



Interior Appraisal Manual

Chapter 6 Procedures

Miscellaneous Timber Pricing

and Interior Stumpage Rate Request Form

December 2020

DISCLAIMER: While every effort is made to keep this document up-to-date, the Interior Appraisal Manual (IAM) is amended regularly. Should there be any discrepancy between the information provided here and the IAM, the copy of the IAM posted on Timber Pricing Branch's website [Interior Appraisal Manual](#) is the official version.

Table of Contents

Contents

Table of Contents.....	2
Submission Requirements/Best Practices	3
Chapter 6 - Miscellaneous Timber Pricing and “Stumpage Rate Request Form”.....	10
6.1 Coniferous Average Sawlog Stumpage Rates by Forest Zone and Species	11
6.1.1 Community Forest Agreements.....	11
6.1.2 Woodlot Licenses	11
6.1.3 Incidental Conifer in Deciduous Leading Stands	11
6.2 Cutting Authorities With 5000 m3 or Less Volume.....	12
6.2.1 Forestry Licences to Cut for Specific Purposes (No Volume Limit)	13
6.3 Road Permit Stumpage Rates	15
6.4 Salvage Timber Stumpage Rates (Licences without an AAC)	16
6.4.1 Post-Harvest Material or Damaged Timber	16
6.4.2 Blanket Salvage Cutting Authorities.....	17
6.4.3 Cruise Based Salvage Cutting Authorities	17
6.4.4 BCTS Salvage Timber Sale Licence	19
6.5 Decked and Partially Harvested Timber for a non-BCTS Cutting Authority	19
6.6 Miscellaneous Stumpage Rates.....	22
6.7 Specific Licences to Cut.....	23
6.8 Controlled Recreation Areas (CRAs)	24
5.1.1(2) Upset Stumpage Rates (Upset) for BCTS Decked/Partially Harvested Timber	25
Reference Links	26

Submission Requirements/Best Practices

Highlights on the PDF fillable form redesign:

- The intention of the PDF fillable form is to move the form electronically between the submitter and ministry staff;
- Start the form by selecting one of the rate calculation methods in one of the IAM Section columns. Once selected, it will only show the fields available to be filled in for that rate calculation method;
- BCTS Funded or FES Funded submission; select one of these buttons, top of form, only if it applies to your submission and follow the available options;
- Some fields are mandatory, and some are optional to aid with flow of the form through the submission process;
- Update: IAM 1.5.2 (July 2020) Clarified the requirement for an electronic ADS (The Stumpage Rate Request Form) to be submitted by a Forest Professional rather than signed;
- Attach Files button, allows you to attach files to form before hitting Return/Submit button
- Return/Submit button launches an email with completed Stumpage Rate Request Form (and any file attachments) will be attached;
- The Clear Form button will clear all fields, should user need to restart form;
- If you have any questions about how to fill out the form or suggestions for improvements to the form, please contact your regional office.

The link to the Interior Stumpage Rate Request Form (aka Short Form) can be found in the following locations:

South Area Regional Office: FTP Site: <https://www.for.gov.bc.ca/ftp/Rsi/external/!publish/Stumpage/Forms/>

North Area Regional Office: FTP Site: <https://www.for.gov.bc.ca/ftp/rni/external/!publish/stumpage/Forms/>

Please ensure you use the current version of the Stumpage Rate Request Form for rate requests found at the locations mentioned above. ***Do not Google the Interior Stumpage Rate Request Form as this brings up a much older version.***

Your Regional Area Timber Pricing team has positional mailboxes set up for receiving the **completed** Stumpage Rate Request Forms. Please note, the form is to be sent to a specific e-mail box **after** the District Review Officer has reviewed and acknowledged the submission.

South Area: FLNR RSI REV ShortForms FLNR:EX REVSFRMS@gov.bc.ca

North Area: FLNR RNI REV SHORTFORMS FLNR:EX RNIREVShortForms@gov.bc.ca

We request that these instructions are followed to ensure timely and accurate processing of Stumpage Rate Request Forms:

- The e-mail subject line contains the District Code and the Timber Mark only. (e.g. DKA/12345);
- Attach only 1 form per e-mail; and
- The submitter refers to correct section of the Interior Appraisal Manual (IAM) found on the Timber Pricing Branch website: [Interior Appraisal Manual](#) before completing the Short Form.

The Procedures for filling out the form are important to follow: They answer questions about the fields on the form and give direction as to how to fill them out.

The type and volume of the cutting authority must be identified along with any levies or bonus bids that are applicable. Complete Silviculture and/or Bonus Section as applicable and the grades and species to which they are applicable.

Header

Interior Stumpage Rate Request Form (short form) (RSI Procedures and current Short Form found here) (RNI Procedures and current Short Form found here)		
BCTS Funded ☐	FES Funded: ☐	Advertising stumpage rate: Yes ☐ Advertising works contract: Yes ☐

Select the appropriate box found at the top of the form **only** if it is applicable to your submission. Once selected, the IAM (Interior Appraisal Manual) Section choices will become available and mandatory fields will be highlighted for you to complete in the “Additional Requirements” section of the Form.

Please note, if a box was selected in error you can click the “Clear Form” button on the bottom of the form.

Where the stumpage rate was requested for advertising:

- Once the cutting authority has been issued and FTA is updated, please e-mail a copy of the application and tender documents (FS 574 or equivalent) to your Area Regional Office.

