

# **BC Oil and Gas Commission**

## **2021/22 – 2023/24 Service Plan**

**April 2021**



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## Board Chair's Accountability Statement



The 2021/22 – 2023/24 BC Oil and Gas Commission Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of December 31, 2020 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, BC Oil and Gas Commission's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of the BC Oil and Gas Commission's operating environment, forecast conditions, risk assessment and past performance.

A handwritten signature in black ink, appearing to read 'Fazil Mihlar'. The signature is fluid and cursive.

Fazil Mihlar  
Board Chair

**Table of Contents**

Board Chair’s Accountability Statement ..... 3

Strategic Direction and Alignment with Government Priorities..... 5

Operating Environment..... 6

Performance Planning ..... 8

Financial Plan..... 15

    Financial Summary ..... 15

    Key Forecast Assumptions, Risks and Sensitivities ..... 16

    Management’s Perspective on the Financial Outlook ..... 16

Appendix A: Additional Information..... 17

## **Strategic Direction and Alignment with Government Priorities**

In 2021/22, British Columbians continue to face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and the Government of British Columbia. The government has identified five foundational principles that will inform each Crown agency's policies and program and contribute to COVID recovery: putting people first, lasting and meaningful reconciliation, equity and anti-racism, a better future through fighting climate change and meeting our greenhouse gas commitments, and a strong, sustainable economy that works for everyone.

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

The Commission provides regulatory excellence in responsible oil and gas and geothermal resource development by protecting public safety, safeguarding the environment and respecting those individuals and communities who are affected. It has a legislated mandate under the *Oil and Gas Activities Act* (OGAA) and the *Geothermal Resources Act* (GRA) and its strategic direction is informed by the [Mandate Letter](#) issued by the B.C. Government, its vision, mission, and values as well by the external operating environment as. The Commission strives to deliver cost-effective, reliable, and accountable regulatory service for British Columbians. More information on the Commission's structure and governance can be found on the [Commission's website](#).

Reconciliation is an ongoing process and a shared responsibility. The Commission's commitment to reconciliation is integrated throughout its business, from training staff to actively building partnerships with Indigenous communities throughout the regulatory lifecycle. The Commission facilitates creating opportunities for Indigenous people in the restoration economy and bringing traditional knowledge into the restoration process.

As a responsible and accountable regulator, the Commission is fulfilling its oversight role with respect to petroleum, natural gas, geothermal, liquefied natural gas (LNG) and other oil and gas value-added activity development by continually improving its internal capacity to provide expert and timely services to industry, Indigenous groups and the numerous stakeholders whose interests are represented by the Commission in the regulatory process.

## Operating Environment

The Commission's operating environment is affected by North American and global natural gas markets. While B.C. produces small quantities of oil, it produces more than one third of Canada's marketable natural gas<sup>1</sup>. Market analysts expect B.C.'s natural gas production will represent fifty percent of total Canadian production by 2040.

The COVID-19 pandemic has deeply impacted energy markets. While crude oil prices suffered considerably due to lockdowns and overall reduced travel, natural gas prices have remained strong. Over the next few years, the price of natural gas is expected to remain steady, as demand within B.C.'s traditional natural gas export markets remains steady. Continued interest in B.C. natural gas liquids production will continue to drive steady growth within liquids rich areas of the Montney formation, stretching from the Alberta border near Dawson Creek to approximately 150 kilometers northwest of Fort St. John.

The Commission works with individuals and communities affected by oil and gas activities and their interests are considered in delivering our mandate. In 2020 the Commission started a Regional Networking Group (RNG), a hub to deliver updates and initiatives of interest to landowners. Engagement with local government and community members will continue in 2021/22, along with a mediation service, helping build effective relationships by gathering and exchanging timely information on community needs.

The Commission is also taking steps to address inactive or dormant oil and gas sites and orphan sites—where there is no viable operator—to ensure they are properly restored. The Dormancy and Shutdown Regulation made B.C. the first province in Western Canada to impose in law timelines for the restoration of oil and gas wells.

