



**British Columbia/Alberta
Deputy Ministers
Working Group**

Final Report

January 2015



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Message from the Deputy Ministers

British Columbia and Alberta play a pivotal role in the economies of Western Canada and the nation as a whole. To ensure that British Columbia and Alberta fully capture the benefit of opportunities in the global market, the Provinces recognized the need to build and strengthen their partnerships with governments, First Nations, industry, pipeline proponents, and other stakeholders. The establishment of the Deputy Ministers Working Group by the two provincial Premiers in July 2013 represented an important initiative of the Provinces to foster and grow this prosperous and collaborative partnership.

The Deputy Ministers Working Group was tasked with developing recommendations and an action plan related to energy exports and opening new markets for British Columbia and Alberta. To enhance Western Canadian energy market access for the benefit of all Canadians requires cooperation amongst various jurisdictions. British Columbia and Alberta have modeled this effectively through the efforts of five Working Teams which each focused on a unique facet of the partnership:

1. Responsible Development and Public Engagement;
2. Marine and Terrestrial Spillage;
3. First Nations;
4. Transportation;
5. Fiscal and Economic Benefits.

In the past year, the British Columbia/Alberta Deputy Ministers Working Group has been effective at aligning interests as set out in British Columbia's Five Requirements and the Canadian Energy Strategy. The Working Teams have worked with the federal government, stakeholders, and organizations, to initiate discussion, identify mutual areas of interest and cooperation, and coordinate projects.

Over the past year the Deputy Ministers Working Group has worked to satisfy many of the recommendations. This report constitutes the final task of the Deputy Ministers Working Group and signals its formal conclusion. Since the challenges of opening new markets remain, ongoing work between British Columbia and Alberta will continue into the future through direct dialogue between provincial ministries and other avenues such as the New West Partnership.

As a result of the British Columbia/Alberta dialogue, significant progress has been made towards fulfilling our shared commitment to create jobs, stimulate long-term growth and to position Canada as a true energy superpower.

Steve Carr
Deputy Minister
Ministry of Natural Gas Development
British Columbia

Grant Sprague, QC
Deputy Minister
Ministry of Energy
Alberta

Background

In July 2013, the Premiers of British Columbia and Alberta announced the appointment of a British Columbia/Alberta Deputy Ministers Working Group led by senior energy officials from the British Columbia Ministry of Natural Gas Development and Alberta Ministry of Energy.

The dialogue between British Columbia and Alberta resulted in early agreement that British Columbia's five requirements were intended to ensure the responsible production of energy as well as its safe transport to new markets; and that British Columbia would endorse the Canadian Energy Strategy. Recommendations and achievements of the Deputy Ministers Working Group will help support continued efforts in these areas.

The Deputy Ministers Working Group released a report in January 2014 that included 24 recommendations outlining how British Columbia and Alberta could work together to:

1. Open new markets and expand export opportunities for oil, gas and other resources; and
2. Create jobs and strengthen the economy of each province and Canada through the development of the oil and gas sector.

The importance of these goals and the role of Alberta and British Columbia as economic drivers of Canada's economy were reaffirmed at the meeting between Premier Clark and Premier Prentice on November 3, 2014. This meeting was significant in solidifying the commitments of the two provinces to work together and ensure the economic prosperity of both provinces and Canada as a whole. The respect, candor and goodwill between the provinces and the understanding of their unique positions in the economic fabric of Canada,

British Columbia's Five Requirements to Consider Support for Heavy Oil Pipelines

1. Successful completion of the environmental review process.
2. World-leading marine oil spill response, prevention and recovery systems for British Columbia's coastline and ocean to manage and mitigate the risks and costs of heavy oil pipelines and shipments.
3. World-leading practices for land oil-spill prevention, response and recovery systems to manage and mitigate the risks and costs of heavy oil pipelines.
4. Legal requirements regarding Aboriginal and treaty rights are addressed, and First Nations are provided with the opportunities, information and resources necessary to participate in and benefit from a heavy oil project.
5. British Columbia receives a fair share of the fiscal and economic benefits of a proposed heavy oil project that reflects the level, degree and nature of the risk borne by the province, the environment and taxpayers.

