January 18, 2006

INFORMATION LETTER #OGC 06-02

SUBJECT: Order in Council No. 874 Enables Timber Export in Northeastern BC

To Industry Clients:

On December 8, 2005, cabinet approved order-in council No. 874 which provides an exemption from the requirement that timber harvested on Crown lands be used in BC or manufactured into wood products in BC. The exemption is subject to the following conditions:

- All timber must come from the geographic area north of 58 degrees latitude and within 75 km of the BC/Alberta border;
- The exemption expires in two years from the date of the Order (December 8, 2007);
- The maximum total annual volume exempted is 25 000 cubic meters of timber;
- An export permit must be obtained from the regional forest office; and
- The delivered volume scale must be submitted to the regional forest office within 30 days of delivery.

This exemption enables the harvest and sale of timber that cannot be processed economically in the vicinity of the land from which it is cut and cannot be transported economically to a processing facility located elsewhere in B.C. Due to the remoteness of the area described, it is more practical to haul timber into Alberta for processing and an exemption is required for this activity. Regulations pertaining to the use of crown timber and exemptions from use requirements are detailed in the Forest Act, Sections 127 and 128 (http://www.qp.gov.bc.ca/statreg/stat/F/96157_10.htm).

OGC information letter #04-28 describes the stumpage and utilization standards that apply to the oil and gas sector.

For further information regarding the export permit approval for timber in Northeast BC, please contact:

Peter McAuliffe
Technical Forestry Specialist
Technical Services and Regulatory Affairs Branch
Oil and Gas Commission
5th Floor, 1675 Douglas Street
Victoria, BC V8W 2G5

Phone: (250) 356-2774 Fax: (250) 356-2962

E-mail: Peter.McAuliffe@gov.bc.ca

Original Signed

Derek Doyle Commissioner