Chapter 3

Permit Holder Responsibilities

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This chapter provides an overview of permit holder obligations common amongst all energy resource activity types.

Permit holders must obtain approval (as defined in ERAA) before starting any energy resource or associated activity(s) and should maintain ongoing dialogue with the Regulator and stakeholders throughout the life cycle of the project. This includes operational and reporting requirements and continued engagement as defined in the manuals and guidelines.

Permit holders must comply with the requirements imposed by the statutes and regulations of the province of B.C. and the guides, policies, and information letters issued by the Regulator. Once approved, permit holders bear responsibility for all permit holder obligations (as defined in ERAA), including outcomes of actions of contracted personnel in carrying out permitted energy resource activities on behalf of the company.

When completing an application and/or submitting additional reports, companies must provide engineering and technical information on activities carried out during the proposed term. Companies must provide true and accurate information and not knowingly omit relevant information. All data, attachments and requirements must be complete and accurate. If an agent or contractor submits information on behalf of the company, the applicant remains accountable for the accuracy of submission.

Please Note:

This manual is written as a whole and provided to industry in sections to allow permit holders to access activity chapters. It is prudent of the permit holder to review the manual in its entirety and be aware of the content in other sections of the manual.

Industry Standards

Permit holders should first and foremost adhere to the statutes and regulations of B.C. In addition, permit holders should have working knowledge and implement industry and professional standards, industrial practices, safety codes of practice, best management practices, and industry guiding principles. Some of these guiding standards are the foundations for sections and related requirements, such as the Canadian Standards Association and America Society of Mechanical Engineers. Others such as the Canadian Association of Petroleum Producers, Canadian Energy Pipeline Association, the Canadian Fuels Association and the International Organization for Standardization may be adopted by industry to ensure a strong focus on workplace safety and preventing accidents.

3.1 Associated Energy Resource Activity

Associated energy activities are related activities. Section 1 of Energy Resource Activities Act defines energy resource related activity as an activity:

- That, under a specified enactment, must not be carried out except as authorized under the specified enactment or that must be carried out in accordance with the specified enactment.
- The carrying out of which is required for or facilitates the carrying out of an energy resource activity.

Permit holders must have an approval under the Petroleum and Natural Gas Act or Land Act for the use of Crown Land. The Regulator does not issue authorizations for associated energy resource activities on private land. Consider any additional regulations and requirements when operating borrow pits, mines, land farms and camps as follows:

- Work in and around a worksite borrow pit (defined as the excavation of clay, gravel, rock, shale, sand or soil used for the construction of energy resource infrastructure) are subject to WorkSafeBc regulations.
- All energy resource aggregate operations are considered a mining activity under the Mines Act and are subject to the requirements of the Health, Safety and Reclamation Code for Mines in British Columbia. WorkSafeBC regulations do not apply.

An energy resource aggregate operation requires a Mines Act Permit in addition to a Licence of Occupation to occupy and use Crown land.

3.2 Environmental Stewardship

Companies must adhere to the Environmental Protection and Management Regulation (EPMR) of the Energy Resource Activities Act (ERAA) in order to conduct energy resource activities.

The Environmental Protection and Management Regulation (EMPR) establishes the regulatory requirements for stewardship of environmental values and features in the course of carrying out energy resource activities on Crown land. With the exception of certain provisions which apply to all roads, the EPMR does not apply to energy resource activities on private land. Please note that most stream crossings in BC are located on Crown land where the EPMR does not apply.

The Regulator's Environmental Protection and Management Guideline (EPMG) provides specific guidance for permit holders in meeting the requirements of the Environmental Protection and Management Regulation.

Applicants and permit holders must plan and carry out energy resource activities to avoid and/or minimize impacts to environmental values, mitigate impact where no realistic opportunity exists to avoid, and/or restore the impacted area to its pre-development state. General protection and best management approaches must continue during the operational stages so adequate management controls are in place and operations should be monitored to identify further opportunities to reduce environmental impacts.

Environmental Protection and Management Requirements

Part 3 of the EPMR prescribes operational requirements with respect to the items listed below:

- Water quality (for operating areas and adjacent areas).
- Aquifers.
- Crossings of streams, wetlands and lakes.
- Deleterious materials into streams, wetlands or lakes (energy resource activities must not result in any deleterious material deposited).
- Operations within wetlands.
- Natural range barriers.
- Invasive plants.
- Forest health.
- Soil conservation.
- Seismic lines.