along with the need for responsible resource development are highlighted in the following statements:

“Increasingly, B.C. and Alberta are the economic engine of ConfederationWe’re working together to ensure our provinces are able to make even greater economic and cultural contributions to Canada.”
Christy Clark, Premier of British Columbia

Source:
<https://www.newsroom.gov.bc.ca/2014/11/bc-alberta-focus-on-economy-culture-at-premiers-meeting.html>

“Canada’s western economies are driving growth right across the Country. Premier Clark and I are focused on building a relationship aimed at capturing the potential of new markets abroad, creating wealth at home, and building higher quality of life for everyone.”
Jim Prentice, Premier of Alberta

Source:
<https://www.newsroom.gov.bc.ca/2014/11/bc-alberta-focus-on-economy-culture-at-premiers-meeting.html>

Five Working Teams have worked together over the past year to address recommendations in the strategic areas of:

1. Responsible Development and Public Engagement;
2. Spill Prevention, Preparedness and Response;
3. First Nations Engagement;
4. Transportation and Infrastructure; and,
5. Fiscal and Economic Benefits.

This document outlines progress made in response to the recommendations and represents the final report of the Deputy Ministers Working Group.

Key Outcomes

The Working Teams were directed to meet the objectives over a three to eighteen month period. A work plan was agreed to by Alberta and British Columbia and included three quarterly reports to document progress on deliverables. As the majority of work has been completed by the Working Teams, this will be the final report. Actions requiring additional time to complete or are ongoing will continue through various bilateral, regional or national forums. Key outcomes of the process that have been achieved over the last 12 months are described below.

Responsible Development and Public Engagement

In the area of responsible development and public engagement, British Columbia and Alberta undertook a number of initiatives to enhance the coordination of resource regulation and ensure public access to credible, transparent and science based information on the energy sector. Key outcomes included:

1. The Alberta Energy Regulator (AER) and the BC Oil and Gas Commission (Commission) signed a memorandum of understanding¹ (MOU) to form a strategic partnership to enhance energy resource regulation in both Alberta and British Columbia. Under the MOU, the AER and Commission will explore opportunities to share information and best practices and support the development of Canadian technical standards.

The partnership establishes a notification process and coordinated response if incidents occur near the Alberta/British Columbia border. The AER and Commission will also compare results from industry inspections to enhance compliance efforts and accuracy.

2. British Columbia and Alberta collaborated with organizations such as the National Energy Board, Canadian Association of Petroleum Producers (CAPP), Canadian Energy Pipeline Association (CEPA), the Petroleum Services Association of Canada (PSAC), and the Alberta Chamber of Commerce to encourage broader public engagement on energy policy and natural resource development.

Industry organizations tend to focus on safety, technology, environment, and best practices (e.g., CAPP's speaking tour and Responsible Canadian Energy™ Program;² CEPA's Regional Literacy Initiative on Pipelines, Regulatory Road Map, and Integrity First® Program;³ PSAC's "Energy Travels pamphlet".⁴)

¹ http://www.aer.ca/documents/news-releases/BCOGC_MOU_20140515.pdf

² CAPP's Responsible Canadian Energy Program, <http://www.capp.ca/rce/> represents a collective commitment by CAPP's member companies to continuously improve, measure and report performance in the areas of people, air, water and land, and engage collaboratively with the communities in which industry works.

³ CEPA's Integrity First® Program, <http://www.cepa.com/about-us/cepa-integrity-first> is dedicated to the advancement of the industry's performance in safety, environment and socio-economic issues, with the initial focus on Pipeline Integrity and Emergency Management.

