

## **2021 BC Government Update Webinar #2**

For our inaugural event of the year, BC Government representatives were on hand to provide an update on the activities from 2021 and look ahead to activities, programs & pending changes in the coming year. As in previous sessions, the BC Ministry for Energy, Mines & Low Carbon Innovation (EMLCI) and the BC Oil Gas Commission (OGC) were represented during this session.

After opening comments from Mayka Kennedy, EVP Engineering – BC OGC, the newly appointed BC OGC CEO and Commissioner, Michelle Carr, provided a brief overview of the session’s agenda. In addition, she reiterated on the importance of the responsible development of all natural resources to BC’s economy and indeed for Canada & globally. She touched on the BC Supreme Court’s ruling regarding the Blueberry First Nations (BFN) case and the need to address the concerns via open dialogue & consultation with all Treaty 8 First Nation groups in the province.

Jordan van Besouw, Supervisor, Drilling & Production – BC OGC, provided an engineering update on well decommissioning and landslide susceptibility. He commented on the overall increased levels of well decommissioning activity since 2017, incorporating laser-based helicopter mounted methane detection capabilities to survey emission sources throughout the province, and the recently released Well Decommissioning Guidelines (effective Jan 1, 2022). The latter, previously based on Alberta’s Directive 20, incorporates aspects unique to BC and allows for some operational flexibility with respect to plugging requirements. On the Geotechnical hazards and landslide susceptibility front, he referred the audience to additional tools & resources that are now available on their website for industry to access and utilize for updated permitting requirements.

For a Regulatory Update, Sara Gregory, VP, Chief Legal Counsel – BC OGC and Andrew Morgan, Executive Director, Regulatory Affairs – BC OGC, summarized the overarching technical versus jurisdictional extensions of the regulatory structure in BC. They also reviewed specific changes instituted in 2021 and provided general guidance on upcoming changes for 2022. The engagement process with all industry stakeholders will continue to be an integral component for the Commission, prior to formulating and introducing any policy or regulatory amendments.

BC’s Reclamation Program Updates were provided by Michelle Schwabe, Executive Director – Regulatory & Infrastructure Branch (EMLCI), Brain Murphy, Executive Director – Liabilities and Orphans (BC OGC), and Chris Pasztor, Executive Director – Tenure and Geoscience Branch (EMLCI). In conjunction with the Federal Government’s initiative and \$120MM funding package, the monies were allocated to three new programs:

1. Dormant Sites Reclamation Program (DSRP) - \$100 million
2. Orphan Sites Supplemental Reclamation Program (OSSRP) - \$15 million
3. Legacy Sites Reclamation Program (LSRP) - \$5 million

With the dual objective of creating jobs at the onset of the Global Pandemic and to reduce emissions, the funding from this program facilitated reclamation work at 2,462 unique well sites since the DSRP initiative was announced in April 2020. For the OSSRP component, the funds were allocated to more than 120 orphan sites in the province. Finally, the LSRP funds were administered via collaboration with other technical, industry, and government organizations and in partnership with service contractors, consultants, universities, and Treaty 8 First Nation communities. Steps are underway to evaluate the delivery of the program, communicate its efforts & successes, and extend this program if additional funding can be secured.

With the final presentation of the session, Curtis Kitchen, Chief Engineer and Director of Royalties, Oil & Gas Division (EMLCI), touched on the submissions received during the Public Engagement period (Nov-Dec 2021) for BC's Royalty Review. These submissions were in response to the Independent Assessment and Discussion Paper released by the BC Government in October 2021. As indicated by the speaker, this engagement period allowed all stakeholders to provide their input, which resulted in the Ministry receiving thousands of e-mails, written submissions, and survey responses. The final report is due to be released later this year (late winter or early spring). Curtis also commented on their efforts with Emissions Modeling, via a third-party contractor (Navius Research), on the province's emissions from upstream natural gas production activities in comparison to other jurisdictions in North America (including Alberta). The lower emissions intensity in BC can be attributed to stringent policies & regulations, including carbon pricing, according to the speaker.

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## **SUMMARY AND AGENDA**

Join us to hear representatives from both the BC Ministry of Energy, Mines and Low Carbon Innovation and the BC Oil and Gas Commission.

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| 10:00 – 10:05 am | <b>Welcome and Agenda</b> – Mayka Kennedy (5 minutes)  |
| 10:05 – 10:25 am | <b>Opening Comments</b> – CEO and Commissioner Michelle Carr (10 minutes)<br>Questions (10 minutes)                        |
| 10:25 – 10:40 am | <b>Engineering Update</b> – Jordan van Besouw (10 minutes)<br>Questions (5 minutes)  |
| 10:40 – 10:55 am | <b>Regulatory Update</b> – Sara Gregory and Andrew Morgan (10 minutes)<br>Questions (5 minutes)                            |
| 10:55 – 11:10 am | <b>Reclamation Program Update</b> – Michelle Schwabe, Chris Pasztor and Brian Murphy (10 minutes)<br>Questions (5 minutes) |
| 11:10 – 11:25 am | <b>Royalty Review Update</b> – Curtis Kitchen (10 minutes)<br>Questions (5 minutes)  |

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# BC Government Update #2

January 12th, 2022 | Zoom Webinar | 09:00am PST  
| 10:00am MST

Presented by:



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