

The BC Oil & Gas Commission

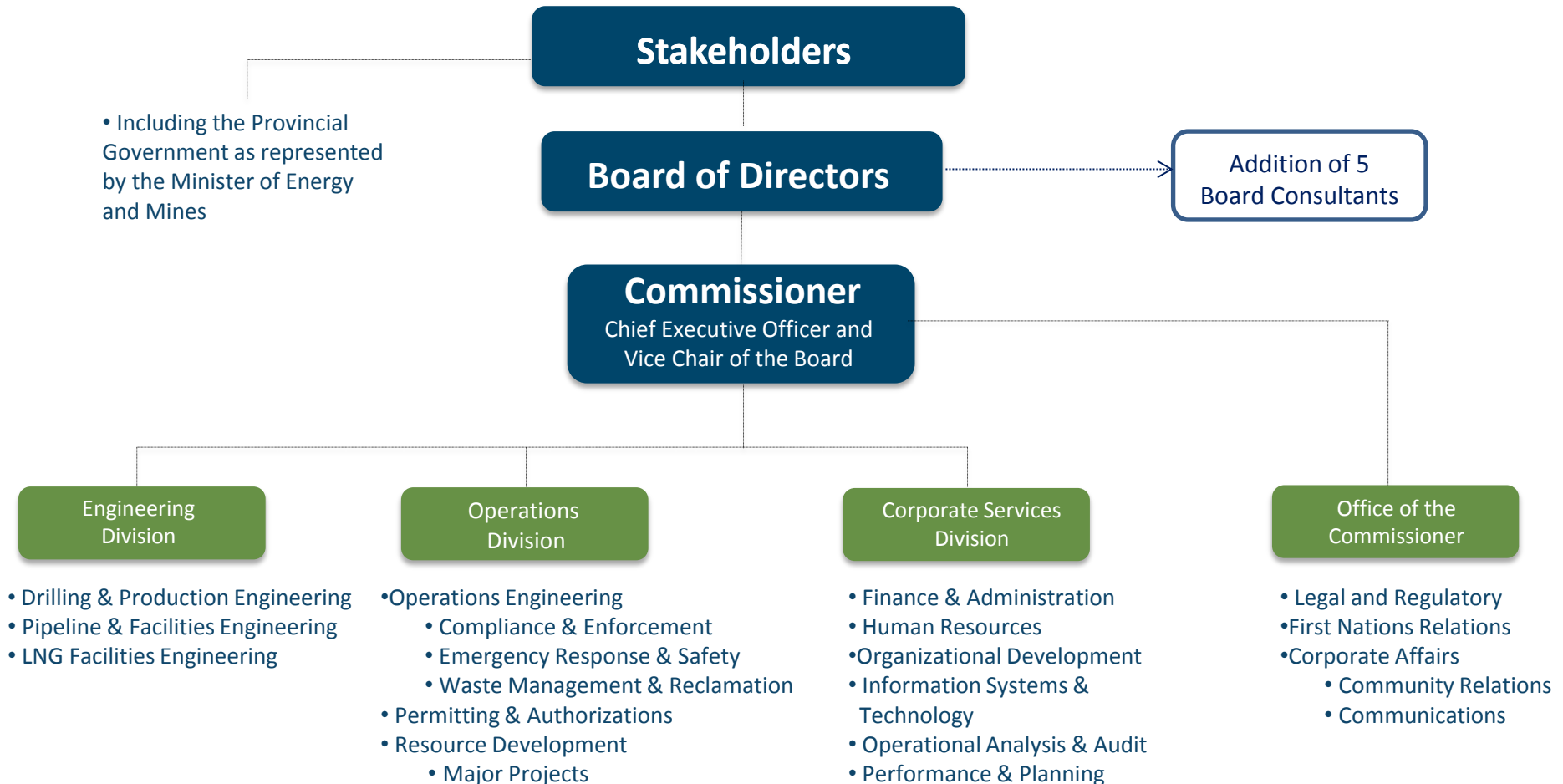
OGC 101 FLNRO Coast Area Districts
November 30, 2015