⁴ <http://www.oilandgasinfo.ca/oil-gas-basics/how-energy-travels/>

Industry also has taken on the challenge of identifying the importance of oil and natural gas in products used every day. For example, see PSAC's online information and videos.⁵

3. British Columbia and Alberta are actively engaged with the Canadian Pipeline Technology Collaborative (CPTC), a pan-Canadian non-profit initiative, representing a joint effort between British Columbia, Alberta, Saskatchewan and Canada. Dedicated to addressing the challenges of the industry, the CPTC held an academic workshop hosted by the University of British Columbia on June 22 to 23, 2014, which led to the creation of an Academic Research Network to focus on outcome and objective based research.
4. Resource Works⁶, a non-profit society, was launched on April 9, 2014, to help bring fact-based information to the public discourse about the natural resource sector and its role in British Columbia's future. The Advisory Council represents different interest groups, including First Nations, union, business and civic leadership, academics from environmental and physical sciences, and economists. Direction is provided on research into the economic impacts of resource development with the goal of providing neutral, fact-based information to citizens and decision makers. Alberta and British Columbia continue to facilitate with information exchange and encouraging industry support of the initiative.

Spill Prevention, Preparedness and Response

In the area of spill prevention, preparedness and response, the provinces undertook a number of initiatives that contributed towards the development of a world class spill response regime. British Columbia and Alberta:

1. Established a permanent marine and terrestrial spills working group to promote information sharing and collaboration;
2. Established an Assistant Deputy Ministers level Federal/Provincial Spills Steering committee with Natural Resources Canada, Transport Canada, and Environment Canada to maximize cross

The established British Columbia / Alberta / Federal ADM Spills Steering Committee maximizes cross-sector collaboration.

⁵ <http://www.oilandgasinfo.ca/oil-gas-you/products/>

⁶ <http://www.resourceworks.com/>

sector collaboration and mutual aid between marine, pipeline, rail and trucking sectors;

3. Jointly reviewed and assessed the Tanker Safety Panel report on marine oil spill preparedness and response. Input from Alberta formed part of British Columbia's response to Transport Canada;
4. Worked with the federal government to support recent changes to the federal marine and pipeline safety regime including:
 - a. Strengthening of Canada's tanker⁷ safety system with improvements aimed at preventing spills in the first place, cleaning them up quickly if they do occur, and making sure polluters pay; and
 - b. Working collaboratively with Natural Resources Canada to support recent changes to the federal pipeline⁸ regime including the introduction of \$1 billion financial capacity for major oil pipelines and liability on a *no-fault basis* up to \$1 billion.
5. Held a Pipeline Best Practices workshop to explore new and innovative technologies currently under development in Canada. Opportunities for collaboration and alignment were explored with industry and government leaders from British Columbia, Alberta and Canada in addition to developing plans to evaluate and coordinate key initiatives going forward.

British Columbia and Alberta

Jointly reviewed and assessed Tanker Safety Panel report.

Worked with Federal Government to support:

- **safety measures associated with tankers; and**
- **financial capacity for major oil pipelines and absolute (no fault) liability up to \$1 billion.**

⁷ <http://news.gc.ca/web/article-en.do?nid=848059>

⁸ <http://news.gc.ca/web/article-en.do?nid=847519>

In addition:

6. Alberta worked with British Columbia on its proposed changes to Terrestrial Response and provided British Columbia with detailed information on Alberta's provincial regulatory system governing pipelines and spill response.
7. British Columbia's Ministry of Environment released an intentions paper that includes input from over a year of consultation with various industry, First Nations, local government and environmental non-governmental organization representatives. With the close of the comment period on July 25, 2014 the Ministry of Environment is reviewing submissions and working towards legislation.
8. Alberta participated in British Columbia's discussions with Transport Canada and the Coast Guard regarding changes to the marine spill regime.

This Working Team has been very active in addressing recommendations related to terrestrial and marine spill prevention, preparedness, and response. These represent dynamic areas subject to continuous innovation and technical advances. Ongoing collaboration by all parties through established interprovincial and national partnerships, committees and working groups is critical to ensure resource development proceeds in a responsible manner. This Working Team's accomplishments have influenced national initiatives and place British Columbia and Alberta in an advantageous position to positively contribute to any ongoing and future dialogue.

