

File: 195-30/IAPP

December 9, 2005

BY EMAIL

To: Bill Warner
Regional Manager
Northern Interior Forest Region

Phil Zacharatos
Regional Manager
Southern Interior Forest Region

From: Bill Howard
Director
Revenue Branch

Re: Comparative Value Pricing System and Market Pricing System

The following stumpage appraisal parameter values are effective January 1, 2006.

Interior Composite Index	190.0
Interior Target Rate	16.04
Interior Mean Value Index	16.44
Interior Base Rate	25.16



The values of lumber and chips and the regional average basic silviculture costs by species, effective January 1, 2006, for use in the Comparative Value Pricing System are attached.

For the Market Pricing System, the consumer price index and lumber prices for stumpage rates calculated from January 1, 2006, to January 31, 2006, are also attached.

These parameters can also be found on the Revenue Branch home page on the Internet at:
<http://www.for.gov.bc.ca/hva/timberp/parameters/historical.htm>

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Bill Howard
Director
Revenue Branch

Attachments

pc: Grant Parnell, Director, Operations, BC Timber Sales

Mike Falkiner, Manager, Timber Pricing, Revenue Branch

Merva Lyons, Revenue Co-Manager, Southern Interior Forest Region

Jim Schafthuizen, Revenue Co-Manager, Southern Interior Forest Region

Tracy Hendry, Timber Pricing Co-ordinator, Southern Interior Forest Region

John McClary, Revenue Manager, Northern Interior Forest Region

Jason Nunn, Timber Pricing Officer, Northern Interior Forest Region

Shawn Rice, Timber Pricing Co-ordinator, Northern Interior Forest Region

Jim Davison, Senior Timber Pricing Accountant, Interior, Revenue Branch

Bob Bull, Senior Timber Pricing Forester, Revenue Branch

Brenda Abbott, Timber Pricing Accountant, Interior, Revenue Branch

Steve Fletcher, Senior Timber Pricing Forester, Systems, Revenue Branch

Sabina Ghazarian, Timber Pricing Forester, Systems, Revenue Branch

Jo-Anne White, Timber Pricing Systems Clerk, Revenue Branch

Interior Appraisal Advisory Committee

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Ministry of Finance and Corporate Relations

Location: Main Floor, 541 Superior Street, Victoria, BC

Mailing Address: P.O. Box 9459 Stn Prov Govt, Victoria, BC, V8W 9V7

Telephone at: (250) 356-0843

Fax Number: (250) 356-0846

**AVERAGE MARKET VALUES FOR STUD AND RANDOM LENGTH LUMBER
COINCIDENT ZONING
EFFECTIVE JANUARY 1, 2006
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
AVERAGE LUMBER MARKET VALUES (\$/MBM)**

AMV ZONE	BALSAM		CEDAR	FIR / LARCH		HEMLOCK	LODGEPOLE PINE		WHITE PINE	YELLOW PINE	SPRUCE	
	Stud	Random		Stud	Random		Stud	Random			Stud	Random
5	332	309	509	332	366	332	332	342	322		332	351
6	332	311	509	332	366	332	332	342	322		332	351
7	326	319	509	326	372	332	326	352	326	352	326	363
8	330	309	509	330	372	327	330	343	321	345	330	352
9	299	297					299	331			299	337

For Appraisals Effective March 1, 1993

Zone 5: Northern Interior & Quesnel

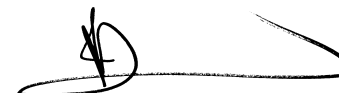
Zone 6: Skeena

Zone 7: Southern Interior

Zone 8: Southern Cariboo

Zone 9: Fort Nelson - Peace

Verified by:



AVERAGE MARKET VALUES FOR SMALL LOGS
EFFECTIVE JANUARY 1, 2006
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
AVERAGE LUMBER MARKET VALUES (\$/MBM)

AMV ZONE	BALSAM		CEDAR	FIR / LARCH		HEMLOCK	LODGEPOLE PINE		WHITE PINE	YELLOW PINE	SPRUCE	
	Stud	Random	All	Stud	Random	All	Stud	Random	All	All	Stud	Random
15	302	302	463	302	302	302	302	302	293		302	302
16	302	302	463	302	302	302	302	302	293		302	302
17	297	297	463	297	297	302	297	297	297	320	297	297
18	300	300	463	300	300	298	300	300	292	314	300	300
19	272	272					272	272			272	272