IAM Section and Rate Calculation Method

This section provides the information necessary for regional staff to identify how the rate will be determined.

- **Select 1 Box for IAM Sec. and additional subsection box, as applicable.**

Rate Calculation Method			
IAM Sec.	<i>Non-adjusting - redetermined annually</i>	IAM Sec.	<i>Fixed for term and all extensions</i>

Depending on which section of the IAM is selected, fields in the “Submission Details” and “Additional Requirements” sections will become highlighted to be completed.

Submission Details

This section includes information on the Licence or Cutting Authority.

Submission Details				
Licensee Name:	Licence #:	Timber Mark:	CP#:	RP#:
Forest District:	Forest Zone:	Area (ha):	Timber Supply Area:	
Effective Date:	Expiry Date:	TSA Block:		

- **As rates are established on the Timber Mark, it is imperative that the Timber Mark is correct on the form.**
 - The Licensee name must be consistent with FTA (Forest Tenure Administration System)
 - The cutting authority must be in "Issued" status ('HI') in FTA before a rate can be established

Volume Estimates

- Total coniferous and total deciduous species in the cutting authority must be indicated if these fields are highlighted after selecting your IAM Section.
- Volume Estimates are required information where specific volume limitations are identified in the applicable section of the IAM (and the *Forest Act*) that you select on the form.
- **Mandatory:** Must include comments in the Comments box describing how the volume estimate was derived.

Volume Estimates	
Total Coniferous Volume:	m ³
Total Deciduous Volume:	m ³

Silviculture Responsibility (see Chapters 5 and 6 of the IAM)

If the IAM Section applied for includes silviculture, this section will become highlighted to be completed.

The **Crown** box is selected on the form when the silviculture levy calculated by the District Manager (DM) is added to the stumpage rate.

- a) When there is a requirement for the DM or Timber Sales Manager (TSM) to reforest, a silviculture levy is added to cover these costs. The levy is equal to the DM's or TSM's cost estimate of silviculture costs to be incurred by the Crown.
- b) If the DM anticipates that there will be no silviculture cost, then the levy can be zero (\$0.00) and this must be indicated in this section.
- c) **It is mandatory to indicate the grades and species, including deciduous sawlogs if applicable, that the levy will apply.**
- d) For IAM Sections 6.1.3, 6.2(1), 6.2(2), 6.4.1(5), 6.5 of the IAM, a silviculture levy will be applied if Crown is selected.

Important to note: The Silviculture Levy **does not** go into general revenue but instead it goes into the Stand Management Fund (SMF).

The **Licensee** box is selected when there is a requirement to establish a free growing crop of trees and the expense will be incurred by the Licensee. When Licensee is selected, no silviculture levy is applied.

Silviculture
Silviculture Responsibility: (For Sec. 6.5: If no Silviculture obligations exist, enter \$0.00 in Silviculture Levy field) Crown ☐ Licensee ☐
Apply Silviculture Levy for the following Grades: 1 & 2: ☐ 4: ☐ 6: ☐ Deciduous: ☐
Silviculture Levy: \$ per m ³

Bonus Section**For Ministry Staff only:**

If the IAM Section applied for includes a bonus offer/bid, this section will become highlighted to be completed.

Note: The 'Comments' box can be used to provide more details on the bonus offer/bid.

- If a Bonus Offer/Bid is applicable, the grade(s) and specie(s) to which they are applicable must be indicated;
- If a Bonus Offer/Bid is applicable only to specific species, please add details in the comments field;
- Once awarded and the cutting authority has been issued, a signed Tender Form, with Bonus Offer/Bid information, must be submitted prior to rates being established.

Bonus Section	
Bonus Offer : ☐ Amount: \$	Bonus Bid: ☐ \$/m ³
Apply bonus bid to the following Grades: 1 & 2: ☐ 4: ☐ 6: ☐ Deciduous: ☐	
Re-advertised ☐	

Comments (Submitter & District)

Comments are mandatory to provide rationale; for example:

- Size of salvage patches, location, rationale;
- If the Area does not match FTA, include rationale in the comments section of this form;
- If VCU form is required, please attach to form;
- Commercial Thinning, please indicate how the requirement has been met;
- How the volume estimate was derived i.e. VRI, cruise, comparative cruise, professional estimate, other.
- Where there is a requirement for a waste assessment to be completed prior to being eligible for a given rate, please indicate that the requirement has been met. i.e. wood chips and hogged fuel and post-harvest material;
- A brief description of the activity being applied for is especially helpful;
- Provide details if FES funded (Forestry Enhancement Society of British Columbia)
<https://fesbc.ca/index.html>

Comments (Submitter & District)

Authority

Note that the Interior Stumpage Rate Request Form is considered a professional document and is subject to professional submission requirements. Please refer Section 1.5.2 of the IAM.

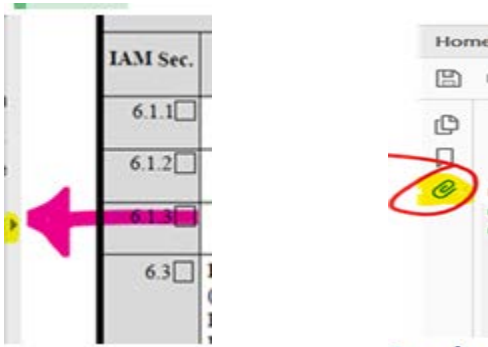
IAM 1.5.2 (July 2020). The short form must be submitted by a forest professional unless appraised under sections 6.1.1, 6.1.2 or 6.3.