First Nations Engagement

British Columbia and Alberta began to pursue a number of initiatives to enhance First Nations engagement in the energy sector. The Supreme Court of Canada's (SCC) decision on the Tsilhoqot'in Nation's claim to Aboriginal title will mean a re-doubling of efforts to fully analyze the decision and determine next steps. Some of the initiatives that are under way include:

1. British Columbia is working on a "First Nations Economic Development Database" initiative with the Aboriginal Business Investment Council to target energy and other sector opportunities.
2. British Columbia and Alberta recognize that each province has consultation and accommodation obligations respecting asserted and established aboriginal or treaty rights. For initiatives that involve both jurisdictions, the provinces will explore opportunities to coordinate, collaborate and share information.

3. British Columbia and Alberta worked with Transport Canada to ensure aboriginal participation in emergency response planning.
4. British Columbia and Alberta continue to work on the development of a Memorandum of Understanding on cross-border cooperation.
5. Consolidating guidelines for proponents from existing documents publicly available is ongoing.

Another consideration in the area of First Nations and natural resource development was the announcement⁹ by Canada's Minister of Natural Resources of two new measures to strengthen engagement with First Nations: the creation and establishment (in Vancouver) of the Major Projects Management Office West and a Tripartite Forum. These new approaches flow from the final report¹⁰ of Douglas Eyford, Special Federal Representative on West Coast Energy Infrastructure.

As a result of the recent events in the realm of First Nations, both provinces have gained a greater understanding of the commonalities and differences of First Nations issues in their respective jurisdictions.

Transportation and Infrastructure

In the area of transportation and infrastructure, British Columbia and Alberta undertook a number of initiatives to determine whether the provinces' supply-chain infrastructure, including ports, rail and road can safely and efficiently support the development and movement of energy resources to market. British Columbia and Alberta:

1. Funded and completed a detailed demand forecast on the transportation trade network associated with expected British Columbia and Alberta energy products and associated project cargo;
2. Are preparing a joint federal infrastructure submission targeted at improving the Pacific Gateway transportation corridor. Federal investment would improve port access and corridor capacity, safety, and efficiency for all commodities including

⁹ <http://www.marketwired.com/press-release/minister-rickford-announces-new-measures-to-enhance-engagement-with-first-nations-1914354.htm>

¹⁰ *Forging Partnerships Building Relationships: Aboriginal Canadians and Energy Development*, Report to the Prime Minister, by Douglas Eyford, November 29, 2013.
<https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/www/pdf/publications/ForgPart-Online-e.pdf>

energy products and project cargo and reduce impacts on local communities across the west; and

3. Included Saskatchewan under the New West Partnership (NWP) to extend the transportation needs assessment across Western Canada.

The outcomes of these projects assisted British Columbia and Alberta in identifying opportunities and deficiencies in the multimodal transportation network and determine potential network improvements. This initial work helped inform the need for participation of all three western provinces through the NWP.

The NWP goal mirrors that of the British Columbia/Alberta Deputy Ministers Working Group to expand and diversify trade relationships and improve trade infrastructure to create jobs and strengthen Canada's overall competitiveness.¹¹

Transportation studies initiated under this Working Team will support NWP efforts where British Columbia, Alberta and Saskatchewan are collaborating on transportation and infrastructure needs for market access.

Fiscal and Economic Benefits

British Columbia and Alberta came to the agreement that British Columbia has the right to negotiate with industry on appropriate economic benefits and that Alberta's royalties were not on the table for negotiation. British Columbia continues to dialogue with proponents.

This Working Team also worked in conjunction with the Transportation and Infrastructure Working Team to determine the scope of the transportation trade network analysis and funding requirements for enabling trade through British Columbia. Early on, this Working Team recognized the importance of engaging the federal government to determine the financing necessary to achieve access and the inclusion of Saskatchewan to work towards a Western Canadian approach to energy market development.

Future discussions will continue with appropriate parties as identified by the respective jurisdictions.

¹¹ http://www2.news.gov.bc.ca/news_releases_2013-2017/2014PREM0116-001690.htm

Concluding Remarks

The British Columbia/Alberta Deputy Ministers Working Group has played a crucial role in establishing collaborative bilateral relations by providing a framework and platform. It has illustrated the potential and possible outcomes when two provinces decide to strengthen partnerships and build relationships to achieve shared goals. This partnership and its work over the last year has initiated dialogue that has increased federal government involvement in energy market access, and highlighted the need for transportation infrastructure which was the focus of the NWP meeting in November 2014. A concrete outcome was the restructured “Pacific Gateway Alliance”

(see sidebar). Access to the coast for all commodities is paramount, not just for British Columbia and Alberta, but for all Western provinces and Canada.