- Restoration of operating areas.

Permit Conditions

Permits may contain additional requirements permit holders must comply with during all phases of operation. It is prudent of permit holders to also have current knowledge and understanding of both the legal requirements and best practices to ensure stewardship of environmental values and features in the course of carrying out energy resource activities.

Water Use

There are different ways permit holders may access water in British Columbia and seek permission. Refer to the Regulator's Energy Resource Activity Application Manual for water use permission and reporting requirements and the Regulator's Water Licence Application Manual for water licence application details.

The Regulator may restrict water usage, especially during times of drought in the case of water shortages or droughts. Water withdrawals from rivers and lakes can and will be suspended if necessary. Permit holders are responsible for keeping apprised of Regulator updates by following the website for directives, bulletins, safety advisories and news releases.

3.3 Emergency Planning and Response Programs

The prevention of oil or gas emergencies requires operators to prepare, understand and minimize risks and adhere to legislative regulation, guidelines, industry standards, engineering codes and standards. Many of the regulations and standards are designed specifically to safeguard operations, but permit holders are required to check equipment, train employees and report to the Regulator at various stages.

A permit holder is required to prepare and maintain an emergency management program and a emergency response plan for each of its energy resource activities prior to carrying out those activities, as prescribed in the Emergency Management Regulation (EMR) and the Regulator's Emergency Management Manual.

Incident Prevention

The Regulator's Emergency Response and Safety web page provides guidelines, forms and information on emergencies, incident reporting and notification and annual exercise requirements. The Regulator maintains a web page for Provincial emergency updates focussed on natural disasters which may affect energy resource operating areas in B.C. The site includes direct links to up-to-date fire and other incident mapping, as well as training and preparation resources. Permit holders are encouraged to keep staff informed of evolving hazards and the procedures for reporting incidents by reviewing the documents on both pages.

3.4 Flaring and Venting

The Regulator's Flaring and Venting Reduction Guideline provides guidance for flaring, incinerating and venting in British Columbia, as well as procedural information for flare approval requests, dispersion modelling and the measuring and reporting of flared, incinerated and vented gas.

Review the Flaring and Venting Reduction Guideline to understand flaring volume thresholds and time limits, public notification, guidance for flare stacks and incinerators and documentation. Specific sections of the wells and facility operations further discuss flaring and venting.

3.5 Archaeological Assessments

Permit holders must fulfill archaeological requirements pursuant to the Heritage Conservation Act and the Regulator's archaeology guidelines as outlined in the Regulator's Energy Resource Activity Application Manual.

3.6 Roads Maintained by a Road Permit Holder

Section 21 of the Energy Resource Road Regulation (ERRR) establishes requirements related to use, notification and contribution to maintenance costs associated with using an energy resource road maintained by a road permit holder:

- Providing Notice of Use to the road permit holder at least 14 days before the intended use will begin.

If the road permit holder will be requiring that the permit holder enters into a cost-sharing maintenance agreement for road use, upon receiving a notice of intended road use, the road permit holder must provide to the permit holder providing the notice, an estimate of costs along with supporting data and records in relation to maintenance or any modifications necessary to accommodate the intended use of the permit holder, or to repair any damage caused by the user.

3.7 Noise Management

Section 40 of the Drilling & Production Regulation states:

- A permit holder must ensure operations at a well or facility for which the permit

holder is responsible does not cause excessive noise.

Review Section 40 of the DPR and the Regulator's British Columbia Noise Control Best Practices Guideline for an understanding of noise levels, guidelines and suggested best practice standards. In addition, work with area residents to minimize noise impacts when undertaking construction, drilling, completions, and operations activities near populated areas.

3.8 First Nations Engagement

Permit holders are encouraged to work with First Nations and consider any environmental, heritage and/or community concerns impacted by energy resource activity by initiating and building relationships with First Nations communities during the project planning phase and continue the relationship throughout the project life cycle.

Under the Energy Resource Road Regulation, permit holders are required to provide notice to local Indigenous nations pre-construction and before deactivation of an energy resource road.

While not required prior to application, engagement with the public and First Nations within a pre-determined Emergency Planning Zone for Emergency Response Contingency Plans is encouraged since emergency plans must be in place for well, facility and pipeline permit holders prior to operation.

3.9 Land Owner and Rights Holder Engagement

Once a permit is approved, the Regulator provides notice to the land owner(s) stating an energy resource permit has been issued over the land.