While the 770 orphan wells in the province make up just over one percent of all oil and gas wells in B.C., the goal is to clean up and restore all orphan wells in B.C. within 10 years of receiving an orphan designation. Funding announced by the Government of Canada in April 2020 enabled an Orphan Sites Supplemental Reclamation Program to further expedite the restoration of orphan wells. The Commission's Comprehensive Liability Management Plan, which includes the Dormancy and Shutdown Regulation, sets out a framework to ensure that the costs of reclaiming oil and gas sites in B.C. are paid for by industry. The plan also enhances stringent checks of each company's financial health and history with the continued goal to mitigate liability risk and minimize pressure on the Orphan Site Reclamation Fund.

The Commission works together with government ministries and agencies to inform evolving policy development and ensure that new policy directions are incorporated within the oil, gas and geothermal regulatory framework, including progress on research about hydraulic fracturing, and methane emissions.

The rate of technological innovation within the Commission's mandate is constantly changing. As a learning organization, the Commission keeps current by working with other regulatory

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<sup>1</sup> In 2020, Canada produced approximately 15.6 billion cubic feet per day (Bcf/d) of marketable natural gas. 35 percent of this gas came from B.C. Source: Canadian Energy Regulator.

bodies such as the Western Regulators' Forum and Interstate Oil and Gas Compact Commission. It also actively builds the expertise of its staff in existing and emerging areas of responsibilities, as has been done to prepare for the LNG Canada facility expected to commence operations in 2025.

## Performance Planning

### Goal 1: Protect Public Safety

#### Objective 1.1: Public safety related issues are understood and mitigated to prevent incidents

##### Key Strategies

- Execute on the Annual Compliance Plan and conduct enforcement activities, where required, to ensure all oil and gas activities are conducted in accordance with B.C.’s regulatory framework
- Deliver on the Compliance Management System Improvement Program to enhance and better integrate the tools, processes, policies, and competencies that make up the Commission’s compliance management system
- Continue to execute on asset integrity initiatives, a risk-based and data-driven approach to review and provide regulatory oversight for safety and integrity risks

| Performance Measure(s)                                | 2019/20 Actuals | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|---|-----------------|------------------|----------------|----------------|----------------|
| 1.1a Minimum number of inspections completed annually | 4,723           | 4,450            | 4,450          | 4,450          | 4,450          |
| 1.1b Overall inspection compliance rate               | 99.7%           | 99.2%            | 100.0%         | 100.0%         | 100.0%         |

Data source: Internally monitored and tracked inspection and compliance rate data.

##### Linking Performance Measure to Objective

- 1.1a This measure reflects the Commission’s efforts to inspect industry and ensure activities are done in compliance with regulations. Inspections cover aspects of the regulatory framework, as well as all permit specific requirements (conditions). Included are factors such as safety, environmental issues, accuracy of required measurements, adherence to defined standards, etc. The targets set are consistent with the Commission’s baseline and aligned with industry activity levels through 2023/24.
- 1.1b The Commission regulates permit holders and completes inspections to make sure they are compliant with all regulatory requirements. This measure reflects the percentage of inspections completed with no deficiencies identified, or all deficiencies corrected at the end of the reporting period.

##### Discussion

With approximately 25,000 well, pipeline, and facility sites within B.C., the annual inspection target enables the Commission to understand the state of compliance across the province and monitor higher inherent risks, while collecting data on safety trends. As part of the Commission’s commitment to public safety, its risk-based inspection program allocates



approximately 75 percent of its resources to the development and production phases and the remaining 25 percent to decommissioning and restoration phases.

Regarding the overall compliance rate, an objective of the Commission’s compliance and enforcement program is to ensure permit holders are compliant with the regulatory framework. The Commission will always strive for 100 percent compliance and all potential and actual non-compliances are subject to enforcement by the Commission to ensure compliance is achieved.

**Objective 1.2: The public is safe from harm should an incident occur**

**Key Strategies**

- In cooperation with Emergency Management BC, maintain 24/7 incident reporting and response capabilities through the Commission’s Emergency Response Framework
- Ensure permit holders have established and tested Emergency Response Programs in accordance with the Emergency Management Regulation that protect the public should an emergency occur

| Performance Measure(s)  | 2019/20 Actuals | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|---|-----------------|------------------|----------------|----------------|----------------|
| 1.2a Percent of active companies with complete Emergency Response Plans | 99.5%           | 100%             | 100%           | 100%           | 100%           |

Data source: Internally monitored and tracked company filing data.

