

Oil and Gas Processing Facility Regulation

Frequently Asked Questions

This document compiles some of the most common questions received by Commission staff since the [Oil and Gas Processing Facility Regulation](#) (Regulation) came into effect on March 4, 2021. It has been updated to include additional questions that were asked from Indigenous nations and industry stakeholders during May and June 2022. Please note this document and any other subsequent guidance documents are not intended to replace regulation. For more information about the regulation, please visit <https://www.bcogc.ca/how-we-regulate/legislative-framework/regulatory-update/>.

1.1 Overview

1.1.1 Will the Commission issue guidance?

Yes, the Commission develops guidance to support its decision-makers and to ensure transparency in the administration of oil and gas activities. This draft guidance was released for feedback in April 2022 and a revised version [published](#) in October 2022. Proponents are already looking ahead to ensure their new, contemplated developments, and amendments to existing ones, meet the expectations of the Commission under this new regulation. The Commission has engaged in advance of the issuance of this [new guidance](#) with First Nations who have existing or proposed facilities within their territories.

1.1.2 How does the Guidance reflect the Commission's expectations of oil and gas proponents to incorporate Indigenous Knowledge and work differently with Indigenous Nations?

The Commission is committed to continuing to build mutually-beneficial, collaborative working relationships with Indigenous communities and to ensure that the interests of Indigenous Peoples are understood, respected and considered in Commission decisions and the delivery of the Commission's mandate.

This [guidance document](#) provides guidance to oil and gas proponents that supplements the requirements of the Oil and Gas Processing Facility Regulation. It describes the Commission's expectations of proponents for working with Indigenous nations, including for Assessments of Social and Cultural Effects, Assessments of Environment Effects, incorporation of Indigenous Knowledge, and for Pre-Engagement with Indigenous nations.

1.1.3 How does the Guidance meet the considerations of the Declaration Act and the United Nations Declaration on the Rights of Indigenous Peoples?

The Commission is named specifically under Action 2.6 of the Declaration Act Action Plan: Co-develop strategic-level policies, programs and initiatives to advance collaborative stewardship of the environment, land and resources that address cumulative effects and respects Indigenous Knowledge.

The Commission is committed to working collaboratively with Indigenous Peoples in the development, design, engagement and review of any improvements to the Oil and Gas Processing Facility Regulation, and related Guidance documents. The Commission continues to build mutually-beneficial, collaborative working relationships with Indigenous communities and to ensure the interests of Indigenous Peoples are understood, respected and considered in Commission decisions and the delivery of the Commission's mandate. Engaging with Indigenous Peoples throughout the regulatory lifecycle reflects the holistic approach the Commission takes to consider connections between land, Indigenous rights, self-determination and cultural identity. This work supports the Commission's obligation as a Crown agency under Section 3 of the Declaration Act to bring provincial laws into alignment with the UN Declaration. Refinement will continue as the experience of applying the regulation evolves with continued input from Indigenous Nations.

1.1.4 What are some of the key highlights in the Regulation?

The Regulation sets out pre-application requirements, regulates operations by emphasizing safety, addresses the end-of-life stage requirements for safety and the surrounding environment and requires consistent methane reduction provisions, as described in the [Drilling & Production Regulation](#) for other facilities. It also contains new requirements for the completion of social and cultural effects assessments and the incorporation of Indigenous Knowledge in permit applications.

[Industry Bulletin INDB 2021-10](#) sets out a further summary of the Regulation's key points.

1.1.5 What is a qualified professional as referenced in the Regulation?

The Regulation defines a qualified professional as follows: "qualified professional" means a person who is authorized under the Engineers and Geoscientists Regulation to use the reserved title "professional engineer" or "professional geoscientist". The Commission will be expanding this definition to include other applicable registered professionals such as biologists or agrologists primarily for specific requirements in the Regulation where environmental expertise is needed.

1.1.6 How will feedback continue to be considered for the Guidance over time?

The [guideline](#) describes the Commission's expectations of oil and gas proponents regarding how to meet the requirements of the new Oil and Gas Processing Facility Regulation. As a result of the feedback on the draft Guidance document, Commission staff have refined the language in the document to clarify these expectations.

The Regulation itself, in effect since March 2022, is not under review at this time but feedback is encouraged at any time, and will be considered in future revisions.

2.1 Application for Processing Facility Permit:

2.1.1 How have expectations for engagement with First Nations changed under the Regulation?

The new requirements have formalized expectations for including Indigenous Knowledge in environmental, social and cultural effects assessments and related reports. These expectations are likely to evolve as the Province works toward reconciliation with Indigenous People to ensure a modern interpretation for the respect of existing agreements and treaties.