First Nations engagement and involvement, along with environmental safety and protection pervaded all discussions. These are essential for the success of any initiative and will continue to inform ongoing future dialogue. The NWP Premiers¹² acknowledged that “world-class environmental and safety standards” are key to future infrastructure planning and development and “stressed the importance of the engagement and involvement of Aboriginal Peoples.”

While the British Columbia/Alberta Deputy Ministers Working Group is formally concluded, it has achieved many goals, along with a common understanding and vision. A lasting aspect is the increased mutual respect and awareness gained by all the participants. Many of the initiatives related to marine and terrestrial spills, infrastructure planning, First Nations, and public engagement and energy literacy that began under this process will continue through various forums.

New West Partnership Highlights

“New West Partnership Premiers . . . met with industry leaders to explore ways to improve the long-term efficiency, reliability, and competitiveness of Western Canada’s transportation system.”

“Premiers stressed the need for a renewed partnership with the Government of Canada. Premiers called for a federal contribution of \$1 billion to \$1.5 billion to support and enhance essential port and transportation infrastructure.”

“A restructured Pacific Gateway Alliance with ministerial representation will begin work immediately on a cost-sharing partnership with the federal government and the private sector.”

Source:

http://www2.news.gov.bc.ca/news_releases_2013-2017/2014PREM0116-001690.htm

¹² http://www2.news.gov.bc.ca/news_releases_2013-2017/2014PREM0116-001690.htm

In moving forward, British Columbia and Alberta both underscore the value of strengthening and building on this partnership and its importance to Canada.

“The two provinces working together are infinitely stronger than either one of us separately.”

Premier Jim Prentice

Source:

<http://calgaryherald.com/business/yedlin-prentice-working-to-bridge-gap-with-b-c>

“In growing our region, we grow Canada.”

Premier Christy Clark

Source:

<http://calgaryherald.com/business/yedlin-prentice-working-to-bridge-gap-with-b-c>

Summary of Initiatives

Responsible Development and Public Engagement (RDPE)		
Recommendations	Actions	Progress/Comments
1. Promote initiatives to increase the public's energy literacy on oil transportation, production, and impacts on daily life.	1 (i) Identify mechanisms to provide environment and safety data to the public that is credible, transparent, and science-based. National Energy Board (NEB)/British Columbia Oil and Gas Commission (OGC)/Alberta Energy Regulator (AER) information portal that reports on pipeline incidents / inspections / maintenance activities.	<ul style="list-style-type: none"> • NEB, AER, CAPP, CEPA, PSAC, industry contacted regarding social licence initiatives: Example of work currently underway: <ul style="list-style-type: none"> • PSAC's "Fracopedia" and video series on products from oil and natural gas. • C3 Alliance Corp, "Let's Talk Natural Gas" program. • June 23-24, 2014 - On behalf of Canadian Pipeline Technology Collaborative (CPTC) – University of British Columbia hosted national research network workshop focused on aligning academic research assets across the country and establishing CPTC Research Network. • OGC and AER signed MOU. • Next steps: build support for a NEB pipeline safety information portal; enhance sharing of lessons-learned and best practices between industry and governments on recent environmental and safety information initiatives.
	1 (ii) Explore options for energy literacy through academic institutions at national, provincial, and local scales.	<ul style="list-style-type: none"> • Both British Columbia and Alberta are working with stakeholders and academic institutions to enhance energy literacy programs. • Next step: highlight examples of strong programs that can be shared with more academic institutions to assist with development of their own programs.
2. Promote partnerships between industry and First Nations.	2 (i) Work with trade associations and First Nations associations to identify and share best practices for engagement.	<ul style="list-style-type: none"> • RDPE Working Team deferred to First Nations Working Team work. • British Columbia working on a "First Nations Economic Development Database" initiative with Aboriginal Business Investment Council to target energy and other sector opportunities.