1. Completion of this section is required by the Licensee and the District Review Officer, including a professional designation and number.
 - a. Exception applies for IAM sections 6.1.1 for Community Forest Agreements (CFA), 6.1.2 Woodlots (WL), and 6.3 Road Permits (RP);
 - b. Although the CFA, WL and RP cutting authorities do not require a professional signature by the Licensee, the form still should be completed by both parties.
2. If the District Review Officer completes the form on behalf of the Licensee, the district staff accepts full responsibility for the content of the form. In this situation, the District Review Officer must **complete** the following:
 - a. Select 'Yes' box 'accepting full responsibility for the content of this form'.
3. District staff should be reviewing all Stumpage Rate Request Forms to ensure they are complete and correct. If district makes any changes to the form submitted by Licensee, they must discuss these changes with the Licensee and list the changes in the comments section (or attach correspondence history to support the Short Form) and:
 - a. Select 'Yes' box 'accepting full responsibility for the content of this form'.

Attach Files Button:

- Attach Files button, allows you to attach files to form before hitting Submit button;
- File(s) will become embedded in the form.
- Once you attach a file to the PDF fillable and in order to view the attachment:
 - o Download it to your computer and open it with your adobe PDF reader of choice;
 - o Click the paperclip icon on the left of the screen and a window will open with the attached file(s).

Attach Files



Return/Submit Button:

- Submit button launches an email with completed Stumpage Rate Request Form attached.

Return/Submit

Clear Form Button:

- The clear form button will clear all fields, should user need to restart form.

Clear Form

Chapter 6 - Miscellaneous Timber Pricing and “Stumpage Rate Request Form”

There are two ways (outside of an Order-in-Council or direction from the Minister) to determine a stumpage rate:

1. Appraised or fully appraised means that site specific information for the cutting authority area is used with the procedures required by the Interior Appraisal Manual (IAM). Licensees and BC Timber Sales (BCTS) submit appraisals electronically through the ministry’s Ecommerce Appraisals System (ECAS). (IAM Chapters 1, 2, 3, 4 and 5 apply).
2. Tabular refers to an alternate method provided in the IAM for specific situations or timber products where the stumpage rate is determined from a table of average rates instead of using site specific information. Licensees can request these rates by submitting the ministry’s Interior Stumpage Rate Request Form. Chapter 6 of the IAM outlines procedures for determining stumpage rates for minor tenures, smaller volumes and specific situations or forest products. Most of the procedures involve the use of tabular stumpage rate information rather than a full appraisal, so for these we use the Stumpage Rate Request Form. There are some instances where a full appraisal is still an option. Generally, except for Suddenly and Severely Damaged Timber or Minister’s Direction reappraisals, the stumpage rates are either fixed for the term and all extensions or are re-determined annually or semi-annually.

Responsibility for Stumpage Determination

1. The following employees are authorized to determine, redetermine and vary stumpage:
 - a. Director and employees of Timber Pricing Branch of the Ministry;
 - b. Regional Managers, Regional Timber Pricing Co-ordinators, and employees of the regional revenue sections of the Ministry.
2. The employees of the Timber Administration section, Resort Development Branch of the Ministry are authorized to determine or redetermine stumpage rates in accordance with section 6.8(1) or (2).

Coniferous Average Sawlog Stumpage Rates by Forest Zone and Species

The stumpage rates in Table 6-1 are derived from FLNRORD billing history data over a 12-month period ending one month prior to the date they are updated in the IAM. The rates in the table are the average coniferous sawlog billed stumpage rates for the species and zone from all “fully appraised” cutting authorities (excluding BCTS) in the period. Refer to the definition of “fully appraised” in the IAM.

These rates include an average cost estimate for all the operating costs usually found in full appraisals, including forest management administration (overhead), road development and maintenance, and silviculture. The same dataset is used for all Chapter 6 tables. Table 6-3 is a one-year dataset from April 1 of the previous year to March 31 of the current year, with a one-month lag (effective on May 1) and Table 6-1, 6-2, 6-4, 6-4a and 6-5 are updated twice a year on May 1 and November 1. It is based on conifer sawlog (grade 1 & 2 only), fully appraised & confirmed marks, billed to crown land and **does not** include cruise-based marks or Woodlots (most Woodlots are on tabular rates). The average rate is calculated by the total value divided by the total volume based on a geographical unit as identified in the table.

Each of the forest zones referred to in Tables 6-1, 6-2, 6-4, 6-4a, 6-5 and 6-6 is made up of forest districts. Please refer to IAM Section 6.1. This ensures that the correct rates, based on the forest zone will be used. Some species do not have rates listed as there was not enough data, in this case we refer to the “Other” column on the table to identify the rate.

Note: There is a split forest zone for Williams Lake TSA by Blocks.

6.1 Coniferous Average Sawlog Stumpage Rates by Forest Zone and Species

6.1.1 Community Forest Agreements

Cutting authorities for these tenures, including their associated road and blanket salvage permits, are priced using Table 6-2 for the forest zone in which the cutting authority is located.

Stumpage rates for existing cutting authorities under these tenures are re-determined annually on August 1.

