

July 1, 2015

Brian Underhill, Executive Director  
Provincial Agricultural Land Commission  
133 – 4940 Canada Way  
Burnaby, BC V5G 4K6

Dear Brian Underhill

**Re: 2014/15 ALC-OGC Delegation Agreement Annual Activity Report**

This letter represents the annual report as required under Section VI of the Agricultural Land Commission (ALC) – BC Oil and Gas Commission (OGC) Delegation Agreement (Delegation Agreement). Section VI requires the OGC to report annually on the following elements:

1. Total number of Schedule A Reports for activities exempted from application for permission for non-farm use;
2. Total number of applications received by the OGC, including:
  - a. Summary of the decisions made on each application;
3. Total number of Schedule B Reports received by the OGC;
4. Total number of inspections and investigations conducted by the OGC, including:
  - a. Summary of individual inspections and investigations; and
5. Total number of enforcement actions undertaken by the OGC.

The following is a summary of the reporting elements that support Delegation Agreement implementation.

**1. Total number of Schedule A Reports for activities exempted from application for permission for non-farm use**

The activities shown in Table 1 are exempt from making application under section 20(3) of the *ALC Act*, provided conditions outlined in Part II of the Delegation Agreement have been met.

<b>Oil and Gas Activity Type</b>	<b>Total</b>
Pipelines	103
Wells	105
Roads	29
Facilities	5
Other	55
<b>Total</b>	<b>297</b>

**Table 1 - Total Number of Schedule A Reports for Activities Exempted from Application for Permission for Non-farm Use**

Exempt activities pertain to those oil and gas activities found in column two of Appendix I of the Delegation Agreement. Oil and gas activities exempted from *ALC Act* application still require approval from the OGC under oil and gas legislation.

Note that the 'other' category includes:

- temporary campsites;
- temporary workspaces;
- borrow pits;
- water storage sites; and
- investigative permits that are required to carry out an oil and gas activity.

## 2. Total number of applications received by the OGC that are within the ALR

The total number of applications received by the OGC falling within the ALR is shown in Table 2.

<b>Application Type</b>	<b>Total</b>
Exempt Activities	297
Approved by the OGC Commissioner	41
Approved by the ALC	12
<b>Total</b>	<b>350</b>

**Table 2 - Total Number of ALR Applications Received by the OGC**

In 2014-15, 41 *ALC Act* applications were submitted for decision by the OGC Commissioner (or Deputy Commissioner). Twelve oil and gas activities permitted by the OGC were first approved by the ALC as they fell outside the OGC's mandate under the Delegation Agreement. The remaining 297 applications were exempt activities as they fell under Appendix I of the Agreement as a non-farm use activity.

It should be noted that the total number of applications received, as indicated in Table 2, is greater than the total number of Schedule A Reports received for activities exempted from application for permission for non-farm use, as shown in Table 1. The difference between the totals is due to activities that have either not required new area and/or have an existing disturbance on the land; including:

- a new well on an existing pad;
- a pipeline amendment with no new area;
- a road permit with no new disturbance (i.e. over existing road); and
- a geotechnical investigation.

### 3. Total number of Schedule B Reports

The OGC requires activity owners to submit a post-reclamation site assessment report as set out in Schedule B of the Delegation Agreement for the following situations:

- when ALR land is no longer required for an oil and gas activity; and
- within two years of pipeline installation.

Table 3 shows the Schedule B Reports received by the OGC in the 2014-15 fiscal year.

<b>Oil and Gas Activity Type</b>	<b>Total</b>
Pipelines	45
Wells	13
<b>Total</b>	<b>58</b>

**Table 3 - Total Number of Schedule B Reports Received by the OGC**

The Commission is responsible for evaluating and recording the Schedule B Reports before issuing a Certificate of Restoration for wellsites and/or other oil and gas activities, and evaluating and recording Schedule B Assessments for pipelines immediately upon completion of construction and reclamation, or within a maximum of 24 months after installation.

### 4. Total number of inspections and investigations conducted by the OGC pursuant to Part V of the Delegation Agreement

As authorized under section 56(1) of the *ALC Act*, the OGC will conduct inspections and undertake enforcement activities accordingly. The number of inspections and investigations are shown in Table 4.

<b>Type</b>	<b>Total</b>
Inspections	256
Investigations	0
<b>Total</b>	<b>256</b>

**Table 4 - Total Number of Inspections/Investigations Conducted by the OGC**

In 2014-15, there were 256 inspections conducted at new construction of oil and gas activities within the ALR. Of those inspections, no issues were identified as a potential non-compliance with the *ALC Act*. Subsequently, zero investigations under the *ALC Act* were undertaken.

**5. Total number of enforcement actions undertaken by the OGC pursuant to Section 56(1) of the ALC Act**

No enforcement actions were undertaken by the OGC pursuant to Section 56(1) of the *ALC Act* in 2014-15 fiscal year.

Please contact me if you have any questions about this report.

Sincerely,

**Ben Rauscher,**  
Environmental Specialist  
BC Oil and Gas Commission  
[Ben.Rauscher@BCOGC.ca](mailto:Ben.Rauscher@BCOGC.ca)