Responsible Development and Public Engagement (RDPE)

Recommendations	Actions	Progress/Comments
3. Engage with the public and affected communities (especially First Nations) and incorporate input and traditional knowledge.	3 (i) Identify successful community development/enhancement programs and determine whether they are adaptable to other areas.	<ul style="list-style-type: none"> RDPE Working Team will examine lessons learned from British Columbia’s Regional Economic Investment Pilot Projects and incorporate some of the expectations of proponents identified in ‘First Nations Engagement Principles for Energy Development and Exports’ to further develop recommendations for community engagement.
4. Increase use of social media and online dialogue to educate and inform the public and to foster discussion.	4 (i) Create topic specific materials for online posting. 4 (ii) Establish a joint British Columbia/Alberta working group to share materials created for Government websites and align where appropriate. 4 (iii) Promote the social media capacity of all stakeholders that allows them to engage in science-based dialogue online.	Communications staff in British Columbia and Alberta governments are in contact with each other and sharing draft materials to validate statistics and other information. <ul style="list-style-type: none"> Ongoing initiatives: <ul style="list-style-type: none"> Government communications, Public – e.g., “Resource Works”, C3 Alliance Corp, Industry: CPTC, PSAC (see Recommendation #1 above).
5. Ensure social and environmental concerns of stakeholders are respected by regulatory decision makers and proponents.	5 (i) Promote identification and sharing of best practices by industry proponents on environmental safety and community engagement. Establish working group with OGC, AER and industry.	

Marine and Terrestrial

Recommendations	Actions	Progress/Comments
Agreement was reached on the elements of world-class marine and terrestrial spill prevention, preparedness and response regimes.		
1. Establish an Assistant Deputy Ministers (ADM) level Federal/Provincial Spills Steering Committee as a forum to maximize cross sector collaboration and mutual aid between marine, pipeline, rail and trucking sectors. Participants to include British Columbia, Alberta and Canada (NRCAN, Transport Canada and Environment Canada). This forum will recommend fiscal resourcing of spill preparedness and prevention.	1 (i) Creation of an ADM-Level Federal/Provincial Spills Steering Committee.	<ul style="list-style-type: none"> • Regular meetings are being held with ADMs from NRCAN, Transport Canada, and Environment Canada in addition to British Columbia and Alberta. • ADM Federal/Provincial Spills Steering Committee is discussing opportunities for collaboration on new initiatives and ensuring alignment on existing ones in addition to the recent federal announcements on marine and pipeline safety. Better coordination on safety issues across sectors (marine, pipeline, rail and trucking) in addition to resourcing of spill preparedness and prevention is also being discussed. • ADM committee is currently assessing the need for a research co-ordination function in relation to terrestrial and marine spills.
2. Establish a permanent British Columbia/Alberta Government Spills Working Group (marine and terrestrial) to build on and continue information sharing and collaboration between British Columbia and Alberta going forward - first meeting in December 2013 (see below) and quarterly thereafter.	2 (i) Continuing the work of the British Columbia/Alberta Government Spills Working Group.	<ul style="list-style-type: none"> • The joint British Columbia/Alberta Land Based Spill Preparedness and Response team continues to meet and discuss options for strengthening British Columbia's spill preparedness and response policies and capacity. • British Columbia's Ministry of Environment released a second intentions paper for public comment that was open for input until July. The Ministry is currently in the process of assessing the input that was received. • The purpose of the intentions paper is to describe the Ministry's proposed policy direction and seek input on enhancing spill preparedness and response in British Columbia. • This second paper built upon the concepts from the first intentions paper (released fall 2012) and has included over a year of consultation with various industry, First Nations, local government and environmental non-

