



File: 195-30/IAPP

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To: Regional Managers

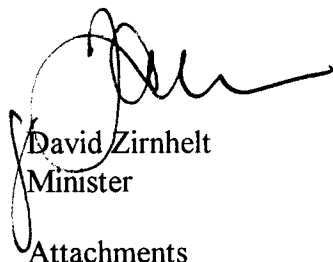
From: The Honourable David Zirnhelt
Minister of Forests

Re: *Interior Appraisal Manual*

I hereby approve Amendment No. 3 to the *Interior Appraisal Manual*, and attach a copy for your use. The following section is amended:

Section 3.3.6 Updates Table 3.4.

This amendment will come into force on the above date. Further amendments or revisions to this manual require my approval.



David Zirnhelt
Minister

Attachments

pc: Bill Howard, Director, Revenue Branch

All Subscribers, *Interior Appraisal Manual*



FOR FURTHER INFORMATION CONTACT:

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MANUAL TITLE

Interior Appraisal Manual

REVISION No.

Amendment No. 3

ISSUE DATE

October 27, 1998

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
	TABLE OF CONTENTS		
REMOVE	Chapter 3	9 - 10	
INSERT	Chapter 3	9 - 10	
INSERT	Transmittal Sheet & Minister's Letter		Behind Amendment Tab

5. Shipping Differential

The Shipping Differential for the following points of appraisal are:

Table 3-3 Shipping Differentials

\$0.58/m ³	\$1.01/m ³	\$5.80/m ³
Bear Lake	Adams Lake	Fort Nelson
Fort St. James	Clear Lake	
Mackenzie	Louis Creek	
Quesnel	Merritt	
Strathnaver	Midway	
	Okanagan Falls	
	Princeton	
	Thrums	
	Westbank	
	Ymir	

6. Manufacturing Cost Differential

Table 3-4 Manufacturing Cost Differential

\$5.95/m ³
Fort Nelson

7. Calculation of Total Species End Product Selling Price

- a. Lumber AMV = $(\% \text{ Stud AMV}/100) * (\text{Stud AMV}/1000)$
 $+ (1.0 - (\% \text{ Stud AMV}/100)) * (\text{Random AMV}/1000),$
- b. Lumber SP = Lumber AMV * Appraisal LRF,
- c. Chip SP = Chip Value * Chip Yield, and
- d. Total Species SP = Lumber SP + Chip SP - D.

Where: SP	=	Selling Price in \$/m ³ .
AMV	=	The Lumber Average Market Value (of the appropriate species in the appropriate zone).
Appraisal LRF	=	The LRF for all logs from Section 3.3 (1).
Chip Value	=	The Chip Average Market Value (of the appropriate species for the appropriate point of appraisal)
Chip Yield	=	The Chip Yield for all logs from Section 3.3 (2).
D	=	The Differentials for the appropriate points of appraisal from Section 3.3 (5) and 3.3 (6).