**Linking Performance Measure to Objective**

1.2a This measure reflects compliance with industry permit holders’ emergency response plan (ERP) requirements. All active companies are required to have an ERP on file and the Commission assesses each for completeness and compliance with oil and gas regulations. Having an ERP in place enables the company to work through and plan for situations which, if not addressed quickly and methodically, could have an impact on the safety of its employees and the public who live around its area of operations.

**Discussion**

A permit holder is required under the Emergency Management Regulation to prepare and maintain an emergency management system as well as a specific ERP for each of its oil and gas activities prior to carrying out the activities. The Commission will always strive for 100 percent compliance and any permit holders that do not meet this requirement are followed up on by the Commission to ensure compliance is achieved.

**Goal 2: Respect those affected by energy resource development**

**Objective 2.1: Indigenous peoples’ and their governments’ rights are respected and interests are understood, considered and incorporated in Commission decisions and programs**

**Key Strategies**

- Support B.C.’s implementation of the *Declaration on the Rights of Indigenous Peoples Act* by effectively engaging and seeking partnerships with Indigenous peoples, enhancing communications, and being flexible in our approach to consultation
- Continue to support the Aboriginal Liaison Program and participate in shared demonstration projects in areas such as restoration and reclamation, emergency management, and water and air monitoring

| Performance Measure(s)  | 2019/20 Actuals | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|---|-----------------|------------------|----------------|----------------|----------------|
| 2.1a Percent of applications where the duty to consult is met <sup>1</sup>                    | 100%            | 100%             | 100%           | 100%           | 100%           |
| 2.1b Satisfaction level on how well the Commission is engaging Indigenous groups <sup>2</sup> | 75%             | N/A              | 87%            | N/A            | 88%            |

Data source: Internally monitored and tracked consultation data.

<sup>1</sup> Performance is assessed against a judicial review process.

<sup>2</sup> The surveys are given to a wide range of Indigenous groups throughout the province and are conducted by an external third party every other year. The results are tracked and analyzed internally.

**Linking Performance Measure to Objective**

- 2.1a This measure reflects the Commission’s ability to fulfill the Province’s duty to ensure Indigenous groups who may be affected by oil and gas activities are consulted.
- 2.1b This measure reflects the Commission’s ability to facilitate engagement that is satisfactory to Indigenous groups.

**Discussion**

The Commission interacts with over 100 Indigenous Nations throughout B.C., in coordination with multiple government agencies and industry proponents. The Commission will always strive to ensure the Crown’s duty to consult is met on 100 percent of applications. Indigenous peoples’ unique rights as well as the history and nature of oil and gas development within their traditional territories are considered in all our interactions with Indigenous peoples. In addition to consulting on applications, the Commission will continue to focus on improving engagement by seeking opportunities to build constructive relationships and to partner with Indigenous communities on common interests throughout the regulatory lifecycle.

**Objective 2.2: Landowner interests in respect of their property are valued, understood, and considered in Commission decisions and programs**

**Key Strategies**

- Identify opportunities to enhance relationships with local governments, landowners and other rights holders to address concerns related to quality of life indicators, such as noise, light and seismicity
- Enforce regulatory requirements and permit conditions related to quality of life indicators

| Performance Measure(s)  | 2019/20 Actuals | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|---|-----------------|------------------|----------------|----------------|----------------|
| 2.2a Percent of wellsite operations suspended after causing a seismic event above regulatory threshold <sup>1</sup> | 100%            | 100%             | 100%           | 100%           | 100%           |
| 2.2b Satisfaction level on how well the Commission is engaging stakeholder groups <sup>2</sup>                      | 88%             | 87%              | 87%            | 88%            | 88%            |

Data source: Seismic events are from the Natural Resources Canada (NRCan) earthquake database; fracturing events are from internal Commission data. Suspended activities are tracked internally.

<sup>2</sup>The surveys are given to a wide range of landowners and local governments throughout the province and are conducted and rolled out annually by an external third party. The results are tracked and analyzed internally.

**Linking Performance Measure to Objective**

- 2.2a This measure reflects the Commission’s commitment to mitigate felt seismic events by suspending operations that may impact the public until acceptable mitigation procedures can be put in place.
- 2.2b This measure reflects the effectiveness of the Commission’s engagement efforts with stakeholder groups.

