

CARBON NEUTRAL ACTION REPORT

BC Oil and Gas Commission - 2011



About the

BC Oil and Gas Commission

The BC Oil and Gas Commission (Commission) is the single-window regulatory agency with responsibilities for regulating oil and gas activities in British Columbia, including exploration, development, pipeline transportation and reclamation.

The Commission's core roles include reviewing and assessing applications for industry activity, consulting with First Nations, ensuring industry complies with provincial legislation and cooperating with partner agencies. The public interest is protected by ensuring public safety, protecting the environment, conserving petroleum resources and ensuring equitable participation in production.

The Commission is a Crown corporation of the Province of British Columbia. The enabling legislation for the Commission's powers and responsibilities is the Oil and Gas Activities Act.



Our Mission, Vision and Values were created and adopted by Commission staff in 2010.

Mission

We regulate oil and gas activities for the benefit of British Columbians.

We achieve this by:

- Protecting public safety,
- Respecting those affected by oil and gas activities,
- Conserving the environment, and
- Supporting resource development.

Through the active engagement of our stakeholders and partners, we provide fair and timely decisions within our regulatory framework.

We support opportunities for employee growth, recognize individual and group contributions, demonstrate accountability at all levels, and instill pride and confidence in our organization.

We serve with a passion for excellence.

Vision

To be the leading oil and gas regulator in Canada.

Values

Respectful	Efficient
Accountable	Responsive
Effective	Transparent



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Message from the Commissioner

I am very pleased to announce that through the dedication of our employees, the Commission achieved an 12 per cent overall reduction in carbon emissions for 2011. This is a great accomplishment and we are proud to demonstrate our continued accountability to carbon emissions reduction now, and into the future.

During 2011 we remained focused on reducing carbon emissions in many areas of our business. Greening the vehicle fleet through the replacement of older diesel one-tonne trucks with flex-fuel models, influencing behaviour change by adhering to our Motor Vehicle Policy, as well as the continuing benefits derived from our LEED® Platinum Victoria office have gone a long way in reducing our carbon footprint.

It's an exciting time to be a part of the Commission. The commitment to provide our employees a LEED® Gold certified head office in Fort St. John builds on the expertise gained in the move to our LEED® Platinum Victoria office. The Commission is researching ways to further green the facility through ideas such as amalgamating break-rooms to save space and placing snow removed from the parking lots into bioswales to reduce both the energy expended and cost of hauling away snow.

Balancing fiscal prudence with innovative ways to further reduce our footprint is the way forward for the Commission in 2012. The senior leadership team is in full support of establishing a Green Team to encourage and coordinate the emission reduction activities between Commission offices.

Through the continuation of numerous emission reducing corporate undertakings, to the culture shift that we encourage through our policies and health and wellness programs, the Commission supports our employees as they continue on the path of lessening their carbon footprint, both in the office, and in their daily lives.

A handwritten signature in black ink, appearing to read 'Paul Jeakins', with a stylized flourish at the end.

Paul Jeakins
Commissioner and CEO

Executive Summary

This is the third Carbon Neutral Action Report prepared and submitted by the BC Oil and Gas Commission. This report was prepared in accordance with the Greenhouse Gas Reduction Targets Act adopted in November 2007. This report reflects the ongoing commitment to carbon neutrality by Commission staff, Executive and Board of Directors acting in the best interest of British Columbians.

The Commission continues to drive carbon neutrality through corporate emissions education programs and behavioural changes within all its diverse geographic locations. The actions taken over the past year have resulted in an 12 per cent reduction in overall emissions compared to 2010.

This significant reduction in emissions was achieved by concentrating efforts on areas producing the most emissions, which is the vehicle fleet for the Commission. The Commission is committed to continually adopting the latest green technologies and behaviours while upholding our strategic priority of creating value to the province of British Columbia.

Adhering to the Commission's Motor Vehicle Policy, the vehicle fleet was reduced by the exchanging of six diesel one-tonne trucks with four flex-fuel gas trucks. In addition, centralizing and increasing our fleet service maintenance were ways the Commission followed through on the commitments made in the Carbon Neutral

Action Reports.