Reference documents regarding the First Nation consultation process and the applicant's role are available on the Commission's [website](#). Applicants may also refer to the Ministry of Indigenous Relations and Reconciliation's [Building Relationships with First Nations: Respecting Rights and Doing Good Business](#) and [Guide to Involving Proponents When Consulting First Nations](#).

2.1.2 How should proponents identify which First Nations should be engaged with?

Proponents can use the Province's tool for guidance ([Welcome to PIP: Consultation Areas \(gov.bc.ca\)](#)). However, proponents are encouraged to contact the Commission for recommendations about pre-engagement with First Nations.

2.1.3 How could the Consultative Areas Public Map be used by proponents?

The link to the Consultative Areas Public Map in the [guidance document](#) is provided for reference, and contains a disclaimer that lets proponents know information provided in the map is based on the current information made available to the Province.

The information provided is not intended to create, recognize, limit, or deny any Aboriginal or treaty rights, including Aboriginal title, that First Nations may have, or impose any obligations on the Province or alter the legal status of resources within the Province or the existing legal authority of British Columbia. The Province makes no warranties or representations regarding the accuracy, timeliness, completeness, or fitness for use of any or all data provided in the reports.

2.1.4 How far in advance should proponents begin pre-engagement with Indigenous Nations?

In an effort to include Indigenous Knowledge in project planning, pre-engagement with First Nations should start as early in the planning stages as possible. A reasonable timeframe is at least 90 days before an application is submitted to the Commission, but may vary by project and Nations.

2.1.5 How will information sharing be accommodated by proponents for Indigenous Nations lacking capacity to participate?

We are mindful that some Indigenous nations may not have capacity to participate. We encourage oil and gas proponents to support Indigenous nations with whom they are working and offer flexible timelines where possible.

2.1.6 How can Indigenous Knowledge be incorporated into the planning of a project?

Proponents' pre-engagement with First Nations will guide how Indigenous Knowledge is potentially incorporated into project planning. While proponents may be aware of certain pieces of Indigenous Knowledge through past conversations, First Nations are the holder of this knowledge, so proponents should work directly with them to determine the appropriate way to apply available Indigenous Knowledge to a specific project. If a First Nation does not agree to share Indigenous Knowledge or such knowledge is not available after reasonable efforts to work with local communities, the proponent is not required to incorporate that First Nation's Indigenous Knowledge in the assessment. Proponents should document their efforts working with First Nations and their Indigenous Knowledge within their pre-engagement report.

2.1.7 Are separate documents required for pre-engagement, environmental and social and cultural reports?

No. The pre-engagement report is key to understanding the Indigenous Knowledge that was brought forward. Available Indigenous Knowledge should be incorporated into the environmental and social and cultural assessments (when and where available) and can be included in one report.

2.1.8 What should be included in the social and cultural effects assessments?

Social and cultural effects are a project's impacts on people and on the ways in which people and communities interact with their social, cultural and biophysical surroundings. These types of effects can be directly attributable to a project or can arise indirectly from a project's activities; they can also be driven by project-related changes in the natural or biophysical environment. Some specific social or cultural effects that may be associated with a processing facility could include, but are not limited to:

- Loss of an area with specific cultural or recreational value through conversion to a facility site and/or loss of access.
- Increased hunting or fishing pressure caused by new access leading to reduced wildlife populations.
- Noise, light, vibration, or odours that affect adjacent lands valued by people.
- Alteration (e.g., avoidance, displacement) of First Nations harvesting activities, such as hunting, fishing, gathering, and trapping and/or changes in availability and utility of preferred harvested species and occupation sites.
- Alteration/removal of/increased access to archaeological/cultural heritage sites, sacred sites, trails and culturally/spiritually important sites and culturally modified trees.
- Increased traffic that significantly affects other road users and/or nearby people.
- Visual impacts that are likely to appreciably alter the character of the visual landscape as seen from viewpoints.

2.1.9 What is the expectation of the Commission for the preliminary consequence assessment requirement?

The applicant should note that the Emergency Management Regulation requires the definition of hazard planning zones for all hazards. These planning zones are based on consequence assessments (section 7

of the Emergency Management Regulation) and must be shared with “a person who occupies land that is located within the emergency planning zone” (section 13 of the Emergency Management Regulation). At the application stage, an applicant must provide consequence assessments for the hazards associated with the proposed facility that are sufficiently conservative, and that are expected to be consistent with future hazard planning zones. Refer to CSA Z246.2 for further information, particularly Annex A.8, which includes details on Hazard Identification and Consequence Analysis with a reference to CCPS 2008 Guidelines for Hazard Evaluation Procedures.

