



OIL AND GAS
COMMISSION

Commissioner's Update

Volume 1, Number 3

July/August 2002

Broadening OGC Single-Window Services

Recent changes to the *Oil and Gas Commission Act* are strengthening the OGC's governance; enhancing single-window authorities; improving client and stakeholder services; and, streamlining the permitting and application review process.

The *Oil and Gas Commission Act* and the *Petroleum and Natural Gas Act* have been amended under Bill 36, the *Energy and Mines Statutes Amendment Act, 2002*. These amendments include:

- Creation of the General Development Permit to improve cumulative impact management;
- Transferring responsibilities and authorities under the *Waste Management Act* and the *Water Act* to the OGC;
- Enabling provisions of the *Forest Practices Code* to be enforced by the OGC; and
- Clarification of the roles and duties of the Board of Directors, increasing the number of directors from two to three, and appointing the Deputy Minister of Energy and Mines

as chairperson of the Board. The Commissioner will be vice-chair and CEO of the OGC.

Changes to the *Petroleum and Natural Gas Act* are part of the government's commitment to facilitate the development of coalbed methane. Amendments to the Act include:

- Eliminating the 600-metre depth restriction on exploratory drilling of test holes;
- Establishing requirements for wells and test holes on private land; and
- Allowing approval of schemes for the development and production of coalbed methane.

For additional information about these legislative amendments, please contact the Director of Legislative, Policy and Special Projects, Ken Kadonaga, at (250) 952-0319 or ken.kadonaga@gems7.gov.bc.ca

INSIDE:

Treaty 8 Chiefs meet with Premier 2

"Prosperity through Unity" Conference 3

Clean Up at Peejay 3

Innovative Regulatory Leadership 4

New OGC Director 4

Public Involvement Guideline 5

OGC Annual Report 6



Instructor Phil Chatters (center) works with students at Northern Lights College. The College is one of many stakeholders contributing to BC's oil and gas sector, as featured the OGC Annual Report. (See page 6).

Vision of the Oil and Gas Commission:

"To be the innovative regulatory leader, respected by stakeholders, First Nations and clients."



Central Elementary School teachers Mrs. Abbott, Mrs. Samborski, Mrs. Vasarhelyi and Madame Moison celebrated Doig Days with their students.

Doig Days Celebrated

OGC staff joined more than 560 grade three, four and five students from School District 60 at Doig Days celebrations, May 28. "This cross-cultural training is helping to keep the tradition alive," Doig River First Nation Chief Garry Oker said.

The annual event provides an opportunity for all to appreciate a way of life and to learn about guiding and trapping; moose hide preparation

and tanning; beading; tepee construction; wilderness survival; drumming and traditional dancing. Joining the children in the festivities were Doig River First Nation council, Elders and community members. Other guests included representatives of Suncor Energy, Devon Energy, Burlington Resources, Conoco Canada, Canadian Natural Resources, and the City of Fort St. John.

Treaty 8 Chiefs Meet with Premier of BC

Treaty 8 Chiefs, including Saulteau First Nations Chief Councillor Allan Apsassin; Blueberry River First Nations Chief Malcolm Apsassin; Fort Nelson First Nation Chief Councillor Liz Logan; Halfway River First Nation Chief Joyce Achla Morin; Doig River First Nation Chief Garry Oker; West Moberly First Nations Chief Roland Willson; and Prophet River First Nation Chief Liza Wolf; met with the Premier of British Columbia, Honourable Gordon Campbell; the Minister of Energy and Mines, Honourable Richard

Neufeld; and Peace River South MLA, Blair Lekstrom, May 24.

Many topics were discussed, including oil and gas revenue sharing. Chief Councillor Liz Logan led discussions on behalf of Treaty 8. Premier Campbell expressed his commitment to continue to work collaboratively with the First Nation communities on long-term energy policy issues. The meeting concluded with an agreement for continued discussions. The meeting was held in Fort St. John.

“Prosperity Through Unity” – Oil and Gas Conference October 2 - 4, 2002

The City of Fort St. John supported by the Canadian Association of Petroleum Producers and First Nations communities, is hosting its annual Oil and Gas Conference October 2-4, 2002. The theme for this year's conference is “Prosperity Through Unity.”

Prosperity Through Unity highlights building collective prosperity as a result of collaboration by industry, governments, educators, businesses and regulators.

The conference is an annual event, and is a continuation of the successful “Fueling the Future” conference held in Fort Nelson in 2001.

A series of workshops, panel discussions and

announcements will be scheduled. The conference will celebrate community-industry partnerships; science and traditional knowledge and be a forum to build collaborative initiatives. The session themes include: enterprise; education; employment; environment; communities; and, communication.

The OGC encourages you to identify successes in the enterprise; education, environment, employment, community development and communications categories. These examples will then be incorporated into the conference program.