Communication efforts and employee-led behavioural shifts on a variety of green initiatives have the support of senior leadership and are expected to ramp-up in 2012. This includes formalizing a Green Team that will coordinate and augment the work already underway through Health and Wellness programs, fleet greening and emissions reductions efforts at facilities.

During 2011 planning has advanced for a new LEED® Gold building in the unique climate of Fort St. John to house the Core Facility and employee offices.

Per the Service Plan, the Commission continues to measure emissions per employee, promoting transparency and accountability in carbon emissions reduction activities.

Applicable

2011 Greenhouse Gas Emissions

In calendar year 2011, Commission emitted 391 tonnes of carbon dioxide equivalent (CO₂e) from sources applicable to the Commission under the Carbon Neutral Government Regulation. Of these emissions, 260.61 tCO₂e came from vehicle fleet, 122.53 tCO₂e came from heating, cooling and lighting buildings and 7.43 tCO₂e came from paper use.

Emissions for 2011 that need to be reported but do not require offset purchase total 8 tCO₂e.

Offsets Applied to Become

Carbon Neutral in 2011

The Commission has purchased offsets for 382 tonnes of CO₂e from the Pacific Carbon Trust to achieve carbon neutrality, as required by the Carbon Neutral Government Regulation.

Emissions Reduction Activities in 2011

Vehicle Fleet

The Commission's fleet of vehicles consists of 32 trucks and sport utility vehicles and six all-terrain vehicles. The fleet is used mostly to navigate British Columbia's north to conduct compliance and enforcement activities associated with regulating oil and gas activities for the Province.

In 2011 the Commission saw a 55 per cent decrease in diesel consumption for its fleet, and an overall fuel consumption decrease of 14 per cent from the previous year. Six diesel one-tonne trucks were replaced with four flex-fuel gas trucks. With the purchase of these flex-fuel trucks and two more hybrid vehicles, the Commission's fleet is now 50 percent fuel-efficient.

Over the past year the Commission has limited its leasing contract by buying out lease agreements. The shift away from long-term lease contracts for trucks will improve safety of vehicles in that replacement and/or disposal is based on vehicle performance, reliability and mileage as opposed to the age of the lease agreement. The Commission has also improved the centralized maintenance system where vehicles receive preventative maintenance every 5,000 kilometres (km), down from the previous 7,500 km. Another beneficial by-product of ownership and the newer flex-fuel and right sized vehicles is better fuel mileage for the long run.

The Commission may never be able to fully avoid the purchase of larger trucks due to their utilitarian purposes in northern climates, but following best practices in right sizing and fuel consumption has greatly reduced emissions while improving reliability and safety of its fleet.

Continued commitment to the Commission's Motor Vehicle Policy has resulted in fleet driver training provided to 100 per cent of employees with assigned vehicles. Included in this training are the principles of operating safety and risk mitigation while travelling over industrial roads and also includes training to reduce fuel consumption.

Lower fuel consumption has also resulted from the Commission's Motor Vehicle Policy limiting the allowable distance driven from home to work. This policy has educated and changed employee behaviours around commuting, contributing to the 14 per cent overall reduction in fuel consumed.

Facilities

The Commission's offices are located in six buildings in five communities throughout the Province. All of the buildings are unique in their ability to serve our employees and clients in their respective climates and have varying degrees of green features. All buildings are leased but every effort is made to work with management



companies to optimize the availability of green technology in building design and improvements.

The Victoria offices consist of two buildings located in the Dockside Green complex. Both have LEED® Platinum environmental ratings that ensure the very best in energy and waste reduction building technologies. Water conservation, built-in recycling and composting programs and automated lighting and heating features continue to serve the Commission well, and employees have come to appreciate the variety of green features offered through the LEED® certification process.

Utilizing the lessons learned from the Victoria buildings, planning for the LEED® Gold headquarters for Fort St. John is in full swing. The construction of a LEED® Gold building in the unique climate of northern B.C. is no small task. Commission staff are working closely with developers to ensure requirements necessary for LEED® certification are functional and in the best interests of staff. Upon completion, the Commission will stand out as occupying one of only three buildings in the community that are LEED® certified, and one of two certified as LEED® Gold.