BC Oil & Gas Commission - Overview

- Established as a Crown Corporation in 1998
- Oil and Gas Activities Act provides authorities
- Single-Window Regulatory Agency for oil & gas activities
- 8 Offices throughout BC
- Independent agency – reports to a Board, not a government agency
- Pure regulator of oil and gas activities – do not issue tenures or administer royalties

Organization



Oil and Gas Activities Act

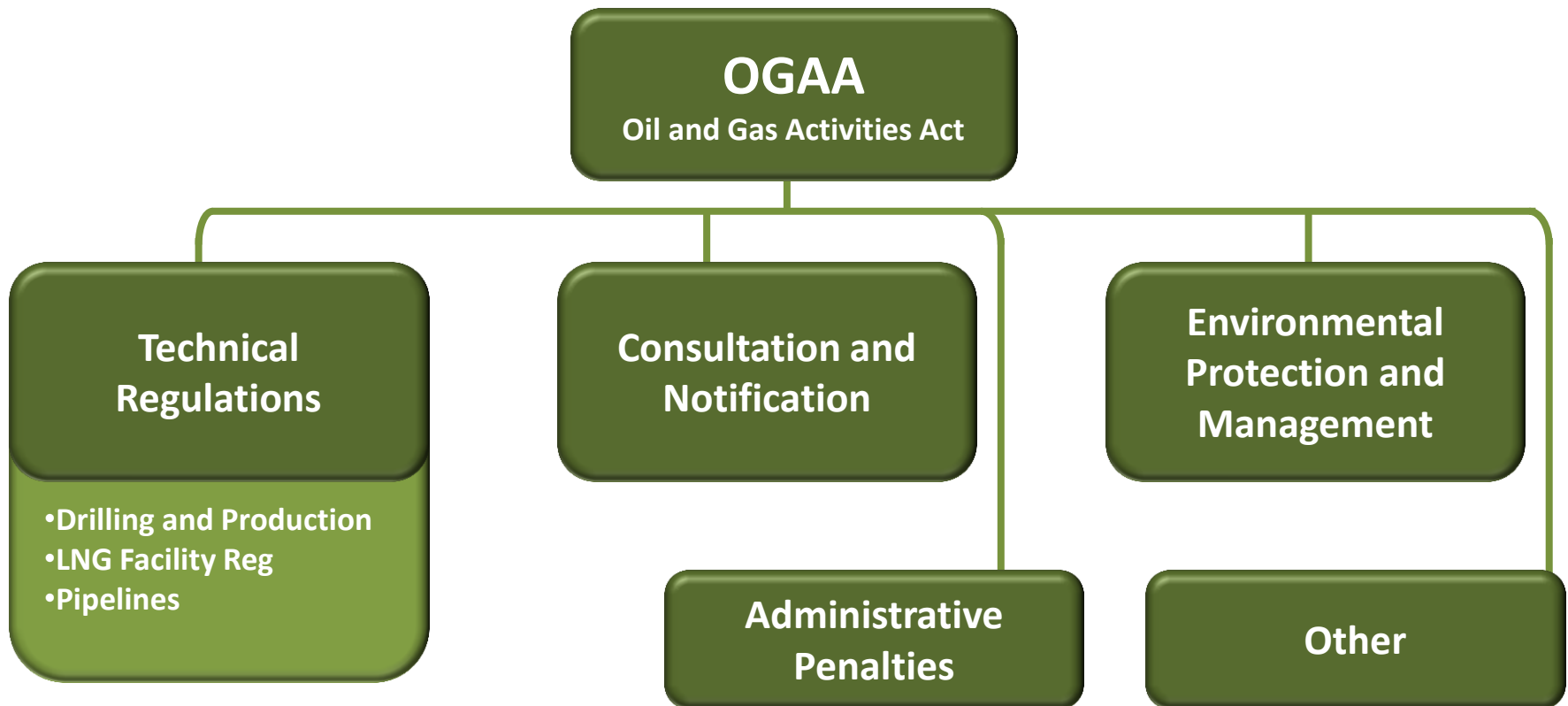
- Provides statutory authority to the Commission to regulate oil and gas activities as defined by the Act including:
 - All exploration and development activities
 - Production, gathering, processing, storage (including storage reservoirs) and disposal
 - Construction and operation of pipelines ≥ 700 kPa (includes water pipelines related to oil and gas activity)
 - Oil and gas roads
 - Does not include retail distribution

