



Purchase Wood Suppliers Update

To: New Brunswick Private Wood Suppliers and Forest Products Marketing Boards
 From: Brent Thompson
 CC: Wendell Munn, Robert Anderson, Brittany Mallory
 Date: March 24, 2022
 Re: **NB Private Wood Fuel Surcharge and Inflation Bonus Pricing**

This update announces actions taken by J.D. Irving, Limited in response to recent spikes in fuel pricing and inflation as this affects our NB private wood purchases and pricing:

- A. Fuel.** Effective **March 6th, 2022** J.D. Irving, Limited implemented a **temporary purchase wood fuel surcharge bonus**. This bonus applies to all NB private wood purchases at our New Brunswick sawmills including the Sussex Chip Plant, and will be added to our posted/contract prices for wood scaled in green metric tonnes (GMT), according to the chart below, and **until further notice**:

Diesel TE Fuel Price (I-24 Cardlock Sussex)	
FROM (\$/litre)	TO (\$/litre)

0.7500	0.8000
0.8010	0.8500
0.8510	0.9000
0.9010	0.9500
0.9510	1.0000
1.0010	1.0500
1.0510	1.1000
1.1010	1.1500
1.1510	1.2000
1.2010	1.2500
1.2510	1.3000
1.3010	1.3500
1.3510	1.4000
1.4010	1.4500
1.4510	1.5000

Roundwood Scaled in Green Metric Tonnes Fuel Adjustment \$/GMT				
Zone 1 (1-64km)	Zone 2 (65-96km)	Zone 3 (97-129km)	Zone 4 (130-161km)	Zone 5 (162+km)

\$0.27	\$0.33	\$0.39	\$0.45	\$0.51
\$0.54	\$0.66	\$0.78	\$0.90	\$1.02
\$0.81	\$0.99	\$1.17	\$1.35	\$1.53
\$1.08	\$1.32	\$1.56	\$1.80	\$2.04
\$1.35	\$1.65	\$1.95	\$2.25	\$2.55
\$1.62	\$1.98	\$2.34	\$2.70	\$3.06
\$1.89	\$2.31	\$2.73	\$3.15	\$3.57
\$2.16	\$2.64	\$3.12	\$3.60	\$4.08
\$2.43	\$2.97	\$3.51	\$4.05	\$4.59
\$2.70	\$3.30	\$3.90	\$4.50	\$5.10
\$2.97	\$3.63	\$4.29	\$4.95	\$5.61
\$3.24	\$3.96	\$4.68	\$5.40	\$6.12
\$3.51	\$4.29	\$5.07	\$5.85	\$6.63
\$3.78	\$4.62	\$5.46	\$6.30	\$7.14
\$4.05	\$4.95	\$5.85	\$6.75	\$7.65

B. Inflation. In response to the recent spike in inflation affecting base costs for private wood logging and trucking contractors, JDI will be applying a **temporary inflation bonus** to our NB private wood purchases effective **April 3rd, 2022**. This bonus applies to all NB private wood purchases at our New Brunswick sawmills and will be added to our posted/contract prices as per the table below, **until further notice**:

Species/Product	JDI Destination	Temporary Inflation Bonus
Softwood and Hardwood Pulpwood	Sussex Chip Plant	\$2.00 per GMT
Spruce-Fir-Jack Pine Studwood and Sawlogs	Sussex, Grand Lake Timber, St. Leonard, Kedgwick	\$2.00 per GMT
White Pine and Hardwood Sawlogs	Doaktown, Veneer, Sussex	\$11 per MFBM

It is important to clarify these bonuses are temporarily in place to address short term spikes in fuel and inflationary pressures. They may be changed or eliminated with minimal notice at JDI's discretion.