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BY EMAIL

To: Cindy Stern
Regional Manager
Coast Forest Region

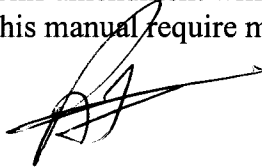
From: The Honourable Rich Coleman
Minister of Forests and Range

Re: Amendment No. 7 to the *Coast Appraisal Manual*

I hereby approve Amendment No. 7 to the *Coast Appraisal Manual*, and attach a copy for your use. The following section has been amended:

Section 4.4.6: Extension of second growth adjustment.

This amendment will come into force on July 1, 2005. Further amendments or revisions to this manual require my approval.



Rich Coleman
Minister of Forests and Range

Attachment

pc: Bill Howard, Director, Revenue Branch

Coast Appraisal Advisory Committee





FOR FURTHER INFORMATION CONTACT:

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MANUAL TITLE

Coast Appraisal Manual

REVISION No.

Amendment No. 7

ISSUE DATE

July 1, 2005

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	PAGE(S)	COMMENTS
REMOVE	Chapter 4	21 - 22	After Chapter 4 Tab
INSERT	Chapter 4	21 - 22	
INSERT	Minister's Letter and Transmittal		After Amendments Tab

4.4.4 Clayoquot Sound Operating Costs

1. For the purposes of this section the Clayoquot Sound area is:

That part of the Hesquiat Peninsula, Esowista Peninsula, and the Islands, sea and all lands and waters draining into the Pacific Ocean from the height of land between Escalante Point and Quisitis Point.

2. An adjustment of \$13.31/m³ will be included in an appraisal or a reappraisal of a cutting authority area that is located entirely within the Clayoquot Sound area.

4.4.5 Helicopter Single Standing Stem Selection

1. In this manual helicopter single standing stem selection means the harvesting of standing single trees that have been marked, limbed, undercut and wedged and then broken from the stump and removed using a helicopter.
2. The adjustment for helicopter single standing stem selection includes the cost of marking, climbing, limbing, undercutting, wedging, breaking and removal of the tree by helicopter.
3. The adjustment for helicopter single standing stem selection is \$37.78/m³.

4.4.6 Second Growth Coniferous Timber

1. A second growth coniferous timber adjustment will be included in an appraisal or reappraisal of the cutting authority area as follows:
 - a. For an appraisal where the effective date of the stumpage rate determined is:
 - i. between February 29, 2004 and **December 31, 2005**, the adjustment shall be \$3.67/m³;
 - ii. between **January 1, 2006** and **June 30, 2006**, the adjustment shall be \$1.84/m³.
 - b. No adjustment will be included in an appraisal or a reappraisal of a cutting authority area where the effective date of the stumpage rate determined is after **June 30, 2006**.

4.5 Final Estimated Winning Bid

1. Subject to subsection 3 of this section the Final Estimated Winning Bid (FEWB) is the difference between the preliminary estimated winning bid and the total of the specified operations adjustments that are applicable to the appraisal or reappraisal of the cutting authority.
2. Expressed as an equation:

$$\text{FEWB} = \text{PEWB} - \text{SOA}$$

Where:

PEWB = The Preliminary Estimated Winning Bid determined under section 4.3.2.

SOA = The sum of specified operations adjustments considered in an appraisal or a reappraisal of a cutting authority area as may be calculated under sections 4.4.1 through 4.4.6 and expressed in \$/m³.

3. Where the FEWB calculated is less than \$0.25/m³, then the FEWB shall be \$0.25/m³.