Oil and Gas Activities Act (cont'd)

- Extends authorities to Specified Enactments:
 - Environmental Management Act
 - Forest Act
 - Heritage Conservation Act
 - Land Act
 - Water Act



Legal structure—OGAA





Statutory Authorities

Specified Enactments & Provisions

Commission's responsibilities under specified enactments

- 8 (1) For the regulation of oil and gas activities, the commission, instead of the official named in a specified provision,
- (a) has all the powers relating to a discretion, function or duty referred to in the specified provision, including, without limiting this, the powers in the specified enactment relating to the administration and enforcement of an authorization, and
 - (b) is charged with all the responsibilities pertaining to that discretion, function or duty.



Specified Enactments

The Commission serves as a “one window” agency able to provide authorizations under the following Acts:

- Environmental Management Act
- Forest Act
- Heritage Conservation Act
- Land Act
- Water Act



Specified Provisions

- *Environmental Management Act*
 - Section 9 – Hazardous Waste Storage and Disposal
 - Section 14 – Permits for Introduction of Waste
 - Section 15 – Approvals for Introduction of Waste
- *Forest Act*
 - Section 47.4 – Master License to Cut
 - Section 117 – Road Use Permit
- *Heritage Conservation Act*
 - Section 12 – Permit to Alter or Remove Heritage Sites / Objects

Specified Provisions (cont'd)

- *Land Act*

- Section 11 – Disposal of Crown Land
- Section 38 – Lease
- Section 39 – Licence of Occupation
- Section 40 – Right of Way and Easement
- Section 96 – Occupational Rental

- *Water Act*

- Section 8 - Short Term Use of Water
- Section 9 - Changes In and About a Stream
- Section 26 - Permits over Crown Land

Other Statutory Authorities

- A number of authorities are maintained under the *Petroleum and Natural Gas Act*
 - Enter, Use or Occupy Crown Land
 - Designate Crown Land as a Petroleum Development Road
- OGC Commissioner has ability to designate Commission staff as “officials” under the *Wildfire Act*



Delegated Authorities

Delegated Authorities & Designations

The Commission has a number of delegated authorities and designations:

- *Forest Act*
 - Section 47.4 – Master License to Cut
 - Section 117 – Road Use Permit
- *Water Act*
- *Land Act*
 - Section 14 – Investigative Use
- *Environmental Management Act*
 - Section 106 – Staff designated as Special Conservation Officers

Delegated Authorities (cont'd)

- *Agricultural Land Commission Act*
 - Delegation Agreement with the ALC
 - Authorizes Some decisions on oil and gas non-farm use
 - Applies only in the Northeast

The OGC also has numerous MOU's in place or being developed with provincial and federal agencies covering shared activities



Application Review

Application Review

- ☑ Archaeology reviews conducted.
- ☑ Checks for conformance to the C&N requirements.
- ☑ Agricultural Land Review outside Northeast BC.
- ☑ Engineering assessment and confirmation of conformance to technical regulations conducted.
- ☑ Status check of overlapping interests:
 - Trappers;
 - Guide outfitters;
 - Forestry tenures;
 - Range tenures;
 - Other tenures

Application Review (cont'd)

Confirmation that application abides by all requirements of the Environmental Protection and Management Regulation:

- ☒ Wildlife habitat, WHAs, UWRs, WTRA
- ☒ Riparian values on streams, lakes, RMAs, RMZs , RRZs
- ☒ Wildlife habitat features (licks, eagle nest)
- ☒ Domestic water and aquifers
- ☒ Resource features and cultural heritage resources
(range development, recreation feature, trail, site)
- ☒ Review of any mitigation plans to minimize the activity.

