

SUBJECT: Loss of Silviculture Areas

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1. Policy

1.1 Policy statement

It is the policy of the Department of Natural Resources to protect and preserve investments made in silviculturally treated areas on Crown land. Where the trees on these areas have been lost to future wood supply by activities associated with forest management, land transfer or other Crown land uses, the Department will recover investments made in order to establish replacement areas.

1.2 Background

The Department of Natural Resources has invested large amounts of money in creating and protecting reforested and precommercially thinned areas on Crown land. These investments have been made to establish healthy regenerating stands that support wood and habitat supplies.

Loss of treated areas not only removes these trees from providing or supporting wood and habitat supplies but also results in a loss of the original monetary investment. Road building, Crown leases, land transfers or quarry pits are all examples of activities that can affect silviculturally treated areas.

1.3 Policy objectives

The objectives of this policy are to:

- Provide a set of procedures to follow when assessing activities that lead to loss of silviculturally treated areas on Crown land.
 - Provide a methodology for calculating a cost recovery amount.
 - Provide a clear indication to interested parties of the charges that will be applied in the event that silviculturally treated areas on Crown land are lost.
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2. Scope and Application

2.1 Policy scope This policy applies to all activities associated with the loss of silviculturally treated areas on Crown land unless these activities are done at the direction of DNR. This policy is not retroactive and only applies to areas that are affected after this policy comes into affect.

2.2 Stands covered by this policy This policy is intended to apply to young managed stands before the trees have reached a merchantable size. As stand operability depends upon many site specific factors, using one age threshold may be problematic in some cases but provides a simple and consistent way of applying this policy.

Therefore, this policy will apply to all silviculturally treated areas on Crown land that are less than or equal to 25 years of age unless the area is being treated as an approved commercial harvest operation. In the case of a commercial operation, royalties will be collected for wood harvested during the operation and this policy will not apply.

3. Implementation

3.1 First approach

Since the primary goal of this policy is to protect silviculturally treated areas, the first response should be to encourage the party responsible to avoid the loss if at all possible. If not possible, then the following steps are used.

3.2 Silviculture cost information

The following information can be obtained from a GIS update, map, aerial photo or ground survey of the area affected and from silviculture records:

- area of silviculture that has or will be lost (i.e. length of road through the silviculture area multiplied by the right-of-way width or area of quarry lease that coincides with the silviculture area),
 - types of silviculture investments made on affected area and current cost (\$/ha) of those types of treatments, and
 - years since treated area was established (i.e. years since reforestation or pre-commercial thinning treatment).
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3.3 Total Recovery Cost

The determination of a reasonable cost that the Department will recover for the loss of silviculture areas involves:

- the cost of replacing the lost area,
- the loss of value of the original investment, and
- a deterrent against activities that lead to loss of silviculture areas.

As such a simple multiplier based upon the years since the area was treated will be used to adjust the total current cost of replacing the lost treated area.

- If the number of years since area treatment is less than or equal 10 then the total cost is multiplied by 2.
 - If the number of years since area treatment is greater than 10 and less than or equal 25 then the total cost is multiplied by 3.
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Implementation, Continued

3.4 Calculation steps These steps and the following table are used to determine the total recovered cost for the affected area by:

- noting the number of years since the area was reforested or pre-commercially thinned,
- noting the area and current cost (costs are published annually by DNR) for each silviculture treatment done on the affected area,
- multiplying the area by the cost to determine the total current cost,
- determining the multiplication factor to be used based upon the number of years since treatment, and
- multiplying the total current cost by the correct multiplier to determine the total recovered cost.

Years since area treated:	
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Silviculture Treatment	Area (ha)	Current Cost (\$/ha)	Total Current Cost (\$)
Fill Planting			
Full Planting			
Scarification			
Herbicide			
Fill Plantation Cleaning			
Full Plantation Cleaning			
Thinning			
Sum of Total Current Cost (\$)			
Years Since Treatment less than or equal to 10 (2 times multiplier)			
Years Since Treatment between 11 and 25 (3 times multiplier)			
Total Recovered Cost (\$)			

4. Responsibility

4.1 Information collection The Region will be responsible for gathering all pertinent information for activities associated with the Operating Plan. This may involve waiting until finalized information is available in the Annual Report.

The Forest Management Branch will be responsible for collecting the pertinent information for activities associated with other Crown land uses as part of its review of these uses. Any amounts owed for activities associated with other uses of Crown land will be payable at the time the use agreement is instituted.

4.2 Payment responsibility In the case of silviculture area lost through activities covered under the Licence Operating Plans, the Licensee shall be responsible for paying the total recovery cost determined in section 3. For all other activities, the party responsible for carrying out those activities must pay the total recovery cost determined in section 3.

5. Inquiries

5.1 Inquiries Inquiries concerning this policy may be directed to:

Director of Forest Management Branch
Department of Natural Resources
P. O. Box 6000
Fredericton, New Brunswick E3B 5H1
(506) 453-2516