2.1.10 How have cumulative effects been considered in the Guidance?

The consideration of cumulative effects is now included in the [guidance](#) as it is recognized they are a critical element in assessment of impacts. Section 2.2.3.1 of the Guidance document, ‘Scope of the Environmental Effects Assessment Report’, includes a requirement for an assessment of cumulative effects to environmental values as part of the permit application process. The Guidance states that this assessment should include an evaluation of current disturbances within proximal watersheds, and current conditions, using approaches consistent with the most current updated guidance at the time of application development. The Commission notes this section of the Guidance document is expected to continue to evolve as better information becomes known about considering cumulative effects.

2.1.11 What does the Guidance say about factors such as wastewater, atmospheric emissions and other hazards being incorporated into the environmental effects assessment report?

Commission staff have added requirements for baseline and ongoing monitoring to the [guidance document](#), as well as noting that potential impacts to water and air need to be evaluated and monitored relative to ambient provincial standards. Residual risk has also been added to the impact assessment table (in addition to mitigation).

2.1.12 How will baseline states be determined and what does ongoing monitoring mean?

The applicant will be required to determine, with appropriate assessments and Indigenous Knowledge obtained in the pre-engagement process, where monitoring is required, and at which phases of the lifecycle of the facility. For example, the [guidance document](#) contains technical guidance for perimeter groundwater monitoring, including establishing baseline groundwater conditions and ongoing monitoring throughout the life of the processing facility, until full site restoration is complete. Ongoing monitoring of representative indicator parameters is to be determined by a Qualified Professional.

2.1.13 What is the expectation of the Commission for the quality assurance program verification report?

The Regulation, section 4(4)(c)(ii), defines the scope as verification that the permit holder will have processes and procedures ensuring that the facility will be constructed to the applicable requirements specifically in section 6 (management system) and 7 (engineering siting and design) of the OGPFR. This can be specified in the permit holders QA program verification. In summary, at the application

stage, the requirement is to verify the applicant has an overarching quality assurance program in place to ensure the appropriate quality assurance and quality control measures are setup for the detailed engineering, procurement, fabrication, construction, and commissioning of the processing facility. The overarching or project quality assurance program should be documented and include an overview of the requirements for managing quality.

3.1 Design and Construction of Processing Facility:

3.1.1 Are Piping & Instrumentation Diagrams (P & IDs) required for the permit application to be accepted?

No. Preliminary engineering design information and drawings (PFDs and preliminary plot plans) are required for the oil and gas processing facility permit application. If P & IDs are available, they can be included in the permit application and will assist in the Commission's engineering review process.

3.1.2 The Regulation refers to CSA Z767 in section 2(2)(k). Is this standard mandatory to follow? What is new in this standard that hasn't been required for gas processing facilities in B.C. up to this point?

Yes, except for clause 7.4 in CSA Z767, the standard will be mandatory to follow for all new and operating oil and gas processing facilities in B.C. as of March 4, 2022. This standard includes the following examples of new requirements that were historically followed by many permit holders as industry best practices, but now are mandatory for all permit holders of processing facilities:

- Maintaining up-to-date Process Safety information and documentation.
- Process Safety hazard and risk assessment throughout a project and during operations.
- Alarm and instrument management processes.
- Pre-Startup-Safety-Reviews before starting up new or modified processes and equipment.
- Continual improvement practices for Process Safety management.

3.1.3 How do we submit the details for modular units constructed outside of British Columbia?

The description and construction plan for the module are required, if the applicant intends to construct a modular unit outside B.C., and can be included in the project description and consist of a preliminary overview.

3.1.4 What does the modular unit verification report include? Does it have to be submitted to the Commission?

The report must verify all modular units in the processing facility have been constructed and tested in accordance with the management system and prepared by a qualified professional or a third party acceptable to the Commission. The report does not have to be submitted to the Commission but must be made available upon request during facility construction, at start-up or at a future audit. The modular verification report should include all modular unit inspection and verification documentation, including those for pressure piping and pressure vessel fabrication.

3.1.5 Is the Commission able to recommend more than the two days' notice prior to construction or equipment on location that exists in the Regulation?

The time period in the Regulation itself is two days' notice. Until such time as the timelines are extended in the Regulation, the Commission has provided recommendations in the [guidance](#) to oil and gas proponents to provide more than two days' notice to the Commission and to Indigenous nations, where possible.

Individual nations can also request to receive notices during engagement with the proponent, or request they be added as permit conditions during consultation with the Commission.

The Commission will further consider this feedback when the regulation is next up for review.

3.1.6 Are there any new requirements as part of the pre-start-up inspection process of a newly constructed processing facility from the previous gas processing facilities pre-start-up inspection?

Yes. There is a new process that mirrors most of the previous pre-start-up inspection process. Under section 14 (pre-operation testing), the updated process requires submission to the Commission of a schedule outlining when inspections and tests are to be conducted by the permit holder. The Commission will respond within seven and 14 days identifying which inspections and tests are to be witnessed by the Commission prior to the commencement of facility operations.