**Discussion**

As per the Drilling and Production Regulation, any wellsite operation that causes a seismic event  $\geq 4.0$  must be immediately suspended. A lower threshold was established through order in 2018, where any wellsite operation that causes a seismic event of  $\geq 3.0$  must be immediately suspended within the Kiskatinaw Seismic Monitoring and Mitigation Area.

Engaging with stakeholders, particularly those directly affected by regulated activities, is a key aspect of the Commission’s work. The Commission targets high levels of stakeholder satisfaction and will continue to work with stakeholder groups, local officials and landowners, to make sure there is ongoing dialogue and meaningful actions that ensure their quality of life is not negatively impacted

## Goal 3: Safeguard the Environment

### Objective 3.1: Environmental values and attributes are sustained

#### Key Strategies

- Continue implementation of the methane emissions reduction regulations through monitoring, reporting, and enforcement, and collaborate with government agencies in reporting requirements from the Equivalency Agreement with the Federal Government
- Working with the members of the B.C. Methane Emissions Research Consortium, ensure the necessary research and field technologies are available, supporting CleanBC and the provincial response to climate change
- Conduct a regulatory review of the methane emissions regulations for efficiency and effectiveness in reducing methane emissions to meet CleanBC targets
- Reflect provincial policies within Commission decisions by working with the Province to define and incorporate environmental values
- Utilize Area-Based Analysis (ABA) as part of the oil and gas activity permit application process to evaluate oil and gas development opportunities by analyzing existing land use, regulatory requirements, government policy and direction

| Performance Measure(s)   | 2019/20 Actuals | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|--|-----------------|------------------|----------------|----------------|----------------|
| 3.1a Percent of well and facility permits issued in environmentally sensitive areas <sup>1</sup>           | 0%              | <1%              | 1%             | 1%             | 1%             |
| 3.1b Percent of freshwater withdrawn for oil and gas activities <sup>2</sup>                               | 0.02%           | <1%              | 1%             | 1%             | 1%             |
| 3.1c Percent of required fugitive emission leak detection surveys submitted by permit holders <sup>3</sup> | N/A             | N/A              | 100%           | 100%           | 100%           |

<sup>1</sup> Data Source: Internal land use and monitoring data through ABA is used as part of the permitting process. The ABA geographic information systems data is continuously updated by the Commission, ministry databases and partner agencies and updates based on areas that are or become environmentally sensitive.

<sup>2</sup> Data Source: Data is determined by the Commission through water withdrawals reported by permit holders relative to the total volume of fresh water available in northeastern B.C.

<sup>3</sup> Data Source: Internally monitored and tracked permit holder filing data.

#### Linking Performance Measure to Objective

- 3.1a This measure reflects the Commission’s commitment to safeguarding the environment, particularly in sensitive areas, through its regulatory scope. This measure reflects an aspect of environmental impact within the Commission’s control.
- 3.1b With available water defined as 15 percent of the mean annual run off, the Commission’s target is to authorize one percent or less of freshwater – ensuring 85 percent of water is protected and conserved at all times. In an effort to mitigate the impact of industry

activity on fresh water sources, the Commission encourages industry to use alternative water sources such as recycled and saline water.

- 3.1c This new measure reflects the Commission’s regulatory role within the Province’s methane emissions reduction strategy. With leak detection surveys required at set frequencies for specific oil and gas activities, the Commission ensures data is submitted to inform broader Provincial reporting on progress towards methane emissions reductions.

## **Discussion**

The targets for measures 3.1a and 3.1b were lowered in the previous plan to better reflect the objective of minimizing the impact of industry on environmental values. While the maximum volume of freshwater that can be withdrawn without impacting the ecological and hydrological functioning of the water body is 15 percent as per B.C. Environmental Flow Needs Policy, the Commission’s target has dropped from five percent in 2019/20 to one per cent for 2020/21 and beyond.

With regulatory reporting requirements coming into force in 2021/22, the Commission has implemented measure 3.1c as part of the Province’s methane emissions reduction strategy. While it is a permit holder responsibility to complete leak detection surveys, the Commission has a regulatory responsibility to ensure results are submitted within required timeframes.