For Appraisals Effective December 1, 1994
Zone 15: Northern Interior & Quesnel
Zone 16: Skeena
Zone 17: Southern Interior
Zone 18: Southern Cariboo
Zone 19: Fort Nelson - Peace

Verified by:



AVERAGE MARKET VALUES FOR SMALL LOG LICENSES
EFFECTIVE JANUARY 1, 2006
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
AVERAGE LUMBER MARKET VALUES (\$/MBM)

AMV ZONE	BALSAM		CEDAR	FIR / LARCH		HEMLOCK	LODGEPOLE PINE		WHITE PINE	YELLOW PINE	SPRUCE	
	Stud	Random	All	Stud	Random	All	Stud	Random	All	All	Stud	Random
25	207	207	509	226	226	332	216	216	224		205	205

For Appraisals Effective April 1, 1997
Zone 25: Interior

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AVERAGE MARKET VALUES FOR GRADE 4 HEMLOCK LOGS
EFFECTIVE JANUARY 1, 2006
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
AVERAGE LUMBER MARKET VALUES (\$/MBM)

AMV ZONE	BALSAM		CEDAR	FIR / LARCH		HEMLOCK	LODGEPOLE PINE		WHITE PINE	YELLOW PINE	SPRUCE	
	Stud	Random	All	Stud	Random	All	Stud	Random	All	All	Stud	Random
35	332	309	509	332	366	275	332	342	322		332	351
36	332	311	509	332	366	292	332	342	322		332	351
37	326	319	509	326	372	308	326	352	326	352	326	363
38	330	309	509	330	372	297	330	343	321	345	330	352

Zone 35: Nothern Interior & Quesnel

Zone 36: Skeena

Zone 37: Southern Interior

Zone 38: Southern Cariboo

Verified by:



INTERIOR AVERAGE CHIP VALUES
EFFECTIVE JANUARY 1, 2006
For The Twelve Months Ended September 30, 2005

APPRAISAL POINT	CODE	WW \$/BDU	CEDAR \$/BDU	APPRAISAL POINT	CODE	WW \$/BDU	CEDAR \$/BDU
100 Mile House	100M	80	60	Lillooet	LILL	75	56
Adams Lake	ADLK	67	50	Louis Creek	LSCK	69	52
Armstrong	ARMS	67	50	Lumby	LUMB	66	50
Bear Lake	BELK	75	56	Lytton	LYTT	65	49
Boston Bar	BOBA	64	48	Mackenzie	MKEN	80	60
Burns Lake	BSLK	73	55	McBride	MBRI	58	44
Canoe	CANO	67	50	Merritt	MERR	67	50
Carnaby	CARN	64	64	O.K. Falls	OKFA	62	47
Chasm	CHSM	78	59	Prince George	PRGE	77	58
Chetwynd	CHET	74	56	Princeton	PRIN	65	49
Clear Lake	CLLK	76	57	Quesnel	QUES	72	54
Craigellachie	CRAI	64	48	Revelstoke	REVE	66	50
Engen	ENGE	76	57	Smithers	SMIT	62	62
Fort Nelson	FTNE	59	44	Squamish	SQUA	100	75
Fort St. James	FTJA	75	56	Strathnaver	STRA	71	53
Fort St. John	FTJO	70	53	Taylor	TAYL	70	53
Fraser Lake	FRLK	75	56	Terrace	TERR	68	68
Hazelton	HAZE	64	64	Upper Fraser	UPFR	77	58
Houston	HOUS	70	53	Valemount	VALE	61	46
Isle Pierre	ISPI	76	57	Vanderhoof	VAND	77	58
Kamloops	KAML	70	53	Vavenby	VAVE	66	50
Kelowna	KELO	65	49	Westbank	WEST	65	49
Kitwanga	KITW	65	65	Williams Lake	WILK	69	52
Lavington	LAVI	66	50	Ymir	YMIR	73	55
Canal Flats	CAFL	75	56	<div style="text-align: center;"> <p>Verified by: </p> </div>			
Castlegar	CAST	74	56				
Cranbrook	CRAN	74	56				
Creston	CRES	71	53				
Elko	ELKO	72	54				
Galloway	GALL	72	54				
Grand Forks	GRFO	72	54				
Midway	MIDW	70	53				
Park Siding	PASI	71	53				
Radium	RADI	73	55				
Slocan	SLOC	73	55				
Thrusms	THRU	74	56				
Ymir	YMIR	73	55				