Forestry Authorities and Review Process

Under specified provisions of section 47.4 of the *Forest Act* the Commission holds the authority to issue a Master Licence to Cut for timber removal to facilitate an Oil and Gas Activity under OGAA

As per the Forest Act the MLTC must:

- Be for a term not exceeding 10 years,
- Require its holder to pay to the government, in addition to other amounts payable under this Act,
 - stumpage under Part 7, and
 - waste assessments for merchantable Crown timber, whether standing or felled, that could have been cut and removed under the master licence to cut, but, at its holder's discretion, is not cut and removed,
- Provide for cutting permits to be issued by a forest officer authorized by the district manager, within the limits provided in the master licence to cut and subject to this Act and the [*Oil and Gas Activities*](#)

Cutting Permit Process Coordination Roles and Responsibilities

- As part of the initial OGC Application the Proponent applies to the Commission for a Master Licence to Cut.
- Application is submitted to OGC with identified volume of timber to be removed to facilitate the Oil and Gas Activity applied for
- The Application is reviewed by a forest officer authorized by the district manager
- A cutting permit within the limits provided in the master licence to cut and subject to the Forest Act and the [Oil and Gas Activities Act](#) is issued
- The cutting permit authorizes its holder to harvest Crown timber from specified areas within the area or areas of Crown land specified in the licence to cut
- A copy of the permit is provide to FLNRO
- FLNRO determines and bills for stumpage.

Forestry Authorizations Discussion

- **Fibre Utilization Plans (FUP):** The Commission is no longer requiring proponents to complete a FUP. The reason for this is the information on estimated volume in the FUP is already provided in stumpage information required by FLNRO and the utilization component although good information is not enforceable.
- **Timber Disposition options and quota holders.**
- **Woodlots:** FLNRO and OGC are working to put together a matrix of joint responsibilities for cutting permits and potential deletion requests specific to woodlots.

Oil and Gas Road Authorities

Under *OGAA* the Commission has the authority to approve the construction, use, maintenance and deactivation of a road or portion of a road with a primary purposes of facilitating an oil and gas activity

- The *Oil and Gas Road Regulation* provides detailed engineering standards and conditions outlining how oil and gas roads must be constructed, maintained and deactivated.
- The Environment Protection and Management Regulation applies to Oil and Gas Roads under OGAA.



Road Use Permit Processes

Both FLNRO and the Commission can issue RUP's for FSR's The Commission issues these permits specifically for oil and gas activities

The authority to issue RUP's is provided to the Commission under section 8 of OGAA and specified provisions for *Section 117 of the Forest Act*.

Process of Issuance

1. Oil and gas proponent applies to the Commission for an RUP over one or more sections of an FSR.
2. The Commission contacts FLNRO to obtain a file number and designated maintainer information.
3. The Commission issues the RUP with both Commission and FLNRO file references and includes the designated maintainer information in the RUP.
4. The Commission sends a copy of the issued RUP to the District.
5. The District files the RUP.

Road Use Permit Processes (cont'd)

RUP's under *OGAA* are valid as long as there is an associated *OGAA* permit. Extensions, cancellation and transfers are managed by the Commission. The Commission is required to notify the District of any changes.

To ensure consistency around road use requirements and weight restrictions the Commission has included the following language in RUP's

- The permit holder is required to contact the primary user and/ or designated maintainer prior to use of the FSR segments listed in the Schedule A.
- The permit holder should be familiar with the vehicle weight limits and safety requirements determined by the District Manger prior to use of the FSR segments listed in Schedule A.

Road Use Permit Coordination Questions

- To ensure coordination and consistency in the RUP process the Commission and FLNRO have developed some guidance documents for staff and clients for use and transfer of forest roads.
- https://www.for.gov.bc.ca/hth/engineering/FSR_admin_OilGas.htm
- Discussion