IAM Sec.	<i>Non-adjusting - redetermined annually</i>
6.1.1 ☐	Community Forest Agreement -August 1 (all cutting authorities) Table 6-2

6.1.2 Woodlot Licenses

Cutting authorities for these tenures including their associated road and blanket salvage permits are priced using Table 6-2 for the forest zone in which the cutting authority is located. These tables are derived by applying a percentage reduction to the Table 6-1 value. Stumpage rates for existing cutting authorities under these tenures are re-determined annually on August 1.

Where a Woodlot has an eligible extended road amortization agreement before December 1, 2008 the sawlog stumpage rate for a road permit with an effective date on or after December 1, 2008 is calculated using the procedures in Section 6.3.

6.1.2 ☐	Woodlot Licences – August 1 (CP, BSP or RP) Table 6-2
--------------------------------	---

6.1.3 Incidental Conifer in Deciduous Leading Stands

IAM Section 6.1.3 - In any cutting authority where the total volume of all deciduous species to be harvested is greater than 70% of the estimated Total Net Cruise Volume to be harvested from the cutting authority area, the stumpage rate for each coniferous species is derived from Table 6-3 for the **smallest** geographic unit. A silviculture levy may be applied where the Crown is responsible for basic silviculture. The deciduous sawlog stumpage rate will be \$0.50 as per Table 6-7 (Miscellaneous Stumpage Rates). Stumpage rates for existing cutting authorities under these tenures are re-determined annually on June 1. The stumpage rate may also be determined through a full appraisal.

6.1.3 ☐	Incidental Conifer in Deciduous Leading Stands – June 1 Table 6-3
--------------------------------	---

6.2 Cutting Authorities With 5000 m³ or Less Volume

IAM Section 6.2 - This section provides the procedures for determining stumpage rates for cutting authorities (excluding CFA's and Woodlots) with small volumes and includes specific criteria for the procedures to be used. The option of a full appraisal remains available. The stumpage rate is fixed for the term and all extensions.

- If the Licensee is not responsible for silviculture the stumpage rates are adjusted by adding a basic silviculture cost for the species and region; Link to Timber Pricing Branch: [Interior Basic Silviculture Costs](#)
- If the Licensee is not responsible and the Crown will incur silviculture costs, a silviculture levy is added equal to the DM's or TSM's estimate of the silviculture costs to be incurred by the Crown.

IAM 6.2(1) $\leq 2000\text{m}^3$, where AAC $< 3000\text{m}^3$ or no coniferous AAC

Table 6-1 rates plus silviculture levy/cost if applicable.

Please refer to the 'Silviculture' section of the Procedures page of the Stumpage Rate Request Form.

Competitively Awarded Forestry Licences-to-Cut (FLTC's)

IAM 6.2(2) outlines procedures specific to this tenure in a competitive setting. There are provisions for specific situations that arise as part of the competitive process and the upset stumpage rate is approved by the Regional Executive Director (RED).

Generally, the stumpage rates will be 70% of the stumpage rate for that species in Table 6-1 for the forest zone in which the cutting authority is located or go to the Variable Cost Upset (VCU) rate.

If requesting a VCU rate:

- Submit the [VCU Calculation Form](#) to REVSFRMS@gov.bc.ca **prior** to advertising for approval of the upset rate. VCU rates must be approved by the RED prior to advertising or submitting the Stumpage Rate Request Form.

After the FLTC is awarded:

- The Interior Stumpage Rate Request Form needs to be updated to reflect the competition (i.e. Licensee, dates, bonus bid or bonus offer, signatures etc.).
- Forward to REVSFRMS@gov.bc.ca along with the FS574 Tender Document to confirm rates.
- If the Bonus Bid/Offer applies to deciduous, indicate which species and grades of deciduous in the comment section of the Stumpage Rate Request Form.

The stumpage rate may be determined through a full appraisal in accordance with Chapters 1, 2, 3, 4 and 5. Except for a minister directed reappraisal (as provided in section 2.2.4), where the upset stumpage rate is determined under this section, the total stumpage is fixed for the term of the cutting authority and all extensions.

Cutting Authorities With 5000 m ³ or Less Volume	
6.2(1) ☐	$\leq 2000\text{m}^3$, licence with $\leq 3000\text{m}^3$ AAC or no coniferous AAC Table 6-1
6.2(2) ☐	Competitive cutting authorities with $\leq 5000\text{m}^3$ Scale based (70% of Table 6-1) OR Regional Manager Requested Rate Yes ☐ No ☐

6.2.1 Forestry Licences to Cut for Specific Purposes (No Volume Limit)

This section applies to FLTC's awarded as a result of a competitive process for the specific purposes outlined in the section.

Subsection 6.2.1(1)(a) Awarded to the highest bidder other than a BCTS Licence

- i) Protecting community from wildfire as per section 1 of the '*Licence To Cut Regulation*'
- ii) For the purpose of removing damaged timber from natural stands or plantations as prescribed under section 4 of the '*Licence To Cut Regulation*'
- iii) Utilizing post-harvest material in piles or landings after a waste assessment has been made

Link to: [Licence to Cut Regulation](#)

If requesting a VCU rate, submit the [VCU Calculation Form](#) **prior** to advertising for approval of the upset rate. VCU rates must be approved by the RED prior to advertising or submitting the Stumpage Rate Request Form.