The building space in Fort St. John is being designed with input from a variety of Commission staff, and leverages our in-house knowledge on LEED® building

requirements and specifications. Adapting the latest trends in space design and workflow, the newly leased building will optimize ratios between vacant and occupied space and between common areas, cubicles, meeting rooms and offices.

The Fort St. John building will incorporate many sustainable features, such as:

- High-efficiency heating and cooling systems,
- Low flow water fixtures,
- Rain water capture,
- Storm water recovery, and
- Energy-efficient lighting.

The facilities managers, senior leaders and developers are looking at ways to go beyond just incorporating LEED® required green features. Additional initiatives include: photo luminescent exits and emergency lights that absorb ambient light, reducing the amount of office space used for common areas through amalgamating coffee rooms and saving money and energy on snow storage into bioswales. These are a few of the ways Commission staff are progressively looking for ways to cut down on the carbon footprint of the new location.

In 2011, the Fort St. John facilities manager attended LEED® Certification training held at the annual BUILD EX tradeshow. Having both Commission facilities managers

in Victoria and Fort St. John trained in LEED® certification allows for streamlined communication with external contractors and consistent messaging regarding project progress to senior leadership and employees at large.

Information Technology

Holding fast to the initiatives set forth in the 2010 Carbon Neutral Action Report, 2011 saw the finalization of server virtualization for the Commission. The physical hardware employed will support future expansion of server virtualization when, and if, deemed necessary.

Power management software continued to be installed in all new and replaced computers, workstations and monitors. These power management software solutions work to reduce power consumption during non-operational downtimes and during non-business hours.

The work undertaken in 2010 for eSubmissions of oil and gas applications from industry clients was continued through 2011.

Through the commitment to reducing travel required for meetings between office locations, one more video-conference Polycom equipment was installed in a meeting room in the Victoria location bringing the total of meeting rooms with this capability to 100 per cent. Anticipating technological advancements in video-



conferencing, budget allocation was made for the replacement of old conference equipment ensuring the most efficient technology is available to staff. All employees with laptop computers have web-cameras built in for conferencing purposes. For those employees with desktop computing systems, web cameras are available for individual use and for meeting purposes. Additionally, GoTo Meeting has been installed and is available to all staff to encourage virtual meetings.

Communications have been prepared and disseminated by Information Technology staff regarding its capabilities and functionality and it is anticipated that with this knowledge more staff will utilize it on a regular basis.

Behaviour Change

The continuation of the Commission's governance renewal and the appointment of a new Commissioner has highlighted opportunities for executive sponsored green initiatives and programs, both at the corporate and individual employee level.

Increased accountability on corporate wide initiatives and the newly revised Employee Performance Development Conversations have encouraged discussions across the organization on how employees contribute to the success of the organization. Employees have heightened their understanding of corporate purpose, including greening actions. It has come to the forefront that carbon

reduction requires staff dedication from many functional areas of the Commission. As a result, the Commission is establishing a Green Team to spearhead carbon reduction and green initiatives.

The popular Health and Wellness program continues to thrive at the Commission with the inclusion of additional promotions to support transportation alternatives and green living. Employees now have the option of reimbursement of up to \$175 towards a transit pass and there continues to be additions to bike equipment maintenance, or purchases, to encourage alternative transportation methods to and from the offices.

The corporate staff newsletter, The Pipeline, highlights advancements on corporate initiatives underway and various ways employees can green their work space and behaviours while at the office. The Health and Wellness newsletters continue to showcase individual health and lifestyle choices. Conserving energy and water both in the office and at home and healthy eating tips and recipes are popular features of the newsletters.

The new employee orientation program includes tips on maintaining a sustainable workplace and recycling/composting opportunities unique to the various offices. Additionally, the Commission partnered with the City of Dawson Creek, Fort St. John and the Northern Environmental Action Team to offer composting and

recycling bins to our northern staff at an extremely reduced rate. Employees who took advantage of this offer were also able to reimburse the expense through their Health and Wellness dollar allotments to encourage renewal and conservation practices outside of work.