## Goal 4: Support Responsible Resource Development

### Objective 4.1: Potential liabilities associated with resource development are mitigated

#### Key Strategies

- Continue to operationalize the Comprehensive Liability Management Plan to ensure 100 percent of the cost of reclaiming oil and gas sites in B.C. will be paid for by industry
- Execute on the annual orphan site restoration plan, funded by industry through the Orphan Liability Levy
- Oversee permit holder decommissioning of inactive sites required through the Dormancy and Shutdown Regulation
- Continue to support the implementation of recommendations from the Scientific Review of Hydraulic Fracturing

| Performance Measure(s)              | 2019/20<br>Actuals | 2020/21<br>Forecast | 2021/22<br>Target | 2022/23<br>Target | 2023/24<br>Target |
|-------------------------------------|--------------------|---------------------|-------------------|-------------------|-------------------|
| 4.1 Number of orphan sites restored | 25                 | 25                  | 30                | 35                | 50                |

Data source: Internally monitored and tracked liability and asset management data. Note that currently restoration work is underway at hundreds of sites and the number here only reflects the number of sites with restoration work being completed within the year.

#### Linking Performance Measure to Objective

- 4.1a This measure reflects the management and completion of the restoration of orphan sites, which, when designated, become an accounting liability for the Commission and a potential liability for the Province. Under Part 4 of OGAA, the Commission may designate a well, facility, pipeline and/or area affected by oil and gas activity as an orphan site if the operator is insolvent or cannot be located. Once designated, the Commission recognizes the liability associated with the orphan site and a work plan is implemented so the site can be restored.

#### Discussion

The Commission has a proactive policy to manage the risks to public safety and environment associated with orphan sites, with a goal to complete restoration within 10 years of designation/identification. Funding announced by the Government of Canada in April 2020 enabled an Orphan Sites Supplemental Reclamation Program to further expedite the restoration of orphan wells, and higher restoration targets. The number of wells awaiting reclamation is forecasted to be less than 660 at the end of 2020/21, of which more than 380 sites have their infrastructure removed and wells plugged and sealed, enabling the annual targets and forecasts for orphan site restoration to continue to grow.

## Financial Plan

### Financial Summary

| (\$000)                                    | 2020/21<br>Forecast | 2021/22<br>Budget | 2022/23<br>Budget | 2023/24<br>Budget |
|--|---------------------|-------------------|-------------------|-------------------|
| <b>Operations</b>                          |                     |                   |                   |                   |
| Industry Levies                            | 46,191              | 47,574            | 48,907            | 49,659            |
| Application Fees and Misc.                 | 10,575              | 9,296             | 9,100             | 9,100             |
| <b>Total revenue from operations</b>       | <b>56,766</b>       | <b>56,870</b>     | <b>58,007</b>     | <b>58,759</b>     |
| Salaries and benefits                      | 31,044              | 34,258            | 35,029            | 35,729            |
| Other Operating                            | 19,339              | 17,812            | 17,978            | 18,030            |
| Amortization                               | 4,673               | 4,800             | 5,000             | 5,000             |
| <b>Total expenses from operations</b>      | <b>55,056</b>       | <b>56,870</b>     | <b>58,007</b>     | <b>58,759</b>     |
| <b>Net surplus from operations</b>         | <b>1,710</b>        | -                 | -                 | -                 |
| <b>Orphan Site Restoration Fund (OSRF)</b> |                     |                   |                   |                   |
| Liability Levy                             | 11,250              | 15,000            | 15,000            | 15,000            |
| Production Levy                            | 3,522               | -                 | -                 | -                 |
| Government Transfer                        | 14,500              | 500               | -                 | -                 |
| Security Deposits, Interest                | 545                 | 300               | 300               | 300               |
| <b>Total revenue from OSRF</b>             | <b>29,817</b>       | <b>15,800</b>     | <b>15,300</b>     | <b>15,300</b>     |
| <b>OSRF Expenses</b>                       |                     |                   |                   |                   |
| Orphan designations and Admin              | 4,884               | 3,330             | 5,800             | 5,800             |
| Reclamation                                | 22,500              | 12,470            | 9,500             | 9,500             |
| <b>Total expenses from OSRF</b>            | <b>27,384</b>       | <b>15,800</b>     | <b>15,300</b>     | <b>15,300</b>     |
| <b>Net surplus from OSRF</b>               | <b>2,433</b>        | -                 | -                 | -                 |
| <b>Annual Consolidated Surplus</b>         | <b>4,143</b>        | -                 | -                 | -                 |
| <b>Additional Financial Indicators</b>     |                     |                   |                   |                   |
| Capital Expenditures                       | 4,152               | 5,000             | 5,000             | 5,000             |
| <b>Total Liabilities</b>                   | <b>105,221</b>      | <b>100,221</b>    | <b>95,221</b>     | <b>90,221</b>     |
| <b>Accumulated Deficit</b>                 | <b>(1,730)</b>      | <b>(1,730)</b>    | <b>(1,730)</b>    | <b>(1,730)</b>    |

Note: The above financial information was prepared based on current Generally Accepted Accounting Principles.

