

June 2, 2023

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

Re: 2022-23 ALC-BCER 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 Energy Regulator (BCER) Delegation Agreement (Delegation Agreement) for fiscal year 2022-23.

Section V requires the BCER to report annually on the following elements. Please see notes below on calculation and rounding approaches used in presentation of the data for this report.

*Note: The numerical values presented in the tables within this report are calculated through Geographic Information System (GIS) analysis which involves a series of mathematical operations using spatial data. The decimals points produced for the sum values generated through these calculations do not reflect the accuracy of the data but are an artifact of the GIS calculation approach. Therefore, in the preparation of this report values have been rounded to the nearest ha, which is considered appropriate accuracy for reporting.

Using this rounding approach, the totals (in the bottom rows and far right columns) are determined by adding the report table entries, rather than direct input from the GIS analysis. This approach ensures that the totals in the table are consistent adding up the reported values.

*Note that the previous report provided to ALC was compiled with direct input of GIS generated sums rounded to 2 decimal places for all table entries including rows and columns for totals, and therefore, created apparent errors in reporting of results.

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 2022-23.

Activity	Area (ha)		Total area (ha)
	Crown	Private	
Pipelines	12	60	72
Wellsites, facilities	4	23	27
Roads	6	6	12
Ancillary	53	27	80
Total	75	116	191

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 2022-23.

Agricultural Land Capability	Area (ha)		Total Area (ha)
	Crown	Private	
0	0	0	0
1	0	0	0
2	0	0	0
3	28	19	47
4	12	68	80
5	29	29	58
6	<1	<1	<1
7	6	<1	6
Total	75	116	191

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 2022-23.

Activity	Land Cover Categories				Total Area (ha)
	Forested	Shrub	Cultivated / Pasture	Clearing	
Pipelines	37	2	33	<1	72
Wellsites, facilities	4	0	23	0	27
Roads	6	<1	6	0	12
Ancillary	58	<1	21	<1	80
Total	105	3	83	<1	191

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 three 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. Footprint summaries are derived from post-construction plans based on what has been built up to and including March 31, 2023.

Cumulative footprint by oil and gas and ancillary activity type

Activity	Total Area (ha)	Area (ha)		Area (%) ¹		
		Crown	Private	Crown	Private	Total
Pipelines	10,253	4,918	5,335	0.37	0.40	0.77
Wells, facilities	11,297	3,875	7,422	0.29	0.56	0.85
Roads	3,669	2,718	951	0.20	0.07	0.28
Ancillary	4,390	1,899	2,491	0.14	0.19	0.33
Total Affected	29,609	13,410	16,199	1.00	1.22	2.22
Total ALR	1,332,983	619,156	713,828	46.45	53.55	100.00

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

Important Note: The numbers listed above do not account for the 1,912 ha of area reclaimed since 2017 for pipelines and the 254 ha of area reclaimed since 2019 for wells / facilities.

Cumulative footprint by agricultural land capability classification

Land Capability	Total Area (ha)	Total Area Affected (ha)			Total Area Affected (%)
		Crown	Private	Total	
Organic (O)	14,429	78	20	98	0.68
1	440	<1	2	2	0.45
2	114,348	90	2,029	2,119	1.85
3	397,004	3,586	4,421	8,007	2.02
4	456,339	5,044	5,533	10,577	2.32
5	304,504	4,291	3,914	8,205	2.69
6	15,839	63	117	180	1.14
7	30,080	258	163	421	1.40
Total	1,332,983	13,410	16,199	29,609	2.22

Cumulative footprint by land cover classification

Activity	Land Cover Categories (ha)						Total Area (ha)
	Forest	Shrub	Cultivated/ Pasture	Clearing	Rock	No Class	
Pipelines	5,589	679	3,954	18	0	13	10,253
Wells, facilities	3,924	869	6,289	210	0	5	11,297
Roads	2,424	289	951	4	0	1	3,669
Ancillary	2,381	231	1,729	45	0	4	4,390
Total Affected	14,318	2,068	12,923	277	0	23	29,609
Total Land Cover Category Area (including unaffected)	788,502	75,700	459,177	1,530	34	8,040	1,332,983
Affected (%)*	1.82	2.73	2.81	18.10	0.00	0.30	

* Represents the proportion of each ALR land cover category affected by oil and gas activity (proportion of 'Total Land Cover Category Area' by 'Total Affected' area)

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, 76 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 Reports must be submitted for most exempted activities.

There were **33 Schedule A Reports submitted** for exempted activities in fiscal year 2022-23.

Activities exempt from requiring permission for non-farm use – fiscal 2022-23

Activity	Total area (ha) ¹
Pipelines	112
Wellsites, facilities	17
Roads	2
Ancillary	88
Total	219

8. The total number of applications for permission for non-farm use, by activity type, received by the BCER, the BCER Commissioner and/or the BCER Vice President under the Delegation Agreement and the decision made on each application – fiscal year 2022-23.

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.

¹ Only those areas that were built (post-construction plan submitted to the BCER) during the 2022/23 fiscal year will be accounted for in item 5 above. Most areas in the table above have not been built as of March 31, 2023, and will not be accounted for yet in the cumulative footprint area tables.

Summary of applications involving BCER decisions.

Summary Activity	Total
Applications Submitted	26
Applications Approved*	14
Total Area of Non-farm Use Approved (ha)	33
Applications Triggering Item 2 of Appendix I ¹	13
Applications Triggering Item 4 of Appendix I ¹	8
Applications Triggering Item 5 of Appendix I ¹	7
Applications Triggering Item 6 of Appendix I ¹	1

¹ The Number of Application triggering individual items in Appendix I exceeds the total because some applications trigger more than one item.

* Pending:

6 Approval letters on hold; Proposed Disturbance Area: 122 ha; 8 of the 14 applications approved during 2022/23 fiscal year were submitted during the 2021/22 fiscal year.

9. The total number of Schedule B Reports received by the BCER under the Delegation Agreement and the total area identified as reclaimed in the reports – fiscal year 2022-23.

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

The BCER is responsible for evaluating and recording the Schedule B Reports.

The total number of Schedule B reports received by the OGC – fiscal year 2022-23

Activity Type	Schedule B Reports Submitted	Area Reclaimed (ha)*
Pipelines	95	532
Wells	35	78
Total	130	610

* The total area reclaimed is an estimate based on the best available information at the time of the report and is a tally of those activities that had assessments submitted during the 2022/23 fiscal year that met the Schedule B criteria. Not all assessments submitted met the Schedule B criteria and those that did not meet the criteria will require re-assessment and submission and another Schedule B.

Note: 'Schedule B Reports submitted,' includes both initial assessments as well as re-assessments for those activities that did not meet the Schedule B criteria during the first assessment.

10. The total number of inspections and investigations conducted by the BCER pursuant to Part IV of the Delegation Agreement - fiscal year 2022-23.

Type	Total
Inspections	1,121
Investigations	0
Total	1,121

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

There were no enforcement actions undertaken by the BCER 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,



Sean Curry, Vice President Responsible Development & Stewardship
BC Energy Regulator