The annual Health and Wellness fair that took place in Fort St. John launched the Idle-Free campaign aimed at encouraging employees to reduce the amount of time they spend idling their vehicles on their way to, and from, the workplace. The Victoria Health and Wellness fair featured a guest speaker and booth from the Capital Regional District on Emissions Reduction and Climate Action. Anti-idling posters were made available in all office locations pre and post fair to encourage this behaviour on a continuum.

The Fort St. John office holds an off site spin class held once a week for employees hosted by the Health and Wellness coordinator. Pilates continues for its second year in the Victoria office with an instructor offering classes twice a week in-house.

2011 also saw the launch of the “Get Fit” 12 week fitness challenge program designed to encourage increased physical activity through a tracking program. The program strongly encourages walking and biking as both a form of exercise as well as mode of transportation to and from the office.





Planned Activities for 2012

Carbon Data Collection and Management

Established collection protocols for all Commission office locations will continue to inform the SMARTTool emissions estimator program. Continuing to follow the directives of the Climate Action Secretariat will allow the Commission to deliver on carbon emission reduction planned actions.

Vehicle Fleet

Fuel-efficient models of trucks and other vehicles will continue to be given preference, keeping in mind the requirements of northern locations. There are five leases up in the summer of 2012 and the Commission plans to continue switching to more fuel efficient options, recognizing not all may need replacement.

Driver education and training will be ongoing in all offices in 2012, based on priority and vehicle usage. The Commission will continue to use the resource scheduler to book pool vehicles through monitoring requests and recommending carpooling opportunities.

Facilities

The plans for the LEED® Gold office space for Fort St. John will continue through 2012, taking into consideration weather conditions and fiscal constraints. The contractors engaged in the Fort St. John build are well versed in the

construction of LEED® standard buildings in the northern climate as they have built a LEED® Silver building in the last year.

Eco-features that will be sought and required for LEED® certification include real-time metering, lighting sensors, water conservation devices, daylight maximizations and air quality friendly materials among others.

Files are in the process of being scanned and cleaned to prepare for digitalization. Transitioning to electronic records management is ongoing and will afford tangible savings in office space, significant reduction in paper use, efficiency in retrieving and searching records, and reduced risk of records loss or improper use.

Information Technology

The ongoing replacement of workstations and laptops will have power management software installed and additional power management solutions will be continuously explored.

The eSubmissions process will start in 2012 and be phased in per project scope.

The revamping of the Intranet is nearly complete and will be launched in 2012 providing a common location for employee information and documentation, lessening the need for printed manuals.



Behaviour Change

The formation of the Green Team and documentation of green strategies presented for executive review and support will help define specific intended results for behaviour changes for Commission employees. The team will include those people closest to the work in functional areas of the Commission as well as those volunteers who believe in participating in cultural change within the organization to support a lessened footprint and emissions.

This team will support facilities staff in preparing the staff education piece to maximize the employee experience of working in a LEED® building. This plan will focus on the new features available to staff in the Fort St. John building, covering recycling, composting and other attributes available to them. Parts of this education plan will also be used to reintroduce staff in the Victoria LEED® Platinum building to what is available to them and to help inform new staff over and above the orientation program's green component.

Communications around paperless meeting expectations from CEO and senior leadership to be crafted and sent through Green Tips emails, newsletters and new Intranet site.

Continuing promotions on bicycle, transit and other alternative modes of transport will be run at least twice a year through the Health and Wellness program.

Over and above sharing green initiatives and products among employees, the Health and Wellness newsletter and The Pipeline will consistently include reminders on:

- Recycling and composting program familiarization.
- Turning off lights when not in use.
- Energy saving options when working outside of regular business hours.
- Using the air dry setting on dishwashers.
- Taking the stairs instead of elevators.
- Water conservation habits.
- Paper conservation through paperless meetings and elimination of unnecessary printing.

More Information

Contact www.bcogc.ca

This report is updated annually with new information and statistics. A current copy is available on the Commission website at www.bcogc.ca.

For specific questions or enquiries regarding this report, please contact

Theodora Borissov
Manager, Performance and Measurement
Theodora.Borissov@bcogc.ca.

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