For more information on the Prosperity through Unity Conference, or to become a sponsor, please contact:

Pat Pimm
Conference
Co-Chair

at the
City of
Fort St. John
(250) 787-7481

If you would like to share accolades and successes, please contact:

John Turner
Conference
Program Chair

at Duke Energy
(250) 262-3427

More information on CAGC may be found at:

www.cagc.ca

Record Number of Participants at CAGC Meeting

Eighty-two delegates joined the Canadian Association of Geophysical Contractors (CAGC) at its semi-annual meeting in Fort St. John, May 28. “This is a sign of the growing interest in seismic in British Columbia,” Mike Doyle, past CAGC chairman said. “We had a record attendance this year.”

Companies including: Talisman Energy, Nexen, CNRL, EnCana Corporation, Chevron, Shell, Arcis, Trace Exploration and Veritas shared ideas, questions and concerns about the future direction of seismic in the province.

The OGC provided an update on several topics including the:

- OGC Service Plan 2002-2005;

- Conflicting tenure initiatives;
- Besa Prophet Pre-Tenure Plan;
- Local area agreement with Ministry Water, Land and Air Protection;
- Stream Crossing Guidebook; and
- Geophysical Guidelines.

CAGC members expressed commitment to continue to assist and promote the geophysical industry, and build relations within the community. CAGC intends to hold a public seminar regarding the basics of seismic operations in the fall of 2002. The CAGC serves as a liaison between government, industry and the geophysical sector.

Collaborative Efforts with Clean Up at Peejay

The Oil and Gas Commission is currently investigating a flowline spill in the Peejay field, 150km north of Fort St. John.

Approximately 200m³ of oil and saltwater was released May 13. OGC inspectors are investigating the cause of the spill and will issue enforcement measures, as appropriate.

The operator of the pipeline is Canadian Natural Resources Limited (CNRL). CNRL is presently reclaiming the spill with the assistance of the Doig River First Nation's Petroleum Employment Training (PET) Program. The PET program, which was launched in May, provides local employment training opportunities.

For more information about General Development Permits, please see:

www.ogc.gov.bc.ca/documents/information

or contact:

Doug McKenzie
Senior Technical Advisor

(250) 952-0321

doug.mckenzie@gems5.gov.bc.ca

Innovative Regulatory Leadership

The new General Development Permit pilot project, launched by the OGC, will enhance cumulative impact management and improve the efficiency of oil and gas application reviews. A General Development Permit (GDP) allows simultaneous examination of surface effects from a company's planned oil and gas activities, pipelines and roads in a local area.

Each GDP application requires public involvement and a review of environmental and other land-related concerns. A GDP authorization is an approval in principle and establishes terms and conditions to guide and control each component activity such as land access, drilling, pipelining and facilities.

Benefits of GDPs are expected to include:

- Enhanced cumulative impact management of proposed activities;
- Identification of potential areas of concern;
- Improved ability to provide input on operating practices or special considerations;

- Simultaneous application reviews;
- Certainty and consistency regarding land-related conditions and operating practices for the project;
- Stronger working relationships between proponents, First Nations, stakeholders and OGC.

Three pilot projects are being undertaken in order to learn from experience and to refine a process for GDP application reviews:

1. EnCana Oil & Gas Co. Ltd. at the Maxhamish Lake gas field
2. Nexen Canada Ltd. at the Hay River oil field
3. Pioneer Natural Resources Canada Inc. at the Chinchaga River gas field.

The first application for a GDP is expected to be submitted this summer.

New Director of Compliance and Enforcement

Ben Mitchell-Banks joined the Oil and Gas Commission, as Director of Compliance and Enforcement. Mr. Mitchell-Banks brings 22 years of federal and provincial compliance and enforcement experience to the OGC.

In his career, Mr. Mitchell-Banks worked with the Ministry of Water, Land and Air Protection (MWLAP), the Department of Fisheries and Oceans and the Ministry of Environment in investigative and compliance capacities. For the past nine years, he worked with MWLAP as Senior Conservation Officer and as the Provincial Special Investigations

Unit Supervisor.

Mr. Mitchell-Banks' first priorities with the OGC are to eliminate the backlog of deficiency reports, lead strategic inspections and to ensure improved compliance. He will also manage the expansion of the Compliance and Enforcement branch, adding greater emphasis on emergency management planning; collaborative relationships with First Nations; and, enhancing the OGC presence throughout the province. Mr. Mitchell-Banks will work closely with provincial ministries and federal agencies.

Grateful for Their Years of Service

Gary Miltenberger is embracing a career change after more than 15 years of serving the people of British Columbia in the forestry, and oil and gas sectors. Gary is joining the Forestry branch of the Yukon Government's Department of Energy, Mines and Resources. The Commission applauds his efforts in helping to launch the OGC as a one-window agency.

The OGC also thanks Bill Bayrak, Elaine Bottineau, Ruth Christensen, Tamara Connell, Sherry Dominic, Scott Fraser, Michaele Freeman, Les Glenn, June Polson, Randall Sweet and Tracey Thompson for their years of service. They will enrich the work of others, just as they have while helping to launch the OGC.

Public Involvement Guideline

If you wish to be notified about the training workshops or have questions about the Public Involvement Guideline please contact:

Corey Jonsson
Stakeholder
Relations Advisor

(250) 261-5789

or

Harleen Price
Stakeholder
Relations Advisor

(250) 261-5781

The Oil and Gas Commission Public Involvement Guideline has been finalized. The guide comprises two components; an overview of public involvement principles and a table specifying minimum distance consultation requirements.