3.1.7 Is a perimeter groundwater monitoring program consideration required for existing gas processing plants as it is for new processing facilities?

The Regulation does not specifically require development of a groundwater monitoring program for newly proposed, existing or suspended processing facilities. However, the expectation is for permit holders of new processing facilities to verify their activities do not impact groundwater by developing and implementing a perimeter groundwater monitoring program. Permit holders of existing processing facilities will be expected to have qualified professionals evaluate the risks to groundwater to determine if they are required.

3.1.8 The requirement of the permit holder to submit a schedule of pre-operation facility inspections and tests to the Commission, and the determination of tests needing to be witnessed potentially poses a risk to timelines. How will the Commission address this risk?

The submission of the pre-operation testing schedule is understood to be a tentative timeline and is used to arrange the witnessing of the selected test. There will be communication between the construction manager and the Commission inspector as to what test is desired to be witnessed and the actual date of the selected test.

4.1 Operation of Processing Facility and Suspension of Operations and Decommissioning

4.1.1 Has the start-up process of a processing facility changed with the Regulation? Are there any new requirements?

Yes, the process has changed. While the general protocol and notification timeline has not changed, the permit holder must submit the following to the Commission prior to commencing facility operations:

- A notice stating they have implemented the management system,
- A copy of the security management system referred to in section 6(2)(b) of the Regulation, and
- A list, completed by a qualified professional as defined in the Regulation, of all safety critical devices at the processing facility.

4.1.2 What has changed with the requirements for section 23 (suspension) and section 24 (decommissioning) of a processing facility?

The new processing facility suspension requirements include the preparation, implementation and submission to the Commission of a suspension plan prepared by a qualified professional. There are new decommissioning requirements based on the processing facility not resuming operations within two years after a suspension of operations begins. This includes the requirement to carry out a contaminated sites assessment, and have a qualified professional prepare a plan to remove facilities and equipment on the facility area and remediate and restore the site. A preliminary site investigation may be acceptable if the presence of site equipment and piping hinders the ability to complete a representative contaminated sites assessment. The plan must be submitted with a schedule of activities and approved by the Commission before being implemented by the permit holder.

4.1.3 Does the management system referred to in Section 6 have to be submitted to the Commission? Is a corporate plan acceptable versus a separate system for each processing facility?

The management system does not have to be submitted to the Commission unless it is requested as part of an audit or review. A typical management system includes corporate level components and objectives along with the management of potential hazards throughout the lifecycle of each processing facility.

4.1.4 What are the expectations of the environmental management program component of the management system?

The environmental management program must detail the processes and procedures in place to minimize the adverse effect the processing facility could have on the environment over the facility's lifecycle. Some of the environmental management program expectations include, but are not limited to:

- Leak detection plan
- Flaring management plan

- Industrial wastewater and surface runoff control plan
- Groundwater management plan
- Wildlife management planning and operational measures
- Soil monitoring plan

4.1.5 Are there any changes to requirements related to flaring at processing facilities?

The Regulation, section 21(2), includes a new requirement for flaring activities and related emissions that follows the EPA Method 22 protocol. During emergency/maintenance operations emissions are to be visible for no more than five minutes in any two-hour period, are not a material threat to life or health and do not cause off-lease odours or injury to vegetation or wildlife.

4.1.6 What changes are there for the submission of record drawings for processing facilities?

The requirements have changed from what the Drilling & Production Regulation has historically required for gas processing facilities. Record drawings must now be submitted within nine months after the permit holder begins to operate the processing facility. The record drawings must include piping and instrumentation diagrams, process flow diagrams, metering schematics and plot plans.

4.1.7 Is the permit holder required to submit the security management plan at start-up, as this document will potentially include confidential information?

Submission of the security management plan (SMP) will not be required at the start-up of the processing facility. A brief summary of the SMP will be acceptable, which addresses the confidentiality concerns.

4.1.8 How can Indigenous Nations be notified if operations are to be suspended?

We are aware the Regulation does not require proponents to notify the Commission, or Indigenous nations if operations are going to be suspended. The Regulation states after 12 months of becoming inactive, the permit holder must safely suspend the facility and submit a copy of the suspension plan prepared by a qualified professional to the Commission. Commission staff have added language to the [guidance document](#) recommending proponents notify local Indigenous nations before operations are suspended. As well, individual Nations can also request to receive notices during engagement with the proponent, or request they be added as permit conditions during consultation with the Commission.

5.1 Additional Information

5.1.1 Where can I find other resources?

- [Glossary and acronym listing](#) on the Commission website.
- [Documentation and guidelines](#) on the Commission website.
- [Frequently asked questions](#) on the Commission website.
- [Advisories, updates, reports and directives](#) on the Commission website.
- [Regulations and Acts](#) listed on the Commission website

If you have further questions about the Regulation, please contact any of the following:

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