## **Key Forecast Assumptions, Risks and Sensitivities**

The Commission's main revenue source is from industry levies, with a significant portion coming from a gas production levy. Production volume forecasts, which are provided by the Ministry of Energy, Mines and Low Carbon Innovation, are projecting modest increases for the next three years over 2019/20 levels. The Commission also receives revenue from levies on pipelines and large LNG facilities and application fees.

No significant changes are anticipated in the Commission's regular operating expenses other than salaries and benefits increasing to reflect negotiated increases from collective bargaining and a slight increase in staffing levels required after reducing staff levels during the pandemic.

This is the first year the Orphan Site Restoration Fund (OSRF) will be funded exclusively from the Orphan Site Restoration Levy, which has been phased in over three years. The Commission is on track to meet its goal to reclaim all orphan sites within 10 years of designation.

The Commission's three-year financial outlook is consistent with the financial information in the government's fiscal plan and is based on the key assumptions therein. The Commission has no major capital plans in excess of \$50 million as defined by the *Budget Transparency and Accountability Act*. Cash flow required to fund capital will be provided by operations. The Commission has zero debt and does not expect to incur any during the next three years.

## **Management's Perspective on the Financial Outlook**

The Commission's financial outlook with comparative revenues, expenses and capital spending over the Service Plan years 2021/22 to 2023/24 is outlined in the financial summary table. Key assumptions influencing the financial position of the Commission are in line with risks, uncertainties and operational influences discussed within the Strategic Direction and Operating Environment sections.



## Appendix A: Additional Information

### Corporate Governance

The Commission is governed by a [Board of Directors](#) that sets the strategic direction, ensuring organizational performance is in line with strategic priorities and establishing appropriate accountability and transparency mechanisms. Assisted by a group of expert consultants, the Board factors corporate risks into the strategic planning process.

Under the *Oil and Gas Activities Act* (OGAA), the Deputy Minister for the Ministry of Energy, Mines and Low Carbon Innovation is the Board Chair, the Commissioner and CEO is the Vice Chair, and a third independent Board member is appointed by the Lieutenant Governor in Council. The Board, under OGAA, has the powers to make regulations respecting aspects of carrying out oil and gas activities.

### Organizational Overview

The [BC Oil and Gas Commission](#) is a single-window regulatory agency with responsibilities for overseeing oil, gas and geothermal operations in British Columbia. The Commission oversees activities from exploration and development, to pipeline transportation and reclamation.

The Commission was created as a Crown corporation through the enactment of the *Oil and Gas Commission Act* and in October 2010, transitioned to the OGAA. Regulatory responsibility is delegated to the Commission through the OGAA and includes specified enactments under the *Forest Act*, *Heritage Conservation Act*, *Land Act*, *Environmental Management Act*, and *Water Sustainability Act*.

With more than 20 years' dedicated service, the Commission is committed to ensuring safe and responsible energy resource development for British Columbia.

The Commission's mission is to ensure responsible energy resource development by protecting public safety, safeguarding the environment and respecting those affected. The Commission's core roles include reviewing and assessing applications for industry activity, consulting and engaging with Indigenous Nations, landowners and rights holders and ensuring industry complies with provincial legislation. The Commission's regulatory responsibility extends from the exploration and development phases, through operation and ultimately decommissioning. It is charged with balancing a broad range of environmental, economic and social considerations.

The cost of operating the Commission is funded through the collection of industry fees and production levies.

The Commission is accountable to the provincial legislature and the public through the Minister of Energy, Mines and Low Carbon Innovation. This is demonstrated in three-year service plans issued annually, quarterly reports on financial performance, and the Annual Service Plan Report summarizing achievements during the year and comparing performance results to targets.

Each year the Minister of Energy, Mines and Low Carbon Innovation sets out the priorities of the Commission in a Mandate Letter. This letter is signed by the Commission Chair and members of the Board.