the same timber supply area in which the blanket salvage permit cutting authority area is located,

or

- ii. paragraphs (a) or (c)(i), then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that are for licences that have an allowable annual cut of less than 3 000 m³ in the larger of the area of the same forest district or the area of the same timber supply area in which the blanket salvage permit cutting authority area is located, or
 - iii. paragraphs (a), (c)(i) or (c)(ii) then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the smaller of the area of the same forest district or the area of the same timber supply area in which the blanket salvage permit cutting authority area is located, or
 - iv. paragraphs (a), (c)(i), (c)(ii), or (c)(iii) then all cutting authorities, **authorizing harvesting on cutting authority areas that have been fully appraised**, that authorize the harvesting of timber on land located in the larger of the area of the same forest district or the area of the same timber supply area in which the blanket salvage permit cutting authority area is located.
3. If there are no records from which the weighted average sawlog stumpage rate may be determined under paragraphs (a), (b) or (c) of subsection (2), then the stumpage rate **for each species of coniferous timber** must be the determined, subject to section 6.2(1)(b), using Table 6-1 for the forest zone in which the blanket salvage cutting authority area is located.
4. a. In paragraph (a) of subsection (2) of this section, the weighted average sawlog stumpage rate that is in effect for the period between August 1 of one year in this subsection hereinafter referred to as the first year, and July 31 of the following year is determined as follows:

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

- b. **Subject to subsection (7) of this section** volumes and values in the formula above are taken from the billing **history** records 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.
5. a. In paragraphs (b) and (c) of subsection (2) of this section, the weighted average sawlog stumpage rate that is in effect for the period between August 1 of one year in this subsection hereinafter referred to as the first year, and July 31 of the following year is determined as follows:

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

- b. **Subject to subsection (7) of this section, volumes and values in the formula above are taken from the billing history records 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.**
- 6. Except as provided in Appendix VI, the stumpage rate for a blanket salvage cutting permit shall be redetermined on August 1 each year in accordance with the procedure in this section.
- 7. **No information from a billing history record may be used in the determination of a weighted average sawlog stumpage rate under this section if the information on the record is in a horizontal line of information that contains a negative number.**

6.4 Salvage Timber Stumpage Rates

1. This section applies to cutting authorities issued under licences which do not have an allowable annual cut. Salvaged timber is either post harvest material or damaged timber:
2. Post Harvest Material is either:
 - a. wooden culverts and bridges, or
 - b. post logging residue.
3. Damaged Timber is timber that:
 - a. Has been blown down,
 - b. Has been damaged by fire, disease, snow press, or
 - c. Will die within one year, as determined by the district manager, as a result of the affects of the mountain pine beetle, or other forest pests.
4. The criteria and methodology for the calculation of salvaged timber stumpage rates are:
 - a. Post harvest material may not be combined in the same cutting authority area with damaged timber.
 - b. Except where damage to adjacent or contiguous timber occurs after harvesting is completed on the adjacent primary logging cutting permit area and the harvesting equipment has been demobilized from the area, damaged timber salvage cutting authority areas must be scattered, and not be adjacent to or contiguous with an existing cutting authority area.
 - c. Except as provided in subsection (4)(d) of this section the total area of a clearcut salvage harvesting area shall not exceed 1 hectare.
 - d. Where salvage of only damaged stems through partial cutting will leave a stand that meets minimum stocking standards, the area harvested may be larger than 1 hectare.
 - e. Salvage logging stumpage rates may only be determined for a cutting authority where more than one-third of the volume of coniferous timber to be harvested in the cutting authority area is damaged timber.
 - f. Post harvest salvage may only occur after primary logging has been satisfactorily completed and residue and waste assessments have been submitted to and accepted by the Ministry.

- g. Salvage cannot occur on a road right-of-way which has an active timber mark associated with it.
- h. Except as provided in Appendix VI, the stumpage rate will be fixed for one year from the effective date of the stumpage rate. The stumpage rate will be redetermined annually in accordance with the procedure in this section.
5. Where salvaged timber is damaged timber,
- the stumpage rate for each species of the salvaged timber will be determined using the schedule of Sawlog Stumpage Rates for Salvage of Damaged Timber by Forest Zone and Species found in Table 6-2.
 - effective April 1, 2007, where the licensee is not required to establish a free growing crop of trees on the cutting authority area, the stumpage rate for each species of timber shall be the sum of rate determined under paragraph (a) of this subsection and the silviculture levy determined under section 5.6.4.
6. Where the source of the salvaged timber is post harvest material, the stumpage rate for each species of timber will be determined using the schedule of Sawlog Stumpage Rates of Post Harvest Material by Forest Zone and Species found in Table 6-3.
7. Where a species of timber is not listed in Table 6-2 and 6-3, the rate that shall be used for that species of timber is the rate listed in the column headed as OTHER.

