

May 21, 2019

Kim Grout, Chief Executive Officer
Provincial Agricultural Land Commission
201-4940 Canada Way
Burnaby, BC
V5G 4K6

Re: 2018-19 ALC-OGC Delegation Agreement Annual Activity Report

Dear Kim Grout,

The information presented in this document represents the annual report as required under Section V of the Agricultural Land Commission (ALC) – BC Oil and Gas Commission (OGC) Delegation Agreement (Delegation Agreement) for fiscal year 2018-19.

Section V requires the OGC to report annually on the following elements:

1. The area of ALR in northeast BC affected by each type of oil and gas activity and ancillary activity and the total area affected – fiscal year 2018-19

Activity	Area (ha)		Total area (ha)
	Crown	Private	
Pipelines	157	302	459
Wellsites, facilities	80	77	157
Roads	104	23	127
Ancillary	174	335	509
Total	515	737	1252

2. The area of ALR in northeast BC affected by oil and gas activities and ancillary activities in each capability class according to the Land Capability Classification for Agriculture in British Columbia classification system – fiscal year 2018-19

Agricultural Land Capability	Area (ha)		Total Area (ha)
	Crown	Private	
0	3	0	3
1	0	0	0
2	1	137	138
3	183	114	297
4	178	299	477
5	142	182	324
6	2	2	4
7	5	4	9
Total	514	738	1252

3. The area of ALR in northeast BC affected by oil and gas activities and ancillary activities in each of the following land cover categories: cultivated / pasture, forested and shrub – fiscal year 2018-19

Activity	Land Cover Categories				Total Area (ha)
	Forested	Shrub	Cultivated / Pasture	Clearing	
Pipelines	206	32	219	0	457
Wellsites, facilities	87	32	39	0	158
Roads	92	17	18	0	127
Ancillary	234	25	248	1	508
Total	619	106	524	1	1250

Land cover categories *Rock* and *No Land* are not included in the above. This accounts for discrepancies in the total affected area between Tables 1 & 2 and this table.

4. The area of private land and crown land ALR in northeast BC developed for oil and gas activities and ancillary activities

The table under item 1 shows the breakdown of area developed for oil and gas activities on both Crown and private land.

5. A summary of the cumulative footprint of oil and gas activities and ancillary activities on the ALR in northeast BC in each of the categories and subcategories specified in 12.1-12.4 expressed in hectares and as a percentage of the overall area of ALR lands in each category and subcategory.

The following 3 tables identify the cumulative footprints specified above. These footprint summaries include all historic oil and gas related development and do not factor in reclaimed areas.

Cumulative footprint by oil and gas and ancillary activity type

Activity	Total Area (ha)	Area (ha)		Area (%) ¹		
		Crown	Private	Crown	Private	Total
Pipelines	8,777	4,508	4,269	0.34	0.32	0.66
Wells, facilities	10,682	3,713	6,969	0.28	0.52	0.80
Roads	3,256	2,308	949	0.17	0.07	0.24
Ancillary	3,250	1,366	1,884	0.11	0.14	0.25
Total Affected	25,965	11,895	14,070	0.89	1.05	1.95
Total ALR	1,333,213	617,930	741,248	45.46	54.54	100.00

1 - Percent area is calculated against Total (ALR) Area

Cumulative footprint by agricultural land capability classification

Land Capability	Total Area (ha)	Total Area Affected (ha)			Total Area Affected (%)
		Crown	Private	Total	
Organic (O)	14,426	67	18	85	0.58
1	440	0	2	2	0.45
2	114,463	70	1,582	1,651	1.44
3	397,128	3,003	3,763	6,766	1.70
4	456,339	4,551	4,959	9,510	2.08
5	304,498	3,914	3,497	7,411	2.43
6	15,841	51	108	159	1.00
7	30,078	239	141	380	1.26
Total	1,333,213	11,895	14,070	25,965	1.95

Cumulative footprint by land cover classification

Activity	Land Cover Categories (ha)						Total Area (ha)
	Forest	Shrub	Cultivated / Pasture	Clearing	Rock	No Class	
Pipelines	4,765	742	3,193	6	0	70	8,777
Wells, facilities	3,613	869	6,018	153	0	30	10,682
Roads	2,041	336	859	2	0	19	3,256
Ancillary	1,689	210	1,304	1	0	46	3,250
Total Affected	12,107	2,157	11,374	162	0	165	25,965
Affected (%)*	1.6	2.5	2.5	10.5	0.0	0.4	99.99

* Represents the proportion of each ALR land cover category affected by oil and gas activity.