In 2001-2002, the Oil and Gas Commission worked with industry, stakeholders and First Nations to enhance the Commission's stakeholder involvement program. A public involvement process enables all to participate in planning, with the proponent, about oil and gas operations affecting them.

To create a guideline which balances the needs of all participants, the OGC hosted several multi-stakeholder meetings and engaged guide outfitters, trappers, industry, residents, First Nations and municipal representatives in discussions about the consultative approaches used.

The Public Involvement Guideline is available on the OGC website at

www.ogc.gov.bc.ca/documents/guidelines

Copies of the guide will also be distributed through an information letter in July.

Training workshops are scheduled for September in Fort St. John and November in Calgary.

The Public Involvement Guideline is a living document, and will reflect necessary changes and recommendations by its users.

How to reach us

**The Oil and Gas Commission
has a 24 hour
emergency response number:**

(250) 261-5700

Oil and Gas Commission Public Involvement Guideline

TOPIC	FEEDBACK RECEIVED	RESULTS
Minimum Distances	Incorporate consultation with Emergency Response Planning.	The OGC encourage simultaneous consultation of minimum distances and emergency response planning.
Guide Outfitters/ Trappers	Needs and circumstances are unique for each industry project and guide outfitter/trapper operation.	Each oil and gas project is unique. The timeframe for notification should be determined to suit the circumstances. Pre-planning and enhanced communication are recommended.
First Nations	Clarify the difference between operational public involvement and treaty right consultation.	Companies should include First Nations in the involvement process, in addition to the formal arrangements identified in the Memorandums of Understanding and Consultation Agreements.
Emergency Response Plans (ERP's)	Companies should coordinate ERP with public consultation and arrange one emergency evacuation centre for projects located within shared areas.	The OGC encourages companies to coordinate consultation about operational aspects of projects. The Emergency Planning Zones will define the consultation radius.

The OGC raised \$1,800 for cancer research, as part of the Canadian Cancer Society's 12-hour 'Relay for a Friend', June 8. Thirty-three OGC employees entered as "Commission Impossible."



Pictured here are "Commission Impossible" relay members (left to right): Dave Krezanoski, Dana Warner, Jody Sutherland with her triplets, Tyler, Seth and Mark.

Meetings & Events

OGC Visits Residents of Hudson's Hope

Representatives of the OGC met with the community of Hudson's Hope, to share information about potential oil and gas activity in the region. The meeting was held June 20.

More than 45 people representing residents, the district of Hudson's Hope, First Nations, the Mediation and Arbitration Board and the OGC, participated in the community-government workshop. Deputy Commissioner, Joyce Beaudry; Oil and Gas Program Manager, Devin Scheck; Operations Inspector, Frank Schneider; and Stakeholder Relations Advisor, Corey Jonsson provided information about:

- The roles of the Oil and Gas Commission and the Ministry of Energy and Mines;
- The application review process;
- The role of stakeholder involvement; and
- Compliance and enforcement responsibilities and methods.

Hudson's Hope community members wish to be involved in all aspects of oil and gas development, including tenure disposition and oil and gas project planning.

On the Website

www.ogc.gov.bc.ca

OGC Annual Report – 2001-2002

The Oil and Gas Commission's annual report for fiscal year 2001-2002 is now available on the OGC website at www.ogc.gov.bc.ca.

This annual report illustrates the progress made in regulatory delivery, environmental management and the collaborative relationships in BC's oil and gas sector. The report profiles the people and the community involved in BC's growing oil and gas industry.

Recognizing the importance of the environment, social benefits and responsible development, the annual report highlights:

- Resources, Infrastructure and Performance: profiling the resource gift of oil and gas;
- Regulatory Role and Duty: profiling OGC responsibilities and mandate for safety and conservation; decision-making and enforcement; and education and consultation;
- Science and Community Environmental Knowledge: highlighting the \$1.5 million invested in environmental research this fiscal year. This section also recognizes the contribution of the Treaty 8 Chiefs, Elders and the industry; and
- Prosperity Through Unity Stakeholder Profiles: representing some of the people who are building an oil and gas sector for the benefit of all British Columbians.

Copies of the annual report are available at the Oil and Gas Commission office. Your comments on the report, its usefulness to you and suggestions for the future would be appreciated. A brief note would be great. Please send to:

Harleen Price

Stakeholder Relations Advisor

(250) 261-5781

harleen.price@gems5.gov.bc.ca

If you have questions or require further information, please contact:

Corey Jonsson, Stakeholder Relations Advisor: (250) 261-5789 corey.jonsson@gems4.gov.bc.ca

Harleen Price, Stakeholder Relations Advisor: (250) 261-5781 harleen.price@gems5.gov.bc.ca

The *Commissioner's Update* is published bi-monthly by the

OIL AND GAS COMMISSION

Stakeholder Relations and Communications Branch

200, 10003 – 110 Ave, Fort St. John, BC, V1J 6M7

Phone: (250) 261-5700 Fax: (250) 261-5744