Marine and Terrestrial

Recommendations	Actions	Progress/Comments
		<p>governmental organization representatives.</p> <ul style="list-style-type: none"> • Alberta has been working with British Columbia on their proposed changes to Terrestrial Response and has provided British Columbia with detailed information on their provincial regulatory system governing pipelines and spill response.
<p>3. British Columbia and Alberta will jointly explore the need for a research co-ordinating function.</p>	<p>3 (i) To be assigned to the British Columbia/Alberta Government Spills Working Group. Meeting to be organized to explore the need for a research co-ordination function in relation to terrestrial and marine spills including discussion of:</p> <ol style="list-style-type: none"> a) Alberta Innovates and how Alberta manages the research and innovation file; b) Inventory of ongoing research and gap analysis; and c) Jurisdictional scan of governance options for research coordination. 	<ul style="list-style-type: none"> • See No. 1 above – currently being assessed by both the ADM and Land Spill Committee. • Both British Columbia and Alberta will be participating on Enbridge’s Scientific Advisory Committee for Northern Gateway on diluted bitumen spill behavior. • Potential models for a research coordinating function including the scientific advisory committee are being explored.
<p>4. British Columbia and Alberta will continue joint consultations with industry and stakeholders on policies and regulatory changes needed to achieve world-leading land-based spill prevention, response and recovery in British Columbia.</p>	<p>4 (i) Meeting with industry and stakeholders.</p> <ol style="list-style-type: none"> a) British Columbia to publish second policy intentions paper in 2014. b) Establish a permanent Advisory Committee comprised of industry and stakeholders to provide ongoing advice and coordination of spill prevention and response beyond the completion of the current British Columbia work. c) British Columbia/Alberta to work together with the federal government to establish and implement a common geographic response plan (GRP) framework for British Columbia. 	<ul style="list-style-type: none"> • A Pipeline Best Practices workshop was held in August to explore new and innovative technologies currently under development in Canada. Opportunities for collaboration and alignment were explored with industry and Government leaders from British Columbia, Alberta and Canada in addition to developing plans to evaluate and coordinate key initiatives going forward. • British Columbia’s Ministry of Environment has released a second intentions paper for public comment. • Alberta and British Columbia worked with NRCan to inform the development of new pipeline regulations including minimum financial capacity for major pipeline operators. • Advisory Committee work is ongoing. • Discussions are underway with industry and Western Canada Marine Response Corporation on options for

Marine and Terrestrial

Recommendations	Actions	Progress/Comments
		developing GRPs. <ul style="list-style-type: none"> • Work on GRPs includes evaluating potential models against existing GRPs (i.e., Washington State) for suitability in a British Columbia context.
5. British Columbia and Alberta will continue joint consultations with the Federal Government and stakeholders on any policies and regulatory changes needed to achieve world-leading marine spill prevention, response and recovery in British Columbia.	5 (i) Meeting with Transport Canada. <ul style="list-style-type: none"> a) British Columbia to bring Alberta into ongoing dialogue with Transport Canada and Coast Guard regarding changes to the marine spill regime. b) British Columbia/Alberta to undertake joint review of Tanker Safety Panel report. c) British Columbia to undertake gap analysis of federal recommendations on marine spill prevention and response. d) British Columbia to take active role in the Zalinski recovery through Unified Command. This recovery effort represents a unique opportunity for shared learning with Coast Guard in a controlled marine spill scenario. 	<ul style="list-style-type: none"> • Alberta has been actively involved in British Columbia’s discussions with Transport Canada and the Coast Guard - ongoing. • British Columbia and Alberta jointly reviewed and assessed the Tanker Safety Panel report. Input from Alberta formed part of British Columbia’s response to Transport Canada. British Columbia is currently preparing input to Phase II of the Tanker Safety Expert Panel (hazardous materials and oil spills north of 60) and will consult with Alberta on this submission. • British Columbia and Alberta worked with Transport Canada to support recent changes to the federal marine safety regime including expanding liability rules and compensation in the event of a spill and the creation of area response plans. • During the valve inspection of the Zalinski in July of 2014 it was found that oil has migrated to the valves and requires a further pumping operation. This operation is planned for the winter of 2015.

