

INDUSTRY BULLETIN 2014-20



December 16, 2014

Area-based Analysis available now for industry and public, will be used as part of decision-making starting Jan. 5, 2015

To: Industry

Effective Date: January 5, 2015

The BC Oil and Gas Commission (Commission) will be using the innovative **Area-based Analysis** (ABA) as a tool in application review in northeastern B.C starting on Jan. 5, 2015.

Using ABA, Commission decision makers will assess the impact of proposed oil and gas activities on ecological values in the context of all other development activities. The information decision makers will use is now available to industry, as well as the public, communities, industry and First Nations. Documentation surrounding the data, analysis processes and results is also available on the Commission website, as are a series of FAQs.

The objectives of ABA are to:

- o Achieve better environmental outcomes.
- Reduce administration for all parties.
- Establish clear, consistent and appropriate interpretations of regulation / policy for operational decision-making.

ABA evaluates the overall landscape – including features such as roads, wildlife management zones and other industrial uses, such as forestry. ABA sets an impact "trigger" for each value and each area that, when exceeded, initiates additional planning requirements from industry, and the potential for additional permit conditions. Decision makers use the information from Area-based Analysis to evaluate applications and manage individual activities.

The Commission has identified eight values to be included within ABA. Two values are included in the current release: Hydro-riparian ecosystems and Old Forest.

The other values are under development and will be released throughout 2015. The Commission has been working with First Nations communities to identify additional values that could be included within Area-based Analysis, and is planning to continue to work together.

As part of its commitment to continuous improvement, the Commission is reviewing key data and assumptions with the existing analysis, and plans field validation in 2015. As these are completed and results made known, the Commission will assess the need for a revision or re-analysis. Permit and authorization conditions will reflect the certainty with the underlying data and analysis assumptions and corroboration from the field validation program.

What does industry need to do?

To make the most effective applications and avoid delays or returns, industry should include ABA as an integral part of planning an oil or gas activity. Much of ABA is about planning how to do oil and gas activities in a way that further minimizes the footprint of activities, and reduces restoration / reclamation timeframes on environmental values.

Where ABA indicates that the condition of the riparian and old forest values does not affect any triggers, only existing regulatory requirements and associated guidance need be considered in relation to these values. Where a trigger has been exceeded, additional questions industry could consider when creating an application under ABA may include:

- o Can old forest stands and riparian reserve zones be avoided?
- O How was the use of existing disturbance maximized in old forest or riparian reserves, before any new disturbance was created, unless doing so would result in a greater disturbance, greater safety risk, significant operational difficulty and/or negative environmental impacts?
- How did we consider maximizing the amount of low-impact seismic techniques and hand cut lines in old forest or riparian reserves?
- How did we consider working with other companies on sharing access and infrastructure?
- How did we consider minimizing clearing widths within the rights-of-way and minimizing running surfaces for all grades of road?

Should you have any questions about ABA, please contact:

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