After the FLTC is awarded the Interior Stumpage Rate Request Form needs to be updated to reflect the competition (i.e. licensee, dates, bonus bid or bonus offer, signatures etc.) and forwarded to the Regional mailbox along with the FS574 Tender Document to confirm rates. If the Bonus Bid/Offer applies to deciduous, indicate which species and grades (of deciduous) in the Bonus Section of the Stumpage Rate Request Form.

Note: 6.2.1(1)(a): The amount of stumpage payable will be based on a **scale** of the timber.
6.2.1(1)(b): The amount of stumpage payable will be based on a **cruise** of the timber.

Subsection 6.2.1(1)(c) – FLTC Without Competition

This subsection applies to FLTC's that are directly awarded and as described in paragraph (1)(a)(i).

- (i) Table 6-1 rates
- (ii) Table 6-4 rates for Damaged Timber (>1/3 of volume damaged by blow down, fire, disease snow press, or pest)

Subsection 6.2.1(1)(d) – FLTC awarded directly to lowest bidder

For removing damaged timber from natural stands or plantations, where the forestry licence to cut is issued **without** competition, the coniferous sawlog stumpage rate must be \$1.20/m³ when the licence to cut is issued to the lowest eligible bidder on a contract.

Subsection 6.2.1(1)(e) - Chipped or Hogged Material on Site

When the timber on the cutting authority area will be scaled on site as chips or hogged tree material the reserve stumpage rate must be the rate from Table 6-7. **If moved off-site to chip/hog, then Table 6-7 rates do not apply.**

This rate applies to either the primary license holder or a third party who is issued a forestry license to cut for the material provided that the waste assessment has been completed for the cutting authority that generated the material.

6.2.1(2): An upset stumpage rate determined under this section must be calculated using the Interior Appraisal Manual in effect on the date that the rate is determined and must not be less than the district's variable cost to prepare the timber for sale as calculated by the DM.

6.2.1(3): Notwithstanding subsections 1(c) or (d) the stumpage rate for the FLTC may be determined through a full appraisal in accordance with Chapters 1, 2, 3, 4 and 5. The cruise data that is used in the appraisal may be from the cruise of a comparable cutting authority as per section 1.5.1.1.

6.2.1(4): Except for a minister directed reappraisal (as provided in section 2.2.4), when the upset stumpage rate or stumpage rate is determined under this section, the total stumpage rate is fixed for the term of the cutting authority and all extensions.

FLTC for Specific Purposes (No Volume Limit)	
6.2.1(1)(a) ☐	Awards to the highest bidder: Scale Based
6.2.1(1)(b) ☐	Awards to the highest bidder: Cruise Based
6.2.1(1)(c)(i) ☐	Direct award FLTC for community wildfire protection, <u>or</u> , for FLTC issued to lowest bidder on a contract for community wildfire protection (i) Table 6-1 rates
6.2.1(1)(c)(ii) ☐	(ii) Damaged Timber (> 1/3 of volume damaged by blow down, fire, disease, snow press, or pest) Table 6-4
6.2.1(1)(d) ☐	Direct award FLTC issued to the lowest bidder on a contract for removing damaged timber from natural stands or plantations
6.2.1(1)(e) ☐	Timber on the cutting authority area will be scaled as chips or hogged tree Material

6.3 Road Permit Stumpage Rates

As rates are established for the Timber Mark, it is imperative that the Timber Mark is active (assigned to a section/segment of the road permit) and identified correctly on the form.

Please refer to the following link, and contact tenures staff, for further information:

[Cutting Permit and Road Tenure Administration Manual](#)

IAM Section 6.3 outlines the procedures for determining the stumpage rates for road permits.

This Section **does not** apply to:

- Community Forest Agreements;
- Woodlot Licences except as provided for in Section 6.1.2(4);
- Research Forests as noted in Table 6-7; and,
- Controlled Recreation Areas.

The road permit stumpage rate is the Licensee's average billed sawlog stumpage rate from the same billing data that is used for the May 1st update to the other Chapter 6 tables.

If there is less than 500 m3 billed sawlog volume in the database for the Licensee's licence then the tabular rate is applied from Table 6-3 for the smallest geographic unit in which the cutting authority is or will be located. Please note if the tenure has a Bonus Bid (ex. Some NRFLs), this will be applied to the Table 6-3 stumpage rate.

The stumpage rate for a BCTS road permit is the same as the stumpage rate for the section 20 TSL which entitled the holder to apply for the Road Permit (Sec 6.3 (6)(a)(b)).

Stumpage rates for existing cutting authorities under these tenures are re-determined annually on June 1.

Where a Woodlot has an eligible extended road amortization agreement before December 1, 2008 the sawlog stumpage rate for a road permit with an effective date on or after December 1, 2008 is calculated using the procedures in this section.

6.3 ☐

Road Permit Stumpage Rates – June 1

(Including Woodlot Road Timber Marks with an eligible ERA)

If Sec. 6.3(7) -Associated Licence is required

6.4 Salvage Timber Stumpage Rates (Licences without an AAC)

IAM Section 6.4 - This section outlines procedures for determining stumpage rates for damaged timber (Table 6-4), post-harvest material (Table 6-5), blanket salvage permits (Table 6-4), and fire damaged timber (Table 6-4a). This is defined in this section of the IAM along with the criteria that applies before using the procedures.