Table 6-2 Average Sawlog Stumpage Rates for Salvage of Damaged Timber by Forest Zone and Species (\$/m³)

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	Y. PINE	OTHER
North Central	9.87	21.71	15.46	11.04	-	11.29	15.48	-	9.43
North East	2.94	-	-	-	-	5.19	8.29	-	4.70
North West	1.72	5.26	-	2.69	-	4.18	3.84	-	2.45
South East	9.97	18.35	15.00	8.80	13.91	12.37	15.79	6.60	10.12
South West	8.77	7.66	13.03	7.02	18.14	9.35	13.52	-	7.96

Table 6-3 Average Sawlog Stumpage Rates for Salvage of Post Harvest Material by Forest Zone and Species (\$/m³)

FOREST ZONE	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	L. PINE	SPRUCE	Y. PINE	OTHER
North Central	4.11	19.30	8.59	4.60	-	7.53	8.60	-	3.93
North East	1.23	-	-	-	-	3.46	4.60	-	1.96
North West	0.72	4.67	-	1.12	-	2.79	2.14	-	1.02
South East	4.15	16.31	8.34	3.67	7.73	8.25	8.77	4.40	4.22
South West	3.65	6.81	7.24	2.92	10.08	6.23	7.51	-	3.32

6.5 Partially Harvested Timber

Where decked timber, or timber which has been felled and bucked, such as on right-of-way, is sold without competition; and where the volume exceeds 300 m³, a full cost estimate appraisal is completed upon an "as is, where is" basis.

Phase costs may be based on borrowed data from a representative cutting permit, adjusted for partial phase.

If the timber volume is being sold competitively, the timber may be priced according to the procedures in section 6.2, or for BCTS, sections 6.2(5) or 7.5.1(6).

6.6 Miscellaneous Stumpage Rates

1. The stumpage rates, at the time of scale for timber harvested for the purposes described, in the districts listed, in the forest district specific section of Table 6-4 are as prescribed in that table.

7.2 MPS Principles and Procedures

7.2.1 MPS Appraisals

1. The MPS upset stumpage rate must be calculated using the *Interior Appraisal Manual* in effect on the date that the rate is determined (appraisal effective date).
2. Except as provided in Appendix VI, all MPS upset stumpage rates on Section 20 timber sale licences advertised on or after November 1, 2003 and Forestry Licences to Cut entered into under section 47.6(3) of the *Forest Act* are fixed for the term of the timber sale and all extensions except where:
 - a. a reappraisal is done under section 2.2.1(1)(d) due to sudden and severe damage, or
 - b. a Minister's directed reappraisal is done under section 2.2.2.

7.2.2 MPS Stumpage Adjustments

1. Cutting authorities issued under Timber Sale licences that were advertised for sale prior to November 1, 2003, that elected to have, or have adjustable stumpage rates, the stumpage rates are adjusted quarterly on January 1, April 1, July 1, and October 1, of each year.
2. At the time of the quarterly adjustment, the MPS upset stumpage rate will be re-calculated based on the equations applicable for the appraisal effective date and the cutting authority data. The monthly parameters effective for the month of the adjustment will be used in the calculation instead of the original values. Except as provided in Appendix VI, all other data remain unchanged.
3. This process is repeated quarterly until the cutting authority is reappraised.

7.2.3 Reappraisals for MPS Appraisals

Revised data and revised monthly parameters will be used with the equations in effect on the reappraisal date. Any reappraisal will follow the policy direction of chapter 2 of this manual. The original bonus bid remains in effect.

7.2.4 Methodology

1. Except as provided in Appendix VI, the following methodology must be used for the calculation of the MPS upset stumpage rate:
 - a. Calculate a selling price (SP) of the products that can be recovered from the stand using sections 7.3.1 and 7.3.2 with the variables as defined.
 - b. Calculate the market price using the equation in section 7.4.2, the variables for the stand, and the SP calculated in section 7.3.
 - c. Calculate the MPS upset stumpage rate according to section 7.5.
2. One stumpage rate is determined for all appraised coniferous sawlogs in each cutting authority area except where the MPS upset stumpage rate has been calculated under section 7.5.1(5).
3. Where the MPS upset stumpage rate has been calculated under section 7.5.1(5) one stumpage rate is determined for all appraised coniferous and deciduous sawlogs in each cutting authority area.
4. All other products are priced using miscellaneous stumpage rates as prescribed under section 6.6.

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