Under the Energy Resource Road Regulation, permit holders are required to provide notice to affected listed parties pre-construction and before deactivation of an energy resource road.

Permit holders are encouraged to work proactively and collaboratively with those affected by energy resource activity. The formalized public engagement process of consulting and engaging with land owners and/or rights holders are discussed in the Energy Resource Activity Application Manual.

3.10 Restoration and Reclamation

Planning, construction and the energy resource activity should take into consideration the entire life cycle of the project and the environmental and social impact of the proposed project. It is the intent of the Regulator that energy resource sites are temporary; therefore,

careful planning beforehand is required to ensure a successful project end.

Regulatory and legal requirements cover the restoration of energy resource sites no longer operating. Planning to reclaim a project starts early. For example, companies must minimize the disturbance to nearby land before and during a drilling operation. This decreases the amount of work necessary to return the area to its original state after the well is no longer producing.

Construction corridors are used to avoid or prevent disturbance to sensitive ecosystems and wherever practical, locate energy resource and associated activity within the corridor.

During construction and ongoing operation of energy resource activities, permit holders should take into account the eventual requirements for restoration and reclamation of land disturbed to facilitate the activity. When construction and/or operations are complete, restoration and reclamation should return the site to a similar state existing prior to disturbance.

Restoration and reclamation requirements are identified in Section 19 of the Environmental Protection and Management Regulation under ERAA. Guidance for planning and carrying out restoration and reclamation activities are in the following documents:

- Environmental Protection and Management guideline.
- Certificate of Restoration Application manual.
- Restoration Verification Audit Program Procedure manual.

Reclamation on ALR Land

The preliminary reclamation plan for activity falling within the Agricultural Land Reserve provides a brief description of how the site will be restored once it is no longer required for the energy resource activity. This plan forms part of an ALR Schedule A report submitted with an application for the energy resource activity (detailed in the Energy Resource Activity Application Manual). The preliminary reclamation plan must include:

- Post energy resource activity land-use objective.
- Soil handling.
- Re-vegetation.

In some cases, the submission of an ALR Schedule A report is not required until after the Regulator has granted an energy resource activity permit. In these cases, the ALR Schedule A report must be submitted via email to postpermitrequests@bc-er.ca for Regulator review. The permit holder must receive a letter verifying that the report is to the satisfaction of the Regulator prior to beginning construction activities.

Specific reclamation criteria for lands within the Agricultural Land Reserve are found in the site reclamation requirements as part of the Schedule B section in the Delegation Agreement, as well as on the Regulator's website.

Schedule B Reports for pipeline right of ways must be submitted to the Regulator within 24 months of Leave to Open submission for the pipeline. Schedule B Reports for wells must be submitted with the COR Part 2 application. For all other surface leases described in Schedule B of the Delegation Agreement, Schedule B Reports must be submitted in a timely manner after cessation of activity on the site, allowing for practicability of reclamation activities.

Schedule B Reports can be submitted in paper copy to the Regulator's Fort St. John office, or via email to waste.management@bc-er.ca.

3.11 Compliance and Enforcement

Applicants have a legal obligation to meet all legislated requirements. The Regulator expects applicants and permit holders to use formal practices in day-to-day operations and comply with the Energy Resource Activities Act, the Regulator's specified enactments, and all related regulations.

The Compliance and Enforcement Manual provides further information about the Regulator's compliance processes. It is the permit holder's responsibility to know and uphold any legal responsibilities inside and outside of the Regulator's legislative authority. The Regulator audits and inspects permit holder activities and investigates incidents of alleged non- compliance.

3.12 Freedom of Information & Protection of Privacy

Throughout the course of application preparation and planning, the information collected from a person or other entity may contain personal information as defined by the Personal Information Protection Act (PIPA). Private sector organizations collecting personal information in British Columbia are subject to the PIPA, which sets out the rules for how personal information may be collected, used or disclosed.

Applicants and permit holders should comply with PIPA when collecting information from persons or entities and can contact the Office of the Information and Privacy Commissioner for British Columbia for more information.

As a public body, the Regulator is subject to the Freedom of Information and Protection of Privacy Act (FOIPPA). Any personal information contained in plans or applications submitted to the Regulator are subject to the protection and security requirements identified in FOIPPA.

Confidentiality of Well Information

The Regulator may make all or any portion of information included in well reports and well data publicly available on expiry of statutory confidentiality status of the well.