**INTERIOR BASIC SILVICULTURE COSTS BY SPECIES
EFFECTIVE JANUARY 1, 2006**

Basic Silviculture Costs (\$/m³)

Region	BALSAM	CEDAR	FIR	HEMLOCK	LARCH	LODGEPOLE PINE	SPRUCE	WHITE PINE	YELLOW PINE
Northern Interior	4.52	6.44	3.51	3.60		4.24	4.77		
Southern Interior	5.57	6.07	5.83	5.80	5.64	4.68	5.14	6.16	6.21

Prepared by Revenue Branch, Ministry of Forests and Range

Verified by:



MARKET PRICING SYSTEM LUMBER VALUES (\$/MBM)

FROM THE THREE MONTHS ENDED October 31, 2005

FOR MARKET PRICING STUMPAGE CALCULATIONS BETWEEN January 1 and 31, 2006

AMV ZONE	BALSAM	CEDAR	FIR / LARCH	HEMLOCK	LODGE- POLE PINE	WHITE PINE	YELLOW PINE	SPRUCE
5	298	435	323	282	298	298		298
6	282	435		282	298			298
7	311	435	362	282	311	311	311	311
8	300	435	323	282	300	300	300	300
9	304				304			304

B.C. C.P.I. (P110000) effective this period:	126.3
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For Appraisals Effective January 1, 1999

Zone 5: Northern Interior & Quesnel

Zone 6: Skeena

Zone 7: Southern Interior

Zone 8: Southern Cariboo

Zone 9: Fort Nelson - Peace

Prepared by Revenue Branch, Ministry of Forests and Range

Verified by:



MARKET PRICING SYSTEM LUMBER VALUES (\$/MBM)

FROM THE THREE MONTHS ENDED September 30, 2005

FOR MARKET PRICING STUMPAGE CALCULATIONS BETWEEN December 1 and 31, 2005

AMV ZONE	BALSAM	CEDAR	FIR / LARCH	HEMLOCK	LODGE- POLE PINE	WHITE PINE	YELLOW PINE	SPRUCE
5	304	470	325	292	304	304		304
6	292	470		292	304			304
7	313	470	362	292	313	313	313	313
8	313	470	325	292	313	313	313	313
9	313				313			313

B.C. C.P.I. (P110000) effective this period:	126.5
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For Appraisals Effective January 1, 1999

Zone 5: Northern Interior & Quesnel

Zone 6: Skeena

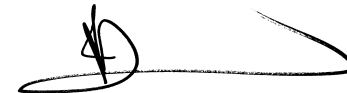
Zone 7: Southern Interior

Zone 8: Southern Cariboo

Zone 9: Fort Nelson - Peace

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MARKET PRICING SYSTEM LUMBER VALUES (\$/MBM)

FROM THE THREE MONTHS ENDED August 31, 2005

FOR MARKET PRICING STUMPAGE CALCULATIONS BETWEEN November 1 and 30, 2005

AMV ZONE	BALSAM	CEDAR	FIR / LARCH	HEMLOCK	LODGE- POLE PINE	WHITE PINE	YELLOW PINE	SPRUCE
5	317	495	354	297	317	317		317
6	297	495		297	317			317
7	324	495	363	297	324	324	324	324
8	330	495	354	297	330	330	330	330
9	330				330			330

B.C. C.P.I. (P110000) effective this period:	125.9
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For Appraisals Effective January 1, 1999

Zone 5: Northern Interior & Quesnel

Zone 6: Skeena

Zone 7: Southern Interior

Zone 8: Southern Cariboo

Zone 9: Fort Nelson - Peace

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