6.4.1 Post-Harvest Material or Damaged Timber

Damaged Timber (IAM Section 6.4.1): Table 6-4 is applicable if the timber has been blown down, damaged by fire (< 80%), disease, snow press, or if it will die within one year as a result of Mountain Pine Beetle (MPB) or other forest pests. Table 6-4a applies if the estimate total net coniferous volume of timber on each cutblock is comprised of 80% or more burnt timber. Stumpage rates are fixed for the term and all extensions.

Post-Harvest Material (IAM Section 6.4.1) is defined as "Wooden culverts and bridges, or post logging residue". Table 6-5 is used to determine stumpage rates for salvage of post-harvest material.

Criteria: (The cutting authority must meet the following criteria)

- Post-harvest material cannot be combined with damaged timber;
- Cannot be adjacent to existing harvesting and must be scattered areas;
- Cut Block(s) must be less than or equal to 5 hectares in size. Partial cutting can exceed 5 hectares if area meets minimum stocking after harvest;
- Salvage rates only for area where more than one-third of volume of coniferous timber, to be harvested, is damaged timber;
- 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;
- Salvage cannot occur on road right-of-way which has an active timber mark associated with it;
- Stumpage rates are fixed for the term and all extensions.

Where the Crown is responsible for basic silviculture on the cutting authority area, the stumpage rate for each species of coniferous timber must be the sum of the rate determined under paragraph (a) of this subsection and the silviculture levy determined under IAM Section 5.3. If the DM anticipates that there will be no silviculture cost, then the levy can be zero (\$0.00) and indicated as such on the Stumpage Rate Request Form.

Salvage Timber Stumpage Rates–Licences without an AAC	
Clear cuts must not exceed 5.00ha	
6.4.1(5)(a) ☐	Damaged Timber - (>1/3 of volume damaged by blow down, fire, disease, snow press, or pest) Table 6-4
6.4.1(5)(a)(i) ☐	≥ 80% Burnt Table 6-4a
6.4.1(6) ☐	Post Harvest Material – (wood culverts and bridges, or post logging residue) *incl'd sawlog component* Table 6-5

6.4.2 Blanket Salvage Cutting Authorities

IAM Section 6.4.2 outlines the procedures for determining the stumpage rates for Blanket Salvage Permits issued under licenses with an AAC or maximum harvest volume.

This Section **does not** apply to:

- Community Forest Agreements;
- Woodlot Licenses;
- BCTS; and,
- Any timber in the Research Forests noted in Table 6-7.

The stumpage rate for each species of coniferous timber on the cutting authority area is the stumpage rate for that species indicated in Table 6-4 or 6-4a for the forest zone in which the cutting authority area is located. The stumpage rates in Table 6-4a may be used when the estimated total net coniferous volume of timber on each cutblock is comprised of 80% or more burnt timber and the burnt timber is evenly distributed throughout the cutblock(s).

All blanket salvage cutting authorities are scale based for billing.

Blanket Salvage Permit rates are re-determined semi-annually on June 1 and December 15 in accordance with this section.

Please note: If the tenure has a Bonus Bid (ex. Some NRFLs), this will be applied to the Table 6-4 or 6-4a stumpage rate under this section of the IAM.

6.4.2 ☐	Blanket Salvage Cutting Authorities – Licences with an AAC (Scale Based) - June 1 and December 15 Table 6-4
6.4.2 ☐	≥ 80% Burnt – June 1 and December 15 Table 6-4a

6.4.3 Cruise Based Salvage Cutting Authorities

IAM Section 6.4.3 outlines the procedures for determining the stumpage rates for cruise based salvage cutting authorities entered under a Timber Sale License (TSL) or issued under licences with an AAC or maximum harvest volume.

This Section **does not** apply to:

- Community Forest Agreements;
- Woodlot Licenses; and,
- Any timber in the Research Forests noted in Table 6-7.

The primary purpose for the cutting authority must be the removal of Mountain Pine Beetle (MPB) attacked Lodgepole pine where:

- The estimated total net coniferous volume of timber on each cutblock for the cutting authority area is comprised of 75% or more grey MPB attacked Lodgepole pine; and,
- The conifer species other than Lodgepole pine must be evenly distributed throughout each cutblock.

A stumpage rate determined under this section must be re-determined on the 1st day of the month following the month in which this section is updated with a new cruise-based salvage equation.

Please refer to the South Area Timber Pricing SharePoint Site to find the current Cruise Based Salvage CP Template found here: [Stumpage Rate Request Forms - Cruise Based Salvage Cutting Authorities](#) and Guidance Documents.

All cruise-based salvage cutting authorities under this section are cruise based for billing.

Redetermined as per Section 6.4.3(7) of the IAM

6.4.3 ☐	Cruise Based Salvage Cutting Authorities – redetermine per IAM 6.4.3(7) Table 6-6 attach Cruise Based Salvage CP Data Sheet
--------------------------------	---

6.4.4 BCTS Salvage Timber Sale Licence

Section 6.4.4 of the IAM outlines procedures for determining stumpage rates for cutting authorities entered into a Timber Sale Licence.

Please refer to the South Area Timber Pricing SharePoint Site to complete the form found here: [Stumpage Rate Request Forms - BCTS Salvage TSL Data Sheet](#)

Rates must be verified by Timber Pricing Officer prior to advertising.