6. The number of sections where the footprint of oil and gas and related activities exceeds 20 ha and the total number of sections within the Identified ALR Lands

Of the 3,644 sections in the Peace River Block that contain ALR land, 57 of these sections have more than 20 hectares of oil and gas and ancillary activities.

This measure follows Appendix I of Delegation Agreement in applying the 20 ha threshold.

7. The total number of activities by activity type exempted from requiring permission for non-farm use pursuant to Part II of this Agreement

The Delegation Agreement identifies oil and gas and ancillary activities that are exempt from the requirement of an application for permission for non-farm use under the ALC Act. These activities, specified in Appendix I, are as follows:

- Item 1 – the combined total area of existing and proposed oil and gas activities and ancillary activities is less than or equal to 20 ha;
- Item 3 – pipelines or electric powerlines that are buried; powerlines that are immediately adjacent to access roads;

Schedule A's must be submitted for most exempted activities.

There were **238 Schedule A's submitted** for exempted activities in fiscal year 2018-19.

Activities exempt from requiring permission for non-farm use – fiscal 2018-19

Activity	Total area (ha)
Pipelines	459
Wellsites, facilities	82
Roads	13
Ancillary	427
Total	981

8. The total number of applications for permission for non-farm use, by activity type, received by the OGC, the OGC Commissioner and/or the OGC Deputy Commissioner under the Delegation Agreement and the decision made on each application – fiscal year 2018-19

The Delegation Agreement identifies oil and gas and ancillary activities that require a decision from the OGC under the ALC Act.

These activities, specified in Appendix I of the Agreement are as follows:

- Item 2 – oil and gas and ancillary activity sites where the combined total area of existing and proposed activities on the section is > 20.0 hectares
- Item 4 – above ground electric power line not immediately adjacent to a road
- Item 5 – conversion or expansion of an existing oil and gas activity or ancillary activity, or a new oil and gas activity or ancillary activity that is listed in (i)-(v) (multi-well facilities, sumps, water reservoirs, produced water storage ponds, camps, borrow / aggregate pits), for which new land is required and the total project (lease) area is >3.0 hectares...
- Item 6 – oil and gas waste storage, treatment, and/or disposal facility that is operated by a person who is not a producer, or a conversion or expansion of such a site for which new land is required.

Summary of applications involving OGC decisions

Summary Activity	Total
Applications Submitted	25
Applications Approved	24
Total Area of Non-farm Use Approved (ha)	172
Applications Triggering Item 2 of Appendix I ¹	19
Applications Triggering Item 4 of Appendix I ¹	4
Applications Triggering Item 5 of Appendix I ¹	7
Applications Triggering Item 6 of Appendix I ¹	0

The Number of Application triggering individual items in Appendix I exceeds the total because some applications trigger more than one item.

9. The total number of Schedule B Reports received by the OGC under the Delegation Agreement and the total area identified as reclaimed in the reports – fiscal year 2018-19

Section 6.3.4 of the Delegation Agreement requires the proponent of an activity to submit a Schedule B Report to the OGC (and to the landowner, if other than Crown land ownership).

The Commission is responsible for evaluating and recording the Schedule B reports.

The total number of Schedule B reports received by the OGC – fiscal year 2018-19

Activity Type	Schedule B's Submitted	Area Reclaimed (ha)*
Pipelines	187	933
Wells	14	20
Total	201	953

* The total area reclaimed is an estimate based on the best available information at the time of the report.

10. The total number of inspections and investigations conducted by the OGC pursuant to Part IV of the Delegation Agreement - fiscal year 2018-19

Type	Total
Inspections	1262
Investigations	0
Total	1262

11. The total number of enforcement actions undertaken by the OGC pursuant to section 56(1) of the ALC Act.

There were no enforcement actions undertaken by the OGC pursuant to section 56(1) of the *ALC Act*.

This concludes the information required for reporting under Part V of the Delegation Agreement.

Please contact the undersigned should there be any questions about this report.

Sincerely,



James O'Hanley, Vice President Applications
BC Oil and Gas Commission