First Nations

Recommendations	Actions	Progress/Comments
Provinces, Canada and industry all have responsibilities in building strong, enduring relationships with First Nations potentially affected by energy projects and this requires clarification of roles and expectations of the parties through:		
1. Develop "First Nations Engagement Principles for Energy Development and Exports" which identifies the Provinces' expectations of proponents ranging from employment, training, education and service opportunities, to financial support, information sharing and protocols and equity.	1 (i) Draft being reviewed by both Provinces.	<ul style="list-style-type: none"> Roll-out of principles TBD. <i>In light of Tsilhqot'in Nation SCC decision, timeline affected.</i>
2. Develop MOU on cross-border co-operation regarding consultation with First Nations in Alberta and British Columbia.	2(i) Negotiate MOU.	<ul style="list-style-type: none"> New recommendation and deliverable added. Work currently underway at staff level, targeting signature on or before Q4 report. <i>In light of Tsilhqot'in Nation SCC decision, timeline affected.</i>
3. Consolidate British Columbia / Alberta Guidelines for Proponents document. Currently, both provinces have individual guidelines for proponents.	3 (i) If approved as part of the Action Plan, it is recommended that the consolidation be completed by a contractor, overseen by the Provinces.	<ul style="list-style-type: none"> Document will build on existing proponent guides, recently released by each province.
4. Further identification of future requests/recommendations to Canada. These will be subject to internal review by British Columbia and Alberta.	4 (i) Identify items and seek appropriate internal approvals.	

Transportation

Recommendations	Actions	Progress/Comments
1. Analyze demand on the transportation trade network associated with expected British Columbia and Alberta energy products and associated Project Cargo.	1 (i) Determine scope and funding needed to complete project.	<ul style="list-style-type: none"> • Project scope finalized to include petrochemicals, energy products and project cargo. • Funding has been committed.
2. Analyze demand on the transportation trade network associated with expected Alberta destined heavy project cargo.	2 (i) Project scope development underway.	<ul style="list-style-type: none"> • Analysis complete. • Developing a federal infrastructure joint submission through the NWP.
3. Assess current transportation network capacity.	3 (i) Establish terms of reference and timelines.	<ul style="list-style-type: none"> • Complete.
4. Identify deficiencies within the multimodal transportation network.	4 & 5 (i) Determine scope, costs and magnitude required for completion in 2015.	<ul style="list-style-type: none"> • Will follow completion of Actions 1, 2 and 3.
5. Identify opportunities and implications of maximizing the utility of the existing multimodal transportation network.		
6. Determine potential network improvements.	6 & 7 (i) Based on work of numbers 4 and 5.	<ul style="list-style-type: none"> • Will follow completion of Actions 1, 2 and 3.
7. Develop an implementation strategy and governance approach.		<ul style="list-style-type: none"> • Will follow completion of Actions 1, 2 and 3.

Fiscal and Economic Benefits

Recommendations	Actions	Progress/Comments
1. The provinces agree that British Columbia has a right to negotiate with industry on appropriate economic benefits. Both provinces reaffirm that Alberta's royalties are not on the table for negotiation.	1 (i) Continue meeting of Fiscal and Economic Benefits Working Team with Transportation Working Team.	<ul style="list-style-type: none"> Meetings between the two Working Teams are ongoing.
2. Together, British Columbia and Alberta will examine specific infrastructure needs and governance to obtain access to the West Coast. British Columbia and Alberta will engage in negotiations with the federal government to determine the financing necessary to achieve access.	2 (i) Terms of reference for analysis report as identified in the Transportation Working Team.	<ul style="list-style-type: none"> Transportation Working Team completed terms of reference to assess current transportation network capacity.
3. Alberta, British Columbia and Saskatchewan work toward a Western Canadian approach to energy market development.	3 (i) Contact Saskatchewan and start dialogue.	<ul style="list-style-type: none"> Draft concept paper for future discussion.
4. British Columbia and Alberta will continue the Deputy Ministers Working Group and its Working Teams over the next 6-12 months in order to achieve the recommendations.		<ul style="list-style-type: none"> January 2014 ADM co-Chair leads agreed on work plan for 2014 regarding meetings, workshops and main deliverables. February 12, 2014, successful initial workshop was held in Vancouver. March 31, 2014 Q1 report to DMWG on Working Teams' progress. June 30, 2014 Q2 report to DMWG on Working Teams' progress. September 30, 2014 Q3 report to DMWG on Working Teams' progress.