Provide this form to Region with the volume column filled out along with the Stumpage Rate Request Form, Appraisal Map and Schedule B/Reserve Tree Statement.

When BCTS tender is awarded, the following information is required by Region to establish rates:

- ☐ Updated effective and expiry dates that match FTA/contract;
- ☐ A copy of the Application and Tender form identifying:
 - the new licensee
 - the stumpage rate that was advertised matches the rate quoted
 - bonus offer/bonus bid
- ☐ Submit to the appropriate Regional e-mail box.

If cruise information is available, please provide it with this package and comment in the 'comments' section of the Stumpage Rate Request Form how volume estimate was derived.

All BCTS salvage timber sale licences are scale based for billing.

A stumpage rate determined under this section is fixed for the term and all extensions.

6.4.4 ☐	BCTS Salvage TSL attach prorated Table 6-4 or Table 6-4a data sheet
--------------------------------	--

6.5 Decked and Partially Harvested Timber for a non-BCTS Cutting Authority

Section 6.5 of the IAM outlines procedures for determining stumpage rates for “**decked timber**” or “**partially harvested timber**” both of which are defined in Chapter 1 of the IAM. The procedures for determining the stumpage rate or the upset stumpage rate, account for how long the timber has been sitting and whether the timber will be sold competitively or sold without competition. The upset stumpage rate for the timber must be the total of the silviculture levy determined under IAM section 5.3.

“**Decked timber**” means timber that has been 100% decked at roadside.

Subsection 6.5 (1) – decked, competitive

When decked timber only is advertised for sale to the highest bidder, the upset stumpage rate for the timber must be the total of the silviculture levy determined under IAM Section 5.3 and:

- decked > three years - minimum stumpage rate (\$0.25/m3)
- decked ≤ three years – 70% of Table 6-4 rates

Subsection 6.5 (2) – decked, direct award

When decked timber only is sold directly without the use of the competitive bidding process, the stumpage rate for the timber must be the total of the silviculture levy determined under IAM Section 5.3 and:

- decked > three years – variable cost upset
- decked ≤ three years – Table 6-4 rates

“Partially Harvested Timber” means timber that has been felled and/or bucked and not yet forwarded to roadside.

Subsection 6.5 (3) – partially harvested, competitive

When partially harvested timber only is advertised for sale to the highest bidder the upset stumpage rate for the timber must be the total of the silviculture levy determined under section 5.3 and:

- partially harvested ≥ three years - minimum stumpage rate (\$0.25/m3)
- partially harvested < three years – 70% of Table 6-5 rates

Subsection 6.5 (4) – partially harvested, direct award

When partially harvested timber only is sold directly without the use of the competitive bidding process, the stumpage rate for the timber must be the total of the silviculture levy determined under section 5.3 and:

- partially harvested ≥ three years – variable cost upset
- partially harvested < three years – Table 6-5 rates

Subsection 6.5 (5) – decked and partially harvested, no bid

When this timber has been advertised and no applications are received or when the Regional Manager does not anticipate that applications will be received due to market conditions or timber profile, the Regional Manager can approve an upset stumpage rate. The rate must not be less than the district’s variable cost to prepare the timber for sale.

Subsection 6.5 (6) – decked and partially harvested, competitive

Where applications for a FLTC that applies to both decked timber and partially harvested timber have been invited, the upset stumpage rate must be the total of the rate determined using the procedures in subsection (1) of this section, as if the timber was all decked timber and the silviculture levy determined under section 5.3 and;

- decked > three years - minimum stumpage rate (\$0.25/m3)
- decked ≤ three years – 70% of Table 6-4 rates

Subsection 6.5 (6) – decked and partially harvested, direct award

Where a FLTC that applies to both decked timber and partially harvested timber is entered into directly without the use of the competitive bidding process, the stumpage rate must be the total of the rate determined using the procedure in subsection (2) of this section, as if the timber was all decked timber and the silviculture levy determined under section 5.3 and;

- decked > three years – variable cost upset
- decked ≤ three years – Table 6-4 rates

Where the stumpage rate or the upset stumpage rate has been determined using this section, the total stumpage rate shall be fixed for the term of the cutting authority and all extensions.

An upset stumpage rate calculated under this section must be calculated using the IAM in effect on the date that the rate is determined (appraisal effective date).

<div>6.5 ☐</div> <div>6.5(5)(b) ☐</div>	Decked and Partially Harvested Timber for a non-BCTS Cutting Authority
	Competitive Yes ☐ No ☐
	Decked > 3 yrs ☐ ≤ 3yrs ☐
	Partially Harvested Timber > 3yrs ☐ ≤ 3yrs ☐
	Regional Manager approved rate

6.6 Miscellaneous Stumpage Rates

Unless otherwise specified in the IAM, the stumpage rates, at the time of scale for timber harvested for the purposes described in this section, in the districts listed, in the forest district specific section of Table 6-7 are as prescribed in that table.

Table 6-7 does not apply to cruise based cutting authorities.

Please note: Post-harvest material where a waste assessment has been made and the material will be chipped or hogged at the roadside or the landing will have a minimum stumpage rate (\$0.25/m³). This rate applies to either the primary license holder or a third party who is issued a FLTC for the material provided the waste assessment has been completed for the cutting authority that generated the material.

Where a primary Licensee chips or grinds on site prior to the waste assessment being completed, the Licensee will be charged the cutting permit sawlog rate for the cutting authority that generated the material for all sawlog material that is chipped or ground.

Commercial Thinning:

Please provide rationale in the comments section of the Stumpage Rate Request Form that describes how you have met the following criteria:

- Commercial thin stocking standards incorporated in a Forest Stewardship Plan;
- Stand age less than 45 years old; and,
- Residual stand left in a healthy, productive condition.

District/TSA specific:

New Crown land area disturbed for mining exploration trails, Seismic lines, gas or oil well sites and right-of-way to well sites or, authorizations for investigative purposes issued under the *Land Act* for following Districts:

- Ft. Nelson
- Mackenzie
- Peace
- Rocky Mountain

Note: The reserve stumpage rate for these districts are on a per hectare basis - \$/ha

Ensure that the Species and Product identified reflects the 'Species' and Product 'SFP Code' from Table 6-7 of the IAM.

6.6 ☐	Miscellaneous Stumpage Rates Table 6-7 Species: _____ Product: _____ OR District/TSA Spec. _____
------------------------------	--

6.7 Specific Licences to Cut

Section 6.7 of the IAM outlines the procedure for determining the stumpage rate for Master Licences to Cut, Occupant Licences to Cut or Forestry Licences to Cut that are:

1(c)(i) issued under section 47.6(3) of the '*Forest Act*' in conjunction with an activity funded out of the BCTS account;

1(c)(ii) issued in conjunction with a works contract other than BCTS, issued for a fence line or protection of a fence line administered under the '*Range Act*.'

The stumpage rate, for specific Licences to Cut issued under this section of the IAM, will be prescribed from Table 6-3 (ESC column) for the smallest geographic unit in which the cutting authority is located.

This section does not apply to:

- Cutting authorities issued for any of the activities listed in Table 6-7 that have an area reserve stumpage rate in the Rocky Mountain District (is the only one in South Area);
- Projects where cruising of the timber to be harvested on any tenure listed in subsection (1) has been initiated for use in a full appraisal prior to November 1, 2013;
- Cutting authorities issued within a Controlled Recreational Area.

The Stumpage rate determined under this section will be re-determined annually on June 1; **unless**

6.7 ☐

Licences to Cut-Non-Forestry Tenures – June 1
Table 6-3 (ESC Column)
Specific:

1(c)(i) issued under section 47.6(3) of the 'Forest Act' in conjunction with an activity funded out of the BCTS account;

The stumpage rate determined under this section for a forestry licence to cut issued under section 47.6(3) of the *Act* is fixed for the term and all extensions.

The stumpage rate used for a FLTC that is advertised in conjunction with a competitive BCTS contract should be the stumpage rate that region provides.

When BCTS tender is awarded, the following information is required by Region to establish rates:

- ☐ Updated effective and expiry dates that match FTA/contract;
- ☐ A copy of the Application and Tender form identifying:
 - the new licensee
 - the stumpage rate that was advertised matches the rate quoted
 - bonus offer/bonus bid
- ☐ Submit to the appropriate Regional e-mail box.

6.7 ☐ **Licences to Cut - FLTC issued under section 47.6(3) of the *Act* in conjunction with a BCTS contract.**
Table 6-3 (ESC Column)

6.8 Controlled Recreation Areas (CRAs)

IAM Section 6.8 outlines the procedures to determine stumpage rates for a very specific type of tenure, a Controlled Recreation Area, for operations such as large ski resorts, backcountry commercial recreation operations, etc. The stumpage rate is either:

- The [Controlled Recreation Area](#) average sawlog rate approved by the Director of Timber Pricing Branch for the quarter; or
- The stumpage rate may be determined through a full appraisal.

The stumpage rate is redetermined on the anniversary date of the cutting authority in accordance with this section.

6.8 ☐ **Controlled Recreation Areas (CRAs)**
Coniferous sawlog average rate for controlled recreation areas

5.1.1(2) Upset Stumpage Rates (Upset) for BCTS Decked/Partially Harvested Timber

For decked timber or partially harvested timber sales, the upset stumpage rate (upset) is the rate or value requested by the Timber Sales Manager.

- a. Where the timber sale is scale-based for billing, the total upset, and bonus applies to coniferous sawlog grades (grades 1 and 2).
- b. If the Timber Sales Manager intends to sell the timber competitively as a lump sum,
 - i. the volume used to determine the upset value must be determined by an authorized scaler using a method approved by the Minister, and
 - ii. the total upset and bonus applies to the entire volume of decked or partially harvested timber.

When BCTS tender is awarded, the following information is required by Region to establish rates:

- ☐ Updated effective and expiry dates that match FTA/contract;
- ☐ A copy of the Application and Tender form identifying:
 - the new licensee
 - the stumpage rate that was advertised matches the rate quoted
 - bonus offer/bonus bid
- ☐ Submit to the appropriate Regional e-mail box.

5.1.1(2) ☐	BCTS Decked or Partially Harvested Timber Requested rate \$/m ³ OR Upset Value \$
-----------------------------------	---

Reference Links

[What is Stumpage?](#)

[Interior Timber Pricing policies, procedures and related information used to price Crown timber in the Interior of BC](#)

[Forest Act](#)

[Licence to Cut Regulation](#)

[Timber Harvesting Rights](#)

[Small Scale Salvage - Forestry](#)

[Forestry Enhancement Society of British Columbia \(FESBC\)](#)